

RENTAL HOUSING DEVELOPMENT ASSISTANCE (RHDA)
Application for Rental Development Financing

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 2013-14 Action Plan goals and policy direction from the Austin City Council.

Project Name: Homestead Oaks

Project Address: 3226 W. Slaughter Lane, Austin, TX Zip Code: 78748

Total # units in project/property: 140 Census Tract Number: 48453001746

Total # units to be assisted with RHDA Funding: 126

Project type (check all that apply with an 'X'):

Acquisition Rehabilitation [X] New construction Refinance Rent Buy-Down

Amount of funds requested: \$1,000,000 Terms Requested: Deferred forgivable with 40 plus yr term

Role of applicant in Project (check all that apply): [X] Owner [X] Developer [X] 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).

Foundation Communities, Inc. [X] Developer [] Consultant/Other
Name Applicant is (please check appropriate box):

3036 S. 1st Street
Street Address

Austin Texas, 78704 (512) 447-2026
City State, Zip Telephone

Jennifer Hicks (512) 610-4025 Jennifer.hicks@foundcom.org
Contact Person Contact Telephone E-mail address

Federal Tax ID Number D-U-N-S Number (REQUIRED - Visit www.dnb.com for free DUNS#)

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.

Foundation Communities, Inc. Signature of Authorized Officer City of Austin
Legal Name of Developer/Entity Walter Moses MAR 20 2014

Executive Director 3-20-14 NHCD / AHFC
Title Date

CONSIDER SMOKE-FREE HOUSING

The City of Austin encourages the development of smoke-free rental housing. Smoke-free housing protects the health of residents by decreasing exposure to harmful secondhand smoke. Also, apartment owners and managers reap the benefits of more efficient and less expensive unit turnovers, potentially lower insurance premiums, and reduced risk of fires.

Smoke-free policies are legally permissible and can be a marketing advantage for attracting and retaining residents. More than 80 percent of people living in the Austin area do not use tobacco, and a 2011 survey conducted by the Austin/Travis County Health and Human Services Department found that 77 percent of renters in Travis County would prefer to live in tobacco-free housing.

Find out how you can protect the health of residents, make your property safer, and save money by downloading a copy of "A Manager's Guide to Smoke-Free Housing Policies" at: <http://www.livetobaccofreeaustin.org/owners.php>.

Please answer the following questions.

Is this development intended to have restrictions on smoking? Yes No

If "Yes," what level of restriction is intended?

No smoking anywhere on the property, inside or outside

No smoking Inside residents' units

No smoking in outdoor exclusive use areas such as individual balconies or patios

No smoking in outdoor common areas such as pool, parking lot, green spaces, etc.

No smoking outdoors within a reasonable distance from building entrances (such as 15 – 25 feet) to prevent smoke from entering another resident's open windows or doors.

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

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 Type (Please check any that apply.)** This project is considered:

Traditional Rental Housing (serving low-income households, and resident services may or may not be provided)

Transitional Housing (case management services provided and residency limited to a certain length of time, usually no more than 24 months)

Permanent Supportive Housing (Considered long-term rental housing for very low-income families and individuals who are among the hardest to serve and who are most vulnerable to homelessness. This type of housing provides case management services to residents as needed).

If you checked Permanent Supportive Housing, please complete the information below.

A. Numbers of proposed PSH Units:

140 Total Number of Units in project

14 Total Number of Permanent Supportive Housing (PSH) Units Proposed

B. Check the population or sub-population(s) proposed to be served and indicate the number of units dedicated to that population or sub-population.

1. _____ Persons needing "**Housing First**," a Permanent Supportive Housing model typically designed for individuals or families who have complex service needs, who are often turned away from other affordable housing settings, and/or who are least likely to be able to proactively seek and obtain housing on their own. Housing First approaches also include rapid re-housing which provides quick access to permanent housing through interim rental assistance and supportive services on a time-limited basis.

NUMBER OF UNITS _____

Individuals or families headed by individuals that are:

2. _____ **Chronically homeless** as established in the HEARTH Act (Homeless Emergency and Rapid Transition to Housing Act of 2009) found at 24 CFR Part 577.

NUMBER OF UNITS _____

3. _____ Households that would otherwise meet the HUD definition of chronically homeless per the HEARTH Act, but **have been in an institution for over 90 days**, including a jail, prison, substance abuse facility, mental health treatment facility, hospital or other similar facility.

NUMBER OF UNITS _____

4. _____ Unaccompanied youth or families with children **defined as homeless under other federal statutes** who:

- a. have experienced a long-term period without living independently in permanent housing;

- b. have experienced persistent instability as measured by frequent moves over such period; and
- c. can be expected to continue in such status for an extended period of time because of chronic disabilities, chronic physical health or mental health conditions, substance addiction, histories of domestic violence or childhood abuse, the presence of a child or youth with a disability, or multiple barriers to employment.

NUMBER OF UNITS 14

5. _____ A single adult or household led by an adult **'aging out' of state custody of the foster care or juvenile probation system**, where the head of household is homeless or at-risk of homelessness.

NUMBER OF UNITS _____

6. _____ Any other population **not defined above** but who would otherwise be eligible for or need permanent supportive housing services.

NUMBER OF UNITS _____

NOTE: APPLICANTS CHECKING B.1, B.2, B.3, or B.4 ABOVE MUST COLLECT AND REPORT INFORMATION INTO THE HOMELESS MANAGEMENT INFORMATION SERVICE (HMIS)

4. Project Description. Provide a brief project description that addresses items "A" through "L" below.

Foundation Communities is applying for an additional \$1,000,000 from the City of Austin for the new construction of Homestead Oaks Apartments – 140 units of family-focused affordable housing located at 3226 W. Slaughter Lane in the high opportunity area of Southwest Austin. The \$1,000,000 will be the second request in City funding for the Homestead Oaks project. The project was originally awarded \$2,225,000 in February 2013. Since that time, the construction costs have been finalized and project costs are higher than first estimated due to the ongoing increase in building materials and affect of construction labor shortages in Central Texas. I wanted to review the extraordinary aspects of Homestead Oaks that garner the City's support of additional funding:

- 1) Prime in-fill location in the high opportunity area of Southwest Austin with exceptional access to shopping, recreation, high-quality education and employment.
- 2) 126 units of rental housing affordable to families with incomes less than 60% MFI with a majority of these units affordable to families with incomes 50% MFI and below.
- 3) 14 units of permanent supportive housing for homeless families as part of Foundation Communities' highly successful Children's Home Initiative Program.
- 4) Targeted supportive services such as afterschool, health and adult education programming offered to residents free of charge right at their doorstep.
- 5) Project designed to abide by the strictest environmental quality standards and preserved hundreds of protected Oak trees.
- 6) Goal of achieving LEED Gold green construction.

Homestead Oaks has also made significant progress since our first application for City funding in January 2013. We secured an extremely competitive allocation of Low Income Housing Tax Credits that will bring \$12,769,123 in equity to the project. The project received an invitation from HUD to submit an extensive loan application for HUD 221(d)(4) financing which will deliver a low rate for a 40 year term allowing the project to finance an additional \$1M. The application was submitted on March 7, 2014. Foundation Communities has also applied for a \$1,000,000 grant from the Federal Home Loan Bank of San Francisco. Foundation Communities, Inc. is committed to making up any remaining gap in the project from private fundraising or owner equity. Design of Homestead Oaks has been completed and project plans have been submitted for permitting.

Homestead Oaks Apartments will be an innovative, mixed-income rental community for families that will be a model of green building and located near employment, high-performing schools, parks and retail. The 29-acre site is a former ranch and is covered in beautiful oak trees. The trees and green space will be preserved to offer residents a park-like setting that is still very convenient to amenities. The site feeds into Cowan Elementary School which has an "Exemplary" rating from the Texas Education Agency and Bowie High School

which is the only "Recognized" high school in Austin ISD. Both schools will offer children living at Homestead Oaks Apartments a high-quality education. The on-site learning center will partner with the teachers and after-school staff working together to help each child succeed.

Homestead Oaks Apartments will be designed to push the envelope on green standards for affordable housing resulting in lower utility bills for residents and lower operating costs for Foundation Communities. Modeled after FC's recently completed M Station, Homestead Oaks Apartments will seek a LEED Gold or Platinum designation and a 4 or 5-Star Austin Energy Green Building Rating.

Foundation Communities is thrilled about this unique opportunity to develop a family affordable rental housing community in this high opportunity area of Austin. We look forward to partnering with the City to replicate the successes of our M Station project at Homestead Oaks Apartments.

a. Describe the tenant population, income levels, and services, if any, to be provided to or made available to residents.

The target population of Homestead Oaks Apartments is families with children. 10% of the property (14 units) will be set-aside for homeless families as part of FC's transitional supportive housing program – the Children's HOME Initiative program. Homestead Oaks Apartments will have 14 units (10% of the property) that are accessible to persons with mobility disabilities. In addition, all ground floor units will be made adaptable to persons with mobility disabilities. The property will also have 3 units (2% of the property) that are accessible for persons with hearing and/or visual disabilities.

Of the 140 units, 10% will be for tenants with approximate incomes less than 30% of the Area's Median Family Income (AMFI), 50% will be for tenants with approximate incomes of less than 50% of the AMFI, 30% will be for tenants with approximate incomes of less than 60% of the AMFI, and 10% will for market rate tenants.

FC started the Children's HOME Initiative (CHI) in 2003 in response to the growing rates of poverty and homelessness in Austin among families with children. The CHI program helps homeless families transition to stable housing and addresses the underlying issues surrounding homelessness that many Austin area children struggle with daily. The CHI program addresses housing stability and breaks the cycle of poverty and homelessness. CHI helps formerly homeless participants create opportunities for all members of the family; develop money management skills and improve financial stability; and engage children in youth development activities and promote their emotional well-being. This eighteen month program provides a stable roof overhead, parenting and money management classes, and employment resources. While living in an attractive, well-maintained, family-oriented community is a first step, it is the year and a half of intensive case management support that empowers CHI participants to make the lasting changes in their lives that will lead to long-term stability. Working closely with a case manager, CHI families face the underlying issues that contributed to their poverty. Case managers meet weekly with families to help them evaluate their situations, establish realistic and attainable goals, and develop road maps toward self-sufficiency. Money management, job skills, employment, childcare, health insurance, debt, and long-term housing are among the issues addressed. FC currently has 103 CHI units spread out over 6 properties. Homestead Oaks Apartment would add 14 more units to the program.

The menu of services that we plan to make available to residents at Homestead Oaks Apartments include:

- Afterschool Program – Foundation Communities will offer both an afterschool and summer school program in the on-site Community Learning Center for children living at the Homestead Oaks Apartments.
- Adult Classes including English as a Second Language, Money Management, Homebuyer Education and Computer Training will be offered on-site in the Community Learning Center.
- Off-Site services to be provided by Foundation Communities include: Financial Education, Financial Coaching, Matched Savings Accounts, College Savings and Financial Assistance, Free Tax Preparation.

The Children's HOME Initiative program typically offers the following menu of services:

- Computer training
- Intensive Case Management
- Individualized Family Support

- Crisis Management
- Financial Literacy
- Debt Management
- Children’s Advocacy
- Educational Support
- Career Awareness & Enrichment
- Long-term Goal Development
- Resource Brokering

Please see Section 15(a) for a more detailed explanation of services to be provided at Homestead Oaks Apartments.

b. Include the type of structure (multi-family or single-family), number and size of units in square feet.

Homestead Oaks Apartments will be a 140-unit multifamily rental community for families. The property will also contain a leasing office, clothes care center, supportive service staff offices, community learning center with classrooms and a computer lab. 10% of the units at the property will be designated as transitional supportive housing as part of the Children’s HOME Initiative – an FC program that combines reduced rent with intensive supportive services to help families achieve self-sufficiency.

The unit mix for the property is as follows:

| Unit Type | # of Units | Square Footage |
|-------------------------------|-------------------|------------------------|
| 1 bedroom/1 bath | 64 | 698 sq. ft. |
| 2 bedroom/2 bath | 57 | 968 sq. ft. |
| 3 bedroom/2 bath | 15 | 1,165 sq. ft. |
| <u>3 bedroom/3 bath</u> | <u>4</u> | <u>1,185 sq. ft.</u> |
| TOTAL Rentable Square Feet | | 122,063 sq. ft. |
| TOTAL Common Area Square Feet | | 8,843 sq. ft. |
| TOTAL Square Feet | | 130,906 sq. ft. |

c. Indicate whether the property is occupied at the time this application is being submitted.

Homestead Oaks Apartments is new construction and therefore is not currently occupied.

d. Indicate whether the project meets the requirements of the City’s Vertical Mixed-Use (VMU) Ordinance, or is in a Planned-Unit Development (PUD) or Transit Oriented Development (TOD), or is located less than .25 miles from a transit stop (not just a transit route).

Homestead Oaks Apartments is not located in a VMU, PUT, or TOD.

e. Indicate whether the project will preserve existing affordable rental units.

Homestead Oaks Apartments is new construction and therefore will be adding 126 new units to Austin's affordable housing stock.

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

Homestead Oaks Apartments is new construction and therefore this section is not applicable.

g. Indicate the number of units reserved for Housing Choice Voucher holders (Section 8).

Homestead Oaks Apartments will not be reserving units for Section 8 voucher holders. Instead, vouchers will be accepted at our property.

h. Indicate the number of units that are or will be made accessible and adaptable for persons with mobility, sight or hearing disabilities.

At a minimum, 10% of the total units (14) will be designed for persons with Mobility Impairments using Section 504 and Fair Housing Accessibility as guidelines. In addition, at a minimum, 2% of total units (3) will be made accessible for persons with hearing and visual impairments.

i. Demonstrate the Project's compatibility with current Neighborhood Plan (if applicable).

Homestead Oaks Apartments does not fall within the boundaries of a City of Austin Neighborhood Planning Area.

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

The total cost to construct the 140-unit Homestead Oaks Apartments is \$25,659,885. The sources of funds for this project include:

City of Austin, in the total amount of \$3,250,000. These funds will be used to pay for hard and/or soft costs. The project is requesting an additional \$1,000,000 to the \$2,250,000 already awarded by the City of Austin. We request these additional funds from the City to be in the form of a deferred forgivable loan.

TDHCA Low Income Housing Tax Credits (LIHTC), in the amount of approximately \$12,769,123. The 9% tax credits will be used for construction costs. A commitment notice was issued by TDHCA on September 30, 2013.

Permanent Loan in the amount of \$6,521,220. Foundation Communities is working with Dougherty Mortgage LLC to secure a HUD 221(d)(4) loan. The loan term would be 30 years, fully amortizing, with a projected rate of 4.60% and an annual MIP of 0.45%. The rate will not be locked until HUD has approved Foundation Communities loan application.

Private Fundraising in the amount of \$2,077,114. This amount is comprised of: a \$500,000 grant already committed from NeighborWorks America, \$1,000,000 from the FHLB San Francisco (app submitted on March 1, 2014), \$225,000 solar energy rebate, \$148,000 in solar federal income tax credits and the balance will be sought out in the form of private foundations, corporations and individuals. We are also hoping that HUD will allow us to adjust our loan a bit higher to cover any fundraising gaps. This strategy makes sense given the low rate.

Deferred Developer fee in the amount of \$1,042,428.

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

- k. A map (8 1/2" x 11") indicating the property location and the distance to the nearest Capital Metro Transit Stop to which residents will have access.

Please see **ATTACHMENT 5** for a map of the property location and distance to nearest Capital Metro Transit Stop.

5. Site Control and Demonstration of Value

Include evidence of site control such as a warranty deed or a current earnest money contract, and provide a real estate appraisal or current tax documentation that substantiates the value of the property.

Please see **ATTACHMENT 6: Warranty deed** and **ATTACHMENT 7: Current tax documentation**

6. 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. Should the project be approved for funding, the appropriate zoning must be in place prior to execution of loan documents.

The proposed site for Homestead Oaks Apartments is currently zoned MF-4-CO which allows for multifamily development up to the density proposed. Please find attached **ATTACHMENT 8: Zoning Verification Letter** from Wendy Rhoades confirming the zoning for the proposed use.

7. **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.

Please see **ATTACHMENT 9: S.M.A.R.T Housing certification** form Javier V. Delgado indicating the project meets S.M.A.R.T. Housing requirements.

8. **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.

| | Name and Contact Information | MBE? (Mark X if Yes) | WBE? (Mark X if Yes) | Non- profit? (Mark X if Yes) |
|------------------------------------|--|---|---|---|
| Owner | FC SW Housing, LP, 3036 S. 1st Street, Austin, TX 78704 | | | |
| Developer | Foundation Communities, Inc., 3036 S. 1st Street, Austin, TX 78704 | | | X |
| Architect | Hatch + Ulland Owen Architects, 1010 E. 11th Street, Austin, TX 78702 | | | |
| Engineer | Axiom Engineering, Inc., 13276 Research Blvd, Suite 208, Austin, TX 78750 | | X | |
| Construction Lender | Bank of America Merrill Lynch, 700 Louisiana Street, Houston, TX 77002-2700 | | | |
| Other Lenders | Dougherty Mortgage LLC, 16775 Addison Road, Suite 470, Addison, TX 75001 | | | |
| Attorney | Rick Hightower | | | |
| Accountant | Ann Clift, CFO, Foundation Communities, Inc., 3036 S. 1st Street, Austin, TX 78704 | | | X |
| General Contractor | Bailey Elliot Construction, Inc., 8320 Bee Caves Road, Suite 200, Austin, TX 78746 | | | |
| Consultant (if Applicable) | Not Applicable | | | |
| Property Management Provider | Foundation Communities, Inc., 3036 S. 1st Street, Austin, TX 78704 | | | X |
| Other: Supportive Service Provider | Foundation Communities, Inc., 3036 S. 1st Street, Austin, TX 78704 | | | X |

Foundation Communities has 20 years of experience contracting for and overseeing the construction and rehabilitation of affordable housing. As the owner and manager of 14 affordable housing properties (1,982 units) in Austin and 3 affordable housing properties (691 units) in North Texas, Foundation Communities has built a strong development team and has worked together on many projects. Three of our communities were new construction projects financed with tax credits. Fourteen of our communities were purchased as existing properties and rehabilitated. Each has greatly improved with renovations, green spaces and playscapes, learning centers, landscaping, signage, lighting and green building features (solar panels and rain water harvesting). Four properties are single room occupancy permanent supportive housing, two properties are duplexes and the remaining 11 properties are multifamily properties.

Housing Development Team - Our Housing Development Team consists of the following FC staff (Please see **ATTACHMENT 10** for resumes):

Walter Moreau is FC's Executive Director. During his 20-year career, Moreau has secured subsidy financing of more than \$100 million to create more than 2,400 units of service-enriched, nonprofit-owned affordable housing. Moreau was recognized as a 2007 James A. Johnson Community Fellow by the Fannie Mae Foundation. He was also awarded the 2005 Social Entrepreneur of the Year Award and the 2004 Texas Houser Award. He holds a Master's degree from UT's LBJ School of Public Affairs. He has been with Foundation Communities for more than 19 years.

Sunshine Mathon, Design and Development Director, assists in the programming, design and construction management of all development projects. He has a focus on green building and sustainability issues, such as energy and water conservation, use of recycled content materials and indoor environmental quality. Sunshine is the project manager for Capital Studios (under construction), and the recently completed Arbor Terrace and M Station. Sunshine coordinates the RFQ and bid process for architect, engineer and general contractor and is the direct link between the third party design and construction professionals and FC's Development team. FC has had the privilege of working with a number of quality general contractors and invites those firms to bid on all projects developed by Foundation Communities (in addition, to other firms that might be interested.)

Vicki McDonald, Asset Manager, oversees the income and assets of the FC portfolio. She has over 30 years of experience in owning and managing multifamily, office and retail developments. For 25 years, she owned and operated Vista Properties, a real estate firm specializing in the management, leasing and brokerage of income producing assets. Vicki is the link between the development team and property management as well as filling in on project management as the pipeline demands.

Jennifer Hicks, Director of Housing Finance, pursues new development opportunities and identifies and packages subsidy and conventional financing for multi-family housing. Packaging includes running project proformas, applying for the funding, bidding out equity/mortgages, coordinating closings, and ensuring compliance with construction-related funding provisions. Jennifer also coordinates due diligence reports such as the Phase I ESA, appraisal, market studies, property condition reports, and surveys. Over the past 10 years, Jennifer has secured grants and loans from public and private sources totaling \$120 million for the acquisition and rehabilitation of eight communities (1,128 units) and two learning centers.

John Guttman, Real Estate Project Manager, underwrites all new development proposals and manages initial site analysis and due diligence. John also assists the Director of Housing Finance with all phases of each capital funding stack including preparation of funding applications (including LIHTC applications), solicitation of mortgage and equity financing and coordination of financing closings. John has extensive experience in financial modeling and site investigation.

Please see **ATTACHMENT 10** for a Development Resume for Foundation Communities, Inc.

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

- a. **project management:** Sunshine Mathon was the Project Manager of M Station and Arbor Terrace, as well as for Capital Studios and Homestead Oaks (now underway.) Sunshine coordinates the RFQ and bid process for architect, engineer and general contractor. He is also acts as the direct link between the third party design and construction professionals and FC's development team. Jennifer Hicks has packaged the financing for all developments by Foundation Communities the last 10 years. The packaging includes running project proformas, applying for the funding, bidding out equity/mortgages, coordinating closings, and ensuring compliance with construction-related funding provisions. Jennifer also coordinates due diligence reports such as the Phase I ESA, appraisal, market studies, property condition reports, and surveys.
- b. **market analysis:** Foundation Communities typically engages a third party firm to conduct market studies for each of our proposed projects. The market study is ordered in the contract feasibility period. Jennifer Hicks receives bids and engages each project's market analyst.
- c. **site selection and control:** Walter Moreau has 20 years of site selection experience. Sites are selected based on a variety of factors including current funding priorities, availability of low-cost land, preservation of affordable housing opportunities and availability of sites in close proximity to existing FC properties. Vicki McDonald is a licensed real estate broker and is involved in all real estate contract negotiations. Jennifer Hicks works with the title company to ensure all requirements are met on the buyer side and oversees the closing on behalf of Foundation Communities.
- d. **planning and construction:** Sunshine Mathon has structured the professional development team and overseen the planning and construction for FC's last three projects. Foundation Communities contracts with third-party General Contractors. FC has had the privilege of working with a number of quality

general contractors and invites those firms to bid on all projects developed by Foundation Communities (in addition, to other firms who might be interested.)

- e. **design, architecture and engineering:** Sunshine Mathon also oversees the hiring of the design and engineering team. Typically, Sunshine issues an RFQ to an invited list of bidders (open to all interested parties.) The list is narrowed down based on responses and then the FC development team including Walter, Vicki, Jennifer and Sunshine meet the finalists and make a selection based on presentations.
- f. **legal and accounting:** Rick Hightower has been the general counsel for Foundation Communities for the past 15+ years and handles most real estate transactions. Foundation Communities has historically worked with Kutak Rock as a tax credit counsel on LIHTC projects. All accounting is performed in-house by an accounting team led by Ann Clift, CFO. Tax returns, audits and cost certifications for tax credit properties are contracted out to Novogradac and Company, LLC.
- g. **federal funding rules:** Foundation Communities has extensive experience working with programs funded by HUD and their associated federal regulations including: Federal Labor Standards, Davis Bacon Reporting, Section 3, Affirmative Marketing, Environmental Clearances, Public Notices and Procurement Standards. Please see **ATTACHMENT 10** for the Foundation Communities Development Resume.
- h. **other funding source rules (e.g. Low Income Housing Tax Credits):** Please see the FC Development Resume as **ATTACHMENT 10** for a list of properties and the funding sources in place at each property. Also, please see Question 11 for more detailed information on Financing Experience.

9. **Development Schedule.** Complete the grid below. You may re-order the steps according to the appropriate sequence for your project and to add in any other significant steps integral to your project's development. If the multiple properties are involved, provide a development schedule for each property.

| | DATE(S) |
|--|--|
| Acquisition and/or holding | September 6, 2013 |
| Environmental and/or historic review (AHFC) | |
| Securing and packaging project financing | September 2013 - March 2014 |
| Construction Specifications and Cost estimates | December 2013 - January 2014 |
| Construction Bids | February 2014 |
| Construction Start | June 2014 |
| Anticipated Draws (list all) | July 2014 August 2014 September 2014 October 2014 November 2014 |
| End Construction | June 2015 |
| Start of Rent-up | June 2015 |
| Completion & Operation | December 2015 |

10. **Accessible and Adaptable Units.** Indicate the number of units proposed to be **accessible and adaptable** for persons with mobility, sight and hearing disabilities as required by RHDA Program Guidelines.

- _____ Units adaptable for persons with mobility disabilities
- 14 Units accessible for persons with mobility disabilities
- _____ Units adaptable for persons with sight and hearing disabilities
- 3 Units accessible for persons with sight and hearing disabilities

11. **Developer Capacity.** Provide narrative information on recent, similar, and successful experience in affordable housing development. Include experience using multiple fund sources, managing affordable rental developments, and previous working history with the Austin Housing Finance Corporation.

Recent Development Experience: Homestead Oaks Apartments will draw upon the recently completed new construction of M Station Apartments, Capital Studios currently in development, as well as the completion of four SRO housing communities. Please see **ATTACHMENT 10** for a description of these projects in the FC Development Resume.

Foundation Communities, Inc. has experience utilizing all funding tools available for the development of affordable multifamily housing. We have an excellent track record of securing funding in competitive allocations of the 9% LIHTC. We also have solid relationships with multiple lenders. Three most recently completed projects utilize the following five layers of funding: 9% LIHTCs, City of Austin RHDA funding, FHLB AHP program, construction/permanent loan and private fundraising.

LIHTCs and BONDS

Foundation Communities has applied for and been awarded 9% LIHTCs for six developments. Two of these awards were forward commitments by the Texas Department of Housing Board of Directors giving testament to Foundation Communities track record of high-quality developments with compelling missions. FC's development team is well-versed in the LIHTC program and application process. All applications are completed in-house by staff. Staff also closely follows the drafting of the Qualified Allocation Plan and is aware of changes to threshold and scoring items that impact a high-scoring application. FC has a staff team that has over 10 years of tax credit compliance with a record of no significant findings. FC also has relationships with multiple tax credit investors including Enterprise Community Investment and Bank of America.

Foundation Communities built and financed the Southwest Trails Apartments utilizing 4% LIHTC and private activity bonds. Bonds were issued by Austin Housing Finance Corporation. The credits were purchased by Related Capital and the bonds financed with Chartermac. The closing took place over two days with a dozen attorneys, but was successful.

City of Austin RHDA

The City of Austin has been a major contributor on every project completed by Foundation Communities in the past 10 years. The FC Development team follows the release of the City's application rules and NOFA and has a solid working relationship with City of Austin NHCD/AHFC staff.

FHLB AHP Program

Foundation Communities has applied for and received eight awards through the FHLB Affordable Housing Program and received the highest funding amount awarded for our M Station property of \$1,500,000.

Private Mortgages

Foundation Communities has excellent relationships with several lenders that allow for competitive rates and pricing. We currently have private mortgages with Compass BBBVA, Bank of America, Wells Fargo and Greater Texas Federal Credit Union.

Private Fundraising

Foundation Communities employs a diverse fundraising strategy. In 2013, private fundraising totaled over \$3,000,000 (not including capital funding from City of Austin). Foundation and corporate grants range from \$3,000 to hundreds of thousands of dollars, and fund both capital projects and FC's wide range of programs (education, supportive housing, etc.).

Property Management Experience: Foundation Communities performs all leasing, maintenance, accounting, compliance and other property management functions for its 14 Austin properties. Foundation Communities earns property management and asset management fees that help support the overall nonprofit mission. The success of Foundation Communities' property management is demonstrated through its high occupancy (usually averaging more than 95 percent), low turnover (under 32 percent), ability to keep all properties performing within their operating budgets, completion of capital repairs of over \$535/unit, and a relatively high percentage of move outs going to homeownership (20 percent).

A majority of Foundation Communities' 17 properties feature a federal source of funding. Specifically, Foundation Communities' staff has experience with the compliance and reporting requirements of the Low Income Housing Tax Credit program, HOME program, and HUD Continuum of Care Funding Programs.

Please find in **ATTACHMENT 10** a list of the properties managed by Foundation Communities and the funding programs in place at the specific property. Homestead Oaks Apartments will be staffed with a property manager, assistant property manager, leasing agent, lead maintenance and assistant maintenance. The property will also have a full-time learning center coordinator. All family housing properties are overseen by Desiree Golden, Property Supervisor, who is overseen by Sandra Lumley, Property Director. Sandra has been with Foundation Communities for 20 years and has extensive knowledge of all funding programs and required compliance.

12. Detailed Project Budget. Use the following table, or comparable format, to provide a complete project budget. Add line-items as necessary. If this project has already received funding from AHFC, indicate by line item the amounts from the prior award.

| DETAILED PROJECT BUDGET | | | | |
|--------------------------------------|------------------|---|-----------------------------|--------------------------------|
| | Cost | Prior award of RHDA Funds (if any) | RHDA Funds Requested | Description or Comments |
| PREDEVELOPMENT | | | | |
| Appraisal | 8,500 | | | |
| Market Study | 12,700 | | | |
| Environmental Review | 16,550 | | | |
| Engineering | 129,700 | | | |
| Survey | 49,108 | | | |
| Architectural | 475,000 | | | |
| Organizational Expenses | 5,000 | | | |
| TOTAL PREDEVELOPMENT | 696,558 | | | |
| ACQUISITION | | | | |
| Site and/or Land | 4,000,000 | 2,250,000 | | |
| Structures | 0 | | | |
| Broker's Commission & Closing Costs | 28,410 | | | |
| TOTAL ACQUISITION | 4,028,410 | | | |
| HARD COSTS | | | | |
| Infrastructure | 0 | | | |
| Site work | 2,077,796 | | | |
| Demolition | 48,252 | | | |
| Concrete | 617,567 | | | |
| Masonry | 43,325 | | | |
| Rough carpentry | 2,082,150 | | | |
| Finish carpentry | 211,230 | | | |
| Waterproofing & Insulation | 319,898 | | | |
| Roofing & Sheet Metal | 209,326 | | | |
| Plumbing/Hot Water | 914,198 | | | |
| HVAC | 1,046,759 | | | |
| Electrical | 1,427,517 | | | |
| Doors/Windows/Glass | 486,222 | | | |
| Lath & Plaster/ Drywall & Acoustical | 1,290,990 | | | |
| Tile work | 442,477 | | | |
| Soft & Hard Floor | 0 | | | |
| Paint/Decorating/Blinds/Shades | 228,403 | | | |
| Specialties/Special Equipment | 632,258 | | | |
| Cabinetry/Appliances | 613,099 | | | |
| Carpet | 0 | | | |
| Other (Special Construction) | 344,587 | | | |
| Metals | 249,119 | | | |
| Blinds | 43,190 | | | |
| Elevators | 145,389 | | | |
| Accessory Structures | 847,593 | | | |
| Owner Work | 159,933 | | | |
| General Requirements | 850,661 | | | |
| Bond Premium | 178,352 | | | |
| Builder's Overhead | 293,175 | | | |
| Builder's Profit | 478,580 | | | |

| | | | | |
|--|---------------------|--------------------|--------------------|--|
| Construction Contingency | 740,000 | | | |
| TOTAL CONSTRUCTION | \$17,022,046 | | \$1,000,000 | |
| SOFT & CARRYING COSTS | | | | |
| Legal | 12,500 | | | |
| Audit/Accounting | 10,000 | | | |
| Title/Recording | 110,000 | | | |
| Architectural (Inspections) | | | | |
| Construction Interest | 347,035 | | | |
| Construction Period Insurance | 50,000 | | | |
| Construction Period Taxes | 12,670 | | | |
| Relocation | 0 | | | |
| Marketing | | | | |
| Davis-Bacon Monitoring | | | | |
| Other: (Third Party Cost Estimator) | 18,660 | | | |
| Construction Loan Fees | 120,000 | | | |
| HUD Loan Fees | 319,285 | | | |
| Tax Credit Fees | 90,144 | | | |
| Operating and Lease-Up Reserves | 540,746 | | | |
| Developer Fee | 2,123,831 | | | |
| Furniture Fixtures & Equipment | 158,000 | | | |
| TOTAL SOFT & CARRYING COSTS | 3,912,871 | | | |
| TOTAL PROJECT BUDGET | 25,659,885 | \$2,250,000 | \$1,000,000 | |

13. 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) |
|--|-----------|---------------|------------|--|--|
| | Term | Interest Rate | Amount | Evidence (Deed, Sales Contract) | |
| Owner Equity | | | | | |
| Private Financing (List Lenders) | | | | | |
| Low Income Housing Tax Credits | | | 12,769,123 | Housing Tax Credit Program Commitment 9/3013 | Construction/hard/soft costs |
| HUD 221(d)(4) | 40 yr amo | 4.60% | 6,521,220 | Loan application submitted 3/6/2014 | Construction/hard/soft costs |
| Solar Energy Rebate & Tax Credit | | | 373,984 | Will apply to COA | Construction/hard/soft costs |
| Other Sources (List Below) | | | | | |
| Private Fundraising | | | 1,500,000 | 2014 FHLB app & NWA grant | Construction/hard/soft costs |
| Private Fundraising – Foundations | | | \$203,130 | FC Commitment Letter | Construction/hard/soft costs |
| Deferred Developer Fee | | | 1,042,428 | | |
| Prior award of RHDA | | | 2,250,000 | City of Austin Council Resolution. | Acquisition |
| Proposed RHDA Funds | | | 1,000,000 | | Construction/hard/soft costs |
| TOTAL | | | 25,659,885 | | |

| TABLE B: USES OF FUNDS SUMMARY | | |
|---------------------------------------|-------------------|----------------|
| | Total Cost | Cost/Unit |
| Predevelopment | 696,558 | 4,975 |
| Acquisition | 4,028,410 | 28,774 |
| Hard Costs | 17,022,046 | 121,586 |
| Soft & Carrying Costs | 3,912,871 | 27,949 |
| TOTAL | 25,659,885 | 183,285 |

b. **Leveraging** – Complete **Table C (below)**.

| TABLE C: PERCENTAGE OF RHDA FUNDS | |
|--|-------------------|
| RHDA Funds | 3,250,000 |
| Other Funds | 22,409,885 |
| Total Project Cost | 25,659,885 |
| RHDA Funds ÷ Total Project Cost= | 12.67% |

c. **Operating Proforma** – In a format comparable to Table D below, prepare a minimum twenty (20) year financial Operating Proforma which realistically reflects the operation of the project relative to current and anticipated revenues, expenses and debt. The Proforma must indicate the anticipated debt coverage ratio (DCR) calculated as follows: net operating income (NOI)/debt service (DS) = DCR. For projects that will not carry debt, use the number “1” as the denominator in the equation.

Please see **ATTACHMENT 11**

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.

Please see **ATTACHMENT 12** for completed Good Neighbor Checklist and additional documentation.

15. Description of Supportive Services. If supportive services are NOT to be provided, please stop here. For all other projects, if supportive services are to be provided to residents, provide a description of the services that includes the following information:

a. A description of the supportive services to be provided to residents and/or clients.

Foundation Communities will provide free, supportive service programs that will educate, support and improve financial standing for residents of Homestead Oaks Apartments. Supportive Service programs to be offered ON-SITE at Homestead Oaks Apartments include:

Afterschool Program – We plan to hold an after-school program in the on-site community learning center available to all children living on the property. Foundation Communities’ afterschool programs offer academic assistance, enrichment activities, fitness activities, nutrition lessons and provide support services and educational opportunities for parents as well. Our PATHS (Planning Ahead Toward Health and School Success) program helps low-income children address low reading scores and obesity/inactivity/poor

nutrition, setting them on a path to lifelong self-sufficiency and success. FC maintains a strong relationship Austin area schools, with teachers and after-school staff working together to help each child succeed.

Our afterschool programs currently serve over 900 students each year. We estimate that Homestead Oaks Apartments, a completely new from the ground up property with a brand new Learning Center, will serve 85 students the first year alone.

Summer-Youth Program – We plan to make available a summer-youth program to all children at Homestead Oaks Apartments and will be held in the on-site community learning center. The goal of the Summer Youth Program is to provide a structured, supervised environment where youth can gain exposure to a variety of summer learning and enrichment activities, develop important social skills, and work toward a brighter future. In addition, the program will:

- provide free access to rewarding, hands-on educational, cultural, artistic, and recreational activities for youth ages 5-14.
- retain educational gains made during the school year.
- provide a structured, supervised time with caring adults who model and reward positive behavior and interaction.
- supply free, nutritious lunches and snacks five days per week.

Adult Classes - Foundation Communities believes it is important to offer “at your door” education opportunities to adults. We offer classes for adults on the following topics:

- English as a Second Language
- Money Management (offered in English and Spanish)
- Homebuyer Education
- Computer training

Children’s HOME Initiative – 10% of the units (14 units) at Homestead Oaks Apartments will be available for families participating in FC’s Children’s HOME Initiative (CHI) program. The CHI program provides low-cost transitional housing for up to 18 months to families who are considered Extremely Low Income (at or below 30% of the area’s MFI). By engaging in case management services, families are able to outline their path toward permanent affordable housing and work to achieve an independent and healthy lifestyle.

The following services will be provided for residents participating in the CHI program at Homestead Oaks Apartments:

- Computer training
- Intensive Case Management
- Individualized Family Support
- Crisis Management
- Financial Literacy
- Debt Management
- Children’s Advocacy
- Educational Support
- Career Awareness & Enrichment
- Long-term Goal Development
- Resource Brokering

Other Supportive Service programs provided by Foundation Communities, but located OFF-SITE include:

Financial Education - A ten-hour personal finance course, offered in English and Spanish, will help Homestead Oaks residents evaluate their financial status and set financial goals. The course includes a one-on-one credit counseling session and follow-up.

Financial Coaching - Families of Homestead Oaks Apartments will have the opportunity to meet individually with a trained volunteer. The volunteer works with the resident on a variety of personal finance issues which may include a credit report review, creating a credit repair plan or a debt reduction plan, establishing a household budget, exploring ways to reduce expenses, or setting financial goals. Financial Coaching sessions may be a single one hour session up to eight hours of individual sessions, depending on the situation.

Matched Savings Accounts - Individual Development Accounts will be offered to families of Homestead Oaks Apartments to help them save money for buying a first home, funding post-secondary education or opening or expanding a small business. Account holders earn matching funds (\$1-\$3 for each dollar saved) in special savings accounts. All participants commit to making regular monthly deposits and completing personal finance courses.

Microenterprise - Community Tax Centers provide services to self-employed and small business owners with five employees or fewer (including the owner), helping them to file their taxes and educating them about tax and liability implications and best practices.

College Savings & Financial Assistance - Families may open a Texas 529 College Savings Plan and receive up to \$100 in incentives for their contributions. Trained staff are available at the Community Tax Centers and financial aid events to help students complete the Free Application for Federal Student Aid (FAFSA) to obtain grants and loans for college.

b. The number and types of residents/clients expected to be served annually.

Homestead Oaks Apartments will house 140 families at any given time. The service needs of the property will vary according to the resident profile. We are reserving 10% of the units for FC's Children's HOME Initiative – a transitional supportive housing program that offers participants a menu of more intensive supportive services. With an average turnover of 20% and average family size of 2.5, we expect to serve approximately 420 adults and children a year with some degree of services.

c. Describe the developer's experience and qualifications in providing the services to be offered.

Foundation Communities, as the primary supportive service provider at Homestead Oaks Apartments, has 20 years experience in the provision of supportive services to its residents. At all of our properties, we enable our residents to increase their personal development, education, safety, and health at one convenient location in their neighborhood. Through strategic partnerships, last year FC gave 900 children of working parents a safe place to go when school's out right where they live and helped 85% of students maintain or improve grades. Talented volunteers help us increase adults' earning potential through classes in English as a Second Language, GED preparation, and computer skills, as well as employment counseling and social service referrals. Throughout our learning centers, our newest program area, Health Initiatives, brings healthier living to entire families in the form of nutrition and cooking, active play, and exercise. Each year, we also empower more than 100 families to become smart consumers through economic education and at least 50% of them to reduce debt. More than 125 families have earned a 2-to-1 match in special savings accounts to purchase a home, attended college, or started a business. We also provide free income tax preparation for 18,000+ low-income workers and retirees with the help of 600 IRS-certified volunteers. We are one of the first organizations in Austin to provide assistance with insurance sign-up under the Affordable Care Act.

The Children's HOME Initiative Program (CHI) is the only program of its kind in Austin. In 2003, Foundation Communities launched CHI to address the overwhelming need in the community for quality affordable housing for families with incomes of 30% of the Median Family Income. Grants from NeighborWorks America, a national funder, enabled us to pay down mortgages at three of our apartment complexes and permanently set aside apartments to create this program; 10% or more of every new family property we open will be targeted for CHI. Of a dozen national housing organizations that were granted similar funding, FC was the first to get the program up and running and has the longest and most successful track record. We have developed a successful model for helping families with extremely low incomes achieve self-sufficiency by providing stable housing and intensive case management. Since 2003, CHI has supported close to 300 families and more than 600 children in regaining housing and economic stability.

d. If services are not provided by the developer of the project, include a description of the organization(s) providing the services and a memorandum of understanding or some other type of agreement that indicates the relationship between the developer and service provider.

All supportive services at Homestead Oaks Apartments will be provided by Foundation Communities, Inc.

e. Provide resumes of key personnel who will be actively involved in the delivery of services. Resumes should include information about certifications, licenses, years of experience, and education.

Supportive Service Staff (Please see **ATTACHMENT 13** for staff resumes):

Julian Huerta – Deputy Director - provides leadership for all Foundation Communities’ resident and community services. Julian develops and directs education, financial stability and supportive housing programs that serve more than 20,000 working poor families and homeless adults annually. He brings over 20 years’ experience in program development, nonprofit administration and fundraising.

Mario Cortez, Director of Supportive Housing. Mario has 15 years of experience working with homeless and low-income populations, and holds a Masters in Social Work. Prior to joining Foundation Communities, he spent 3 years developing the Keep Austin Housed AmeriCorps project. He Co-Chairs the Social Services Case Management Network & the Housing Stability Committee of the Basic Needs Coalition, sits on the Executive Committee of the Basic Needs Coalition, and leads planning for Stand Up and Be Counted. Mario oversees all supportive housing programs.

Marisela Montoya, Director of Education for Foundation Communities, graduated from the University of Texas with a degree in Psychology. For 17 years, she has worked overseeing and implementing programs for youth and adults, including 8 years with Austin ISD as a program director and program specialist (Community Education; At Risk Youth Programs; afterschool, teen, and adult education programs). She has been with Foundation Communities for 10 years, first as Lead Learning Center Coordinator, and now as Director of Education. She holds a certificate in Nonprofit Leadership and Management from Austin Community College and Texas Association of Nonprofit Organizations.

Erika Leos - Adult Education Coordinator, is responsible for teaching the ten-hour financial education course (in both English and Spanish) available to residents of Foundation Communities and a required component of participants in the Individual Development Account (IDA) Matched Savings Program. Leos also oversees the English as a Second Language program offered on Foundation Communities’ properties. Leos earned a Bachelor’s of Business Administration from the University of Texas at Austin in 2002.

Karen Lyons – Director of Asset Building - is responsible for all aspects of FC’s Asset Building Programs. She was the past Director of FC’s IDA savings program. Her experience includes five years of experience teaching ESL and a long involvement with immigrant issues. She has a BA in Education.

All Foundation Communities’ Learning Center Coordinators are highly qualified, with degrees in education, social work, or a related field. Some have Masters Degrees, and all are bilingual. They undergo rigorous staff training on a regular basis, and are involved in both implementing and evaluating PATHS at their property’s Learning Center, including coordinating with local schools and designing homework assistance for individual students. Learning Center Coordinators’ bios are available upon request.

Case Managers in the CHI program meet with families weekly to address the family financial situation and underlying issues that contribute to their poverty. We also have a Housing Placement Specialist and Parent/Child Advocate. All CHI case managers and the Parent/Child Advocate have degrees in social work or other related fields, and have a wealth of experience in the community and in assisting impoverished clients.

f. Demonstrate financial capacity to provide support services and/or operate a supportive services program by providing the following information:

- 1. Sources of Funds: Identify sources and amounts of funds that will be or are expected to be utilized to provide supportive services.**

Uses of Funds:

| Direct Expenses | Amount | Notes |
|--|---------------|-------------------------|
| 1 full-time Resident Service Coordinator | \$33,000 | One FTE salary |
| 1 part-time Adult Education Coordinator | \$18,000 | One PTE salary |
| Taxes and Benefits | \$10,200 | 20% of salary |
| Supplies and Printing | \$1,000 | for client meetings and |

| | | |
|-----------------------|-----------------|--|
| | | classes |
| Training/Travel | \$1,000 | Professional education |
| Direct Aid to Clients | \$1,500 | Bus passes, work search expenses, etc. |
| TOTAL | \$64,700 | |

Sources of Funds:

The funding for the supportive services to be provided at Homestead Oaks Apartments will be raised from private foundations, corporations and individuals. This is the same method used to fund the supportive service programs in place at our existing family properties. We have a donor base that is dedicated to the support of our service programs. Past funders we will tap include:

- Michael and Susan Dell Foundation – Children’s HOME Initiative and financial programs
- Lowe Foundation – Children’s HOME Initiative
- Rachael and Ben Vaughan Foundation – Children’s HOME Initiative
- Tomberg Foundation
- Texas State Affordable Housing Corporation
- Amerigroup Foundation
- JPMorgan Chase Foundation – Financial Programs
- Individual Donors dedicated to this part of our mission.

2. **Budget:** Include a supportive services budget which reflects current and anticipated funding and expenses associated with the provision of services for three (3) years.

Please see **ATTACHMENT 14** for a detailed supportive services budget for Homestead Oaks Apartments.

ATTENTION:

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

**RHDA PROGRAM
SCORING CRITERIA**

REQUIRED INFORMATION:

- | | | | |
|-------------------------------|----------------|--------------------------------|--------------|
| 1. Applicant Information | <u> X </u> | 10. Accessible/Adaptable Units | <u> X </u> |
| 2a. Non-profit Required Items | <u> X </u> | 11. Experience/Qualifications | <u> X </u> |
| OR | | 12. Project Budget | <u> X </u> |
| 2b. For-profit Required Items | <u> N/A </u> | 13. Funds Proposal: | |
| 3. Project Description | <u> X </u> | a. Sources | <u> X </u> |
| 4. Site Control/Value | <u> X </u> | b. Uses | <u> X </u> |
| 5. Zoning | <u> X </u> | c. Leveraging | <u> X </u> |
| 6. S.M.A.R.T. Housing | <u> X </u> | d. Operating Proforma | <u> X </u> |
| 7. Development Team | <u> X </u> | 14. Good Neighbor Checklist | <u> X </u> |
| 8. Development Schedule | <u> X </u> | | |
| 9. Developer Capacity | <u> X </u> | | |

EVALUATION CRITERIA:

Applications for proposed projects will be reviewed and scored on a competitive basis per the evaluation criteria below. Applications must receive a minimum score of **150** points out of a maximum score of **240** points. PLEASE NOTE: A score above the minimum score does not guarantee funding.

CORE VALUES POINTS

(Affordable Housing Core Values: Deeper levels of affordability, long-term affordability, and geographic dispersion of affordable units throughout the City.)

Score

1. AFFORDABLE UNITS (maximum 25 points) 25

If development has a mix of 30%, 40%, and/or 50% MFI units, add the results for the percentage of units in each income category up to the maximum of 25 points. If the percentage of units at a given MFI level is not a multiple of 10, round up to the next closest multiple of 10 to get the score for that particular MFI level

| % of Affordable Units in Project (only count units reserved for 50% MFI and below) | | | | | | |
|---|--------------|--------------|--------------|--------------|--------------|--------------|
| % MFI | 10% of units | 20% of units | 30% of units | 40% of units | 50% of units | 60% of units |
| 50% | 3 | 5 | 10 | 15 | 20 | 25 |
| 40% | 5 | 10 | 15 | 20 | 25 | |
| 30% | 10 | 15 | 20 | 25 | | |

Score

2. AFFORDABILITY PERIOD (25 points) 25

25 points: Affordability period is:

 99 years;

OR

 X 40 years, and project is applying for Low Income Housing Tax Credits. Note: AHFC funding is contingent upon the award of Low Income Housing Tax Credits.

Score

3. GEOGRAPHIC DISPERSION (maximum 25 points) 15

Project is located in an area identified according to the Kirwan Institute's Comprehensive Opportunity Map of Austin as having greater opportunity for low-income households.

- 25 points:** Very High priority area
- 20 points:** High priority area
- 15 points:** Moderate priority area
- 10 points:** Low priority area
- 5 points:** Very Low priority area

INITIATIVES AND PRIORITIES POINTS

(Permanent Supportive Housing, Sustainability, Priority Locations, Accessible and Integrated, and Preservation of Affordable Housing)

Score

4. PERMANENT SUPPORTIVE HOUSING (PSH) (maximum 25 points) 15

25 points: "Housing First" model.

15 points: Project will reserve units for PSH for the following populations:

- Chronically Homeless as established in the HEARTH Act (24 CFR Part 577)
- Have been in an institution for over 90 days
- Unaccompanied youth or families with children defined as homeless under other federal statutes
- Youth "aging out" of state custody or the foster care or the juvenile probation system

10 points: Project will reserve units for PSH for populations other than those listed above.

Score

5. SINGLE-FAMILY RENTAL HOUSING, INCLUDING SECONDARY UNITS ("GREEN ALLEY INITIATIVE") (20 points) 0

20 points: Project consists of either new construction or rehabilitation of one or more single-family rental units, secondary units, or units compatible with the City's "Green Alley Initiative."

Score

6. ACCESSIBILITY AND HOUSING FOR PERSONS WITH DISABILITIES (maximum 20 points) 0

10 points: In multi-family developments, (i.e. 5 or more units) or for single-family rental housing (i.e., 1 to 4 units), 50% or more of the total number of units will be made accessible per the Uniform Federal Accessibility Standards (UFAS).

10 points: Units to be designated for persons with disabilities as defined in the Fair Housing Act: for Multi-family developments, (i.e. 5 or more units), at least 25% of all units; for single-family rental housing (i.e., 1 to 4 units) 1 or more units.

Score

7. PRIORITY LOCATION (10 points)

0

10 points: Project is:

- _____ located in a Vertical Mixed-Use (VMU) Corridor; or
- _____ a Planned-Unit Development (PUD); or
- _____ located within a Transit-Oriented Development (TOD) area, or
- _____ is located 0.25 miles (1,320 feet) or less from a transit stop.

Score

8. PRESERVATION OF AFFORDABLE UNITS (10 points)

0

10 points: Project is the rehabilitation and preservation of existing affordable housing units, or new units are being constructed to replace existing affordable units at the same location on a one-to-one replacement basis or a greater than one-to-one replacement basis.

Score

9. TRANSITIONAL HOUSING (10 points)

0

10 points: Project will be developed and operated exclusively as transitional housing.

UNDERWRITING POINTS

(EXPERIENCE, CAPACITY, DEVELOPMENT FEASIBILITY, OPERATIONAL FEASIBILITY, COMPATIBILITY WITH OTHER PROGRAM REQUIREMENTS)

Score

10. 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

Score

11. SOURCES & USES OF FUNDS (maximum 10 points)

5

10 points: All sources and uses of funds are clearly indicated and sufficient evidence 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.

Score

12. DEBT COVERAGE RATIO (maximum 10 points) 4

- 10 points:** DCR of 1.25 or greater or will be a debt-free development
- 6 points:** DCR between 1.21 - 1.24
- 4 points:** DCR between 1.15 - 1.20

Score

13. LEVERAGE (maximum 10 points) 10

RHDA Program funding (including prior awards and the current request) divided by Total Project Costs equals:

- 10 points:** 25% or less
- 8 points:** 26% - 30%
- 6 points:** 31% - 35%
- 4 points:** 36% - 50%
- 2 points:** 51% - 54%
- 0 points:** 55% or greater

Score

14. RHDA COST PER UNIT in \$1,000s (maximum 10 points) 10

| | <u>Multi-Unit</u> <u>Structures</u> | <u>Single-Unit</u> <u>Structures</u> |
|------------------|--|---|
| 10 points | <\$40/unit | <\$50/unit |
| 8 points | <\$45/unit | <\$60/unit |
| 6 points | <\$50/unit | <\$70/unit |
| 4 points | <\$55/unit | <\$80/unit |
| 2 points | <\$60/unit | <\$90/unit |

Score

15. 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; maximum 10 points (A total score of 2.5 points will be rounded to 3; a total score of 7.5 points will be rounded to 8.)

- 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.

Score

16. PROPERTY MANAGEMENT (maximum 10 points)

10

10 points: Designated Property Management Entity has documented track record of success managing income-restricted properties of similar size and/or similar unit counts, and has the capacity to take on management of the proposed project.

8 points: Designated Property Management Entity has a documented track record of success managing income-restricted properties of smaller size and/or fewer units, and has the capacity to take on management of the proposed project.

4 points: Designated Property Management Entity has a documented track record of successful property management experience and has the capacity to take on management of the proposed project, but has not managed an income-restricted property.

Score

17. SUPPORTIVE SERVICES (maximum 15 points)

15

15 points:

- a. The developer has secured written agreements with organizations that will provide resident services, or has experienced and qualified staff (7 or more years of experience) able to provide the same services.
- b. Funds have been identified for the operation of resident services programs.
- c. A 3-year estimated operating budget for the operation of the resident services programs is provided.

10 points:

- a. The developer has secured letters of intent from organizations that intend to provide resident services, or has experienced and qualified staff (3 to 6 years of experience) able to provide the same services.
- b. Funds have been identified for the operation of the resident services programs.
- c. A 3-year estimated operating budget for the operation of the resident services programs is provided.

5 points:

- a. The developer has experienced and qualified staff (1 to 2 years of experience) able to provide the same resident services.
- b. Funds have been identified for the operation of the resident services programs.
- c. A 3-year estimated operating budget for the operation of the resident services programs is provided.

Score

18. MBE/WBE PROJECT PARTICIPATION (5 points)

5

5 points: Development Team includes one or more registered City of Austin minority- or woman-owned business enterprises (M/WBE).

TOTAL SCORE 160

ATTACHMENT 1:
Certificate of Status



Office of the Secretary of State

Certificate of Fact

The undersigned, as Secretary of State of Texas, does hereby certify that the document, Articles Of Incorporation for FOUNDATION COMMUNITIES, INC. (file number 114499001), a Domestic Nonprofit Corporation, was filed in this office on March 05, 1990.

It is further certified that the entity status in Texas is in existence.

In testimony whereof, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in Austin, Texas on January 23, 2014.



NANDITA BERRY

Nandita Berry
Secretary of State

ATTACHMENT 2: IRS Certification

Internal Revenue Service

Date: August 24, 2004

Foundation Communities, Inc.
3036 South First Street
Austin, TX 78704-6391

Department of the Treasury
P. O. Box 2508
Cincinnati, OH 45201

Person to Contact:
Janet M. Duncan 31-07676
Customer Service Specialist
Toll Free Telephone Number:
8:00 a.m. to 6:30 p.m. EST
877-829-5500

Fax Number:
513-263-3756

Federal Identification Number:
[REDACTED]

Group Exemption Number:
7171

Dear Sir or Madam:

This is in response to your request of July 6, 2004, regarding your organization's tax-exempt status.

In May 1990 we issued a determination letter that recognized your organization as exempt from federal income tax. Our records indicate that your organization is currently exempt under section 501(c)(3) of the Internal Revenue Code.

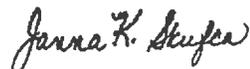
Our records indicate that your organization is also classified as a public charity under section 509(a)(2) of the Internal Revenue Code.

Based on the information supplied, we recognized the subordinates named on the list your organization submitted as exempt from federal income tax under section 501(c)(3) of the Code.

Our records indicate that contributions to your organization are deductible under section 170 of the Code, and that you are qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Internal Revenue Code.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely,



Janna K. Skufca, Director, TE/GE
Customer Account Services

INTERNAL REVENUE SERVICE
DISTRICT DIRECTOR
1100 COMMERCE STREET
DALLAS, TX 75242-0000

DEPARTMENT OF THE TREASURY

Date: JUN 06 1995

CENTRAL TEXAS MUTUAL HOUSING
ASSOCIATION
C/O CINDY CHRISTIANSEN
2512 S IH 35 STE 350
AUSTIN, TX 78704-5751

Employer Identification Number:

Case Number:
755122043

Contact Person:
ANNETTE SMITH

Contact Telephone Number:
(214) 767-6023

Our Letter Dated:
May 23, 1990

Addendum Applies:
No

Dear Applicant:

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.

Your exempt status under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3) is still in effect. 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 Code because you are an organization of the type described in section 509(a)(2).

Grantors and contributors may rely on this determination unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(a)(2) 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, or the substantial or material change on the part of the organization that resulted in your loss of such status, or if he or she acquired knowledge that the Internal Revenue Service had given notice that you would no longer be classified as a section 509(a)(2) organization.

If we have indicated in the heading of this letter that an addendum applies, the addendum enclosed 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,



Bobby E. Scott
District Director

ATTACHMENT 3:
Audit

ATTACHMENT 4: Board Resolution

ATTACHMENT 5: Transit Map



Homestead Oaks

Route 238 West Gate
.21 Miles from the Homestead Oaks Apartments property

Public · 0 views
Created on Mar 12 · By JackieG · Updated < 1 minute ago

 Homestead Oaks

ATTACHMENT 6: Warranty Deed

03/13.00005 ey.



TRV 2013168094
8 PGS

8
M

NOTICE OF CONFIDENTIALITY RIGHTS

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

SPECIAL WARRANTY DEED WITH VENDORS LIEN

JOHN M. HARMON and JOYCE W. HARMON (hereinafter called "Grantor"), for and in consideration of the sum of TEN AND NO/100 Dollars (\$10.00) and other good and valuable consideration in hand paid by FC SW HOUSING, LP (hereinafter called "Grantee"), whose mailing address is 3036 SOUTH 1ST, SUITE 200, AUSTIN, TEXAS 78704, the receipt and sufficiency of which are hereby acknowledged, has GRANTED, SOLD AND CONVEYED and by these presents does GRANT, SELL AND CONVEY unto Grantee to that certain real property situated in Travis County, Texas, and more particularly described on Exhibit A attached hereto and made a part hereof for all purposes (the "Land"), together with all rights, titles, benefits, easements, privileges, remainders, tenements, hereditaments, interests, reversions and appurtenances thereunto belonging or in any way appertaining, and all of the estate, right, title, interest, claim or demand whatsoever of Grantor therein, in and to adjacent strips and gores, if any, between the Land and abutting properties, and in and to adjacent streets, highways, roads, alleys or rights-of-way, and the beds thereof (except to the extent, if any, that such easements, or such strips or gores or such streets, highways, roads, alleys or rights-of-way abut or provide access to or benefit other properties owned by Grantor), either at law or in equity, in possession or expectancy, now or hereafter acquired (all of the above-described properties together with the Land are hereinafter collectively referred to as the "Property").

Part of the consideration for the Property was financed by Austin Housing Finance Corporation ("Lender") at the instance and request of Grantee, the receipt of which is hereby acknowledged, as evidence of which consideration Grantee has executed and delivered its one certain promissory note (herein called the "First Note") of even date herewith, in the principal sum of \$2,250,000.00, payable to the order of Lender as therein provided, reference being made to the First Note for all relevant purposes. To secure the payment of the First Note, Grantor does hereby expressly retain a Vendor's Lien and Superior Title upon and against the Property to the extent that proceeds of the First Note are used towards the payment of the purchase price of the Property until said amount of proceeds under the First Note is fully paid according to the face, tenor, effect and reading of said First Note, whereupon this Decd shall become absolute. The First Note is further and additionally secured by a Deed of Trust of even date herewith executed by Grantee covering the Property, to which reference is here made for all relevant purposes. A first and prior Vendor's Lien and Superior Title are hereby assigned to Lender without recourse or warranty of any nature. Part of the consideration for the Property was financed by Foundation Communities, Inc. ("FC") at the instance and request of Grantee, the receipt of which is hereby acknowledged, as evidence of which consideration Grantee has executed and delivered its one

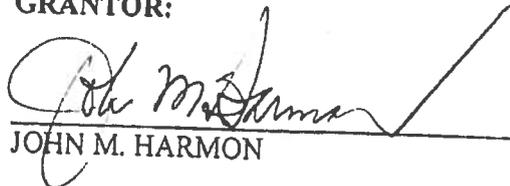
certain promissory note (herein called the "Second Note") of even date herewith, in the principal sum of \$1,778,410.15, payable to the order of FC as therein provided, reference being made to the Second Note for all relevant purposes. To secure the payment of the Second Note, Grantor does hereby expressly retain a Vendor's Lien and Superior Title upon and against the Property to the extent that proceeds of the Second Note are used towards the payment of the purchase price of the Property until said amount of proceeds under the Second Note is fully paid according to the face, tenor, effect and reading of said Second Note, whereupon this Deed shall become absolute. The Second Note is further and additionally secured by a Deed of Trust of even date herewith executed by Grantee covering the Property, to which reference is here made for all relevant purposes. A second and inferior Vendor's Lien and Superior Title are hereby assigned to FC without recourse or warranty of any nature.

This conveyance is made and accepted subject and subordinate to (a) taxes and assessments by any taxing authority for the current year, which taxes and assessments Grantee assumes and agrees to pay, (b) zoning laws and regulations and ordinances of municipal and other governmental authorities affecting the Property, and (c) the matters set forth on Exhibit B attached hereto and made a part hereof for all purposes (all of those items described in (a) through (c) above are hereinafter collectively referred to as the "Permitted Encumbrances").

TO HAVE AND TO HOLD the Property, together with all and singular the rights and appurtenances thereto in any wise belonging unto Grantee, Grantee's heirs, executors, administrators, personal representatives, successors and assigns forever and subject to the Permitted Encumbrances, and Grantor does hereby bind itself, its successors and assigns, to WARRANT AND FOREVER DEFEND all and singular the Property unto Grantee, Grantee's heirs, executors, administrators, personal representatives, successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof, by, through or under Grantor, but not otherwise, subject, however, to the Permitted Encumbrances.

EXECUTED this 6th day of September 2013, to be effective for all purposes as of the 6th day of September 2013.

GRANTOR:



JOHN M. HARMON



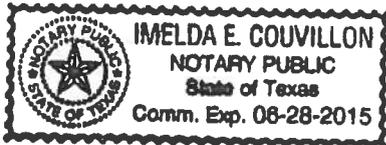
JOYCE W. HARMON

STATE OF TEXAS

COUNTY OF TRAVIS

§
§
§

This instrument was acknowledged before me by JOHN M. HARMON and JOYCE W. HARMON, on the 6th day of September, 2013.



Imelda E. Couvillon
Notary Public – State of Texas

AFTER RECORDING,
PLEASE RETURN TO:

FC SW HOUSING, LP
3036 SOUTH 1ST, SUITE 200, AUSTIN, TEXAS 78704

EXHIBIT A

29.4022 acres of land, more or less, out of the T. Bissell Survey No. 18, Abstract No. 3, in Travis County, Texas, and being that same 29.41-acre tract conveyed by Charles L. Sandahl, Jr., and Irene H. Sandahl to John M. Harmon and Joyce W. Harmon in a deed dated September 30, 1981, recorded in Volume 7589, Page 370, of the Deed Records of Travis County, Texas, SAVE AND EXCEPT that portion of said tract which was conveyed to The County of Travis in Volume 10753, Page 1651, of the Real Property Records of Travis County, Texas. Said 29.4022-acre tract is more fully described by the attached metes and bounds.

EXHIBIT "A"

Legal Description

BEING A DESCRIPTION OF A TRACT OF LAND CONTAINING 29.4022 ACRES, (1,280,760 SQUARE FEET) OUT OF THE THEODORE BISSELL SURVEY NO. 18, ABSTRACT NO. 3 IN TRAVIS COUNTY, TEXAS, BEING ALL OF A CALLED 30.00 ACRE TRACT OF LAND, CONVEYED TO JOHN M. AND JOYCE W. HARMON IN VOLUME 7589, PAGE 370 OF THE DEED RECORDS OF TRAVIS COUNTY, TEXAS (D.R.T.C.T.), SAVE AND EXCEPT A CALLED 0.5909 ACRE TRACT CONVEYED TO TRAVIS COUNTY FOR RIGHT-OF-WAY PURPOSES IN VOLUME 10753, PAGE 1651 OF THE REAL PROPERTY RECORDS OF TRAVIS COUNTY, TEXAS (R.P.R.T.C.T.), SAID 29.4022 ACRES BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS (ALL BEARINGS ARE BASED ON THE TEXAS STATE PLANE COORDINATE SYSTEM, GRID NORTH, CENTRAL ZONE (4203), ALL DISTANCES WERE ADJUSTED TO SURFACE USING A COMBINED SCALE FACTOR OF 1.000052776414):

BEGINNING, at a 1/2-inch iron rod found in the north right-of-way line of Slaughter Lane (120' right-of-way), same being the southeast corner of Lot 1-D, of the Resubdivision of Amended Sandahl-Brodie Subdivision, Section Two, recorded in Document #200400173 of the Official Public Records of Travis County, Texas (O.P.R.T.C.T.), also being the northwest corner of said 0.5909 acre Travis County tract, also being in the west line of said Harmon 30.00 acre tract, for the southwest corner and POINT OF BEGINNING hereof, from which a 1/2-inch iron rod with "4904" cap found in the north right-of-way line of said Slaughter Lane, same being at the common south corner of Lots 2 & 3 of said Resubdivision of Amended Sandahl-Brodie Subdivision bears, N62°10'27"W, a distance of 321.89 feet;

THENCE, with the west line of said Harmon tract, in part with the east line of said Lot 1-D, and in part with the east line of a called 8.435 acre tract conveyed to Shady Hollow III Retail Partners, Ltd., in Document #2005156228 (O.P.R.T.C.T.), N27°52'39"E, passing at a distance of 833.79 feet, a 1/2-inch iron rod found at the common east corner of said Lot 1-D and said Shady Hollow III tract, and continuing for a total distance of 1,683.43 feet to a 5/8-inch iron rod found for the northwest corner hereof, same being in the south line of Lot 4, Block G, of Cherry Creek Section 11-A, a subdivision of record in Volume 86, Pages 16C-16D of the Plat Records of Travis County, Texas (P.R.T.C.T.), also being the northeast corner of said Shady Hollow III tract, and the northwest corner of said Harmon tract;

THENCE, with the south lines of Lots 4-9, Block G, of said Cherry Creek Section 11-A, and the north line of said Harmon tract, S62°28'30"E, a distance of 370.57 feet to a mag nail found in concrete for the northeast corner hereof, said point being the northwest corner of Lot 8, Block "B", of Cherry Creek Section 16, of record in Volume 94, Pages 337-340 (P.R.T.C.T.), same being in the south line of Lot 9, Block G of said Cherry Creek Section 11-A, also being the northeast corner of said Harmon tract;

THENCE, with the common line of said Lot 8, Block "B", Cherry Creek Section 16, and said Harmon tract, the following two (2) courses and distances:

- 1) S26°33'45"W, a distance of 350.36 feet to a 1/2-inch iron rod found for an interior all-corner hereof, from which a leaning 2" iron pipe with a "Austin Independent School District-Boundary Marker" cap found bears N26°33'45"E, a distance of 0.7 feet, and
- 2) S62°53'29"E, a distance of 481.64 feet to a 5/8-inch iron rod found for an exterior all-corner hereof, same being an angle point in the south line of said Lot 8, Block "B", Cherry Creek Section 16, also being the northwest corner of a called 5.691 acre tract

conveyed to HEB Grocery Company, L.P., in Document # 2011116618 (O.P.R.T.C.T.), said tract being a portion of Lot A, Triam Addition, a subdivision of record in Volume 76, Page 331 (P.R.T.C.T.), also being an exterior ell-corner of said Harmon tract;

THENCE, with the east line of said Harmon tract, in part with the west line of said HEB tract, and in part with the west line of a called 2.99 acre tract conveyed to Thomas P. McDill, Jr., in Document #2010075502 (O.P.R.T.C.T.), said tract also being a portion of Lot A of said Triam Addition, S27°52'37"W, a distance of 1,341.13 feet to a 1/2-inch iron rod found for the southeast corner hereof, same being in the north right-of-way line of said Slaughter Lane, also being at the southwest corner of said McDill tract, also being the northeast corner of said 0.5909 acre Travis County tract, from which a 1/2-inch iron rod with plastic cap found in the north right-of-way line of said Slaughter Lane, same being at the southwest corner of Lot 1, Framar Subdivision, of record in Volume 75, Page 32 (P.R.T.C.T.), also being at the southeast corner of said HEB tract bears, S62°10'27"E, a distance of 257.78 feet;

THENCE, over and across said Harmon tract, with the north right-of-way line of said Slaughter Lane and the north line of said 0.5909 acre Travis County tract, N62°10'27"W, a distance of 860.21 feet to the POINT OF BEGINNING and containing 29.4022 Acres (1,280,760 Square Feet) of land, more or less.

**EXHIBIT B
EXCEPTIONS**

- a. Restrictive covenants recorded under Document Numbers 2002226508, 2003084337 and 2006153858, of the Official Public Records of Travis County, Texas.
- b. A 5' electric and telephone easement granted to the City of Austin, as described in Volume 3176, Page 1092, of the Deed Records of Travis County, Texas. Noted on survey dated March 11, 2013, prepared by Jason Ward, Registered Public Land Surveyor No. 5811.
- c. A 5' electric and telephone easement granted to the City of Austin, as described in Volume 3621, Page 2045, of the Deed Records of Travis County, Texas, as shown on survey dated March 11, 2013, prepared by Jason Ward, Registered Public Land Surveyor No. 5811.
- d. A drainage easement located in the south part of the subject property granted to Travis County, Texas, as described in Volume 10753, Page 1656, of the Real Property Records of Travis County, Texas, as shown on survey dated March 11, 2013, prepared by Jason Ward, Registered Public Land Surveyor No. 5811.
- e. Lateral support/slope easements located in the south part of the subject property granted to Travis County, Texas, as described in Volume 10753, Page 1665, of the Real Property Records of Travis County, Texas, and depicted on Exhibit B of the Drainage Easement recorded in Volume 10753, Page 1656, of the Real Property Records of Travis County, Texas, and (with erroneous reference Volume 10753, Page 1661) on survey dated March 11, 2013, prepared by Jason Ward, Registered Public Land Surveyor No. 5811.
- f. A drainage easement located in the south part of the subject property granted to the City of Austin by instrument recorded under Document Number 2007072676, of the Official Public Records of Travis County, Texas, as shown on survey dated March 11, 2013, prepared by Jason Ward, Registered Public Land Surveyor No. 5811.
- g. An electric utility easement granted to the City of Austin by instrument recorded under Document Number 2007072883, of the Official Public Records of Travis County, Texas, as shown on survey dated March 11, 2013, prepared by Jason Ward, Registered Public Land Surveyor No. 5811.
- h. Special Warranty Mineral Deed recorded under Document Number 2010172162, of the Official Public Records of Travis County, Texas, to the extent that the same may affect the subject property.
- i. 300' buffer in north part of subject property, as set out in Restrictive Covenant recorded under Document Number 2003084337, of the Official Public Records of Travis County, Texas, as shown on survey dated March 11, 2013, prepared by Jason Ward, Registered Public Land Surveyor No. 5811.
- j. All terms, conditions, and provisions of that certain Waiver and Release, dated December 15, 1989, of record in Volume 11088, Page 638, of the Real Property Records of Travis

County, Texas. Noted on survey dated March 11, 2013, prepared by Jason Ward,
Registered Public Land Surveyor No. 5811.

FILED AND RECORDED

OFFICIAL PUBLIC RECORDS

Dana DeBeauvoir

Sep 10, 2013 10:21 AM

2013168094

MITCHELLM: \$54.00

Dana DeBeauvoir, County Clerk

Travis County TEXAS

**ATTACHMENT 7:
Current Tax
Documentation**

Travis CAD

Property Search Results > 346937 FC SW HOUSING LP for Year 2014

Property

Account

Property ID: 346937 Legal Description: ABS 3 SUR 18 BISSELL T ACR 29.4022
 Geographic ID: 0431370201 Agent Code:
 Type: Real
 Property Use Code:
 Property Use Description:

Location

Address: 3226 W SLAUGHTER LN Mapsco: 672G
 TX 78748
 Neighborhood: #SOU Map ID: 043137
 Neighborhood CD: #SOU

Owner

Name: FC SW HOUSING LP Owner ID: 1589338
 Mailing Address: % WALTER MOREAU % Ownership: 100.0000000000%
 3036 S 1ST ST
 AUSTIN, TX 78704
 Exemptions: EX-XV

Values

(+) Improvement Homesite Value: + N/A
 (+) Improvement Non-Homesite Value: + N/A
 (+) Land Homesite Value: + N/A
 (+) Land Non-Homesite Value: + N/A Ag / Timber Use Value
 (+) Agricultural Market Valuation: + N/A N/A
 (+) Timber Market Valuation: + N/A N/A

 (=) Market Value: = N/A
 (-) Ag or Timber Use Value Reduction: - N/A

 (=) Appraised Value: = N/A
 (-) HS Cap: - N/A

 (=) Assessed Value: = N/A

Taxing Jurisdiction

Owner: FC SW HOUSING LP
 % Ownership: 100.0000000000%
 Total Value: N/A

| Entity | Description | Tax Rate | Appraised Value | Taxable Value | Estimated Tax |
|-----------------------------|-----------------------------------|----------|-----------------|---------------|---------------|
| 01 | AUSTIN ISD | N/A | N/A | N/A | N/A |
| 02 | CITY OF AUSTIN | N/A | N/A | N/A | N/A |
| 03 | TRAVIS COUNTY | N/A | N/A | N/A | N/A |
| 0A | TRAVIS CENTRAL APP DIST | N/A | N/A | N/A | N/A |
| 2J | TRAVIS COUNTY HEALTHCARE DISTRICT | N/A | N/A | N/A | N/A |
| 68 | AUSTIN COMM COLL DIST | N/A | N/A | N/A | N/A |
| Total Tax Rate: | | N/A | | | |
| Taxes w/Current Exemptions: | | | | | N/A |
| Taxes w/o Exemptions: | | | | | N/A |

Improvement / Building

Improvement #1: 1 FAM DWELLING State Code: E1 Living Area: 3854.0 sqft Value: N/A

| Type | Description | Class CD | Exterior Wall | Year Built | SQFT |
|------|------------------|----------|---------------|------------|--------|
| 1ST | 1st Floor | WV - 5+ | | 1969 | 3854.0 |
| 011 | PORCH OPEN 1ST F | * - 5+ | | 1969 | 84.0 |
| 011 | PORCH OPEN 1ST F | * - 5+ | | 1969 | 1124.0 |
| 011 | PORCH OPEN 1ST F | * - 5+ | | 1969 | 90.0 |
| 011 | PORCH OPEN 1ST F | * - 5+ | | 1969 | 90.0 |
| 051 | CARPORT DET 1ST | * - 5+ | | 1969 | 984.0 |
| 061 | CARPORT ATT 1ST | * - 5+ | | 1969 | 528.0 |
| 095 | HVAC RESIDENTIAL | * - * | | 1969 | 3854.0 |
| 251 | BATHROOM | * - * | | 1969 | 3.7 |
| 302 | BARN FV | F-V - * | | 1969 | 1.0 |
| 306 | GREENHOUSE | F-V - * | | 1969 | 1.0 |
| 312 | TENNIS COURT FV | F-V - * | | 1969 | 1.0 |
| 329 | DRIVEWAY FV | F-V - * | | 1969 | 1.0 |
| 509 | CANOPY FV | F-V - * | | 1969 | 1.0 |
| 522 | FIREPLACE | * - 5+ | | 1969 | 1.0 |
| 604 | POOL RES CONC | * - 5+ | | 1969 | 1.0 |
| 612 | TERRACE UNCOVERD | * - 5+ | | 1969 | 165.0 |
| 283 | LIVING QTRS FV | F-V - * | | 1969 | 1.0 |
| SO | Sketch Only | SO - * | | | 828.0 |
| SO | Sketch Only | SO - * | | | 1260.0 |

Land

| # | Type | Description | Acres | Sqft | Eff Front | Eff Depth | Market Value | Prod. Value |
|---|------|-------------|---------|------------|-----------|-----------|--------------|-------------|
| 1 | LAND | Land | 29.4022 | 1280759.83 | 0.00 | 0.00 | N/A | N/A |

Roll Value History

| Year | Improvements | Land Market | Ag Valuation | Appraised | HS Cap | Assessed |
|------|--------------|-------------|--------------|-----------|--------|-----------|
| 2014 | N/A | N/A | N/A | N/A | N/A | N/A |
| 2013 | \$325,426 | \$17,500 | 0 | 342,926 | \$0 | \$342,926 |
| 2012 | \$325,426 | \$17,500 | 0 | 342,926 | \$0 | \$342,926 |
| 2011 | \$325,426 | \$17,500 | 0 | 342,926 | \$0 | \$342,926 |
| 2010 | \$321,182 | \$17,500 | 0 | 338,682 | \$0 | \$338,682 |
| 2009 | \$321,182 | \$17,500 | 0 | 338,682 | \$0 | \$338,682 |

Deed History - (Last 3 Deed Transactions)

| # | Deed Date | Type | Description | Grantor | Grantee | Volume | Page | Deed Number |
|---|-----------|------|-----------------------|-------------------------|-------------------------|--------|-------|--------------|
| 1 | 9/6/2013 | SW | SPECIAL WARRANTY DEED | HARMON JOHN M & JOYCE W | FC SW HOUSING LP | | | 2013168094TR |
| 2 | 9/30/1981 | WD | WARRANTY DEED | SANDAHL CHARLES L JR | HARMON JOHN M & JOYCE W | 07589 | 00370 | |
| 3 | 6/4/1968 | WD | WARRANTY DEED | | SANDAHL CHARLES L JR | 03487 | 01870 | |

Questions Please Call (512) 834-9317

This site requires cookies to be enabled in your browser settings.

This year is not certified and ALL values will be represented with "N/A".

**ATTACHMENT 8:
Zoning Verification
Letter**



City of Austin

Founded by Congress, Republic of Texas, 1839
Planning and Development Review Department
One Texas Center, 505 Barton Springs Road
P.O. Box 1088, Austin, Texas 78767

January 10, 2013

Jennifer Daughtrey Hicks
Director of Housing Finance
Foundation Communities
3036 S. 1st Street, Suite 200
Austin, TX 78704

**Re: Zoning Verification for the Property located at 3226 West Slaughter Lane,
consisting of 30 acres out of the T. Bissell ABS 3 SUR 18 Survey in Austin, Texas**

Dear Ms. Hicks:

This letter is to confirm that the Property located at 3226 West Slaughter Lane, as described above is zoned multi-family residence – moderate high density – conditional overlay (MF-4-CO) combining district. The site was zoned MF-4-CO by a vote of the City Council on November 21, 2002 by ordinance 021121-19 and August 9, 2006 by ordinance 20060809-003.

Under the MF-4-CO zoning classification applicable to this property, multi-family residential development is permitted provided the applicable zoning and land development regulations (height, setback, parking, etc.) and building codes are addressed. No zoning change is necessary for development of multi-family residences on this site, and no conditional use permit is required for development of multi-family residences on the site or for use of the site for multi-family residences.

Sincerely,

Wendy W. Rhoades, Principal Planner
Planning and Development Review Department

**ATTACHMENT 9:
S.M.A.R.T. Housing
Certification**



City of Austin

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

Neighborhood Housing and Community Development Department

February 13, 2013

S.M.A.R.T. Housing Certification
Foundation Communities Inc.- 3226 West Slaughter Lane- Homestead Apartments
(id #65438)

TO WHOM IT MAY CONCERN:

Foundation Communities Inc. (development contact:: Walter Moreau (512)-610-4016 (o); walter.moreau@foundcom.org) has submitted a S.M.A.R.T. Housing application for the construction of a **140 unit multi-family development at 3226 West Slaughter Lane to be known as Homestead Apartments**. 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.

NHCD certifies that the proposed construction meets the S.M.A.R.T. Housing standards at the pre-submittal stage. Since 10% of the units (14 units) will serve households at or below 30% Median Family Income (MFI); 40% of the units (56 units) will serve households at or below 50% Median Family Income (MFI); and 40% of the units (56 units) will serve households at or below 60% 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 (<i>by separate ordinance</i>) |
| 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
Maureen Meredith, PDRD
M. Simmons-Smith, PDRD
Kath. Murry, Austin Energy
Robby McArthur, AWU
Bryan Bomer, AEGB
Gina Copic, NIICD
Chris Yancz, PARD
Icidi Kasper, AEGB
Danny McNabb, WPDR
Hillary Granda, PDRD
Susan Kinel, NIICD
Stephen Castleberry, PDRD
George Zapalac, PDRD
Debra Fonseca, PDRD

ATTACHMENT 10: Development Team Resume



Development Resume

**Foundation Communities, Inc.
Developer**

January 2014



A Description of the Scope and Nature of Development Experience

FC is a well-respected non-profit developer and long-term owner of 1,982 units of affordable rental housing in Austin. FC has developed a range of housing including scattered site duplexes, multifamily housing with incorporated green space, and mid-rise, higher-density housing for single adults.

About Foundation Communities, Inc.

Foundation Communities' (FC) mission is to create housing where families succeed. We are a nationally-recognized nonprofit organization that empowers low- and moderate- income families to succeed through quality affordable housing and tools to increase their educational and economic standing.

Foundation Communities works in four focus areas:

* Opening Doors to Homes -- We own and manage 2,673 units across 17 properties -- 14 in Austin, and three in the Dallas/Fort Worth area -- providing quality homes for more than 2,500 low income families and individuals.

* Helping the Homeless -- Our 465 permanent supportive housing units allow single adults who have been homeless, are on fixed incomes, or who have chronic health problems and disabilities to reach their maximum level of self-sufficiency. The 111 units in our Children's HOME Initiative program provide reduced rents and case management support to help fragile families move from crisis and instability to long-term self-sustainability.

* Learning in a Community -- Through strategic partnerships, in 2011-12 we will give 800 children of working parents a safe place to go when school's out right where they live, helping 85% of students maintain or improve grades. Talented volunteers help us increase adults' earning potential through classes in English as a Second Language and computer skills, as well as employment counseling and social service referrals.

* Saving for the Future -- Each year, we empower more than 300 families to become smart consumers through economic education and one-on-one financial coaching; at least 50% of them reduce their debt. More than 224 families have earned a 2-to-1 match in special savings accounts to purchase a home, attend college, or start a business. We also provide free income tax preparation for 17,000 low income workers and retirees with the help of more than 600 IRS-certified volunteers; this is vitally important to low-income workers. By utilizing this free service, low-income clients can claim all of the tax credits for which they qualify while avoiding costly commercial tax preparation fees and predatory loans.

Recent Development Experience:

Development Name: M Station
Development Location: 2906 E. Martin Luther King Blvd., Austin, TX 78702

Owner Name and Contact: M Station Housing, LP (FC is sole managing member of GP)
Walter Moreau, walter.moreau@foundcom.org, (512) 610-4016

Income Mix:

- 15 units – < 30% MFI
- 75 units – < 50% MFI
- 45 units - < 60% MFI
- 15 units – < 80% MF (market units)

TOTAL UNITS: 150

Description:

M Station is an innovative family-oriented apartment community that has established the standard for green building and affordable housing in Austin's new Transit Oriented Districts (TODs). This 150-unit new-construction development consists of four residential buildings and two community buildings spread out on 8.5 acres of prime real estate minutes from downtown and the University of Texas. Unique features of the property include a park-like setting along the Boggy Creek greenbelt featuring open green space and trails and a state-of-the-art child care center open to the neighborhood and offering reduced rates for residents.

M Station is a project of "firsts." M Station is the first affordable housing built in one of Austin's new TODs, the first large 9% housing tax credit development for families in Austin since 2004, and the highest scoring LEED for HOMES Platinum certified development in the country. With M Station, our hope was to dramatically reduce the primary portions of a resident family's budget while also achieving an exemplary quality of life: an affordable rent to lower housing costs; a location in the most transit-rich neighborhood in Austin to lower transportation costs; a high-quality, on-site childcare facility to lower child care costs; and a sustainably-designed property to lower utility costs. Ensuring that units at M Station were as healthy and efficient as possible will save our residents much-needed dollars to apply to other areas of their household budgets, contributing to more stable families and neighborhoods.

The development of M Station involved the transformation of a concrete-covered grayfield lot, previously a concrete manufacturing plant's staging lot that has been lying dormant and unused for decades, into a safe, healthy, supportive urban community in the heart of a high-opportunity neighborhood in Austin. Project amenities at M Station include a community building that will host the property leasing office, property management and supportive service staff offices, a computer learning center, a clothes care center, maintenance shop and office space for supportive service programming. A second community building houses the child-care program and the afterschool program. In addition, the property features children's playscapes, a sport court, circuitous internal pathways for walking and biking, multiple green spaces for outdoor gatherings, and pedestrian connections to nearby neighborhood resources.

M Station Timeline:

| | |
|--------------------------|----------------|
| Letter of Intent | December 2008 |
| LIHTC Application | March 2009 |
| LIHTC Award Notification | September 2009 |
| Acquisition | November 2009 |
| LIHTC Commitment | December 2009 |

Start of Construction June 2010
Construction Completion October 2011

M Station Development Budget:

Uses

| | |
|-------------------|---------------------|
| Acquisition | \$3,001,370 |
| Hard Costs | \$17,690,860 |
| Financing Costs | \$1,041,600 |
| Soft Costs | \$1,047,730 |
| Reserves | \$300,000 |
| Developer Fee | \$2,266,570 |
| TOTAL USES | \$25,348,130 |

Sources

| | |
|-------------------------------|--|
| 9% LIHTC Equity | \$13,496,733 (Bank of America as syndicator) |
| Perm Loan | \$4,000,000 (Bank of America) |
| City of Austin GO Bonds | \$2,000,000 |
| FHLB Bank of San Francisco | \$1,500,000 |
| NeighborWorks America | \$1,250,000 |
| Austin Community Foundation | \$500,000 |
| Energy Rebates | \$189,000 |
| Home Depot Foundation | \$75,000 |
| Enterprise Green Communities | \$50,000 |
| Enterprise Carbon Offset Fund | \$45,788 |
| FC Reserves | \$890,212 |
| Deferred Developer Fee | \$1,351,397 |
| TOTAL SOURCES: | \$25,348,130 |



Experience in Development of Mixed Finance Low-Income Housing

| Address | # of Units | New or Rehab | Type | Year Completed | Income Mix |
|---|-------------------|---------------------|-------------|---------------------------------|--|
| Arbor Terrace 2501 S. IH 35, Austin, 78741 | 120 | Rehab | SRO | 2012 | 90 units – 30% MFI 30 units – 50% MFI |
| Buckingham Place 743-B Yarsa, Austin, 78748 | 164 | Rehab | Duplexes | 1991 | 83 units – 50% MFI 83 units – 80% MFI |
| Capital Studios 309 E. 11 th Street Austin, TX 78701 | 135 | New | SRO | 2014 – Under construction | 27 units – 30% MFI 27 units – 40% MFI 81 units – 50% MFI |
| Cherry Creek 5510-B Fernview, Austin, 78745 | 122 | Rehab | Duplexes | 1989 | 37 units – 50% MFI 85 units – 80% MFI |
| Crossroads 8801 McCann, Austin, 78757 | 92 | Rehab | Apts | 1990 | 14 units – 30% MFI 31 units – 50% MFI 47 units – 80% MFI |
| Daffodil 6009 Daffodil, Austin, 78744 | 40 | Rehab | Apts | 1996 | 10 units – 30% MFI 30 units – 50% MFI 30 units – 80% MFI |
| Garden Terrace 1015 W. William Cannon, Austin, 78745 | 103 | Rehab | SRO | 2003 and 2008 | 35 units – 30% MFI 65 units – 50% MFI 3 units - UR |
| Homestead Oaks 3226 W. Slaughter Lane Austin, TX 78748 | 140 | New | Apts | 2015 – under construction | 14 units – 30% MFI 70 units – 50% MFI 42 units – 60% MFI 14 units - MKT |
| M Station 2906 E. MLK, Austin, 78702 | 150 | New | Apts | 2011 | 15 units – 30% MFI 75 units=50% MFI 45 units=60% MFI 15 units - MKT |
| Peters Colony 1810 E. Peters Colony Rd, Carrollton 75007 | 160 | Rehab | Apts | 1995 | 15 units=30% MFI 50 units=50% MFI 48 units=80% MFI 8 units=UR |
| Shadow Brook 2020 S. Cooper, Arlington, 76013 | 403 | Rehab | Apts | 1995 | 201 units=50% MFI 202 units=80% MFI |
| Sierra Ridge 201 W. St. Elmo, Austin, 78745 | 149 | Rehab | Apts | 1991 | 15 units=30% MFI 128 units=50% MFI 6 units=80% MFI |
| Sierra Vista 4320 S. Congress Ave., Austin, 78745 | 238 | Rehab | Apts | 2012 | 24 units=30% MFI 166 units=50% MFI 48 units=60% MFI |
| Sleepy Hollow 3903 Ichabod Cr, Arlington, 76013 | 128 | Rehab | Apts | 1995 | 64 units=50% MFI 64 units=80% MFI |

| | | | | | |
|--|--------------|-------|------|------|---|
| Southwest Trails 8405 Old Bee Caves Rd., Austin, 78735 | 160 | New | Apts | 2001 | 96 units=50% MFI 64 units=60% MFI |
| Spring Terrace 7101 N. I-35, Austin, TX 78752 | 142 | Rehab | SRO | 2006 | 14 units=30% MFI 126 units=50% MFI 2 units=UR |
| Skyline Terrace 1212 W. Ben White. Austin, 78704 | 100 | Rehab | SRO | 2008 | 72 units=30% MFI 28 units=40% MFI |
| Trails at the Park 815 W. Slaughter Ln, Austin, 78748 | 200 | New | Apts | 2000 | 46 units=50% MFI 104 units=60% MFI 50 units=80% MFI |
| Vintage Creek 7224 Northeast Dr, Austin, 78723 | 200 | Rehab | Apts | 2000 | 23 units=50% MFI 57 units=60% MFI 120 units=80% MFI |
| TOTAL UNITS | 2,948 | | | | |

Green Building Certification Experience

As the largest nonprofit affordable housing developer/owner in Austin, Foundation Communities (FC) has been committed to green building principles since 2000. We know that green building makes sense for affordable housing because by reducing our own operations costs, we can keep rents low and fund vital services such as on-site after-school programs and free citywide tax preparation. As owner of 17 real estate properties, FC spends \$1.3 million per year on water and energy costs. These costs increase about 10% per year, so finding ways to reduce our energy impact is crucial for efficient operations. Committing to green building and energy efficiency also has a significant effect on the budgets of our residents who pay their own bills at our family apartment communities. Lower utility bills can mean more money to pay off debt, invest in education, finance childcare or transportation to work, or save for the future.

Foundation Communities engages a comprehensive green building and green initiatives approach that made it possible for us to offset 9,600 CO2 emissions last year; which is equivalent to removing the emissions of 817 average homes in the United States.

We have invested in the following green capital improvements at our existing multifamily properties:

- Replaced toilets with low-flow flapper-less models
- Installed low-flow fixtures in bathrooms and kitchens
- Replaced incandescent bulbs with compact fluorescent bulbs
- Installed programmable thermostats in all residential units
- Increased attic insulation to R-38 at five of eight properties
- Five properties qualified and participated in Austin Energy Duct Sealing program
- Installation of solar screens to reduce heat gain
- Installed ceiling fans in all applicable spaces in residential units
- All appliances are being replaced by Energy Star units
- All new HVAC units are 14 SEER if applicable
- Basic weatherization and water conservation are checked during make-readies (preparing new units for residents)
- Using only low VOC paints and adhesives for make readies and all new construction projects
- Replacing carpet on the first floor apartments with ceramic tile
- Contracting green cleaning contractors for SRO (single resident occupancy) properties
- Utilize Green pest management contractors at our properties

- With the help of community groups, we have planted additional trees at our properties
- Community gardens at four properties
- High-performance windows
- Sensors and dimmers minimize artificial lighting use during daylight
- Track our utility monthly to follow trends and identify problems proactively

Through investments in renewable energy, energy management and water conservation we work towards reducing our ecological footprint.

- All house utility accounts are invested in 100 percent renewable energy (solar or wind)
- Foundation Communities is one of the largest private producers of solar energy in central Texas
- Producing 107,000 kWh annually, our panels generate on average five percent of energy we use and power 10 average single family homes for a year
- Approximately 50% of the energy to heat hot water at Spring Terrace and Skyline Terrace is produced by the sun with solar hot water arrays.
- Water-wise landscaping (at some locations)
- Rainwater harvesting
- Track our water usage monthly to identify problems proactively

We also proactively work to educate our property management and maintenance staff and residents on green practices:

- We conduct trainings for maintenance staff
- Distribute monthly newsletters that include "Green Tips"
- Sustainability Reports are provided and reviewed with property management every year
- Our Saving Green Program, educates residents how to save money through conservation
- We prepare green capital improvement plans on each property annually.

M Station, our greenest development constructed to date and completed in 2011, earned a LEED Platinum rating for its energy efficient and transit oriented features and its score actually qualifies the project as one of the greenest apartment complexes in the United States. The following green features were incorporated into the design and development of M Station:

- Grayfield redevelopment of old concrete manufacturing storage lot.
- Located in richest public transit neighborhood in Austin with nearby access to multiple major bus lines and less than a 1/4-mile from commuter rail stop.
- Produced building mockup section to be sure all trades understand the green and durable construction techniques including window details, flashing, and envelope penetrations.
- Highly efficient elevator reduces energy usage, maintenance costs and hundreds of gallons of hydraulic oil.
- Structural slab utilizes 30% flyash in place of concrete which dramatically reduces energy in production and diverts land-fill bound material.
- Provide dedicated parking spots for Car2Go .
- Developed internal and edge sidewalks and bikeways as promenades that connect to existing neighborhood sidewalks. A pedestrian bridge over Boggy Creek connects M Station to neighborhood to promote exercise and walking.
- Provides ample covered bike racks at key locations throughout the site.
- Fully accessible design throughout facility.
- 100% of planted landscape utilizes native and adapted species. All drought-tolerant.
- All non-turf landscape irrigated using sub-surface drip irrigation.
- All very low flow water fixtures.
- 100% of building roof stormwater runoff collected and re-irrigated onsite.

- 100% of lighting fixtures are Energy Star rated.
- Exterior site lighting connected to timer and light sensors and use full-cutoff fixtures to minimize light pollution.
- Metal reflective roof for durability and radiant barrier.
- Fully sealed to prevent air leakage to exterior.
- Insulated using affordable hybrid insulation strategy (foam + spray fiberglass).
- Insulative glazing with excellent low-E films and shading overhangs.
- Extremely efficient, centralized, inverter-driven variable refrigerant flow HVAC (Mitsubishi CityMulti).
- 88% construction waste reduction/recycling goal.
- Permeable concrete used for all walking and biking paths.
- Low-VOC paints, sealants, and adhesives.
- No added formaldehyde in engineered wood or insulation.
- Bathrooms, dryers and kitchen hoods all vented to exterior.
- Fresh-air intakes balanced to provide ample fresh air without unduly loading HVAC
- Integrated pest management strategy improves long-term durability and eliminates need for pesticides, herbicides.
- MERV 8 filters on HVAC to improve indoor air quality and reduce asthma and allergy triggers.
- Commissioning and testing of all systems to be sure all function properly.
- No smoking allowed within 25 feet of units.

Foundation Communities' green partners include:

Austin Energy Green Building - We have participated in several Austin Energy programs including: GreenChoice® Energy, Austin Energy Green Building Rating System, Commercial rebate programs for solar, insulation, solar screens; in addition, several of our properties have benefited from the free duct-sealing program and the Low Income Weatherization.

Energy Star Partner - Foundation Communities is proud to be an Energy Star® Partner. Through this partnership our building manager can "measure," "rate," or "benchmark" a facility's energy use by using the EPA's National Building Performance Rating System. In addition, we have access to online Energy Star resources that assist us in achieving our "green" initiatives.

Enterprise Green Communities - Foundation Communities has been the recipient of five Green Communities Green Building awards that have helped us push the green building envelope in our projects in the last five years. The Enterprise Foundation has successfully laid the groundwork for green building in affordable housing on a nation-wide scale for the last seven years.

List of Green Certifications:

Spring Terrace (rehab) – Green Communities Certified

Skyline Terrace (rehab) – Green Communities Certified

M Station – LEED-H Platinum Rating, Green Communities Certified and 5-Star Austin Energy Green Building rating

Sierra Vista – Green Communities Certified and 1-Star Austin Energy Green Building rating (S.M.A.R.T.

Housing now requires all rehabs to score at least 1-Star Austin Energy Green Building rating)

Arbor Terrace – Green Communities Certified and 4-Star Austin Energy Green Building rating (highest rated MF rehab in Austin)

Community Engagement

Foundation Communities believes the key to a project's true success is the support and engagement of the surrounding neighborhood and stakeholders. The first step in pursuing any new development is to

approach the neighborhood and talk to key stakeholders about the project, target population and show examples of our projects. We have had some neighborhood challenges with true “Not In My Backyard Opposition” but have always been able to overcome and ultimately receive the support of the neighborhood. Listed below are the most recent development projects and the neighborhoods engaged and from whom we received votes of support:

| | |
|-------------------------|---|
| <u>Capital Studios:</u> | Downtown Austin Neighborhood Association Downtown Austin Alliance |
| <u>Sierra Vista:</u> | South Congress Combined Neighborhood Planning Area |
| <u>M Station:</u> | Austin Heights Neighborhood Association Rosewood Neighborhood Planning Contact Team McKinley Heights Neighborhood Association Chestnut Neighborhood Association Cherrywood Neighborhood Association |
| <u>Skyline Terrace:</u> | South Lamar Neighborhood Association Southwood Neighborhood Association |
| <u>Spring Terrace:</u> | St. Johns Neighborhood Association |

Knowledge of Real Estate Financing Methods

Foundation Communities, Inc. has experience utilizing all funding tools available for the development of affordable multifamily housing. We have an excellent track record of securing funding in competitive allocations such as the 9% LIHTC and the Federal Home Loan Bank Affordable Housing Program. We also have solid relationships with multiple lenders.

LIHTCs and BONDS

Foundation Communities has applied for and been awarded 9% LIHTCs for five developments. Two of these awards were forward commitments by the Texas Department of Housing Board of Directors giving testament to Foundation Communities track record of high-quality developments with compelling missions. FC's development team is well-versed in the LIHTC program and application process. All applications are completed in-house by staff. Staff also closely follows the drafting of the Qualified Allocation Plan and is aware of changes to threshold and scoring items that impact a high-scoring application. FC has a staff team that has over 10 years of tax credit compliance with a record of no significant findings. FC also has relationships with multiple tax credit investors including Enterprise Community Investment and Bank of America. Our high-quality projects and healthy organizational financial health has historically allowed for higher-than-average pricing.

City of Austin RHDA

The City of Austin has been a major contributor on every project completed by Foundation Communities in the past 10 years. The FC Development team follows the release of the City's application rules and NOFA and has a solid working relationship with City of Austin NHCD/AHFC staff.

Private Mortgages

Foundation Communities has excellent relationships with several lenders that allow for competitive rates and pricing. We currently have private mortgages with Compass Bank, Bank of America, Wells Fargo and Greater Texas Federal Credit Union. While we have great relationships with these and many other conventional lenders, we have a fiduciary duty to bid out our finance opportunities, and we've always found this to end up with the best rate and terms.

Private Fundraising

Foundation Communities employs a diverse fundraising strategy. In 2012, private fundraising totaled over \$3,000,000 (not including capital funding from City of Austin). Foundation and corporate grants range from \$3000 to hundreds of thousands of dollars, and fund both capital projects and FC's wide range of programs (education, supportive housing, etc.). For individual donations, we use the Benevon model, culminating in an annual A Place to Call Home fundraising luncheon. This year's luncheon was attended by 750 invited guests, and raised more than \$800,000. We have applied for and received eight awards through the FHLB Affordable Housing Program and received the highest funding amount awarded for our M Station property of \$1,500,000.

Completed Projects in Past 10 Years:

| Year Funding Completed | Project Name | Funding Tools |
|-------------------------------|---------------------|---|
| 2014 | Homestead Oaks | 9% LIHTC, City of Austin RHDA Program, HUD 221(d)(4) loan, FHLB AHP, NeighborWorks America, Private Fundraising |
| 2012 | Capital Studios | 9% LIHTC, City of Austin RHDA Program, FHLB San Francisco, Enterprise Green Communities, NeighborWorks America, Private Fundraising |
| 2011 | Arbor Terrace | Neighborhood Stabilization Program via TDHCA, City of Austin RHDA Program, FHLB Atlanta, NeighborWorks America |
| 2010 | Sierra Vista | 9% LIHTC, City of Austin RHDA Program, FHLB San Francisco, NeighborWorks America, Private Fundraising, Permanent Mortgage with Impact Capital via Bank of America |
| 2009 | M Station | 9% LIHTC, City of Austin RHDA Program, FHLB San Francisco, Enterprise Green Communities, NeighborWorks America, Private Fundraising, Permanent Mortgage with Impact Capital via Bank of America |
| 2006 | Skyline Terrace | 9% LIHTC, City of Austin RHDA, TDHCA HOME, FHLB San Francisco, NeighborWorks America, Enterprise Green Communities, Private Fundraising |
| 2005 | Spring Terrace | City of Austin RHDA, TDHCA HOME and HTF, FHLB Dallas, NeighborWorks America, Enterprise Green Communities, Private Fundraising |

WALTER J. MOREAU

My vocation the last twenty years has been to work with nonprofit organizations to create high quality, service rich, affordable housing for very low income, Texas families. I have successfully secured subsidy financing worth over \$80 million and provided other development services to create over 2,200 units of service enriched housing.

PROFESSIONAL EXPERIENCE:

EXECUTIVE DIRECTOR, Foundation Communities, Austin, Texas 1997-Present

- Lead one of the premiere affordable housing organizations in the region in pursuit of our mission “to create housing where families succeed”.
- Oversee the development, asset management, property management, and resident services of our growing portfolio of 2,100 units with a market value of over \$90 million. Our properties are places of great community pride and help over 2,000 families save over \$1.5 million in rent annually. I guide a staff of 150 and look after a \$15 million annual budget.

Development

- Overcoming neighborhood opposition and building **Trails at the Park**, a 200 unit family community adjacent to a 350-acre nature park. This \$15 million community includes a 3,200 square foot Learning Center and a beautiful fourplex design. Primary subsidy financing includes 9% tax credits and various grants.
- Purchased and renovated the **Village Green Apartments**, a 200 unit family property. This property underwent a complete transformation from high criminal activity to a safe, quiet environment. Opened a 2,000 square foot Learning Center. This property was financed with a 501(c)3 bond and a Neighborhood Reinvestment grant totaling \$7 million.
- Led the development and successful packaging of over \$14 million from eleven different grants, loans, bonds and tax credits to create the new **Southwest Trails Apartments**, a 160 unit community serving families at rents under the 50% income limit. This is the only new affordable housing developed in the more affluent Southwest Austin and it includes an 18-acre nature area.
- Developed the **Garden Terrace Residences**, the first Single Room Occupancy (SRO) community in Austin, with 85 units and a \$4.5 million capital budget paid for by public and private grants;

Asset and Property Management

- Created a financially self-reliant organization which owns its office building without a mortgage, and has refinanced our housing portfolio mortgages below 7% with fifteen year payoffs;
- Tripled our property management operation to cover 1,200 units, while capping cumulative rent increases under \$30 in six years and serving primarily families below 50% of median income;
- Significantly reduced deferred maintenance at all properties, while increasing our cash reserve balance from one million to three million dollars;
- Changed the name of the organization, creating new marketing materials, and winning selection as a United Way agency;
- Won the Metlife/Enterprise Foundation Award of Excellence in Asset Management for the Sierra Ridge Apartments;

Resident Services

- Fundraise approximately \$400,000 annually for resident service programs and matched this effort with property cash flow;
- Expanded our Learning Centers from one location to eight, managed by twelve professional full-time staff attended daily by over 600 youth and adults attending pre-school readiness, after-school tutoring, computer training, money management courses, ESL/GED, and classes;

- Created an Individual Development Account program with 400 accounts, as well as extensive financial literacy and homebuyer courses. Launched a new State IDA pilot program and SEED program.

DEVELOPMENT & ASSET MANAGEMENT DIRECTOR, Foundation Communities 1994 – 1996

- Secured grants and loans from four public and private sources (\$8.4 million) for the purchase and repair of four communities (731 units). I creatively structured a 0% mortgage with a desegregation lender to create 24 units serving extremely low-income households at the Peters Colony Apartments - a mixed income, suburban community.
- Served as the asset manager of the portfolio prepared and reviewed agency and property budgets, solved daily operations problems, and assisted with the strategic planning of our resident services.

PRIVATE CONSULTANT 1992 – 1994

- Worked with over fifteen nonprofit and public affordable housing organizations on a variety of client challenges. Raised over \$8.5 million in subsidy funds (tax credits, HOME, CDBG, HOPE 2, SRO, and Shelter Plus Care funds) for the development of 446 units in both urban and rural settings.
- Facilitated the sale and financing of four communities (871 units / \$9.2 million in value) from the Resolution Trust Corporation to nonprofit owners.
- Designed a Neighborhood Energy Conservation Program for Dallas Habitat for Humanity.
- Successfully helped the State troubleshoot three nonprofit funded projects that had stalled.
- Wrote two manuals and one technical report for the US Department of Health and Human Services on financial management issues for grantees of the Ryan White Care Act

PROJECT ASSOCIATE, Center for Housing Resources, Dallas, Texas 1990 – 1992

- Developed the concept of the Hillcrest House SRO (64 units) for homeless residents with AIDS, formed the developer partnership, secured the site, and financially packaged a successful Shelter Plus Care application worth \$2.6 million.
- Assisted a private developer in locating a suitable building to develop the first new SRO in Dallas – the Wales SRO (61 units). Secured a Section 8 SRO Mod Rehab grant (\$2.5 million) and low income housing tax credits worth \$450,000 for the project.
- Managed and doubled the size of the Volunteer Home Repair Program serving 250 volunteer home repair work crews annually.

MANAGEMENT TRAINEE, United Way of America 1989 – 1990

- Created a “blueprint” of housing solutions for the Homeless Services Task Force organized by the Community Council of Greater Dallas. Wrote a guidebook for nonprofit agencies on creating fair fee policies. Raised \$300,000 as a part of the United Way of Greater New Orleans campaign.

EDUCATION:

Master of Public Affairs, LBJ School of Public Affairs, University of Texas, Austin, 1994

Bachelors of Arts in Economics, Baylor University, Waco, Texas, 1989

- Phi Beta Kappa, Outstanding Bachelor of Arts Student in Economics

PERSONAL INFORMATION:

- I have been volunteer Board leader with the Neighborhood Capital Corporation, Austin Community Development Corporation, Capital Area Homeless Alliance, St. George’s Court Elderly Housing Community, St. George’s Episcopal Church Vestry, and the National Episcopal AIDS Coalition.
- Proficient in Spanish
- Personal interests include ultimate frisbee, reading, mountain biking, magic and stained glass
- Married with two “high-spirited” sons ages 14 and 11

Sunshine Mathon

M. Arch. First Professional, Specialization in Sustainable Design

07.20.2007



References available upon request.

Profile

When I entered graduate school, I was clear that I was doing so as an act of service. My architectural career will take me not to traditional firms, but to service-based organizations and clients, such as Foundation Communities, whose goal is to make a difference.

Experience

Systems & Construction Manager, UT Solar Decathlon 2005; Austin, TX – 2004-2005

Core member of the 2005 UT Solar Decathlon Team. I led the design and construction of the solar electric and solar thermal, plumbing, and HVAC systems for which we won two first place honors. Responsible for overall building energy analysis. Central researcher of sustainable materials, energy efficient appliances, and overall green building strategies. Onsite Construction Manager throughout all construction phases. For more information on the competition see: www.solardecathlon.org.

Computer Lab Teaching Assistant, UT Austin; Austin, TX – 2005-2007

Senior staff member of UT School of Architecture's Computer Lab. Oversaw the maintenance of the lab computers, both PC and Apple. Assisted and taught students with software questions including AutoCAD, Adobe Photoshop, Sketchup, Vectorworks.

Director, Farm & Wilderness Summer Camps; Plymouth, VT – 2000-2003

Created and organized dynamic program of outdoor skills and experiential environmental education for forty 11-15 year old boys in a remote setting. Responsible for hiring and managing seventeen staff. Accountable to multiple constituencies: campers, parents, staff and organization. Managed a seasonal \$65,000 budget.

Senior Computer Sales Consultant, Power Mac Pac; Portland, OR – 1998-2002

Apple Macintosh sales consultant with individual and corporate clients, both local and nationwide. Set company single month sales record of \$250,000.

Photographer, Third Iris Photography; Portland, OR – 2001-2003

Third Iris Photography was a self-run business. I was a freelance photographer with a focus on landscape, travel and detail art images.

Education

Bates College, Lewiston, ME – B.S. Physics, 1995; Magna Cum Laude.

University of Texas at Austin, Austin, TX – M. Arch, First Professional, 2007; GPA: 3.8.

University of Texas at Austin, Austin, TX – Specialization in Sustainable Design, 2007.

UT Honors – Graduate Recruitment Fellowship; Texas Architectural Foundation Scholarship.

Skills

The work experience described above reflects the diverse interests and skills I bring to any position. I am at ease engaging people face to face, working on a computer and swinging a hammer. I have frequently been given positions of significant responsibility and, though I come with broad skill sets, I am also comfortable asking for help or researching answers when I encounter unfamiliar territory.

RESUME

Vicki Beal McDonald

Austin, Texas 78703

Education: Bachelor of Science. University of Texas at Austin 1980

Professional Designation: Member: Certified Commercial Investment Institute (CCIM)

Licenses: Licensed Texas Real Estate Broker

Experience:

For the past twenty five years I have owned and operated Vista Properties, a real estate firm specializing in the management, leasing and brokerage of income producing assets. These assets have included multifamily, office and retail developments. The client base has consisted of private, government and institutional owners. Vista has performed property management and asset management services for a variety of real estate portfolios covering a six state region. Vista has provided construction management services and been involved in the renovation and rehabilitation of rental units, and office and retail finish out. Vista has participated as a real estate Broker in the sale and leasing of over fifty million dollars of commercial real estate.

Membership:

Austin Board of Realtors
Texas Association of Realtors
Texas Apartment Association
Real Estate Council of Austin
Central Texas CCIM Chapter
Commercial Leasing Brokers Association
Commercial Real Estate Women
Women's Chamber of Commerce

Board Involvement:

Chairman: Commercial Investment Division-Austin Board of Realtors
Chairman: Government Affairs Committee-Austin Board of Realtors
Director-Texas Association of Realtors
Member: Community Involvement Committee-Austin Board of Realtors
Member: Nominating Committee-Austin Board of Realtors
Board Member-Central Texas CCIM Chapter (Three years)
Chairman-Central Texas Mutual Housing Association (Two years)
Board Member- Central Texas Mutual Housing Association (Four years)
Chair: Community Service Committee CREW

Awards:

Commercial Investment Division Member of the Year

Jennifer Daughtrey Hicks

EDUCATION

Master of Public Affairs, May 2002

LBJ School of Public Affairs, Austin, Texas

- Research Project: "State Sprawl & Open Space"
- Master's Report: "Reinventing S.R.O.'s: Homes for the Single, Working Poor"

B.A. in Journalism, May 1999

Texas Tech University, Lubbock, Texas

- Texas Valedictorian Scholarship
- Hutcheson Endowed Journalism Scholarship

SUMMARY

Education and experience related to the development and finance of high-quality affordable housing. Skills in proposal/grant writing; research and report writing; working with federal, state and local governments; working with non-profit organizations and neighborhood associations. Motivated team player and builder with excellent communication skills and an ability to work on multiple projects simultaneously as a leader or a team player.

PROFESSIONAL EXPERIENCE

Director of Housing Finance

Foundation Communities, Inc., Austin, Texas

May 2002 – present

- Identify subsidy and conventional financing options for projects – to date have secured grants and loans from public and private sources (\$121 million) for the acquisition and rehabilitation of eight communities (1,128 units) and two learning centers.
- Find projects that fit available funding and development goals.
- Coordinate preparation and completion of funding applications including LIHTC, HOME, CDBG, FHLB, and HUD.
- Review closing documents and coordinate closing process for development projects.
- Plan development criteria and assist with evaluation and negotiation of potential development projects.
- Outline compliance regulations, ensure proper procurement, and act as point of contact for Davis Bacon wage reporting.
- Maintain compliance with tax exemption and CHDO requirements for 18 property portfolio.

Development Associate

Foundation Communities, Inc., Austin, Texas

Sep. 2001 – May 2002

- Assisted with a variety of funding applications for the development of affordable multi-family housing.
- Planned the financing, design, and management of first single room occupancy project in Austin.
- Identified and initiated negotiation on suitable properties for acquisition.

Linenberger Memorial Intern in City Management

Office of City Manager, San Mateo, California

June 2001 – Aug. 2001

- Wrote bi-weekly newsletter to employees, monthly newsletter to the community and City's Annual Report.
- Monitored city operations and reported progress to city staff and community through newsletters and press releases.

State Affairs Assistant

American Insurance Association, Austin, Texas

Aug. 1999 – May 2001

- Researched, tracked, and monitored House and Senate insurance-related bills for an eight state region.
- Composed legislative and regulatory updates, reports, calendars and press releases for distribution to Association members.

Public Relations Director

Office of the Governor, Criminal Justice Division/Task Force Division, Austin, Texas

May 1999-Aug. 1999

- Wrote and produced press releases, presentation scripts, grant reports and agency memorandums for department initiatives.
- Monitored statewide task force activities and reported to CJD executive staff.

Communication Fellow

Office of the Governor, Austin, Texas

May 1999-Aug. 1999

- Scanned national media sources and compiled daily packet of articles on Governor's initiatives and activities.
- Interviewed, trained and supervised new interns.

News Room Reporter

Lubbock Avalanche-Journal, Lubbock, Texas

Jan. 1999 - May 1999

- Generated story ideas, interviewed sources and wrote articles on local events.

EDUCATION

Clemson University, Clemson SC May 2011
Master of Real Estate Development

University of Texas at Austin December 2005
Bachelor of Arts in Urban Studies
Minor in Architectural Studies
Thesis: *Mixed-Use Development: A Solution For Growth*

ACADEMIC HONORS

Alpha Sigma Gamma International Real Estate Honorary Society
▪ Recognizes outstanding achievement in scholarship by real estate students at the university level

ACADEMIC PROJECTS

ARGUS Software University Challenge Spring 2011

- Competed on a team of four against 22 national and international universities in a case study competition using ARGUS DCF to determine the feasibility of the given case study
- Primarily responsible for analyzing data, determining assumptions, and modeling project in ARGUS DCF

Commercial/Residential Practicum Spring 2011

- Competed on a team of five to provide a development proposal for a 180-acre contiguous site in central Columbia, South Carolina
- Worked within a team to complete a market analysis, site analysis, site plan, pro forma, and development proposal
- Predominantly responsible for the financial analysis of the four phases of the groups proposal

WORK EXPERIENCE

Foundation Communities Austin, TX
Real Estate Project Manager October 2012 - Present

- Sources projects that fit available funding and development goals
- Assess financial feasibility of potential development projects
- Work in tandem with the Director of Housing Finance to prepare and complete funding applications including LIHTC, FHLB, and HUD in the amount of \$12.7 million to date.

American Campus Communities Austin, TX
Investment Analyst September 2011 – October 2012

- Perform financial modeling and preliminary due diligence for over 35 potential acquisitions and developments with valuations as great as \$170 million, including projects in multiple national markets
- Generate sensitivity analyses to identify impacts on IRR and debt coverage ratios, adjusting factors such as development costs, operating expenses, rental rates, and financing vehicles
- Investigate preliminary permit fee, impact fee, utility cost, and taxes through contact with local offices and officials

Foundation Communities Austin, TX
Development Intern May 2010 – August 2010

- Utilized Excel to compile and analyze historic operating income and expense figures from 1991 to 2009 for Foundation Communities' portfolio of 14 existing properties
- Completed financial feasibility studies for future Foundation Communities' acquisitions
- Performed a weighted property valuation using the income, replacement cost, and market approaches to value a property

Southwest Housing Compliance Corporation Austin, TX
Financial Analyst April 2008 – July 2009

- Evaluated annual operating budgets and set annual rent adjustments for a portfolio of 70 properties.

TRACS Data Analyst November 2006 – April 2008

- Acted in a customer service roll in a effort to coordinated and audited monthly rental subsidy requested for a portfolio of 70 properties

COMPETENCIES

- Microsoft Excel, Word, PowerPoint, and Project
- Site To Do Business, CoStar, and ARGUS DCF certified
- Strong research skills and ability to interpret government regulations

ATTACHMENT 11: Operating Proforma

TABLE D: OPERATING PROFORMA

| Unit Size (BR/BA) | Number of Units | Monthly Rental Income | Annual Rental Income |
|-------------------------------------|-----------------|-----------------------|----------------------|
| (1/1) 698 Sq Ft | 64 | \$42,468 | \$509,616 |
| (2/2) 968 Sq Ft | 57 | \$44,588 | \$535,056 |
| (3/3) 1,165 Sq Ft | 15 | \$13,769 | \$165,228 |
| (3/3) 1,185 Sq Ft | 4 | \$3,152 | \$37,824 |
| FULL OCCUPANCY ANNUAL INCOME | | | \$1,247,724 |
| Less Vacancy Loss (5%) | | | (\$87,341) |
| GROSS ANNUAL INCOME | | | \$1,160,383 |
| Inflation Factor - Income | | 2% | |
| Inflation Factor - Expenses | | 3% | |

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 10 | Year 15 | Year 20 | Year 25 | Year 30 |
|--|------------------|------------------|------------------|------------------|------------------|------------------|--------------------|--------------------|--------------------|--------------------|
| Gross Rental Income | \$1,160,383 | \$1,183,591 | \$1,207,263 | \$1,231,408 | \$1,256,036 | \$1,386,765 | \$1,531,101 | \$1,690,459 | \$1,866,404 | \$2,060,661 |
| Other Income | \$24,500 | \$24,990 | \$25,490 | \$26,000 | \$26,520 | \$29,280 | \$32,327 | \$35,692 | \$39,407 | \$43,508 |
| EXPENSES | | | | | | | | | | |
| Utilities | \$103,600 | \$106,708 | \$109,909 | \$113,207 | \$116,603 | \$135,175 | \$156,704 | \$181,663 | \$210,597 | \$244,140 |
| Insurance | \$50,049 | \$51,550 | \$53,097 | \$54,690 | \$56,331 | \$65,303 | \$75,704 | \$87,761 | \$101,739 | \$117,944 |
| Maintenance/Repair/Service Contracts | \$94,169 | \$96,994 | \$99,904 | \$102,901 | \$105,988 | \$122,869 | \$142,439 | \$165,126 | \$191,426 | \$221,915 |
| Property Taxes | \$64,992 | \$66,942 | \$68,950 | \$71,019 | \$73,149 | \$84,800 | \$98,306 | \$113,964 | \$132,115 | \$153,158 |
| Payroll | \$189,700 | \$195,391 | \$201,253 | \$207,290 | \$213,509 | \$247,515 | \$286,938 | \$332,640 | \$385,621 | \$447,040 |
| Marketing | \$13,500 | \$13,905 | \$14,322 | \$14,752 | \$15,194 | \$17,614 | \$20,420 | \$23,672 | \$27,443 | \$31,814 |
| Maintenance Reserve | \$73,172 | \$75,367 | \$77,628 | \$79,957 | \$82,356 | \$95,473 | \$110,679 | \$128,308 | \$148,744 | \$172,435 |
| Administrative | \$144,465 | \$148,799 | \$153,263 | \$157,861 | \$162,597 | \$188,494 | \$218,516 | \$253,320 | \$293,668 | \$340,441 |
| Turnover | \$11,661 | \$12,011 | \$12,371 | \$12,742 | \$13,125 | \$15,215 | \$17,638 | \$20,448 | \$23,704 | \$27,480 |
| TOTAL EXPENSES | \$745,308 | \$767,667 | \$790,697 | \$814,418 | \$838,851 | \$972,458 | \$1,127,345 | \$1,306,902 | \$1,515,058 | \$1,756,367 |
| NET OPERATING INCOME (NOI) | \$439,575 | \$440,914 | \$442,055 | \$442,989 | \$443,705 | \$443,587 | \$436,083 | \$419,249 | \$390,753 | \$347,802 |
| Sources of Funds & Debt Service | HUD 221(d)(4) | HUD 221(d)(4) | HUD 221(d)(4) | HUD 221(d)(4) |
| TOTAL ANNUAL Debt Service (DS) | \$379,936 | \$379,936 | \$379,936 | \$379,936 |
| Cash-flow after Debt Service (CF = NOI - DS) | \$59,639 | \$60,978 | \$62,119 | \$63,053 | \$63,769 | \$63,651 | \$56,147 | \$39,313 | \$10,817 | (\$32,134) |
| Debt Coverage Ratio (DCR = NOI/DS) | 1.16 | 1.16 | 1.16 | 1.17 | 1.17 | 1.17 | 1.15 | 1.10 | 1.03 | 0.92 |

**ATTACHMENT 12:
Good Neighbor Policy**

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) *N/A*

(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.

(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)*

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

(4) Application requirements

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.

Walter Moreau

Signed

Walter Moreau

printed name

3-20-14

date

Homestead Oaks
3226 W. Slaughter Lane
Austin, TX 78748

Single Point of Contact: Walter Moreau, Executive Director
Foundation Communities, Inc.
3036 S. 1st Street
Austin, TX 78704
(512) 610-4016
walter.moreau@foundcom.org

COMMUNICATIONS PLAN FOR NEIGHBORHOOD ENGAGEMENT

Foundation Communities believes the key to a project's true success is the support and engagement of the surrounding neighborhood and stakeholders. Before any other facets of a development are pursued, Foundation Communities approaches the neighborhood and talks to key stakeholders about the project, target population and shows examples of our projects.

The following steps have been taken to communicate with the neighborhood surrounding the proposed development located at 3226 W. Slaughter Lane.

1) Preliminary Research:

- December 2012 – Using the City of Austin's Community registry, FC development staff researched the neighborhood organizations that contain or border the proposed site. We also confirmed the site was not located in a current neighborhood plan.

2) Neighborhood Contact: Foundation Communities believes it is important to make personal contact with the priority neighborhood organizations before a letter notification is received by the organizations.

- January 2013 – Walter reached out to all neighborhoods listed on the City of Austin's Community registry by phone including:
 - i. Cherry Creek on Brodie
 - ii. Tanglewood Forest Neighborhood Association
 - iii. Tanglewood Oaks Owners Association
 - iv. Palomino Park Homeowners Association
 - v. Bauerle Ranch Homeowners Association

3) Neighborhood Notification:

- The following neighborhoods were sent a public notification of the proposed Homestead Oaks project per the 2013 Qualified Allocation Plan which governs the LIHTC program administered by the Texas Department of Housing and Community Affairs:
 - Cherry Creek on Brodie
 - Tanglewood Forest Neighborhood Association
 - Tanglewood Oaks Owners Association
 - Palomino Park Homeowners Association
 - Bauerle Ranch Homeowners Association

Please see attached notification letter that was sent to all organizations above. We have confirmed that we are not in the boundaries of any of the above neighborhood organizations, but do share a boundary with Cherry Creek on Brodie.

- Owners within 500 ft of Site - The development of Homestead Oaks did not necessitate a zoning change.

4) Neighborhood Engagement – At each of our meetings with the neighborhood, Foundation Communities presents information about our organization, plans for design of the building (architect is usually present at meeting) and we talk about who will live at the property and what services will be offered. We usually invite one of our residents to speak when necessary. We also invite neighborhood members to visit our existing portfolio of properties.

- Walter and the Foundation Communities, Inc. development team (including the project architect) have met with the Cherry Creek on Brodie neighborhood association several times to address any concerns with the development of Homestead Oaks. While Homestead Oaks is not within their boundaries, the project shares a boundary.
- We have a web page on our main website – <http://www.foundcom.org/news-and-events/homestead-apartments-information-page/> - that contains the most updated information on the project for easy public dissemination.

5) Implementation/Ongoing Relations

Foundation Communities, Inc. will implement the following processes to encourage ongoing relations with neighborhood members:

- Neighborhood members will be invited to the Ground Breaking and Ribbon Cutting events that will be held for the property. Neighborhoods will be given recognition for their support.
 - We will invite neighborhood members to participate in services programs being offered at our community.
 - We will invite and educate neighborhood members on the many ways to volunteer with Foundation Communities.
 - We will establish an open-door policy so that neighborhood members will feel comfortable communicating any concerns with either the on-site property management or the single point of contact.
-



Creating housing where families succeed in Austin and North Texas.

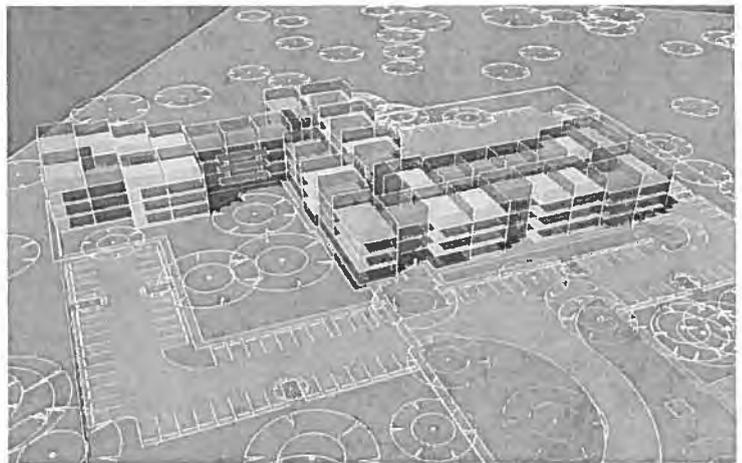
News and Events

Homestead Apartments

Overview

Foundation Communities is pleased to announce plans to construct a new affordable apartment community in Southwest Austin. Homestead Apartments will be built on a 29-acre tract of land located at 3226 W. Slaughter Lane near the intersection of Brodie Lane.

It's a beautiful property that was a homestead with more than 500 oak trees. That park-like setting will be preserved. Homestead Apartments will include 140 affordable units with 1, 2, or 3 bedrooms for low-income families. There will also be a leasing office and learning center on the property.



Targeted Occupancy

Of the 140 units, 10% will be for residents with approximate incomes less than 30% of the Area's Median Family Income (AMFI), 50% will be for residents with approximate incomes of less than 50% of the AMFI, and 30% will be for residents with approximate incomes of less than 60% of the AMFI, and 10% will be market rents. Ten Percent of the units will be reserved for the Children's Home Initiative, an FC program that combines reduced rents with intensified supportive services to help families achieve self-sufficiency. At a minimum, 10% of the total units will be designated for persons with mobility impairments with 2% made accessible for persons with hearing and visual impairments.



Supportive Services

In keeping with Foundation Communities' mission to provide housing plus supportive services to enhance the lives of residents, Homestead Apartments will also feature a learning center for after school and summer educational opportunities for children and adult education classes.



Energy Efficiency

Homestead Apartments will be designed to push the envelope on green standards for affordable housing resulting in lower utility bills for residents and lower

operating costs for Foundation Communities. We will seek to obtain a LEED Gold or Platinum designation and a 4 or 5-star Austin Energy Green Building Rating for Homestead.

Funding Sources

The total cost to construct Homestead Apartments is estimated at \$23,000,000. The sources of that funding include \$2,250,000 from the City of Austin, equity from the sale of Low Income Housing Tax Credits, a permanent loan and private fundraising.

Who is Foundation Communities?

Foundation Communities is a local non-profit providing first class, affordable homes and support services for thousands of low-income families and individuals, empowering them with the tools they need to succeed. We offer an innovative, proven model that enables our residents and neighbors to achieve educational success and financial stability. We own and operate 14 properties in Austin and 3 in North Texas providing affordable homes to over 2,500 families, create enriched learning environments for over 700 children as well as ongoing adult education and financial coaching, and help over 18,000 low income residents file their taxes free of charge every year.

In 2010, Community Tax Center volunteers helped more than 16,500 families receive more than \$29 million!

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3036 South First Street
Austin, TX 78704

tel: 512 447 2026
fax: 512 447 0288

www.foundcom.org

January 7, 2013

Ms. Barbara Statum
Cherry Creek on Brodie Neighborhood Association
████████████████████
Austin, TX 78748

Dear Ms. Statum,

FC SW Housing, L.P. is making an application for Housing Tax Credits with the Texas Department of Housing and Community Affairs for the Homestead Apartments, located at 3226 W. Slaughter Lane, Austin, Travis County. This New Construction is an apartment community on one site, and comprised of approximately 138 units of which 100% will be for low-income tenants.

There will be a public hearing to receive public comment on the proposed development. Information regarding the date, time, and location of that hearing will be disseminated at least 30 days prior to the hearing date on the Department's website.

Sincerely,

Walter Moreau
Executive Director
Foundation Communities
3036 S. 1st Street
Austin, TX 78704
walter.moreau@foundcom.org



a Partner Agency of



United Way Capital Area





creating housing where
families succeed

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Austin, TX 78704

tel. 512 447 2026
fax: 512 447 0288

www.foundcom.org

January 7, 2013

Ms. Linda Klar
Tanglewood Forest Neighborhood Association
[REDACTED]
Austin, TX 78748

Dear Ms. Klar,

FC SW Housing, L.P. is making an application for Housing Tax Credits with the Texas Department of Housing and Community Affairs for the Homestead Apartments, located at 3226 W. Slaughter Lane, Austin, Travis County. This New Construction is an apartment community on one site, and comprised of approximately 138 units of which 100% will be for low-income tenants.

There will be a public hearing to receive public comment on the proposed development. Information regarding the date, time, and location of that hearing will be disseminated at least 30 days prior to the hearing date on the Department's website.

Sincerely,

Walter Moreau
Executive Director
Foundation Communities
3036 S. 1st Street
Austin, TX 78704
walter.moreau@foundcom.org



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Austin, TX 78704

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fax: 512 447 0288

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January 7, 2013

Ms. Karen Wood
Tanglewood Oaks Owners Association
[REDACTED]
Austin, TX 78748

Dear Ms. Wood,

FC SW Housing, L.P. is making an application for Housing Tax Credits with the Texas Department of Housing and Community Affairs for the Homestead Apartments, located at 3226 W. Slaughter Lane, Austin, Travis County. This New Construction is an apartment community on one site, and comprised of approximately 138 units of which 100% will be for low-income tenants.

There will be a public hearing to receive public comment on the proposed development. Information regarding the date, time, and location of that hearing will be disseminated at least 30 days prior to the hearing date on the Department's website.

Sincerely,

Walter Moreau
Executive Director
Foundation Communities
3036 S. 1st Street
Austin, TX 78704
walter.moreau@foundcom.org



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January 7, 2013

Ms. Suzanne Balettie
Palomino Park Homeowners Association
[REDACTED]
Austin, TX 78748

Dear Ms. Balettie,

FC SW Housing, L.P. is making an application for Housing Tax Credits with the Texas Department of Housing and Community Affairs for the Homestead Apartments, located at 3226 W. Slaughter Lane, Austin, Travis County. This New Construction is an apartment community on one site, and comprised of approximately 138 units of which 100% will be for low-income tenants.

There will be a public hearing to receive public comment on the proposed development. Information regarding the date, time, and location of that hearing will be disseminated at least 30 days prior to the hearing date on the Department's website.

Sincerely,

Walter Moreau
Executive Director
Foundation Communities
3036 S. 1st Street
Austin, TX 78704
walter.moreau@foundcom.org



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United Way Capital Area





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fax: 512 447 0288

www.foundcom.org

January 7, 2013

Sarah A. Roper-Coleman
Bauerle Ranch Homeowner's Association
[REDACTED]
Austin, TX 78748

Dear Ms. Roper-Coleman,

FC SW Housing, L.P. is making an application for Housing Tax Credits with the Texas Department of Housing and Community Affairs for the Homestead Apartments, located at 3226 W. Slaughter Lane, Austin, Travis County. This New Construction is an apartment community on one site, and comprised of approximately 138 units of which 100% will be for low-income tenants.

There will be a public hearing to receive public comment on the proposed development. Information regarding the date, time, and location of that hearing will be disseminated at least 30 days prior to the hearing date on the Department's website.

Sincerely,

Walter Moreau
Executive Director
Foundation Communities
3036 S. 1st Street
Austin, TX 78704
walter.moreau@foundcom.org



a Partner Agency of



United Way Capital Area





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January 7, 2013

Sarah A. Roper-Coleman
Bauerle Ranch Homeowner's Association
[REDACTED]
Austin, TX 78748

Sent Via Email [REDACTED]

Dear Ms. Roper-Coleman,

FC SW Housing, L.P. is making an application for Housing Tax Credits with the Texas Department of Housing and Community Affairs for the Homestead Apartments, located at 3226 W. Slaughter Lane, Austin, Travis County. This New Construction is an apartment community on one site, and comprised of approximately 138 units of which 100% will be for low-income tenants.

There will be a public hearing to receive public comment on the proposed development. Information regarding the date, time, and location of that hearing will be disseminated at least 30 days prior to the hearing date on the Department's website.

Sincerely,

Walter Moreau
Executive Director
Foundation Communities
3036 S. 1st Street
Austin, TX 78704
walter.moreau@foundcom.org



a Partner Agency of



United Way Capital Area



ATTACHMENT 13:
Supportive Service Staff
Resumes

JULIAN HUERTA

Austin, Texas 78749

OBJECTIVE

Planning, implementing and evaluating educational opportunities and social services that empower disadvantaged persons to improve their lives.

EMPLOYMENT EXPERIENCE

Director of Programs; Foundation Communities, 1998 to present

Develop and direct educational and social service programs that assist families residing in affordable housing communities to increase their self-sufficiency.

Hire, train and supervise professional staff at multiple sites.

Research and author grant proposals to public and private sources to fund social service programs.

Collect participation and outcomes data on educational and family support programs, conduct program assessments, and submit reports to funding agencies and board of directors.

Collaborate with other community-based organizations and public agencies to maximize opportunities available to residents.

Executive Director; Literacy Austin, 1996 – 1997

Provided leadership for all programs, hired and supervised staff, and prepared and implemented annual budget in order to achieve agency mission as defined in conjunction with volunteer board of directors.

Directed public relations, community outreach and fund raising initiatives, including proposal writing, corporate and individual solicitations and special events.

Collaborated with other community-based organizations, United Way and Community Action Network partners, and citizen groups to coordinate and maximize services to disadvantaged residents of Travis County.

Information Systems Coordinator; American Institute for Learning, 1993 – 1996

Collected and analyzed data from multiple education and human service programs and submitted reports to funding agencies, senior managers and board of directors.

Oversaw eligibility determination, assessment and enrollment of participants according to contract requirements.

Hired, trained and supervised Information Systems, Intake and clerical staff.

Participated in the evaluation of agency programs, including designing and conducting research on client outcomes.

Assisted with the development of funding proposals to public and private sources.

Administered local area network, installed and maintained computer software and provided user training and support.

Social Science Research Associate; University of Texas Health Science Center at San Antonio, 1992 – 1993

Directed fieldwork for research studies of health issues in South Texas, with particular emphasis on Hispanic populations.

Hired, trained and supervised research interviewers, monitored quality of data collected, and prepared and presented progress reports.

Developed and maintained databases and statistical programs for the management and analysis of data.

Assisted division faculty with grant writing and monitoring, survey instrument development and testing, and manuscript preparation.

Social Service Worker; Texas Department of Human Services, 1988 – 1992

Interviewed applicants to determine eligibility for AFDC, food stamps and Medicaid, applying complex state and federal policies and regulations.

Provided information and answered client questions regarding program benefits and requirements, client rights and client responsibilities.

Made referrals to other agencies for housing, child care, job training, etc.

Maintained caseload statistics and completed monthly monitoring reports.

EDUCATION

Master of Science, Community and Regional Planning; University of Texas at Austin 1993.

Bachelor of Arts, Political Science; University of the Incarnate Word, 1987.

OTHER SKILLS

Proficient with various personal computer software packages, including: Microsoft Word, Excel, FoxPro, FileMaker Pro, PageMaker, SAS and SPSS.

Speak, read and write Spanish.

COMMUNITY INVOLVEMENT

Community Sabbatical Grantee, University of Texas Humanities Institute

Chairperson, Austin Asset Building Coalition

Member of the Board of Directors, Marywood Children and Family Services

Licensed Foster Parent, Texas Department of Protective and Regulatory Services

Mario Cortez

Austin, Texas 78745

Professional Experience

Front Steps, Inc., Austin Texas

7/04 - present

Keep Austin Housed AmeriCorps Program Coordinator

- Developed and managed all operational program activities and internal reporting methods in accordance with federal regulations and state provisions.
- Developed and managed systems to track performance outcome data and reported on program progress to federal and state entities.
- Established effective partnerships with social service organizations and developed and managed a network of 12 agency partnerships with Keep Austin Housed.
- Coordinated the recruitment, selection, and placement process of 25 AmeriCorps members annually and managed members' service terms.
- Developed and implemented an annual training plan focused on building and strengthening the professional skills of each member and provided supervisory support in members' professional development.

Foundation for the Homeless, Inc., Austin, Texas

7/03 - 7/04

Director of Social Services

- Coordinated and supervised case management services.
- Served as community liaison and collaborated with community service providers to enhance services to the homeless population.
- Acted as lead personnel in evaluating and monitoring program participants' compliance with service plans.
- Maintained program documentation in accordance with agency guidelines and reported outcome data to funding sources.
- Provided field instruction to interns from the UT School of Social Work.

Woodside Trails Therapeutic Camp, Smithville, Texas

1/03 - 7/03

MSSW Student Intern

- Worked with adolescent boys on issues of sexual victimization/perpetration, anger management, abuse, neglect, and addressed a variety of mental health disorders.
- Provided individual, group and family therapy to twelve adolescents and their families.
- Utilized a variety of therapeutic models (Play, CBT, Reality, and Narrative) and techniques.
- Participated in Comprehensive Treatment Plans and Treatment Planning Reviews.
- Coordinated services with Juvenile Probation and Child Protective Services.

Foundation for the Homeless, Inc., Austin, Texas

6/02 - 7/03

Intake Manager

10/97 - 5/02

Passages Case Manager

- Conducted shelter intakes and evaluated family eligibility for agency shelters.
- Facilitated service planning process with homeless families, brokered community resources, administered crisis intervention, and advocated for clients as they worked toward self-sufficiency.
- Supervised Passages Case Managers and oversaw case management program.
- Worked with administrative staff on efforts of program development and volunteer recruitment and trainings.
- Organized and lead effort of data collection and database building to establish comprehensive measurable objectives for agency's service delivery system.

| | |
|---|-------------|
| American Institute for Learning, Austin, Texas <i>BSW Student Intern</i> | 9/96 - 5/97 |
| <ul style="list-style-type: none"> Served as counselor intern for GED classroom and the Career Resource Center. Provided educational and general counseling for culturally diverse, at-risk youth. Facilitated adolescent male support group (ages 16-18) with an emphasis on gang related topics. Created and edited student involved newsletter for the Career Resource Center. | |

| | |
|--|--------------|
| Helping Our Brothers Out, Inc., Austin, Texas <i>Client Services Specialist</i> | 7/93 - 12/95 |
| <ul style="list-style-type: none"> Administered direct client services and provided crisis intervention to general homeless population. Developed and maintained database that documented governmental benefits for approximately two thousand clients. Assisted with recruitment, orientation and supervision of agency volunteers. Maintained monthly reports for client services, volunteer participation, and community service workers. | |

Education

| | |
|---|------|
| Master of Science in Social Work The University of Texas at Austin, Austin, Texas Concentration: Clinical | 8/03 |
| Bachelor of Social Work The University of Texas at Austin, Austin, Texas Generalist Practice | 5/97 |

Honors & Affiliations

| | |
|---|----------------|
| Butler Award nominee (Keep Austin Housed) for True Spirit of Collaboration (recipients not yet announced) | 2007 |
| Certified Field Instructor for The University of Texas School of Social Work | 2004 |
| Phi Alpha National Social Work Honor Society | 2003 |
| The Honor Society of Phi Kappa Phi | 2003 |
| Social Services Case Management Network, Executive Committee Member | 2003 - 2006 |
| Caring Forever Award, Community award presented by Shepard of the Hills Presbyterian Church | 2002 |
| Homeless Task Force/Ending Community Homelessness Coalition (ECHO) | 1998 - present |

Salary Requirement

\$50,000

Tim Miles

Austin, TX 78701

Education

| | | |
|---|--|---|
| Master of Science in Social Work The University of Texas at Austin <i>Professional Areas of Interest: Religion, & Mental health in the African-American Community; African-American Male Mental Health; Solution-Focused/Short Term Counseling; Blended Management in Permanent Supportive Housing</i> | Master of Theological Studies Harvard Divinity School Harvard University <i>Concentration Areas: Religion & Cultural Criticism; Faith, Civil Rights, & Social Justice; American Christianity & Social Service Administration</i> | B.A. in Liberal Arts Honors The University of Texas at Austin |
|---|--|---|

Professional Experience

Foundation Communities

Austin, TX

Director of Supportive Services/Project Director - SAMHSA Services in Supportive Housing

November 2009 - Present

Manager - Permanent Supportive Housing

June 2006 – February 2010

Duties include:

- **Overseeing Permanent Supportive Housing Operations:** Management of all operations for a permanent supportive housing/SRO project which provides low-barrier housing for formerly homeless, single adults; Working in a collaborative blended management model to assist formerly homeless individuals successfully maintain permanent housing in a supportive environment; Supervising leasing and maintenance activities maintain at least 98% occupancy, maximize NOI, and ensure compliance with policy regarding operations and 48 hour turnaround time for service requests, as well as securing bids for repairs and replacement work beyond capability of staff; Preparation of budget, and adherence to approved budgets.
- **Overseeing Supportive Services:** Hiring, training, & supervising Supportive Service Coordinators providing direct, on-site services to residents in our permanent supportive housing, SRO communities; Identifying and implementing best practices in supportive services delivery; Establishing partnerships with community service providers to bring in clinical mental health & substance abuse treatment services, health, wellness, and nutrition services, social and personal enrichment activities, rental assistance, and employment readiness services to our residents.
- **Overseeing Grant Compliance:** Management of federal, state, and city grant funding requirements for the HOME, HTF, SAMHSA, HHSP, and CDBG programs; Developing policies and procedures to accurately report outcomes; Working with external program evaluators to collect and analyze data to enhance treatment & service planning success; to Enforcement of agency safety policies & regulations as well as OSHA compliance; ensuring compliance with all local, state, and federal fair housing laws; completing required and requested reports in an accurate and timely manner.

Texas State University – San Marcos

San Marcos, TX

Assistant Director of Residence Life

Adjunct Professor of Counseling/Education

1st Generation Student Programs, P.A.W.S. Alert System, Residential College, & Student Involvement

July 2004 – June 2006

Duties included:

- **Administration of a Campus Residential Community:** Administration of all student life & student services, facilities maintenance and housekeeping, housing assignments, safety & security, counseling, discipline, and judicial affairs, as well as linking and coordinating services through other campus departments, for a campus residential community of just under two-thousand students covering 8 residence halls.
- **Staff Supervision:** Supervision, hiring, recruitment, and training of 5 full-time student affairs professionals (all with master's degrees), 1 graduate student paraprofessional, and an undergraduate student staff of about 70.
- **Co-Curricular Programming & Student Development:** Coordination of the Residential College program which includes direct supervision of Res. College professional staff, administering Res. College admissions process, conducting Residence Life orientation for live-in faculty members, working with academic departments to set up Res. College blocks of 1st and 2nd year

core courses, working with registrar's office to set-up early registration for Res. College students in block courses, and advising students prior to and during registration.

- **Academic Instruction:** Teaching an academic credit course (*Issues in Higher Education [COUN 4378]*) offered through the College of Education, which includes lecturing and facilitating active discussions, hands-on projects and several guest speakers to help students explore the history and philosophy of residence life and higher education, as well as the multiple tasks and responsibilities of residence life professionals and paraprofessionals.

The University of Texas at Austin

Austin, TX

Residence Life Coordinator/Student Affairs Administrator

Division of Housing and Residence Life

August 2001 to July 2004

Duties included:

- Management of student life activities including overall responsibility for meeting student development and housing needs for over 400 residents in an on-campus university residence hall including budget management; social, educational, recreational, and diversity programming; counseling and mediation services for students; and administrative, clerical, and customer service functions;
- Assisting in the administration of facilities maintenance, building safety and security, housekeeping, and room assignment process
- Recruitment, hiring, supervision, training, and development of a Resident Assistant staff of eleven and a student administrative staff of five;
- Recruitment, selection, training, development, and advising of Student Judicial Board and Peer Arbitration Leaders programs;
- Chair of the Resident Assistant Selection Committee for the campus-wide Resident Assistant recruitment and hiring process;
- Chair of the Targeted Academic Guidance project for residents who are struggling academically;
- Chair of the Professional Staff Development project which is responsible for the professional development and training activities for the Residence Life professional staff.

Tri-City Mental Health Center – Adult Systems of Care

Los Angeles County, CA

Program Manager - Quality Improvement, Cultural Competence, Training, and Program Development

August 2000 to August /2001

Fresh Start Housing/Homeless Outreach Case Manager

November 1999 - August 2000

Duties included:

- **Program Development:** Created and managed Client Grievance Program including: serving as initial contact person for agency clients with service complaints; investigation, problem-solving, intervention, and mediation on client/staff disagreements; and reporting to senior management on the status on individual complaints, grievance procedures, and service improvement strategies.
- **Development & Institutional Giving:** Identifying and securing grant funding for multi-cultural training, minority staff recruitment, and community outreach.
- **Diversity Training:** Facilitation of staff development programs in cross-cultural education and cultural competency training;; coordination of Ethnic Specific Services Program to ensure that culturally appropriate services are provided to underserved minority populations; delivery of trainings to staff and community on mental health and spirituality; Development of policies and implementation strategies to comply with statewide cultural competency standards; Co-Chairman of Cultural Competency Committee.
- **Mental health, Substance Abuse, & Housing Direct Service:** Case management for dually diagnosed, chronically mentally ill adults on parole and/or probation whose illness is determined to be a contributing factor to their interaction with the criminal justice system; delivery of intensive support services in assisting caseload to find and maintain appropriate and adequate housing.
- **Service Coordination:** Linkage, advocacy, and facilitation in meeting the health care, employment/training, social service, and mental health needs of a caseload of between 10 to 12.
- **Training & Education:** Facilitation of psycho-educational, life skills, substance abuse, and recreational activity groups.

Tri-City Mental Health Center – Children & Family Services

Los Angeles County, CA

Day Treatment Program Coordinator

November 1998 to November 1999

Duties included:

- **Mental health, Substance Abuse Direct Service:** Coordination and Co-Facilitation of Adolescent Day Treatment Program, including creation and coordination of Adolescent Recreation Therapy Program; Provided case management and mental

health support services for a caseload of approximately 30 children and their families including screening, assessment, supervised diagnosis, psycho-educational counseling, and service linkage.

- **Staff Supervision:** supervision of a professional staff of 1 and paraprofessional staff of 4.
- **Training & Education:** Facilitation and curriculum development of parent's and children's psycho-educational groups on Anger Management, ADD/ADHD, Substance Abuse, and Social Skills.

Gulf Coast Community Mental Health Center

Galveston, TX

Respite & Summer Day Program Coordinator

Mental Health Case Manager

September 1997 to November 1998

Duties included:

- **Direct Service:** Case management & service coordination of mental health services for a caseload of approximately 50 children and their families.
- **Program Coordination:** Administration and management of all activities for children's respite services and summer day camp;
- **Staff/Volunteer Supervision:** Recruitment and supervision of volunteers and staff of 11; Coordination and community outreach activities.

WorldTeach

Windhoek, Namibia (Southwest Africa)

Community Health Education/English Resource Teacher

June 1993 to June 1994

Duties included:

- Carrying out culturally appropriate HIV/AIDS and other public health information;
- English Resource Teacher assisting primary school teachers and administrators in developing public school curriculum in English

U.S. Army

Sergeant

June 1985 – June 1990

Duties included:

- Leading a cavalry squad;
- Served as an Army Ranger;
- Led Drill and Ceremony Training at The Primary Leadership Development Course at Ft. Hood, TX

References Available Upon Request

ATTACHMENT 14: Supportive Service Budget

**Supportive Service Budget
Homestead Apartments**

| | <u>Year 1</u> | <u>Year 2</u> | <u>Year 3</u> | |
|----------------------------------|-----------------|-----------------|-----------------|--|
| <u>Sources</u> | | | | |
| Foundations and Corporations | \$65,000 | \$67,000 | \$69,000 | |
| TOTAL SOURCES | \$65,000 | \$67,000 | \$69,000 | |
| | | | | |
| <u>Uses</u> | | | | <u>Notes</u> |
| Case Manager for the CHI Program | \$33,000 | \$33,990 | \$35,010 | one full-time position |
| Adult Education Coordinator | \$18,000 | \$18,540 | \$19,096 | one part-time position |
| Taxes and Benefits | \$10,200 | \$10,506 | \$10,821 | 20% of salary |
| Supplies/Printing | \$1,000 | \$1,030 | \$1,061 | for client meetings and classes |
| Training/Travel/Mileage | \$1,000 | \$1,030 | \$1,061 | professional education |
| Direct Aid to Clients | \$1,500 | \$1,545 | \$1,591 | Bus passes, work search expenses, etc. |
| TOTAL | \$64,700 | \$66,641 | \$68,640 | |

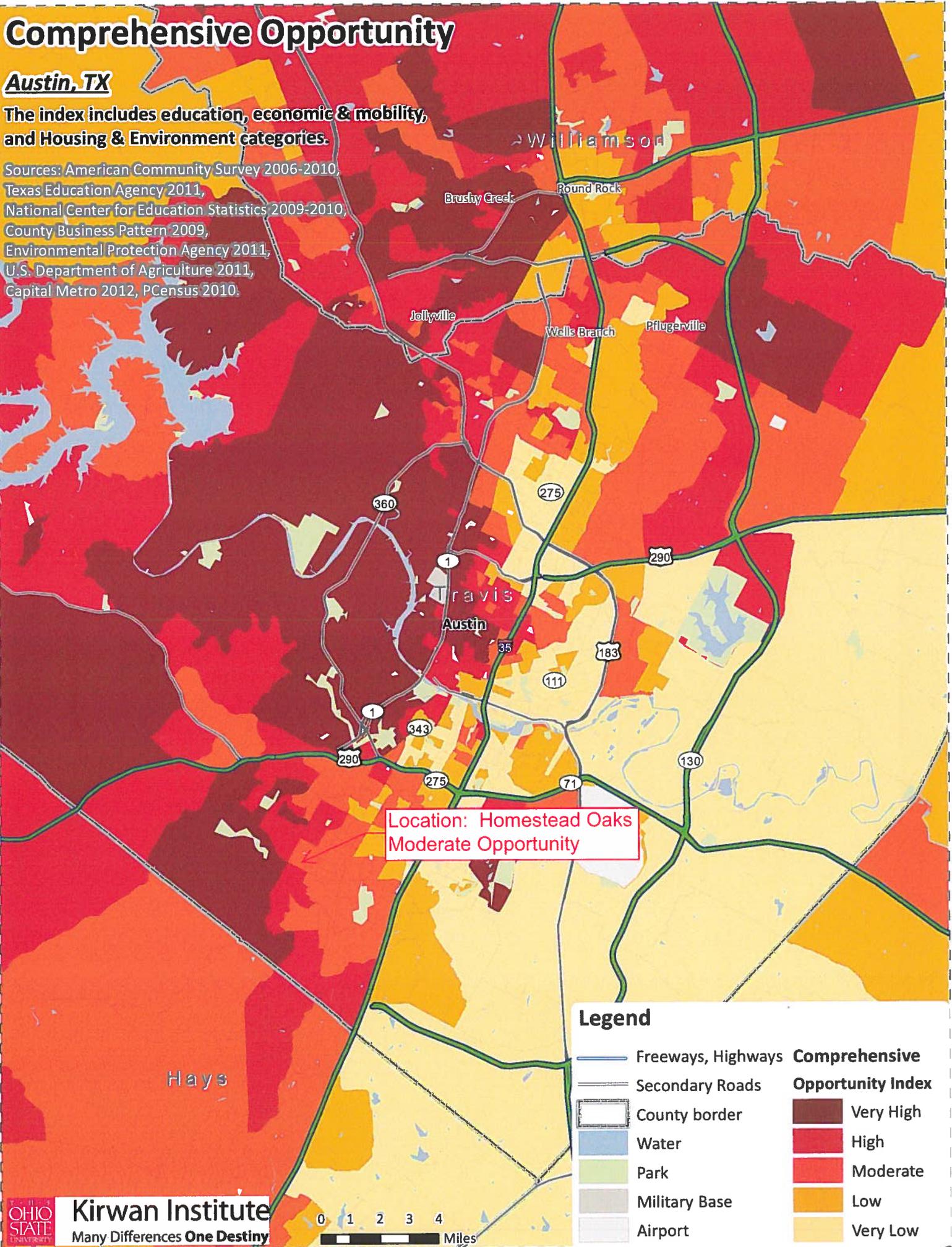
ATTACHMENT 15: Opportunity Map

Comprehensive Opportunity

Austin, TX

The index includes education, economic & mobility, and Housing & Environment categories.

Sources: American Community Survey 2006-2010, Texas Education Agency 2011, National Center for Education Statistics 2009-2010, County Business Pattern 2009, Environmental Protection Agency 2011, U.S. Department of Agriculture 2011, Capital Metro 2012, PCensus 2010.



Location: Homestead Oaks
Moderate Opportunity

Legend

- | | | | |
|--|--------------------|--|-----------|
| | Freeways, Highways | Comprehensive Opportunity Index | |
| | Secondary Roads | | Very High |
| | County border | | High |
| | Water | | Moderate |
| | Park | | Low |
| | Military Base | | Very Low |
| | Airport | | |

ATTACHMENT 16: MBE/WBE Status

[AUSTINTEXAS.GOV](#) | [AIRPORT](#) | [LIBRARY](#) | [AUSTIN ENERGY](#) | [AUSTIN WATER](#) | [CONVENTION CENTER](#) | [VISITORS BUREAU](#) | [OPEN](#)

GOVERNMENT

[Pay Online](#) | [Services](#) | [Calendar](#) | [Media Center](#) | [Departments](#) | 311

SMBR Certified Vendors

Disclaimer: The information provided is for your convenience and is not intended to replace the official availability list of a solicitation. Contact SMBR's Contract Compliance Division at 512-974-7600 to request a copy of the availability list or a new availability list for new scopes identified.

Vendor Name Like: [Axiom](#)

[Download this file](#)

Number of vendors found: 1

| Vendor Code | Vendor Legal Name/Address | Contact Information | Ethnicity | Certification Type | End Date |
|--------------|---|---|-----------|------------------------------------|----------|
| 1 AXI8316197 | AXIOM ENGINEERS INC 13276 RESEARCH BLVD STE 208 AUSTIN, TX 78750 | NICOLE FINDEISEN Phone: 512-506-9335 Fax: 512-506-9377 NCF@AXIOMTEXAS.COM | Caucasian | Women/Disadvantaged Owned Business | 07/19/16 |

[PAY ONLINE](#) | [CALENDAR](#) | [MEDIA CENTER](#) | [FAQ](#) | [CONTACT US](#) | [SITE MAP](#) | [LEGAL NOTICES](#) | [PRIVACY POLICY](#) | 311

ATTACHMENT 17:
Financing
Commitments

**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
HOUSING TAX CREDIT PROGRAM
COMMITMENT**

This Housing Tax Credit Commitment (the "**Commitment**") in connection with an award of Housing Tax Credits from the 2013 State Housing Credit Ceiling is made and entered into by and between the **TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS**, a public and official agency of the State of Texas, (the "**Department**"), and **FC SW HOUSING, LP**, (the "**Development Owner**"), herein collectively referred to as the "**Parties**." This Commitment does not constitute an allocation as defined by Section 42 of the Internal Revenue Code.

RECITALS

WHEREAS, Development Owner agrees to carry out the new construction, rehabilitation, and/or reconstruction of the Development as more fully described in application TDHCA number **13109** (the "**Application**") approved by the Governing Board of the Department on **September 12, 2013** and in accordance with all representations made in the Application, as may be amended from time to time, and as required to adhere to Chapter 2306 of the Texas Government Code ("**Chapter 2306**"), Title 10 of the Texas Administrative Code ("**10 TAC**") Chapter 10 ("**Uniform Multifamily Rules**") and Chapter 11 ("**Qualified Allocation Plan**"), Section 42 of the Internal Revenue Code ("**Section 42**") and all applicable Internal Revenue Service ("**IRS**") notices and revenue rulings, and all applicable Treasury Regulations and Decisions. All laws, rules, and requirements referenced in this recital paragraph as collectively referred to herein as the "**Legal Authorities**";

WHEREAS, Department has reviewed the Application and the governing board of the Department approved an award of Housing Tax Credits in accordance with the Legal Authorities;

NOW, THEREFORE, for and in consideration of the promises herein made, and the mutual benefits derived and to be derived, the Parties hereto agree and by execution hereof are bound to the mutual obligations and to the performance and accomplishment of the tasks which are the substance of this Commitment, and which may be more thoroughly defined in the Application, carryover allocation agreement, and land use restriction agreement.

TERMS

| | |
|--|--|
| Development | HOMESTEAD APARTMENTS |
| Development Owner | FC SW HOUSING, LP |
| Development Address | 3226 W. SLAUGHTER LANE AUSTIN, TX 78748 |
| Building Identification Numbers | TX 13-10901 - TX 13-10999 |
| Set-Asides | NON PROFIT |

| | |
|---|---|
| Allocation Category | NEW CONSTRUCTION |
| Annual Tax Credit Commitment Amount | \$1,252,000 |
| Contact Person | WALTER MOREAU |
| Contact Address | 3036 S. 1ST STREET AUSTIN, TX 78704 |
| Contact Phone/Email | (512) 610-4016 WALTER.MOREAU@FOUNDCOM.ORG |
| Issuance Date of Commitment Notice | September 30, 2013 |
| Expiration Date of Commitment Notice | October 30, 2013 |

CONDITIONS

The Annual Tax Credit Commitment Amount is the maximum annual allocation that the proposed Development is eligible to receive. In issuing this Commitment, the Department has relied upon the information submitted by the Development Owner to be accurate and complete in all material respects. The Department reserves the right to revoke, rescind, or terminate this Commitment if the Department determines that the Development Owner has intentionally or negligently provided erroneous, misleading, or fraudulent information to the Department or other parties for which the Legal Authorities require notification in connection with the Application for Housing Tax Credits.

Pursuant to §10.402(a) of the Uniform Multifamily Rules, this Commitment Notice shall expire on the date specified herein unless the Development Owner indicates acceptance by executing the Commitment Notice, paying the required fees specified in §10.901 of the Rules, and satisfies any other conditions set forth in the Rules or herein by the Department. Failure to submit the documentation in sections A-H below, by the specified submission dates may result in the termination of the award documented in this Commitment:

A. No later than **October 30, 2013**, which is the expiration date of this notice, the Development Owner must provide all of the following items to the Department (if not already provided):

- I. This Commitment containing an original signature from a duly authorized individual;
- II. In accordance with §10.901(8) of the Rules, a check for the Commitment Fee in the amount of **\$50,080**;
- III. In accordance with §10.901(10) of the Rules, a check for the Building Inspection Fee in the amount of **\$750**; and
- IV. In accordance with §10.402(d) of the Uniform Multifamily Rules, all of the following documents must be submitted:
 - a. For Texas entities, a copy of the Certificate of Filing for the Certificate of Formation and a Certificate of Fact from the Office of the Secretary of State. If formed outside the state of Texas, a Certificate of Application for foreign qualification in Texas and a Certificate of Fact from the

Texas Secretary of State. If the entity is newly formed and a Certificate of Fact is not available, a statement is provided to that effect;

b. Confirmation of the right to transact business in Texas from the Texas Comptroller of Public Accounts. Due to recent changes by the Texas Comptroller of Public Accounts the equivalent of the prior "Certificate of Account Status" is now the "Franchise Tax Account Status" page available on the Texas Comptroller's website. This page may be printed out and submitted. If the entity is newly formed and no status is available then a statement is provided to that effect;

c. Evidence in the form of a corporate resolution or by-laws that the signer(s) of the Application has the authority to sign on behalf of the Applicant which indicate the sub-entity in Control and that those Persons signing the Application constitute all Persons required to sign or submit such documents;

d. Evidence of final zoning that was proposed or needed to be changed pursuant to the Development plan;

e. Evidence of satisfaction of any conditions identified in the Credit Underwriting Analysis Report or any other conditions of the award required to be met at Commitment Notice; and

f. Documentation of any changes to representations made in the Application subject to §10.405 of the Uniform Multifamily Rules (relating to Amendments).

B. In accordance with §10.402(f) of the Uniform Multifamily Rules, all documents outlined in the Carryover Manual relating to the execution of a Carryover Allocation Agreement pursuant to §42(h)(1) of Section 42 must be submitted to the Department no later than 5:00 p.m. on November 1, 2013, unless extended in writing by Department.

C. In accordance with §10.402(g) of the Uniform Multifamily Rules and pursuant to §42(h)(1)(E)(i) and (ii) of Section 42 all documents outlined in the Post Carryover Activities Manual relating to the 10% Test must be submitted to the Department no later than 5:00 p.m. on July 1, 2014, unless extended in writing by Department.

D. In accordance with §42(h)(1)(E)(i) of Section 42, all Buildings in the Development must be placed in service no later than December 31, 2015, unless specifically extended by the IRS or U.S. Department of Treasury.

E. Extensions to the deadlines itemized in paragraphs B, C, and D must be requested in accordance with §10.405(d) of the Uniform Multifamily Rules and must be submitted prior to the date for which an extension is being requested. The Department may require documentation relating to the need for any extension and may assess point deductions on other current or future applications in accordance with Chapter 2306, §2306.6710(b)(2).

F. This Commitment is subject to the following development-specific conditions as reflected in the Department's published Credit Underwriting Analysis Report. Should any terms of the proposed capital structure change, the analysis must be re-evaluated and adjustment to the credit allocation and/or terms of other Department funds may be warranted. The documentation required to satisfy each condition must be submitted to the Department no later than 5:00 p.m. on the applicable deadline.

Receipt and acceptance by 10% Test (**July 1, 2014**):

Approved variances from the City of Austin land Development Code regarding:

- a. LDC 25-8-261(E) – Wastewater line crossing the Critical Water Quality Zone
- b. LDC 25-8-341/342 – Cut and Fill not to exceed four feet of depth
- c. LDC 25-8-361 – A wastewater line is prohibited in a Critical Water Quality Zone, except for a necessary crossing.
- d. LDC 25-8-483 – Prohibits construction within the Water Quality Zone

Receipt and acceptance by Cost Certification:

Documentation clearing environmental issues contained in the ESA report, specifically:

- a. A comprehensive survey to identify the presens of asbestoc-contatining materials or lead-based paint, and documentation that appropriate abatement pocedures were followed for the demolition and removal of any such materials.
- b. Documentation that the on-site water well was plugged following appropriate regilations.

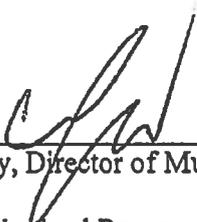
G. Unless stated otherwise in the specific condition this Commitment Notice is also subject to the following development-specific conditions due **October 30, 2013**.

N/A

H. Included with this Commitment Notice is the "Application Verification and Compliance Review" form. This review form contains representations from the Application, changes during the Application process, and the Application as underwritten and approved by the Board. Please review the attachment for accuracy and identify any errors by marking the correct information in red. The **initialed and signed** Application Verification and Compliance Review form must be submitted with this Commitment Notice.

I. In addition to the requirements of the Legal Authorities, Development Owner hereby agrees and acknowledges that all pledges, conditions, restrictions, representations, and obligations which the Development Owner undertook in applying for Housing Tax Credits will be incorporated into a Land Use Restriction Agreement or other applicable document with respect to the Development. Such Land Use Restriction Agreement or document will also incorporate provisions requiring compliance with Section 42 and with Chapter 2306, including but not limited to requirements for: annual reporting and periodic inspections; payment of the fees, charges, and expenses of the Department in connection with monitoring and compliance activities; management, operating, maintenance, and repair standards; tenant selection and income certification; limitations on rents, charges, and fees payable by tenants; cost controls and management selection; and a minimum thirty-year affordability period, or the period elected or otherwise represented in the Application, whichever is greater. If any liens (other than mechanics' or materialmen's liens) shall have been recorded against the Development prior to the recording of the LURA, the Development Owner shall also obtain and submit to the Department the subordination of the rights of any such lienholder, or other effective consent, to the survival of certain obligations contained in the LURA following the foreclosure of any such lien.

TDHCA #13109



Cameron Dorsey, Director of Multifamily Finance

SEPTEMBER 30, 2013
Date

I (We), duly authorized Representative of Development Owner, hereby acknowledge and agree to abide by all terms and conditions stated in this Commitment Notice, the Department's Rules and any referenced documentation contained herein. I (We), hereby acknowledge that failure to comply with the Commitment Notice, and any referenced documentation contained herein in connection with the Application for Housing Tax Credits may result in the automatic rescission of this Commitment.

Walter Moreau
Authorized Representative

9/30/13
Date

WALTER MOREAU, EXECUTIVE DIRECTOR
Authorized Representative Printed Name, Title



MULTIFAMILY FINANCE DIVISION
September 30, 2013
Application Verification and Compliance Review

Homestead Apartments, TDHCA Number 13109

| BASIC DEVELOPMENT INFORMATION | | | |
|--------------------------------------|-------------------------------------|---|---|
| Site Address: | 3226 W. Slaughter Lane | Population Served: | General |
| City: | Austin | Region: | 7 |
| County: | Travis | Zip Code: | 78748 |
| Allocation: | | | Urban |
| 9% HTC Award | <input checked="" type="checkbox"/> | 4% HTC Award | <input type="checkbox"/> |
| TDHCA Bond Award | <input type="checkbox"/> | | |
| HTC Set Asides: | <input type="checkbox"/> At-Risk | <input checked="" type="checkbox"/> Nonprofit | <input type="checkbox"/> USDA |
| | | | Construction Type: New Construction |
| HOME Award | <input type="checkbox"/> | HOME Set Asides: | <input type="checkbox"/> PWD <input type="checkbox"/> CHDO <input type="checkbox"/> General |

| OWNER AND DEVELOPMENT TEAM | |
|-----------------------------------|---|
| Owner: | <input type="checkbox"/> HUB FC SW Housing, LP |
| Owner Contact, Phone, Email: | Walter Moreau, 512 610 4016, walter.moreau@foundcom.org |
| Developer, Contact, Email: | Foundation Communities, Inc., Walter Moreau, walter.moreau@foundcom.org |
| Organization in Ownership: | FC Homestead Housing, LLC General Partner |
| Organization in Ownership: | Foundation Communities, Inc. Manager of GP, Guarantor |
| Organization in Ownership: | N/A N/A |
| Organization in Ownership: | N/A N/A |

| | |
|---|--|
| Date of TDHCA Board Award: | |
| 9% Housing Tax Credit: | 9/12/2013 |
| 4% Housing Tax Credit: | |
| HOME Program: | |
| Unit Amenities - 9%/Selection/TDHCA Bonds 10.101(b)(6)(B) | <input checked="" type="checkbox"/> 7 |
| Threshold - Common Amenities 10.101(b)(5) | <input checked="" type="checkbox"/> 14 |
| Tenant Services 10.101(b)(7) | <input checked="" type="checkbox"/> 8 |
| Total Net Rentable Sq. Ft.: | 110000 |
| Set-Aside Election: | 40%@60% AMG |
| Right of First Refusal: | Yes |
| Length of Affordability: | 35 |

NOTES:

Bank of America 
Merrill Lynch

Community Development Banking
700 Louisiana St
Houston, TX 77002-2700
TX4-213-05-15

Cassandra Silvermail
Senior Vice President
P 713-247-6645
cassandra.silvermail@bamll.com

September 26, 2013

Jennifer Hicks
Foundation Communities, Inc.
3036 S. 1st Street
Austin, Texas 78704

Re: **Homestead Apartments**

Dear Jennifer:

This letter expresses the interest of Bank of America, N.A., and, or, its affiliates ("Investor") in making an equity investment in a partnership for purposes of developing and owning a low-income family/senior housing project (the "Project"). This letter is intended to describe the terms and conditions of Investor's proposed equity investment.

1. **Project.**

The Project will consist of the new construction of 140 units of affordable and market-rate housing for low-income families contained in 1 residential building and the underlying land located at 3226 W. Slaughter Lane, Austin, Travis County, Texas.

2. **Tax Credits.**

The Project is expected to receive a preliminary reservation in 2013 of federal low-income housing tax credits (the "Projected Federal Credits") totaling \$1,252,000 per annum from the Texas Department of Housing and Community Affairs (the "Credit Agency").

3. **Partnership.**

The Project will be owned and operated by FC SW Housing, LP, a Texas Limited Partnership (the 'Partnership'), with FC Homestead Housing, LLC, a Texas Limited Liability Company, as General Partner and Investor as Investor Limited Partner and an affiliate of Investor as Special Limited Partner. General Partner, Investor, and Special

Limited Partner will enter into a Partnership Agreement (the 'Partnership Agreement'). General Partner will own a 0.01% interest in the Partnership; Investor will own a 99.98% interest in the Partnership as Investor Limited Partner; and Special Limited Partner will own a 0.01% interest (the "Percentage Interests").

4. Project Financing.

General Partner contemplates that the Partnership will obtain the loans set forth below (the "Loans"):

- A. Construction Loan. 1. A construction loan in an estimated amount of \$5,500,000 and with a term of 24 months (the "Construction Loan") will be provided by HUD and 2. A \$4,000,000 construction bridge loan with a term of 24 months will be provided by Bank of America, each on terms to be approved by Investor.
- B. Permanent Loans. The following permanent loans (the "Permanent Loans") are expected to be made to the Partnership:

| Loan type | Lender | Loan Amount | Interest rate | Loan Term | Amortization Term |
|----------------------------|------------------------------------|-------------|---------------|-----------|-------------------|
| <u>First Mortgage Loan</u> | HUD (221d4) | \$5,500,000 | 5.45% | 30 years | 30 years |
| Subordinate, Soft | City of Austin | \$2,250,000 | 0% | 30 years | 30 years |
| Subordinate, Soft | NeighborWorks America | \$500,000 | 0% | 30 years | 30 years |
| Subordinate, Soft | AHP (pass-through loan by Sponsor) | \$500,000 | 0% | 30 years | 30 years |
| Subordinate, Soft or Grant | Sponsor or TBD | \$1,000,000 | 0% | 30 years | 30 years |

The terms and conditions of each of the Loans and any other loan to the Partnership will be subject to Investor's approval. Such loans will (i) expressly permit the admission of Investor into the Partnership and the potential transfers of the partnership interests by Investor and Special Limited Partner without consent of the maker of the loan provided that such transfers are permitted under the Partnership Agreement, and (ii) will provide Investor with notices of default and cure rights acceptable to Investor. All Permanent Loans will be non-recourse.

5. Other Parties.

- A. Developer. Foundation Communities, Inc.
- B. Guarantor. Foundation Communities, Inc.

- C. Property Manager. Foundation Communities, Inc. The Property Manager is affiliated with Developer, Guarantor, General Contractor, or General Partner.
- D. General Contractor. To be identified. The General Contractor is not affiliated with Developer, Guarantor, Property Manager, or General Partner. The General Contractor will provide a Guaranteed Maximum Price Contract with 100% Payment and Performance bonding.

The qualifications and financial condition of each of the foregoing parties must be acceptable to Investor.

6. Capital Contributions.

Investor will make a total Capital Contribution equal to \$1.02 for each \$1.00 of Federal Tax Credits to which it will be entitled as a limited partner. Based on the Projected Credits for the Partnership this would amount to a total Capital Contribution of \$12,769,123 (the "Total Capital Contribution"). Investor will also make a total Capital Contribution equal to \$1.02 for each \$1.00 of Solar Tax Credits, in an amount to be determined, to which it will be entitled as a limited partner. The Total Capital Contribution will be paid as follows:

| Milestone | Conditions to be satisfied prior to payment | % Equity | \$ Equity |
|-------------------------------------|---|----------|-------------|
| <u>Initial Capital Contribution</u> | (i) closing of the Partnership (ii) closing and initial funding of all construction financing for the Project (iii) receipt of commitments for all permanent financing on the Project with the interest rate fixed for at least 15 years (iv) evidence of either acquisition of, or a long-term leasehold interest in, the land and building for the Project (v) evidence the Partnership has received an allocation from the Credit Agency of 9% credits in an amount equal to the Projected Federal Credits (vi) receipt by the Investor of a tax opinion prepared by special tax counsel for the Partnership in a form which is acceptable to the Investor (vii) satisfactory completion of Investor's due diligence | 20% | \$2,553,825 |
| <u>50% Completion</u> | (i) the Bank has received the Bank's Construction Consultant's report evidencing 50% completion of the property. (ii) all prior capital contribution requirements have been completed. This contribution will occur no earlier than 11/01/2014. | 20% | \$2,553,825 |

Homestead Apartments - 9/26/2013

| | | | |
|--|---|--------------|--------------------|
| <p><u>75% Completion</u></p> | <p>(i) the Bank has received the Bank's Construction Consultant's report evidencing 75% completion of the property (ii) all prior capital contribution requirements have been completed This contribution will occur no earlier than 03/01/2015.</p> | <p>20%</p> | <p>\$2,553,825</p> |
| <p><u>Completion Capital Contribution</u></p> | <p>(i) the Bank has received the Bank's Construction Consultant's report evidencing 100% completion of the property (ii) temporary certificates of occupancy have been issued for each building (iii) the owner's title policy has been amended to remove all mechanics lien exceptions This contribution will occur no earlier than 07/01/2015.</p> | <p>20%</p> | <p>\$2,553,825</p> |
| <p><u>Conversion and Stabilization Capital Contribution</u></p> | <p>(i) the Project then has achieved at least three consecutive calendar months of a minimum of 1.15 to 1 debt service coverage on the Permanent Loans (which period must include the last day of the most recent calendar month) (ii) the Project is then at least 93% occupied (iii) all tax credit units have been leased to qualified tenants at least one time (iv) all Permanent Loans have closed and funded, or will close and fund concurrent with this Stabilization Capital Contribution (v) permanent certificates of occupancy have been issued for each building (vi) all reserves have funded or will fund concurrent with this payment This contribution will occur no earlier than 07/01/2016.</p> | <p>17.5%</p> | <p>\$2,234,597</p> |
| <p><u>Final Capital Contribution</u> (The balance of the unpaid Total Capital Contribution)</p> | <p>(i) the Credit Agency has issued a Form 8609 for each building (ii) a cost certification by a qualified accountant has been received in a form acceptable to Investor (iii) a copy of the recorded Extended Use Agreement has been received (iv) a copy of the compliance audit of the initial tenant files has been received (v) calculations of final adjusters have been prepared and agreed to This contribution will occur no earlier than 10/01/2016.</p> | <p>2.5%</p> | <p>\$319,228</p> |

7. General Partner and Guarantor Obligations.

- A. Completion and Development Deficit Guaranty. General Partner and Guarantor will guarantee lien-free completion of the Project in a good and workmanlike manner substantially in accordance with plans and specifications as approved by Investor on or before December 31, 2015 (the "Completion Date"). General Partner and Guarantor will guaranty payment of all development costs, including all costs of achieving such lien-free completion, including all soft costs and construction period interest. Further, under this guaranty, General Partner and Guarantor will guaranty payment of all operating costs through the later of the date (i) the Project has achieved 90% occupancy for three consecutive calendar months, (ii) the Project is 100% complete, (iii) all tax credit units have been leased to qualified tenants at least one time, and (iv) all Permanent Loans have closed and funded. Payments made under this guaranty will not constitute loans to the Partnership and neither General Partner nor any Guarantor will have any right to receive any repayment on account of such payments.
- B. Operating Deficit Guaranty. General Partner and Guarantor will agree to loan to the Partnership any amounts required to fund operating deficits arising after the expiration of the Completion and Development Deficit Guaranty up to a maximum amount of \$550,000 (the "Operating Deficit Loan Maximum"). Any amounts so advanced will constitute interest-free loans ("Operating Loans") repayable only out of future available cash flow or out of available proceeds of a sale or refinancing. The Operating Deficit Guaranty will terminate upon the later of 60 months after the later of (i) the expiration of the Completion and Development Deficit Guaranty, or (ii) the Project's achievement of 1.15 to 1 debt service coverage ratio on the Permanent Loans calculated over a period of 12 consecutive months. In addition, in order for the Operating Deficit Guaranty to terminate, the Project must average a 1.15 to 1 debt service coverage ratio for the last 12 months of the 60 month period or any subsequent 12 month period and the Operating Reserve must be replenished to its originally required balance.
- C. Repurchase. General Partner and Guarantors will be required to repurchase the Investor's interest upon certain material events including but not limited to: failure to achieve completion by December 31, 2015, failure to achieve stabilization within 24 months of completion, failure to place the Project in service prior to the date required by the Internal Revenue Code, or loss of permanent financing commitments. The General Partner and Guarantors will repurchase the Investor's interest in the Partnership at a price equal to the Investor's Capital Contributions paid to date, plus the actual out of pocket costs to the Investor (including legal, accounting, and consulting) plus 10% interest per annum, less any net tax credits received and retained by the Investor.
- D. Tax Credit Guaranty and Indemnification. General Partner and Guarantors will indemnify Investor for the failure to achieve Projected Federal Credits. Should the actual tax credits be lower than the Projected Federal Credits, Investor's capital contributions will be adjusted downward by the amount of the difference and any interest or penalties owed by Investor. Subsequent to the payment of Investor Capital Contributions, General Partner and/or Guarantors will, within 75

days of the end of each calendar year, pay to Investor an amount on an after tax basis equal to the difference in actual tax credits plus any interest or penalties owed by Investor. This guaranty will run for the 15-year term of the compliance period.

- E. Taxable Income Prior to Stabilization. To the extent that the Partnership generates any taxable income prior to Stabilization, the General Partner and Guarantor will be obligated to pay for any tax liability of the Investor Limited Partner due to such taxable income. This includes, but is not limited to, any interest income generated from Partnership assets (such as Guaranteed Investment Contracts) that exceeds the deductible investment expense allocated to the Investor Limited Partner.
- F. Adjuster Provisions. The Capital Contributions are based upon your projection of total federal Low-Income Housing Tax Credits of \$12,518,748 ("Original Projected Credit") to Investor, which in turn is based upon certain assumptions and projections. The following federal (and, if applicable, state) credits are to be delivered to the Investor:

| Credit | 2015 | 2016 | 2017 - 2024 | 2025 | 2026 |
|--|-----------|-------------|-------------|-------------|----------|
| <u>Federal Low Income Housing Tax Credit</u> | \$173,871 | \$1,200,541 | \$1,251,874 | \$1,078,003 | \$51,333 |

The actual amount of Low-Income Housing Tax Credits may in fact change after the determination of eligible and qualified basis. Accordingly, the Capital Contribution may be adjusted when (i) final projections of the amount of Low-Income Housing Tax Credits are completed and/or (ii) upon or after actual completion of the project. Upon satisfaction of all conditions and prior to payment of the Final Capital Contribution, the Partnership Accountant will provide the Investor with Revised Economic Projections and the Final Credit Amount determined by the Accountants.

- G. Credit Adjuster. To the extent such final projected amount of Low-Income Housing Tax Credits varies from the Original Projected Credits, Investor's capital contribution will be adjusted by \$1.02 per federal credit on such variance in the delivery of actual credits to Original Project Credit (as reflected in cost certifications or Form 8609).
- H. Timing Adjuster. Investor's federal credit capital contribution will be adjusted to reflect the later or earlier than projected delivery of federal credits with respect to the first year and, if applicable, the second year, of the credit period, based on a reduction in price of \$0.65 for every federal credit dollar deferred, or an increase based on 65% of the price per credit established in Section 6 above for every federal credit dollar accelerated.

If the tax credit rate is not 9% for the month that any of the buildings are placed in service as assumed in your projections, any variance between the Original Projected

Credit and the final projected amount of Low Income Housing Tax Credits will be subject to the aforementioned Adjusters.

In no event will the application of the above adjusters cause Investor's Capital Contributions to increase by more than 10% without approval from Investor's Investment Committee. If due to such adjusters, Investor's capital contributions are to be adjusted downward by more than the amount of Investor's then unpaid capital contributions, then General Partner and Guarantor will guaranty payment of the shortfall in such adjustments. The General Partner's and Guarantor's obligations will be more specifically set forth in the Partnership Agreement and other related documents.

8. Allocation of Tax Credits, Depreciation, Profits and Losses.

The Tax Credits, depreciation, operating profits and losses will be allocated in accordance with the Percentage Interests.

9. Distribution of Cash Flow.

A. Operating Cash Flow. Operating cash flow will be utilized as follows:

- (i) payment of debt service on the Permanent Loans and other operating expenses;
- (ii) additions to a funded capital replacement reserve as provided in the Partnership Agreement;
- (iii) payment of the Asset Management Fee (\$5,000 per year) to the Special Limited Partner, which fee will accrue if not paid;
- (iv) payment of the Deferred Developer Fee,
- (v) payment of the Partnership Management Fee (\$5,000 per year) to the General Partner, which fee will accrue if not paid;
- (vi) repayment of any Operating Deficit Loans made by General Partner;
- (vii) replenishment of the Operating Reserve Account;
- (viii) payment of an incentive management fee, not to exceed 90% of cash flow;
- (ix) then to the partners in accordance with the Percentage Interests.

B. Sale or Refinancing Proceeds. Distributions of proceeds from a sale or refinancing of the Project will be distributed as follows:

- (i) payment of debt service on the Permanent Loans and other operating expenses;

- (ii) to the extent reasonably determined necessary by the General Partner, additions to a funded capital replacement reserve;
- (iii) payment of the federal and state "exit" taxes incurred on any negative capital account, if any, of the Investor;
- (iv) payment of any unpaid, accrued Asset Management Fee;
- (v) payment of the Deferred Developer Fee;
- (vi) payment of any unpaid, accrued Partnership Management Fee;
- (vii) repayment of any Operating Deficit Loans made by General Partner; and
- (viii) 90% to the General Partner, and 10% to the Investor.

C. Developer Fee. General Partner will earn a Developer Fee, projected to be \$2,123,831. Proposed Developer Fee Payment schedule:

| <u>Condition/Timing</u> | <u>Amount</u> | <u>Comment</u> |
|---------------------------|---------------|-----------------------------|
| Closing | \$186,461 | 30% of non-deferred portion |
| Completion | \$115,849 | |
| Final Installment (8609s) | \$319,228 | |
| Deferred | \$1,502,293 | Payable from cash flow |
| Total | \$2,123,831 | |

In the event that the amount of the Final Capital Contribution is insufficient to pay the remaining balance of the Developer Fee, such unpaid balance will be deferred as provided in the Partnership Agreement, without interest, and will be paid out of Operating Cash Flow and Net Proceeds as provided above, provided that the amount of the unpaid balance must be paid within 13 years after 100% completion of the property.

10. Property Manager.

Foundation Communities, Inc. will be the Project's initial property manager. The Property Manager will earn a fee of 5% of the Project's gross collected rents. If the Property Manager is an affiliate of General Partner, Guarantor, or Developer, then the Property Manager may be terminated as Property Manager in the event of the removal of General Partner.

11. Depreciation.

For the purposes of the pricing contained in this Letter of Intent, we have assumed the Company will depreciate its residential rental property over a 27.5 year recovery period.

12. **Replacement Reserves.**

\$300 per unit annually, or greater if required by any Project lender, will be funded from cash flow into a reserve account.

13. **Operating Reserve.**

\$250,000, or greater if required by any Project lender, will be funded upon Permanent Loan Conversion into a dual control Operating Reserve account to be used for potential operating deficits. These funds may be used to fund operating deficits during the five year Operating Deficit Guaranty period identified in Section 7B above, but will be required to be replenished prior to release of the Operating Deficit Guaranty.

14. **Investor Review.**

As set forth in the Partnership Agreement, Investor will have the right to inspect the Project during and after construction and to review construction loan disbursement requests and other financial and operations matters of the Project and the Partnership.

15. **Reporting.**

The Partnership will be required to prepare quarterly and annual reports in form and substance satisfactory to Investor as set forth in the Partnership Agreement.

16. **Additional Partnership Agreement Terms.**

The Partnership Agreement will provide for customary covenants, rights to approve major Partnership matters, representations and warranties, defaults, (including the right to remove the General Partner for bankruptcy, fraud, violations of representations and warranties and other removal rights that are typically held by Investors in low-income housing tax credit transactions), remedies, and indemnities (including Environmental Indemnity) to be more fully described in the Partnership Agreement. The Partnership will carry insurance acceptable to Investor.

17. **Transfer of Investor Interest.**

Investor will have the right to transfer its interest in the Partnership, and to have the transferee admitted as a substitute limited partner: (i) to any affiliate of Investor, (ii) to any other person or entity provided that (A) Investor will remain liable to make all capital contributions outstanding at the time of the transfer or (B) the net worth of the proposed transferee will be acceptable to General Partner in its reasonable discretion, or (iii) to a partnership or limited liability company in which the Investor is the general partner or managing member.

18. **Transfer of General Partner Interest.**

General Partner will not sell, transfer, assign, pledge or encumber any portion of its interest in the Partnership without the prior written consent of Investor.

19. **Bank Accounts.**

All bank accounts of the Partnership will be maintained with Investor.

20. **Conditions to Closing.**

Investor's investment in the Partnership in accordance with this letter is subject to the satisfaction of the following conditions precedent on or before the Closing Date, which is projected to occur in April 2014.

A. **Due Diligence.** Investor's satisfactory due diligence review, in its sole and absolute discretion, of all matters pertaining to the Partnership, the General Partner, the Guarantor, the Developer and the Project including, without limitation:

- (1) the construction budget, the scope of work, the construction schedule, all required permits, the construction contract, and all other construction and development matters;
- (2) title, survey, zoning, engineering and environmental matters;
- (3) any ground lease;
- (4) market studies, appraisals, and all other matters regarding project feasibility;
- (5) all aspects of the project's capital structure: the terms of all loans, grants, tax increment financing and equity contributions;
- (6) debt service coverages, reserves, rental subsidies, income, expenses, and all other assumptions underlying the Projections;
- (7) tax matters, including all aspects of all tax-exempt bonds;
- (8) government benefits, government consents, government requirements and all other regulatory aspects of the Project;
- (9) all formation documents and government filings of the Partnership, the General Partner and the Developer; and
- (10) the financial condition of the General Partner, Guarantor and the Developer.

B. **Negotiation of Satisfactory Documentation.** The negotiation of a final Partnership Agreement and related documents (collectively the "Project Documents") that are satisfactory to Investor in its sole and absolute discretion. Investor's attorney will

prepare and send to General Partner and its attorney the form of the Project Documents.

- C. Opinions. Investor's receipt of corporate and tax opinions rendered by counsel to General Partner satisfactory to Investor, in form and substance acceptable to Investor.
- D. Consents. Receipt of all necessary consents of governmental authorities and lenders.
- E. Title Insurance. Receipt of a title insurance policy in an amount and in a form acceptable to Investor, provided the amount of such title insurance must be at least equal to the aggregate of the Total Capital Contribution plus all Permanent Loans. The policy must include "Fairways" and "Non-Imputation" endorsements.
- F. Miscellaneous. Receipt of other items or information reasonably required by Investor.

21. Transaction Expenses.

Investor's transaction expenses include its legal, market analysis, and accounting fees. Such costs have typically not exceeded \$60,000 for transactions of this type and complexity. Investor's expenses will be paid in the form of capital contribution from the Investor, which is separate from and in addition to the Capital Contribution in paragraph 6. If the Partnership fails to close, the entity signing this letter of intent on behalf of the General Partner will be responsible for reimbursing the Investor for all of the Investor's transaction expenses.

22. Termination.

If the transaction contemplated by this letter fails to close by the Closing Date, as extended by the parties, this letter will be null and void and of no further force and effect, and, neither party will have any claim or demand whatsoever against the other party in connection with this letter, its execution or termination, except the Investor's transaction expenses identified above.

23. Right of First Refusal.

At the end of the 15 year tax credit compliance period, the General Partner will have a right of first refusal to purchase the Property for an amount equal to the amount of outstanding debt plus taxes payable as a result of the sale.

24. Put Option.

At any time after payment of Investor's Total Capital Contribution, Investor may require that General Partner purchase Investor's Interest and Special Limited Partner's Interest subject to all then existing liens and encumbrances to title for an amount equal to \$100 (the "Put Option").

25. **Tax Disclosure.**

Notwithstanding anything to the contrary contained in the Partnership Agreement or any other agreement between the parties hereto, or in any offering materials pertaining to the Project, Investor and each officer, employee, representative or agent of Investor may disclose to any and all persons, without limitation of any kind, (i) the tax treatment and tax structure of the Partnership and any of the Partnership's transactions or activities, and (ii) all materials of any kind (including opinions and tax analysis) that are provided to Investor regarding its investment in the Partnership and/or such transactions or activities of the Partnership. This authorization as to tax disclosure is effective retroactively to the commencement of any discussions between the parties hereto or any of their agents or representatives.

26. **Material Adverse Change.**

Bank of America 's obligations hereunder shall terminate if, prior to closing, Bank of America determines, in its sole judgment, that there shall exist any conditions regarding the Property, or the operations, business, assets, liabilities or condition (financial or otherwise, including credit rating) of Borrower, Guarantor, or any tenants or there shall have occurred a material adverse change in, or there shall exist any material adverse conditions in, the market for syndicated bank facilities or the financial, banking, credit or debt capital markets generally, that could be expected to cause the potential Investment to go into default or prevent any guarantor from performing its obligations under any guaranty or to materially and adversely affect the value or marketability of the Investment or the Property.

27. **Other.** Bank will sponsor an AHP application for the Project. Bank is a member of the Atlanta, Boston, San Francisco, and Seattle FHLBs.

28. **Expiration.**

This Letter of Intent will expire at 5:00 p.m. on that date which is ten (10) business days from the date hereof unless you execute this Letter Of Intent and return it to us prior to that time, which may be by facsimile transmission. This letter is not intended as a commitment or offer by Investor to invest in the Partnership or the Project, but is intended only to summarize for discussion purposes the equity investment it is considering at this time. Investor must obtain the approval of its Investment Committee with respect to any such investment. After receipt of your signature on this Letter Of Intent and after you provide any additional information that may be required, we will proceed with the necessary due diligence to process your request for Investment Committee Approval.

Please indicate your agreement and acceptance of the foregoing by signing the enclosed copy of this letter and returning it to the undersigned. We look forward to working with you on this transaction.

Homestead Apartments - 9/26/2013

Bank of America, N.A.

By: Cassandra Silvernail
Name: Cassandra Silvernail
Title: Senior Vice President

Agreed and Accepted:

By: Walter Morcau
Name: Walter Morcau
Title: Director

Date: 10-7-2013

cc: Valerie Williams, Bank of America Merrill Lynch
Jeffrey Rodman, Bank of America Merrill Lynch

Attachments: Draft Projections, assuming developer's FHA 221d4 estimates

Promissory Note
RHDA - Foundation Communities, Inc.
Homestead Apartments - 3226 W. Slaughter Lane

We hereby certify that this is a true and correct copy of the original instrument.

Gracy Title Company

By: 

Date: 9-6, 2013

Borrower: FOUNDATION COMMUNITIES, INC. a non-profit corporation organized and operated under the Texas Non-profit Corporation Act

Borrower's Mailing Address: 3036 South 1st Street, #200
Austin, Travis County, Texas 78704

Lender: AUSTIN HOUSING FINANCE CORPORATION, a Texas non-profit corporation organized and operated under the Texas Non-profit Corporation Act

Place for Payment: 1000 East Eleventh Street - Suite 200
Austin, Travis County, Texas 78702

Principal Amount: \$2,250,000.00 (TWO MILLION TWO HUNDRED FIFTY THOUSAND AND 00/100 U.S. DOLLARS)

Annual Interest Rate: 0 %

Maturity Date: September 30, 2053, or according to the Terms of Payment

Annual Interest Rate on Matured, Unpaid Amounts: 10% (ten percent)

Terms of Payment (principal and interest):

The Principal Amount and interest are due and payable in the amount of the unpaid principal and accrued, unpaid interest and other charges on the later of:

(i) forty (40) years following date of issuance of a Certificate of Occupancy by the CITY OF AUSTIN for the Project to be developed as described in the Rental Housing Development Assistance (RHDA) Program Loan Agreement, dated of even date with this note, or

(ii) September 30, 2053.

Provided Maker does not violate any of the terms and conditions of that certain RHDA Program Loan Agreement, dated of even date with this note, the unpaid principal and accrued, unpaid interest and other charges shall be forgiven. Payments will be applied first to accrued interest, next to other charges and the

remainder to reduction of the Principal Amount.

Security for Payment:

This Promissory Note is secured by that certain Collateral Transfer of Note and Deed of Trust, dated even date with this Promissory Note, executed by Borrower to Lender and by this reference is incorporated in this Promissory Note.

Borrower promises to pay to the order of Lender the Principal Amount plus interest at the Annual Interest Rate. This Promissory Note is payable at the Place for Payment and according to the Terms of Payment. All unpaid amounts are due by the Maturity Date. After maturity, Borrower promises to pay any unpaid principal balance plus interest at the Annual Interest Rate on Matured, Unpaid Amounts.

If Borrower defaults in the payment of this Promissory Note or in the performance of any obligation in any instrument securing or collateral to this Promissory Note, Lender may declare the unpaid principal balance and earned interest on the Promissory Note immediately due. Borrower and each surety, endorser, and guarantor waive all demand for payment, presentation for payment, notice of intention to accelerate maturity, notice of acceleration of maturity, protest, and notice of protest, to the extent permitted by law.

Borrower also promises to pay reasonable attorney's fees and court and other costs if this Promissory Note is placed in the hands of an attorney to collect or enforce the Promissory Note. These expenses will bear interest from the date of advance at the Annual Interest Rate on Matured, Unpaid Amounts. Borrower will pay Lender these expenses and interest on demand at the Place for Payment. These expenses and interest will become part of the Promissory Note and will be secured by any security for payment.

Borrower may prepay this Promissory Note in any amount at any time before the Maturity Date without penalty or premium. Partial prepayments will be credited to the Principal Amount; installments will continue as scheduled and interest on that prepaid principal will immediately cease to accrue.

Interest on the debt evidenced by this Promissory Note will not exceed the maximum rate or amount of nonusurious interest that may be contracted for, taken, reserved, charged, or received under law. Any interest in excess of that maximum amount will be credited on the Principal Amount or, if the Principal Amount has been paid, refunded. On any acceleration or required or permitted prepayment, any excess interest will be canceled automatically as of the acceleration or prepayment or, if the excess interest has already been paid, credited on the Principal Amount or, if the Principal Amount has been paid, refunded. This provision overrides any conflicting provisions in this Promissory Note and all other instruments concerning the debt.

The execution and delivery of this Promissory Note are required under a loan agreement of the same date as this Promissory Note. If any provision of this Promissory Note conflicts with any provision of the loan agreement, or security agreement of the same transaction between Lender and Borrower, first the provisions of this Promissory Note, then the loan agreement, then the security agreement will govern to the extent of the conflict.

IF BORROWER SHALL DEFAULT, BREACH, OR COMMIT AN UNCURED EVENT OF DEFAULT WITH RESPECT TO THE RHDA PROGRAM LOAN AGREEMENT THAT IS DATED OF EVEN DATE WITH THIS NOTE AND EXECUTED BY BORROWER AND LENDER, THE DEFAULT UNDER THE RHDA PROGRAM LOAN AGREEMENT SHALL BE A DEFAULT UNDER THIS PROMISSORY NOTE.

This note will by construed under the laws of the state of Texas, without regard to choice-of-law rules of any jurisdiction.

Each Borrower is responsible for all obligations represented by this Promissory Note.

When the context requires, singular nouns and pronouns include the plural.

EXECUTED AND DELIVERED as of the date first above written.

Borrower: FOUNDATION COMMUNITIES, INC.

BY: Walter Moreau
NAME: Walter Moreau
TITLE: Executive Director

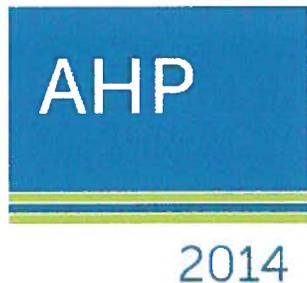
PREPARED IN THE LAW OFFICE OF: City of Austin
Law Department

Read [online](#).



ANNOUNCEMENT

March 11, 2014



AHP 2014: Applications Received

The Federal Home Loan Bank of San Francisco has received 176 applications ([see list](#)) for the 2014 Affordable Housing Program (AHP) funding competition, totaling over \$119 million in grant requests.

Projects recommended for awards will be reviewed by the Bank's Board of Directors for final approval, and we will announce the results in early June.

Thank you for participating in our AHP.

Federal Home Loan Bank of San Francisco 600 California Street, Suite 380, San Francisco, California 94108

The contents of this email, together with any attachments, are intended only for the use of the individual or entity to which they are addressed and may contain information that is legally privileged, confidential, and exempt from disclosure. If you are not the intended recipient, you are hereby notified that any dissemination, distribution, or copying of this email, or any attachment, is strictly prohibited. If you have received this email in error, please: (i) reply immediately to this email indicating that you received this communication in error, and (ii) promptly delete this message, along with any attachments, from your computer. Thank you.

If you do not wish to receive this information in the future, please [notify us](#).

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| Member | Sponsor | Project Name | Project Type |
|----------------------------|--|--|--------------|
| Banamex USA | Affordable Housing Alliance II, Inc. | Cypress Senior Living Investors LP | Rental |
| Banamex USA | Central Valley Coalition for Affordable Housing | Overland Court Apartments | Rental |
| Banamex USA | Central Valley Coalition for Affordable Housing | Palmer Family Apartments aka Palmer Villas | Rental |
| Banamex USA | Christian Church Homes of Northern California | Westlake Christian Terrace East | Rental |
| Banamex USA | Community Home Builders & Associates | Downtown Hayward Senior Apartments | Rental |
| Banamex USA | Foundation for Affordable Housing V, Inc. | San Pedro Veterans Family Apartments | Rental |
| Banamex USA | Jacobs Center for Neighborhood Innovation | Trolley Residential | Rental |
| Banamex USA | LINC Housing Corporation | Beverly & Lucas | Rental |
| Banamex USA | National Community Renaissance of California | Avenida Serra Apartments | Rental |
| Banamex USA | New Directions, Inc. | South West View Apartments | Rental |
| Banamex USA | PATH Ventures | Winnatica Senior Apartments | Rental |
| Banamex USA | Step-Up On Second Street, Inc. | Step Up on Western | Rental |
| Bank of America California | A Community of Friends | Lorena Plaza | Rental |
| Bank of America California | Foundation Communities, Inc. | Garden Terrace Phase III | Rental |
| Bank of America California | Foundation Communities, Inc. | Homestead Oaks | Rental |
| Bank of America California | Housing Authority of the City of Tampa, Florida | The Reed at Encore | Rental |
| Bank of America California | Housing Authority of the City of Tampa, Florida | The Tempo at Encore | Rental |
| Bank of America California | Lifelink Charities | Montaire Senior Residences of Avalon Park Phase II | Rental |
| Bank of America California | New Hope Housing, Inc. | Hamilton Street Residence | Rental |
| Bank of America California | Ops-locks Community Development Corporation | The Commons | Rental |
| Bank of America California | Planning Office for Urban Affairs, Inc. | Uphams Corner Residential | Rental |
| Bank of America California | Sacramento Housing Authority Repositioning Program, Inc. | Sierra Vista Apartments | Rental |
| Bank of America California | Sacramento Housing Authority Repositioning Program, Inc. | Sutterview Apartments | Rental |
| Bank of America California | The Arc of Jacksonville, Inc. | The Arc Village | Rental |

NeighborWorks America

Rocky Mountain Region ▶ One Cherry Center ▶ 501 South Cherry Street ▶ Suite 400
Denver, CO 80246-3326 ▶ 303.782.0299 ▶ nw.org

February 26, 2014

Walter Moreau
Foundation Communities
3036 S. 1st St.
Austin, TX 78704-6382

Dear Walter:

Foundation Communities has been recommended to receive the following grant funds from NeighborWorks® America:

Capital Funding for Rental Real Estate Line of Business \$500,000.00

Organizational Underwriting \$114,600.00

Supplemental Grant Request \$5,000.00

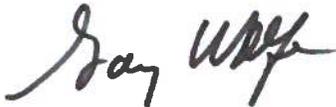
Please note that this is a non-binding announcement of these recommendations which will become binding subject to the following contingencies:

- Foundation Communities must meet NeighborWorks® America's compliance requirements in order to receive grants.
- Completion of the grant concurrence process and the issuance of an *Investment and Grant Funds Letter* that creates a binding obligation between Foundation Communities and NeighborWorks® America.

The specific terms, allowable purposes and amounts will be conveyed in the *Investment and Grant Funds Letter*. Therefore, it is understood that these grant funds will not be recognized on the organization's financial statements until the above stipulated conditions have been fulfilled.

Thank you for the time and effort dedicated to this grant round.

Sincerely,



Vice President, Rocky Mountain Region

cc: Gina Richardson
Mickey Landy



3036 South First Street
Austin, TX 78704

tel: 512-447-2026
fax: 512-447-0288

www.foundcom.org

March 18, 2014

Betsy Spencer
Austin Housing Finance Corporation
1000 East 11th St., 2nd Floor
Austin, TX 78702

RE: Homestead Oaks
3226 W. Slaughter Lane
Austin, TX 78748

Dear Betsy:

Foundation Communities, a mission driven charitable nonprofit, is committed and fully prepared to provide a commitment of funding to Homestead Oaks to bridge the award and disbursement of private foundation fundraising in the amount of \$203,130. In the case that fundraising efforts do not equal the target amount, FC is committed to permanently contributing the gap remaining after fundraising efforts have been exhausted.

Foundation Communities (FC) has committed and provided the necessary gap financing required for many of its past projects including the following owner's contributions:

Spring Terrace- \$600,000
Skyline Terrace - \$850,000
M Station – \$2,000,000
Sierra Vista – \$1,000,000

FC is able to make these owner's contributions due to its strong history of fundraising and fiscal responsibility. FC has recently taken advantage of the historically low interest rates and refinanced two of the properties in its portfolio to create a Development Impact Fund to support future development projects. This opportunity has provided FC a funding reserve in excess of \$9 million, which can be leveraged with City funding to further its mission of providing first class affordable homes and supportive services.

Finally, Foundation Communities' maintains a healthy cash reserve funded from 20 plus years of conservative financial management and opportunity-based development decisions to support the development of new properties.

Please feel free to contact me with any questions at (512) 610-4016.

Sincerely,

Walter Moreau
Director, Foundation Communities, Inc.



a Partner Agency of



United Way Capital Area



Jennifer Hicks

From: JRogers@doughertymarkets.com
Sent: Monday, March 10, 2014 4:53 PM
To: Jennifer Hicks
Cc: John Guttman
Subject: RE: Out of Office Next Week
Attachments: Fedex confirm_Homestead_031014.pdf

Jennifer,

Enjoy your spring break as you deserve it. Please see attached FedEx confirmation of Delivery to HUD. The complete submission left our office FedEx on Friday and was delivered early this morning.

Enjoy your time with the Family.

Jeff
Jeff Rogers, MAI, CCIM
Senior Vice President
Dougherty Mortgage LLC
16775 Addison Road, Suite 470
Addison, TX 75001
972-735-2817 (Office)
214-207-7030 (Cell)
jrogers@doughertymarkets.com

From: Jennifer Hicks [<mailto:jennifer.hicks@foundcom.org>]
Sent: Friday, March 07, 2014 4:17 PM
To: Jeff Rogers; Pamela Bauer; Derek Minchey
Cc: John Guttman
Subject: Out of Office Next Week

Hi DM Team –

I will be out of the office next week, but periodically checking emails.

John Guttman, on my team, will be at the office most of the week and available , as necessary.

THANKS MUCH!

Jennifer Daughtrey Hicks
Director of Housing Finance
Foundation Communities
3036 S. 1st Street, Suite 200
Austin, TX 78704
Phone: (512) 610-4025
Cell: (512) 203-4417

