City Council Questions and Answers for
Thursday, February 13, 2014

These questions and answers are related to the
Austin City Council meeting that will convene at 10:00 AM on
Thursday, February 13, 2014 at Austin City Hall
301 W. Second Street, Austin, TX

Mayor Lee Leffingwell
Mayor Pro Tem Sheryl Cole
Council Member Chris Riley, Place 1
Council Member Mike Martinez, Place 2
Council Member Kathie Tovo, Place 3
Council Member Laura Morrison, Place 4
Council Member William Spelman, Place 5

The City Council Questions and Answers Report was derived from a need to provide City Council Members an opportunity to solicit clarifying information from City Departments as it relates to requests for council action. After a City Council Regular Meeting agenda has been published, Council Members will have the opportunity to ask questions of departments via the City Manager's Agenda Office. This process continues until 5:00 p.m. the Tuesday before the Council meeting. The final report is distributed at noon to City Council the Wednesday before the council meeting.

QUESTIONS FROM COUNCIL

1. Agenda Item # 12 - Authorize negotiation and execution of a 24-month interlocal agreement with the Health and Human Services Commission for Commission training to City of Austin Health and Human Services Department staff to help citizens apply for program benefits through the Your Texas Benefits website at six neighborhood centers.

    a. QUESTION: Please provide a list of the neighborhood centers that will be included in this program and information regarding how they were selected. Please also provide details regarding how the program will be structured and any plans for outreach to neighbors that might be interested in participating. COUNCIL MEMBER MARTINEZ

    b. ANSWER: See attachment

    c. QUESTION: City has various programs targeted to low income residents, such as those described in agenda items # 12 (Your Texas Benefits) and # 26 (Youth creation programming) as well as the Austin Energy discount program. Will staff be trained to provide coordinated information on all programs so that eligible populations are aware of all their program options? COUNCIL MEMBER MORRISON

    d. ANSWER: The training that will be conducted by the Health and Human Services Commission will focus on providing online application assistance for federal programs including SNAP, Temporary Assistance for Needy Families (TANF), Medicaid, Long-term Care Services and the Children's Health Insurance Program (CHIP). The City does offer many programs targeted at low income residents and we will coordinate with the various departments mentioned to attain information that can be distributed by Neighborhood Center staff to those who are in most need.

2. Agenda Item # 16 - Approve an ordinance amending Fiscal Year 2013-2014 Management Services Department Operating Budget (Ordinance No. 20130909-001) to appropriate funds for the Independent Citizens Redistricting Commission.

    a. QUESTION: The memo from January 30 states that there is a request for $25,000 "in the event the ICRC has to defend the final certification of their product and all legal issues surrounding the said certification of the final product". What portion of the $25,000 is needed for current legal issues? Please explain why the legal fees needed only in the event of a challenge should be allocated at this time. COUNCIL MEMBER SPELMAN

b. ANSWER: Per ICRC Executive Director Craig Tounget: All of the $25,000 for additional legal fees is for current legal issues. When the ICRC requested this extra funding, they anticipated it may be needed "to defend the certification of the final product [map]". No challenge occurred, but the ICRC did continue to hold meetings. Therefore, this $25,000 will cover legal services provided in the course of continued ICRC activity, not specifically to defend the certification of the final map. Please see the attached memo.

3. Agenda Items # 17-21 - 17) Approve a resolution for the commitment of a loan in an amount not to exceed $2,000,000 to Foundation Communities, Inc. for a proposed 120-unit affordable rental development, to be known as Bluebonnet Studios, located at 2301 South Lamar Boulevard, with funding being conditional upon the award of tax credits to Foundation Communities, Inc. by the Texas Department of Housing and Community Affairs for the proposed project. 18) Approve a resolution for the commitment of a loan in an amount not to exceed $2,805,000 to Foundation Communities, Inc. for a proposed 170-unit affordable rental development, to be known as Cardinal Point, located at 11108 and 11300 Zimmerman Lane, with funding being conditional upon the award of tax credits to Foundation Communities, Inc. by the Texas Department of Housing and Community Affairs for the proposed project. 19) Approve a resolution for the commitment of a loan in an amount not to exceed $1,250,000 to Foundation Communities, Inc. for a proposed 60-unit expansion of its existing multi-family development, Southwest Trails, to be known as Southwest Trails Phase II, located at 8500 U.S. Highway 71, with funding being conditional upon the award of tax credits to Foundation Communities, Inc. by the Texas Department of Housing and Community Affairs for the proposed project. 20) Approve a resolution for the commitment of a loan in an amount not to exceed $2,200,000 to DDC Merritt Lakeline Station, Ltd. for a proposed 200-unit mixed-income rental development, Merritt Lakeline Station Apartments, located at 10701 Lakeline Mall Drive, with funding being conditional upon the award of tax credits to DDC Merritt Lakeline Station, Ltd. by the Texas Department of Housing and Community Affairs for the proposed project. 21) Approve a resolution for the commitment of a loan in an amount not to exceed $2,475,000 to Foundation Communities, Inc. for a proposed 150-unit affordable rental development, to be known as Rutledge Spur Apartments, located at the northeast corner of Rutledge Spur and FM 620, with funding being conditional upon the award of tax credits to Foundation Communities, Inc. by the Texas Department of Housing and Community Affairs for the proposed project.

   a. QUESTION: Please provide the applications in back up, the RHDA score for each project, the individuals on the review panel and the date of their application review. MAYOR PRO TEM SHERYL COLE

   b. ANSWER: See attachment

4. Agenda Item # 22 - Authorize negotiation and execution of all documents and instruments necessary or desirable to purchase in fee simple a tract of land totaling

approximately 351.6122 acres in Hays County, Texas, located at 4450 W. FM 150 from Thomas H. Searcy and Joan Searcy for a total amount not to exceed $7,500,000.

a. QUESTION: The scale on the map provided doesn't appear to match the wording about the size of this parcel. Please provide a zoomed in map and more specifics about the lot size. COUNCIL MEMBER SPELMAN

b. ANSWER: The tract is approximately 351.6122 acres. The requested map is attached.

5. Agenda Item # 23 - Approve an ordinance vacating approximately 8,779 square feet of street right-of-way in the City of Austin, Travis County, Texas, being the western half of Tillery Street south of the intersection of Tillery Street and East Cesar Chavez Street to AusPro Enterprises, L.P. for consideration not to exceed $11,000; and vacating approximately 8,573 square feet of street right-of-way in the City of Austin, Travis County, Texas, being the eastern half of Tillery Street south of the intersection of Tillery Street and East Cesar Chavez Street to Joe M. Moore, Jr., Daniel Baladez, and Rose Baladez for consideration not to exceed $10,700.

a. QUESTION: The City is placing a 100% drainage and inundation easement over the entire property. Please outline what construction and uses are allowed and precluded from occurring on the tract with the inclusion of these easements. COUNCIL MEMBER MORRISON

b. ANSWER: The only improvements that would be permitted over the referenced easements on this tract are parking, sidewalks, and to a limited degree, landscaping.

6. Agenda Items # 24 and # 25: Authorize the Urban Renewal Agency of the City of Austin to negotiate and execute all documents and instruments necessary or desirable to sell an approximately 13,200-square-foot vacant lot, locally known as 1120 E. 12th Street, to BUTLER EQUITY HOLDINGS, LTD., in accordance with Local Government Code Section 374.017, in the amount of $451,000, excluding any applicable closing costs, for the development of a five-story vertical mixed use building. Authorize the Urban Renewal Agency of the City of Austin to negotiate and execute all documents and instruments necessary or desirable to sell approximately 26,206 square feet of vacant land, locally known as 1322, 1324, 1326, 1328, 1330, 1332, 1334 and 1336 E. 12th Street, to BUTLER EQUITY HOLDINGS, LTD., in accordance with Local Government Code Section 374.017, in the amount of $901,000, excluding any applicable closing costs, for the development of a five-story vertical mixed use building.

a. QUESTION: Please provide some information about why the proposals from Butler Equity Holdings, Inc. ranked highest in the staff and Urban Renewal Board's evaluation. COUNCIL MEMBER TOVO

b. ANSWER: These Requests For Proposal (RFP) are regarding property owned

by the Urban Renewal Agency (URA). City staff acted as the Seller's agent in preparing and managing the RFP submission process, but City staff have not evaluated the proposals that were submitted in response to the RFPs. The Urban Renewal Board (URB) discussed these proposals in Executive Session at their January 27th meeting. Following their Executive Session, the URB reconvened and voted to select Butler Equity Holdings, Ltd., as the successful proposer on both properties. No public information is available or has been released by the URA at this time. Following the closing of these real estate transactions, information regarding the evaluation and selection of the proposals will become public record. The Office of Real Estate Services has attached a copy of the RFP documents on these two properties, including the Selection Criteria that were used in the evaluation of the properties.

7. Agenda Item # 25: Authorize the Urban Renewal Agency of the City of Austin to negotiate and execute all documents and instruments necessary or desirable to sell approximately 26,206 square feet of vacant land, locally known as 1322, 1324, 1326, 1328, 1330, 1332, 1334 and 1336 E. 12th Street, to BUTLER EQUITY HOLDINGS, LTD., in accordance with Local Government Code Section 374.017, in the amount of $901,000, excluding any applicable closing costs, for the development of a five-story vertical mixed use building.

   a. QUESTION: Please explain the selection process and provide any public information that's available from the evaluation of the proposals that were submitted. COUNCIL MEMBER MORRISON

   b. ANSWER: ANSWER: These Requests For Proposal (RFP) are regarding property owned by the Urban Renewal Agency (URA). City staff acted as the Seller's agent in preparing and managing the RFP submission process, but City staff have not evaluated the proposals that were submitted in response to the RFPs. The Urban Renewal Board (URB) discussed these proposals in Executive Session at their January 27th meeting. Following their Executive Session, the URB reconvened and voted to select Butler Equity Holdings, Ltd., as the successful proposer on both properties. No public information is available or has been released by the URA at this time. Following the closing of these real estate transactions, information regarding the evaluation and selection of the proposals will become public record. The Office of Real Estate Services has attached a copy of the RFP documents on these two properties, including the Selection Criteria that were used in the evaluation of the properties.

8. Agenda Item # 35 Authorize negotiation and execution of contracts with CARAT, BBH GLOBAL, OGILVYONE, M&M GLOBAL PUBLIC RELATIONS, AND PORTER NOVELLI, for advertising, marketing, and promotion of the British Airways nonstop passenger air service between Austin and London for a combined total amount not to exceed $450,000.

   a. QUESTION: The funding for this items comes partially from the Aviation Department and partially from the Economic Development Department's

Economic Incentives Reserve Fund. 1) What fund within the budget does the Aviation Department's portion come from? 2) Is there any reason that the Aviation Department cannot cover the entire expenditure? COUNCIL MEMBER MORRISON

b. ANSWER: 1) Funding comes from the marketing/advertising line item of the Aviation Department Public Information Office budget. 2) The Aviation Department can cover up to $400,000 of the $450,000 proposed. The airport can provide marketing assistance up to the limits of the adopted rule for the Air Service Recruitment Program ($200,000 year one, $200,000 year two). Securing prize international air service in a hyper-competitive global marketplace is especially challenging for a newly emerging, medium-sized, non-hub air service market such as Austin with no history of transatlantic nonstop route success. The airline itself is making a multi-million dollar investment (fuel, aircraft, crew) to serve the route and must be confident this new service is supported by a wide cross-section of the community, not just the airport. At the time British Airways was being recruited, the airport approached local business/tourism partners including the city's Economic Development Department for assistance, in order to demonstrate to British Airways that the new air service was desired, fully-supported and collaborative.

9. Agenda Item # 43: Approve an ordinance authorizing the waiver of certain fees and requirements under City Code Chapter 14-8, authorizing the waiver of certain other fees and requirements, and authorizing payment of certain costs for the City co-sponsored 2014 South by Southwest Conferences and Festivals, to be held March 7-16, 2014.

a. QUESTION: Resolution 20130926-078 directs the City Manager to produce an analysis of: i) direct and indirect costs of special events over the last five years, ii) total estimated costs of fee waivers, administrative staff time, public safety personnel and resources, iii) other costs, and (iv) total revenue generated through fees. For larger events such as SXSW, staff were asked to produce estimates of the total economic impact. The analysis and supporting recommendations were due back to Council by November 1, 2013; a) please provide an update as to when we might expect that analysis. COUNCIL MEMBER TOVO

b. REVISED ANSWER: a) In response to Council Resolution 20130926-078, staff has requested information about special events costs, revenues and waivers for the last five years, from all City departments and from event promoters. Most of the information has been collected, although some departments have not yet reported their information. Staff will complete the report to Council by March 1, 2014. Below is some of the information that has been collected. The Finance Department provided the data on waivers which total $3,485,200 for Fiscal Years 2009 through 2013. Of that total, SXSW received $1,829,700 in waivers. During that time, the City spent $24,000,000 in expenses for special events and collected $13,000,000 in revenue, also from special events. The majority of the expenses and revenue

generated by special events were for Police services, with $15,798,600 in expenses and $7,779,300 in revenue.

c. QUESTION: b) The resolution specifically references the possibility of "requiring events that apply for more than $60,000 in fee waivers to be funded through the Economic Development Program. . ." 1) Do any obstacles exist to prevent Council from using Economic Incentives Reserve Fund to provide reimbursements to PARD, Austin Police Department, and other city departments that will forgo revenue if Council approves these fee waivers? 2) Please indicate what action Council would need to take to effect that shift. COUNCIL MEMBER TOVO

d. ANSWER: This fund was created in FY 2008 as a part of the Economic Incentive and Reserve Fund (EIRF) to competitively recruit companies with small capital investments or who are leasing. The funds are currently to six projects over a 10-year period. The Council reduced this fund by $333,000 at the beginning of this fiscal year. A Council initiated budget amendment would be required to use these funds for anything other than what was originally intended. Staff does not recommend use of these dollars for internal reimbursement of fee waivers.

10. Agenda Item # 66- C814-88-0001(RCA) - Canyons @ Rob Roy Rezoning - Conduct a public hearing and approve a restrictive covenant amendment on property locally known as 800 North Capital of Texas Highway (Bee Creek Watershed) as it relates to certain uses and development standards. Staff Recommendation: To grant an amendment to a portion of the Restrictive Covenant as it relates to certain uses and development standards. Zoning and Platting Commission Recommendation: To grant an amendment to a portion of the Restrictive Covenant as it relates to certain uses and development standards. Owner: Brandywine Acquisition Partners (Ralph Bistline). Applicant: G5 Texas Development, L.L.C. (Jim Gallegos). Agent: Armbrust & Brown, PLLC (Richard Suttle). Agent: Armbrust & Brown, PLLC (Richard Suttle). City Staff: Wendy Rhoades, 512-974-7719.

a. QUESTION (originally asked through the January 30, 2014 Council Q&A Process): Please provide a list (and links to) the other restrictive covenant agreements that the city has entered into that use language similar to this RCA regarding who must agree to make changes to the RC, e.g. including owners of the property that are "directly affected by the proposed change". COUNCIL MEMBER MORRISON

b. ANSWER: (originally provided through the January 30, 2014 Council Q&A Process): Staff reviewed several restrictive covenants and could not find an example that uses the same "directly affected" language. All of the restrictive covenants reviewed by staff have language that states that the agreements may be modified by the majority members of the City Council and "the owners of the above described property at the time of amendment, modification or termination." Copies of the referenced restrictive covenants can be provided

upon request.

c. REVISED ANSWER: Section 4.03 of the attached restrictive covenant states that the covenant may be amended by the joint action of the Council and the owners of the property who are directly affected by the proposed amendment. Also attached is an amendment of the restrictive covenant that is signed by the owner of the property that is the subject of the amendment.

11. Agenda Item # 77 C14-2013-0148 – Dabney Horne House – Conduct a public hearing and approve an ordinance amending City Code Chapter 25-2 by rezoning property locally known as 507 West 23rd Street (Shoal Creek Watershed) from general office-conditional overlay-historic landmark-neighborhood plan (GO-CO-H-NP) combining district zoning to general office-conditional overlay-neighborhood plan (GO-CO-NP) combining district zoning. Staff Recommendation: To grant general office-conditional overlay-neighborhood plan (GO-CO-NP) combining district zoning. Planning Commission Recommendation: To forward without a recommendation. Owner: University Cooperative Society, Inc. (George Mitchell). Applicant: Mike McHone Real Estate (Mike McHone). City Staff: Heather Chaffin, 512-974-2122.

a. QUESTION 1: Staff land use recommendations in the backup indicate the rezoning of the property does not eliminate a proposed development's requirements to meet the intent of the tree ordinances. Material in back up indicates in January 2013, the applicant requested to remove a 32" Heritage Pecan tree that is associated with the proposed development and the request was disapproved at the Environmental Board and denied at the Planning Commission. Where is the 32" Heritage Pecan tree located? COUNCIL MEMBER MORRISON

b. REVISED ANSWER: The 32" Heritage Pecan tree is located near the southeast corner of the house, in the rear. The previously requested tree removal permit was denied by the Environmental Board and Planning Commission in early 2013.

c. QUESTION 2: The Historic Landmark Commission recommended denial to remove historic designation to the site the Dabney-Horne house. 1) Please provide their reasoning for the denial. 2) Are there typical or regulated setbacks required for historic structures in the area? 3) Did the Commission address whether the proposal will meet the Secretary of the Interior's Standards for Rehabilitation Standard 9 "New additions, exterior alterations, or related new construction will not destroy historic materials, features, and spatial relationships that characterize the property….to protect the integrity of the property and its environment"? 4) How will the proposed development meet the UNO zoning district design regulation 12.1.6 Historical Authenticity? COUNCIL MEMBER MORRISON

d. ANSWER: 1) The Commission recommended against the removal of historic zoning because they felt it was premature to do so before the house is moved.

The Commission also had concerns over the setbacks proposed for the historic house and did not like the fact that the house was being moved in the first place. 2) The University Neighborhood Overlay (UNO) does not set out specific requirements for historic houses. In other cases, Council has approved a minimum of a 20-foot buffer around the house to protect it from surrounding development. 3) They referenced the SOI Standards for Rehabilitation in their denial of a Certificate of Appropriateness for the move, but not for the removal of historic zoning. 4) That has not yet been determined – and was not a topic of discussion at the HLC hearing.

e. QUESTION 3: Back up submitted by the applicant indicates their property should be treated comparably to other properties in the area. The property at 2110 Rio Grande was suggested to have its lot sized reduced to allow condos to be built alongside. Please provide the original lot area and what it was reduced to for the historic structure. Please indicate whether the properties were subdivided? Please provide the height of the condo development and height of the existing historic structure. Please provide what distances exist between the historic structure and the new development. COUNCIL MEMBER MORRISON

f. ANSWER: These questions were sent to the Applicant—Staff does not have this type of information about the 2110 Rio Grande property.

g. QUESTION 4: Back up submitted by the applicant indicates the area of the lot to remain historically zoned must be the size indicated to allow for the minimum site size required for their proposed development to accommodate construction of a parking garage. Please provide the number of units/bedrooms and parking spaces being proposed for the development and number of parking spaces required by the City. In an effort to reduce required on-site student parking, will this project provide car-sharing service for their student population? COUNCIL MEMBER MORRISON

h. ANSWER: These questions were sent to the Applicant—Staff does not have this type of information.

12. Agenda Item # 86 Conduct a public hearing and consider an ordinance amending City Code Title 25 to amend the occupancy limit for unrelated individuals in single-family zoned property.

a. QUESTION: Has this item been reviewed by the Commission on Immigrant Affairs or have they been engaged in the related Planning Commission Task Force? MAYOR PRO TEM COLE

b. ANSWER: This item has not been reviewed by the Commission on Immigrant Affairs. Staff is unaware of whether or not that commission has been involved with the stealth dorm working group.

END OF REPORT - ATTACHMENTS TO FOLLOW

The City of Austin is committed to compliance with the Americans with Disabilities Act. Reasonable modifications and equal access to communications will be provided upon request.

For assistance please call (512) 974-2210 OR (512) 974-2445 TDD.

Council Question and Answer

Related To	Agenda Item # 12	Meeting Date	February 13, 2014

Additional Answer Information

QUESTION: Please provide a list of the neighborhood centers that will be included in this program and information regarding how they were selected. Please also provide details regarding how the program will be structured and any plans for outreach to neighbors that might be interested in participating. COUNCIL MEMBER MARTINEZ

ANSWER:
The following neighborhood centers will be included:

1. Blackland Neighborhood Center
   2005 Salina Street
   Austin, TX 78722

2. East Austin Neighborhood Center
   211 Comal Street
   Austin, TX 78702

3. Montopolis Neighorhood Center
   1416 Montopolis Drive
   Austin, TX 78741

4. Rosewood-Zaragosa Neighborhood Center
   2800 Webberville Road
   Austin, TX 78702

5. South Austin Neighborhood Center
   2508 Durwood
   Austin, TX 78704

6. St. John Community Center
   7500 Blessing
   Austin, TX 78752

Selection Criteria and Program Structure

- Each center selected has an Emergency Food Pantry. When citizens contact a Center requesting an appointment for emergency food assistance, they will be offered the opportunity to apply for SNAP (food stamps) and other benefits during this same appointment time.

- All appropriate Neighborhood Services Unit staff will be trained through the State of Texas Health and Human Services Commission (HHSC) Community Partner program and will be certified to provide application assistance. These staff can then assist clients with entering their applications and uploading documents directly into the State's online "Your Texas Benefits" portal.

- HHSC's Community Partner Program will provide reports on how many people are being assisted with benefits enrollments at these sites.

Outreach Plans

- HHSC provides signage and brochures which will be prominently displayed in all Neighborhood Centers. Information will also be made available in WIC, Immunization and other HHSD sites.

- The Neighborhood Services Unit partners closely with the Capital Area Food Bank and will distribute information about SNAP application assistance during all joint food distribution programs including Fresh Food for Families, Healthy Options Program for the Elderly, and Wheels of Sharing Mobile Food Pantry. One or more of these distributions are held at all six centers, as well as Dove Springs and Turner Roberts Recreation Centers, and Santa Barbara Church.

- 211 and 311 will be given information about the service so callers can be informed of its availability

- HHSD will work neighborhood advisory boards and associations to help get the word out to community residents, through attending meetings, sharing the information in newsletters, list-serves and other means.

- HHSD will work with members of the Sustainable Food Policy Board and the Community Development Commission to ensure the information gets out to the community about this service.

- HHSD will work with the Community Advancement Network, United Way and AISD's Family Resource Centers to publicize the program.

- HHSD will email all Social Services contractors to provide information about the centers enrollment process.

TO: Mayor and Council

FROM: Marc A. Ott, City Manager

DATE: January 30, 2014

SUBJECT: Funding Request from the Independent Citizens Redistricting Commission

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The purpose of this memo is to inform you that my office has received a supplemental funding request from the Independent Citizens Redistricting Commission (ICRC) in the amount of $40,000 for staff and legal services.

According to ICRC Executive Director Craig Tounget, the Commission at their November 13, 2013 meeting took formal action to request $25,000 from the City for legal fees in the event the ICRC has "to defend the certification of the final product [i.e. single-member district maps] and all legal issues surrounding the said certification of the final product." At a subsequent meeting on December 11, 2013, the ICRC revised its funding request by asking for an additional $15,000 to retain their Executive Director for an additional two months in order to ensure the completion of the ICRC's Final Report.

My staff has reviewed the ICRC's request and has determined that the requested amount is both reasonable and necessary for the ICRC to complete its work. Therefore, I have instructed Elaine Hart, Chief Financial Officer, to provide the additional $40,000 in funding to the ICRC.

Should you have any questions or need additional information, please feel free to contact me directly. Thanks!

Attachment (1) – Letter from ICRC Executive Director Craig Tounget

cc: Magdalena Blanco, Chair, ICRC
Craig Tounget, Executive Director, ICRC
Michael McDonald, Deputy City Manager
Elaine Hart, Chief Financial Officer
Karen Kennard, City Attorney
Ed Van Eenoo, Deputy Financial Officer

Independent Citizens Redistricting Commission

The Independent Citizens Redistricting Commission (ICRC) has determined that, pursuant to Subsection (H) of the City of Austin Charter, Article II, Section (3)(H), "that funds…provided for the operation of the ICRC are not adequate," thus requiring the allocation of an additional $40,000 to its budget.

The ICRC has determined that it needs an additional $25,000 for legal fees "**in order to defend the certification of the final product and all legal issues surrounding the said certification of the final product the Commission authorizes the executive director to budget and if not in the budget to go through processes to secure up to $25,000.00 to utilize current legal counsel to assist the Commission in any legal issues surrounding said certification.**" (See Minutes of November 13, 2013.)

In addition, the ICRC has determined that they need to retain their Executive Director for a period of up to two additional months in order to ensure the completion of the Final Report. Several more meetings of the Commission are anticipated and numerous drafts of the report are expected before a final version is completed. The meeting planning, staffing of meetings, drafting of minutes, compilation of the report, etc. will require retaining staff. The ICRC has authorized "**the Chair to handle any administrative issues, including contract extensions, for the Commission.**" (See Minutes of December 11, 2013.) The ICRC seeks an additional $15,000, which, coupled with remaining funds, will be sufficient for up to two more months of fees for the Executive Director.

Thank you for your help in this matter. Please let me know if you have any questions.

Craig Tounget

Executive Director

Council Question and Answer

Related To	Agenda Items #17-21	**Meeting Date**	February 13, 2014

Additional Answer Information

QUESTION: Please provide the applications in back up, the RHDA score for each project, the individuals on the review panel and the date of their application review. Mayor Pro Tem Cole

ANSWER:
Applications: The five applications are voluminous, over 100 pages each.

They can be found at the following links:

Southwest Trails, Phase II:
http://austintexas.gov/sites/default/files/files/Housing/Application_Center/RHDA/FY_13-14/RHDA_App_SW_Trails_FC_-_FINAL-reducedsize.pdf

Bluebonnet Studios:
http://austintexas.gov/sites/default/files/files/Housing/Application_Center/RHDA/FY_13-14/RHDA_App_Bluebonnet_Studios_-_FINALreducedsize.pdf

Cardinal Point:
http://austintexas.gov/sites/default/files/files/Housing/Application_Center/RHDA/FY_13-14/RHDA_App_Cardinal_Point_FC_-_FINALreducedsize.pdf

Rutledge Spur:
http://austintexas.gov/sites/default/files/files/Housing/Application_Center/RHDA/FY_13-14/RHDA_App_Rutledge_Spur_FC_-_FINALreducedsize.pdf

Merritt Lakeline Station:
http://austintexas.gov/sites/default/files/files/Housing/Application_Center/RHDA/FY_13-14/RHDA_App_Merritt_Lakeline_FY1314-FINAL.pdf

Scoring: The RHDA Consensus Score Sheet is attached below.

Review Panel and Dates: The individuals on the review panel were:

- Regina Copic, Real Estate & Development Manager
- Deepa Vasan, Research Analyst Senior
- Jonathan Tomko, Research Analyst Senior
- Nathanael Blum, Financial Consultant
- Sandra Harkins, Project Coordinator

The initial application review took place on January 28, 2014. The review of revised applications took place on February 10, 2014. All applicants were provided an opportunity to revise their respective applications.

9% Competitive Apps	1	2	3	4	5
Developer	**DDC Merritt Lakeline Station, Ltd.**	**Foundation Communities**	**Foundation Communities**	**Foundation Communities**	**Foundation Communities**
Project Name	Merritt Lakeline Station	Bluebonnet Studios	Cardinal Point	Rutledge Spur	Southwest Trails, Phase II
Address	10701 Lakeline Mall Dr.	2301 South Lamar Blvd.	11108 Zimmerman Ln.	NE Corner Rutledge Spur & RM 620	8500 U.S. Hwy 71
Zip Code	78717	78704	78726	78717	78735
Units	200	120	170	150	60
Units for 50% MFI and below	56	120	102	90	60
Project Type	Mixed-Income	Affordable	Affordable	Affordable	Affordable
Tax Credit Application Number	**#14243**	**#14068**	**#14071**	**#14070**	**#14069**
Census Tract	Wmson County 203.11	13.04	17.14	Wmson County 203.11	19.08
SCORING ELEMENTS					
Compatibility w/ Core Values					
Deep Affordability (Affordable Units)	20	25	25	25	25
Long-term Affordability	25	25	25	25	25
Opportunity Map Score	25	10	25	25	15
Geographic Dispersion	Lakeline Mall Blvd & Lake Creek Parkway	Close-in; High-end rental properties going in	Four Points Area near 2222 and 620	Near 620 and Lakeline Mall Drive	Hwy 71 and Old Bee Caves Road
Initiatives and Priorities					
PSH	15	15	15	15	15
SF Rental or Sustainable Green Alley Flats	0	0	0	0	0
Additional Accessibility & Housing for Persons with Disabilities	10	20	10	10	10
Priority Location (incl. <.25 mi from transit stop, TOD, VMU, PUD)	10	10	0	10	10
(Transit Access Distrance)	<.25 mi	<.25 mi & VMU		TOD	<.25 mi
Preservation of Affordable Units	0	0	0	0	0
Transitional Housing (exclusively)	0	0	0	0	0
Underwriting					
Developer Capacity & Experience	15	15	15	15	15
Sources and Uses	5	5	5	5	5
Debt Coverage Ratio Per the Proforma	10	10	10	10	10
RHDA Funds ÷ Total Project Cost	6%	18%	13%	11%	11%
% RHDA Funds Score	10	10	10	10	10
RHDA Cost Per Unit (only 50% & below MFI Units	$39,286	$16,667	$27,500	$27,500	$20,833
Cost per unit score	10	10	10	10	10
Project Readiness	2	2	2	2	2
Property Management	10	10	10	10	10
Supportive Services	15	15	15	15	15
MBE/WBE	0	5	5	5	5
THRESHOLD SCORE = 150					
Original Consensus Score	132	162	162	177	167
FINAL CONSENSUS SCORE	**182**	**187**	**182**	**192**	**182**
RHDA Amount Requested	$2,200,000	$2,000,000	$2,805,000	$2,475,000	$1,250,000

Searcy Property

(351.6122 acres)

0 500 1,000 2,000 Feet

Searcy

Water Quality Protection Lands

Fee Simple

Conservation Easement

Other Open Space & Parkland

Parcels

REQUEST FOR PROPOSALS

FOR
THE PURCHASE AND DEVELOPMENT OF
1120 E. 12th Street

AN APPROXIMATELY 13,200 SQUARE FOOT VACANT PARCEL OF LAND

IN AUSTIN, TRAVIS COUNTY, TEXAS

OFFERED FOR SALE BY the URBAN RENEWAL AGENCY OF THE CITY OF AUSTIN

RFP TITLE: 1120 E. 12TH STREET

PROPOSAL SUBMISSION DEADLINE: NOVEMBER 8, 2013

AT NOON (12:00 P.M.) CENTRAL STANDARD TIME

WITH PROPOSAL SECURITY DEPOSIT OF $10,000.00

MINIMUM BID: $442,000.00 PLUS DEVELOPMENT WITHIN THREE (3) YEARS

SEE SCHEDULE OF IMPORTANT DATES & MORE INFORMATION
At: http://www.austintexas.gov/realestate

REQUEST FOR PROPOSALS
Urban Renewal Agency of the City of Austin – 1120 E. 12th Street

BACKGROUND:
The City of Austin has partnered with the Urban Renewal Agency of the City of Austin (the ***"Seller"***) to implement revitalization efforts along the East 11th and 12th Street corridors. The City of Austin's Neighborhood Housing and Community Development Office is the lead department handling the day to day planning and implementation of the East 11th and 12th Streets Urban Revitalization Project, and staffs the Urban Renewal Agency. The City's Office of Real Estate Services conducts all property sales. The City of Austin through its Office of Real Estate Services (the *"**Seller's Representative**"*) will conduct and administer the sale.

The Urban Renewal Agency was established by the voters of Austin in 1959 to carry out Urban Renewal project powers in accordance with Chapter 374 *(Urban Renewal in Municipalities*) of the Texas Local Government Code. The Agency's Board of Commissioners consists of seven members who are appointed by the Mayor with the consent of the City Council. The Agency's primary purposes are to eliminate slum and blighting influence, encourage redevelopment activities, and oversee the implementation of and compliance with any and all approved Urban Renewal Plans, as amended and adopted by the Austin City Council.

I. Purpose of Request for Proposals and Development Proposals (RFP)

The Urban Renewal Agency of the City of Austin, a Texas public body corporate and politic created under Chapter 374 Texas Local Government Code (the ***"Seller"***) is pleased to offer for sale the property located at 1120 East 12th Street, situated in Travis County, Texas, and more particularly described below:

> 0.303 of an acre of land and being 88 feet by 150 feet, more or less, out of the subdivision of Outlot No. 41, Division "B", in the City of Austin, Texas, being the same property described in that certain General Warranty Deed recorded in Volume 13124, Page 1079, Real Property Records, Travis County, Texas (the "***Property"***).

The Property is located within the East 11th and 12th Streets Urban Renewal Area as shown in the map provided as **Exhibit A** to this RFP.

The Seller is seeking a developer or development team (the ***"Successful Proposer"***) with demonstrated experience and strong financial resources to purchase the Property and develop it within the controls established in the approved Urban Renewal Plan (URP). (A link to the URP is posted on the Seller's Representative's

website at: www.austintexas.gov/realestate.) A successful proposal to develop the Property shall be a creative project that achieves the Project Goals set forth in Section II of this RFP.

II. Project Goals

The Schedule of Criteria for Review and Scoring of Proposals (the ***"Criteria"***) is included with this RFP as **Schedule 2**. The Criteria identifies and outlines the elements of any proposal submission that are mandatory, versus those that are value added (i.e. voluntary). Mandatory elements that are not addressed or inadequately addressed in the RFP may be deemed non-responsive and lead to disqualification of the proposal, at the sole discretion of the Seller.

The Successful Proposer, in addition to purchasing the Property, must propose a creative, high-quality project that:

A. Produces a successful development that contributes to the revitalization of the East 11th and 12th Street corridors and surrounding area.

B. Redevelops the subject Property to produce significant short-term and long-term public benefit, giving consideration to community needs in the surrounding East 11th and 12th Streets Revitalization Project area. Possible considerations regarding development in this area are provided in the *East 11th & 12th Street Development Strategy Technical Report* produced by Economic & Planning Systems, Inc., available at the Seller's Representative's website: www.austintexas.gov/realestate.

C. Develops the property, as specified in the successful proposal, within three (3) years of the date of execution of the Special Warranty Deed. The Seller requires that the Successful Proposer obtain a Certificate of Occupancy for the proposed project within that three-year time frame, and obtain the Building Permit for construction of the project within two (2) years of the transfer of the Property. The Seller also requires that the Successful Proposer submit a performance guaranty (the ***"Guaranty"***) at closing of the sale of the property to ensure that this timeline is met. The form and the dollar amount of the Guaranty provided by the Successful Proposer shall be specified in advance within the proposal submitted in response to this RFP, as described herein in **Section VIII, RFP Submission Format**.

D. *Green Building Goals.* The Successful Proposer is encouraged to meet a minimum Austin Energy 2 Star Green Building rating or USGBC LEED Silver rating. Ambitious green building goals are encouraged. For more information, please refer to links and information posted at the Seller's Representative's website: www.austintexas.gov/realestate.

E. *Minority/Women-owned Business Enterprise (M/WBE)*. The Successful Proposer is encouraged to meet M/WBE participation goals or demonstrate a good faith effort to meet those goals in the design and construction of improvements on the Property, in accordance with City Council Resolution No. 20120112-058. For more information, please refer to links and information posted at the Seller's Representative's website: www.austintexas.gov/realestate.

F. *Affordable Housing.* The Successful Proposer is encouraged to meet affordable housing goals. To meet these goals, at least 10% of rental units must be affordable and reserved for households earning 60% or below the Median Family Income (MFI) for the Austin-Round Rock Metropolitan Statistical Area (MSA); or at least 10% of ownership units must be affordable and reserved for households earning 80% or below MFI for the MSA. If the project includes affordable housing, the successful proposer must commit to execute a 40-year Affordable Housing Restrictive Covenant (example attached to this RFP as **Exhibit B**).

III. Description of 1120 E. 12th Street

A. **Location:** The Property is located in Travis County, Texas, east of downtown Austin. The Property has access to both north and south Austin by way of IH-35, and access in an east-west direction via East 12th Street. The Property is more specifically a self-contained vacant lot commonly known as 1120 E. 12th Street Austin, Travis County, Texas, 78702 (see maps attached hereto as **Schedule 1-A** and **Schedule 1-B**)

B. **Description:** Summarized below is general information pertaining to the Property. Additional information regarding the Property may be found on Seller's Representative's website at www.austintexas.gov/realestate. Seller believes that such information is correct; however, **all information on which a Proposer relies must result from the Proposer's own investigation, and not from any information provided in connection with this Request For Proposals.**

1. **Land Size**: Approximately +/- 0.3030 of vacant land (+/- 13,200 square feet).

2. **Improvements**: The property has no improvements.

3. **School District:** Austin Independent School District

4. **Road Frontage:** Approximately +/- 88' frontage on E. 12th Street, approximately +/- 150' on Navasota Street; there is an alley at the back of the property.

5. **Zoning:** The lot is zoned "CS-MU-NCCD-NP".

   "CS": Commercial Services

   "NCCD": Neighborhood Conservation Combining District

   "MU": Mixed Use

   "NP": Central East Austin Neighborhood Plan

6. **Development Considerations:** The Subject Property is located in an area governed by multiple community-driven, area-specific documents and ordinances that have been adopted by the Austin City Council over the last 20 years, including the East 11th and 12th Streets Urban Renewal Plan (URP), East 12th Street Neighborhood Conservation Combining District (NCCD), and the Central East Austin Neighborhood Plan. These plans and ordinances have implemented appropriate zoning and other regulations to facilitate the desired uses, density, scale and urban design promoted in these documents and by City Council. **Exhibit A** is a map of the East 11th and 12th Streets Urban Renewal Area.

   East 11th and 12th Streets Urban Renewal Plan Project Controls (URP)

   Redevelopment of the Subject Property is subject to the Urban Renewal Plan (URP) Project Controls, as amended. Information about the URP can be found on the Seller's Representative's website (www.austintexas.gov/realestate). The development project controls included in the URP are enforceable by state law under the Texas Local Government Code, Chapter 374. The 1120 E. 12th Street property is included in the amended East 11th & 12th Street Urban Renewal Plan under Project 12-3 ("12th St. Residential and Mixed Use and/or Commercial Development and publicly-funded community parking on 12th Street"). New amendments to the URP typically require significant public input and a time-consuming process. Any proposal submitted in response to this RFP which requires amending the URP may not be given further consideration.

   East 12th Street - Neighborhood Conservation Combining District (NCCD)

Redevelopment of the Subject Property is subject to the East 12th Street Neighborhood Conservation Combining District (NCCD). The 1120 E. 12th Street property is located in this NCCD as part of Tract 3 (1100-1150 E. 12th Street, even numbers), within Subdistrict 2. The NCCD establishes zoning in accordance with the East 11th and 12th Streets Urban Renewal Plan project controls and permitted uses. Information about the NCCD can be found on the Seller's Representative's website (www.austintexas.gov/realestate) and under City Ordinance No. 20080228-087. New amendments to the NCCD typically require significant public input and a time-consuming process. Any proposal submitted in response to this RFP which requires amending the NCCD may not be given further consideration.

7. **Taxes:** Although the Property is currently tax-exempt, it resides within the taxing jurisdiction of the City of Austin, Travis County, Austin Community College, Austin Independent School District, and Travis County Healthcare District.

8. **Floodplain:** The site is not within a flood hazard zone as defined and identified by City of Austin floodplain maps.

9. **No Current Survey:** The Successful Proposer shall be responsible to order, and pay for, a survey, if desired and/or if required by Proposer's Lender.

10. **Title Commitment:** A commitment for title insurance for the Property, dated effective June 12, 2012, was issued by Independence Title Company (the "***Title Company***"). An updated Title Commitment for the Property, dated effective August 22, 2013, was issued on September 3, 2013. These Title Commitments are attached hereto as **Schedule 3-A** and **Schedule 3-B**. Additional copies are available on Seller's Representative's website and upon written request. Copies of the underlying exception documents listed under Schedule B of the Title Commitment are available on Seller's Representative's website and upon written request.

11. **Appraisal:** An appraisal of the Property, effective date March 19, 2013, was prepared by J. L. Craft & Associates (the **"Appraisal").** A copy of the Appraisal is attached to this RFP as **Schedule 4** and is available on Seller's Representative's website or upon written request.

12. **Notice Regarding Urban Renewal Plan:**

Recorded Document 1999157295 Travis County, Texas, Ordinance No. 990114-10.

Recorded Document 2002204815 Travis County, Texas, Ordinance No. 010802-89.

Recorded Document 2005075165 Travis County, Texas, Ordinance No. 20050407-060.

Recorded Document 2003189506 Travis County, Texas, Ordinance No. 030731-49.

Recorded Document 2008169755 Travis County, Texas, Ordinance No. 20080228-113.

13. **Local Government Code – Chapter 374**

This property is being sold in compliance with the provisions set forth under Texas Local Government Code, Chapter 374, which can be accessed through the link below:

http://www.statutes.legis.state.tx.us/Docs/LG/htm/LG.374.htm

Seller chooses to highlight **374.017 (Disposition), 374.908 (Conflict of Interest) and 374.901 (Public Housing),** as excerpted below (a-c). However, it should be noted that the Property is being sold in compliance with **all provisions** set forth under Chapter 374.

(a) Disposition:

Sec. 374.017. DISPOSITION OF PROPERTY. (a) Subject to the covenants, conditions, and restrictions, including covenants running with the land, that the municipality considers to be in the public interest or necessary to implement this chapter and that are written into the instrument transferring or conveying title, and after the governing body of the municipality approves the urban renewal plan, the municipality may:

(1) sell, lease, or otherwise transfer real property or an interest in real property in an urban renewal area for residential, recreational, commercial, industrial, or other uses, including a public use, and enter contracts relating to the transfer; or

(2) retain the property or interest for public use in accordance with the urban renewal plan.

(b) The original owner from whom property was acquired under this chapter by condemnation or through threat of condemnation has the first right to repurchase the property at the price at which it is offered.

(c) The purchaser or lessee of property transferred under this section, and a successor in interest to such a person, including an assignee, must devote the property to the uses specified in the urban renewal plan and may be obligated to comply with conditions specified in the deed of conveyance, including the requirement to begin any improvements required by the urban renewal plan within a reasonable time.

(d) Real property or an interest in real property subject to this section may only be sold, leased, or otherwise transferred or retained at not less than the fair value of the property for uses in accordance with the urban renewal plan. In determining the fair value, the municipality shall consider:

(1) the uses provided in the urban renewal plan;

(2) any restrictions on and any covenants, conditions, and obligations assumed by the purchaser, lessee, or municipality in retaining the property;

(3) the objectives of the plan for the prevention of the recurrence of slums or blighted areas; and

(4) any other matters that the municipality specifies as appropriate.

(e) The municipality or urban renewal agency may provide in an instrument of conveyance to a private purchaser or lessee that the purchaser or lessee may sell any or all of the unimproved property without profit to the seller. After improving a parcel of real property in accordance with the development plan adopted for the area, the purchaser may sell the parcel before completion of the development of the area or tract purchased, but the sale does not relieve that purchaser from the obligation of completing the development of that area or tract. The purchaser may sell a parcel of land purchased for redevelopment to another person who is obligated to improve the parcel as provided by the development plan for that project if the resale is without profit to the seller and if any subsequent purchaser is required to improve the property as provided by the urban renewal plan and by the conditions contained in the deed of conveyance.

(f) A municipality shall sell real property acquired by the municipality that is to be sold to private developers in accordance with the urban renewal plan as rapidly as is feasible in the public interest and consistent with the goals of the urban renewal

plan. An instrument executed by a municipality or by an urban renewal agency that purports to convey any right, title, or interest in any property under this chapter is presumed to be executed in compliance with this chapter with respect to the title or interest of any bona fide lessee, transferee, or purchaser of the property.

(g) A municipality that sells real property in an urban renewal area to a private person must conduct the sale through competitive sealed proposers after advertising the offer in the official publication or a newspaper of general circulation. The advertisement must be published once before the 15th day before the date of the sale and must invite proposers for the purchase of real property in the urban renewal area either in whole or in parcels as determined by the municipality. Before advertising for proposers, the municipality shall adopt as part of the specifications in the general plan of improvement any conditions binding on the purchaser or the purchaser's successors in title, including heirs and assignees. The municipality or urban renewal agency may accept the highest and best responsible proposer. The purchase price must be paid in cash. If the municipality or agency determines that the proposers received are not satisfactory, it may reject all the proposers and readvertise the offer. The urban renewal agency may not sell the property until the price and conditions of sale are approved by the governing body of the municipality. The municipality shall sell any real property acquired in connection with an urban renewal and rehabilitation project within a reasonable time for the purposes applicable to each project, except for the property retained by the municipality for public use. Property to be resold shall be sold within a reasonable time, taking into account the general economic situation at the time of sale.

(h) The municipality may temporarily lease any real property acquired in an urban renewal area, except property that is not fit for human habitation or that is declared substandard by any governmental agency. The lease must provide for a right of cancellation that permits the municipality to sell or dispose of the property for the purposes of this chapter.

(i) The former owner of any real property that is acquired under this chapter and that is not dedicated within a reasonable time to the purposes applicable to the urban renewal project for which it was acquired is entitled, after notice, to repurchase the property at the price for which it was acquired, less any actual damages sustained by the former owner because of the taking of the property,

unless the property is devoted to the urban renewal purposes within 60 days after the date the former owner gives the record owner and the municipality written notice of the intention to exercise the right of repurchase. After a repurchase, any buildings placed on or allowed to remain on the property must conform to the pattern and intent of the urban renewal project if the project is completed.

(j) Any purchaser or lessee who is a private developer of any part of the real property acquired under this chapter may use that property as security to finance the development of the property. The purchaser or lessee may execute and deliver to a lender notes, deeds of trust with powers of sale, mortgages, and other instruments required in connection with obtaining and securing the repayment of the loan. The purchaser or lessee has all the rights, titles, and incidents of ownership available to a purchaser or lessee of land generally, and the person is entitled to mortgage and encumber the property for either the purchase price or for improvements in accordance with the objectives of this chapter. Any subsequent owner or lessee who acquires title through foreclosure of a lien given to secure the indebtedness or through a conveyance or assignment in satisfaction of debt takes title subject only to the restrictive covenants related to the use and improvement of the land that are contained in the original conveyance from the municipality. The owner's or lessee's interest is not subject to any condition precedent or condition subsequent that would result in reverter or forfeiture of title or to any restraint as to the amount for which the property may be resold or leased.

(k) Notwithstanding any other provision of this chapter or of any other law relating to competitive proposer requirements, a municipality or urban renewal agency may sell urban renewal land for uses in accordance with an urban renewal plan to a public or private nonprofit corporation or foundation. The sale must be for at least the fair market value of the land as determined by the municipality or urban renewal agency.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

(b) Public Housing:

Sec. 374.901. USE OF ACQUIRED PROPERTY FOR PUBLIC HOUSING. (a) Except as provided by Subsection (b), real property acquired under this chapter

may not be sold, leased, granted, conveyed, or otherwise made available for public housing.

(b) Real property acquired under this chapter may be made available for public housing if the municipality holds an election at which a majority of the qualified voters voting in the election approve that use of the property. The municipality shall conduct the election in the manner provided for an election under Section 374.011. The ballot shall be printed to provide for voting for or against the proposition: "Permitting the use of land acquired by urban renewal for public housing."

(c) If the qualified voters of a municipality have approved the use of land acquired under this chapter for public housing, the municipality may order an election on prohibiting the use of that land for public housing. The municipality shall conduct the election in the manner provided by Subsection (b), except that the ballot shall be printed to provide for voting for or against the proposition: "Prohibiting the use of land acquired by urban renewal for public housing." If a majority of the voters voting in the election favor prohibiting the use of the land for public housing, the prohibition contained in Subsection (a) applies. An election that results in the prohibition of the use of land for public housing does not affect land that has been made available for public housing at the time of the election.

(d) If a municipality holds an election under this section, the municipality may not hold another election under this section for one year.

(c) Conflict of Interest:

Sec. 374.908. CONFLICT OF INTEREST. (a) A public official or employee of a municipality, including an official or employee of an urban renewal agency that exercises urban renewal project powers for a municipality under Subchapter C or of any other municipal board or commission, may not voluntarily acquire any direct or indirect interest in an urban renewal project, in any property included or planned to be included in an urban renewal project or plan, or in any contract, or contract proposed, in connection with an urban renewal project.

(b) If the acquisition is not voluntary, the official or employee shall immediately disclose the acquisition of the interest in writing to the governing body of the municipality. The governing body shall enter the disclosure on its minutes. Not later than three months after the date on which the involuntary acquisition occurs,

the official or employee shall either resign the position with the municipality or divest the interest.

(c) If the official or employee owns or controls any direct or indirect interest in property that the person knows is included or planned to be included in an urban renewal project, or if the official or employee owned or controlled any such interest at any time during the two-year period preceding the inclusion or planned inclusion of the property in an urban renewal project, the official or employee shall immediately disclose that fact in writing to the governing body of the municipality. The governing body shall enter the disclosure on its minutes. The official or employee may not participate in any action by the municipality or by the urban renewal agency that affects the property.

(d) Any required disclosure made under this section to the governing body of the municipality must also be made at the same time to the urban renewal agency that exercises urban renewal project powers under Section 374.021. A commissioner or other officer of an urban renewal agency or other board who exercises powers under this chapter may not hold any other public office with the municipality.

(e) A violation of this section is official misconduct.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

14. NO REPRESENTATIONS OR WARRANTIES:

The Property is offered for sale "*AS IS, WHERE IS, WITH ANY AND ALL FAULTS*." Seller makes no representations or warranties whatsoever, express or implied, except as may be otherwise expressly set forth in the Purchase and Sale Agreement (Final Purchase and Sale Agreement in the form acceptable to the Seller with all attachments) nor is any employee or agent of Seller authorized to make any representation or warranty of any kind with respect to the Property, including without limitation, zoning, tax consequences, physical or environmental conditions, availability of access, ingress or egress, operating history, projections, valuation, marketability, suitability for a particular purpose, governmental approvals, governmental regulations or any other matter or thing relating to or affecting the Property. In no event will Seller be responsible or liable for latent or patent defects or faults, if any, in the Property, or for remedying or repairing same, including,

but not limited to, conditions relating to asbestos or asbestos containing materials, environmental contamination, underground storage tanks or hazardous or toxic materials, chemicals or waste, or for constructing or repairing any streets, waterwells, septic tank systems, utilities or any improvements located on the Property or shown on any plat of the Property. Proposers are put on notice that any prior grant and/or encumbrance affecting the Property may be of record in the Office of the County Clerk of Travis County, Texas, and Proposers are encouraged to examine all public records affecting the Property. The provisions of this paragraph are more fully set out in the Purchase and Sale Agreement (Final Purchase and Sale Agreement in the form acceptable to the Seller with all attachments) will be included in the Deed, and will survive closing of any sale of the Property.

15. Environmental Conditions:

The Property is being sold on the basis and with the understanding that after closing, as between Buyer and Seller, the Buyer will bear the risk of liability or expense for any environmental problems in connection with the Property, even if they arose from events before closing, and that Buyer will release, indemnify and hold Seller harmless from any liability for environmental problems affecting the Property.

These provisions regarding the Property are more fully set out in the Purchase and Sale Agreement (Final Purchase and Sale Agreement in the form acceptable to the Seller with all attachments), will be included in the Deed, and will survive closing of any sale of the Property.

IV. CONVEYANCE OF THE PROPERTY

The Property will be conveyed at closing by Special Warranty Deed substantially in the form attached to the Purchase and Sale Agreement (the "*Agreement*"), modified as necessary to reflect the terms of the Agreement.

INFORMATION AND INSPECTIONS:

Additional information regarding the Property may be obtained:

- From the Seller's Representative's website found at:
  www.austintexas.gov/realestate
- By telephone at (512) 974-7149

- Via e-mail to: realestate@austintexas.gov
- In person at the following address:

  City of Austin
  One Texas Center, Suite 1350
  505 Barton Springs Road
  Austin, Texas 78704

*** All questions will be answered in writing and will be available to the public. Please submit your questions in writing to: realestate@austintexas.gov**

Seller will allow inspections of the Property, by appointment only. Prospective Proposers (the ***"Proposers"***) may conduct inspections, after executing an Inspection Authorization Letter in the form attached hereto as **Schedule 7**. The executed Inspection Authorization Letter must be received by Seller's Representative at the following address prior to such inspections:

City of Austin, Office of Real Estate Services
505 Barton Springs Road, Suite 1350
Austin, Texas 78704
Attn: Mashell Smith

Or via email: realestate@austintexas.gov

ALL QUESTIONS OR REQUESTS FOR CLARIFICATION REGARDING THE REQUIREMENTS OF THIS REQUEST FOR PROPOSALS MUST BE IN WRITING, AND MUST BE RECEIVED BY THE SELLER'S REPRESENTATIVE NO LATER THAN 4:00 PM CENTRAL DAYLIGHT TIME, OCTOBER 30, 2013. If deemed necessary, the Seller will respond by way of a written addendum to this Request For Proposals which will be posted on the Seller's Representative's website and will be available from the Seller's Representative at the same location as the Request For Proposals. It is the obligation of each Proposer to determine whether any addenda to this Request For Proposals have been issued, and to obtain copies of all such addenda, prior to submitting a proposal. All Proposers will be bound by the information provided in all addenda, whether or not received by the Proposer.

Proposers may obtain their own title information, inspect the Property, and conduct their own environmental site assessment on the Property prior to the deadline for proposal submission.

Seller will not solicit or respond to survey or title objections or objections regarding the condition of the Property. By submitting a proposal, each Proposer will be agreeing to

purchase the Property in its existing condition, AS IS, WHERE IS, AND WITH ANY AND ALL FAULTS, and with the existing state of title.

V. Requirements of the Project Proposal

A. **Terms of Sale.** Please note that the following "***Terms of Sale***" are intended to be an outline only and are not a full and complete listing of all terms and conditions of the sale. Terms and conditions shall be set out in the Final Purchase and Sale Agreement (the ***"Agreement"***) with all attachments, substantially in the form acceptable to the Seller attached hereto as **Schedule 5**. All Proposers must execute and include the Purchase and Sale Agreement form in the proposals submitted for evaluation to Seller. Seller shall execute the Agreement within thirty (30) days of award of the sale to the Successful Proposer by Austin City Council. The Property will be conveyed at closing by Special Warranty Deed (the ***"Deed"***) substantially in the form attached to the Agreement. Please be advised that the Seller reserves the right to make non-substantive revisions to the Purchase and Sale Agreement to negotiate and modify time periods and other terms and conditions of the Agreement with the Successful Proposer following selection of the winning proposal.

1. The minimum purchase price for the Property must be $442,000.00. This minimum purchase price was determined through an independent appraisal of the property, as the fair market value, as a fee simple interest. Any proposals submitted that contain a purchase price below the minimum set forth above will be automatically rejected. The full proposed purchase price, minus Proposal Security and Earnest Money received, will be paid in cash to the Seller at the time of closing.

2. At the time of proposal submission in response to this Request For Proposals (RFP), the Proposer must deliver to the Seller's Representative a cashier's check in an amount of $10,000 (the "***Proposal Security***"). **The Proposal Security will be made payable to Independence Title Company** (the *"**Title Company**"*), will be held by the Title Company on behalf of Seller, and will not be deposited into an interest-bearing account. The Proposal Security will secure the Proposer's obligations to provide financial and other information requested by the Seller, and to provide the deposit of earnest money (the ***"Earnest Money"***, discussed immediately below in subsection A(4)) should the Proposer and Seller enter into a Final Purchase and Sale Agreement. This $10,000 Proposal Security, if not forfeited by the Successful Proposer, shall be applied along with the Earnest Money to the purchase price at closing. **If the transaction is not consummated due to Successful Proposer default, the Urban**

Renewal Agency of the City of Austin will retain the Proposal Security.

3. **All received submissions must include, as part of the Project Development Plan, a proposed form and amount of Performance Guaranty to be offered to Seller in the event of a successful proposal.** This offer of Guaranty will evidence the Proposer's commitment to complete the development project within three (3) years, and will be considered by Seller as part of the review of Proposer's overall proposal. Examples of a form of Guaranty may include a Letter of Credit or a Performance Bond issued by a bank or financial institution for some certain dollar amount, or an Escrow Agreement with the City of Austin (example form provided as **Exhibit C**). The binding Guaranty must be submitted by the Successful Proposer at closing of the sale of the Property.

4. Within two (2) business days after execution of an Agreement between the Successful Proposer and Seller, the Successful Proposer shall deposit with the Title Company the amount of $10,000.00 in good funds (the ***"Deposit"***). This Deposit does not replace the Proposal Security as a requirement for a responsive proposal, and it does not replace the Guaranty as a requirement to execute the Final Purchase and Sale Agreement. If delivered, the Title Company must place the Deposit into an interest-bearing account having no penalty for early withdrawal. The Deposit and any interest thereon shall constitute earnest money (the ***"Earnest Money"***) towards the closing of the sale, and will be credited against the purchase price at closing. If the Successful Proposer fails to deliver the Deposit in good funds within the designated two-day period, the award of sale shall be considered not to have been completed, and Seller may retain the Successful Proposer's Proposal Security and pursue any right or remedy available, including award of the sale to another Proposer. If the transaction is not consummated, the earnest money will be held and delivered by the Title Company accordingly.

5. Seller reserves the right to require evidence satisfactory to Seller of any Proposer's financial ability to purchase the Property for the amount in Proposer's proposal and to carry out any obligations to develop the property within three (3) years of execution of the Special Warranty Deed. Any Proposer who fails to promptly supply the requested documentation to Seller of the Proposer's financial capacity and other ability to perform may be determined unresponsive.

6. Any proposal presented to Seller must be based on the Proposer's own inspection and investigation of the Property and not on any statements made by Seller, or any selling agent. Seller makes no representation or warranties whatsoever with respect to the Property or the information set forth herein.

7. All proposals made will be held confidential during the period between submitting the proposal and award of a sale to a Successful Proposer by the City Council, at which point all proposals will become open records subject to the Public Information Act. If there is any information required to be submitted in the proposal that you deem to be proprietary, it must be submitted in a separate sealed envelope. If the entire proposal is identified as confidential, that will be deemed overly broad and ineffective by the Attorney General's office. If any provision is noted as proprietary the Seller will tender the request and the proposal to the Attorney General for resolution. The Seller's Representative will notify you of the request and you must defend the exception to the Attorney General. All responses under the Public Information Act are due within 10 business days after receipt of the request by the governmental body.

   The Attorney General has a hotline to answer questions about proper procedures for using and complying with the Public Information Act: 877-673-6839. A copy of the law and a handbook explaining it are available at the following website: www.oag.state.tx.us. The Public Information Act is codified as Chapter 552 of the Texas Government Code.

8. Seller reserves the right to reject any and all proposals in its sole discretion for any or no reason whatsoever. Seller reserves the right to discontinue the RFP process or to withdraw the Property from the market at any time prior to execution of the Agreement by Seller. In such event, Seller will notify the Proposers of such discontinuation. Seller reserves the right, after discontinuance of the RFP process, to sell the Property to any party and on any terms acceptable to Seller.

B. **Construction Requirements.** The Successful Proposer in good faith and with due diligence must complete the proposed construction within three (3) years from the date Special Warranty Deed is executed, and shall use reasonable efforts to meet construction requirements, more particularly described below. The Seller will extend deadline requirements only for force majeure or other extremely unique circumstances and at its sole discretion.

1. **Required Commencement**. The Successful Proposer must obtain the building permit for construction within twenty-four (24) months after the closing date and transfer of the Property. If the Successful Proposer does not obtain the building permit for the approved preliminary redevelopment plans within that time period, then the Seller may exercise the remedy the Successful Proposer set forth in the proposal.

2. **Required Completion**. The Successful Proposer must design, complete and surrender the preliminary redevelopment plans and obtain a Certificate of Occupancy for the entire Project within three (3) years or thirty-six (36) months after the closing and transfer of the Property. If the Successful Proposer fails to meet this deadline, then the Seller will be entitled to the full amount of the Guaranty.

GUIDELINES FOR REQUEST FOR PROPOSALS:

Each submitted proposal to purchase the Property must conform to and be in compliance with the following guidelines. Proposals that do not comply with these guidelines may be rejected at the option and sole discretion of Seller.

1. The **minimum purchase price**, as determined on the basis of an appraisal of the Property, is set at $442,000.00. The full proposed purchase price, minus Proposal Security and Earnest Money received, will be paid in cash to Seller at the closing of the sale of the Property. Seller will not finance any portion of the sale.

2. All proposals must include a Purchase and Sale Agreement (the ***"Agreement"***), completed and signed by the Proposer, in the form attached to this Request For Proposals as **Schedule 5**. If the Proposer is represented by a broker or agent, entitled to receive a commission at closing (discussed in **Section X, General Conditions**), then such broker or agent must also sign the Agreement. Any substantive changes to the Agreement may render the proposal non-responsive.

3. If the Proposer is an entity other than an individual, the proposal must contain, as applicable, a corporate resolution, partnership agreement, and/or other appropriate document or documents evidencing: (a) the authority of the entity to make a proposal; and (b) the authority of the person(s) signing on behalf of the entity, and the person(s) designated in the proposal as contact person(s) for the entity, to act on behalf of the entity.

4. Proposal must be submitted on or before 12:00 p.m. (noon), Austin, Texas time, **November 8, 2013,** in a sealed envelope or other sealed container. The outside of such envelope or container must clearly and conspicuously state the

words "**Request For Proposals –1120 E. 12th Street**" in large letters and be addressed and delivered as follows:

City of Austin
Contract Management Department
Attn: **Edward Campos**, RE: **1120 E. 12th Street**
105 W. Riverside Dr., Suite 210
Austin, Texas 78704

5. By submitting a proposal, the Proposer acknowledges, represents and warrants that it is not relying on any representation, warranty, statement or other assertion contained in this Request For Proposals or made by Seller, Seller's Representative or any employee, agent or representative of either the City of Austin or the Urban Renewal Agency; and the Proposer is relying solely on the Proposer's own examination of the Property and that of Proposer's employees, agents, representatives and consultants.

VI. RFP Schedule: *All dates are tentative and subject to change.*

September 13, 2013	Notice of Request For Proposals released to public. RFP Packets are made available to interested parties at One Texas Center, 505 Barton Springs Road, Suite 1350, Austin, Texas 78704, between the hours of 8 a.m. and 4 p.m. Monday through Friday. The RFP document and related documents are made available for download from the Seller's Representative's website at: www.austintexas.gov/realestate.
September 15, 2013	First advertisement for the Property in conjunction with this RFP is printed in the Sunday edition of the Austin American-Statesman.
September 29, 2013	Second advertisement for the Property in conjunction with this RFP is printed in the Sunday edition of the Austin American-Statesman.
October 21, 2013	Final day to conduct inspections related to purchasing the Property.
October 25, 2013	All questions or request(s) for clarification regarding the terms of this Request For Proposals must be in writing and received by the Seller's Representative no later than 4:00 p.m. Central Daylight Time, October 25, 2013.

October 30, 2013	Answers to all written questions or request(s) for clarification received will be answered by the Seller's Representative and posted on the Seller's Representative's website no later than 4:00 p.m. Central Daylight Time, October 30, 2013.
November 8, 2013	Request For Proposals Deadline for Submission. Proposals will be accepted until 12:00 p.m. Central Standard Time. Delivery to: City of Austin Contract Management Department Attn: **Edward Campos**, RE: **1120 E. 12th Street** 105 W. Riverside Dr., Suite 210 Austin, Texas 78704
Nov. 12 – 15, 2013	All proposals will be reviewed by the Evaluation Committee. Seller's Representative may request additional information from any and all Proposers.
November 18, 2013	Urban Renewal Board of the City of Austin may make a motion to recommend the highest and best proposal to the Austin City Council.
December 12, 2013	Austin City Council may vote to approve or reject the negotiation and execution of a Purchase and Sale Agreement with the selected Proposer.

December 12, 2013 – January 13, 2014:

- Successful Proposer will be notified of the Council's approval of their proposal by Seller's Representative.
- Seller's Representative will notify all Proposers submitting rejected proposals of such rejection in writing. Proposal Security will be returned to the unsuccessful Proposers.
- The Seller and Successful Proposer will execute the Final Purchase and Sale Agreement.
- The closing will occur no later than January 13, 2014, unless the Purchase and Sale Agreement has been terminated in accordance with the provisions therein.

<u>Dates may be extended at Seller's discretion.</u>

VII. RFP Review and Evaluation Process

A. **Proposal Security.** If the Proposer does not provide Proposal Security in the form specified in this RFP (**Section V, Requirements of the Project Proposal**), that proposal will be rejected.

B. **Minimum Threshold.** If the Proposer submits a purchase price below the minimum bid specified in this RFP (**Section V, Requirements of the Project Proposal**), that proposal will be rejected.

C. **Guaranty.** If the Proposer does not submit a proposed form and amount of Performance Guaranty as specified in this RFP (**Section V, Requirements of the Project Proposal),** that proposal will be rejected.

D. **Purchase & Sale Agreement.** If the Proposer does not submit a completed and signed Purchase and Sale Agreement in the form attached to this RFP as **Schedule 5**, that proposal will be rejected. Any substantive change by the Proposer to the Agreement provided with this RFP may render the proposal non-responsive.

E. **Criteria.** Please review in full the provided Criteria (attached as **Schedule 2)** regarding mandatory proposal elements and voluntary community considerations. If the Proposer does not provide information satisfying all mandatory proposal elements, that proposal will be rejected. All proposals will be reviewed and scored by the Seller (Evaluation Committee) on a competitive basis per the evaluation criteria provided in **Schedule 2**.

F. **Contract Execution.** Within thirty (30) calendar days of City Council approval, the Seller shall execute the Final Purchase and Sale Agreement. The Seller's Representative will deliver the Purchase and Sale Agreement to the Title Company.

G. **Questions and any Modifications to the RFP Selection Process.** Any material clarifications or modifications to the RFP or the selection process will be provided in writing via an addendum and posted on the City's website at: www.austintexas.gov/realestate. It is the responsibility of the Proposers, prior to submitting a response to the RFP, to ascertain if the Seller or Seller's Representative has issued any notices, clarifications, addenda, or other communication to Proposers. Oral communications or instructions from Seller, Seller's Representative, City staff, City officials, or consultants do not bind the Seller. Questions in reference to this RFP must be submitted in writing to realestate@austintexas.gov and all answers will be provided in writing at: www.austintexas.gov/realestate.

VIII. RFP Submission Format. The proposal must be organized in the following format and sequence:

A. **Executive Summary.** Prefacing the proposal, Proposers must provide an Executive Summary of two pages or less, which concisely summarizes the proposal. This Summary must include the **Proposed Purchase Price** in large print at the beginning of the document.

B. **Project Development Plan.** The Proposer must set forth a detailed plan for implementing the proposed development, to include the following, <u>at minimum</u>:

i. Detailed explanation of how the development will satisfy the City's Project Goals, as outlined in this RFP (**Section II, Project Goals**), as well as any other notable public benefits
ii. Detailed discussion of the development's compatibility with neighborhood goals, to include, if applicable, area stakeholder support and project alignment with the Urban Renewal Plan, the Central East Austin Neighborhood Plan, the Imagine Austin Comprehensive Plan, and the Neighborhood Conservation Combining District.
iii. Complete design and construction schedule for the project including approvals from other entities, construction, marketing, and phasing (if applicable)
iv. Total size in square footage of development
v. List of mixed uses on Property, as well as square footage and amount of parking devoted to each use
vi. Proposed site plan at a scale of 1 inch = 100 feet
vii. Conceptual renderings/drawings of development, including the elevation of proposed structures, and the location, square footage, and spatial relationship of each proposed use of the Property
viii. Description and rendering of the palette of the building and landscape materials used
ix. An explanation of the project's scale and mass relative to the surrounding developments
x. Dimensions and schematic layout of parking spaces
xi. Ingress and Egress identified on parcel providing parking spaces
xii. Form and amount of Guaranty to be submitted in the event of a successful proposal, to ensure the completion of the development within three (3) years (36 months) of the execution of the Special Warranty Deed
xiii. Proposed remedy offered to Seller if the building permit for the approved redevelopment plans is not obtained within two (2) years (24 months) of the date of transfer of the Property

Please refer to the Criteria provided in **Schedule 2** (see **subsections C(4, 5 & 6)**) for additional information and instructions.

C. **Development Entity**. **Seller must approve any changes to the Development Team after recommendation of Proposer's proposal to City Council, and during the development phase.** This section of the proposal must include:

1. **Identity of Entity.** Proposer must provide the following information:

   (a) Identify the legal entity constituting the Proposer that will accomplish the purchase, development and implementation of the Project.

   (b) Identify the legal entity, if different, that would contract with the Seller for the Purchase and Sale Agreement, including all intended joint venture and limited partners, its state of organization, and the identity of any parent entity. If publicly traded, include stock exchange and trading symbol.

   (c) Indicate the percentage interests of each of these partners, and provide a complete listing of names, titles, addresses, and phone numbers.

2. **Description of Proposer.** Provide an accurate and thorough description of the Proposer including names of principals, home office location, number of employees, sales and development volume (in dollars per year) over the past five years, and a list of all other office locations.

3. **Development Team.** Identify the role of each member of the management and development team consisting of the Proposer, including joint venture partners and major consultants in the conceptualization, design, financing, and construction of the Project. Include resumes for all key individuals. The consultants identified should include, but not be limited to design architects, economic/financial analysts, engineers, contractors, and legal counsel.

D. **Corporation and Partnership Authority Documents.** Provide all corporation and partnership documentation including a corporate resolution, partnership agreement, and/or other appropriate document or documents evidencing (a) the authority of the entity to make an proposal, and (b) the authority of the person(s) signing on behalf of the entity, and the person(s) designated in the proposal as contact person(s) for the entity, to act on behalf of the entity, in forms acceptable to the City of Austin (provided in **Schedule 6 (A, B or C)**). Upon award of the sale of the Property by Austin City Council to the Successful Proposer, the Successful Proposer may be

required by the Seller to provide updated documentation in advance of closing.

E. **Development Team Experience.** Proposer must provide relevant experience with respect to the Project and operation of other commercial projects, clearly distinguishing the experience of the Proposer, including joint venture partners. Proposer must provide information on previous comparable projects that includes location(s), size and uses, references, development timeline, development cost, public involvement, and funding. Proposer should supply public entity contact information with identification of involved public entities, reference and contact information. **For a complete list of required and requested information, please refer to the Criteria included as <u>Schedule 2</u>.**

F. **Financial Capacity and Capability.** In order to demonstrate access to equity capital and financing resources necessary to carry out construction of the proposed Project, Proposers must provide the information indicated below.

The Seller recognizes that under certain circumstances, this information could be construed as proprietary and sensitive. Therefore, the Seller will treat this entire portion of the submission as a confidential document, to the extent that this information is not already public and to the extent allowed by law. As such, this portion of the submission should be stamped "Confidential" on each page, and should be submitted in a separate sealed envelope attached to the RFP submission. The information that must be submitted includes:

1. Composition of Proposer's current real estate portfolio.

2. Proposer's recent history (i.e., the last 2 to 3 years) in obtaining financing commitments, including details regarding the type of project, financing source, amounts committed, etc.

3. An audited financial statement, including cash flow statement and balance sheet and, if publicly held, the most recent Security Exchange Commission filing.

4. List and describe all of Proposer's pending projects, to include details regarding project status, development schedule, financial commitment required of the Proposer, description of the project, financing methods, and financing sources and amounts. Also indicate any working relationship on other projects with members of the development team proposed for this Project.

5. Identify specific sources of debt/equity capital, including a statement of the relationship between sources and the Proposer (e.g., outside lender, parent company). Proposer shall provide contact information for these sources, to include the name of each entity and its contact person's name, phone number, and e-mail address.

6. Indicate whether any funding sources or financial institutions have taken any adverse action against the Proposer or joint venture partner, such as terminating or restricting the use of funds anytime during the past five (5) years.

7. Describe any pending or past court or civil action against the Proposer's firm, its principals or associates over the past five (5) years, including but not limited to charges of financial misconduct or impropriety. Additionally, provide a description of all notices of termination and claims of damage received on all projects within the past five (5) years. Describe all claims on performance and payment bonds received by Proposer, its principals and associates within the last five (5) years.

8. A description of Proposer's bonding capacity and any claims of default or termination within the last five (5) years.

G. **Purchase and Sale Agreement** with all attachments, executed by Proposer, in the form attached hereto as **Schedule 5.** If the Proposer is represented by a broker or agent, entitled to receive a commission at closing (discussed in **Section X, General Conditions**), then such broker or agent must also sign the Agreement.

H. **Non-Discrimination Certification,** executed by Proposer, in the form attached hereto as **Schedule 8.**

I. **Affidavit of Non-Collusion, Non-Conflict of Interest, and Anti-Lobbying,** executed by Proposer, in the form attached hereto as **Schedule 9.**

IX. Submittal Instructions

Each proposal to purchase the Property must conform to and be in compliance with the following guidelines. Proposals that do not comply with these guidelines may be rejected at the option and sole discretion of the Seller.

The minimum purchase price for the Property must be **$442,000.00 U.S**. The full proposed purchase price, minus Proposal Security and Earnest Money received,

must be paid to Seller at the closing of the sale of the Property, in cash. Seller will not finance any portion of the sale.

All proposals for the Property will be evaluated on various factors, including without limitation, net consideration paid to Seller, proposed form and amount of Guaranty, compliance with the Urban Renewal Plan and Neighborhood Conservation Combining District, achievement of the City's Project Goals, project design, creativity, capability, and other factors set out in the **Schedule of Criteria for Review and Scoring of Proposals** (attached hereto as **Schedule 2**), to include points for both mandatory items and value-added community considerations.

A. **Form**. Proposers must submit two (2) originals and one (1) copy on CD or flash drive. All included pages shall be 8 ½ x 11, single sided, and white or colored copies. Please provide dividers between each section. The front cover should indicate the Proposer's name, contact information and the Property address. All proprietary information should be submitted in a separate sealed envelope and stamped "Confidential" on each page.

Each page of the proposal should have a heading substantially as follows:

1120 E. 12th Street
Name of Proposer:_____
Page No._____

B. **Deadline.** Proposals must be submitted no later than 12:00 p.m. (noon) Central Daylight Time, on November 8, 2013 (the ***"Proposal Deadline"***) in a sealed envelope, box or other container. The outside of each envelope or container must clearly and conspicuously state the words "1120 E. 12th Street" in large letters and be addressed and delivered as follows:

City of Austin
Contract Management Department
Attn: **Edward Campos**, RE: **1120 E. 12th Street**
105 W. Riverside Dr., Suite 210
Austin, Texas 78704

Submission of a proposal will constitute an irrevocable offer on the part of the Proposer to purchase the Property on the terms stated in the proposal, until such time as Seller or Seller's Representative announces its selection and/or rejection of the proposal. In addition, submission of a proposal will constitute a legally binding commitment of the Proposer to provide such further information as Seller may reasonably request in connection with Seller's evaluation of the proposal and Proposer, and to enter in good faith final

negotiations to affect the Proposer's purchase of the Property, if the proposal is accepted by Seller.

By submitting a proposal, the Proposer acknowledges that it is not relying on any representation, warranty, statement or other assertion contained in this Request for Proposals or made by Seller or the Seller's Representative, or any employee, agent or representative of either of them, and the Proposer is relying solely on the Proposer's own examination of the Property and that of the Proposer's employees, agents, representatives and consultants.

X. General Conditions

A. **Anti-Lobbying/Conflict of Interest.** Proposers are advised that the Seller and Seller's Representative prohibit any and all lobbying activity during the solicitation process. The process begins upon issuance of the solicitation document and ends at the time of award by the Seller and Austin City Council. Proposers must sign the Non-Collusion, Conflict of Interest and Anti-Lobbying Affidavit. Proposers must not propose any gratuities, favors, or anything of monetary value to any official, employee or outside consultant associated with the sale of 1120 E. 12th Street for purposes of influencing consideration of a response to this RFP.

B. **Expenses.** All expenses related to any Proposer's response to this RFP, or other expenses incurred during the period of time the process is underway, are the sole obligation and responsibility of the Proposer. The Seller will not, directly or indirectly, assume responsibility for these costs. In addition, the Seller is not liable for any real estate commissions or brokerage fees that may arise as a result of the RFP process. The Seller's Representative will not, directly or indirectly, assume responsibility for these costs. In addition, the Seller's Representative is not liable for any real estate commissions or brokerage fees that may arise as a result of the RFP process.

C. **Modifications to the RFP Process.** Any material clarifications or modifications to the RFP or the process will be provided in writing via an addendum and posted on the Seller's Representative's website at www.austintexas.gov/realestate. It is the responsibility of the Proposers, prior to submitting a response to the RFP, to ascertain if the Seller has issued any notices, clarifications, addenda, or other communications to responders. Oral communications or instructions from Seller, Seller's Representative, City staff, City officials, or consultants do not bind the Seller.

D. **Reservation of Rights.** The Seller reserves the right to:

1. **Change Selection Process.** Modify or cancel the RFP process or schedule at any time.

2. **Waive Irregularities.** Waive irregularities.

3. **Reject Responses and Seek New Responses.** Reject any and all responses to this RFP and seek new proposals when it is in the best interest of the Seller to do so.

4. **Seek Additional Information.** Seek clarification or additional information or evidence from individual Proposers.

5. **Make Subjective Judgments.** Make subjective judgments, including evaluating the Proposer's written or oral representations as to their veracity, substance and relevance to purchasing and developing 1120 E. 12th Street, including seeking and evaluating independent information.

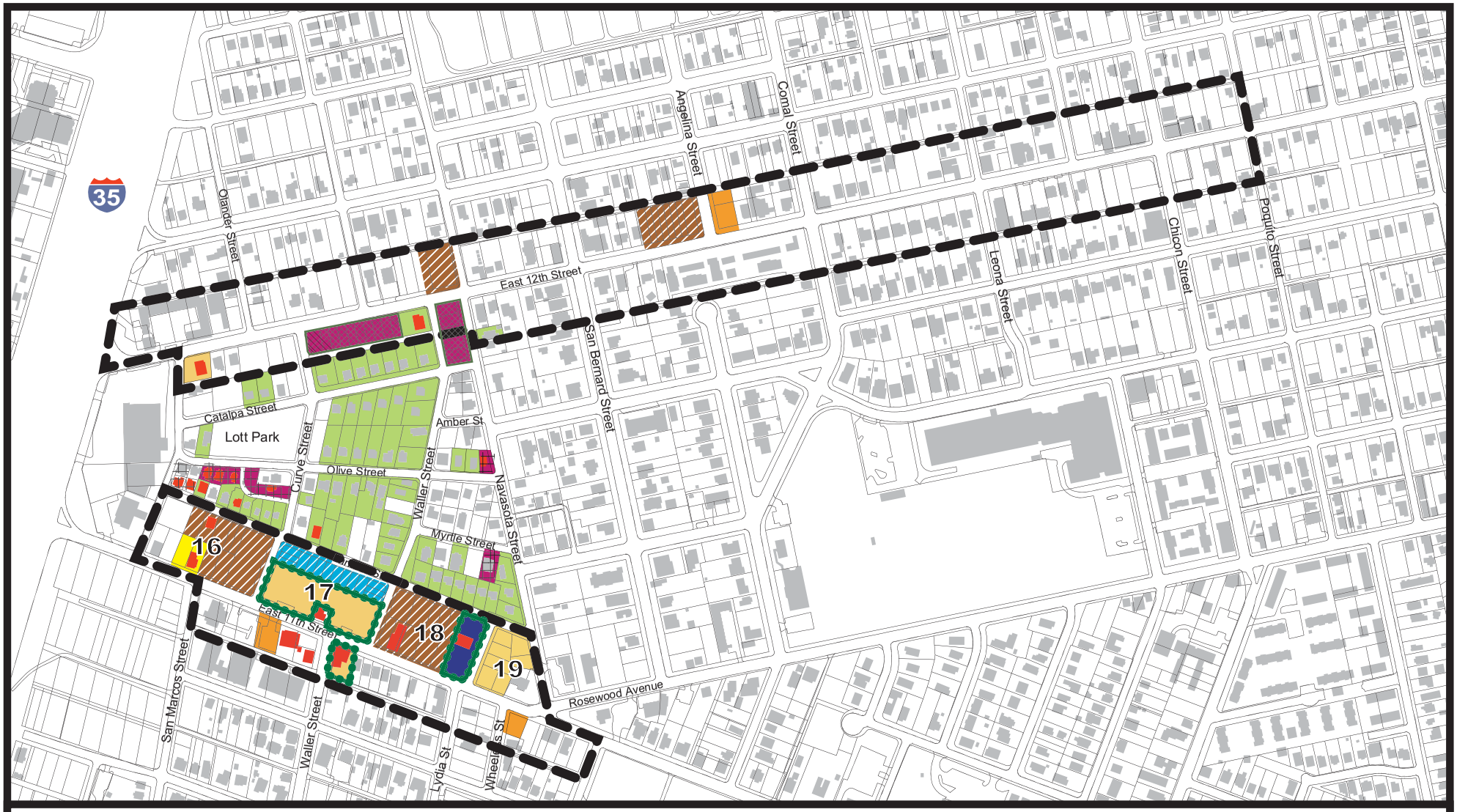
6. **Incorporate RFP.** Incorporate this RFP and the Successful Proposer's response to this RFP as part of any formal agreement between the Seller and the Successful Proposer.

E. **No Representation or Warranty.** Neither the Seller nor Seller's Representative make any representations about the conditions of the site, including utilities, soils, or other surface or subsurface conditions. The Proposer should make its own conclusions concerning such conditions. Information provided in this RFP, as well as in related reports by Seller, Seller's Representative, City staff or consultants, is provided for the convenience of the responders only. The Seller nor Seller's Representative warrants the accuracy or completeness of this information.

F. **Public Information.** All documents, conversations, correspondence, etc. between the Seller and/or Seller's Representative and Proposers are public information subject to the laws and regulations that govern the Seller and Seller's Representative, unless specifically identified otherwise.

XI. List of RFP Schedules

Schedule 1	Maps of Property (A & B)
Schedule 2	Schedule of Criteria for Review and Scoring of Proposals
Schedule 3	Title Commitment, effective dates June 12, 2012 and August 22, 2013 (A & B)
Schedule 4	Appraisal, effective date March 19, 2013
Schedule 5	Purchase and Sale Agreement
Schedule 6	Forms of Corporate Resolution (A, B or C)
Schedule 7	Inspection Authorization Letter
Schedule 8	Non-Discrimination Certification
Schedule 9	Affidavit of Non-Collusion, Non-Conflict of Interest, and Anti-Lobbying
Schedule 10	Proposer Submittal Checklist and Signature Page



Completed Affordable Housing

Planned Affordable Housing

Planned Residental

Completed Mixed Use/Office

Planned Office

Proposed African American Cultural and Heritage Facility

Community Parking

ARA Owned Properties

Structure

Historical Structure

Redevelopment Area

Urban Renewal Owned Properties

AHFC Owned Properties

City Owned Properties

East 11th and 12th Streets Redevelopment

Prepared by the City of Austin
Neighborhood Housing and
Community Development Office
04-27-2011

OUTPUT: MAP ARA area copy10-mod-04-27-11.pdf

Exhibit B

EXAMPLE – NOT FOR EXECUTION

DECLARATION OF RESTRICTIVE COVENANT REGARDING AFFORDABLE HOUSING REQUIREMENTS

For
1120 E. 12th Street
Austin, Travis County, Texas 78702

This Restrictive Covenant regarding Affordable Housing Requirements for (name of project) _____ (the "**Restrictive Covenant**"), is executed on this _____ , 20__ , by _____ , ("**Declarant**") and is as follows:

1. RECITALS

A. Declarant owns that certain real property located at 1120 East 12th Street, situated in Travis County, Texas, and more particularly described below:

> 0.303 of an acre of land and being 88 feet by 150 feet, more or less, out of the subdivision of Outlot No. 41, Division "B", in the City of Austin, Texas, being the same property described in that certain General Warranty Deed recorded in Volume 13124, Page 1079, Real Property Records, Travis County, Texas (the "***Property"***).

B. Definitions:

Owners. The term "**Owner**" means, individually, and the term "Owners" means, collectively, Declarant and all future owners of the fee interest or any portion of the Property (whether such fee interest is obtained through a purchase from Declarant or through a purchase at a foreclosure sale or trustee's sale or through a deed in lieu of foreclosure) and their successors and assigns.

Affordable Housing Requirements. The term "**Affordable Housing Requirements**" means placing a Restrictive Covenant on the land substantially in the form attached as Exhibit "___" which shall restrict the Land to be primarily occupied by either: (a) a homeowner household whose adjusted gross income for the year immediately preceding the date of occupancy of the dwelling housing unit which is constructed on the Property is at or below 80% of the then current median family income for the Austin-Round Rock MSA and is verified in writing as acceptable by the Neighborhood Housing and Community Development Office of the City of Austin; or (b) a rental household whose adjusted gross income for the year immediately preceding the date of occupancy of the dwelling housing unit which is constructed

on the Property is at or below 60% of the then current median family income for the Austin-Round Rock MSA and is verified in writing as acceptable by the Neighborhood Housing and Community Development Office of the City of Austin.

C. Declarant has agreed to impose upon the Property these covenants and conditions for the benefit of the Property.

NOW, THEREFORE, Declarant declares that the Property is subject to the following covenants, conditions and restrictions, which run with the Property and bind all parties having right, title, or interest in or to such portion of the Property or any part, their respective heirs, successors, and assigns, and which inure to the benefit of each Owner. Each contract, deed or conveyance of any kind conveying all or a portion of the Property will conclusively be held to have been executed, delivered, and accepted subject to the following covenants, conditions and restrictions, regardless of whether or not they are set out in full or by reference in said contract, deed or conveyance.

SPECIFIC AGREEMENTS AND RESTRICTIONS:

1. Recitals Incorporated. The above Recitals and all terms defined therein are incorporated into this Restrictive Covenant for all purposes.

2. Compliance with Affordable Housing Requirements. In the event the Purchaser elects to restrict 10% of all the housing units on the land to the Affordable Housing Requirements, then any improvements to or modifications of improvements on the Land shall be in full compliance with the Affordable Housing Requirements.

3. Breach Does Not Permit Termination. Notwithstanding anything to the contrary contained herein, no breach of this Restrictive Covenant entitles the Owners to cancel, rescind or otherwise terminate this Restrictive Covenant, but such limitations do not affect in any manner any other rights or remedies which the Owners may have hereunder by reason of any breach of this Restrictive Covenant.

4. Excusable Delays. Whenever performance is required of the Owners, the Owners shall use all due diligence to perform and take all reasonable and necessary measures in good faith to perform within a reasonable time; provided, however, that if completion of performance is delayed at any time by reasons of acts of God, war, civil commotion, riots, strikes, picketing, or other labor disputes, unavailability of labor or material, damage to work in progress by reason of fire or other casualty, or any other cause beyond the reasonable control of the Owner (financial inability, imprudent management or negligence excepted), then the time for performance as herein specified will be extended by the amount of delay actually so caused.

5. General Provisions.

A. Inurement. This Restrictive Covenant and the restrictions created hereby inure to the benefit of and bind Owners, and their successors and assigns. When an Owner conveys all or any portion of the Property, that former Owner will thereupon be released and discharged from any and all further obligations, if any, under this Restrictive Covenant that it had in connection with the Property conveyed by it from and after the date of recording of such conveyance, but no such sale releases that former Owner from any liabilities, if any, actual or contingent, existing as of the time of such conveyance.

B. Duration. Unless this Restrictive Covenant is modified, amended, or terminated in accordance with Paragraph 5(K), this Restrictive Covenant remains in effect for forty (40) years from the date the unit is either sold or leased to an eligible household.

C. Non-Merger. This Restrictive Covenant will not be subject to the doctrine of merger, even though the underlying fee ownership of the Property, or any parts thereof, is vested in one party or entity.

D. Severability. The provisions of this Restrictive Covenant must be deemed to be independent and severable, and the invalidity or partial invalidity of any provision or portion hereof does not affect the validity or enforceability of any other provision.

E. Entire Agreement. This Restrictive Covenant, and the exhibits attached hereto contain all the representations and the entire agreement between the parties to this Restrictive Covenant with respect to the subject matter hereof. Any prior correspondence, memoranda or agreements are superseded in total by this Restrictive Covenant and the exhibits attached hereto. The provisions of this Restrictive Covenant will be construed as a whole according to their common meaning and not strictly for or against any Owner.

F. Captions. The captions preceding the text of each section and subsection hereof are included only for convenience of reference and will be disregarded in the construction and interpretation of this Restrictive Covenant.

G. Governing Law; Place of Performance. This Restrictive Covenant and all rights and obligations created hereby will be governed by the laws of the State of Texas. This Restrictive Covenant is performable only in the county in Texas where the Property is located.

H. Notices. Any Notice to the Owners or the City must be in writing and given by delivering the same to such party in person, by expedited, private carrier

services (such as Federal Express) or by sending the same by certified mail, return receipt requested, with postage prepaid to the intended recipient's last known mailing address. All notices under this Restrictive Covenant will be deemed given, received, made or communicated on the date personal delivery is effected or, if mailed, on the delivery date or attempted delivery date shown on the return receipt.

I. Negation of Partnership. None of the terms or provisions of this Restrictive Covenant will be deemed to create a partnership between or among the Declarant, any Owner, or the City of Austin in their respective businesses or otherwise; nor will it cause them to be considered joint ventures or members of any joint enterprise.

J. Enforcement. If any person, persons, corporation, or entity of any other character, violates or attempts to violate this Restrictive Covenant, it will be lawful for the City of Austin, its successors and assigns, to prosecute proceedings at law, or in equity, against the person or entity violating or attempting to violate these Restrictive Covenant and to prevent said person or entity from violating or attempting to violate such covenant. The failure at any time to enforce this Restrictive Covenant by the City of Austin, its successors and assigns, whether any violations hereof are known or not, does not constitute a waiver or estoppel of the right to do so.

K. Modification and Amendment. This Restrictive Covenant may only be modified, amended or terminated upon the filing of a written modification, amendment or termination document in the Official Records of the county in Texas where the Property is located, executed, acknowledged, and approved by (a) the Officer of the Office of Real Estate Services of the City of Austin or successor department; and (b) all of the Owners of the Property at the time of the modification, amendment, or termination.

Executed to be effective on _____ , 20___ .

DECLARANT:

By: _____

Name: _____

Title: _____

ACKNOWLEDGMENT

STATE OF _____ §
§
COUNTY OF _____ §

Before me _____, Notary Public, on this day personally appeared _____(name), _____ (title) of _____(name of Corporation/Partnership) a _____ [type of entity and state of incorporation or partnership], known to me to through _____ "either insert state and driver's license number or delete word through and insert personally" to be the person whose name is subscribed to the foregoing instrument and acknowledged that [insert letter s in front word 'he' if person signing is female] he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office on _____, 20__.

_____
Notary Public, State of _____

ACCEPTED:

OFFICE OF REAL ESTATE SERVICES
CITY OF AUSTIN

By: _____

Name: _____

Title: _____

APPROVED AS TO FORM:

By: _____

Name: _____

Assistant City Attorney

Exhibit C

EXAMPLE – NOT FOR EXECUTION

ESCROW AGREEMENT

For
1120 E. 12th Street – Request For Proposals

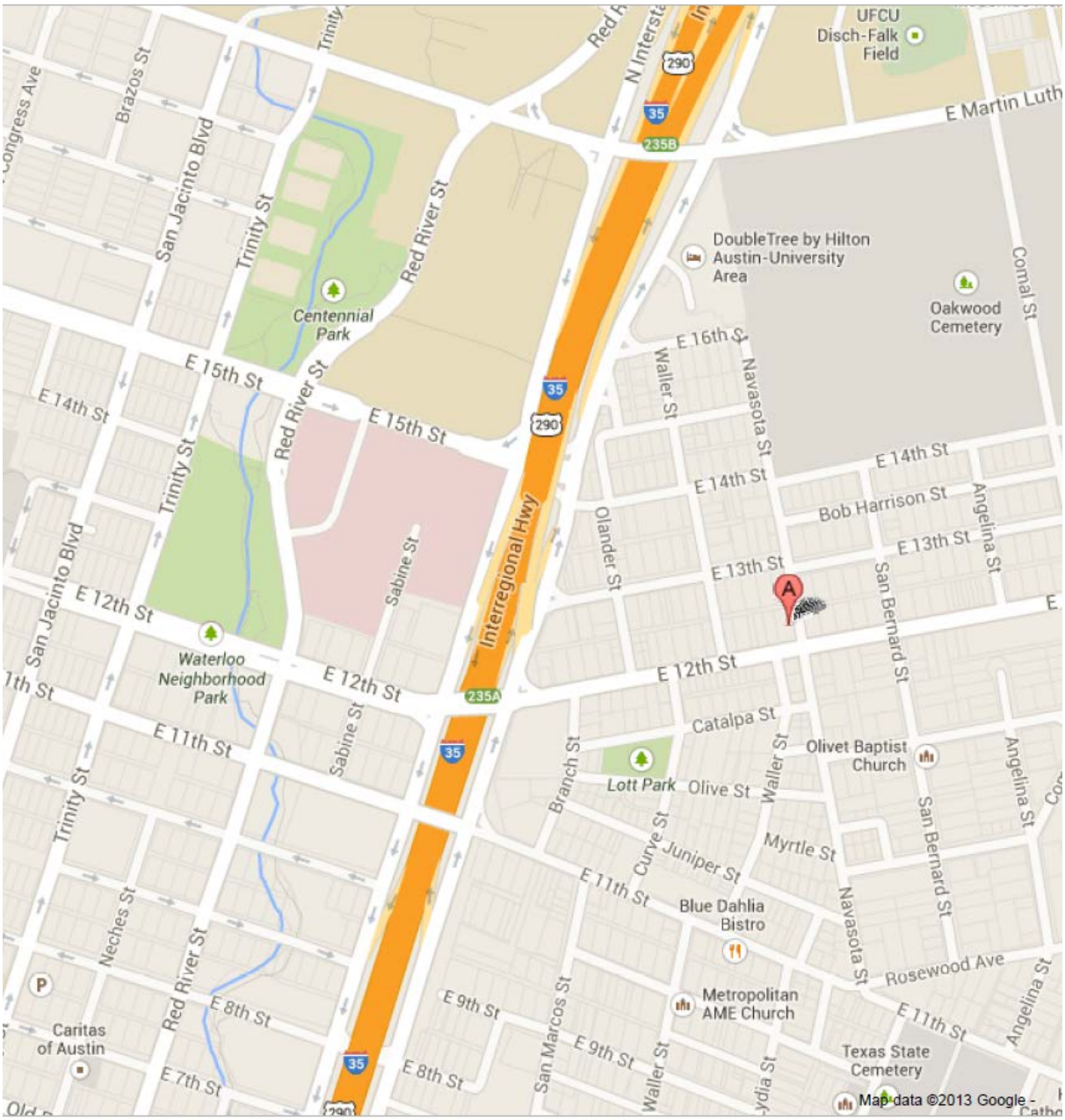
The City of Austin _____ Department acknowledges that _____ has deposited $ _____ into a City of Austin interest-bearing escrow account to serve as fiscal surety for the completion of the project _____ located at _____ and associated with City's File Number _____ .

The City of Austin agrees to return to the Issuer any escrowed funds, plus accrued interest, not expended or obligated by the City when any of the following occur:

- Upon acceptance of all Improvements for which the funds were deposited;
- Upon approved withdrawal of the project;
- Upon acceptable replacement of this fiscal surety deposit.

_____ _____
_____, Fiscal Surety Office Date
_____ Department

<u>Schedule 1-A</u>
Area Map
Request For Proposals for the Purchase and Development of
1120 E. 12th Street



<u>Schedule 1-B</u>
Area Map
Request For Proposals for the Purchase and Development of
1120 E. 12th Street

Schedule 2

Request For Proposals for the Purchase and Development of
1120 E. 12th Street

SCHEDULE OF CRITERIA
FOR REVIEW AND SCORING OF PROPOSALS

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

A. MANDATORY REQUIRED INFORMATION:

The items listed below must be met or submitted. If not, proposals will **NOT** be evaluated.

1. Bid Security deposit (cashier's check for $10,000) _____
2. Minimum Purchase Price met _____
3. Proposal **MUST** comply with:
   a. Urban Renewal Plan _____
   b. Neighborhood Conservation Combining District (NCCD) _____
4. Detailed Project Development Plan _____
5. Development Entity Information _____
6. Corporate/Partnership Authority Documents
   (if entity is not an individual) _____
7. Development Team Experience _____
8. Financial Capacity and Capability
   a. Company Portfolio _____
   b. Audited Financial Statements _____
   c. Financing Commitment History _____
   d. Pending Projects _____
   e. Sources of Debt and Equity Capital _____
   f. Funding Source Action _____
   g. Legal Action _____
   h. Bonding Capacity _____
9. Commitment to execution of 40-year Affordable Housing Restrictive Covenant
   (if affordable housing) _____
10. Commitment to Development Timeline by evidence of Performance Guaranty _____
11. Commitment to pay all closing costs as required in Purchase & Sale Agreement _____
12. Non-Discrimination Certification _____
13. Affidavit of Non-Collusion, Non-Conflict of Interest, and Anti-Lobbying _____

B. COMMUNITY CONSIDERATIONS:

The items listed below are not mandatory; however, additional points will be awarded for commitment and/or participation.

1. Affordable Housing
   a. If rental, 10% of units must be reserved for 60% or less MFI _____
   b. If owner, 10% of units must be reserved for 80% or less MFI _____

2. Minority and Women Owned Business Participation _____
3. Green Building Goals _____
4. Other Public Benefits _____

C. EVALUATION CRITERIA:

Proposals will be reviewed and scored on a competitive basis per the evaluation criteria below.

1. PURCHASE PRICE
(maximum 15 points) _____

15 points: Proposal exceeded the minimum purchase price for the property.
10 points: Proposal met the minimum purchase price for the property..

2. DEVELOPMENT EXPERIENCE (past 5 years)
(maximum 25 points) _____

City and the URA are interested in the Developer and/or Development Team's previous experience on similar projects, including relevant experience in the design and implementation of developments similar to the proposed development, capacity to undertake new or additional projects, and development and operation of other comparable commercial and public projects. Clearly distinguish the experience of the Proposer (including joint venture partners) from that of other Development Team members. Include a description of how previous projects were developed to complement surrounding neighborhoods and how community support was obtained. Provide an organizational chart identifying all team members and their reporting relationships and identify the contractual structure of the Proposer (e.g., joint venture, partnership, etc.), including percentage of ownership and responsibilities. **List three (3) examples of comparable commercial and/or public projects that have been completed by the Developer and/or Development Team in the past five (5) years, and three (3) additional projects that evidence the overall experience, capacity, and strength of the Developer and/or Development Team. No more than one page per project.**

- Description of Proposer: Provide an accurate and thorough description of the Proposer. Include the names of principals, home office location, number of employees, sales and development volume in dollars per year for the last five years and all office locations.
- Management and Development Team: Identify the role and submit the resumes of the current key individuals who will be involved in the development of the project.
- Relevant Experience: Developer must list and detail previous relevant experience with respect to the development and operation of other commercial and public projects, clearly distinguishing the experience of the Developer (including joint venture partners) from that of other team members. Completed projects comparable to the current proposal should receive particular attention. For each project identified, Proposer must provide the following information:
    - Identification: Statement of the project name and type. If the Developer and/or Development Team differs from the identity of the current Proposer, please specify.
    - Location: Identification of the location, including address and photographs of the project.
    - Size and Uses: Description of the size, mix of uses, and tenants.
    - References: Identification of two references with contact names and telephone numbers.
    - Timeline: Submission of the project development timeline from acquisition of the property to completion of construction.

- Development Cost: Description of the development cost. Include a brief explanation of the approach used to finance the project, identifying financing sources.
- Public Involvement: Description of any community involvement in the project, including the role of the development entity, involvement of the public sector, and unique challenges of the project.
- Public Entities: Identification of involved public entities. Provide references and contact information.
- Funding: All sources and uses of funds are clearly indicated. Sufficient evidence of funding availability and/or commitments are included.

25 points: Developer and Development Team have demonstrated experience in the successful development of projects of a comparable size, scale and complexity, and have successfully worked with the public sector on public/private real estate development projects in a dense urban context.

15 points: Completed similar development but smaller in size and scope.

10 points: Other Team member directly involved in proposed development has demonstrated experience in the successful development of project similar in size scale and complexity.

3. FINANCIAL CAPACITY AND CAPABILITY

(maximum 15 points) _____

Proposer must be able to establish and demonstrate that it has access to financial resources such as the ability to raise debt and equity capital to purchase, develop and complete the redevelopment of the subject Property in a professional and timely manner. Proposals that do not meet this consideration will not be considered.

In order to demonstrate access to equity capital and financing resources to carry out the proposed project, each proposal must provide the information listed below. [Note: The City and URA recognizes that under certain circumstances, this information could be construed as confidential and sensitive. Therefore, the City and URA will treat this portion of the submission as confidential, to the extent that it is not already public and to the extent allowed by law. As such, information considered by the Proposer to be confidential, should be stamped "Confidential" in all capital letters on each page and submitted in a separate sealed envelope attached to the RFP submission.]

- Portfolio: Composition of current real estate portfolio.
- Financing Commitment History: Previous three (3) year history in obtaining financing commitments, including at minimum the type of project, financing source(s), and amounts committed.
- Audited Financial Statements: Audited financial statements for the last three (3) years, including cash flow statements and balance sheets and, if publicly held, the most recent 10K and 10Q filings.
- Pending Projects: A listing and description of all pending projects under enforceable funded contracts, including status, development schedule and financial commitment required of the Proposer. Also provide a description of the project financing method, sources and amounts and indicate any working relationship on other projects with members of the development team proposed for the subject property.
- Sources of Debt and Equity Capital: The identity and description of the specific sources of debt and equity capital, including relationships to the Proposer (e.g., outside lender, parent company) and contact information.
- Funding Source Action: Fully disclose whether any funding sources or financial institutions have threatened to take or have taken any adverse action against the Proposer or joint venture partner, such as terminating or restricting the use of funds, within the past five years.
- Legal Action: A description of any pending or past legal action against Proposer, its principals and

associates within the last five (5) years including, but not limited to, legal action resulting from charges of financial misconduct or impropriety against the Proposer, its principals or associates. Additionally, provide a description of all notices of termination and claims of damage received on all projects within the last five years. Describe all claims on performance and payment bonds received by Proposer, its principals and associates within the last five years.

- Bonding Capacity: A description of Proposer's bonding capacity and any claims of default or termination within the last five years.

15 Points: Developer has obtained financial commitment and resources to successfully complete the project within the identified timeline of 3 years.

10 points: Developer demonstrated the capacity to obtain the necessary funds and to complete the project within a reasonable timeframe.

4. PROJECT DESIGN AND READINESS

(maximum 25 points) _____

Please describe the planning which has occurred in order to purchase property. Each proposal must set forth a detailed conceptual plan for the development of the subject property. Graphic conceptual plans for the proposed project are required. The description of the development concept must include:

- Total size of development, in square footage
- The mix of uses as divided by square footage, as well as the amount of parking to be provided for each use and how it will be provided (e.g., underground parking garage, above ground parking garage, as applicable).
- An explanation of the project's scale and mass relative to the surrounding developments.
- A proposed site plan at a scale of 1 inch = 100 feet.
- Renderings and conceptual drawings indicating the elevation of proposed structures, a description of the palette of building and landscape materials used, and sections that illustrate the location, designated square footage, and spatial relationship of the mixed proposed uses, including parking.
- The dimensions and schematic layout of parking spaces, and identification of ingress and egress on the parcel.

25 points: Project is compatible with neighborhood vision, area stakeholders support project, project development is ready and Developer is able to timely apply for permits after execution of sales contract.

20 points: Project is compatible with neighborhood vision, but no evidence of area stakeholder support submitted.

5. PROJECT CREATIVITY AND NEED

(maximum 20 points) _____

To what extent will the project satisfy priority needs, as identified in the current Urban Renewal Plan and the City's Imagine Austin comprehensive plan? Describe the appropriateness of the proposed development for the neighborhood. Please provide:

- Impact on making the commercial corridor more welcoming and on increasing the availability of pedestrian oriented retail goods or services.
- Impact on other public or private investment in the neighborhood.

- Jobs created as a result of the project.
- Elements that promote sustainability. Consider including LEED for Neighborhood Development.

20 points: Project meets priority needs and is appropriate for the redevelopment of the area. Project includes potential jobs for the area. Project is an innovative sustainable project.

15 points: Project meets priority needs and is appropriate for the redevelopment of the area, but no evidence of jobs for the area or that it is a sustainable project.

6. DEVELOPMENT TIMELINE

(maximum 10 points) _____

Provide a complete design and construction schedule for the project, including approvals from other entities involved, construction, marketing, and absorption of the buildings proposed. Include detail on phasing, if applicable. Provide evidence of commitment to meet required development timeline, including a statement of the form and amount of Performance Guaranty for 3-year completion of development, and a proposed remedy offered to Seller if building permit is not obtained in 2 years.

10 points: Proposal included a commitment to complete the development within the 3 year requirement.

7. AFFORDABLE HOUSING

(maximum 10 points) _____

The Successful Proposer is encouraged to meet affordable housing goals. If a project includes rental housing, a benchmark goal of 10% or more units shall be affordable to citizens earning 60% or less of the Median Family Income (MFI) for the Austin-Round Rock Metropolitan Statistical Area (MSA). If a project includes owner-occupied housing, the goal is 10% or more units affordable to citizens earning 80% or less of the MFI. (See MFI Chart – **Exhibit A**)

10 points: Proposal meets the City's stated affordable housing goals.

8. MBE/WBE PARTICIPATION

(maximum 10 points) _____

As part of the implementation of City Council resolution no. 20120112-058 (see **Exhibit B**), relating to MBE/WBE compliance (the City of Austin program for Minority-owned Business Enterprises / Women-owned Business Enterprises), the Successful Proposer is encouraged to set MBE/WBE participation goals or make a good faith effort to achieve these goals in the design and construction of improvements on the subject Property.

10 points: Specific MBE/WBE goals were identified and/or response indicates that a Good Faith Effort will be made to achieve the goals.

9. GREEN BUILDING

(maximum 5 points) _____

The Successful Proposer is encouraged to meet ambitious green building goals. This includes meeting a minimum Austin Energy 2 Star Green Building rating or USGBC LEED Silver rating. (Please refer to information and links provided at www.austintexas.gov/realestate)

5 points: Proposed development achieved the minimum Austin Energy 2 Star Green Building rating.
3 points: Proposed development achieved less than the Austin Energy 2 Star Green Building rating.

10. OTHER PUBLIC BENEFITS
(maximum 5 points) _____

Other public benefits proposed will be given additional consideration.

5 points: Proposal provides additional public benefits. Examples may include community parking, community gathering plazas, public art, etc.

TOTAL SCORE: _____
Out of **140 points**

ENCLOSURE: Exhibit A – MFI Chart for Round Rock-Austin-Round Rock MSA
Exhibit B – City Council Resolution No. 20120112-058 (M/WBE Compliance)

Schedule 2
EXHIBIT A

2013 HUD Income and Rent Limits
Austin-Round Rock -San Marcos, TX MSA
Income Limits - Effective date 3/15/13
Rent Limits - Effective date 6/1/13

HOME Program Income Limits

Income Limit	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
20%	10,250	11,700	13,200	14,640	15,800	17,000	18,150	19,350
*** 30%**	15,400	17,600	19,800	21,950	23,750	25,500	27,250	29,000
40%	20,500	23,400	26,350	29,280	31,600	33,950	36,300	38,650
*** 50%**	25,650	29,300	32,950	36,600	39,550	42,500	45,400	48,350
60%	30,780	35,160	39,540	43,920	47,460	51,000	54,480	58,020
70%	35,850	41,000	46,100	51,240	55,350	59,450	63,550	67,650
*** 80%**	41,000	46,850	52,700	58,550	63,250	67,950	72,650	77,300
100%	51,250	58,550	65,900	**73,200**	79,050	84,900	90,750	96,600
120%	61,500	70,250	79,050	87,840	94,900	101,900	108,900	115,950
140%	71,750	82,000	92,250	102,480	110,700	118,900	127,100	135,250

*** Income provided by HUD.**
** Income calculated by NHCD based on the formula used by HUD.
HUD rounds to the nearest $50 dollars
MFI Chart was expanded to include other percentages used by NHCD.

HOME Program Rent Limits *** Provided by HUD**

	Efficiency	1 BR	2 BR	3 BR	4 BR	5 BR
30% Rent Limit	$398	$426	$512	$591	$660	$728
40% Rent Limit	$532	$570	$684	$789	$881	$972
*** LOW HOME Rent Limit**	$643	$712	$855	$986	$1,101	$1,215
*** HIGH HOME Rent Limit**	$643	$788	$992	$1,249	$1,374	$1,497
For Information Only (Below)						
*** FAIR MARKET RENT**	$643	$788	$992	$1,343	$1,627	$1,871
*** 50% Rent Limit**	$665	$712	$855	$986	$1,101	$1,215
*** 65% Rent Limit**	$844	$906	$1,089	$1,249	$1,374	$1,497

RESOLUTION NO. 20120112-058

The City Council repeals and replaces Resolution No. 20071108-127 with the following:

WHEREAS, each year, the City of Austin enters into multiple third-party agreements, which provide for the construction of public improvements or improvements to City real property by a third party rather than through a direct contract between the City and a general contractor; and

WHEREAS, the City may enter into agreements with private entities requesting City investment for private improvements to private land; and

WHEREAS, such third-party agreements include developer participation agreements, economic development agreements under Chapter 380 of the Texas Local Government Code ("Chapter 380 Agreements"), ground lease agreements, all third-party agreements negotiated between the City and private entities desiring to develop City-owned property; and any agreements pertaining to facilities constructed by private entities in conjunction with reliance on the City's endorsement pursuant to the Texas Major Events Trust Fund Act ("Eligible Third-party Agreements"); and

WHEREAS, the City values ensuring certified minority-owned and women-owned businesses are provided an equal opportunity to participate as

suppliers of material and services on projects resulting from Eligible Third-party Agreements;

WHEREAS, the City desires that the City's Eligible Third-party Agreements comply with the standards and principles of Chapters 2-9A through 2-9D of the City Code regarding minority-owned and women-owned business enterprises (the "City's M/WBE Ordinance");

WHEREAS, the City desires that the City's Eligible Third-party Agreements require efforts be made to provide minority-owned, women-owned, and local small businesses an equal opportunity to participate as suppliers of material and services for the subject project;

WHEREAS, the City desires to redress the unemployment and under-employment in the Austin area by expecting efforts be made to recruit local candidates for employment at the subject project;

WHEREAS, the City desires such efforts will increase the availability of new full-time jobs for local residents; **NOW, THEREFORE,**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

1. It is the policy of the City that Eligible Third Party Agreements comply with the standards and principles of the City's M/WBE Ordinance.

2. Eligible Third-party Agreements are to contain contract terms requiring the third party or private entity entering into the contract (the "Third Party") to comply with the standards and principles of the City's M/WBE Ordinance.

3. Consistent with the standards and principles of the M/WBE Ordinance, Eligible Third-party Agreements will include the establishment of ethnic specific M/WBE utilization goals, and a requirement that contractors and consultants on the subject project either meet the ethnic specific M/WBE utilization goals or demonstrate a good faith effort to meet the goals with respect to any design or construction projects including, but not limited to, construction of any leasehold improvements for the subject project. In the event the subject project is assisted by the City's financial investment (either the payment of dollars or waiver of taxes or fees), the goals shall be applied to the value of the entire subject project (as that term is defined in the agreement)—not limited to the value of financial investment provided by the City. In the event the Third Party enters into a build-to-suit lease or turn-key tenant improvement lease for the subject project, it is the Third Party's responsibility to

ensure the landlord complies with this provision for all construction and design relating to the Third Party's move-in.

4. When the Eligible Third-party Agreement is a developer participation agreement, the obligations of the City and the private entity are governed solely by the requirements contained in this paragraph. First, the City shall encourage the private entity to comply with the standards and principles of the M/WBE Ordinance on (a) the design of the water and wastewater infrastructure and related facilities; and (b) the design and construction of the subject project. Second, the City shall inform in writing all applicants for a service extension request that they are encouraged to comply with the standards and principles of the M/WBE Ordinance in the design of the water and wastewater infrastructure and related facilities. Nothing in this resolution modifies the continued applicability of the full M/WBE Ordinance to the procurement and construction of the subject infrastructure resulting from a service extension request under Chapter § 25-9 of the City Code.

5. When a request is made for the extension of electrical facilities, the City's full M/WBE Ordinance shall apply to the procurement, design, and construction of the electrical facilities.

6. When applicable, Eligible Third-party Agreements shall include the requirement of an outreach program designed to solicit participation of minority-owned businesses, women-owned businesses and small businesses.

7. The Third Party shall apprise the City's Department of Small Business and Minority Business Resources ("SMBR") when the Third Party desires assistance from SMBR in its efforts to meet the ethnic specific M/WBE utilization goals. This assistance may include identifying potential scopes of work (including, but not limited to, design, construction, and supply services), providing availability lists, establishing the bid packages available, scheduling and hosting outreach meetings, and otherwise assisting in soliciting bids from M/WBEs.

8. When applicable, the Eligible Third-party Agreement shall include a requirement that the Third Party use commercially reasonable efforts to provide minority-owned, women-owned, and local small businesses an equal opportunity to participate as suppliers of materials and services for the subject project (the "Suppliers Diversity Commitment").

9. The requirement to comply with the standards and principles of the M/WBE Ordinance and the Suppliers Diversity Commitment shall be included in the City's solicitation documents, if any, for the subject project.

10. The obligation to comply with the standards and principles of the City's M/WBE Ordinance and the Suppliers Diversity Commitment shall be material terms of the contract. Failure to comply with the standards and principles of the M/WBE Ordinance and/or the Suppliers Diversity Commitment shall be treated as breach of the contract, which will be subject to breach of contract remedies. The breach of contract remedies shall include the appropriate sanctions provided in the M/WBE Ordinance. Additionally, under Chapter 380 Agreements, if the Third Party (or landlord) fails to comply with the standards and principles of the M/WBE Ordinance, it shall be required to forfeit the City's financial investment (either the payment of dollars or waiver of taxes or fees) for the applicable compliance period as defined in the agreement. In the event the Third Party has received an up-front monetary contribution from the City or a waiver of taxes or fees on the front-end of the compliance period and the Third Party (or landlord) fails to comply with the standards and

principles of the M/WBE Ordinance, it shall be required to promptly return all monies or reimburse the City for any waiver of taxes or fees received from the City with interest.

11. The requirement to comply with the standards and principles of the M/WBE Ordinance shall be addressed and negotiated at the earliest stages of negotiation of Eligible Third-party Agreements so as to allow ample opportunity for the standards and principles of the M/WBE Ordinance to be fully incorporated into the agreement and other contract documents.

12. The City employees who negotiate Eligible Third-party Agreements will be trained in the standards and principles of the M/WBE Ordinance in order to carry out the directives of this resolution.

13. Eligible Third-party Agreements will include monthly reporting requirements to allow SMBR to track compliance with the requirements contained herein.

14. Eligible Third-party Agreements shall include the requirement that the Third Party make commercially reasonable efforts to recruit residents of the Austin area for available employment opportunities.

15. SMBR shall report its determinations of compliance or noncompliance with the negotiated standards and principles of the

M/WBE Ordinance to the SMBR Advisory Committee and the MBE/WBE & Small Business Council Subcommittee.

16. Eligible Third Party Agreements do not include (1) agreements for the sale of land in which no continuing contractual relationship will exist between the purchaser and the City, (2) interlocal agreements administered by another governmental entity, and (3) agreements for privately-funded public improvements incidental to private development.

17. Any provisions of this Resolution that are inconsistent with its predecessor, Resolution No. 20071108-127, are inapplicable to Third-party Agreements executed prior to the effective date of this Resolution.

ADOPTED: January 12, 2012 **ATTEST:** Shirley A. Gentry

Shirley A. Gentry
City Clerk

COMMITMENT FOR TITLE INSURANCE

SCHEDULE A

Effective Date: **August 22, 2013, 08:00 am** G.F. No. or File No. **1214159-KFO**

Commitment No. _____ issued: **September 3, 2013, 8:00 am**
(if applicable)

1. The policy or policies to be issued are:
   (a) OWNER'S POLICY OF TITLE INSURANCE (Form T-1)
   (Not applicable for improved one-to-four family residential real estate)
   Policy Amount:
   PROPOSED INSURED:
   (b) TEXAS RESIDENTIAL OWNER POLICY OF TITLE INSURANCE -
   ONE-TO-FOUR FAMILY RESIDENCES (Form T-1R)
   Policy Amount:
   PROPOSED INSURED:
   (c) LOAN POLICY OF TITLE INSURANCE (Form T-2)
   Policy Amount:
   PROPOSED INSURED:
   Proposed Borrower:
   (d) TEXAS SHORT FORM RESIDENTIAL MORTGAGEE POLICY OF TITLE INSURANCE (Form T-2R)
   Policy Amount:
   PROPOSED INSURED:
   Proposed Borrower:
   (e) MORTGAGEE TITLE POLICY BINDER ON INTERIM CONSTRUCTION LOAN (Form T-13)
   Binder Amount:
   PROPOSED INSURED:
   Proposed Borrower:
   (f) OTHER
   Policy Amount:
   PROPOSED INSURED:
2. The interest in the land covered by this Commitment is: **Fee Simple**

3. Record title to the land on the Effective Date appears to be vested in:
   Urban Renewal Agency of the City of Austin, a Texas public body corporate and politic created under Chapter 374, Texas Local Government Code

4. Legal description of the land:

   0.303 of an acre of land and being 88 feet by 150 feet, more or less, out of the subdivision of OUTLOT NO. 41, DIVISION "B", in the City of Austin, Texas, being the same property described in that cetian General Warranty Deed recorded in Volume 13124, Page 1079, Real Property Records, Travis County, Texas.

   The Company is prohibited from insuring the area or quantity of the land described herein. Therefore, the Company does not represent that the acreage or square footage calculations are correct and references to the quantity are for informational purposes only.

COMMITMENT FOR TITLE INSURANCE

SCHEDULE B

EXCEPTIONS FROM COVERAGE

In addition to the Exclusions and Conditions and Stipulations, your Policy will not cover loss, costs, attorneys' fees, and expenses resulting from:

1. The following restrictive covenants of record itemized below (We must either insert specific recording data or delete this exception):

   Item No. 1, Schedule B, is hereby deleted.

2. Any discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments or protrusions, or any overlapping of improvements.

3. Homestead or community property or survivorship rights, if any, of any spouse of any insured. (Applies to the Owner Policy only).

4. Any titles or rights asserted by anyone, including, but not limited to, persons, the public, corporations, governments or other entities,

   a. to tidelands, or lands comprising the shores or beds of navigable or perennial rivers and streams, lakes, bays, gulfs or oceans, or

   b. to lands beyond the line of harbor or bulkhead lines as established or changed by any government, or

   c. to filled-in lands, or artificial islands, or

   d. to statutory water rights, including riparian rights, or

   e. to the area extending from the line of mean low tide to the line of vegetation, or the rights of access to that area or easement along and across that area.

   (Applies to the Owner Policy only.)

5. Standby fees, taxes and assessments by any taxing authority for the year **2013**, and subsequent years; and subsequent taxes and assessments by any taxing authority for prior years due to change in land usage or ownership, but not those taxes or assessments for prior years because of an exemption granted to a previous owner of the property under Section 11.13, *Texas Tax Code*, or because of improvements not assessed for a previous tax year. (If Texas Short Form Residential Mortgagee Policy (T-2R) is issued, that policy will substitute "which become due and payable subsequent to Date of Policy" in lieu of "for the year _____ and subsequent years.")

6. The terms and conditions of the documents creating your interest in the land.

7. Materials furnished or labor performed in connection with planned construction before signing and delivering the lien document described in Schedule A, if the land is part of the homestead of the owner. (Applies to the Mortgagee Title Policy Binder on Interim Construction Loan only, and may be deleted if satisfactory evidence is furnished to us before a binder is issued.)

8. Liens and leases that affect the title to the land, but that are subordinate to the lien of the insured mortgage. (Applies to Loan Policy (T-2) only.)

9. The Exceptions from Coverage and Express Insurance in Schedule B of the Texas Short Form Residential Mortgagee Policy (T-2R). (Applies to Texas Short Form Residential Mortgagee Policy (T-2R) only. Separate exceptions 1 through 8 of this Schedule B do not apply to the Texas Short Form Residential Mortgagee Policy (T-2R).

10. The following matters and all terms of the documents creating or offering evidence of the matters (We must insert matters or delete this exception.):

a. **Rights of Parties in Possession. (Owner Policy)**

b. **Rights of tenants, as tenants only, under any and all unrecorded leases or rental agreements.** ***(NOTE: This item can be deleted upon receipt of an Affidavit executed by the seller evidencing there are not any outstanding leases or rental agreements. If the Affidavit reveals unrecorded outstanding leases or rental agreements the exception may be modified to make specific exception to those matters.)***

c. **Any visible and apparent easement, either public or private, located on or across the land, the existence of which is not disclosed by the Public Records as herein defined.**

d. **Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the title that would be disclosed by an accurate and complete land survey of the land.**

e. **Any portion of subject property lying within the boundaries of a dedicated or undedicated public or private roadway.**

f. **Notice Regarding: Urban Renewal Plan**
Recorded: Document No(s). 1999157295, 2000078958, 2002204815, 2005075165 and 2008169755, Official Public Records, Travis County, Texas.

g. **Deleted.**

h. **All leases, grants, exceptions or reservation of coal, lignite, oil, gas and other mineral, together with all rights, privileges, and immunities relating thereto appearing in the public records whether listed in Schedule B or not. There may be leases, grants, exceptions or reservations of mineral interest that are not listed.**

COMMITMENT FOR TITLE INSURANCE

SCHEDULE C

Your Policy will not cover loss, costs, attorneys' fees, and expenses resulting from the following requirements that will appear as Exceptions in Schedule B of the Policy, unless you dispose of these matters to our satisfaction, before the date the Policy is issued:

1. Documents creating your title or interest must be approved by us and must be signed, notarized and filed for record.

2. Satisfactory evidence must be provided that:

   a. no person occupying the land claims any interest in that land against the persons named in paragraph 3 of Schedule A,

   b. all standby fees, taxes, assessments and charges against the property have been paid,

   c. all improvements or repairs to the property are completed and accepted by the owner, and that all contractors, subcontractors, laborers and suppliers have been fully paid, and that no mechanic's, laborer's or materialmen's liens have attached to the property,

   d. there is legal right of access to and from the land,

   e. (on a Loan Policy only) restrictions have not been and will not be violated that affect the validity and priority of the insured mortgage.

3. You must pay the seller or borrower the agreed amount for your property or interest.

4. Any defect, lien or other matter that may affect title to the land or interest insured, that arises or is filed after the effective date of this Commitment.

5. **Lien in Favor of City of Austin:**

Recorded:	**Volume 13111, Page 3978, Real Property Records, Travis County, Texas.**
Amount:	**$59.00**
Dated:	**12/26/1997**
Purpose:	**Emergency Board and Secure Lien**

6. **Company must be furnished a properly executed Corporate Resolution in recordable form of the Board of Directors of Urban Renewal Agency of the City of Austin authorizing the proposed transaction and establishing the authority of the officers to act on behalf of the corporation.**

   In addition, company requires verification from the Secretary of State that corporation is in existence and in good standing.

7. **Please furnish the names of the parties to be insured herein. Upon receipt of said names, additional requirements may be made.**

8. **NOTICE: Title Company is unwilling to issue the Title Policy without the general mineral exception(s) set out in Schedule B hereof pursuant to Procedural Rule P-5.1. Optional endorsements (T19.2 and T19.3) insuring certain risks involving minerals, and the use of improvements (excluding lawns, shrubbery and trees) and permanent buildings may be available for purchase upon request of the Proposed Insured. Neither this Policy, nor the optional endorsements, insure that the purchaser has title to the mineral rights related to the surface estate. (Loan Policy only)**

9. **Payment of any and all ad valorem taxes which may be due and payable on the subject property.**

10. **Company requires Owner, Seller and/or Borrower to complete an Affidavit of Debts and Liens prior to the issuance of the Title Insurance Policy.**

11. **Company must be furnished with a properly executed Waiver of Inspection signed by the Purchaser.**

12. **Good Funds in an amount equal to all disbursements must be received and deposited before any funds may be disbursed. Partial disbursements prior to the receipt and deposit of good funds are not permitted. Good Funds means cash, wire transfer, certified checks, cashier's checks and teller checks. Company reserves the right to require wired transfer of funds in accordance with Procedural Rule P-27 where immediate disbursement is requested.**

13. **ARBITRATION: The Owner Policy of Title Insurance (Form T-1) and the Loan Policy of Title Insurance (Form T-2) contain an arbitration provision. It allows the Insured or the Company to require arbitration if the amount of insurance is $2,000,000 or less. If the insured wants to retain the right to sue the Company in case of a dispute over a claim, the Insured must request deletion of the arbitration provision before the Policy is issued. The Insured may do this by signing the Deletion of Arbitration Provision form and returning it to the Company at or before the closing of the real estate transaction or by writing to the Company. {The Arbitration Provision may not be deleted on the Texas Residential Owner Policy of Title Insurance (Form T-1R).}**

14. ***NOTICE:*** **Pursuant to Procedural Rule P-71, Company may, upon request and if a licensed Agent in the County, issue a T-53 Texas Residential Limited Coverage Chain of Title Policy covering a period of 60 months, showing the following documents filed in the Official Public Records: none**

Countersigned
Independence Title Company

By_____
Authorized Signatory

COMMITMENT FOR TITLE INSURANCE

SCHEDULE D

G.F. No. or File No. **1214159-KFO** Effective Date: **August 22, 2013, 08:00 am**

Pursuant to the requirements of Rule P-21, Basic Manual of Rules, Rates and Forms for the writing of Title Insurance in the State of Texas, the following disclosures are made:

1. The following individuals are directors and/or officers, as indicated, of the Title Insurance Company issuing this Commitment

Chicago Title Insurance Company, a Nebraska Corporation

Officers:		**Directors:**
Raymond Randall Quirk	President	Raymond Randall Quirk
Anthony John Park	Executive Vice President	Anthony John Park
Michael Louis Gravelle	Secretary	Michael Joseph Nolan
Daniel Kennedy Murphy	Treasurer	Theodore L. Kessner
		Edson Nye Burton, Jr.

Fidelity National Financial, Inc. owns 100% of FNTG Holdings Inc. which owns 100% of Fidelity National Title Group, Inc., which owns 100% of **Chicago Title Insurance Company**.

2. (a) A listing of each shareholder, owner, partner, or other person having, owning or controlling one percent (1%) or more of the Title Insurance Agent that will receive a portion of the premium:

ITCOT, LLC

(b) A listing of each shareholder, owner, partner, or other person having, owning or controlling 10 percent (10%) or more of an entity that has, owns or controls one percent (1%) or more of the Title Insurance Agent that will receive a portion of the premium:

Jay Southworth
Brian Pitman
FSBT Holdings, Inc.

(c) The following is a list of it's officers and directors:

Brian Pitman, President/COO
Jay Southworth, Chairman/CEO

3. You are entitled to receive advance disclosure of settlement charges in connection with the proposed transaction to which this commitment relates. Upon your request, such disclosure will be made to you. Additionally, the name of any person, firm or corporation receiving a portion of the premium from the settlement of this transaction will be disclosed on the closing or settlement statement.

You are further advised that the estimated title premium* is:

Owners Policy	**$0.00**
Loan Policy	**$0.00**
Endorsement Charges	**$0.00**
Other	**$0.00**
Total	**$0.00**

Of this total amount: 15% will be paid to the policy issuing Title Insurance Company: 85% will be retained by the issuing Title Insurance Agent; and the remainder of the estimated premium will be paid to other parties as follows:

Amount	To Whom	For Services

*The estimated premium is based upon information furnished to us as of the date of this Commitment for Title Insurance. Final determination of the amount of the premium will be made at closing in accordance with the Rules and Regulations adopted by the Commissioner of Insurance.

This commitment is invalid unless the insuring provisions and Schedules A, B, and C are attached.

TEXAS TITLE INSURANCE INFORMATION

Title insurance insures you against loss resulting from certain risks to your title.	El seguro de titulo le asegura en relacion a perdidas resultantes de ciertos riesgos que pueden afectar el titulo de su propiedad.
The Commitment for Title Insurance is the title insurance company's promise to issue the title insurance policy. The Commitment is a legal document. You should review it carefully to completely understand it before your closing date.	El Compromiso para Seguro de Titulo es la promesa de la compania aseguradora de titulos de emitir la poliza de seguro de titulo. El Compromiso es un documento legal. Usted debe leerio cuidadosamente y entendario completamente antes de la fecha para finalizar su transaccion.

Your Commitment for Title Insurance is a legal contract between you and us. The Commitment is not an opinion or report of your title. It is a contract to issue you a policy subject to the Commitment's terms and requirements.

Before issuing a Commitment for Title Insurance (the Commitment) or a Title Insurance Policy (the Policy), the Title Insurance Company (the Company) determines whether the title is insurable. This determination has already been made. Part of that determination involves the Company's decision to insure the title except for certain risks that will not be covered by the Policy. Some of these risks are listed in Schedule B of the attached Commitment as Exceptions. Other risks are stated in the Policy as Exclusions. These risks will not be covered by the Policy.

Another part of the determination involves whether the promise to insure is conditioned upon certain requirements being met. Schedule C of the Commitment lists these requirements that must be satisfied or the Company will refuse to cover them. You may want to discuss any matters shown on Schedules B and C of the Commitment with an attorney. These matters will affect your title and your use of the land.

When your Policy is issued, the coverage will be limited by the Policy's Exceptions, Exclusions and Conditions, defined below.

- EXCEPTIONS are title risks that a Policy generally covers but does not cover in a particular instance. Exceptions are shown on Schedule B or discussed in Schedule C of the Commitment. They can also be added if you do not comply with the Conditions section of the Commitment. When the Policy is issued, all Exceptions will be on Schedule B of the Policy.

- EXCLUSIONS are title risks that a Policy generally does not cover. Exclusions are contained in the Policy but not shown or discussed in the Commitment.

- CONDITIONS are additional provisions that qualify or limit your coverage. Conditions include your responsibilities and those of the Company. They are contained in the Policy but not shown or discussed in the Commitment. The Policy Conditions are not the same as the Commitment Conditions.

You can get a copy of the policy form approved by the State Board of Insurance by calling the Title Insurance Company at or by calling the title insurance agent that issued the Commitment. The State Board of Insurance may revise the policy form from time to time.

You can also get a brochure that explains the Policy from the Texas Department of Insurance by calling 1-800-252-3439.

Before the Policy is issued, you may request changes in the Policy. Some of the changes to consider are:

- Request amendment of the "area and boundary" exception (Schedule B, paragraph 2). To get this amendment, you must furnish a survey or comply with other requirements of the Company. On the Owner Policy, you must pay an additional premium for the amendment. If the survey is acceptable to the Company or if the Company's other requirements are met, your Policy will insure you against loss because of discrepancies or conflicts in boundary lines, encroachments or protrusions, or overlapping of improvements. The Company may then decide not to insure against specific boundary or survey problems by making special exceptions in the Policy. Whether or not you request amendment of the "area and boundary" exception, you should determine whether you want to purchase and review a survey if a survey is not being provided to you.

- Allow the Company to add an exception to "rights of parties in possession." If you refuse this exception, the Company or the title insurance agent may inspect the property. The Company may except to and not insure you against the rights of specific persons, such as renters, adverse owners or easement holders who occupy the land. The Company may charge you for the inspection. If you want to make your own inspection, you must sign a Waiver of Inspection form and allow the Company to add this exception to your Policy.

The entire premium for a Policy must be paid when the Policy is issued. You will not owe any additional premiums unless you want to increase your coverage at a later date and the Company agrees to add an Increased Value Endorsement.

DELETION OF ARBITRATION PROVISION

(Not Applicable to the Texas Residential Owner Policy)

Arbitration is a common form of alternative dispute resolution. It can be a quicker and cheaper means to settle a dispute with your Title Insurance Company. However, if you agree to arbitrate, you give up your right to take the Title Company to court and your rights to discovery of evidence may be limited in the arbitration process. In addition, you cannot usually appeal an arbitrator's award.

Your policy contains an arbitration provision (shown below). It allows you <u>or the Company</u> to require arbitration if the amount of insurance is $2,000,000 or less. If you want to retain your right to sue the Company in case of a dispute over a claim, you must request deletion of the arbitration provision before the policy is issued. You can do this by signing this form and returning it to the Company at or before the Closing of your real estate transaction or by writing to the Company.

The arbitration provision in the Policy is as follows:

"Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, any service in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of Insurance is $2,000,000 or less shall be arbitrated at the option of either the Company or the Insured, unless the Insured is an individual person (as distinguished from an Entity). All arbitrable matters when the Amount of Insurance is in excess of $2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction."

I request deletion of the Arbitration provision.

_____ _____

SIGNATURE DATE

Chicago Title Insurance Company

Premium Amount 1	Rate Rules 2	Property Type 3 **3**	County Code 4 **453**	Liability at Reissue Rate 5	6	7	8

THE FOLLOWING COMMITMENT FOR TITLE INSURANCE IS NOT VALID UNLESS YOUR NAME AND THE POLICY AMOUNT ARE SHOWN IN SCHEDULE A, AND OUR AUTHORIZED REPRESENTATIVE HAS COUNTERSIGNED BELOW.

COMMITMENT FOR TITLE INSURANCE

ISSUED BY

CHICAGO TITLE INSURANCE COMPANY

We, Chicago Title Insurance Company, will issue our title insurance policy or policies (the Policy) to You (the proposed insured) upon payment of the premium and other charges due, and compliance with the requirements in Schedule B and Schedule C. Our Policy will be in the form approved by the Texas Department of Insurance at the date of issuance, and will insure your interest in the land described in Schedule A. The estimated premium for our Policy and applicable endorsements is shown on Schedule D. There may be additional charges such as recording fees, and expedited delivery expenses.

This Commitment ends ninety (90) days from the effective date, unless the Policy is issued sooner, or failure to issue the Policy is our fault. Our liability and obligations to you are under the express terms of this Commitment and end when this Commitment expires.

CHICAGO TITLE INSURANCE COMPANY

By:

ATTEST

President

Secretary

Authorized Signature

CONDITIONS AND STIPULATIONS

1. If you have actual knowledge of any matter which may affect the title or mortgage covered by this Commitment, that is not shown in Schedule B, you must notify us in writing. If you do not notify us in writing, our liability to you is ended or reduced to the extent that your failure to notify us affects our liability. If you do notify us, or we learn of such matter, we may amend Schedule B, but we will not be relieved of liability already incurred.

2. Our liability is only to you, and others who are included in the definition of Insured in the Policy to be issued. Our liability is only for actual loss incurred in your reliance on this Commitment to comply with its requirements or to acquire the interest in the land. Our liability is limited to the amount shown in Schedule A of this Commitment and will be subject to the following terms of the Policy: Insuring Provisions, Conditions and Stipulations, and Exclusions.

COMMITMENT FOR TITLE INSURANCE

SCHEDULE A

Effective Date: **June 12, 2012, 08:00 am**

G.F. No. or File No. **1214159-COM**

Commitment No. _____ issued: **June 22, 2012,**
(if applicable)

1. The policy or policies to be issued are:
   (a) OWNER'S POLICY OF TITLE INSURANCE (Form T-1)
   (Not applicable for improved one-to-four family residential real estate)
   Policy Amount:
   PROPOSED INSURED: **TBD**
   (b) TEXAS RESIDENTIAL OWNER POLICY OF TITLE INSURANCE - ONE-TO-FOUR FAMILY RESIDENCES (Form T-1R)
   Policy Amount:
   PROPOSED INSURED:
   (c) LOAN POLICY OF TITLE INSURANCE (Form T-2)
   Policy Amount:
   PROPOSED INSURED:
   Proposed Borrower:
   (d) TEXAS SHORT FORM RESIDENTIAL MORTGAGEE POLICY OF TITLE INSURANCE (Form T-2R)
   Policy Amount:
   PROPOSED INSURED:
   Proposed Borrower:
   (e) MORTGAGEE TITLE POLICY BINDER ON INTERIM CONSTRUCTION LOAN (Form T-13)
   Binder Amount:
   PROPOSED INSURED:
   Proposed Borrower:
   (f) OTHER
   Policy Amount:
   PROPOSED INSURED:
2. The interest in the land covered by this Commitment is: **Fee Simple**
3. Record title to the land on the Effective Date appears to be vested in:
   Urban Renewal Agency of the City of Austin, a Texas public body corporate and politic created under Chapter 374, Texas Local Government Code
4. Legal description of the land:
   A tract of land being 88 feet by 150 feet, more or less, out of the subdivision of OUTLOT NO. 41, DIVISION "B", in the City of Austin, Texas, being the same property described in that deed recorded in Volume 13124, Page 1079, Real Property Records, Travis County, Texas. Said property being more particularly described by metes and bounds attached hereto in Exhibit "A".

   The Company is prohibited from insuring the area or quantity of the land described herein. Therefore, the Company does not represent that the acreage or square footage calculations are correct and references to the quantity are for informational purposes only.

COMMITMENT FOR TITLE INSURANCE

SCHEDULE B

EXCEPTIONS FROM COVERAGE

In addition to the Exclusions and Conditions and Stipulations, your Policy will not cover loss, costs, attorneys' fees, and expenses resulting from:

1. The following restrictive covenants of record itemized below (We must either insert specific recording data or delete this exception):

   - **Item No. 1, Schedule B, is hereby deleted.**

2. Any discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments or protrusions, or any overlapping of improvements.

3. Homestead or community property or survivorship rights, if any, of any spouse of any insured. (Applies to the Owner Policy only).

4. Any titles or rights asserted by anyone, including, but not limited to, persons, the public, corporations, governments or other entities,

   a. to tidelands, or lands comprising the shores or beds of navigable or perennial rivers and streams, lakes, bays, gulfs or oceans, or

   b. to lands beyond the line of harbor or bulkhead lines as established or changed by any government, or

   c. to filled-in lands, or artificial islands, or

   d. to statutory water rights, including riparian rights, or

   e. to the area extending from the line of mean low tide to the line of vegetation, or the rights of access to that area or easement along and across that area.

   (Applies to the Owner Policy only.)

5. Standby fees, taxes and assessments by any taxing authority for the year **2012**, and subsequent years; and subsequent taxes and assessments by any taxing authority for prior years due to change in land usage or ownership, but not those taxes or assessments for prior years because of an exemption granted to a previous owner of the property under Section 11.13, *Texas Tax Code*, or because of improvements not assessed for a previous tax year. (If Texas Short Form Residential Mortgagee Policy (T-2R) is issued, that policy will substitute "which become due and payable subsequent to Date of Policy" in lieu of "for the year _____ and subsequent years.")

6. The terms and conditions of the documents creating your interest in the land.

7. Materials furnished or labor performed in connection with planned construction before signing and delivering the lien document described in Schedule A, if the land is part of the homestead of the owner. (Applies to the Mortgagee Title Policy Binder on Interim Construction Loan only, and may be deleted if satisfactory evidence is furnished to us before a binder is issued.)

8. Liens and leases that affect the title to the land, but that are subordinate to the lien of the insured mortgage. (Applies to Loan Policy (T-2) only.)

Continuation of Schedule B

G.F. No. **1214159-COM**

9. The Exceptions from Coverage and Express Insurance in Schedule B of the Texas Short Form Residential Mortgagee Policy (T-2R). (Applies to Texas Short Form Residential Mortgagee Policy (T-2R) only. Separate exceptions 1 through 8 of this Schedule B do not apply to the Texas Short Form Residential Mortgagee Policy (T-2R).

10. The following matters and all terms of the documents creating or offering evidence of the matters (We must insert matters or delete this exception.):

a. **Rights of Parties in Possession. (Owner Policy)**

b. **Rights of tenants, as tenants only, under any and all unrecorded leases or rental agreements.** ***(NOTE: This item can be deleted upon receipt of an Affidavit executed by the seller evidencing there are not any outstanding leases or rental agreements. If the Affidavit reveals unrecorded outstanding leases or rental agreements the exception may be modified to make specific exception to those matters.)***

c. **Any visible and apparent easement, either public or private, located on or across the land, the existence of which is not disclosed by the Public Records as herein defined.**

d. **Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the title that would be disclosed by an accurate and complete land survey of the land.**

e. **Any portion of subject property lying within the boundaries of a dedicated or undedicated public or private roadway.**

f. **Notice Regarding: Urban Renewal Plan**
Recorded: Document No(s). 1999157295, 2000078958, 2002204815, 2005075165 and 2008169755, Official Public Records, Travis County, Texas.

g. **Easement:**
Recorded: Volume 4088, Page 466, Deed Records, Travis County, Texas.
Purpose: electric and telephone

h. **All leases, grants, exceptions or reservation of coal, lignite, oil, gas and other mineral, together with all rights, privileges, and immunities relating thereto appearing in the public records whether listed in Schedule B or not. There may be leases, grants, exceptions or reservations of mineral interest that are not listed.**

COMMITMENT FOR TITLE INSURANCE

SCHEDULE C

Your Policy will not cover loss, costs, attorneys' fees, and expenses resulting from the following requirements that will appear as Exceptions in Schedule B of the Policy, unless you dispose of these matters to our satisfaction, before the date the Policy is issued:

1. Documents creating your title or interest must be approved by us and must be signed, notarized and filed for record.

2. Satisfactory evidence must be provided that:

   a. no person occupying the land claims any interest in that land against the persons named in paragraph 3 of Schedule A,

   b. all standby fees, taxes, assessments and charges against the property have been paid,

   c. all improvements or repairs to the property are completed and accepted by the owner, and that all contractors, subcontractors, laborers and suppliers have been fully paid, and that no mechanic's, laborer's or materialmen's liens have attached to the property,

   d. there is legal right of access to and from the land,

   e. (on a Loan Policy only) restrictions have not been and will not be violated that affect the validity and priority of the insured mortgage.

3. You must pay the seller or borrower the agreed amount for your property or interest.

4. Any defect, lien or other matter that may affect title to the land or interest insured, that arises or is filed after the effective date of this Commitment.

5. **Lien in Favor of City of Austin:**

Recorded:	**Volume 13111, Page 3978, Real Property Records, Travis County, Texas.**
Amount:	**$59.00**
Dated:	**12/26/1997**
Purpose:	**Emergency Board and Secure Lien**

6. **Company must be furnished a properly executed Corporate Resolution in recordable form of the Board of Directors of Urban Renewal Agency of the City of Austin authorizing the proposed transaction and establishing the authority of the officers to act on behalf of the corporation.**

   In addition, company requires verification from the Secretary of State that corporation is in existence and in good standing.

7. **Please furnish the names of the parties to be insured herein. Upon receipt of said names, additional requirements may be made.**

8. **NOTICE: Title Company is unwilling to issue the Title Policy without the general mineral exception(s) set out in Schedule B hereof pursuant to Procedural Rule P-5.1. Optional endorsements (T19.2 and T19.3) insuring certain risks involving minerals, and the use of improvements (excluding lawns, shrubbery and trees) and permanent buildings may be available for purchase upon request of the Proposed Insured. Neither this Policy, nor the optional endorsements, insure that the purchaser has title to the mineral rights related to the surface estate. (Loan Policy only)**

9. **Payment of any and all ad valorem taxes which may be due and payable on the subject property.**

10. **Company requires Owner, Seller and/or Borrower to complete an Affidavit of Debts and Liens prior to the issuance of the Title Insurance Policy.**

Continuation of Schedule C

G.F. No. **1214159-COM**

11. **Company must be furnished with a properly executed Waiver of Inspection signed by the Purchaser.**

12. **Good Funds in an amount equal to all disbursements must be received and deposited before any funds may be disbursed. Partial disbursements prior to the receipt and deposit of good funds are not permitted. Good Funds means cash, wire transfer, certified checks, cashier's checks and teller checks. Company reserves the right to require wired transfer of funds in accordance with Procedural Rule P-27 where immediate disbursement is requested.**

13. **ARBITRATION: The Owner Policy of Title Insurance (Form T-1) and the Loan Policy of Title Insurance (Form T-2) contain an arbitration provision. It allows the Insured or the Company to require arbitration if the amount of insurance is $2,000,000 or less. If the insured wants to retain the right to sue the Company in case of a dispute over a claim, the Insured must request deletion of the arbitration provision before the Policy is issued. The Insured may do this by signing the Deletion of Arbitration Provision form and returning it to the Company at or before the closing of the real estate transaction or by writing to the Company. {The Arbitration Provision may not be deleted on the Texas Residential Owner Policy of Title Insurance (Form T-1R).}**

14. ***NOTICE:*** **Pursuant to Procedural Rule P-71, Company may, upon request and if a licensed Agent in the County, issue a T-53 Texas Residential Limited Coverage Chain of Title Policy covering a period of 60 months, showing the following documents filed in the Official Public Records: none**

Countersigned
Independence Title Company

By_____
Authorized Signatory

COMMITMENT FOR TITLE INSURANCE

SCHEDULE D

G.F. No. or File No. **1214159-COM** Effective Date: **June 12, 2012, 08:00 am**

Pursuant to the requirements of Rule P-21, Basic Manual of Rules, Rates and Forms for the writing of Title Insurance in the State of Texas, the following disclosures are made:

1. The following individuals are directors and/or officers, as indicated, of the Title Insurance Company issuing this Commitment

CHICAGO TITLE INSURANCE COMPANY, a Nebraska Corporation

Officers:		**Directors:**
President	Raymond Randall Quirk	Edson Nye Burton, Jr.
Executive Vice President	Anthony John Park	Harry Statten Geer, Jr.
Secretary	Michael Louis Gravelle	Raymond Randall Quirk
Treasurer	Daniel Kennedy Murphy	Anthony John Park
		Theodore L. Kessner
		Michael Joseph Nolan

Fidelity National Financial, Inc. owns 100% of FNTG Holdings Inc. which owns 100% of Fidelity National Title Group, Inc. which owns 100% of **Chicago Title Insurance Company.**

2. (a) A listing of each shareholder, owner, partner, or other person having, owning or controlling one percent (1%) or more of the Title Insurance Agent that will receive a portion of the premium:

ITCOT, LLC

(b) A listing of each shareholder, owner, partner, or other person having, owning or controlling 10 percent (10%) or more of an entity that has, owns or controls one percent (1%) or more of the Title Insurance Agent that will receive a portion of the premium:

Jay Southworth
Brian Pitman
FSBT Holdings, Inc.

(c) The following is a list of it's officers and directors:

Brian Pitman, President/COO
Jay Southworth, Chairman/CEO

3. You are entitled to receive advance disclosure of settlement charges in connection with the proposed transaction to which this commitment relates. Upon your request, such disclosure will be made to you. Additionally, the name of any person, firm or corporation receiving a portion of the premium from the settlement of this transaction will be disclosed on the closing or settlement statement.

You are further advised that the estimated title premium* is:

Owners Policy	**$0.00**
Loan Policy	**$0.00**
Endorsement Charges	**$0.00**
Other	**$0.00**
Total	**$0.00**

Of this total amount: 15% will be paid to the policy issuing Title Insurance Company: 85% will be retained by the issuing Title Insurance Agent; and the remainder of the estimated premium will be paid to other parties as follows:

Continuation of Schedule D

G.F. No. 1214159-COM

Amount	To Whom	For Services

*The estimated premium is based upon information furnished to us as of the date of this Commitment for Title Insurance. Final determination of the amount of the premium will be made at closing in accordance with the Rules and Regulations adopted by the Commissioner of Insurance.

This commitment is invalid unless the insuring provisions and Schedules A, B, and C are attached.

TEXAS TITLE INSURANCE INFORMATION

Title insurance insures you against loss resulting from certain risks to your title.	El seguro de titulo le asegura en relacion a perdidas resultantes de ciertos riesgos que pueden afectar el titulo de su propiedad.
The Commitment for Title Insurance is the title insurance company's promise to issue the title insurance policy. The Commitment is a legal document. You should review it carefully to completely understand it before your closing date.	El Compromiso para Seguro de Titulo es la promesa de la compania aseguradora de titulos de emitir la poliza de seguro de titulo. El Compromiso es un documento legal. Usted debe leerio cuidadosamente y entendario completamente antes de la fecha para finalizar su transaccion.

Your Commitment for Title Insurance is a legal contract between you and us. The Commitment is not an opinion or report of your title. It is a contract to issue you a policy subject to the Commitment's terms and requirements.

Before issuing a Commitment for Title Insurance (the Commitment) or a Title Insurance Policy (the Policy), the Title Insurance Company (the Company) determines whether the title is insurable. This determination has already been made. Part of that determination involves the Company's decision to insure the title except for certain risks that will not be covered by the Policy. Some of these risks are listed in Schedule B of the attached Commitment as Exceptions. Other risks are stated in the Policy as Exclusions. These risks will not be covered by the Policy.

Another part of the determination involves whether the promise to insure is conditioned upon certain requirements being met. Schedule C of the Commitment lists these requirements that must be satisfied or the Company will refuse to cover them. You may want to discuss any matters shown on Schedules B and C of the Commitment with an attorney. These matters will affect your title and your use of the land.

When your Policy is issued, the coverage will be limited by the Policy's Exceptions, Exclusions and Conditions, defined below.

- EXCEPTIONS are title risks that a Policy generally covers but does not cover in a particular instance. Exceptions are shown on Schedule B or discussed in Schedule C of the Commitment. They can also be added if you do not comply with the Conditions section of the Commitment. When the Policy is issued, all Exceptions will be on Schedule B of the Policy.

- EXCLUSIONS are title risks that a Policy generally does not cover. Exclusions are contained in the Policy but not shown or discussed in the Commitment.

- CONDITIONS are additional provisions that qualify or limit your coverage. Conditions include your responsibilities and those of the Company. They are contained in the Policy but not shown or discussed in the Commitment. The Policy Conditions are not the same as the Commitment Conditions.

You can get a copy of the policy form approved by the State Board of Insurance by calling the Title Insurance Company at or by calling the title insurance agent that issued the Commitment. The State Board of Insurance may revise the policy form from time to time.

You can also get a brochure that explains the Policy from the Texas Department of Insurance by calling 1-800-252-3439.

Before the Policy is issued, you may request changes in the Policy. Some of the changes to consider are:

- Request amendment of the "area and boundary" exception (Schedule B, paragraph 2). To get this amendment, you must furnish a survey or comply with other requirements of the Company. On the Owner Policy, you must pay an additional premium for the amendment. If the survey is acceptable to the Company or if the Company's other requirements are met, your Policy will insure you against loss because of discrepancies or conflicts in boundary lines, encroachments or protrusions, or overlapping of improvements. The Company may then decide not to insure against specific boundary or survey problems by making special exceptions in the Policy. Whether or not you request amendment of the "area and boundary" exception, you should determine whether you want to purchase and review a survey if a survey is not being provided to you.

- Allow the Company to add an exception to "rights of parties in possession." If you refuse this exception, the Company or the title insurance agent may inspect the property. The Company may except to and not insure you against the rights of specific persons, such as renters, adverse owners or easement holders who occupy the land. The Company may charge you for the inspection. If you want to make your own inspection, you must sign a Waiver of Inspection form and allow the Company to add this exception to your Policy.

The entire premium for a Policy must be paid when the Policy is issued. You will not owe any additional premiums unless you want to increase your coverage at a later date and the Company agrees to add an Increased Value Endorsement.

DELETION OF ARBITRATION PROVISION

(Not Applicable to the Texas Residential Owner Policy)

Arbitration is a common form of alternative dispute resolution. It can be a quicker and cheaper means to settle a dispute with your Title Insurance Company. However, if you agree to arbitrate, you give up your right to take the Title Company to court and your rights to discovery of evidence may be limited in the arbitration process. In addition, you cannot usually appeal an arbitrator's award.

Your policy contains an arbitration provision (shown below). It allows you <u>or the Company</u> to require arbitration if the amount of insurance is $2,000,000 or less. If you want to retain your right to sue the Company in case of a dispute over a claim, you must request deletion of the arbitration provision before the policy is issued. You can do this by signing this form and returning it to the Company at or before the Closing of your real estate transaction or by writing to the Company.

The arbitration provision in the Policy is as follows:

"Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, any service in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of Insurance is $2,000,000 or less shall be arbitrated at the option of either the Company or the Insured, unless the Insured is an individual person (as distinguished from an Entity). All arbitrable matters when the Amount of Insurance is in excess of $2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction."

I request deletion of the Arbitration provision.

_____ _____

SIGNATURE DATE

Chicago Title Insurance Company

Premium Amount	Rate Rules	Property Type	County Code	Liability at Reissue Rate			
1	2	3 **3**	4 **453**	5	6	7	8

CHICAGO TITLE INSURANCE COMPANY

TEXAS TITLE INSURANCE INFORMATION

Title Insurance insures you against loss resulting from certain risks to your title. The Commitment for Title Insurance is the Title Insurance Company's promise to issue the Title Insurance Policy. The Commitment is a legal document. You should review it carefully to completely understand it before your closing date.	El seguro de titulo le asegura en relacion a perdidas resultantes de ciertos riesgos que pueden afectar el titulo de su propiedad. El Compromiso para Seguro de Titulo es la promesa de la compania aseguradora de titulos de emitir la poliza de seguro de titulo. El Compromiso es un documento legal. Usted debe leerlo cuidadosamente y entenderlo complemente antes de la fecha para finalizar su transaccion.

Your Commitment for Title Insurance is a legal contract between you and us. The Commitment is not an opinion or report of your title. It is a contract to issue you a Policy subject to the Commitment's terms and requirements.

Before issuing a Commitment for Title Insurance (the Commitment) or a Title Insurance Policy (the Policy), the Title Insurance Company (the Company) determines whether the title is insurable. This determination has already been made. Part of that determination involves the Company's decision to insure the title except for certain risks that will not be covered by the Policy. Some of these risks are listed in Schedule B of the attached Commitment as Exceptions. Other risks are stated in the Policy as Exclusions. These risks will not be covered by the Policy. The Policy is not an abstract of title nor does a Company have an obligation to determine the ownership of any mineral interest.

---**MINERALS AND MINERAL RIGHTS** may not be covered by the Policy. The Company may be unwilling to insure title unless there is an exclusion or an exception as to Minerals and Mineral Rights in the Policy. Optional endorsements insuring certain risks involving minerals, and the use of improvements (excluding lawns, shrubbery and trees) and permanent buildings may be available for purchase. Neither this Policy, nor the optional endorsements, insure that the purchaser has title to the mineral rights related to the surface estate.

Another part of the determination involves whether the promise to insure is conditioned upon certain requirements being met. Schedule C of the Commitment lists these requirements that must be satisfied or the Company will refuse to cover them. You may want to discuss any matters shown in Schedules B and C of the Commitment with an attorney. These matters will affect your title and your use of the land.

When your Policy is issued, the coverage will be limited by the Policy's Exception, Exclusions and Conditions, defined below.

---**EXCEPTIONS** are title risks that a Policy generally covers but does not cover in a particular instance. Exceptions are shown on Schedule B or discussed in Schedule C of the Commitment. They can also be added if you do not comply with the Conditions section of the Commitment. When the Policy is issued, all Exceptions will be on Schedule B of the Policy.

---**EXCLUSIONS** are title risks that a Policy generally does not cover. Exclusions are contained in the Policy but not shown or discussed in the Commitment.

---**CONDITIONS** are additional provisions that qualify or limit your coverage. Conditions include your responsibilities and those of the Company. They are contained in the Policy but not shown or discussed in the Commitment. The Policy Conditions are not the same as the Commitment Conditions.

You can get a copy of the policy form approved by the Texas Department of Insurance by calling Chicago Title Insurance Company at 1-800-442-4303 or by calling the title insurance agent that issued the Commitment. The Texas Department of Insurance may revise the policy form from time to time.

You can also get a brochure that explains the Policy from the Texas Department of Insurance by calling 1-800-252-3439.

Before the Policy is issued, you may request changes in the Policy. Some of the changes to consider are:

---Request amendment of the "area and boundary" exception (Schedule B, paragraph 2). To get this amendment, you must furnish a survey and comply with other requirements of the Company. On the Owner's Policy, you must pay an additional premium for the amendment. If the survey is acceptable to the Company and if the Company's other requirements are met, your Policy will insure you against loss because of discrepancies or conflicts in boundary lines, encroachments or protrusions, or overlapping of improvements. The Company may then decide not to insure against specific boundary or survey problems by making special exceptions in the Policy.

Whether or not you request amendment of the "area and boundary" exception, you should determine whether you want to purchase and review a survey if a survey is not being provided to you.

---Allow the Company to add an exception to "rights of parties in possession." If you refuse this exception, the Company or the title insurance agent may inspect the property. The Company may except to and not insure you against the rights of specific persons, such as renters, adverse owners or easement holders who occupy the land. The Company may charge you for the inspection. If you want to make your own inspection, you must sign a Waiver of Inspection form and allow the Company to add this exception to your Policy.

The entire premium for a Policy must be paid when the Policy is issued. You will not owe any additional premiums unless you want to increase your coverage at a later date and the Company agrees to add an Increased Value Endorsement.

DELETION OF ARBITRATION PROVISION
(Not applicable to the Texas Residential Owner's Policy)

Arbitration is a common form of alternative dispute resolution. It can be a quicker and cheaper means to settle a dispute with your Title Insurance Company. However, if you agree to arbitrate, you give up your right to take the Title Company to court and your rights to discovery of evidence may be limited in the arbitration process. In addition, you cannot usually appeal an arbitrator's award.

Your policy contains an arbitration provision (shown below). It allows you or the Company to require arbitration if the amount of insurance is $2,000,000 or less. If you want to retain your right to sue the Company in case of a dispute over a claim, you must request deletion of the arbitration provision before the policy is issued. You can do this by signing this form and returning it to the Company at or before the closing of your real estate transaction or by writing to the Company.
The arbitration provision in the Policy is as follows:

"Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, any service in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of Insurance is $2,000,000 or less shall be arbitrated at the option of either the Company or the Insured, unless the Insured is an individual person (as distinguished from an Entity). All arbitrable matters when the Amount of Insurance is in excess of $2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction."

_____ _____
SIGNATURE DATE

Fidelity National Financial, Inc.

Privacy Statement

Fidelity National Financial, Inc. and its subsidiaries ("FNF") respect the privacy and security of your non-public personal information ("Personal Information") and protecting your Personal Information is one of our top priorities. This Privacy Statement explains FNF's privacy practices, including how we use the Personal Information we receive from you and from other specified sources, and to whom it may be disclosed. FNF follows the privacy practices described in this Privacy Statement and, depending on the business performed, FNF companies may share information as described herein.

Personal Information Collected

We may collect Personal Information about you from the following sources:

- Information we receive from you on applications or other forms, such as your name, address, social security number, tax identification number, asset information, and income information;
- Information we receive from you through our Internet websites, such as your name, address, email address, Internet Protocol address, the website links you used to get to our websites, and your activity while using or reviewing our websites;
- Information about your transactions with or services performed by us, our affiliates, or others, such as information concerning your policy, premiums, payment history, information about your home or other real property, information from lenders and other third parties involved in such transaction, account balances, and credit card information; and
- Information we receive from consumer or other reporting agencies and publicly recorded documents.

Disclosure of Personal Information

We may provide your Personal Information (excluding information we receive from consumer or other credit reporting agencies) to various individuals and companies, as permitted by law, without obtaining your prior authorization. Such laws do not allow consumers to restrict these disclosures. Disclosures may include, without limitation, the following:

- To insurance agents, brokers, representatives, support organizations, or others to provide you with services you have requested, and to enable us to detect or prevent criminal activity, fraud, material misrepresentation, or nondisclosure in connection with an insurance transaction;
- To third-party contractors or service providers for the purpose of determining your eligibility for an insurance benefit or payment and/or providing you with services you have requested;
- To an insurance regulatory authority, or a law enforcement or other governmental authority, in a civil action, in connection with a subpoena or a governmental investigation;
- To companies that perform marketing services on our behalf or to other financial institutions with which we have joint marketing agreements; and/or
- To lenders, lien holders, judgment creditors, or other parties claiming an encumbrance or an interest in title whose claim or interest must be determined, settled, paid or released prior to a title or escrow closing.

We may also disclose your Personal Information to others when we believe, in good faith, that such disclosure is reasonably necessary to comply with the law or to protect the safety of our customers, employees, or property and/or to comply with a judicial proceeding, court order or legal process.

Disclosure to Affiliated Companies - We are permitted by law to share your name, address and facts about your transaction with other FNF companies, such as insurance companies, agents, and other real estate service providers to provide you with services you have requested, for marketing or product development research, or to market products or services to you. We do not, however, disclose information we collect from consumer or credit reporting agencies with our affiliates or
others without your consent, in conformity with applicable law, unless such disclosure is otherwise permitted by law.

Disclosure to Nonaffiliated Third Parties - We do not disclose Personal Information about our customers or former customers to nonaffiliated third parties, except as outlined herein or as otherwise permitted by law.

Confidentiality and Security of Personal Information
We restrict access to Personal Information about you to those employees who need to know that information to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard Personal Information.

Access to Personal Information/
Requests for Correction, Amendment, or Deletion of Personal Information
As required by applicable law, we will afford you the right to access your Personal Information, under certain circumstances to find out to whom your Personal Information has been disclosed, and request correction or deletion of your Personal Information. However, FNF's current policy is to maintain customers' Personal Information for no less than your state's required record retention requirements for the purpose of handling future coverage claims.

For your protection, all requests made under this section must be in writing and must include your notarized signature to establish your identity. Where permitted by law, we may charge a reasonable fee to cover the costs incurred in responding to such requests. Please send requests to:

Chief Privacy Officer
Fidelity National Financial, Inc.
601 Riverside Avenue
Jacksonville, FL 32204

Changes to this Privacy Statement
This Privacy Statement may be amended from time to time consistent with applicable privacy laws. When we amend this Privacy Statement, we will post a notice of such changes on our website. The effective date of this Privacy Statement, as stated above, indicates the last time this Privacy Statement was revised or materially changed.

INDEPENDENCE TITLE COMPANY

PRIVACY NOTICE

You have chosen to do business with Independence Title Company and we are obligated to honor the relationship with great care, beginning with the confidential information that may come into our possession during the course of your transaction with us. We believe that your privacy should not be compromised and are committed to maintaining the confidentiality of that information.

You can be assured that we are respecting your privacy and safeguarding your "*nonpublic personal information*". Nonpublic personal information is information about you that we collect in connection with providing a financial product or service to you. Nonpublic personal information does not include information that is available from Public sources, such as telephone directories or government records.

We collect nonpublic personal information about you from the following sources:

- Information we receive from you on applications or other forms
- Information about your transaction with us
- Information about your transactions with nonaffiliated third parties
- Information we receive from a consumer–reporting agency

We respect the privacy of our customers, and we will not disclose nonpublic personal information about our customers or former customers to anyone, except as permitted by law.

We restrict access to nonpublic personal information about you to those employees who need that information to provide products or services to you.

We maintain physical, electronic, and procedural safeguards that comply with federal standards to guard your nonpublic personal information.

We will not disclose nonpublic personal information about our customers or former customers to nonaffiliated third parties, except as permitted by law.

Independence Title Company recognizes and respects the privacy expectations of our customers. We want our customers to understand our commitment to privacy in our use of customer information. Customers who have any questions about this Privacy Policy or have any questions about the privacy of their customer information should call **Independence Title Company at (512) 454-4500.**

IMPORTANT NOTICE

To obtain information or make a complaint:

You may call your title insurance company's toll-free telephone number for information or to make a complaint at:

1-800-442-4303

You may also write to your title insurance company at:

2001 Bryan Street, Suite 1700
Dallas, Texas 75201

You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at:

1-800-252-3439

You may write the Texas Department of Insurance:

P.O. Box 149104
Austin, TX 78714-9104
Fax: (512) 475-1771
Web: http://www.tdi.state.tx.us
E-mail: ConsumerProtection@tdi.state.tx.us

PREMIUM OR CLAIM DISPUTES:
Should you have a dispute concerning your premium or about a claim you should contact the company first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

ATTACH THIS NOTICE TO YOUR POLICY:
This notice is for information only and does not become a part or condition of the attached document.

AVISO IMPORTANTE

Para obtener informacion o para someter una queja:

Usted puede llamar al numero de telefono gratis compania de seguros de titulo de title para informacion o para someter una queja al:

1-800-442-4303

Usted tambien puede escribir a compania seguros de titulo de title

2001 Bryan Street, Suite 1700
Dallas, Texas 75201

Puede comunicarse con el Departamento de Seguros de Texas para obtener informacion acerca de companias, coberturas, derechos o quejas al:

1-800-252-3439

Puede escribir al Departamento de Seguros de Texas:

P.O. Box 149104
Austin, TX 78714-9104
Fax: (512) 475-1771
Web: http://www.tdi.state.tx.us
E-mail: ConsumerProtection@tdi.state.tx.us

DISPUTAS SOBRE PRIMAS O RECLAMOS:
Si tiene una disputa concerniente a su prima o a un reclamo, debe comunicarse con el la compania) primero. Si no se resuelve la disputa, puede entonces comunicarse con el departamento (TDI).

UNA ESTE AVISO A SU POLIZA: Este aviso es solo para proposito de informacion y no se convierte en parte o condicion del documento adjunto.

APPRAISAL

TRACT 3 - EAST 11TH AND EAST 12TH STREETS REVITALIZATION PROJECT

1120 EAST 12TH STREET, CITY OF AUSTIN, TRAVIS COUNTY, TEXAS

FILE #: 4759.02A

EFFECTIVE DATE OF APPRAISAL: MARCH 19, 2013
DATE OF REPORT: MARCH 25, 2013

Prepared for
CITY OF AUSTIN
OFFICE OF REAL ESTATE SERVICES
P.O. BOX 1088
AUSTIN, TEXAS 78767-8839

Prepared by

J. L. CRAFT, MAI
J. L. CRAFT & ASSOCIATES
REAL ESTATE APPRAISAL
911 WEST ANDERSON LANE, SUITE 210
AUSTIN, TEXAS 78757

J. L. CRAFT & ASSOCIATES

REAL ESTATE APPRAISAL
911 WEST ANDERSON LANE, SUITE 210
AUSTIN, TEXAS 78757

512-502-8665
FAX 512-343-6329
jlcraft@theareagroup.com

March 25, 2013

Mr. Justin Steinhauer
City Of Austin
Office of Real Estate Services
P.O. Box 1088
Austin, Texas 78767-8839

RE: Project: East 11th and East 12th Streets Revitalization Project
1120 East 12th Street, Austin, Texas
File #: 4759.02A COA Assignment No. 44-268.02A

Dear Mr. Steinhauer:

The City of Austin is the client and intended user of this Self-Contained Appraisal. The intended use of the appraisal is to assist the City of Austin in its internal decision-making process and for disposition purposes by forming an opinion of the market value of the above referenced property.

This appraisal was conducted in accordance with the *Uniform Appraisal Standards for Federal Land Acquisitions* and the *Uniform Standards of Professional Appraisal Practice* (except to the extent that the *Uniform Appraisal Standards for Federal Land Acquisitions* required invocation of USPAP's Jurisdictional Exception Rule as described in Section D-1 of the *Uniform Appraisal Standards for Federal land Acquisitions*); and Code of Professional Ethics of the Appraisal Institute.

My opinion of the market value of the fee simple estate of the identified real property with an effective date of appraisal of March 19, 2013 is:

FOUR HUNDRED FORTY TWO THOUSAND DOLLARS
($442,000)

My opinions and conclusions are based on certain assignment conditions noted in the following sections of the report: *Assumptions and Limiting Conditions* and *Scope of Work*.

Respectfully submitted,

J. L. Craft, PH.D., MAI
State Certified Appraiser TX-1320255-G

APPRAISAL SUMMARY
FOR
OFFICE OF REAL ESTATE SERVICES
CITY OF AUSTIN

Project Name:	East 11th and East 12th Streets Revitalization Project
Date of Report:	March 25, 2013
Date of Inspection:	March 19, 2013
Effective Date of Appraisal:	March 19, 2013
Subject Property:	13,200 SF vacant lot at the northwest corner of Navasota Street and East 12th Street
Address:	1120 East 12th Street
Owner:	Urban Renewal Agency of the City of Austin
Property Rights Appraised:	Fee Simple Estate
Type of Report:	Self-Contained
Market Value Opinion:	$442,000
Appraiser:	J. L. Craft, PH.D., MAI

CERTIFICATION

1120 EAST 12TH STREET
CITY OF AUSTIN, TRAVIS COUNTY, TEXAS

I certify that, to the best of my knowledge and belief:

- the statements of fact contained in this report are true and correct.
- the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- I have performed services, as an appraiser, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- my engagement in this assignment was not contingent upon developing or reporting predetermined results.
- my compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- this appraisal was conducted in accordance with the *Uniform Appraisal Standards for Federal Land Acquisitions* and the *Uniform Standards of Professional Appraisal Practice* (except to the extent that the *Uniform Appraisal Standards for Federal Land Acquisitions* required invocation of USPAP's Jurisdictional Exception Rule as described in Section D-1 of the *Uniform Appraisal Standards for Federal land Acquisitions*); and Code of Professional Ethics of the Appraisal Institute.
- the reported analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the *Uniform Standards of Professional Appraisal Practice.*
- I have made a personal inspection of the property that is the subject of this report; the property owner or owner's designated representative was given an opportunity to accompany the appraiser during the inspection of the property.
- no one provided significant real property appraisal assistance to the persons signing this certification.
- as of the date of this report, I, J. L. Craft, have completed the continuing education program of the Appraisal Institute.
- the use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

J. L. CRAFT, PH.D., MAI
State Certified Appraiser TX-1320255-G

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Appraisal Summary
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Documents & Data

Market Data
Title Commitment Schedules A-C
Metes and Bounds
Notice to Proceed
Qualifications of Appraiser

The following documents are in the Workfile of this report and are publicly available as noted.

	COA Ordinance	**Ordinance recorded, TCDR**
Urban Renewal Plan	990114-10	Document # 1999157295 & 2000078958
	010802-89	Document # 2002204815
	030731-49	Document # 2003189506
	20050407-060	Document # 2005075165
	20080228-113	Document # 2008169755
East 12th St. NCCD	20080228-087	NA

EAST 11TH AND EAST 12TH STREETS REVITALIZATION PROJECT

1120 EAST 12th STREET
CITY OF AUSTIN, TRAVIS COUNTY, TEXAS

1. ASSIGNMENT ELEMENTS

Client:	City of Austin
Intended User:	City of Austin
Intended Use:	To assist the City of Austin in its internal decision-making process and for disposition purposes by forming an opinion of market value of the identified property
Definition of Value:	The price which the property would bring when its offered for sale by one who desires, but is not obligated to sell, and is bought by one who is under no necessity of buying it, taking into consideration all of the uses to which it is reasonably adaptable and for which it either is or in all reasonable probability will become available within the reasonable future. *From the Court Case of City of Austin vs. Cannizzo, et al, 267 S.W.2d 808, 815 (1954)*
Project Name:	East 11th and East 12th Streets Revitalization Project
Subject Property:	13,200 SF vacant lot at the northwest corner of Navasota Street and East 12th Street
Larger Parcel:	13,200 SF vacant lot
Location:	1120 East 12th Street, Austin, Texas
Owner:	Urban Renewal Agency of the City of Austin
Property Rights Appraised:	Fee Simple Estate Fee simple estate is defined as: A title that signifies ownership of all the rights in a parcel of real property subject only to the four powers of government. American Institute of Real Estate Appraisers, *The Dictionary of Real Estate Appraisal*, Second Edition, (Chicago, 1989), page 120
Effective Date of Appraisal:	March 19, 2013
Dates of Inspection:	March 19, 2013
Date of Report:	March 25, 2013
Type of Report:	Self-Contained

2. PROPERTY DESCRIPTION

CENTRAL EAST AUSTIN NEIGHBORHOOD PLANNING AREA

Photographs taken by J. L. Craft, MAI on March 19, 2013

1. LOOKING WEST ALONG E. 12th ST. FROM SUBJECT'S SEC

2. LOOKING EAST ALONG E. 12th ST. FROM SUBJECT'S SWC

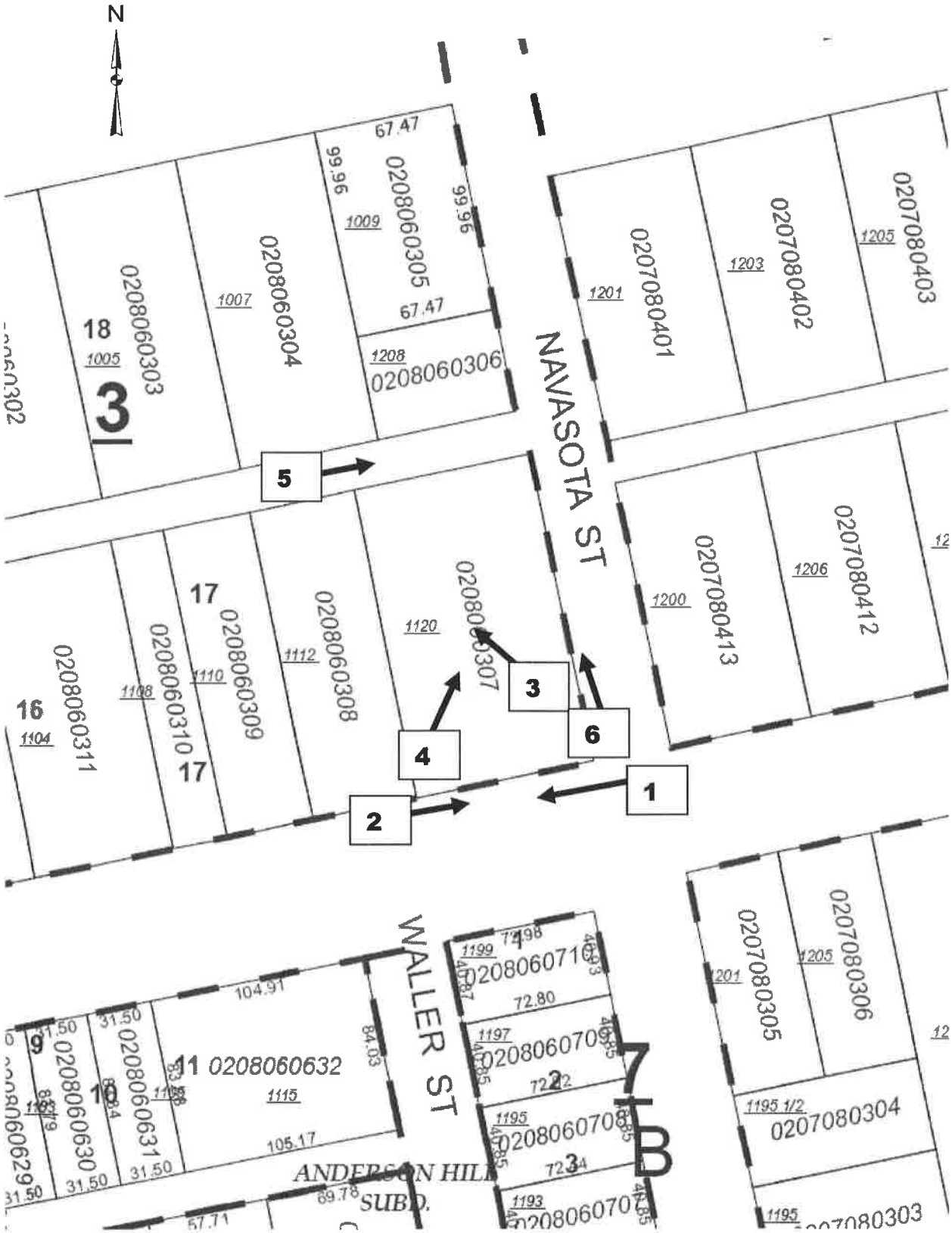
3. LOOKING NORTHWEST ACROSS SUBJECT FROM ITS SEC

4. LOOKING NORTHEAST ACROSS SUBJECT FROM ITS SWC

5. LOOKING EAST ALONG ALLEY FROM SUBJECT'S NWC

6. LOOKING NORTH ALONG NAVASOTA ST. FROM SUBJECT'S SEC

PLAT WITH GUIDE TO PHOTOGRAPHS



Legal Description:	A tract of land being 88′ x 150′, more or less, out of the subdivision of Outlot No. 41 in Division B of the City of Austin, the same being more particularly described by metes and bounds in the deed to Anderson community Development recorded in Volume 13124 Records, Travis County, Texas
Location:	Northwest corner of East 12th Street and Navasota Street
Address:	1120 East 12th Street
Size:	13,200 SF
Dimensions:	88′ (E. 12th St.) x 150′ x 88′ x 150′ (Navasota St.)
Shape:	Rectangular
Access:	East 12th Street, Navasota Street, and 20′ alley
Soils & Terrain:	The soils and subsoils are typical for the area being Urban Land with Bracket and Travis soils. Urban Land is so altered by roads, parking lots, sidewalks, and other public works that it does not resemble any defined soil series. The East 12th Street frontage is level, then slopes down gently toward the rear.
Flood Plain:	The site is not within a flood hazard zone as defined and identified by the City of Austin floodplain maps.
Utilities:	The site has City of Austin electricity, water, and wastewater available.
10- Year History:	Fern Govan, Administratrix of the Estate of Emma Marie Davis Gilbert, Deceased conveyed the subject property to Anderson Community Development Corporation on February 19, 1998, Volume 13124, Page 1079. The City of Austin conveyed the property to the Urban Renewal Agency of the City of Austin on April 2, 2004, Document #2004071161. No listings or offers are known.

Easements:

Easement:
Recorded: Volume 4088, Page 1466, Deed Records, Travis County, Texas.
To: City of Austin
Purpose: Electric and Telephone

Notice Regarding: Urban Renewal Plan
Recorded: Document No. 1999157295, amended in Document No. 2000078958, Official Public Records, Travis County, Texas.
Type: Ordinance No. 990114-10

Recorded: Document No. 2002204815 Official Public Records, Travis County, Texas.
Type: Ordinance No. 010802-89

Recorded: Document No. 2005075165, Official Public Records, Travis County, Texas.
Type: Ordinance No. 20050407-060

Recorded: Document No. 2003189506, Official Public Records, Travis County, Texas.
Type: Ordinance No. 030731-49

Recorded: Document No. 2008169755, Official Public Records, Travis County, Texas.
Type: Ordinance No. 20080228-113

Assessed Values, Jurisdictions, &Tax Rates:

PARCEL NO.	ADDRESS	LAND	JURISDICTION	TAX RATE
02-0806-0307	1120 E. 12th Street	$198,000	Austin ISD	1.2420
			City of Austin	0.4811
			Travis County	0.4855
			ACC	0.0948
			Travis Co. Healthcare Dist.	0.0789
			TOTAL	2.3823

AERIAL

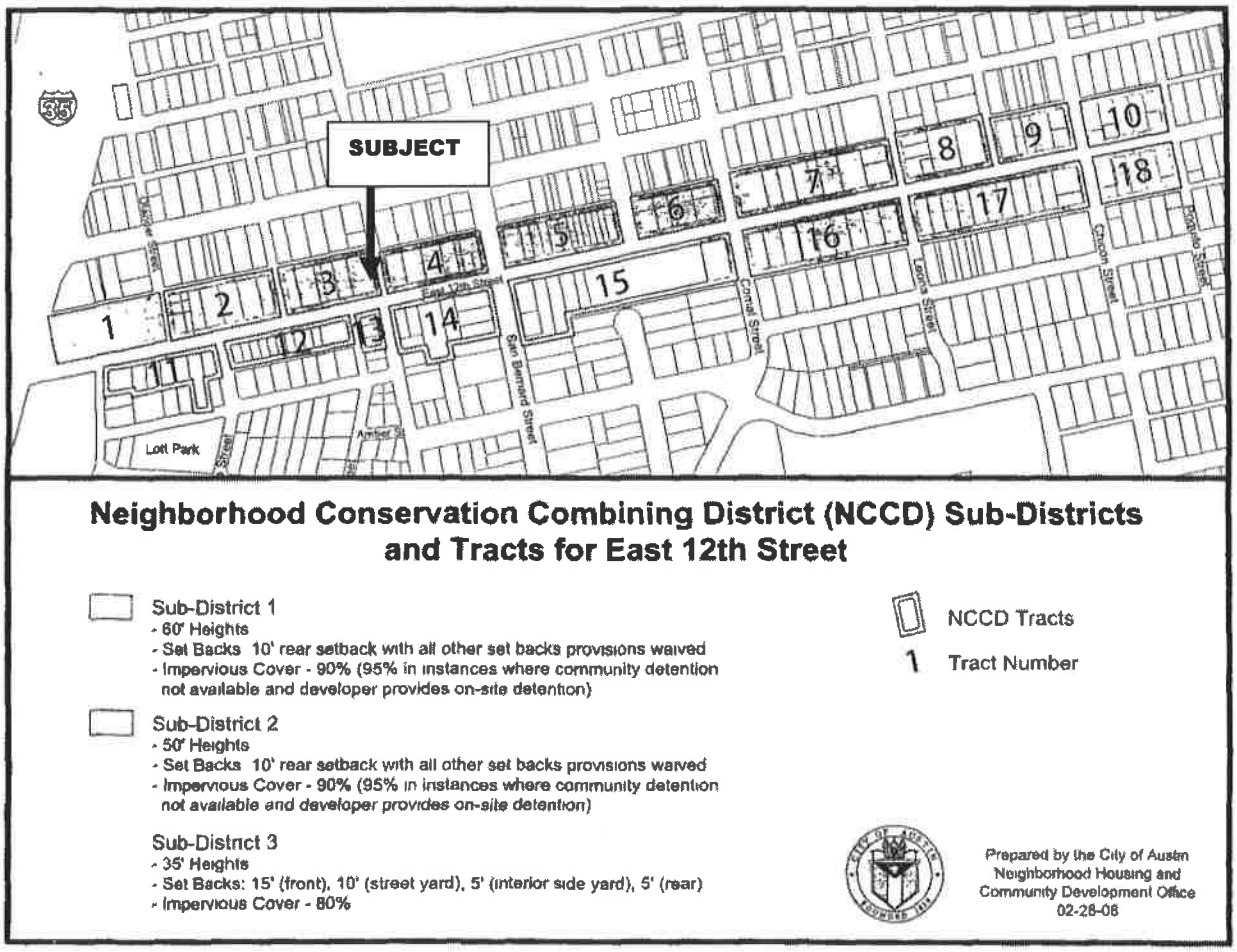
E 13th St
Oleander St
SUBJECT
E 12th St
Catalpa St
Amber St
Olive St
Olive St
N Webster St
© 2012 Google
Google earth

PLAT

13 TH
STREET
WALLER
STREET
12 TH
STREET
EAST
STREET
CATALPA
CURVE
OLIVE
STREET
AMBER STREET
MYRTLE STRE
N

NCCD MAP

Subject is part of *Tract 3* and in Sub-District 2.



Zoning, Regulations, and Restrictions

The subject is zoned "CS-MU- NCCD-NP". The base zoning is "CS-MU-NP":

"CS": Community Commercial
"MU": Mixed Use
"NP": Central East Austin Neighborhood Plan,

The subject is in the Urban Renewal Plan (URP) and East 12th Street NCCD and would be developed in conformance to them.

The Central East Austin Neighborhood Plan states (in Appendix H) that the (URP) is the official redevelopment policy guidelines for the Central East Austin community and provides a continual mechanism for community-based participating in ongoing implementation of all redevelopment along its commercial corridors.

The Urban Renewal Plan indicates the following that applies to the subject (Project Number 12-3):

> Permitted use: Mixed use between Branch & Curve; townhouses, between Curve & Waller excluding 1115 E. 12th which will be commercial; single family residential between Waller & Navasota on the south side of 12th St; ***mixed use or publicly-funded community parking between Waller and Navasota on the north side of 12th St.*** [my italics and bold] (Ordinance No. 20050407-060, effective April 18, 2005)

The term *mixed use,* as it applies to the subject property, is defined below:

> "Mixed-use" means a building that provides for a combination of uses, requiring retail or office uses; on the ground floor (except for the exclusion of pawn shops; automobile sales, automotive sales, rentals and repairs; gas stations and adult oriented businesses), and some combination office/retail and/or office and residential uses on the other floors. Retail, office and residential uses referred to herein are as defined in the Land Development Code, as amended from time to time. Single story buildings and buildings less than 2000 sf on East 12th Street and single story buildings East 11th Street will not be required to provide a combination of uses, provided the use is retail, office or residential (except for the exclusion of pawn shops; automobile sales, automotive sales, rentals and repairs; gas stations and adult oriented businesses). Retail, office and residential uses referred to herein are as defined in the Land Development Code, as amended from time to time. (Ordinance No. 20050407-060, effective April 18, 2005)

The NCCD: the subject property is within Sub-District 2, the *East 12th Street Neighborhood Conservation Combining District* (Ordinance No. 20080228-087).

SUB-DISTRICT 2 - Sites generally on the northside of East 12th Street from Olander Street to Poquito Street, the southwest and southeast corners of Comal Street and East 12th Street, and the southside of East 12th Street between Comal Street and Poquito Street.

Site Development Standards for Sub-District 2:

Minimum Setbacks:		
Front Yard	:	None
Street Side Yard	:	None
Interior Side Yard	:	None
Rear Yard	:	10′
Maximum Impervious Cover	:	90% of Lot Area
Building Heights	:	50'
FAR	:	No maximum

Parking: The combined total of on-site and remote spaces will not be less than 80% of Land Development Code parking requirement. Community parking lots will be developed within the district and available for use.

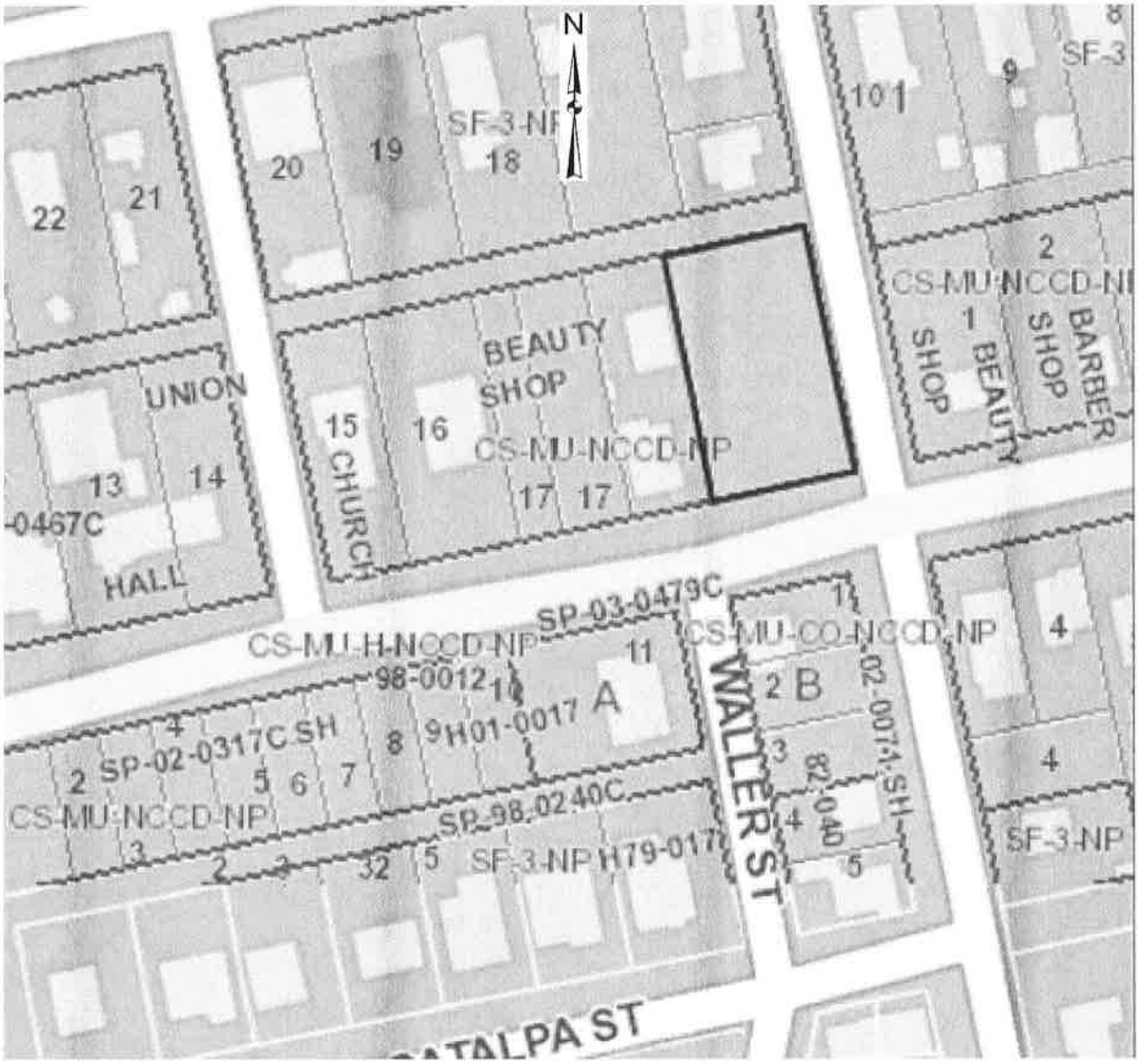
The subject parcel is within an Urban Watershed, Waller Creek, and must comply with the Urban Watershed Ordinance. Development would require participation in a regional storm water management program or construction of on-site detention ponds.

The following uses are prohibited in the East 12th Street NCCD. Those uses currently existing are allowed to continue as a legal non-conforming use as per the Land Development Code, section 25-2-941:

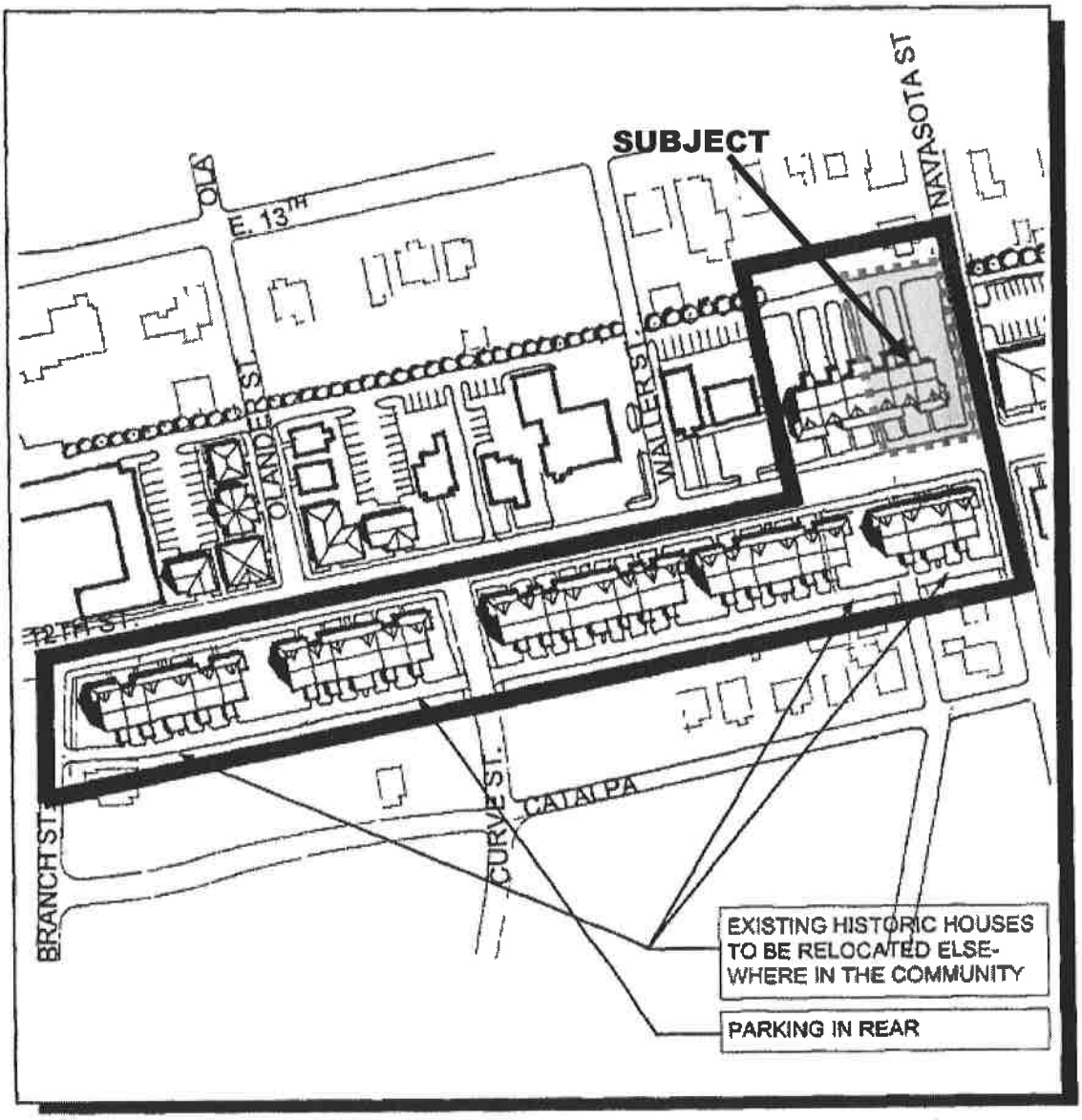
1. Adult-Oriented Businesses
2. Automotive Rental
3. Automotive Repair
4. Automotive Sales
5. Automotive Washing
6. Bail Bond Services
7. Campground
8. Carriage Stable
9. Cocktail Lounge*
10. Laundry Service
11. Commercial Plasma Center
12. Convenience Storage
13. Drop-off recycling Collection Facility
14. Drive Through Services as an accessory use to a restaurant
15. Equipment Repair Services
16. Equipment Sales
17. Exterminating Services
18. Kennels
19. Liquor Sales
20. Pawn Shop Services
21. Outdoor Entertainment
22. Outdoor Recreation
23. Service Stations
24. Telecommunication Tower (if sited on ground)
25. Vehicle Storage
26. Veterinary Services

* Cocktail Lounge is a conditional use 1808-1812 E 12th Street.

ZONING MAP


N
SF-3-NP
20
19
18
22
21
10
1
9
SF-3
2
CS-MU-NCCD-NP
1
SHOP
BEAUTY
SHOP
BARBER
BEAUTY
SHOP
UNION
15
16
CHURCH
CS-MU-NCCD-NP
13
14
17
17
-0467C
HALL
SP-03-0479C
CS-MU-H-NCCD-NP
11
CS-MU-CO-NCCD-NP
4
98-0012
10
A
2 B
02-0071-SH
4
SP-02-0317C-SH
8
9
H01-0017
2
5
6
7
3
82-040
4
CS-MU-NCCD-NP
SP-98-0240C
4
SF-3-NP
3
2
3
32
5
SF-3-NP
H79-017
5
WALLER ST
ATALPA ST

FROM ORDINANCE 990114-10 (RECORDED DOC. # 1999157295)



PROJECT NUMBER/NAME	12-3/SCIP II TOWNHOUSES-SOUTH
Project Location	South side of 12th St between Waller St and Branch St
Reuse Objective	Provide New Ownership Housing Opportunities on 12th St
Project Controls	
Site Area	3 2 Acres
Permitted Use	Townhouses
Allowable Height/Permitted FAR	35 foot maximum/ 0 36 Total Maximum FAR
New Commercial Space	0
Commercial Space to be Preserved	0
Potential New Housing Units	30-36
Existing Housing to be Preserved	0
Community Parking Spaces	0
Residential Parking Spaces	60-77 (2 spaces per unit)
Potential Demolition	6 houses and up to 1,400 square feet of commercial/retail

Figure 4-16: SCIP II Townhouses-South

page 25

3. ASSUMPTIONS & LIMITING CONDITIONS

This appraisal is subject to the following assumptions:

1. Title to the ownership interest appraised being free of easements, encumbrances, leases, liens, restrictions and other limitations, except as noted.

2. Title to the ownership interest appraised being "good and marketable."

3. The property being under responsible ownership and competent management.

4. There being no hidden or unknown soil or subsurface conditions, which, if known, would render the property more or less valuable.

5. The property has no significant environmental concerns, based on the prior purchase by City of Austin which required an Environmental Site Assessment.

6. All information considered in the formation of the opinions, estimates, and conclusions set forth herein being factual, true, and correct.

7. Site is buildable and there is no significant impediment to any lot from a tree designated as a Heritage or Protected Tree.

The appraisal and this report are subject to the following limiting conditions:

1. The appraiser is not qualified to render an "opinion of title"; hence, no responsibility is accepted or assumed for matters of a legal nature affecting the property. The title to the property has been appraised assuming it to be marketable and free of encumbrances, except as noted.

2. The appraiser is not qualified to render an opinion as to the suitability of the soil and subsurface for any type of construction, development or use. The appraisal assumes there is no hidden or unknown soil or subsurface conditions that would render the title to the property more or less valuable. The appraiser does not warrant such condition.

3. The appraiser is not qualified to detect the presence of potentially hazardous materials such as urea-formaldehyde foam insulation, asbestos, and toxic wastes.

4. All photographs, sketches, and diagrams within and attached to this report or in the file memoranda are for illustrative purposes, intended to assist a reader in visualizing the property. While believed to accurately represent the property or a concept regarding the property, they are not guaranteed to be exact.

5. The land areas reported herein were obtained from sources deemed reliable. While the appraiser has checked them, they are neither guaranteed nor warranted by the appraiser. The appraiser reserves the right to amend any opinion, recommendation, and/or value conclusion based on an area found to be in error.

6. Information, estimates, and opinions used by the appraiser in forming his recommendations, opinions, and conclusions were obtained from sources thought reliable. While believed to be factual and correct, the accuracy of the information is neither guaranteed nor warranted by the appraiser and the appraiser and reserves the right to amend his conclusions if they are based on misinformation.

7. There is no commercial value to the oil, gas, or mineral interests.

8. The bylaws and regulations of the Appraisal Institute govern disclosure of the contents of this document. As such, this report and its use are subject to review by duly authorized representatives of this organization.

4. SCOPE OF WORK

This appraisal was developed in accordance with the *Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA); Uniform Standards of Professional Appraisal Practice (USPAP)*; and the Code of Ethics of the Appraisal Institute. The subject property consists of a vacant tract of land in an area near the CBD and in the East 12th Street NCCD (Ordinance No. 20080228-087). It was inspected on June 13, 2012 and March 19, 2013.

Per the UASFLA, the Larger Parcel must be determined. The Larger Parcel is usually that tract or tracts of land which have unity of ownership and unity of use (the same highest and best use). Usually the tracts are contiguous. The subject property is a vacant tract consisting of 13,200 SF; it has not been subdivided, but is a legal lot. The Larger Parcel, in my opinion, is the 13,200 SF tract to be developed in accordance with the NCCD and URP.

Though the base zoning allows various uses, the use of the Larger Parcel is specified in the East 11th and 12th Urban Renewal Plan as mixed-use with no maximum FAR, 90% impervious cover, and allowable maximum height of 50′.

The subject's *mixed-use* zoning designation allows commercial, retail, office, or residential with retail or office uses on the ground floor and some combination of office/retail and/or office and residential uses on the other floors. Single story buildings and buildings less than 2,000 SF on East 12th will not be required to provide a combination of uses, provided the use is retail, office or residential.

The Sales Comparison Approach was used for forming an opinion of the subject property. Sales in the neighborhood were researched from public and vendor records, lenders, appraisers, brokers, and other market participants. All data used in the report was verified by J. L. Craft & Associates. The Sales Comparison Approach is based on the assumption that buyers will not pay more for a property than the amount required to purchase a suitable substitute. In application, this approach involves analysis of sales and offerings of properties similar to the subject in an effort to ascertain what prices the comparables might have brought had they possessed the same utility and desirability as the subject under market conditions similar to those existing on the effective date of appraisal. In those instances that the comparable is inferior to the subject, it is reasonable to expect that its price would have been higher had it been similar to the subject; when superior, the comparable most likely would not have brought as high a price had it been similar.

Information about the property and its environment was gathered from inspection of the subject property and neighborhood; various representatives of the City of Austin; and miscellaneous real estate reports, publications, data services, and files.

In accordance with *Section A-12* of the *UASFLA,* Area, City, and Neighborhood Data has been kept to an absolute minimum. (As the subject, comparables, and surrounding area are not in or affected by floodplain, a floodplain map has been omitted.)

Jurisdiction Exception Rule

Section D-1 of the *Uniform Appraisal Standards for Federal Land Acquisitions* requires invocation of USPAP's Jurisdictional Exception Rule. That section provides that the appraiser shall not link the opinion of market value to a specific exposure time and to disregard any changes in the property's neighborhood brought about by the government's project. No changes that would affect the market value of the subject due to the project were noted.

5. HIGHEST AND BEST USE

A definition of highest and best use is:

> ... the reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, and financially feasible and that results in the highest value. Appraisal Institute, *The Appraisal of Real Estate*, Thirteenth Edition (Chicago: 2008), pp. 277, 278.

Highest and best use analysis inspects four criteria in estimating the use that results in the maximum return to the property. Potential uses are examined to determine first which are legally permissible and second, which of those are physically possible. Physically possible and legally permissible uses are then considered for financial feasibility and most productive uses.

Physically Possible. The subject has typical soils, all utilities, and is level to gently rolling. It has frontage on Navasota Street, E. 12th Street, and a paved alley at the rear. The subject is rectangular in shape with an area of 13,200 SF and 88′ frontage on East 12th Street and 150′ frontage on Navasota Street. In short, the subject is physically suitable for improvements and development in accordance with its zoning.

Legally Permissible. The subject property is identified for *Mixed Use* by the Urban Renewal Plan and must follow the site development regulations of Sub-District 2, *East 12th Street NCCD*. (See Pages 12 & 13)

The Urban Renewal Plan indicates the following that applies to the subject (Project Number 12-3):

> Permitted use: Mixed use between Branch & Curve; townhouses, between Curve & Waller excluding 1115 E. 12th which will be commercial; single family residential between Waller & Navasota on the south side of 12th St; ***mixed use or publicly-funded community parking between Waller and Navasota on the north side of 12th St.*** [my italics and bold] (Ordinance No. 20050407-060, effective April 18, 2005)
>
> "Mixed-use" means a building that provides for a combination of uses, requiring retail or office uses; on the ground floor (except for the exclusion of pawn shops; automobile sales, automotive sales, rentals and repairs; gas stations and adult oriented businesses), and some combination office/retail and/or office and residential uses on the other floors. Retail, office and residential uses referred to herein are as defined in the Land Development Code, as amended from time to time. Single story buildings and buildings less than 2000 SF on East 12th Street and single story buildings East 11th Street will not be required to provide a combination of uses, provided the use is retail, office or residential (except for the exclusion of pawn shops; automobile sales, automotive sales, rentals and repairs; gas stations and adult oriented businesses). Retail, office and residential uses referred to herein are as defined in the Land Development Code, as amended from time to time. (Ordinance No. 20050407-060, effective April 18, 2005)

For the subject, the following are important to the subject's use:

> ...a building that provides a combination of uses, requiring retail or office uses; on the ground floor and some combination office/retail and/or office and residential uses on the other floors.
>
> Single story buildings and buildings less than 2000 SF on East 12th Street ... will not be required to provide a combination of uses, provided the use is retail, office or residential.

Accordingly, the subject could be developed with:

residences, being single-story or less than 2,000 SF; for several residences subdivision might be required for separate lots

a combination of retail, office, residential uses in a multi-story building (up to 50′ in height). Uses not permitted include automotive-related, service station, exterminating services and kennels. (see Page 13)

For a multi-story building with a parking garage the following would apply:

1. Requirements for Parking Garages on East 12th Street:

i. All property owners that front both E. 12th Street and a side street must use the side street for the ingress/egress of the parking structure, unless determined by the City's Watershed Protection and Development and Review Department, or its successor, to be infeasible.

ii. For structures of two (2) stories but less than 30' in height, such structures must have complete shielding on the rear side of the structure and the adjacent rear-most fifty percent (50%) of the side walls adjoining such rear wall. Lights shall not be directed nor shall any light splash towards any rear adjacent properties. Overnight parking is limited to residents and their overnight guests.

iii. For structures of two (2) stories but less than 30' in height, such structures must have 75% of ground floor front footage which fronts E. 12th Street must be a pedestrian oriented use. There is a 15' depth requirement for all pedestrian oriented spaces. In the event that ingress/egress fronts such public street, the amount of footage taken up by ingress/egress must be rotated around building so that 75% requirement is met.

Example is a 100' by 100' garage at corner of Waller and E. 12th Street. Developer proposes to have ingress/egress facing E. 12th Street, which has a 30' width. Developer shall have satisfied this requirement if Developer provides 75' of a total front footage of a pedestrian oriented use, meaning an additional 5' of frontage on Waller. Structural pillars only are allowed to decrease the total requirement of 75".

iv. For structures 30' in height or greater, such structures must have complete shielding on the rear side of the structure and the adjacent rear-most fifty percent (50%) of the side walls adjoining such rear wall. Lights shall not be directed nor shall any light splash towards any rear adjacent properties. Overnight parking is limited to residents and their overnight guests.

v. For structures 30' in height or greater, such structures must have 100% of ground floor front footage which fronts E. 12th Street must be a pedestrian oriented use. There is a 15' depth requirement for all pedestrian oriented spaces. In the event that ingress/egress fronts such public street, the amount of footage taken up by ingress/egress must be rotated around building so that the 100% requirement is met.

Example is a 100' by 100' garage at corner of Waller and E. 12th Street. Developer proposes to have ingress/egress facing 12th street, which has a 30' width. Developer must provide the 30' pedestrian oriented use on either Waller, the west side facing towards I-35 or towards the alley, so that there is a total front footage of 100' of a pedestrian oriented use. Structural pillars only are allowed to decrease the total requirement of 100'.

(From Ordinance No. 20080228-113, Recorded Doc. #2008169755)

Economic Considerations. It is beyond the scope of this appraisal assignment to specify the precise use or combination of uses of the subject with respect to office, retail, or residential, the type of building(s) and number of stories, and the type and orientation of parking or a parking garage. In the current market for smaller sites, such as the subject, in the subject neighborhood, there is little difference in price/SF between land developed for residential use and land purchased for commercial or potentially commercial use. New commercial development off of I-35 has been minimal along East 12th Street and East 11th Street.

The current market is more directed to residential development, as (1) financing constraints have eased, (2) apartment rents and occupancies, after two years of little or no construction of apartments, have risen, and (3) lot prices compare favorably with other areas near downtown.

An indication of the commercial land market is the tract located at 1000 East 12th Street, which is 50,063 SF, zoned "CS-MU-NCCD-NP" (same as the subject), and has an approved site plan for ground floor retail, administrative offices, multi-family residential, and townhome residential. It had been on the market for over three years, being listed March 2009 for $1,938,000 or $38.71/SF, and sold for $1,700,000 or $33.96/SF on August 9, 2012.

The market for residential lots and residences in East Austin has picked up since 2008, as financing is more available and Austin's economy is viewed as one of the best in the U.S. Below is a comparison of the lot sales and residential sales in MLS Area 5 (Area 5 is bounded by I-35, MLK, Ed Bluestein & Colorado River) for the selected three month periods:

LOT SALES: AREA 5				
Period	**Sold**	**Median SP**	**%/SP/LP**	**Median DOM**
3/15/11 to 6/14/11	24	$81,250	95%	123
6/15/11 to 9/14/11	16	$85,850	89%	59
9/15/11 to 12/14/12	20	$105,000	96%	189
12/15/12 to 3/14/13	17	$115,000	96%	21
RESIDENCE SALES: AREA 5				
Period	**Sold**	**Median SP**	**%/SP/LP**	**Median DOM**
3/15/11 to 6/14/11	93	$195,000	97%	22
6/15/11 to 9/14/11	89	$190,900	100%	13
9/15/11 to 12/14/12	80	$185,050	98%	16
12/15/12 to 3/14/13	72	$176,000	98%	27

For the Year 3/15/2011 to 3/14/2013, the trend shows a market with (1) lot prices increasing and residential prices slightly decreasing , (2) number of period sales stable for both residences and lots, (3) %SP/LP stable, and (4) days on the market stable for residences with demand increasing for lots during the first quarter of 2013 with a median days on the market of 21.

For the Period 3/15/2012 to 3/14/2013, the market experienced an increase in median lot price by about 42%. The increase in median lot price and the decrease in median residential sales price indicates a demand for new residences instead of older existing residences which predominate Area 5. In the Austin area, 1,626 homes were sold in February 2013, an increase of 26.4% from the 1,286 homes that sold in February 2012.

Conclusion. The highest and best use of the subject property is for residential or mixed use development in accordance with the East 12th Street NCCD and Urban Renewal Plan.

6. SALES COMPARISON APPROACH

Units of Comparison. The price per square foot of land area is a common unit of comparison in the market and is used in this analysis.

The comparables tabulated below are used as the basis for forming an opinion of the market value of the subject site. Additional information on each comparable is included on the market data sheets in the *Documents & Data* Section.

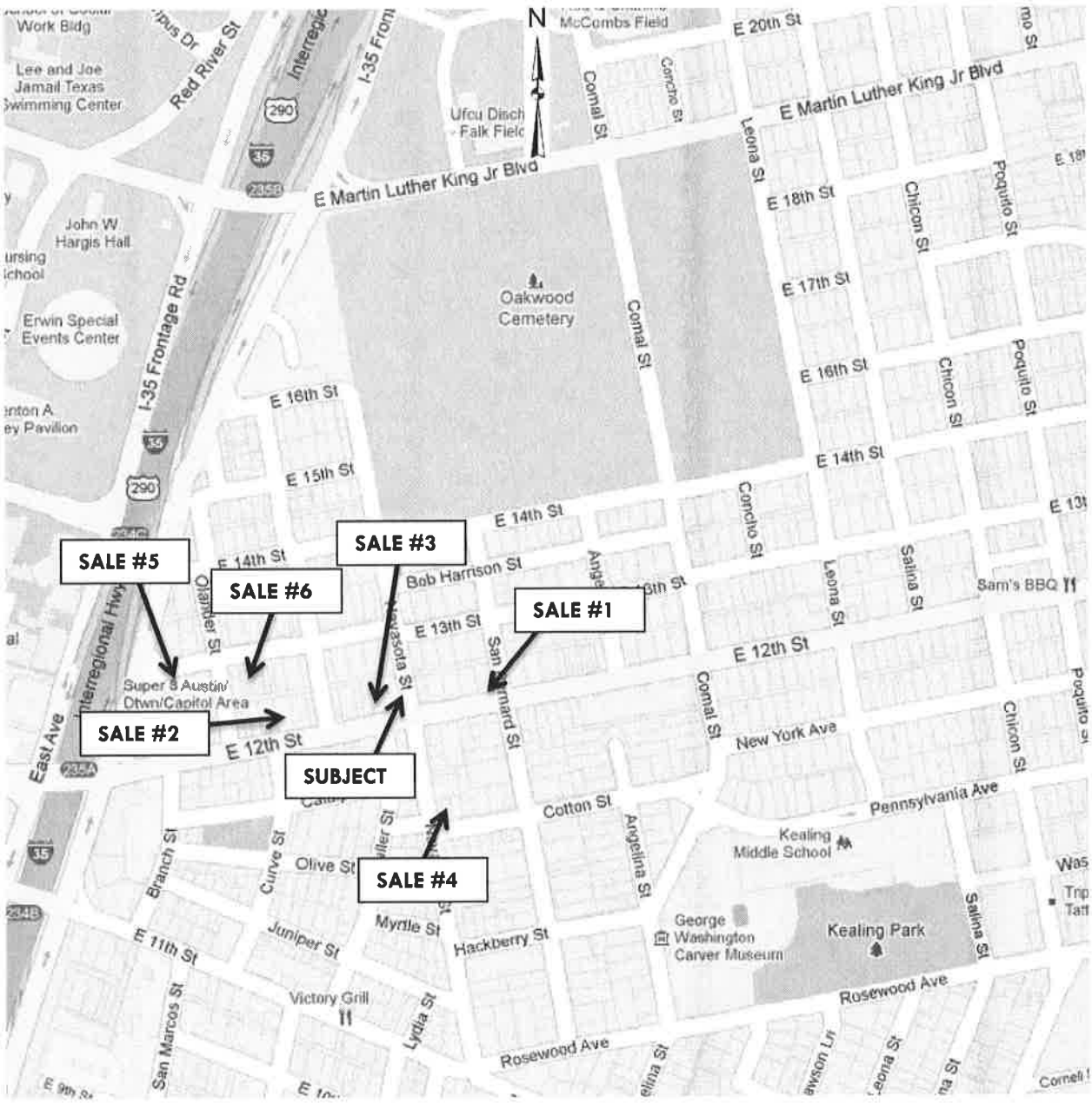
SUMMARY OF SALES

SALE	1	2	3	4	5	6
GRANTOR	Henderson	Alma Tierra Ventures	Harris Properties	Henderson	Easely, et al	Antoine
GRANTEE	Austin Trust Co.	Louie World LLC	Harris 12th, LLP	Smith	Bodner	Austin Newcastle Homes, Ltd.
DOC.#	2012164875 2012164877	2012131944	2005211580	2012202919	2012197436	2012033775
INSTRUMENT	GWD	WD	WD	WD	WD	GWD
DATE	9/28/2012	8/9/2012	6/7/2011	11/28/2012	11/20/2012	4/20/2012
LOCATION	1218 & 1224 E. 12th St.	1000 E. 12th St.	1112 E. 12th St.	1200-1202 Cotton St.	813½ E 13th St.	903 E. 13th St.
SIZE (SF)	17,940	50,063	7,539	7,087	9,597	7,736
UTILITIES	All	All	All	All	All	All
ZONING	CS-MU-NCCD-NP	CS-MU-NCCD-NP	CS-MU-NCCD-NP	SF-3-NP	SF-3-NP	SF-3-NP
FRONTAGE	138' E. 12th; 130' San Bernard	253' E. 12th ; 150' Waller	50' E. 12th	83' Cotton; 86' Navasota	64.15' E 13th	52' E. 13th St.
CORNER	Yes	Yes	No	Yes	No	No
ALLEY ACCESS	Yes	Yes	Yes	No	Yes	Yes
INTENDED USE	Investment	Mixed	Investment	Residential	Residential	Residential
PRICE	$595,000	$1,700,000	$145,000	$270,000	$249,000	$153,000
TERMS	Cash to seller	Cash to seller	Cash to seller	Cash to seller	Cash to seller	Seller
PRICE/SF	$33.17	$33.96	$19.23	$38.10	$25.95	$19.78

(GWD: General Warranty Deed; WD: Warranty Deed)

Comparable sales map is on the following page.

MAP OF COMPARABLES



COMPARABLE SALES

Sale #1. This is a 17,940 SF site located at 1218-1224 East 12th Street, being the northwest corner of E. 12th Street and San Bernard Street. It is zoned CS-MU-NCCD, and it is not in the Urban Renewal Plan. It has alley access, has all utilities available, and is gently sloping. It is improved with a 2,195 SF retail building built in 1956; property was market as land. The property sold on September 28, 2012 for $595,500 or $33.17/SF, cash to seller, after 12 days on the market (Austin MLS # 7195486 & 7424979).

Sale #2. This is a 50,063 SF site located at 1000 East 12th Street. It has frontage on E. 12th Street from Olander to Waller and has access on an alley, Waller Street, and Olander Street. It is zoned CS-MU-NCCD and has an approved site plan. Site plan has two phases with a total floor area of 42,495 SF

GBA, FAR of 0.85 with ground floor retail, administrative offices, multi-family residential, and townhome residential. It was on the market over three years and sold on August 9, 2012 for $1,700,000 or $33.96/SF, cash to seller.

Sale #3. This is a 7,539 SF site located at 1112 East 12th Street. The lot is 50′ wide, has a rectangular shape, has alley access, and is zoned CS-MU-NCCD, being in the East 12th St. NCCD. All utilities are available, and the lot is cleared and buildable. The site sold on June 7, 2011 for $145,000, cash to seller, after 22 days on the market (Austin MLS #2061386). Buyer took first offer; listing price was $225,000.

Sale #4. This is a 7,087 SF site located at 1200 and 1202 Cotton Street, being the northeast corner of Navasota Street and Cotton Street. The site is a ±83′ x ±86′ square with no alley access, and is zoned SF-3-Central East Austin NPA. All utilities are available, and the lot is cleared and buildable. The site sold on November 28, 2012 for $270,000 or $38.10/SF, cash to seller, after 12 days on the market (Austin MLS ## 7195486 & 7424979).

Sale #5. This is 9,597 SF site located at 813½ E 13th Street. The site is 64′ wide, has a rectangular shape, has alley access, and is zoned SF-3-Central East Austin NPA. It is improved with a 948 SF residence built in 1930; marketed as s vacant lot. The site sold on November 20, 2012 for $249,000 or $25.95/SF, cash to seller, after 14 days on the market (Austin MLS # 2206659).

Sale #6. This a 7,736 SF lot located at 903 E. 13th Street. The lot is 52′ wide, has a rectangular shape, has alley access, and is zoned SF-3-Central East Austin NPA. All utilities are available, and the lot is cleared and gently sloping. The lot sold on April 20, 2012 for $153,000, with a note of $100,000 to seller at market, after 30 days on the market (Austin MLS #2397968).

ANALYSIS

Methodology. The adjustments for *Property Rights Conveyed, Conditions of Sale, Financing,* and *Market Conditions* were applied to get an adjusted base price per lot for each sale. That adjusted price was used for comparisons, extractions, and derivations of the other adjustments.

ADJUSTMENTS TO DERIVE BASE PRICE/SF

- *Property Rights Conveyed*
- *Conditions of Sale*
- *Financing*
- *Market Conditions*

ADJUSTMENTS TO BASE PRICE/SF

- *Location*
- *Utilities*
- *Terrain*
- *Shape*
- *Zoning*
- *Size*
- *Corner/Access*

DERIVATION OF BASE PRICE/SF

The six comparables sales are representative of sales activity in the subject neighborhood for residential or competitive lots.

Property Rights. All of the comparables involve conveyance of fee simple estates with no unusual easements or encumbrances; therefore, no adjustments are warranted.

Financing. Sales #1-#5 are cash to seller. Sale #6 was seller financed with a note of $100,000; agent report the note was at market terms. Hence no adjustments are required for this factor.

Conditions of Sale. Conditions of sale refer to the circumstances of the sale and whether the sale is arm's length. All of the comparables are arm's length transactions; thus no adjustments for this factor are warranted.

Market Conditions. Sales #1, #2, #4, and #5 sold after July 2012 and represent the current market. Sale #3 is a June 2011 sale, and Sale #6 is a April 2012 sale; these two sales represent the market conditions preceding the current market conditions. As noted in the Highest and Best Use, *Economic Considerations,* the market for land had been stable with an increase in demand for sites impacting the market mid to late 2012. I have paired Sales #3 and #6 with Sale #5, as the three sales are similar in size and absence of corner influence.

PAIRINGS FOR TIME ADJUSTMENT				
PAIR	COMPARABLES	P/SF	DATE	CHANGE
A	5	$25.95	11/20/2012	+35%
	3	$19.23	6/7/2011	
B	5	$25.95	11/20/2012	+31%
	6	$19.78	4/20/2012	

Based on the pairings, Sale #3 and Sale #6 are adjusted upward 33% for the change in market conditions. Below are the base prices/SF for the comparables.

BASE PRICE/SF						
SALE	#1	#2	#3	#4	#5	#6
PRICE/SF	$33.17	$33.96	$19.23	$38.10	$25.95	$19.78
CASH EQUIVALENCY	-0-	-0-	-0-	-0-	-0-	-0-
ADJUSTED P/SF	$33.17	$33.96	$19.23	$38.10	$25.95	$19.78
CONDITIONS OF SALE	-0-	-0-	-0-	-0-	-0-	-0-
ADJUSTED P/SF	$33.17	$33.96	$19.23	$38.10	$25.95	$19.78
MARKET CONDITIONS	-0-	-0-	+33%	-0-	-0-	+33%
BASE PRICE/SF	$33.17	$33.96	$25.58	$38.10	$25.95	$26.31

DERIVATION OF OTHER ADJUSTMENTS

The comparables and sales have similar locational factors, being located in the area bounded by I-35, Martin Luther King Boulevard, San Bernard Street, and East 11th Street. The sales and subject are similar with respect to *Utilities, Terrain,* and *Shape.*

The three elements of comparison requiring discussion are *Zoning, Corner/Access,* and *Size.* Below is an intermediate comparison grid.

INTERMEDIATE GRID 1						
SALE	#1	#2	#3	#4	#5	#6
BASE PRICE/SF	$33.17	$33.96	$25.58	$38.10	$25.95	$26.31
OTHER ADJUSTMENTS						
LOCATION	SIMILAR	SIMILAR	SIMILAR	SIMILAR	SIMILAR	SIMILAR
UTILITIES	SIMILAR	SIMILAR	SIMILAR	SIMILAR	SIMILAR	SIMILAR
TERRAIN	SIMILAR	SIMILAR	SIMILAR	SIMILAR	SIMILAR	SIMILAR
SHAPE	SIMILAR	SIMILAR	SIMILAR	SIMILAR	SIMILAR	SIMILAR
ZONING	SIMILAR	SIMILAR	SIMILAR	SF-3	SF-3	SF-3
CORNER/ACCESS	SIMILAR	SIMILAR	INFERIOR	SIMILAR	INFERIOR	INFERIOR
SIZE	SIMILAR	SIMILAR	SUPERIOR	SUPERIOR	SUPERIOR	SUPERIOR

Zoning. The subject is zoned "CS-MU-NCCD-NP", and the zonings of the sales are as follows.

ZONING COMPARISON		
SALE	**ZONING**	**PRICE/SF**
#1	CS-MU-NCCD-NP	$33.17
#2	CS-MU-NCCD-NP	$33.96
#3	CS-MU-NCCD-NP	$25.58
#4	SF-3-NP	$38.10
#5	SF-3-NP	$25.95
#6	SF-3-NP	$26.31

The zonings of all the sales allow residential development, but the zoning of Sales #1-#3 allows commercial and mixed-use development. Sales #1 and #3 were purchased as an investment. Sale #2 has a site plan for mixed use with office, retail, and residential uses. Sale #1 is in one size category, while Sales #3-#6 fall in another size category. Sale #2 appears to be in a different size category, which requires discussion, and is not used in the Zoning comparison. In Pair A, Sale #4 has been adjusted for size. In Pair B and C, the comparables are similar in their characteristics except for zoning.

PAIRINGS FOR ZONING ADJUSTMENT						
	Pair A		***Pair B***		***Pair C***	
SALE	#1	#4	#3	#5	#3	#6
BASE PRICE/SF	$33.17	$33.60	$25.58	$25.95	$25.58	$26.31
COMPARISON						
LOCATION	SIMILAR	SIMILAR	SIMILAR	SIMILAR	SIMILAR	SIMILAR
UTILITIES	SIMILAR	SIMILAR	SIMILAR	SIMILAR	SIMILAR	SIMILAR
TERRAIN	SIMILAR	SIMILAR	SIMILAR	SIMILAR	SIMILAR	SIMILAR
SHAPE	SIMILAR	SIMILAR	SIMILAR	SIMILAR	SIMILAR	SIMILAR
ZONING	SIMILAR	SF-3	SIMILAR	SF-3	SIMILAR	SF-3
CORNER/ACCESS	SIMILAR	SIMILAR	INFERIOR	INFERIOR	INFERIOR	INFERIOR
SIZE	SIMILAR	ADJUSTED	SIMILAR	SIMILAR	SIMILAR	SIMILAR

The pairings do not indicate a difference in price/SF for zoning. That commercial zoning does not command a higher price/SF is due, as of the date of appraisal, to the demand for residential lots in the subject area and the mix of commercial and residential uses that co-exist on E. 12th Street. Therefore, no adjustment for zoning has been made.

Size. Smaller sites often sell for a higher per unit price and larger sites often sell for a lower per unit price, other factors being similar. Below is a comparison of the subject and comparables.

SIZE COMPARISON				
SALE	SIZE (SF)	CORNER	PRICE/SF	COMPARISON TO SUBJECT
#2	50,063	YES	$33.96	Similar
#1	17,940	YES	$33.17	
Subject	13,200	YES		
#5	9,597	NO	$25.95	Superior
#3	7,539	NO	$25.58	
#6	7,736	NO	$26.31	
#4	7,075	YES	$38.10	

Sales #3-#6, being between 7,075 SF and 9,597 SF, are in the same size category. The subject and Sale #1 are in another size category. Though Sale #2 is significantly larger than the subject and comparables, it consists of about four tracts similar in size to the subject, which could be developed, and its size offers more flexibility in configuration of buildings, parking, and other improvements for greater density. In this case, the larger size of Sale #6 adds an element which offsets the decrease in price due to size alone. I rate Sale #6 *Similar.*

PAIRINGS FOR SIZE ADJUSTMENT						
PAIR	SALE	SIZE (SF)	CORNER	PRICE/SF	COMPARISON	DIFFERENCE
D	#1	17,940	YES	$33.17	Similar	-$4.93
	#4	7,075	YES	$38.10	Superior	
E	#2	50,063	YES	$33.96	Similar	-$4.14
	#4	7,075	YES	$38.10	Superior	

Pair D indicates a difference of -$4.93/SF and Pair E indicates a difference of -$4.14 for the difference in size. Based on the two pairs, an adjustment of -$4.50/SF is applied to Sales #3-#6.

Below is an intermediate grid.

INTERMEDIATE GRID - 2						
SALE	#1	#2	#3	#4	#5	#6
BASE PRICE/SF	$33.17	$33.96	$25.58	$38.10	$25.95	$26.31
OTHER ADJUSTMENTS						
LOCATION	-0-	-0-	-0-	-0-	-0-	-0-
UTILITIES	-0-	-0-	-0-	-0-	-0-	-0-
TERRAIN	-0-	-0-	-0-	-0-	-0-	-0-
SHAPE	-0-	-0-	-0-	-0-	-0-	-0-
ZONING	-0-	-0-	-0-	-0-	-0-	-0-
SIZE	-0-	-0-	-$4.50	-$4.50	-$4.50	-$4.50
INDICATION	$33.17	$33.96	$21.08	$33.60	$21.45	$21.81

Corner/Access. Access may be enhanced by corner influence and alley access with the corner being a more significant characteristic than alley access. For some uses in the subject market, alley access may be beneficial for configuration of improvements, parking, and ingress/egress. The subject is a corner and has access by an alley.

COMPARISON OF ACCESS TO SUBJECT		
SALE	**ACCESS**	**COMPARISON**
#1, #2,	Corner & Alley	
#4	Corner & No alley	Similar
Subject	Corner & Alley	
#3, #5, #6	No corner & Alley	Inferior

For the group with Sales #1, #2, and #4, which range from $33.17/SF to $33.96/SF, I use $33.50/SF for comparison purposes. For the group with Sales #3, #5, and #6, which range from $21.08/SF to $21.81/SF, I use $21.50/SF. Based on that comparison, the adjustment for *Corner/Access* to Sales #3, #5, and #6 is $33.50/$21.50, being an upward $12.00/SF.

Below is the adjustment grid.

SUMMARY OF ADJUSTMENTS						
SALE	#1	#2	#3	#4	#5	#6
PRICE/SF	$33.17	$33.96	$19.23	$38.10	$25.95	$19.78
CASH EQUIVALENCY	-0-	-0-	-0-	-0-	-0-	-0-
ADJUSTED P/SF	$33.17	$33.96	$19.23	$38.10	$25.95	$19.78
CONDITIONS OF SALE	-0-	-0-	-0-	-0-	-0-	-0-
ADJUSTED P/SF	$33.17	$33.96	$19.23	$38.10	$25.95	$19.78
MARKET CONDITIONS	-0-	-0-	+33%	-0-	-0-	+33%
BASE PRICE/SF	$33.17	$33.96	$25.58	$38.10	$25.95	$26.31
OTHER ADJUSTMENTS						
LOCATION	-0-	-0-	-0-	-0-	-0-	-0-
UTILITIES	-0-	-0-	-0-	-0-	-0-	-0-
TERRAIN	-0-	-0-	-0-	-0-	-0-	-0-
SHAPE	-0-	-0-	-0-	-0-	-0-	-0-
ZONING	-0-	-0-	-0-	-0-	-0-	-0-
SIZE	-0-	-0-	-$4.50	-$4.50	-$4.50	-$4.50
CORNER/ACCESS	-0-	-0-	+$12.00	-0-	+$12.00	+$12.00
TOTAL ADJUSTMENTS	-0-	-0-	+$7.50	-$4.50	+$7.50	+$7.50
INDICATED PRICE/SF	$33.17	$33.96	$33.08	$33.60	$33.45	$33.81

The indicated prices/SF range from $33.08 to $33.96 with an average of $33.51/SF and a median of $33.53/SF, reconciled to $33.50/SF.

My opinion of value of the subject property on March 19, 2013, subject to the assumptions and conditions of this report, is 13,200 SF x $33.50/SF or $442,000 (rd).

7. FINAL OPINION OF VALUE

The highest and best use of the subject is for retail, office, or residential use in accordance with the Urban Renewal Plan and the East 12th Street NCCD. An opinion of the market value of the subject was formed on the basis of the Sales Comparison Approach, using six sales. The adjustments were for *Market Conditions, Size,* and *Corner/Access* and were extracted by paired sales analysis.

Based on the Sales Comparison Approach, my opinion of the market value of the subject property on March 19, 2013, subject to the assumptions and conditions of this report, is:

FOUR HUNDRED FORTY TWO THOUSAND DOLLARS
($442,000)

DOCUMENTS & DATA

SALE #1

IDENTIFICATION

LOCATION	:	(1) 1218 E 12th Street; (2) 1224 E 12th Street (NWC E. 12th St & San Bernard St.)
LEGAL	:	(1) W 50' of Lot 4, Block 1 of James O'Reilly's Subdivision of Outlot 38, Division B, Travis County, Texas (2) Lot 5 and E. 19' of Lot 4, Block 1 of James O'Reilly's Subdivision of Outlot 38, Division B, Travis County, Texas
TAX ID. NO.	:	02-0708-0408, 0410
MAPSCO PG.	:	585U

RECORDING DATA

GRANTOR	:	Thomas Henderson
GRANTEE	:	Austin Trust Company and Elizabeth Alford, Co-Trustee of the John Rogers Alford, J. Life Insurance Trust
DOC.#	:	2012164875 & 2012164877
INSTRUMENT	:	General Warranty Deed
DATE	:	9/28/2012

SITE DATA

SIZE (SF)	:	17,940 SF (6,500 SF & 11,440 SF)
SHAPE	:	Rectangular
FLOODPLAIN	:	None
TOPOGRAPHY	:	Level to gently sloping
UTILITIES	:	All Available
ZONING	:	CS-MU-NCCD-NP, Central East Austin NPA. Not in Urban Renewal Plan
FRONTAGE	:	138' E 12th St.; 130' San Bernard St; corner with alley access
HIGHEST & BEST USE	:	Residential

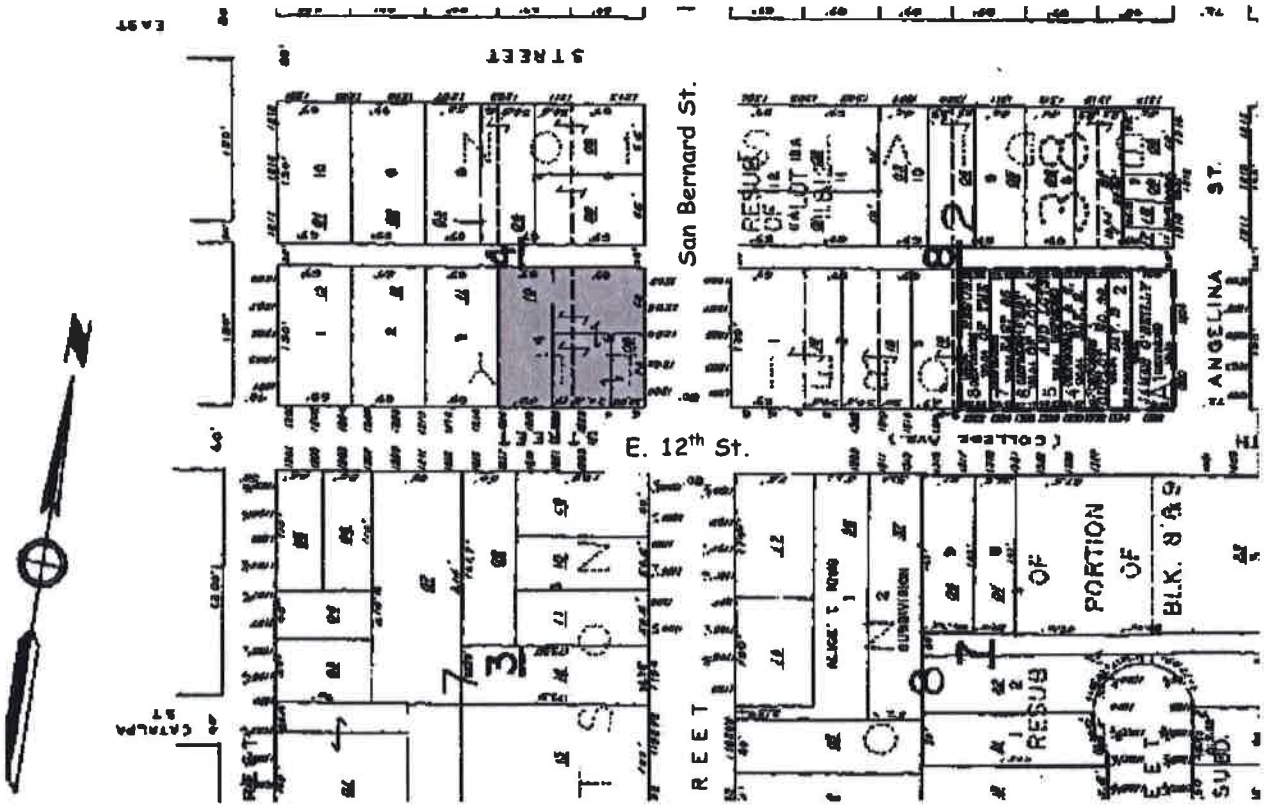
SALES DATA

PRICE	:	$595,000 ($200,000; $395,000)
TERMS	:	Cash to Seller
PRICE/SF	:	$33.17

VERIFICATION

SOURCE	:	Joyce Williams, 658-4672, Austin MLS# 7195486 & 7424979, DOM 12
DEED READ	:	3/15/2013
INSPECTED	:	3/19/2013
COMMENTS	:	Though listed separately, the two properties had to be sold together

TCAD Plat



PHOTOGRAPH – Taken 3.19.2013 by J. L. Craft

SALE #2

IDENTIFICATION

LOCATION	:	1000 E 12th Street (NEC Oleander & 12th; NWC Waller & 12th)
LEGAL	:	South 75' of Lot 9, South 75' and West 25' of Lot 10, East 45' of Lot 10 and Lots 11-14, Outlot 41, Division B, City of Austin, Travis County
TAX ID. NO.	:	02-0806-0211, 0210, 0209, 0208 & 0207
MAPSCO PG.	:	585 T

RECORDING DATA

GRANTOR	:	Alma Tierra Ventures, LLC
GRANTEE	:	Louie World LLC
DOC.#	:	2012131944
INSTRUMENT	:	Warranty Deed
DATE	:	August 9, 2012

SITE DATA

SIZE	:	50,063 SF or 1.1492 Ac
CORNER	:	Two
SHAPE	:	Rectangular
FLOODPLAIN	:	None
TOPOGRAPHY	:	Level to sloping
UTILITIES	:	All available
ZONING	:	CS-MU-NCCD-NP, Central East Austin NPA. In URP Nos. 12-1 & 12-2, identified for mixed-use and/or commercial space
FRONTAGE	:	±253' on E 12th Street; ±75' on Olander Street; ±150' on Waller Street
HIGHEST & BEST USE	:	Mixed Use

SALES DATA

LIST PRICE	:	$1,700,000
TERMS	:	Cash to Seller
PRICE/SF	:	$33.96

VERIFICATION

SOURCE	:	Matt Mathias 330-9111, Matt Mathias & Company
DEED READ	:	3/13/2013
INSPECTED	:	3/24/2011; 3/19/2013
COMMENTS	:	Property has an approved site plan (SP-2007-0467C) and building permits. Site plan has two phases with a total floor area of 42,495 SF GBA with ground floor retail, administrative offices, multi-family residential, and townhome residential. FAR is 0.85. Property has Unified Development Agreement, Doc. #2008135061. Property previously listed by another broker at $1,938,000 or $38.71 as of March 2009.

TCAD PLAT

PHOTOGRAPH – Taken 6.21.2012 by J. L. Craft

SALE #3

IDENTIFICATION

LOCATION	:	1112 E 12th Street (Adjacent on west to NWC of Navasota & 12th)
LEGAL	:	±0.1731 acre out of Outlot 41, Division B, Original City of Austin, Travis County, Texas
TAX ID. NO.	:	02-0806-0308
MAPSCO PG.	:	585R

RECORDING DATA

GRANTOR	:	Wilton D. Harris Properties, Ltd
GRANTEE	:	Harris 12th, LLLP
DOC.#	:	2011082636
INSTRUMENT	:	Warranty Deed with Vendor's Lien
DATE	:	6/7/2011

SITE DATA

SIZE (SF)	:	7,539
SHAPE	:	Rectangular
FLOODPLAIN	:	None
TOPOGRAPHY	:	Level to gently sloping below grade, some mature trees
UTILITIES	:	All Available
ZONING	:	CS-MU-NCCD, Central East Austin NP. In URP No. 12/4 Navasota Retail identified for mixed-use opportunities
FRONTAGE	:	±50' on E 12th Street and 50' at alley
HIGHEST & BEST USE	:	Mixed use

SALES DATA

PRICE	:	$145,000
TERMS	:	Cash to Seller
PRICE/SF	:	$19.23

VERIFICATION

SOURCE	:	John Spae, Austin Referral Realty, Inc 466-1162; Austin MLS #2061386; DOM 22, List Price $225,000
DEED READ	:	6/20/2012
INSPECTED	:	6/13/2012; 3/19/2013
COMMENTS	:	A food trailer court is currently located on the property, buyers an investment partnership with the food court being an interim use. Listing broker reported that he listed the property based on commercial listings in the area and that seller took the first offer. There is no relationship between the buyer and seller, and buyer incorporated owner's name as a historical matter.

TCAD PLAT

PHOTOGRAPH – Taken 6.21.2012 by J. L. Craft

SALE #4

IDENTIFICATION

LOCATION	:	1200 & 1202 Cotton Street (NEC Navasota St. & Cotton St.)
LEGAL	:	Tract 1: 41.4' x 84.6' out of the west 125' of Lot 1, Block 7, George L. Robertson Addition of Outlot No. 56, Division B, Travis County, Texas Tract 2: 41.4' x 85.6' out of Lot 1, Block 7, George L. Robertson Addition of Outlot No. 56, Division B, Travis County, Texas
TAX ID. NO.	:	02-0708-0318, 0317
MAPSCO PG.	:	585U

RECORDING DATA

GRANTOR	:	Thomas Henderson
GRANTEE	:	S. Kevin Smith
DOC.#	:	2012202919
INSTRUMENT	:	Warranty Deed
DATE	:	11/28/2012

SITE DATA

SIZE (SF)	:	7,087 SF
SHAPE	:	Rectangular
FLOODPLAIN	:	None
TOPOGRAPHY	:	Level to gently sloping
UTILITIES	:	All Available
ZONING	:	SF-3-NP, Central East Austin NPA
FRONTAGE	:	82.82' Cotton St.; 85.60' Navasota St; corner with no alley access
HIGHEST & BEST USE	:	Residential

SALES DATA

PRICE	:	$270,000
TERMS	:	Cash to Seller
PRICE/SF	:	$38.10

VERIFICATION

SOURCE	:	Joyce Williams, 658-4672, Austin MLS# 7195486 & 7424979, DOM 12
DEED READ	:	3/15/2013
INSPECTED	:	3/19/2013
COMMENTS	:	Listed separately

TCAD Plat

PHOTOGRAPH – Taken 3.19.2013 by J. L. Craft

SALE #5

IDENTIFICATION

LOCATION	:	813½ E 13th Street
LEGAL	:	E 64.2' of Lot 29 Outlot 42, Division B Travis County, Texas
TAX ID. NO.	:	02-0806-0106
MAPSCO PG.	:	585T

RECORDING DATA

GRANTOR	:	Darnese Easley, et al
GRANTEE	:	Steven Bodner & Kimberly Bodner
DOC.#	:	2012197436
INSTRUMENT	:	Warranty Deed
DATE	:	11/20/2012

SITE DATA

SIZE (SF)	:	9,597 SF
SHAPE	:	Rectangular
FLOODPLAIN	:	None
TOPOGRAPHY	:	Level to gently sloping
UTILITIES	:	All Available
ZONING	:	SF-3-NP, Central East Austin NPA
FRONTAGE	:	64.15' E 13th St.
HIGHEST & BEST USE	:	Residential

SALES DATA

PRICE	:	$249,000
TERMS	:	Cash to Seller
PRICE/SF	:	$25.95

VERIFICATION

SOURCE	:	Michael Clawson, 914-0670, Austin MLS# 2206659, DOM 14
DEED READ	:	3/15/2013
INSPECTED	:	3/19/2013
COMMENTS	:	Improved with a 948 SF residence built in 1930; marketed as vacant lot.

TCAD Plat

PHOTOGRAPH – Taken 3.19.2013 by J. L. Craft

SALE #6

IDENTIFICATION

LOCATION	:	903 E 13th Street
LEGAL	:	Lot B, Antoine Subdivision, Travis County, Texas
TAX ID. NO.	:	02-0806-0215
MAPSCO PG.	:	585T

RECORDING DATA

GRANTOR	:	Rick L. Antoine
GRANTEE	:	Austin Newcastle Homes, Ltd.
DOC.#	:	2012064030
INSTRUMENT	:	General Warranty Deed
DATE	:	4/20/2012

SITE DATA

SIZE (SF)	:	7,736
SHAPE	:	Rectangular
FLOODPLAIN	:	None
TOPOGRAPHY	:	Gently sloping above grade
UTILITIES	:	All Available
ZONING	:	SF-3-Central East Austin NPA
FRONTAGE	:	±51.6' on E 13th Street; 51.6' on alley
HIGHEST & BEST USE	:	Residential

SALES DATA

PRICE	:	$153,000
TERMS	:	Note of $100,000 to grantor at market rate
PRICE/SF	:	$19.78

VERIFICATION

SOURCE	:	Judy Zwarun 454-4600. Austin MLS# 2397968; listed at $175,000. DOM 30
DEED READ	:	6/14/2012
INSPECTED	:	6/21/2012; 3/19/2013
COMMENTS	:	Per agent: 2nd story city view

TCAD PLAT

PHOTOGRAPH – Taken 6.21.2012 by J. L. Craft

COMMITMENT FOR TITLE INSURANCE

SCHEDULE A

Effective Date: **June 12, 2012, 08:00 am** G.F. No. or File No. **1214159-COM**

Commitment No. _____ issued: **June 22, 2012,**
(if applicable)

1. The policy or policies to be issued are:
   (a) OWNER'S POLICY OF TITLE INSURANCE (Form T-1)
   (Not applicable for improved one-to-four family residential real estate)
   Policy Amount:
   PROPOSED INSURED: **TBD**
   (b) TEXAS RESIDENTIAL OWNER POLICY OF TITLE INSURANCE - ONE-TO-FOUR FAMILY RESIDENCES (Form T-1R)
   Policy Amount:
   PROPOSED INSURED:
   (c) LOAN POLICY OF TITLE INSURANCE (Form T-2)
   Policy Amount:
   PROPOSED INSURED:
   Proposed Borrower:
   (d) TEXAS SHORT FORM RESIDENTIAL MORTGAGEE POLICY OF TITLE INSURANCE (Form T-2R)
   Policy Amount:
   PROPOSED INSURED:
   Proposed Borrower:
   (e) MORTGAGEE TITLE POLICY BINDER ON INTERIM CONSTRUCTION LOAN (Form T-13)
   Binder Amount:
   PROPOSED INSURED:
   Proposed Borrower:
   (f) OTHER
   Policy Amount:
   PROPOSED INSURED:
2. The interest in the land covered by this Commitment is: **Fee Simple**
3. Record title to the land on the Effective Date appears to be vested in:
   Urban Renewal Agency of the City of Austin, a Texas public body corporate and politic created under Chapter 374, Texas Local Government Code
4. Legal description of the land:
   A tract of land being 88 feet by 150 feet, more or less, out of the subdivision of OUTLOT NO. 41, DIVISION "B", in the City of Austin, Texas, being the same property described in that deed recorded in Volume 13124, Page 1079, Real Property Records, Travis County, Texas. Said property being more particularly described by metes and bounds attached hereto in Exhibit "A".

   The Company is prohibited from insuring the area or quantity of the land described herein. Therefore, the Company does not represent that the acreage or square footage calculations are correct and references to the quantity are for informational purposes only.

COMMITMENT FOR TITLE INSURANCE

SCHEDULE B

EXCEPTIONS FROM COVERAGE

In addition to the Exclusions and Conditions and Stipulations, your Policy will not cover loss, costs, attorneys' fees, and expenses resulting from:

1. The following restrictive covenants of record itemized below (We must either insert specific recording data or delete this exception):

   - **Item No. 1, Schedule B, is hereby deleted.**

2. Any discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments or protrusions, or any overlapping of improvements.

3. Homestead or community property or survivorship rights, if any, of any spouse of any insured. (Applies to the Owner Policy only).

4. Any titles or rights asserted by anyone, including, but not limited to, persons, the public, corporations, governments or other entities,

   a. to tidelands, or lands comprising the shores or beds of navigable or perennial rivers and streams, lakes, bays, gulfs or oceans, or

   b. to lands beyond the line of harbor or bulkhead lines as established or changed by any government, or

   c. to filled-in lands, or artificial islands, or

   d. to statutory water rights, including riparian rights, or

   e. to the area extending from the line of mean low tide to the line of vegetation, or the rights of access to that area or easement along and across that area.

   (Applies to the Owner Policy only.)

5. Standby fees, taxes and assessments by any taxing authority for the year **2012**, and subsequent years; and subsequent taxes and assessments by any taxing authority for prior years due to change in land usage or ownership, but not those taxes or assessments for prior years because of an exemption granted to a previous owner of the property under Section 11.13, *Texas Tax Code*, or because of improvements not assessed for a previous tax year. (If Texas Short Form Residential Mortgagee Policy (T-2R) is issued, that policy will substitute "which become due and payable subsequent to Date of Policy" in lieu of "for the year _____ and subsequent years.")

6. The terms and conditions of the documents creating your interest in the land.

7. Materials furnished or labor performed in connection with planned construction before signing and delivering the lien document described in Schedule A, if the land is part of the homestead of the owner. (Applies to the Mortgagee Title Policy Binder on Interim Construction Loan only, and may be deleted if satisfactory evidence is furnished to us before a binder is issued.)

8. Liens and leases that affect the title to the land, but that are subordinate to the lien of the insured mortgage. (Applies to Loan Policy (T-2) only.)

9. The Exceptions from Coverage and Express Insurance in Schedule B of the Texas Short Form Residential Mortgagee Policy (T-2R). (Applies to Texas Short Form Residential Mortgagee Policy (T-2R) only. Separate exceptions 1 through 8 of this Schedule B do not apply to the Texas Short Form Residential Mortgagee Policy (T-2R).

10. The following matters and all terms of the documents creating or offering evidence of the matters (We must insert matters or delete this exception.):

a. **Rights of Parties in Possession. (Owner Policy)**

b. **Rights of tenants, as tenants only, under any and all unrecorded leases or rental agreements.** ***(NOTE: This item can be deleted upon receipt of an Affidavit executed by the seller evidencing there are not any outstanding leases or rental agreements. If the Affidavit reveals unrecorded outstanding leases or rental agreements the exception may be modified to make specific exception to those matters.)***

c. **Any visible and apparent easement, either public or private, located on or across the land, the existence of which is not disclosed by the Public Records as herein defined.**

d. **Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the title that would be disclosed by an accurate and complete land survey of the land.**

e. **Any portion of subject property lying within the boundaries of a dedicated or undedicated public or private roadway.**

f. **Notice Regarding: Urban Renewal Plan**
Recorded: Document No(s). 1999157295, 2000078958, 2002204815, 2005075165 and 2008169755, Official Public Records, Travis County, Texas.

g. **Easement:**
Recorded: Volume 4088, Page 466, Deed Records, Travis County, Texas.
Purpose: electric and telephone

h. **All leases, grants, exceptions or reservation of coal, lignite, oil, gas and other mineral, together with all rights, privileges, and immunities relating thereto appearing in the public records whether listed in Schedule B or not. There may be leases, grants, exceptions or reservations of mineral interest that are not listed.**

COMMITMENT FOR TITLE INSURANCE

SCHEDULE C

Your Policy will not cover loss, costs, attorneys' fees, and expenses resulting from the following requirements that will appear as Exceptions in Schedule B of the Policy, unless you dispose of these matters to our satisfaction, before the date the Policy is issued:

1. Documents creating your title or interest must be approved by us and must be signed, notarized and filed for record.

2. Satisfactory evidence must be provided that:

   a. no person occupying the land claims any interest in that land against the persons named in paragraph 3 of Schedule A,

   b. all standby fees, taxes, assessments and charges against the property have been paid,

   c. all improvements or repairs to the property are completed and accepted by the owner, and that all contractors, subcontractors, laborers and suppliers have been fully paid, and that no mechanic's, laborer's or materialmen's liens have attached to the property,

   d. there is legal right of access to and from the land,

   e. (on a Loan Policy only) restrictions have not been and will not be violated that affect the validity and priority of the insured mortgage.

3. You must pay the seller or borrower the agreed amount for your property or interest.

4. Any defect, lien or other matter that may affect title to the land or interest insured, that arises or is filed after the effective date of this Commitment.

5. **Lien in Favor of City of Austin:**

Recorded:	**Volume 13111, Page 3978, Real Property Records, Travis County, Texas.**
Amount:	**$59.00**
Dated:	**12/26/1997**
Purpose:	**Emergency Board and Secure Lien**

6. **Company must be furnished a properly executed Corporate Resolution in recordable form of the Board of Directors of Urban Renewal Agency of the City of Austin authorizing the proposed transaction and establishing the authority of the officers to act on behalf of the corporation.**

   In addition, company requires verification from the Secretary of State that corporation is in existence and in good standing.

7. **Please furnish the names of the parties to be insured herein. Upon receipt of said names, additional requirements may be made.**

8. **NOTICE: Title Company is unwilling to issue the Title Policy without the general mineral exception(s) set out in Schedule B hereof pursuant to Procedural Rule P-5.1. Optional endorsements (T19.2 and T19.3) insuring certain risks involving minerals, and the use of improvements (excluding lawns, shrubbery and trees) and permanent buildings may be available for purchase upon request of the Proposed Insured. Neither this Policy, nor the optional endorsements, insure that the purchaser has title to the mineral rights related to the surface estate. (Loan Policy only)**

9. **Payment of any and all ad valorem taxes which may be due and payable on the subject property.**

10. **Company requires Owner, Seller and/or Borrower to complete an Affidavit of Debts and Liens prior to the issuance of the Title Insurance Policy.**

The following definition of market value should be used:

> "The price which the property would bring when it is offered for sale by one who desires, but is not obligated to sell, and is bought by one who is under no necessity of buying it, taking into consideration all of the uses to which it is reasonably adaptable and for which it either is or in all reasonable probability will become available within the reasonable future." (City of Austin vs. Cannizzo, et al., 267 S.W.2d 808,815[1954]

We have agreed on a fee not to exceed $3,500 and a delivery date of April 5, 2013. No one other than the undersigned is authorized to alter the scope of this assignment. If it becomes apparent during the course of the assignment that the fee will exceed this amount, Real Estate Services is to be notified in writing for written authorization to amend the fee.

Regarding items of an administrative nature, your invoice for requested services and the letter of transmittal should contain the following information:

Address Report to:	Justin Steinhauer
Project Name:	East 12th Street Affordable Housing Project
File #:	4759.02A
Assignment Number:	44-268.02A
Address:	1120 E. 12th Street
Property Owner:	Urban Renewal Agency
TCAD Parcel Number:	0208060307
Legal Description:	OLT 41 Division B 88X150 FT (TCAD) NHC:Tract 3

Should you have any questions or need additional information, please contact me at 974-7201 or justin.steinhauer@austintexas.gov.

Sincerely,

Justin Steinhauer
Reviewer Appraiser
Sent by fax or email; original with attachments sent via regular mail

City of Austin Supplemental Appraisal Guidelines

1. Subject property inspections should be arranged within 7 to 10 days of the notice to proceed. If any property/owner issues arise, please contact COA Appraisal staff as soon as possible so that they can be addressed in a timely manner.

2. An on-site inspection of the subject property must be completed, except in cases where access has been denied by the property owner.

3. When providing an opinion of value on a property, analyze if, in your opinion, the improvements will be impacted by the acquisition. If the improvements are considered to be impacted, then a valuation of the property as improved is to be undertaken. If your analysis indicates that the improvements are not impacted, then a valuation of only the land component is necessary.

   The subject of the appraisal assignment is the property interest to be acquired. (For example, the proposed easement area and the rights included in the easement represent the subject property for the acquisition of a permanent easement.)

4. All comparable sales must be inspected.

5. Photographs of improved sales and rentals must be included in the report.

6. Plat maps must be included for all comparable sales, as well as the subject property.

7. All comparables must be confirmed in-house.

8. Comparable sale data sheets must include:

   - Name of confirmation source and confirmation date.
   - Inspection date of the comparable sale.
   - The date when the deeds were read.

9. Transactions where the City of Austin, or other condemning authority, is a party are not to be utilized.

10. Appraisers will read all deeds, including deeds pertaining to the subject property history (3 Years per USPAP for the subject) as well as those pertaining to the comparable sales.

11. A brief written description must accompany all adjustments made to the comparable sales as well as an adjustment grid.

12. When contacted by the review appraiser, you will have 7 days to provide a response to the review comments. Once the draft has been approved, you will have 5 days to provide final reports to the COA.

13. SFR appraisals may use URAR forms with supplemental pages addressing the partial acquisition and additional information.

QUALIFICATIONS OF J. L. CRAFT, PH.D., MAI

EDUCATION

Bachelor of Arts Degree from Texas Tech University - 1972
Doctor of Philosophy Degree from the University of Texas - 1977

LICENSES

State Certified General Real Estate Appraiser, Certificate No. TX-1320255-G

PROFESSIONAL MEMBERSHIPS

MAI - Designated Member of the Appraisal Institute
Member & Instructor, International Right of Way Association
Instructor 2001-2004 Annual Joint Symposium Appraisal Institute
IRWA Instructor 1998-2008 Annual Joint Seminar IRWA Chapters 39 & 74
Appraiser Qualifications Board of the Appraisal Foundation Certified USPAP Instructor, No. 10442

EXPERTISE

Qualified Expert Witness: City of Austin, Travis County, Federal Bankruptcy Court, and the State of Texas

APPRAISAL EXPERIENCE

J. L. Craft & Associates, 02/1994 - present
Appraiser, The Harry Seidman Company, 02/1992 - 02/1994
Appraiser, Kaiser & Associates, Kaiser-Seidman, Kaiser Craft & Associates 05/1982 - 02/1992
Trainee Appraiser, Appraisal Associates of Austin, Inc., 05/1980 - 05/1982

APPRAISAL PUBLICATIONS

"Logic and Rhetoric in Appraisal Reporting," *The Appraisal Journal*, April 1995
"Noncompensability and Project Influence," *Right of Way*, May/June, 1998
"Appraising Legally Nonconforming Properties," *Right of Way*, Jan./Feb, 2000

Schedule 5

PURCHASE AND SALE AGREEMENT
(1120 E. 12th Street)

Note: Any substantive changes to the Agreement may render the proposal non-responsive.

THE STATE OF TEXAS §
§
COUNTY OF TRAVIS §

THIS PURCHASE AND SALE AGREEMENT ("***Agreement***") is made by and between the **URBAN RENEWAL AGENCY of the City of Austin, a Texas public body corporate and politic created under Chapter 374, Texas Local Government Code** ("***Seller***"), and **_____** ("***Purchaser***"), a _____.

A. Seller offered the Property (defined below) for sale pursuant to a certain Request for Proposals (the "***RFP***") dated **September 13, 2013**. In connection with the RFP, Seller made available certain information concerning the Property on its website and upon request. Such information, included, but was not limited to, copies of an Appraisal and a title commitment. As used herein, the term "***Proposal Package***" collectively means the RFP, title commitment, Appraisal and any and all information concerning the Property made available to Purchaser in connection therewith.

B. Purchaser was the apparent successful proposer in connection with the RFP and does hereby acknowledge that in connection with the submission of its proposal on the Property under the RFP, Purchaser has received and reviewed the Proposal Package.

I.
Sale and Purchase; Property

1.01 **Sale and Purchase**. Seller hereby agrees to sell and convey unto Purchaser, and Purchaser hereby agrees to purchase from Seller and pay for the following described property, for the price and subject to the provisions herein set forth:

(a) Approximately 13,200 square feet (0.303 acre) of land, more or less, situated in Travis County, Texas, more particularly described in **Exhibit "A"** attached hereto and made a part hereof for all purposes, including all improvements thereon, if any ("***Land***"); and

(b) All other rights and appurtenances belonging or in anyway pertaining to the Land, **SAVE AND EXCEPT any interest Seller has in adjoining**

streets, alleyways, rights of way and utility easements, if any, affecting the Land.

The Land and all appurtenances thereto described in this **Section 1.01** are hereinafter collectively called the "***Property.***"

II.
Consideration

2.01 **Purchase Price**. The purchase price ("***Purchase Price***") to be paid by Purchaser to Seller for the sale and conveyance of the Property is $_____, and is payable to Seller at the closing of the transaction contemplated hereby ("***Closing***") in immediately available and good funds by cashier's check or wire transfer.

2.02 **Proposal Security**. Purchaser has provided $10,000.00 to Seller as a Proposal Security at the time of making the proposal, in accordance with the requirements of the RFP, to secure Purchaser's obligation to provide financial and other information, to sign this Agreement and to provide the Deposit described in Section 2.03. It is agreed that the Proposal Security, if not forfeited by the Purchaser, will constitute additional earnest money for the sale of the Property to Purchaser, and will be applied to the Purchase Price at Closing. The Proposal Security will be held by the Title Company on behalf of Seller and will not be deposited into an interest-bearing account.

2.03 **Deposit; Earnest Money.** Purchaser shall deposit with Independence Title Company ("***Title Company***") at its office at 203 West Main Street, Suite A, Pflugerville, Texas 78660 ("***Title Insurance Company's Office***") attn. Connie Wooster, Closer, the amount of Ten Thousand Dollars ($10,000.00) (the "***Deposit***") in good funds, within 2 business days after execution of this Agreement by Seller and Purchaser. If Purchaser fails to timely deliver the Deposit in good funds, the award will be considered not to have been completed, and Seller may retain the Purchaser's Proposal Security, and award the sale to the next highest and best responsible proposer, or pursue any right or remedy available at law or equity. The Deposit and any interest thereon are collectively referred to herein as the "***Earnest Money***." If the transaction contemplated hereby is consummated in accordance with the terms and provisions hereof, the Earnest Money will be credited against the Purchase Price at Closing. If the transaction is not so consummated, the Earnest Money will be held and delivered by Title Company as herein provided. Title Company must deposit the Earnest Money into an interest-bearing account maintained at a federally insured bank located in Travis County, Texas. Such account must have no penalty for early withdrawal.

III.
Title and Survey

3.01 **Survey**. Purchaser acknowledges that Seller has not made available to Purchaser in connection with the Proposal Package an existing on-the-ground survey of the Land (the "***Initial Survey***")

3.02 **Title Commitment**. Purchaser acknowledges that Seller has made available to Purchaser in connection with the Proposal Package an initial title commitment covering the Property (the "***Initial Title Commitment***") issued by the Independence Title Company. Within 10 days after the Commencement Date, Seller will, at Purchaser's sole cost and expense, cause Title Company to furnish to Purchaser the following:

(a) an update of the Initial Title Commitment (the "***Updated Title Commitment***"), which binds Title Company to issue at Closing an owner's policy of title insurance (the "***Title Policy***") on the standard form promulgated by the Texas Department of Insurance, in the amount of the Purchase Price, insuring Purchaser's fee simple title to the Land to be good and indefeasible subject to the terms of such policy and exceptions shown in the Updated Title Commitment; and

(b) true, correct, and legible copies of any and all additional documents, if any, referred to in the Updated Title Commitment as constituting exceptions to or restrictions upon the title of Seller.

3.03 **Acceptance of Title.** Purchaser has been provided with information on the Property as described herein, and has had an opportunity to review such information and conduct its own investigations of the condition and title to the Property. By executing this Agreement, Purchaser has agreed to take title to the Property by the Special Warranty Deed ("**Deed**") substantially in the form attached hereto as "**Exhibit B**," and subject to the Permitted Exceptions shown therein. Purchaser may negotiate with Title Company to amend any Schedule B exceptions to the Updated Title Commitment.

IV.
Covenants and Representations

4.01 **Representations of Seller**. Seller represents to Purchaser the following:

(a) To Seller's actual knowledge (with no further duty to investigate), the Property has never been used in such a way as to create any environmental condition that is actionable under any federal, state or local environmental law or regulation.

(b) The person signing this Agreement on behalf of Seller has the full right, power and authority to enter into this Agreement on behalf of Seller, and to carry out Seller's obligations, including the conveyance of the Property to Purchaser as provided in this Agreement, without the joinder of any other person.

(c) Except as disclosed in the Proposal Package, to the best of Seller's actual knowledge, there are no outstanding written or oral leases or agreements relating to the use or possession of the Property, and to

Seller's actual knowledge (with no further duty to investigate), there are no parties claiming adverse possession of the Property.

(d) To Seller's actual knowledge (with no further duty to investigate), there are no actions, suits or proceedings pending or threatened against Seller affecting any portion of the Property or affecting Seller's ability to sell and convey the Property, at law or in equity, or before any governmental authority, including but not limited to, proceedings to enforce the power of eminent domain or condemnation by any governmental authority possessing such powers.

As used in this Agreement, the term "Seller's actual knowledge" means the actual knowledge of the Officer of the Office Real Estate Services of the City of Austin.

4.02 **Property Condition**. Seller will convey the Property "***AS IS, WHERE IS, WITH ANY AND ALL FAULTS"*** subject to the following disclaimer:

It is understood and agreed that other than the warranties of title contained in the Deed (defined in Section 7.02), and other than the representations expressly made in this Agreement, Seller has not made any warranties or representations of any kind or character, express or implied, with respect to the Property, including, but not limited to, zoning, tax consequences, physical or environmental conditions, availability of access, ingress or egress, operating history, projections, valuation, marketability, suitability for a particular purpose, governmental approvals, governmental regulations or any other matter or thing relating to or affecting the Property. Purchaser agrees that with respect to the Property, Purchaser has not relied upon and will not rely upon, either directly or indirectly, any representations or warranties of Seller (other than the warranties and representations otherwise expressly contained in this Agreement). Purchaser represents that it is a knowledgeable purchaser of real estate and that it is relying solely on its own expertise and that of its consultants, and that Purchaser has conducted or had the opportunity to conduct such inspections and investigations of the Property, including, but not limited to, the physical and environmental conditions thereof, and relies upon same, and assumes the risk that adverse matters, including, but not limited to, adverse physical and environmental conditions, may not have been revealed by its inspections and investigations. Purchaser acknowledges and agrees that upon Closing, Seller is selling and conveying to Purchaser and Purchaser is accepting the Property" *AS IS, WHERE IS*, *WITH* ANY AND *ALL FAULTS,"* and there are no oral agreements, warranties or representations, collateral to or affecting the Property by Seller or any third party other than those expressly contained in this Agreement. In no event is Seller responsible or liable for latent or patent defects or faults, if any, in the Property, or for remedying or repairing same, including, but not limited to, conditions relating to asbestos or asbestos containing materials, environmental contamination, underground storage tanks or hazardous or toxic

materials, chemicals or waste, or for constructing or repairing any streets, waterwells, septic tank systems, utilities or any improvements located on the Land or shown on any plat of the Land. The provisions of this Section 4.02 will survive the Closing and will be included in the Deed.

THIS CONTRACT IS AN ARMS-LENGTH AGREEMENT BETWEEN THE PARTIES. THE PURCHASE PRICE WAS BARGAINED ON THE BASIS OF AN "AS IS, WHERE IS" TRANSACTION AND REFLECTS THE AGREEMENT OF THE PARTIES THAT THERE ARE NO REPRESENTATIONS, DISCLOSURES, OR EXPRESS OR IMPLIED WARRANTIES, EXCEPT FOR THE WARRANTY OF TITLE STATED IN THE CLOSING DOCUMENTS AND SELLER'S REPRESENTATIONS TO PURCHASER SET FORTH IN THIS AGREEMENT.

THE PROPERTY WILL BE CONVEYED TO PURCHASER IN AN "AS IS, WHERE IS" CONDITION, WITH ANY AND ALL FAULTS. ALL WARRANTIES, EXCEPT THE WARRANTY OF TITLE IN THE CLOSING DOCUMENTS, ARE DISCLAIMED.

These provisions of Section 4.02 will be included in the Deed and will survive Closing.

4.03 **Environmental Matters.**

AFTER CLOSING, AS BETWEEN PURCHASER AND SELLER, THE RISK OF LIABILITY OR EXPENSE FOR ENVIRONMENTAL PROBLEMS, EVEN IF ARISING FROM EVENTS BEFORE CLOSING, WILL BE THE SOLE RESPONSIBILITY OF PURCHASER, REGARDLESS OF WHETHER THE ENVIRONMENTAL PROBLEMS WERE KNOWN OR UNKNOWN AT CLOSING. ONCE CLOSING HAS OCCURRED, PURCHASER INDEMNIFIES, HOLDS HARMLESS, AND RELEASES SELLER FROM LIABILITY FOR ANY LATENT OR PATENT DEFECTS AND FROM ANY LIABILITY FOR ENVIRONMENTAL PROBLEMS AFFECTING THE PROPERTY, INCLUDING LIABILITY UNDER THE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION, AND LIABILITY ACT (CERCLA), THE RESOURCE CONSERVATION AND RECOVERY ACT (RCRA), THE TEXAS SOLID WASTE DISPOSAL ACT, OR THE TEXAS WATER CODE. **PURCHASER INDEMNIFIES, HOLDS HARMLESS, AND RELEASES SELLER FROM ANY LIABILITY FOR ENVIRONMENTAL PROBLEMS AFFECTING THE PROPERTY ARISING AS THE RESULT OF SELLER'S OWN NEGLIGENCE OR THE NEGLIGENCE OF SELLER'S REPRESENTATIVES.** PURCHASER INDEMNIFIES, HOLDS HARMLESS, AND RELEASES SELLER FROM ANY LIABILITY FOR ENVIRONMENTAL PROBLEMS AFFECTING THE PROPERTY ARISING AS THE RESULT OF THEORIES OF PRODUCTS LIABILITY AND STRICT LIABILITY, OR UNDER NEW LAWS OR CHANGES TO EXISTING LAWS ENACTED AFTER THE EFFECTIVE DATE OF THIS AGREEMENT THAT WOULD OTHERWISE IMPOSE ON SELLERS IN THIS TYPE OF TRANSACTION NEW LIABILITIES FOR ENVIRONMENTAL PROBLEMS AFFECTING THE PROPERTY.

These provisions of Section 4.03 will be included in the Deed and will survive Closing.

4.04 **Representations and Warranties of Purchaser**. Purchaser represents and warrants to Seller as follows:

(a) There are no attachments, executions, assignments for the benefit of creditors, or voluntary or involuntary proceedings in bankruptcy or under other debtor relief laws contemplated by, pending, or to the best of Purchaser's knowledge, threatened against Purchaser.

(b) The person signing this Agreement as Purchaser or on behalf of Purchaser has the full right, power and authority to enter into this Agreement as Purchaser or on behalf of Purchaser, and to carry out Purchaser's obligations without the joinder of any other person.

(c) No notice of a violation of any governmental requirement has been issued to Purchaser and there are no actions, suits or proceedings pending or, to Purchaser's actual knowledge, threatened against Purchaser affecting Purchaser's ability to perform its obligations under this Agreement, including without limitation, purchasing and holding title to the Property, at law or in equity, or before any governmental authority.

(d) Purchaser has and will continue to have at Closing the financial capacity to perform its obligations hereunder.

(e) Purchaser intends to use the Property for the following purpose (provide a specific description of the intended use of the Property):
_____

V.
Review Period

5.01 **No Review Period.** No Review Period will be provided in this Agreement. Purchaser has been provided with a title commitment, appraisal and other information on the Property, and has had an opportunity prior to proposal submission to review such information and conduct its own investigations of the condition and title to the Property. By submitting its proposal, and executing this Agreement, Purchaser has agreed to take title to the Property in its existing condition, as is, where is, and with any and all faults, in accordance with the terms of the Deed.

VI.
Remedies

6.01 **Purchaser's Remedies**. In the event Seller breaches its obligation to sell the Property to Purchaser at closing for any reason other than a default by Purchaser, or a termination of this Agreement as provided in this Agreement, then Purchaser will have as its sole and exclusive remedy, the right to terminate this Agreement and obtain the return of its Earnest Money and the Proposal Security.

6.02 **Seller's Remedies**. In the event Purchaser fails or refuses to timely comply with its obligations hereunder or is unable to do so as the result of its act or failure to act, Seller may (i) terminate this Agreement, retain the Earnest Money and Proposal Security as liquidated damages and not as a penalty; or (ii) pursue specific performance of this Agreement; and/or (iii) pursue any other rights or remedies available at law or equity.

6.03 **Attorney's Fees**. If either party retains an attorney to enforce this Agreement, the party prevailing in litigation is entitled to recover reasonable attorney's fees as provided by Section 271.159 of the Texas Local Government Code, expenses and court and other costs from the non-prevailing party.

VII.
Closing

7.01 **Closing Date**. This transaction must close (the "***Closing***") at Title Company's Offices on or before **January 13, 2014** ("***Closing Date***") and at a date and time mutually agreed upon by Seller and Purchaser, unless otherwise extended as herein provided. In the event no date and time is so agreed upon, then the Closing shall occur on January 13, 2014 at 2:00 p.m. at the Title Company's Offices.

7.02 **Closing Matters**. At the Closing, (a) Seller must (i) request the Title Company to issue the Title Policy to Purchaser at Purchaser's expense; (ii) Seller must execute and deliver to Purchaser a Special Warranty Deed ("***Deed***") conveying to Purchaser good and indefeasible fee simple title to the Property, subject to all matters of record or visible and apparent on the ground, such Deed to be substantially in the form attached hereto as **Exhibit "B"**; (iii) deliver possession of the Property to Purchaser; and (iv) execute and deliver such other documents reasonably requested by Title Company to consummate the transaction contemplated herein; and (b) Purchaser must deliver to Seller (i) the Purchase Price less the Earnest Money previously deposited with Title Company and (ii) execute and deliver such other documents reasonably requested by Title Company to consummate the transaction contemplated herein.

7.03 **Closing Costs**. Purchaser must pay (i) all costs for the Updated Title Commitment and the Title Policy, (ii) the escrow fee charged by Title Company along with any other fees that may be charged by the Title Company, (iii) all costs for any tax certificates, (iv) the cost of any feasibility tests or studies conducted by Purchaser, (v) the cost of the Survey, if any, and (vi) the cost of modifying the Title Policy to delete the survey exception to read "shortages in area" and any other endorsements to the Title Policy required by Purchaser, and (vii) execute the Performance Guarantee set forth as Exhibit "C" to this Agreement. Each party will be responsible for the payment of its own attorney's fees, if any, incurred in connection with this transaction, except as provided in Section 6.03.

7.04 **Taxes**. Taxes for the year of Closing will be prorated to the date of Closing. If, at Closing, tax information for the appropriate tax year is not available, the tax proration

will be based on the latest available information. Any additional ad valorem taxes relating to the year of Closing and prior years arising out of the change in land usage or ownership must be paid by Purchaser when assessed. Purchaser assumes the payment of taxes for the year 2013 and subsequent years, and taxes for prior years assessed after the date hereof. These provisions shall survive Closing.

VIII.
Miscellaneous

8.01 **Entire Agreement**. This Agreement and the Request for Proposal, Purchaser's Proposal and all attachments and exhibits thereto, contain the entire agreement of the parties hereto as to the subject matter hereof. There are no other agreements, oral or written, between the parties regarding the sale and purchase of the Property, and this Agreement can be amended only by written agreement signed by the parties hereto and by reference made a part hereof. All Schedules, Attachments and Exhibits to the Agreement, the Proposal, and the Request for Proposal are incorporated therein for all pertinent purposes.

8.02 **Binding**. This Agreement, and the terms, covenants and conditions herein contained, are covenants running with the Land and inure to the benefit of and are binding upon the parties hereto, and their heirs, personal representatives, successors and assigns. The Seller has the right to enforce the Use and Development Restrictions after Closing in any manner provided by law or equity. The Use and Development Restrictions can only be modified or terminated by the written agreement of the Seller and the owner(s) of the Property at the time of modification or termination.

8.03 **Assignment**. Purchaser does not have the right to assign its rights under this Agreement without Seller's prior written consent, which Seller may withhold in its discretion.

8.04 **Commencement Date**. The commencement date ("***Commencement Date***") of this Agreement is the date on which Title Company acknowledges in writing its receipt of the Earnest Money and a fully executed copy of this Agreement.

8.05 **Notice**. Any notice, communication, request, reply or advice (severally and collectively referred to as "***Notice***") required to be given under this Agreement must be in writing. Notice may, unless otherwise provided herein, be given or served (a) by depositing the same in the United States mail, postage paid, certified mail, and addressed to the party to be notified, with return receipt requested, (b) by delivering the same to such party by hand or by a recognized overnight carrier, or (c) when appropriate, by sending via facsimile transmission (with electronic confirmation of receipt) addressed to the party to be notified. Notice sent by certified mail in the manner hereinabove described will be deemed delivered when deposited in the mail, whether or not actually received. Notice given in any other manner is to be effective only if and when received by the party to be notified. For the purposes of notice, the addresses of the parties are, until changed as provided below, as follows:

Seller's Representative:	The City of Austin One Texas Center, Suite 1350 505 Barton Springs Road Austin, Texas 78704 Attention: Ms. Mashell Smith Fax: (512) 974-7088
With copy to:	City Attorney City of Austin Law Department 301 West 2nd Street, 4th Floor Austin, Texas 78701 Attn: Jim Williams Fax: (512) 974-6490
Purchaser:	_____ _____ _____ Attention: _____ Fax: (___) _____
With copy to:	_____ _____ _____ Attention: _____ Fax: (___) _____

The parties hereto have the right from time to time to change their respective addresses, and each has the right to specify as its address any other address within the United States of America by at least 14 day's written notice to the other party.

8.06 **Condemnation and Litigation.** If, prior to Closing, any governmental or other entity having condemnation authority institutes an eminent domain proceeding or takes any steps preliminary thereto (including the giving of any direct or indirect notice of intent to institute such proceedings) with regard to the Property, or any part thereof, which would have a material adverse affect on the Purchaser's ability to use the Property for its intended purpose, and the same is not dismissed on or before ten (10) days prior to Closing, Purchaser is entitled either to terminate this Agreement by giving written notice to Seller prior to Closing, in which event the Earnest Money and Proposal Security will be returned to Purchaser, or to waive such right of termination, close on the sale of the Property and receive all condemnation proceeds applicable to the condemnation of the Property.

8.07 **Casualty Loss.** Purchaser will bear the risk of any casualty loss occurring to the Property on or before Closing.

8.08 **Time**. Time is of the essence in all things pertaining to the performance of this Agreement. If any date or any period provided in this Agreement ends on a Saturday, Sunday or legal holiday on which the administrative offices of the City of Austin are closed, the applicable period will be extended to the first business day following such Saturday, Sunday or legal holiday.

8.09 **Obligations**. To the extent necessary to carry out the terms and provisions hereof, the terms, conditions, warranties, representations, obligations and rights set forth herein will not be deemed terminated at the time of Closing, nor will they merge into the various documents executed and delivered at the time of Closing.

8.10 **Applicable Law and Venue**. The construction and validity of this Agreement is to be governed by the laws of the State of Texas. This Agreement is performable in Travis County, Texas.

8.11 **Construction**. Each party acknowledges that it and its counsel have reviewed this Agreement and that there will be no presumption that any ambiguities will be resolved against the drafting party in the interpretation of this Agreement.

8.12 **Survival of Covenants**. All provisions of the Agreement which expressly state that they survive Closing and all of the representations, warranties, covenants and agreements of the parties of this Agreement, and all of the rights and benefits of the parties which pertain to a period of time following Closing, survive the Closing and are not merged with the Deed and closing documents.

8.13 **Broker**. Seller represents and warrants to Purchaser that no person or entity now claims or will claim any commission, finder's fee or other amounts by, through, under or as a result of any relationship with Seller because of such transactions. In the event of a termination of this Agreement, no broker shall have any right to share in the Earnest Money, if retained by Seller. Purchaser represents and warrants to Seller that either (i) Purchaser has not engaged any broker or finder in connection with any of the transactions contemplated by this Agreement or (ii) any such broker or finder has been engaged under a separate written agreement with Purchaser, will be independently compensated by Purchaser, and will not claim any commission, finder's fee, statutory broker's lien, or other amounts against the Purchase Price or the Earnest Money by, through, under, or as a result of this Agreement or the transaction contemplated hereunder. Purchaser agrees to hold the Seller harmless from and against any and all costs, liability, expenses, claims, losses, liens, or damages, including reasonable attorneys' fees, resulting from any breach of the representations and warranties contained in this Section.

8.14 **No Third-Party Beneficiaries**. There are no third-party beneficiaries to this Agreement.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS HEREOF, this Agreement has been duly executed by the parties hereto on the respective dates appearing opposite each party's signature, to be effective as of the Commencement Date.

SELLER:

Urban Renewal Agency

By:_____

Date: _____

APPROVED AS TO FORM:

By:_____
James M. Williams, Sr.
Assistant City Attorney

PURCHASER:

_____

By: _____
Name: _____
Title: _____
Date:_____

The undersigned Real Estate Broker was engaged by Purchaser and is executing this Agreement to evidence its agreement that it will look solely to the Purchaser for payment of its commission, and that it will not make any claim against the Proposal Security, Earnest Money, the Purchase Price or other amounts paid by Purchaser to Seller under this Agreement, and that it waives any lien or other rights that it may have to assert a claim against or lien on such amounts.

BROKER:

_____

By:_____

Name:_____

Title:_____

Date:_____

JOINDER BY TITLE COMPANY

The undersigned, Independence Title Insurance Company referred to in this Agreement as the "***Title Company***," hereby acknowledges that it received a copy of the Agreement executed by Seller and Purchaser with a Proposal Security in the amount of $10,000, Earnest Money in the amount of $10,000, and accepts the obligations of Title Company as set forth herein.

INDEPENDENCE TITLE INSURANCE COMPANY

By: _____

Name: _____
Escrow Officer

Date: _____

List of Exhibits:

Exhibit "A" Property Description
Exhibit "B" Special Warranty Deed
Exhibit "C" Executed the City of Austin Fiscal Security for or other evidence of Performance Guaranty as proposed by Purchaser

EXHIBIT "A" TO

PURCHASE AND SALE AGREEMENT

PROPERTY DESCRIPTION

0.303 of an acre of land and being 88 feet by 150 feet, more or less, out of the subdivision of Outlot No. 41, Division "B", in the City of Austin, Texas, being the same property described in that certain General Warranty Deed recorded in Volume 13124, Page 1079, Real Property Records, Travis County, Texas (the "***Property"***).

EXHIBIT "B" TO

PURCHASE AND SALE AGREEMENT

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

SPECIAL WARRANTY DEED

STATE OF TEXAS §
§
COUNTY OF TRAVIS §

DATE: _____, 20__

GRANTORS: Urban Renewal Agency of the City of Austin, a Texas public body corporate and politic created under Chapter 374, Texas Local Government Code

GRANTORS MAILING ADDRESS: P.O. Box 1088
Austin, Travis County,
Texas 78767-8839
Attn.: Office of Real Estate Services

GRANTEE: _____

GRANTEE'S MAILING ADDRESS: _____
_____
_____
(including county)

CONSIDERATION: TEN DOLLARS AND NO/100 ($10.00) and other valuable consideration, the receipt and sufficiency of which is acknowledged.

RESERVATIONS FROM AND EXCEPTONS TO CONVEYANCE AND WARRANTY: As Shown in Exhibit B

PROPERTY : The Property described below:

0.303 of an acre of land and being 88 feet by 150 feet, more or less, out of the subdivision of Outlot No. 41, Division "B", in the City of Austin, Texas, being the same property described in that certain General Warranty Deed recorded in Volume 13124, Page 1079, Real Property Records, Travis County, Texas (the "***Property***").

Grantor, for the consideration and subject to the reservations from and exceptions to conveyance and warranty, **grants, sells**, and **conveys** to Grantee the Property, together with all and singular the rights and appurtenances thereto in any wise belonging, to **have** and **hold** it to Grantee, Grantee's successors or assigns forever. Grantor binds Grantor and Grantor's administrators, successors and assigns to warrant and forever defend all and singular the Property to Grantee and Grantee's successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof, when the claim is made by, through or under Grantor, but not otherwise.

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

IN WITNESS WHEREOF, Grantors have caused this instrument to be executed on _____, 20__.

GRANTORS: Urban Renewal Agency of the City of Austin, a Texas public body corporate and politic created under Chapter 374, Texas Local Government Code

By: _____

APPROVED AS TO FORM:

_____
James M. Williams, Sr.
Assistant City Attorney

STATE OF TEXAS §
§
COUNTY OF TRAVIS §

This instrument was acknowledged before me on _____, 20___ by _____

[SEAL]

_____
Notary Public, State of Texas

<u>AFTER RECORDING, RETURN TO CITY OF AUSTIN PICK UP BOX</u>:
974-7090
ATTN: Mashell Smith

File#:
Project Name: Tract 3

TCAD: 0208060307

EXHIBIT A
PERMITTED EXCEPTIONS

Rights shall remain with the parcel:

1. **Rights of tenants, as tenants only, under any and all unrecorded leases or rental agreements.** (NOTE: This item can be deleted upon receipt of an Affidavit executed by the seller evidencing there are not any outstanding leases or rental agreements. If the Affidavit reveals unrecorded outstanding leases or rental agreements the exception may be modified to make specific exception to those matters.)

2. **Notice Regarding Urban Renewal Plan**, Recorded Document No(s). 1999157295, 200078958, 2002204815, 2005075165, and 2008169755, Official Public Records, Travis County, Texas.

3. **All leases, grants, exceptions or reservation of coal, lignite, oil, gas and other mineral, together with all rights, privileges, and immunities relating thereto appearing in the public records.**

Schedule 6-A

Resolution of Corporate Authority for General Partner

I, _____ {name}, the undersigned **Secretary** of _____ {name of corporation} the "Corporation", hereby certify that:

Corporation is duly organized and existing under the laws of the State of _____. The following is a true and accurate transcript of a Resolution adopted at the _____ {date} Board meeting. The Corporation's Board of Directors adopted the Resolution, which is contained in Corporation's minute book, at a duly authorized board meeting. A quorum of Corporation's Board of Directors was present at the entire board meeting and all actions taken at the meeting complied with Corporation's charter and by-laws. The Resolution has not been amended or revoked on the date signed below, and remains in full force and effect.

Resolved, that _____ {name} _____ {title} of _____ {name of corporation}, is empowered to sign any and all documents, on behalf of said Corporation, acting in its capacity as General Partner of _____ {name of Partnership}, a _____ {state} Limited Partnership, as in his or her judgment may be necessary or appropriate, related to conveying ____ **{Easements, Street Deed}** to the City.

Signed and sealed on _____, 20____.

{Seal}

_____

Secretary

ACKNOWLEDGMENT

STATE OF TEXAS §
§
COUNTY OF TRAVIS §

Before me, _____ (name) the undersigned Notary Public of the State of Texas, on this day personally appeared _____, [choose one] {known to me **or** proved to me through _____ (TDL#)}, to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that s/he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office this _____ day of _____, A.D. 20___ .

[SEAL]

_____
Notary Public, State of Texas

Note: Resolution of Corporate Authority authorizing the **President** or a **Vice President** to sign all corporate documents must be signed, attested, and dated by the corporate **Secretary** no earlier than three months before the Closing date.

Schedule 6-B

Resolution of Corporate Authority

I, _____ {name}, the undersigned **Secretary** of _____ {name of corporation} the "Corporation", hereby certify that:

Corporation is duly organized and existing under the laws of the State of _____. The following is a true and accurate transcript of a Resolution adopted at the _____ {date} Board meeting. The Corporation's Board of Directors adopted the Resolution, which is contained in Corporation's minute book, at a duly authorized board meeting. A quorum of Corporation's Board of Directors was present at the entire board meeting and all actions taken at the meeting complied with Corporation's charter and by-laws. The Resolution has not been amended or revoked on the date signed below, and remains in full force and effect.

Resolved, that _____ {name} _____ {title} of _____ {name of corporation}, is empowered to sign any and all documents on behalf of said Corporation related to conveying ____ **{Easements, Street Deed}** to the City.

Signed and sealed on _____, 20____.

{Seal}

_____

Secretary

ACKNOWLEDGMENT

STATE OF TEXAS §
§
COUNTY OF TRAVIS §

Before me, _____ (name) the undersigned Notary Public of the State of Texas, on this day personally appeared _____, [choose one] {known to me **or** proved to me through _____ (TDL#)}, to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that s/he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office this _____ day of _____, A.D. 20___ .

[SEAL]

_____
Notary Public, State of Texas

Note: Resolution of Corporate Authority the **President** or a **Vice President** to sign corporate documents must be signed, attested, and dated by the corporation **Secretary** no earlier than three months before date of the Closing date.

Schedule 6-C

Resolution of Corporate Authority for a Limited Liability Company

I, _____ {name}, the undersigned **Member** of _____ {name of limited liability company} the "Company", hereby certify that:

Company is a limited liability company duly organized and existing under the laws of the State of _____. The following is a true and accurate transcript of a Resolution adopted at the _____ {date} Member meeting. The Company's Members adopted the Resolution, which is contained in Company's minute book, at a duly authorized meeting. A quorum of Company's Members was present at the entire meeting and all actions taken at the meeting complied with Company's charter and by-laws. The Resolution has not been amended or revoked on the date signed below, and remains in full force and effect.

Resolved, that _____ {name} _____ {title} of _____ {name of Company}, is empowered to sign any and all documents on behalf of said Company related to conveying _____ **{Easements, Street Deed}** to the City

Signed and sealed on _____, 20____.

{Seal}

_____

Member

ACKNOWLEDGMENT

STATE OF TEXAS §
§
COUNTY OF TRAVIS §

Before me, _____ (name) the undersigned Notary Public of the State of Texas, on this day personally appeared _____, [choose one] {known to me **or** proved to me through _____ (TDL#)}, to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that s/he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office this _____ day of _____, A.D. 20___ .

[SEAL]

_____
Notary Public, State of Texas

Note: Resolution of Corporate Authority the **President** or a **Vice President** to sign corporate documents must be signed, attested, and dated by the corporation **Secretary** no earlier than three months before date of the Closing date.

Schedule 7

REQUEST FOR INSPECTION APPOINTMENT LETTER

For
1120 E. 12th Street – Request For Proposals

DATE: _____

NAME: _____

ADDRESS: _____
_____
_____
_____

PHONE: _____

To Whom It May Concern:

Upon your execution and delivery of this letter as required below, you ("Inspector") will be granted an appointment to enter 1120 E. 12th Street, owned by the Urban Renewal Agency of the City of Austin ("Property").

This request is granted solely for the purpose of inspection (the "Inspection") prior to making an offer to purchase the Property and no other use is authorized. You will be contacted within 48 hours after receipt of this request with an appointment time between the hours of 1 p.m. and 4 p.m. While a thorough inspection of the Property is encouraged, please be mindful entry to the Property is dependent upon being accompanied by a City of Austin staff member. Access to the property without an escort is prohibited. Also, possession of firearms and other weapons is prohibited.

As condition to Inspector's authorization to enter the Property:

(i) Inspector agrees that it will not cause or permit damage or injury to be done to any portion of the Property during or as a result of the Inspection, and Inspector shall repair all damage or injury to the Property resulting from the investigation and inspection of the property by Inspector, its employees, agents or contractors.

(ii) Inspector represents that the individual signing on its behalf is authorized to so act and bind Inspector.

(iii) **Inspector indemnifies and holds harmless the City of Austin and the Urban Renewal Agency of the City of Austin on account of any claims, causes of action, damages and expenses (including, without limitation, legal expenses) arising out of or relating to the acts of Inspector, its employees, agents or contractors under the provisions of this letter.**

Keep a copy of this request with you while conducting inspections. You may be asked to present it to a staff member or law enforcement officer.

Sincerely,

Mashell Smith
Property Agent
Office of Real Estate Services
City of Austin

ACCEPTED AND AGREED TO:

_____
[Name of Inspector]

By: _____
Name: _____
Title: _____

Schedule 8

CITY OF AUSTIN, TEXAS
HUMAN RIGHTS COMMISSION
NON-DISCRIMINATION CERTIFICATION

For
Purchase and Development of
1120 E. 12th Street

TO: CITY OF AUSTIN, TEXAS

I hereby certify that our firm conforms to the 1992 City of Austin Code; Chapters 7-4 as reiterated below:

ARTICLE VII, Chapter 7-4: Discrimination in Employment by City Contractors. Sec. 7-4-2 Requirements of contractors:

B (1) Not to engage in any discriminatory employment practice defined in this chapter.

(2) To take affirmative action to insure that applicants are employed, and that employees are treated during employment, without discrimination being practiced against them as defined in this chapter. Such affirmative action shall include, but not be limited to, employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rate of pay or other forms of compensation; and selection for training or any other terms, conditions, or privileges of employment.

(3) To post in conspicuous places, available to the employees and applicants for employment, notices to be provided by the Austin Human Rights Commission setting forth the provision of this chapter.

(4) To state in all solicitations or advertisements for employees placed by or on behalf of the contractor, that all qualified applicants will receive consideration for employment without regard to race, creed, color, religion, national origin, sex or age.

(5) To obtain a written statement from any labor union or labor organization furnishing labor or service to the contractors in which such union or organization has agreed not to engage in any discriminatory employment practices as defined in this chapter and to take affirmative action to implement the policies and provisions of this chapter.

(6) To cooperate fully with the City and the Austin Human Rights Commission in connection with any investigation or conciliation effort of the Austin Human Rights

Commission to ensure that the purpose of the provisions against discriminatory employment practice is being carried out.

(7) To require of all subcontractors having 15 or more employees who hold any subcontract providing for the expenditure of $2,000 or more in connection with any contract with the City subject to the terms of this chapter that they not engage in any discriminatory employment practice as defined in this chapter.

Dated this _____ day of _____, 20____ .

Signature: _____
Respondent: _____
Title: _____

Schedule 9

CITY OF AUSTIN
PROPOSER'S AFFIDAVIT OF NON-COLLUSION,
NON-CONFLICT OF INTEREST, AND ANTI-LOBBYING

For
Purchase and Development of
1120 E. 12th Street

STATE OF TEXAS §
§
COUNTY OF TRAVIS §

I, _____, being first duly sworn, depose and say:

(1) Neither I nor any of my officers, partners, owners, agents, representatives, employees, or parties in interest, has in any way colluded, conspired, or agreed, directly or indirectly, with any person, firm, corporation or other proposer or potential proposer in regard to the amount of this proposal or the terms or conditions of this proposal. I have not paid or agreed to pay, directly or indirectly any person, firm, corporation or other proposer or potential proposer, any money or anything of value in return for assistance in procuring or attempting to procure a contract or in return for fixing the prices in the attached proposal or the proposal of any other proposer. I will not pay any money or anything of value in the future for those purposes.

(2) None of the deciding factors set forth in the request for proposal or in the subsequent agreement were my idea or the idea of anyone representing my company, unless the suggestion was made at a meeting open to all proposers, which all proposers had notice of.

(3) Neither I nor any of my officers, partners, owners, agents, representatives, employees, or parties in interest have had any involvement in the development, preparation, evaluation, or other decision making process for this solicitation, and that should I receive a contract award in response to my proposal, no agent, representative, consultant or subconsultant affiliated with my company, who may have been involved in the development, preparation or evaluation or other decision making process for this solicitation, will have any financial interest, direct or indirect, in said contract.

(4) There are no other potential or actual conflicts of interest regarding this solicitation.

(5) No officer or stockholder of my company sits on the Board of Commissioners of the Urban Renewal Agency of the City of Austin; is related to any member of the Urban

Renewal Board; is an employee of the City of Austin; is an employee of any elected official of the City; or is related to any employee or elected official of the City of Austin.

(6) None of my agents, representatives, subconsultants or I have undertaken or will undertake any activities or actions to promote or advertise my proposal to any member of the Urban Renewal Board of the City of Austin, any member of the Austin City Council, or any City staff.

Signature: _____
Respondent: _____
Title: _____

Date: _____

STATE OF TEXAS §
§
COUNTY OF TRAVIS §

This instrument was acknowledged before me on this ____ day of _____ , 200__ , by _____.

_____
Notary Public, State of Texas

Schedule 10

Request For Proposals for the Purchase and Development of
1120 E. 12th Street

Proposer Submittal Checklist* and Signature Page

*Please refer to all RFP documents, schedules, and addenda for complete guidelines on proposal submittal.

____ Please submit two original copies (clearly marked "original") and one digital copy (on CD or flash drive) of the entire required submission, formatted and sealed according to RFP document, Section IX ("Submittal Instructions").

____ Please submit a cashier's check in the amount of $10,000.00, payable to Independence Title Company, as Proposal Security to be included in the sealed proposal submission.

Proposal must be organized in the following format and sequence, with dividers between each section:

____ (i) Front cover, indicating Proposer's name, contact information, date of submittal, and the Property address.

____ (ii) This Checklist (**Schedule 10**), including the following pages completed and signed by Proposer, and if applicable, by any broker(s) or agent(s) representing Proposer.

____ (1) Executive summary of two pages or less, declaring the Proposer's intended development of the Property, **the proposed purchase price**, and a concise summary of the Proposal.

____ (2) Project Development Plan, specifically addressing the City's Project Goals and how the proposed development will satisfy those goals. (Please refer to RFP document, Section II ("Project Goals"), and **Schedule of Criteria** provided as **Schedule 2**.) The document must set forth a detailed plan that provides, **at minimum**, all information requested in RFP document, Section VIII, Subsection B ("RFP Submission Format: Project Development Plan").

____ (3) Development Entity information, as required and explained by RFP document, Section VIII, Subsection C ("RFP Submission Format: Development Entity").

____ (4) Corporation & Partnership Documentation, as applicable, discussed in RFP document, Section VIII, Subsection D ("RFP Submission Format: Corporation & Partnership Authority Documents"); acceptable forms of Corporate Resolution provided as **Schedule 6 (A, B or C).**

____ (5) Development Team Experience information with reference and contact information, as required and explained by RFP document, Section VIII, Subsection E ("RFP Submission Format: Development Team Experience") and **Schedule of Criteria** provided as **Schedule 2** (Subsection C(2): "Development Experience").

____ (6) Financial Capacity and Capability information, as required and explained by RFP document, Section VIII, Subsection F ("RFP Submission Format: Financial Capacity and Capability") and **Schedule of Criteria** provided as **Schedule 2** (Subsection C(3): "Financial Capacity and Capability"). This entire section should be stamped "Confidential" on each page, submitted in a separate sealed envelope, and included with the RFP submission.

____ (7) Executed Purchase and Sale Agreement (acceptable form available as **Schedule 5**).

____ (8) Executed Non-Discrimination Certification (acceptable form available as **Schedule 8**).

____ (9) Executed Affidavit of Non-Collusion, Non-Conflict of Interest, and Anti-Lobbying (acceptable form available as **Schedule 9**).

____ (10) **Schedule of Criteria** provided as **Schedule 2**, completed as a checklist and notated by Proposer as necessary and applicable, and initialed on the top right corner of each page by the Proposer. Please note that completion and/or notation of Schedule 2 does not constitute or suffice as a submittal of any information required or requested by this RFP, its exhibits and schedules.

To be completed by Proposer:

The undersigned Proposer affirms that they are duly authorized to submit this proposal, that this proposal has not been prepared in collusion with any other firm, and that the contents of this proposal have not been and shall not be communicated to any other entity prior to the award of sale of the Property by the Austin City Council.

Proposer affirms that they are not currently in violation of any City ordinance or previously failed to properly and timely perform its obligations under a contract with the City. If the Proposer cannot affirmatively swear and subscribe to the foregoing statements, the Proposer shall attach a detailed written explanation.

Proposer represents and warrants to City that either (i) Proposer has not engaged any broker or agent in connection with the transactions contemplated by this RFP or (ii) any such broker or agent has been engaged under a separate written agreement with Proposer, and will be independently compensated by Proposer.

Proposer acknowledges that the Property is offered for sale "*AS IS, WHERE IS, WITH ANY AND ALL FAULTS*."

Proposer affirms that this submittal constitutes an irrevocable proposal on the part of the Proposer to purchase the Property on the terms stated in this proposal, until such time as Seller announces its selection and/or rejection of the proposal. In addition, submission of an Proposal constitutes a legally binding commitment of the Proposer to provide such further information as Seller may reasonably request in connection with Seller's evaluation of the proposal and Proposer, and to enter in good faith final negotiations to affect the Proposer's purchase of the Property, if the proposal is accepted by Seller.

Proposer acknowledges that it is not relying on any representation, warranty, statement or other assertion contained in this Request For Proposals or made by Seller or the Seller's Representative, or any employee, agent or representative of either of them, and that the Proposer is relying solely on the Proposer's own examination of the Property and that of the Proposer's employees, agents, representatives and consultants.

Proposer acknowledges that it is the responsibility of Proposer, before submitting this proposal, to ascertain if the City has issued any notices, clarifications, addenda, or other communication to Proposers.

Proposer affirms that all information provided in this proposal submittal is true and complete to the best of its knowledge and ability, and that Proposer has read and understood all information and instructions provided in the 1120 E. 12th Street RFP document, its schedules and addenda.

SIGNATURE: _____

DATE: _____

NAME: _____

TITLE: _____

ENTITY: _____

To be completed by Agent or Broker engaged by Proposer (if applicable):

The undersigned Real Estate Broker was engaged by Proposer and is signing this application to evidence its agreement that it will look solely to the Proposer for payment of its commission, and that it will not make any claim against the Deposit, Purchase Price, or any other agreed terms to be paid or produced by Proposer to Seller, should this Proposer's proposal be selected by the Seller.

SIGNATURE: _____

DATE: _____

NAME: _____

TITLE: _____

ENTITY: _____

REQUEST FOR PROPOSALS

FOR
THE PURCHASE AND DEVELOPMENT OF
1120 E. 12th Street

AN APPROXIMATELY 13,200 SQUARE FOOT VACANT PARCEL OF LAND

IN AUSTIN, TRAVIS COUNTY, TEXAS

OFFERED FOR SALE BY the URBAN RENEWAL AGENCY OF THE CITY OF AUSTIN

RFP TITLE: 1120 E. 12TH STREET

ADDENDUM, OCTOBER 4, 2013

(RFP INQUIRIES AND CORRECTIONS AS OF OCTOBER 3)

FOR MORE INFORMATION VISIT:
http://www.austintexas.gov/realestate

I. Questions

Questions posed in reference to the 1120 E. 12th Street Request For Proposals (RFP) must be in submitted in writing to realestate@austintexas.gov and will be answered in writing on the Seller's Representative's website (www.austintexas.gov/realestate). Mashell Smith, Property Agent, City of Austin, is the **sole authorized point of contact** for inquiries regarding this RFP.

Listed below are all inquiries received by Mashell Smith as of October 3, 2013.

Received September 17, 2013:

> Q: Please confirm that the scoring of proposals based on M/WBE participation is around the makeup of the investors, and not construction or other tenant occupation contracts that may take place at some future date.
>
> A: Evaluation Criterion #8 (*MBE/WBE Participation*, as described in **Schedule 2** of the RFP) is not scored according to the makeup of the investors. The 10 points allotted for M/WBE participation are awarded based on participation goals for contractors and subcontractors, wages paid, and the provision of safety training to all construction employees.

Received October 2, 2013:

> Q: Has an Environmental Site Assessment (ESA) been completed for the property? If there is an existing ESA, then can you please make it available for review by posting it on the same website as the Request for Proposals?
>
> A: Neither the Urban Renewal Agency nor the City of Austin have commissioned an Environmental Site Assessment for 1120 E. 12th Street, Austin, Texas.

II. Corrections to the RFP

Corrected October 3, 2013:

- Replaced all references to the City Council Resolution No. 20071108-127 (regarding M/WBE participation) with **Resolution No. 20120112-058**, which has replaced it.

III. Disclaimer

Please refer to the Request For Proposals document and all posted addenda and schedules for more information on this RFP. As stated therein:

By submitting a proposal, the Proposer acknowledges, represents and warrants that it is not relying on any representation, warranty, statement or other assertion

contained in this Request For Proposals or made by Seller, Seller's Representative or any employee, agent or representative of either the City of Austin or the Urban Renewal Agency; and the Proposer is relying solely on the Proposer's own examination of the Property and that of Proposer's employees, agents, representatives and consultants.

REQUEST FOR PROPOSALS

FOR
THE PURCHASE AND DEVELOPMENT OF
1120 E. 12th Street

AN APPROXIMATELY 13,200 SQUARE FOOT VACANT PARCEL OF LAND

IN AUSTIN, TRAVIS COUNTY, TEXAS

OFFERED FOR SALE BY the URBAN RENEWAL AGENCY OF THE CITY OF AUSTIN

RFP TITLE: 1120 E. 12TH STREET

ADDENDUM,
OCTOBER 21, 2013

FOR MORE INFORMATION VISIT:
http://www.austintexas.gov/realestate

I. Questions

Questions posed in reference to the 1120 E. 12th Street Request For Proposals (RFP) must be in submitted in writing to realestate@austintexas.gov and will be answered in writing on the Seller's Representative's website (www.austintexas.gov/realestate). Mashell Smith, Property Agent, City of Austin, is the **sole authorized point of contact** for inquiries regarding this RFP.

See below for one inquiry received by the Seller's Representative. More questions and their answers will be posted in a separate addendum later this week.

Received October 17, 2013:

> Q: Does the City of Austin have any surveys, plat maps, or tree or topographical surveys readily available for the two East 12th Street properties? Does the City have any of these in an AutoCad.dwg file format?
>
> A: Neither the Urban Renewal Agency (Seller) nor the City of Austin (Seller's Representative) has any of the requested surveys readily available in relation to these two RFPs (1120 E. 12th Street and 1322-1336 E. 12th Street). Proposers may refer to the Travis County Appraisal District (TCAD) at www.traviscad.org to review available plat maps of the area produced by TCAD.

II. Disclaimer

Please refer to the Request For Proposals document and all posted addenda and schedules for more information on this RFP. As stated therein:

By submitting a proposal, the Proposer acknowledges, represents and warrants that it is not relying on any representation, warranty, statement or other assertion contained in this Request For Proposals or made by Seller, Seller's Representative or any employee, agent or representative of either the City of Austin or the Urban Renewal Agency; and the Proposer is relying solely on the Proposer's own examination of the Property and that of Proposer's employees, agents, representatives and consultants.

REQUEST FOR PROPOSALS

FOR
THE PURCHASE AND DEVELOPMENT OF
1120 E. 12th Street

AN APPROXIMATELY 13,200 SQUARE FOOT VACANT PARCEL OF LAND

IN AUSTIN, TRAVIS COUNTY, TEXAS

OFFERED FOR SALE BY the URBAN RENEWAL AGENCY OF THE CITY OF AUSTIN

RFP TITLE: 1120 E. 12TH STREET

ADDENDUM #3, OCTOBER 24, 2013

FOR MORE INFORMATION VISIT:
http://www.austintexas.gov/realestate

I. Questions

Questions posed in reference to the 1120 E. 12th Street Request For Proposals (RFP) must be in submitted in writing to realestate@austintexas.gov and will be answered in writing on the Seller's Representative's website (www.austintexas.gov/realestate). Mashell Smith, Property Agent, City of Austin, is the **sole authorized point of contact** for inquiries regarding this RFP.

See below for two inquiries received by the Seller's Representative.

Received October 10, 2013:

Q: How does the City of Austin plan to manage and/or ensure any M/WBE commitments provided by Proposers? Will reporting requirements and consequences for lack of performance be outlined in the final agreements with the Seller?

A: The City of Austin will not require a reporting or enforcement remedy in the Purchase & Sale Agreement with respect to any MBE/WBE participation goals in the design or construction of improvements on the subject Property. However, a Proposer may include in its proposal an offer to incorporate into the Purchase & Sale Agreement additional requirements or enforcement remedies with regard to MBE/WBE participation goals.

Q: Recognizing that the subject parcels are in the African American Heritage District, can a scoring factor be added to the existing scoring matrix or as bonus points for proposals that reflect M/WBE ownership and/or include a development concept that will contribute to the history of the District?

A: The Seller (Urban Renewal Agency) solicited and received neighborhood and local community input in open Urban Renewal Board meetings as part of the determination of the proposal scoring criteria found in **Schedule 2** of this Request For Proposals (RFP). There is no MBE/WBE ownership goal specified in this RFP. **Schedule 2** of the RFP (Schedule of Criteria for Review and Scoring of Proposals), **subsection C(8)** "MBE/WBE Participation", allots up to 10 points to encourage Proposers to set MBE/WBE design and construction participation goals or to make a good faith effort to achieve these goals, in the same manner as the City Council has established by City Code. **Schedule 2**, **subsection C(10)** "Other Public Benefits", allots up to 5 points to encourage Proposers to contribute additional public and community benefits (beyond those specified in the RFP) as part of any proposed development.

II. Disclaimer

Please refer to the Request For Proposals document and all posted addenda and schedules for more information on this RFP. As stated therein:

By submitting a proposal, the Proposer acknowledges, represents and warrants that it is not relying on any representation, warranty, statement or other assertion contained in this Request For Proposals or made by Seller, Seller's Representative or any employee, agent or representative of either the City of Austin or the Urban Renewal Agency; and the Proposer is relying solely on the Proposer's own examination of the Property and that of Proposer's employees, agents, representatives and consultants.

REQUEST FOR PROPOSALS

FOR
THE PURCHASE AND DEVELOPMENT OF
1120 E. 12th Street

AN APPROXIMATELY 13,200 SQUARE FOOT VACANT PARCEL OF LAND

IN AUSTIN, TRAVIS COUNTY, TEXAS

OFFERED FOR SALE BY the URBAN RENEWAL AGENCY OF THE CITY OF AUSTIN

RFP TITLE: 1120 E. 12TH STREET

ADDENDUM #4, NOVEMBER 1, 2013

FOR MORE INFORMATION VISIT:
http://www.austintexas.gov/realestate

I. Questions

Questions posed in reference to the 1120 E. 12th Street Request For Proposals (RFP) must be in submitted in writing to realestate@austintexas.gov and will be answered in writing on the Seller's Representative's website (www.austintexas.gov/realestate). Mashell Smith, Property Agent, City of Austin, is the **sole authorized point of contact** for inquiries regarding this RFP.

At this time the deadline to submit questions regarding this Request For Proposals has passed. No further questions or answers beyond those presented in this and previous addenda will be provided.

See below for the last two inquiries received by the Seller's Representative.

Received October 28, 2013:

Q: In regards to the property at 1120 E. 12th Street, what horizontal clearance will be required on this site for the transmission line that runs along the south edge of the property, along East 12th Street? How far must the transmission line stand from the edifice of any structure to be constructed on this property?

A: There are existing electric transmission lines located adjacent to both the front and rear property lines of the property (along E. 12th Street and along the alley adjoining Navasota Street). The determination of what setback distance or easement area is required for a development project on this property may only be determined when the site plan for the property is submitted to the City of Austin Planning Development and Review Department for a site plan permit.

Received October 29, 2013:

Q: Have any potential respondents to either of the East 12th Street RFPs asked how to contact the neighborhood stakeholders directly affected by this development? If so, what contact information was provided to them? Please share if you are able in your response that the neighborhood association representing the stakeholders adjacent to these tracts is Swede Hill Neighborhood Association, which meets next Tuesday, November 5, at Carver Library, beginning at 7:00 pm. The Neighborhood Association's e-mail is swedehillna@gmail.com.

A: The Seller's Representative has not received any inquiries or requests for the contact information of neighborhood stakeholders.

II. Disclaimer

Please refer to the Request For Proposals document and all posted addenda and schedules for more information on this RFP. As stated therein:

By submitting a proposal, the Proposer acknowledges, represents and warrants that it is not relying on any representation, warranty, statement or other assertion contained in this Request For Proposals or made by Seller, Seller's Representative or any employee, agent or representative of either the City of Austin or the Urban Renewal Agency; and the Proposer is relying solely on the Proposer's own examination of the Property and that of Proposer's employees, agents, representatives and consultants.

REQUEST FOR PROPOSALS

FOR
THE PURCHASE AND DEVELOPMENT OF
1322-1336 E. 12th Street

AN APPROXIMATELY 26,206 SQUARE FOOT VACANT PARCEL OF LAND

IN AUSTIN, TRAVIS COUNTY, TEXAS

OFFERED FOR SALE BY the URBAN RENEWAL AGENCY OF THE CITY OF AUSTIN

RFP TITLE: 1322-1336 E. 12TH STREET

PROPOSAL SUBMISSION DEADLINE: NOVEMBER 8, 2013

AT NOON (12:00 P.M.) CENTRAL STANDARD TIME

WITH PROPOSAL SECURITY DEPOSIT OF $10,000.00

MINIMUM BID: $878,000.00 PLUS DEVELOPMENT WITHIN THREE (3) YEARS

SEE SCHEDULE OF IMPORTANT DATES & MORE INFORMATION
At: http://www.austintexas.gov/realestate

REQUEST FOR PROPOSALS
Urban Renewal Agency of the City of Austin – 1322-1336 E. 12th Street

BACKGROUND:
The City of Austin has partnered with the Urban Renewal Agency of the City of Austin (the ***"Seller"***) to implement revitalization efforts along the East 11th and 12th Street corridors. The City of Austin's Neighborhood Housing and Community Development Office is the lead department handling the day to day planning and implementation of the East 11th and 12th Streets Urban Revitalization Project, and staffs the Urban Renewal Agency. The City's Office of Real Estate Services conducts all property sales. The City of Austin through its Office of Real Estate Services (the *"**Seller's Representative**"*) will conduct and administer the sale.

The Urban Renewal Agency was established by the voters of Austin in 1959 to carry out Urban Renewal project powers in accordance with Chapter 374 *(Urban Renewal in Municipalities*) of the Texas Local Government Code. The Agency's Board of Commissioners consists of seven members who are appointed by the Mayor with the consent of the City Council. The Agency's primary purposes are to eliminate slum and blighting influence, encourage redevelopment activities, and oversee the implementation of and compliance with any and all approved Urban Renewal Plans, as amended and adopted by the Austin City Council.

I. Purpose of Request for Proposals and Development Proposals (RFP)

The Urban Renewal Agency of the City of Austin, a Texas public body corporate and politic created under Chapter 374 Texas Local Government Code (the ***"Seller"***) is pleased to offer for sale the property located at 1322, 1324, 1326, 1328, 1330, 1332, 1334, and 1336 East 12th Street (henceforth ***"1322-1336 E. 12th Street"***), situated in Travis County, Texas, and more particularly described below:

> Lots 1, 2, 3, 4, 5, 6, 7, and 8, Block A, Resubdivision of the East 65 feet of Lot 4, and Lots 5 and 6, Block 2, James O'Reilly Subdivision of Outlot 38, Division B, according to the map or plat thereof, recorded in Volume 102, Page 88, Plat Records, Travis County, Texas (the "***Property***").

The Property is located within the East 11th and 12th Streets Urban Renewal Area as shown in the map provided as **Exhibit A** to this RFP.

The Seller is seeking a developer or development team (the ***"Successful Proposer"***) with demonstrated experience and strong financial resources to purchase the Property and develop it within the controls established in the approved Urban Renewal Plan (URP). (A link to the URP is posted on the Seller's Representative's

website at: www.austintexas.gov/realestate.) A successful proposal to develop the Property shall be a creative project that achieves the Project Goals set forth in Section II of this RFP.

II. Project Goals

The Schedule of Criteria for Review and Scoring of Proposals (the ***"Criteria"***) is included with this RFP as **Schedule 2**. The Criteria identifies and outlines the elements of any proposal submission that are mandatory, versus those that are value added (i.e. voluntary). Mandatory elements that are not addressed or inadequately addressed in the RFP may be deemed non-responsive and lead to disqualification of the proposal, at the sole discretion of the Seller.

The Successful Proposer, in addition to purchasing the Property, must propose a creative, high-quality project that:

A. Produces a successful development that contributes to the revitalization of the East 11th and 12th Street corridors and surrounding area.

B. Redevelops the subject Property to produce significant short-term and long-term public benefit, giving consideration to community needs in the surrounding East 11th and 12th Streets Revitalization Project area. Possible considerations regarding development in this area are provided in the *East 11th & 12th Street Development Strategy Technical Report* produced by Economic & Planning Systems, Inc., available at the Seller's Representative's website: www.austintexas.gov/realestate.

C. Develops the property, as specified in the successful proposal, within three (3) years of the date of execution of the Special Warranty Deed. The Seller requires that the Successful Proposer obtain a Certificate of Occupancy for the proposed project within that three-year time frame, and obtain the Building Permit for construction of the project within two (2) years of the transfer of the Property. The Seller also requires that the Successful Proposer submit a performance guaranty (the ***"Guaranty"***) at closing of the sale of the property to ensure that this timeline is met. The form and the dollar amount of the Guaranty provided by the Successful Proposer shall be specified in advance within the proposal submitted in response to this RFP, as described herein in **Section VIII, RFP Submission Format**.

D. *Grocery Store.* The Successful Proposer is encouraged to include a mid-sized grocery store (10,000-25,000 square feet) as part of the development of this property, due to a perceived community need as indicated by area stakeholders and as discussed in greater detail in the *East 11th & 12th Street*

Development Strategy Technical Report (available at the Seller's Representative's website: www.austintexas.gov/realestate).

E. *Green Building Goals.* The Successful Proposer is encouraged to meet a minimum Austin Energy 2 Star Green Building rating or USGBC LEED Silver rating. Ambitious green building goals are encouraged. For more information, please refer to links and information posted at the Seller's Representative's website: www.austintexas.gov/realestate.

F. *Minority/Women-owned Business Enterprise (M/WBE)*. The Successful Proposer is encouraged to meet M/WBE participation goals or demonstrate a good faith effort to meet those goals in the design and construction of improvements on the Property, in accordance with City Council Resolution No. 20120112-058. For more information, please refer to links and information posted at the Seller's Representative's website: www.austintexas.gov/realestate.

G. *Affordable Housing.* The Successful Proposer is encouraged to meet affordable housing goals. To meet these goals, at least 10% of rental units must be affordable and reserved for households earning 60% or below the Median Family Income (MFI) for the Austin-Round Rock Metropolitan Statistical Area (MSA); or at least 10% of ownership units must be affordable and reserved for households earning 80% or below MFI for the MSA. If the project includes affordable housing, the successful proposer must commit to execute a 40-year Affordable Housing Restrictive Covenant (example attached to this RFP as **Exhibit B**).

III. Description of 1322-1336 E. 12th Street

A. **Location:** The Property is located in Travis County, Texas, east of downtown Austin. The Property has access to both north and south Austin by way of IH-35, and access in an east-west direction via East 12th Street. The Property is more specifically eight self-contained vacant lots commonly known as 1322, 1324, 1326, 1328, 1330, 1332, 1334, and 1336 E. 12th Street, Austin, Travis County, Texas, 78702 (see maps attached hereto as **Schedule 1-A** and **Schedule 1-B**)

B. **Description:** Summarized below is general information pertaining to the Property. Additional information regarding the Property may be found on Seller's Representative's website at www.austintexas.gov/realestate. Seller believes that such information is correct; however, **all information on which a Proposer relies must result from the Proposer's own investigation, and not from any information provided in connection with this Request For Proposals.**

1. **Land Size**: Approximately +/- 0.602 acre of vacant land (+/- 26,206 square feet).

2. **Improvements**: The property has no improvements.

3. **School District:** Austin Independent School District

4. **Road Frontage:** Approximately +/- 201' frontage on E. 12th Street, approximately +/- 130' on Angelina Street; there is a paved alley at the rear of the property.

5. **Zoning:** The lot is zoned "CS-MU-NCCD-NP".

   "CS": Commercial Services

   "NCCD": Neighborhood Conservation Combining District

   "MU": Mixed Use

   "NP": Central East Austin Neighborhood Plan

6. **Development Considerations:** The Subject Property is located in an area governed by multiple community-driven, area-specific documents and ordinances that have been adopted by the Austin City Council over the last 20 years, including the East 11th and 12th Streets Urban Renewal Plan (URP), East 12th Street Neighborhood Conservation Combining District (NCCD), and the Central East Austin Neighborhood Plan. These plans and ordinances have implemented appropriate zoning and other regulations to facilitate the desired uses, density, scale and urban design promoted in these documents and by City Council. **Exhibit A** is a map of the East 11th and 12th Streets Urban Renewal Area.

   East 11th and 12th Streets Urban Renewal Plan Project Controls (URP)

   Redevelopment of the Subject Property is subject to the Urban Renewal Plan (URP) Project Controls, as amended. Information about the URP can be found on the Seller's Representative's website (www.austintexas.gov/realestate). The development project controls included in the URP are enforceable by state law under the Texas Local Government Code, Chapter 374. The 1322-1336 E. 12th Street property is included in the amended East 11th & 12th Street Urban Renewal Plan under Project 12-6 ("12th St. Mixed Use and/or Commercial at Angelina Street, Northwest and northeast corner of 12th and Angelina"). New amendments to the URP typically require

significant public input and a time-consuming process. Any proposal submitted in response to this RFP which requires amending the URP may not be given further consideration.

East 12th Street - Neighborhood Conservation Combining District (NCCD)

Redevelopment of the Subject Property is subject to the East 12th Street Neighborhood Conservation Combining District (NCCD). The 1322-1336 E. 12th Street property is located in this NCCD as part of Tract 5b (1320-1350 E. 12th Street, even numbers), within Subdistrict 2. The NCCD establishes zoning in accordance with the East 11th and 12th Streets Urban Renewal Plan project controls and permitted uses. Information about the NCCD can be found on the Seller's Representative's website (www.austintexas.gov/realestate) and under City Ordinance No. 20080228-087. New amendments to the NCCD typically require significant public input and a time-consuming process. Any proposal submitted in response to this RFP which requires amending the NCCD may not be given further consideration.

7. **Taxes:** Although the Property is currently tax-exempt, it resides within the taxing jurisdiction of the City of Austin, Travis County, Austin Community College, Austin Independent School District, and Travis County Healthcare District.

8. **Floodplain:** The site is not within a flood hazard zone as defined and identified by City of Austin floodplain maps.

9. **No Current Survey:** The Successful Proposer shall be responsible to order, and pay for, a survey, if desired and/or if required by Proposer's Lender.

10. **Title Commitment:** A commitment for title insurance for the Property, dated effective February 21, 2013, was issued by Independence Title Company (the "***Title Company***"). An updated Title Commitment for the Property, dated effective August 22, 2013, was issued on September 3, 2013. These Title Commitments are attached hereto as **Schedule 3-A** and **Schedule 3-B**. Additional copies are available on Seller's Representative's website and upon written request. Copies of the underlying exception documents listed under Schedule B of the Title Commitment are available on Seller's Representative's website and upon written request.

11. **Appraisal:** An appraisal of the Property, effective date March 19, 2013, was prepared by J. L. Craft & Associates (the **"Appraisal").** A

copy of the Appraisal is attached to this RFP as **Schedule 4** and is available on Seller's Representative's website or upon written request.

12. **Notice Regarding Urban Renewal Plan:**

Recorded Document 1999157295 Travis County, Texas, Ordinance No. 990114-10.

Recorded Document 2002204815 Travis County, Texas, Ordinance No. 010802-89.

Recorded Document 2005075165 Travis County, Texas, Ordinance No. 20050407-060.

Recorded Document 2003189506 Travis County, Texas, Ordinance No. 030731-49.

Recorded Document 2008169755 Travis County, Texas, Ordinance No. 20080228-113.

13. **Local Government Code – Chapter 374**

This property is being sold in compliance with the provisions set forth under Texas Local Government Code, Chapter 374, which can be accessed through the link below:

http://www.statutes.legis.state.tx.us/Docs/LG/htm/LG.374.htm

Seller chooses to highlight **374.017 (Disposition), 374.908 (Conflict of Interest) and 374.901 (Public Housing),** as excerpted below (a-c). However, it should be noted that the Property is being sold in compliance with **all provisions** set forth under Chapter 374.

(a) Disposition:

Sec. 374.017. DISPOSITION OF PROPERTY. (a) Subject to the covenants, conditions, and restrictions, including covenants running with the land, that the municipality considers to be in the public interest or necessary to implement this chapter and that are written into the instrument transferring or conveying title, and after the governing body of the municipality approves the urban renewal plan, the municipality may:

(1) sell, lease, or otherwise transfer real property or an interest in real property in an urban renewal area for residential, recreational, commercial,

industrial, or other uses, including a public use, and enter contracts relating to the transfer; or

(2) retain the property or interest for public use in accordance with the urban renewal plan.

(b) The original owner from whom property was acquired under this chapter by condemnation or through threat of condemnation has the first right to repurchase the property at the price at which it is offered.

(c) The purchaser or lessee of property transferred under this section, and a successor in interest to such a person, including an assignee, must devote the property to the uses specified in the urban renewal plan and may be obligated to comply with conditions specified in the deed of conveyance, including the requirement to begin any improvements required by the urban renewal plan within a reasonable time.

(d) Real property or an interest in real property subject to this section may only be sold, leased, or otherwise transferred or retained at not less than the fair value of the property for uses in accordance with the urban renewal plan. In determining the fair value, the municipality shall consider:

(1) the uses provided in the urban renewal plan;

(2) any restrictions on and any covenants, conditions, and obligations assumed by the purchaser, lessee, or municipality in retaining the property;

(3) the objectives of the plan for the prevention of the recurrence of slums or blighted areas; and

(4) any other matters that the municipality specifies as appropriate.

(e) The municipality or urban renewal agency may provide in an instrument of conveyance to a private purchaser or lessee that the purchaser or lessee may sell any or all of the unimproved property without profit to the seller. After improving a parcel of real property in accordance with the development plan adopted for the area, the purchaser may sell the parcel before completion of the development of the area or tract purchased, but the sale does not relieve that purchaser from the obligation of completing the development of that area or tract. The purchaser may sell a parcel of land purchased for redevelopment to another person who is obligated to improve the parcel as provided by the development plan for that project if the resale is without profit to the seller and if any subsequent purchaser is

required to improve the property as provided by the urban renewal plan and by the conditions contained in the deed of conveyance.

(f) A municipality shall sell real property acquired by the municipality that is to be sold to private developers in accordance with the urban renewal plan as rapidly as is feasible in the public interest and consistent with the goals of the urban renewal plan. An instrument executed by a municipality or by an urban renewal agency that purports to convey any right, title, or interest in any property under this chapter is presumed to be executed in compliance with this chapter with respect to the title or interest of any bona fide lessee, transferee, or purchaser of the property.

(g) A municipality that sells real property in an urban renewal area to a private person must conduct the sale through competitive sealed proposers after advertising the offer in the official publication or a newspaper of general circulation. The advertisement must be published once before the 15th day before the date of the sale and must invite proposers for the purchase of real property in the urban renewal area either in whole or in parcels as determined by the municipality. Before advertising for proposers, the municipality shall adopt as part of the specifications in the general plan of improvement any conditions binding on the purchaser or the purchaser's successors in title, including heirs and assignees. The municipality or urban renewal agency may accept the highest and best responsible proposer. The purchase price must be paid in cash. If the municipality or agency determines that the proposers received are not satisfactory, it may reject all the proposers and readvertise the offer. The urban renewal agency may not sell the property until the price and conditions of sale are approved by the governing body of the municipality. The municipality shall sell any real property acquired in connection with an urban renewal and rehabilitation project within a reasonable time for the purposes applicable to each project, except for the property retained by the municipality for public use. Property to be resold shall be sold within a reasonable time, taking into account the general economic situation at the time of sale.

(h) The municipality may temporarily lease any real property acquired in an urban renewal area, except property that is not fit for human habitation or that is declared substandard by any governmental agency. The lease must provide for a right of cancellation that permits the municipality to sell or dispose of the property for the purposes of this chapter.

(i) The former owner of any real property that is acquired under this chapter and that is not dedicated within a reasonable time to the purposes applicable to the urban renewal project for which it was acquired is entitled, after notice, to repurchase the property at the price for which it was acquired, less any actual damages sustained by the former owner because of the taking of the property, unless the property is devoted to the urban renewal purposes within 60 days after the date the former owner gives the record owner and the municipality written notice of the intention to exercise the right of repurchase. After a repurchase, any buildings placed on or allowed to remain on the property must conform to the pattern and intent of the urban renewal project if the project is completed.

(j) Any purchaser or lessee who is a private developer of any part of the real property acquired under this chapter may use that property as security to finance the development of the property. The purchaser or lessee may execute and deliver to a lender notes, deeds of trust with powers of sale, mortgages, and other instruments required in connection with obtaining and securing the repayment of the loan. The purchaser or lessee has all the rights, titles, and incidents of ownership available to a purchaser or lessee of land generally, and the person is entitled to mortgage and encumber the property for either the purchase price or for improvements in accordance with the objectives of this chapter. Any subsequent owner or lessee who acquires title through foreclosure of a lien given to secure the indebtedness or through a conveyance or assignment in satisfaction of debt takes title subject only to the restrictive covenants related to the use and improvement of the land that are contained in the original conveyance from the municipality. The owner's or lessee's interest is not subject to any condition precedent or condition subsequent that would result in reverter or forfeiture of title or to any restraint as to the amount for which the property may be resold or leased.

(k) Notwithstanding any other provision of this chapter or of any other law relating to competitive proposer requirements, a municipality or urban renewal agency may sell urban renewal land for uses in accordance with an urban renewal plan to a public or private nonprofit corporation or foundation. The sale must be for at least the fair market value of the land as determined by the municipality or urban renewal agency.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

(b) Public Housing:

Sec. 374.901. USE OF ACQUIRED PROPERTY FOR PUBLIC HOUSING. (a) Except as provided by Subsection (b), real property acquired under this chapter may not be sold, leased, granted, conveyed, or otherwise made available for public housing.

(b) Real property acquired under this chapter may be made available for public housing if the municipality holds an election at which a majority of the qualified voters voting in the election approve that use of the property. The municipality shall conduct the election in the manner provided for an election under Section 374.011. The ballot shall be printed to provide for voting for or against the proposition: "Permitting the use of land acquired by urban renewal for public housing."

(c) If the qualified voters of a municipality have approved the use of land acquired under this chapter for public housing, the municipality may order an election on prohibiting the use of that land for public housing. The municipality shall conduct the election in the manner provided by Subsection (b), except that the ballot shall be printed to provide for voting for or against the proposition: "Prohibiting the use of land acquired by urban renewal for public housing." If a majority of the voters voting in the election favor prohibiting the use of the land for public housing, the prohibition contained in Subsection (a) applies. An election that results in the prohibition of the use of land for public housing does not affect land that has been made available for public housing at the time of the election.

(d) If a municipality holds an election under this section, the municipality may not hold another election under this section for one year.

(c) Conflict of Interest:

Sec. 374.908. CONFLICT OF INTEREST. (a) A public official or employee of a municipality, including an official or employee of an urban renewal agency that exercises urban renewal project powers for a municipality under Subchapter C or of any other municipal board or commission, may not voluntarily acquire any direct or indirect interest in an urban renewal project, in any property included or planned to be included in an urban renewal project or plan, or in any contract, or contract proposed, in connection with an urban renewal project.

(b) If the acquisition is not voluntary, the official or employee shall immediately disclose the acquisition of the interest in writing to the governing body of the municipality. The governing body shall enter the disclosure on its minutes. Not later than three months after the date on which the involuntary acquisition occurs, the official or employee shall either resign the position with the municipality or divest the interest.

(c) If the official or employee owns or controls any direct or indirect interest in property that the person knows is included or planned to be included in an urban renewal project, or if the official or employee owned or controlled any such interest at any time during the two-year period preceding the inclusion or planned inclusion of the property in an urban renewal project, the official or employee shall immediately disclose that fact in writing to the governing body of the municipality. The governing body shall enter the disclosure on its minutes. The official or employee may not participate in any action by the municipality or by the urban renewal agency that affects the property.

(d) Any required disclosure made under this section to the governing body of the municipality must also be made at the same time to the urban renewal agency that exercises urban renewal project powers under Section 374.021. A commissioner or other officer of an urban renewal agency or other board who exercises powers under this chapter may not hold any other public office with the municipality.

(e) A violation of this section is official misconduct.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

14. NO REPRESENTATIONS OR WARRANTIES:

The Property is offered for sale "*AS IS, WHERE IS, WITH ANY AND ALL FAULTS*." Seller makes no representations or warranties whatsoever, express or implied, except as may be otherwise expressly set forth in the Purchase and Sale Agreement (Final Purchase and Sale Agreement in the form acceptable to the Seller with all attachments) nor is any employee or agent of Seller authorized to make any representation or warranty of any kind with respect to the Property, including without limitation, zoning, tax consequences, physical or environmental conditions, availability of access, ingress or egress, operating history,

projections, valuation, marketability, suitability for a particular purpose, governmental approvals, governmental regulations or any other matter or thing relating to or affecting the Property. In no event will Seller be responsible or liable for latent or patent defects or faults, if any, in the Property, or for remedying or repairing same, including, but not limited to, conditions relating to asbestos or asbestos containing materials, environmental contamination, underground storage tanks or hazardous or toxic materials, chemicals or waste, or for constructing or repairing any streets, waterwells, septic tank systems, utilities or any improvements located on the Property or shown on any plat of the Property. Proposers are put on notice that any prior grant and/or encumbrance affecting the Property may be of record in the Office of the County Clerk of Travis County, Texas, and Proposers are encouraged to examine all public records affecting the Property. The provisions of this paragraph are more fully set out in the Purchase and Sale Agreement (Final Purchase and Sale Agreement in the form acceptable to the Seller with all attachments) will be included in the Deed, and will survive closing of any sale of the Property.

15. Environmental Conditions:

The Property is being sold on the basis and with the understanding that after closing, as between Buyer and Seller, the Buyer will bear the risk of liability or expense for any environmental problems in connection with the Property, even if they arose from events before closing, and that Buyer will release, indemnify and hold Seller harmless from any liability for environmental problems affecting the Property.

These provisions regarding the Property are more fully set out in the Purchase and Sale Agreement (Final Purchase and Sale Agreement in the form acceptable to the Seller with all attachments), will be included in the Deed, and will survive closing of any sale of the Property.

IV. CONVEYANCE OF THE PROPERTY

The Property will be conveyed at closing by Special Warranty Deed substantially in the form attached to the Purchase and Sale Agreement (the "*Agreement*"), modified as necessary to reflect the terms of the Agreement.

<u>INFORMATION AND INSPECTIONS:</u>

Additional information regarding the Property may be obtained:

- From the Seller's Representative's website found at:
  www.austintexas.gov/realestate
- By telephone at (512) 974-7149
- Via e-mail to: realestate@austintexas.gov
- In person at the following address:

  City of Austin
  One Texas Center, Suite 1350
  505 Barton Springs Road
  Austin, Texas 78704

*** All questions will be answered in writing and will be available to the public. Please submit your questions in writing to: realestate@austintexas.gov**

Seller will allow inspections of the Property, by appointment only. Prospective Proposers (the ***"Proposers"***) may conduct inspections, after executing an Inspection Authorization Letter in the form attached hereto as **Schedule 7**. The executed Inspection Authorization Letter must be received by Seller's Representative at the following address prior to such inspections:

City of Austin, Office of Real Estate Services
505 Barton Springs Road, Suite 1350
Austin, Texas 78704
Attn: Mashell Smith

Or via email: realestate@austintexas.gov

ALL QUESTIONS OR REQUESTS FOR CLARIFICATION REGARDING THE REQUIREMENTS OF THIS REQUEST FOR PROPOSALS MUST BE IN WRITING, AND MUST BE RECEIVED BY THE SELLER'S REPRESENTATIVE NO LATER THAN 4:00 PM CENTRAL DAYLIGHT TIME, OCTOBER 30, 2013. If deemed necessary, the Seller will respond by way of a written addendum to this Request For Proposals which will be posted on the Seller's Representative's website and will be available from the Seller's Representative at the same location as the Request For Proposals. It is the obligation of each Proposer to determine whether any addenda to this Request For Proposals have been issued, and to obtain copies of all such addenda, prior to submitting a proposal. All Proposers will be bound by the information provided in all addenda, whether or not received by the Proposer.

Proposers may obtain their own title information, inspect the Property, and conduct their own environmental site assessment on the Property prior to the deadline for proposal submission.

Seller will not solicit or respond to survey or title objections or objections regarding the condition of the Property. By submitting a proposal, each Proposer will be agreeing to purchase the Property in its existing condition, AS IS, WHERE IS, AND WITH ANY AND ALL FAULTS, and with the existing state of title.

V. Requirements of the Project Proposal

A. **Terms of Sale.** Please note that the following "***Terms of Sale***" are intended to be an outline only and are not a full and complete listing of all terms and conditions of the sale. Terms and conditions shall be set out in the Final Purchase and Sale Agreement (the ***"Agreement"***) with all attachments, substantially in the form acceptable to the Seller attached hereto as **Schedule 5**. All Proposers must execute and include the Purchase and Sale Agreement form in the proposals submitted for evaluation to Seller. Seller shall execute the Agreement within thirty (30) days of award of the sale to the Successful Proposer by Austin City Council. The Property will be conveyed at closing by Special Warranty Deed (the ***"Deed"***) substantially in the form attached to the Agreement. Please be advised that the Seller reserves the right to make non-substantive revisions to the Purchase and Sale Agreement to negotiate and modify time periods and other terms and conditions of the Agreement with the Successful Proposer following selection of the winning proposal.

1. The minimum purchase price for the Property must be $878,000.00. This minimum purchase price was determined through an independent appraisal of the property, as the fair market value, as a fee simple interest. Any proposals submitted that contain a purchase price below the minimum set forth above will be automatically rejected. The full proposed purchase price, minus Proposal Security and Earnest Money received, will be paid in cash to the Seller at the time of closing.

2. At the time of proposal submission in response to this Request For Proposals (RFP), the Proposer must deliver to the Seller's Representative a cashier's check in an amount of $10,000 (the "***Proposal Security***"). **The Proposal Security will be made payable to Independence Title Company** (the *"**Title Company**"*), will be held by the Title Company on behalf of Seller, and will not be deposited into an interest-bearing account. The Proposal Security will secure the Proposer's obligations to provide financial and other information requested by the Seller, and to provide the deposit of earnest money

(the ***"Earnest Money"***, discussed immediately below in subsection A(4)) should the Proposer and Seller enter into a Final Purchase and Sale Agreement. This $10,000 Proposal Security, if not forfeited by the Successful Proposer, shall be applied along with the Earnest Money to the purchase price at closing. **If the transaction is not consummated due to Successful Proposer default, the Urban Renewal Agency of the City of Austin will retain the Proposal Security.**

3. **All received submissions must include, as part of the Project Development Plan, a proposed form and amount of Performance Guaranty to be offered to Seller in the event of a successful proposal.** This offer of Guaranty will evidence the Proposer's commitment to complete the development project within three (3) years, and will be considered by Seller as part of the review of Proposer's overall proposal. Examples of a form of Guaranty may include a Letter of Credit or a Performance Bond issued by a bank or financial institution for some certain dollar amount, or an Escrow Agreement with the City of Austin (example form provided as **Exhibit C**). The binding Guaranty must be submitted by the Successful Proposer at closing of the sale of the Property.

4. Within two (2) business days after execution of an Agreement between the Successful Proposer and Seller, the Successful Proposer shall deposit with the Title Company the amount of $10,000.00 in good funds (the ***"Deposit"***). This Deposit does not replace the Proposal Security as a requirement for a responsive proposal, and it does not replace the Guaranty as a requirement to execute the Final Purchase and Sale Agreement. If delivered, the Title Company must place the Deposit into an interest-bearing account having no penalty for early withdrawal. The Deposit and any interest thereon shall constitute earnest money (the ***"Earnest Money"***) towards the closing of the sale, and will be credited against the purchase price at closing. If the Successful Proposer fails to deliver the Deposit in good funds within the designated two-day period, the award of sale shall be considered not to have been completed, and Seller may retain the Successful Proposer's Proposal Security and pursue any right or remedy available, including award of the sale to another Proposer. If the transaction is not consummated, the earnest money will be held and delivered by the Title Company accordingly.

5. Seller reserves the right to require evidence satisfactory to Seller of any Proposer's financial ability to purchase the Property for the amount in Proposer's proposal and to carry out any obligations to

develop the property within three (3) years of execution of the Special Warranty Deed. Any Proposer who fails to promptly supply the requested documentation to Seller of the Proposer's financial capacity and other ability to perform may be determined unresponsive.

6. Any proposal presented to Seller must be based on the Proposer's own inspection and investigation of the Property and not on any statements made by Seller, or any selling agent. Seller makes no representation or warranties whatsoever with respect to the Property or the information set forth herein.

7. All proposals made will be held confidential during the period between submitting the proposal and award of a sale to a Successful Proposer by the City Council, at which point all proposals will become open records subject to the Public Information Act. If there is any information required to be submitted in the proposal that you deem to be proprietary, it must be submitted in a separate sealed envelope. If the entire proposal is identified as confidential, that will be deemed overly broad and ineffective by the Attorney General's office. If any provision is noted as proprietary the Seller will tender the request and the proposal to the Attorney General for resolution. The Seller's Representative will notify you of the request and you must defend the exception to the Attorney General. All responses under the Public Information Act are due within 10 business days after receipt of the request by the governmental body.

   The Attorney General has a hotline to answer questions about proper procedures for using and complying with the Public Information Act: 877-673-6839. A copy of the law and a handbook explaining it are available at the following website: www.oag.state.tx.us. The Public Information Act is codified as Chapter 552 of the Texas Government Code.

8. Seller reserves the right to reject any and all proposals in its sole discretion for any or no reason whatsoever. Seller reserves the right to discontinue the RFP process or to withdraw the Property from the market at any time prior to execution of the Agreement by Seller. In such event, Seller will notify the Proposers of such discontinuation. Seller reserves the right, after discontinuance of the RFP process, to sell the Property to any party and on any terms acceptable to Seller.

B. **Construction Requirements.** The Successful Proposer in good faith and with due diligence must complete the proposed construction within three (3) years from the date Special Warranty Deed is executed, and shall use

reasonable efforts to meet construction requirements, more particularly described below. The Seller will extend deadline requirements only for force majeure or other extremely unique circumstances and at its sole discretion.

1. **Required Commencement**. The Successful Proposer must obtain the building permit for construction within twenty-four (24) months after the closing date and transfer of the Property. If the Successful Proposer does not obtain the building permit for the approved preliminary redevelopment plans within that time period, then the Seller may exercise the remedy the Successful Proposer set forth in the proposal.

2. **Required Completion**. The Successful Proposer must design, complete and surrender the preliminary redevelopment plans and obtain a Certificate of Occupancy for the entire Project within three (3) years or thirty-six (36) months after the closing and transfer of the Property. If the Successful Proposer fails to meet this deadline, then the Seller will be entitled to the full amount of the Guaranty.

GUIDELINES FOR REQUEST FOR PROPOSALS:

Each submitted proposal to purchase the Property must conform to and be in compliance with the following guidelines. Proposals that do not comply with these guidelines may be rejected at the option and sole discretion of Seller.

1. The **minimum purchase price**, as determined on the basis of an appraisal of the Property, is set at $878,000.00. The full proposed purchase price, minus Proposal Security and Earnest Money received, will be paid in cash to Seller at the closing of the sale of the Property. Seller will not finance any portion of the sale.

2. All proposals must include a Purchase and Sale Agreement (the ***"Agreement"***), completed and signed by the Proposer, in the form attached to this Request For Proposals as **Schedule 5**. If the Proposer is represented by a broker or agent, entitled to receive a commission at closing (discussed in **Section X, General Conditions**), then such broker or agent must also sign the Agreement. Any substantive changes to the Agreement may render the proposal non-responsive.

3. If the Proposer is an entity other than an individual, the proposal must contain, as applicable, a corporate resolution, partnership agreement, and/or other appropriate document or documents evidencing: (a) the authority of the entity to make a proposal; and (b) the authority of the person(s) signing on behalf of the entity, and the person(s) designated in the proposal as contact person(s) for the entity, to act on behalf of the entity.

4. Proposal must be submitted on or before 12:00 p.m. (noon), Austin, Texas time, **November 8, 2013,** in a sealed envelope or other sealed container. The outside of such envelope or container must clearly and conspicuously state the words "**Request For Proposals –1322-1336 E. 12th Street**" in large letters and be addressed and delivered as follows:

City of Austin
Contract Management Department
Attn: **Edward Campos**, RE: **1322-1336 E. 12th Street**
105 W. Riverside Dr., Suite 210
Austin, Texas 78704

5. By submitting a proposal, the Proposer acknowledges, represents and warrants that it is not relying on any representation, warranty, statement or other assertion contained in this Request For Proposals or made by Seller, Seller's Representative or any employee, agent or representative of either the City of Austin or the Urban Renewal Agency; and the Proposer is relying solely on the Proposer's own examination of the Property and that of Proposer's employees, agents, representatives and consultants.

VI. RFP Schedule: *All dates are tentative and subject to change.*

September 13, 2013	Notice of Request For Proposals released to public. RFP Packets are made available to interested parties at One Texas Center, 505 Barton Springs Road, Suite 1350, Austin, Texas 78704, between the hours of 8 a.m. and 4 p.m. Monday through Friday. The RFP document and related documents are made available for download from the Seller's Representative's website at: www.austintexas.gov/realestate.
September 15, 2013	First advertisement for the Property in conjunction with this RFP is printed in the Sunday edition of the Austin American-Statesman.
September 29, 2013	Second advertisement for the Property in conjunction with this RFP is printed in the Sunday edition of the Austin American-Statesman.
October 21, 2013	Final day to conduct inspections related to purchasing the Property.
October 25, 2013	All questions or request(s) for clarification regarding the terms of this Request For Proposals must be in writing and

received by the Seller's Representative no later than 4:00 p.m. Central Daylight Time, October 25, 2013.

October 30, 2013 — Answers to all written questions or request(s) for clarification received will be answered by the Seller's Representative and posted on the Seller's Representative's website no later than 4:00 p.m. Central Daylight Time, October 30, 2013.

November 8, 2013 — Request For Proposals Deadline for Submission. Proposals will be accepted until 12:00 p.m. Central Standard Time. Delivery to:

City of Austin
Contract Management Department
Attn: **Edward Campos**, RE: **1322-1336 E. 12th Street**
105 W. Riverside Dr., Suite 210
Austin, Texas 78704

Nov. 12 – 15, 2013 — All proposals will be reviewed by the Evaluation Board. Seller's Representative may request additional information from any and all Proposers.

November 18, 2013 — Urban Renewal Board of the City of Austin may make a motion to recommend the highest and best proposal to the Austin City Council.

December 12, 2013 — Austin City Council may vote to approve or reject the negotiation and execution of a Purchase and Sale Agreement with the selected Proposer.

December 12, 2013 – January 13, 2014:

- Successful Proposer will be notified of the Council's approval of their proposal by Seller's Representative.
- Seller's Representative will notify all Proposers submitting rejected proposals of such rejection in writing. Proposal Security will be returned to the unsuccessful Proposers.
- The Seller and Successful Proposer will execute the Final Purchase and Sale Agreement.
- The closing will occur no later than January 13, 2014, unless the Purchase and Sale Agreement has been terminated in accordance with the provisions therein.

Dates may be extended at Seller's discretion.

VII. RFP Review and Evaluation Process

A. **Proposal Security.** If the Proposer does not provide Proposal Security in the form specified in this RFP (**Section V, Requirements of the Project Proposal**), that proposal will be rejected.

B. **Minimum Threshold.** If the Proposer submits a purchase price below the minimum bid specified in this RFP (**Section V, Requirements of the Project Proposal**), that proposal will be rejected.

C. **Guaranty.** If the Proposer does not submit a proposed form and amount of Performance Guaranty as specified in this RFP (**Section V, Requirements of the Project Proposal),** that proposal will be rejected.

D. **Purchase & Sale Agreement.** If the Proposer does not submit a completed and signed Purchase and Sale Agreement in the form attached to this RFP as **Schedule 5**, that proposal will be rejected. Any substantive change by the Proposer to the Agreement provided with this RFP may render the proposal non-responsive.

E. **Criteria.** Please review in full the provided Criteria (attached as **Schedule 2)** regarding mandatory proposal elements and voluntary community considerations. If the Proposer does not provide information satisfying all mandatory proposal elements, that proposal will be rejected. All proposals will be reviewed and scored by the Seller (Evaluation Board) on a competitive basis per the evaluation criteria provided in **Schedule 2**.

F. **Contract Execution.** Within thirty (30) calendar days of City Council approval, the Seller shall execute the Final Purchase and Sale Agreement. The Seller's Representative will deliver the Purchase and Sale Agreement to the Title Company.

G. **Questions and any Modifications to the RFP Selection Process.** Any material clarifications or modifications to the RFP or the selection process will be provided in writing via an addendum and posted on the City's website at: www.austintexas.gov/realestate. It is the responsibility of the Proposers, prior to submitting a response to the RFP, to ascertain if the Seller or Seller's Representative has issued any notices, clarifications, addenda, or other communication to Proposers. Oral communications or instructions from Seller, Seller's Representative, City staff, City officials, or consultants do not bind the Seller. Questions in reference to this RFP must be submitted in

writing to realestate@austintexas.gov and all answers will be provided in writing at: www.austintexas.gov/realestate.

VIII. RFP Submission Format. The proposal must be organized in the following format and sequence:

A. **Executive Summary.** Prefacing the proposal, Proposers must provide an Executive Summary of two pages or less, which concisely summarizes the proposal. This Summary must include the **Proposed Purchase Price** in large print at the beginning of the document.

B. **Project Development Plan.** The Proposer must set forth a detailed plan for implementing the proposed development, to include the following, at minimum:

i. Detailed explanation of how the development will satisfy the City's Project Goals, as outlined in this RFP (**Section II, Project Goals**), as well as any other notable public benefits
ii. Detailed discussion of the development's compatibility with neighborhood goals, to include, if applicable, area stakeholder support and project alignment with the Urban Renewal Plan, the Central East Austin Neighborhood Plan, the Imagine Austin Comprehensive Plan, and the Neighborhood Conservation Combining District.
iii. Complete design and construction schedule for the project including approvals from other entities, construction, marketing, and phasing (if applicable)
iv. Total size in square footage of development
v. List of mixed uses on Property, as well as square footage and amount of parking devoted to each use
vi. Proposed site plan at a scale of 1 inch = 100 feet
vii. Conceptual renderings/drawings of development, including the elevation of proposed structures, and the location, square footage, and spatial relationship of each proposed use of the Property
viii. Description and rendering of the palette of the building and landscape materials used
ix. An explanation of the project's scale and mass relative to the surrounding developments
x. Dimensions and schematic layout of parking spaces
xi. Ingress and Egress identified on parcel providing parking spaces
xii. Form and amount of Guaranty to be submitted in the event of a successful proposal, to ensure the completion of the development within three (3) years (36 months) of the execution of the Special Warranty Deed

xiii. Proposed remedy offered to Seller if the building permit for the approved redevelopment plans is not obtained within two (2) years (24 months) of the date of transfer of the Property

Please refer to the Criteria provided in **Schedule 2** (see **subsections C(4, 5 & 6)**) for additional information and instructions.

C. **Development Entity**. **Seller must approve any changes to the Development Team after recommendation of Proposer's proposal to City Council, and during the development phase.** This section of the proposal must include:

1. **Identity of Entity.** Proposer must provide the following information:

   (a) Identify the legal entity constituting the Proposer that will accomplish the purchase, development and implementation of the Project.

   (b) Identify the legal entity, if different, that would contract with the Seller for the Purchase and Sale Agreement, including all intended joint venture and limited partners, its state of organization, and the identity of any parent entity. If publicly traded, include stock exchange and trading symbol.

   (c) Indicate the percentage interests of each of these partners, and provide a complete listing of names, titles, addresses, and phone numbers.

2. **Description of Proposer.** Provide an accurate and thorough description of the Proposer including names of principals, home office location, number of employees, sales and development volume (in dollars per year) over the past five years, and a list of all other office locations.

3. **Development Team.** Identify the role of each member of the management and development team consisting of the Proposer, including joint venture partners and major consultants in the conceptualization, design, financing, and construction of the Project. Include resumes for all key individuals. The consultants identified should include, but not be limited to design architects, economic/financial analysts, engineers, contractors, and legal counsel.

D. **Corporation and Partnership Authority Documents.** Provide all corporation and partnership documentation including a corporate resolution, partnership agreement, and/or other appropriate document or documents evidencing (a) the authority of the entity to make an proposal, and (b) the authority of the person(s) signing on behalf of the entity, and the

person(s) designated in the proposal as contact person(s) for the entity, to act on behalf of the entity, in forms acceptable to the City of Austin (provided in **Schedule 6 (A, B or C)**). Upon award of the sale of the Property by Austin City Council to the Successful Proposer, the Successful Proposer may be required by the Seller to provide updated documentation in advance of closing.

E. **Development Team Experience.** Proposer must provide relevant experience with respect to the Project and operation of other commercial projects, clearly distinguishing the experience of the Proposer, including joint venture partners. Proposer must provide information on previous comparable projects that includes location(s), size and uses, references, development timeline, development cost, public involvement, and funding. Proposer should supply public entity contact information with identification of involved public entities, reference and contact information. **For a complete list of required and requested information, please refer to the Criteria included as Schedule 2**.

F. **Financial Capacity and Capability.** In order to demonstrate access to equity capital and financing resources necessary to carry out construction of the proposed Project, Proposers must provide the information indicated below.

The Seller recognizes that under certain circumstances, this information could be construed as proprietary and sensitive. Therefore, the Seller will treat this entire portion of the submission as a confidential document, to the extent that this information is not already public and to the extent allowed by law. As such, this portion of the submission should be stamped "Confidential" on each page, and should be submitted in a separate sealed envelope attached to the RFP submission. The information that must be submitted includes:

1. Composition of Proposer's current real estate portfolio.

2. Proposer's recent history (i.e., the last 2 to 3 years) in obtaining financing commitments, including details regarding the type of project, financing source, amounts committed, etc.

3. An audited financial statement, including cash flow statement and balance sheet and, if publicly held, the most recent Security Exchange Commission filing.

4. List and describe all of Proposer's pending projects, to include details regarding project status, development schedule, financial

commitment required of the Proposer, description of the project, financing methods, and financing sources and amounts. Also indicate any working relationship on other projects with members of the development team proposed for this Project.

5. Identify specific sources of debt/equity capital, including a statement of the relationship between sources and the Proposer (e.g., outside lender, parent company). Proposer shall provide contact information for these sources, to include the name of each entity and its contact person's name, phone number, and e-mail address.

6. Indicate whether any funding sources or financial institutions have taken any adverse action against the Proposer or joint venture partner, such as terminating or restricting the use of funds anytime during the past five (5) years.

7. Describe any pending or past court or civil action against the Proposer's firm, its principals or associates over the past five (5) years, including but not limited to charges of financial misconduct or impropriety. Additionally, provide a description of all notices of termination and claims of damage received on all projects within the past five (5) years. Describe all claims on performance and payment bonds received by Proposer, its principals and associates within the last five (5) years.

8. A description of Proposer's bonding capacity and any claims of default or termination within the last five (5) years.

G. **Purchase and Sale Agreement** with all attachments, executed by Proposer, in the form attached hereto as **Schedule 5.** If the Proposer is represented by a broker or agent, entitled to receive a commission at closing (discussed in **Section X, General Conditions**), then such broker or agent must also sign the Agreement.

H. **Non-Discrimination Certification,** executed by Proposer, in the form attached hereto as **Schedule 8.**

I. **Affidavit of Non-Collusion, Non-Conflict of Interest, and Anti-Lobbying,** executed by Proposer, in the form attached hereto as **Schedule 9.**

IX. Submittal Instructions

Each proposal to purchase the Property must conform to and be in compliance with the following guidelines. Proposals that do not comply with these guidelines may be rejected at the option and sole discretion of the Seller.

The minimum purchase price for the Property must be **$878,000.00 U.S**. The full proposed purchase price, minus Proposal Security and Earnest Money received, must be paid to Seller at the closing of the sale of the Property, in cash. Seller will not finance any portion of the sale.

All proposals for the Property will be evaluated on various factors, including without limitation, net consideration paid to Seller, proposed form and amount of Guaranty, compliance with the Urban Renewal Plan and Neighborhood Conservation Combining District, achievement of the City's Project Goals, project design, creativity, capability, and other factors set out in the **Schedule of Criteria for Review and Scoring of Proposals** (attached hereto as **Schedule 2**), to include points for both mandatory items and value-added community considerations.

A. **Form**. Proposers must submit two (2) originals and one (1) copy on CD or flash drive. All included pages shall be 8 ½ x 11, single sided, and white or colored copies. Please provide dividers between each section. The front cover should indicate the Proposer's name, contact information and the Property address. All proprietary information should be submitted in a separate sealed envelope and stamped "Confidential" on each page.

   Each page of the proposal should have a heading substantially as follows:

   1322-1336 E. 12th Street
   Name of Proposer:_____
   Page No._____

B. **Deadline.** Proposals must be submitted no later than 12:00 p.m. (noon) Central Daylight Time, on November 8, 2013 (the ***"Proposal Deadline"***) in a sealed envelope, box or other container. The outside of each envelope or container must clearly and conspicuously state the words "1322-1336 E. 12th Street" in large letters and be addressed and delivered as follows:

   City of Austin
   Contract Management Department
   Attn: **Edward Campos**, RE: **1322-1336 E. 12th Street**
   105 W. Riverside Dr., Suite 210
   Austin, Texas 78704

Submission of a proposal will constitute an irrevocable offer on the part of the Proposer to purchase the Property on the terms stated in the proposal, until

such time as Seller or Seller's Representative announces its selection and/or rejection of the proposal. In addition, submission of a proposal will constitute a legally binding commitment of the Proposer to provide such further information as Seller may reasonably request in connection with Seller's evaluation of the proposal and Proposer, and to enter in good faith final negotiations to affect the Proposer's purchase of the Property, if the proposal is accepted by Seller.

By submitting a proposal, the Proposer acknowledges that it is not relying on any representation, warranty, statement or other assertion contained in this Request for Proposals or made by Seller or the Seller's Representative, or any employee, agent or representative of either of them, and the Proposer is relying solely on the Proposer's own examination of the Property and that of the Proposer's employees, agents, representatives and consultants.

X. General Conditions

A. **Anti-Lobbying/Conflict of Interest.** Proposers are advised that the Seller and Seller's Representative prohibit any and all lobbying activity during the solicitation process. The process begins upon issuance of the solicitation document and ends at the time of award by the Seller and Austin City Council. Proposers must sign the Non-Collusion, Conflict of Interest and Anti-Lobbying Affidavit. Proposers must not propose any gratuities, favors, or anything of monetary value to any official, employee or outside consultant associated with the sale of 1322-1336 E. 12th Street for purposes of influencing consideration of a response to this RFP.

B. **Expenses.** All expenses related to any Proposer's response to this RFP, or other expenses incurred during the period of time the process is underway, are the sole obligation and responsibility of the Proposer. The Seller will not, directly or indirectly, assume responsibility for these costs. In addition, the Seller is not liable for any real estate commissions or brokerage fees that may arise as a result of the RFP process. The Seller's Representative will not, directly or indirectly, assume responsibility for these costs. In addition, the Seller's Representative is not liable for any real estate commissions or brokerage fees that may arise as a result of the RFP process.

C. **Modifications to the RFP Process.** Any material clarifications or modifications to the RFP or the process will be provided in writing via an addendum and posted on the Seller's Representative's website at www.austintexas.gov/realestate. It is the responsibility of the Proposers, prior to submitting a response to the RFP, to ascertain if the Seller has issued any notices, clarifications, addenda, or other communications to responders.

Oral communications or instructions from Seller, Seller's Representative, City staff, City officials, or consultants do not bind the Seller.

D. **Reservation of Rights.** The Seller reserves the right to:

1. **Change Selection Process.** Modify or cancel the RFP process or schedule at any time.

2. **Waive Irregularities.** Waive irregularities.

3. **Reject Responses and Seek New Responses.** Reject any and all responses to this RFP and seek new proposals when it is in the best interest of the Seller to do so.

4. **Seek Additional Information.** Seek clarification or additional information or evidence from individual Proposers.

5. **Make Subjective Judgments.** Make subjective judgments, including evaluating the Proposer's written or oral representations as to their veracity, substance and relevance to purchasing and developing 1322-1336 E. 12th Street, including seeking and evaluating independent information.

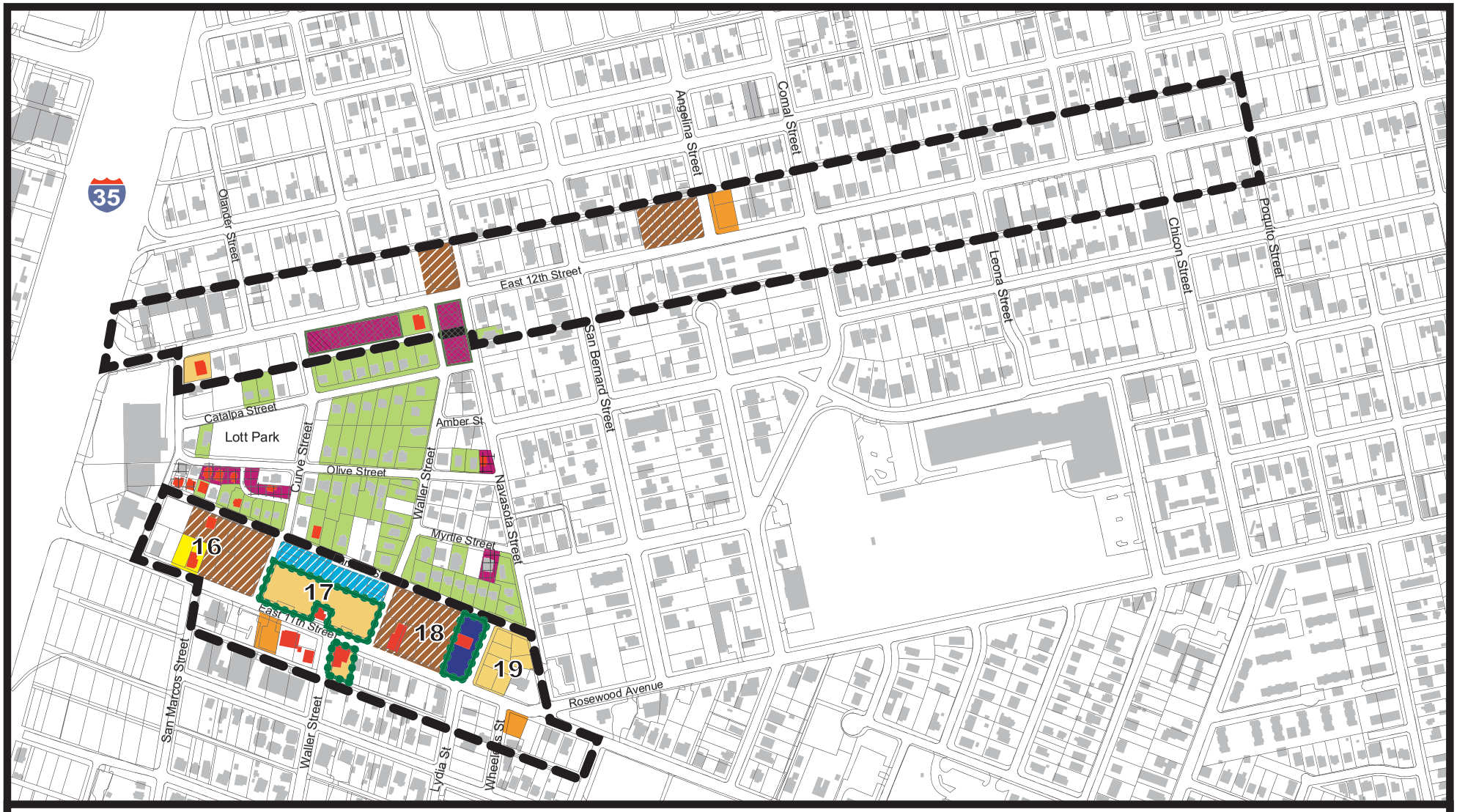
6. **Incorporate RFP.** Incorporate this RFP and the Successful Proposer's response to this RFP as part of any formal agreement between the Seller and the Successful Proposer.

E. **No Representation or Warranty.** Neither the Seller nor Seller's Representative make any representations about the conditions of the site, including utilities, soils, or other surface or subsurface conditions. The Proposer should make its own conclusions concerning such conditions. Information provided in this RFP, as well as in related reports by Seller, Seller's Representative, City staff or consultants, is provided for the convenience of the responders only. The Seller nor Seller's Representative warrants the accuracy or completeness of this information.

F. **Public Information.** All documents, conversations, correspondence, etc. between the Seller and/or Seller's Representative and Proposers are public information subject to the laws and regulations that govern the Seller and Seller's Representative, unless specifically identified otherwise.

XI. List of RFP Schedules

Schedule 1	Maps of Property (A & B)
Schedule 2	Schedule of Criteria for Review and Scoring of Proposals
Schedule 3	Title Commitment, effective dates February 21, 2013 and August 22, 2013 (A & B)
Schedule 4	Appraisal, effective date March 19, 2013
Schedule 5	Purchase and Sale Agreement
Schedule 6	Forms of Corporate Resolution (A, B or C)
Schedule 7	Inspection Authorization Letter
Schedule 8	Non-Discrimination Certification
Schedule 9	Affidavit of Non-Collusion, Non-Conflict of Interest, and Anti-Lobbying
Schedule 10	Proposer Submittal Checklist and Signature Page



Completed Affordable Housing

Planned Affordable Housing

Planned Residental

Completed Mixed Use/Office

Planned Office

Proposed African American Cultural and Heritage Facility

Community Parking

ARA Owned Properties

Structure

Historical Structure

Redevelopment Area

Urban Renewal Owned Properties

AHFC Owned Properties

City Owned Properties

East 11th and 12th Streets Redevelopment

Prepared by the City of Austin
Neighborhood Housing and
Community Development Office
04-27-2011

OUTPUT: MAP ARA area copy10-mod-04-27-11.pdf

Exhibit B

EXAMPLE – NOT FOR EXECUTION

DECLARATION OF RESTRICTIVE COVENANT REGARDING AFFORDABLE HOUSING REQUIREMENTS

For
1322-1336 E. 12th Street
Austin, Travis County, Texas 78702

This Restrictive Covenant regarding Affordable Housing Requirements for (name of project) _____ (the "**Restrictive Covenant**"), is executed on this _____ , 20__ , by _____ , ("**Declarant**") and is as follows:

1. RECITALS

A. Declarant owns that certain real property located at 1322, 1324, 1326, 1328, 1330, 1332, 1334, and 1336 East 12th Street, situated in Travis County, Texas, and more particularly described below:

> Lots 1, 2, 3, 4, 5, 6, 7, and 8, Block A, Resubdivision of the East 65 feet of Lot 4, and Lots 5 and 6, Block 2, James O'Reilly Subdivision of Outlot 38, Division B, according to the map or plat thereof, recorded in Volume 102, Page 88, Plat Records, Travis County, Texas (the "***Property"***).

B. Definitions:

Owners. The term "**Owner**" means, individually, and the term "Owners" means, collectively, Declarant and all future owners of the fee interest or any portion of the Property (whether such fee interest is obtained through a purchase from Declarant or through a purchase at a foreclosure sale or trustee's sale or through a deed in lieu of foreclosure) and their successors and assigns.

Affordable Housing Requirements. The term "**Affordable Housing Requirements**" means placing a Restrictive Covenant on the land substantially in the form attached as Exhibit "___" which shall restrict the Land to be primarily occupied by either: (a) a homeowner household whose adjusted gross income for the year immediately preceding the date of occupancy of the dwelling housing unit which is constructed on the Property is at or below 80% of the then current median family income for the Austin-Round Rock MSA and is verified in writing as acceptable by the Neighborhood Housing and Community Development Office of the City of Austin; or (b) a rental household whose adjusted gross income for the year immediately preceding the date of occupancy of the dwelling housing unit which is constructed

on the Property is at or below 60% of the then current median family income for the Austin-Round Rock MSA and is verified in writing as acceptable by the Neighborhood Housing and Community Development Office of the City of Austin.

C. Declarant has agreed to impose upon the Property these covenants and conditions for the benefit of the Property.

NOW, THEREFORE, Declarant declares that the Property is subject to the following covenants, conditions and restrictions, which run with the Property and bind all parties having right, title, or interest in or to such portion of the Property or any part, their respective heirs, successors, and assigns, and which inure to the benefit of each Owner. Each contract, deed or conveyance of any kind conveying all or a portion of the Property will conclusively be held to have been executed, delivered, and accepted subject to the following covenants, conditions and restrictions, regardless of whether or not they are set out in full or by reference in said contract, deed or conveyance.

SPECIFIC AGREEMENTS AND RESTRICTIONS:

1. Recitals Incorporated. The above Recitals and all terms defined therein are incorporated into this Restrictive Covenant for all purposes.

2. Compliance with Affordable Housing Requirements. In the event the Purchaser elects to restrict 10% of all the housing units on the land to the Affordable Housing Requirements, then any improvements to or modifications of improvements on the Land shall be in full compliance with the Affordable Housing Requirements.

3. Breach Does Not Permit Termination. Notwithstanding anything to the contrary contained herein, no breach of this Restrictive Covenant entitles the Owners to cancel, rescind or otherwise terminate this Restrictive Covenant, but such limitations do not affect in any manner any other rights or remedies which the Owners may have hereunder by reason of any breach of this Restrictive Covenant.

4. Excusable Delays. Whenever performance is required of the Owners, the Owners shall use all due diligence to perform and take all reasonable and necessary measures in good faith to perform within a reasonable time; provided, however, that if completion of performance is delayed at any time by reasons of acts of God, war, civil commotion, riots, strikes, picketing, or other labor disputes, unavailability of labor or material, damage to work in progress by reason of fire or other casualty, or any other cause beyond the reasonable control of the Owner (financial inability, imprudent management or negligence excepted), then the time for performance as herein specified will be extended by the amount of delay actually so caused.

5. General Provisions.

A. Inurement. This Restrictive Covenant and the restrictions created hereby inure to the benefit of and bind Owners, and their successors and assigns. When an Owner conveys all or any portion of the Property, that former Owner will thereupon be released and discharged from any and all further obligations, if any, under this Restrictive Covenant that it had in connection with the Property conveyed by it from and after the date of recording of such conveyance, but no such sale releases that former Owner from any liabilities, if any, actual or contingent, existing as of the time of such conveyance.

B. Duration. Unless this Restrictive Covenant is modified, amended, or terminated in accordance with Paragraph 5(K), this Restrictive Covenant remains in effect for forty (40) years from the date the unit is either sold or leased to an eligible household.

C. Non-Merger. This Restrictive Covenant will not be subject to the doctrine of merger, even though the underlying fee ownership of the Property, or any parts thereof, is vested in one party or entity.

D. Severability. The provisions of this Restrictive Covenant must be deemed to be independent and severable, and the invalidity or partial invalidity of any provision or portion hereof does not affect the validity or enforceability of any other provision.

E. Entire Agreement. This Restrictive Covenant, and the exhibits attached hereto contain all the representations and the entire agreement between the parties to this Restrictive Covenant with respect to the subject matter hereof. Any prior correspondence, memoranda or agreements are superseded in total by this Restrictive Covenant and the exhibits attached hereto. The provisions of this Restrictive Covenant will be construed as a whole according to their common meaning and not strictly for or against any Owner.

F. Captions. The captions preceding the text of each section and subsection hereof are included only for convenience of reference and will be disregarded in the construction and interpretation of this Restrictive Covenant.

G. Governing Law; Place of Performance. This Restrictive Covenant and all rights and obligations created hereby will be governed by the laws of the State of Texas. This Restrictive Covenant is performable only in the county in Texas where the Property is located.

H. Notices. Any Notice to the Owners or the City must be in writing and given by delivering the same to such party in person, by expedited, private carrier services (such as Federal Express) or by sending the same by certified mail,

return receipt requested, with postage prepaid to the intended recipient's last known mailing address. All notices under this Restrictive Covenant will be deemed given, received, made or communicated on the date personal delivery is effected or, if mailed, on the delivery date or attempted delivery date shown on the return receipt.

I. Negation of Partnership. None of the terms or provisions of this Restrictive Covenant will be deemed to create a partnership between or among the Declarant, any Owner, or the City of Austin in their respective businesses or otherwise; nor will it cause them to be considered joint ventures or members of any joint enterprise.

J. Enforcement. If any person, persons, corporation, or entity of any other character, violates or attempts to violate this Restrictive Covenant, it will be lawful for the City of Austin, its successors and assigns, to prosecute proceedings at law, or in equity, against the person or entity violating or attempting to violate these Restrictive Covenant and to prevent said person or entity from violating or attempting to violate such covenant. The failure at any time to enforce this Restrictive Covenant by the City of Austin, its successors and assigns, whether any violations hereof are known or not, does not constitute a waiver or estoppel of the right to do so.

K. Modification and Amendment. This Restrictive Covenant may only be modified, amended or terminated upon the filing of a written modification, amendment or termination document in the Official Records of the county in Texas where the Property is located, executed, acknowledged, and approved by (a) the Officer of the Office of Real Estate Services of the City of Austin or successor department; and (b) all of the Owners of the Property at the time of the modification, amendment, or termination.

Executed to be effective on _____ , 20___ .

DECLARANT:

By: _____

Name: _____

Title: _____

ACKNOWLEDGMENT

STATE OF _____ §
§
COUNTY OF _____ §

Before me _____, Notary Public, on this day personally appeared _____(name), _____ (title) of _____(name of Corporation/Partnership) a _____ [type of entity and state of incorporation or partnership], known to me to through _____ "either insert state and driver's license number or delete word through and insert personally" to be the person whose name is subscribed to the foregoing instrument and acknowledged that [insert letter s in front word 'he' if person signing is female] he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office on _____, 20__.

_____
Notary Public, State of _____

ACCEPTED:

OFFICE OF REAL ESTATE SERVICES
CITY OF AUSTIN

By: _____

Name: _____

Title: _____

APPROVED AS TO FORM:

By: _____

Name: _____

Assistant City Attorney

Exhibit C

EXAMPLE – NOT FOR EXECUTION

ESCROW AGREEMENT

For
1322 – 1336 E. 12th Street – Request For Proposals

The City of Austin _____ Department acknowledges that _____ has deposited $ _____ into a City of Austin interest-bearing escrow account to serve as fiscal surety for the completion of the project _____ located at _____ and associated with City's File Number _____ .

The City of Austin agrees to return to the Issuer any escrowed funds, plus accrued interest, not expended or obligated by the City when any of the following occur:

- Upon acceptance of all Improvements for which the funds were deposited;
- Upon approved withdrawal of the project;
- Upon acceptable replacement of this fiscal surety deposit.

_____ _____
_____, Fiscal Surety Office Date
_____ Department

Schedule 2

Request For Proposals for the Purchase and Development of
1322-1336 E. 12th Street

SCHEDULE OF CRITERIA
FOR REVIEW AND SCORING OF PROPOSALS

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

A. MANDATORY REQUIRED INFORMATION:

The items listed below must be met or submitted. If not, proposals will **NOT** be evaluated.

1. Bid Security deposit (cashier's check for $10,000) _____
2. Minimum Purchase Price met _____
3. Proposal **MUST** comply with:
   a. Urban Renewal Plan _____
   b. Neighborhood Conservation Combining District (NCCD) _____
4. Detailed Project Development Plan _____
5. Development Entity Information _____
6. Corporate/Partnership Authority Documents
   (if entity is not an individual) _____
7. Development Team Experience _____
8. Financial Capacity and Capability
   a. Company Portfolio _____
   b. Audited Financial Statements _____
   c. Financing Commitment History _____
   d. Pending Projects _____
   e. Sources of Debt and Equity Capital _____
   f. Funding Source Action _____
   g. Legal Action _____
   h. Bonding Capacity _____
9. Commitment to execution of 40-year Affordable Housing Restrictive Covenant
   (if affordable housing) _____
10. Commitment to Development Timeline by evidence of Performance Guaranty _____
11. Commitment to pay all closing costs as required in Purchase & Sale Agreement _____
12. Non-Discrimination Certification _____
13. Affidavit of Non-Collusion, Non-Conflict of Interest, and Anti-Lobbying _____

B. COMMUNITY CONSIDERATIONS:

The items listed below are not mandatory; however, additional points will be awarded for commitment and/or participation.

1. Affordable Housing
   a. If rental, 10% of units must be reserved for 60% or less MFI _____
   b. If owner, 10% of units must be reserved for 80% or less MFI _____

2. Grocery Store _____
3. Minority and Women Owned Business Participation _____
4. Green Building Goals _____
5. Other Public Benefits _____

C. EVALUATION CRITERIA:

Proposals will be reviewed and scored on a competitive basis per the evaluation criteria below.

1. PURCHASE PRICE
(maximum 15 points) _____

15 points: Proposal exceeded the minimum purchase price for the property.
10 points: Proposal met the minimum purchase price for the property..

2. DEVELOPMENT EXPERIENCE (past 5 years)
(maximum 25 points) _____

City and the URA are interested in the Developer and/or Development Team's previous experience on similar projects, including relevant experience in the design and implementation of developments similar to the proposed development, capacity to undertake new or additional projects, and development and operation of other comparable commercial and public projects. Clearly distinguish the experience of the Proposer (including joint venture partners) from that of other Development Team members. Include a description of how previous projects were developed to complement surrounding neighborhoods and how community support was obtained. Provide an organizational chart identifying all team members and their reporting relationships and identify the contractual structure of the Proposer (e.g., joint venture, partnership, etc.), including percentage of ownership and responsibilities. **List three (3) examples of comparable commercial and/or public projects that have been completed by the Developer and/or Development Team in the past five (5) years, and three (3) additional projects that evidence the overall experience, capacity, and strength of the Developer and/or Development Team. No more than one page per project.**

- Description of Proposer: Provide an accurate and thorough description of the Proposer. Include the names of principals, home office location, number of employees, sales and development volume in dollars per year for the last five years and all office locations.
- Management and Development Team: Identify the role and submit the resumes of the current key individuals who will be involved in the development of the project.
- Relevant Experience: Developer must list and detail previous relevant experience with respect to the development and operation of other commercial and public projects, clearly distinguishing the experience of the Developer (including joint venture partners) from that of other team members. Completed projects comparable to the current proposal should receive particular attention. For each project identified, Proposer must provide the following information:
    - Identification: Statement of the project name and type. If the Developer and/or Development Team differs from the identity of the current Proposer, please specify.
    - Location: Identification of the location, including address and photographs of the project.
    - Size and Uses: Description of the size, mix of uses, and tenants.
    - References: Identification of two references with contact names and telephone numbers.
    - Timeline: Submission of the project development timeline from acquisition of the property to completion of construction.

- Development Cost: Description of the development cost. Include a brief explanation of the approach used to finance the project, identifying financing sources.
- Public Involvement: Description of any community involvement in the project, including the role of the development entity, involvement of the public sector, and unique challenges of the project.
- Public Entities: Identification of involved public entities. Provide references and contact information.
- Funding: All sources and uses of funds are clearly indicated. Sufficient evidence of funding availability and/or commitments are included.

25 points: Developer and Development Team have demonstrated experience in the successful development of projects of a comparable size, scale and complexity, and have successfully worked with the public sector on public/private real estate development projects in a dense urban context.

15 points: Completed similar development but smaller in size and scope.

10 points: Other Team member directly involved in proposed development has demonstrated experience in the successful development of project similar in size scale and complexity.

3. FINANCIAL CAPACITY AND CAPABILITY

(maximum 15 points) _____

Proposer must be able to establish and demonstrate that it has access to financial resources such as the ability to raise debt and equity capital to purchase, develop and complete the redevelopment of the subject Property in a professional and timely manner. Proposals that do not meet this consideration will not be considered.

In order to demonstrate access to equity capital and financing resources to carry out the proposed project, each proposal must provide the information listed below. [Note: The City and URA recognizes that under certain circumstances, this information could be construed as confidential and sensitive. Therefore, the City and URA will treat this portion of the submission as confidential, to the extent that it is not already public and to the extent allowed by law. As such, information considered by the Proposer to be confidential, should be stamped "Confidential" in all capital letters on each page and submitted in a separate sealed envelope attached to the RFP submission.]

- Portfolio: Composition of current real estate portfolio.
- Financing Commitment History: Previous three (3) year history in obtaining financing commitments, including at minimum the type of project, financing source(s), and amounts committed.
- Audited Financial Statements: Audited financial statements for the last three (3) years, including cash flow statements and balance sheets and, if publicly held, the most recent 10K and 10Q filings.
- Pending Projects: A listing and description of all pending projects under enforceable funded contracts, including status, development schedule and financial commitment required of the Proposer. Also provide a description of the project financing method, sources and amounts and indicate any working relationship on other projects with members of the development team proposed for the subject property.
- Sources of Debt and Equity Capital: The identity and description of the specific sources of debt and equity capital, including relationships to the Proposer (e.g., outside lender, parent company) and contact information.
- Funding Source Action: Fully disclose whether any funding sources or financial institutions have threatened to take or have taken any adverse action against the Proposer or joint venture partner, such as terminating or restricting the use of funds, within the past five years.
- Legal Action: A description of any pending or past legal action against Proposer, its principals and

associates within the last five (5) years including, but not limited to, legal action resulting from charges of financial misconduct or impropriety against the Proposer, its principals or associates. Additionally, provide a description of all notices of termination and claims of damage received on all projects within the last five years. Describe all claims on performance and payment bonds received by Proposer, its principals and associates within the last five years.

- Bonding Capacity: A description of Proposer's bonding capacity and any claims of default or termination within the last five years.

15 Points: Developer has obtained financial commitment and resources to successfully complete the project within the identified timeline of 3 years.

10 points: Developer demonstrated the capacity to obtain the necessary funds and to complete the project within a reasonable timeframe.

4. PROJECT DESIGN AND READINESS

(maximum 25 points) _____

Please describe the planning which has occurred in order to purchase property. Each proposal must set forth a detailed conceptual plan for the development of the subject property. Graphic conceptual plans for the proposed project are required. The description of the development concept must include:

- Total size of development, in square footage
- The mix of uses as divided by square footage, as well as the amount of parking to be provided for each use and how it will be provided (e.g., underground parking garage, above ground parking garage, as applicable).
- An explanation of the project's scale and mass relative to the surrounding developments.
- A proposed site plan at a scale of 1 inch = 100 feet.
- Renderings and conceptual drawings indicating the elevation of proposed structures, a description of the palette of building and landscape materials used, and sections that illustrate the location, designated square footage, and spatial relationship of the mixed proposed uses, including parking.
- The dimensions and schematic layout of parking spaces, and identification of ingress and egress on the parcel.

25 points: Project is compatible with neighborhood vision, area stakeholders support project, project development is ready and Developer is able to timely apply for permits after execution of sales contract.

20 points: Project is compatible with neighborhood vision, but no evidence of area stakeholder support submitted.

5. PROJECT CREATIVITY AND NEED

(maximum 20 points) _____

To what extent will the project satisfy priority needs, as identified in the current Urban Renewal Plan and the City's Imagine Austin comprehensive plan? Describe the appropriateness of the proposed development for the neighborhood. Please provide:

- Impact on making the commercial corridor more welcoming and on increasing the availability of pedestrian oriented retail goods or services.
- Impact on other public or private investment in the neighborhood.

- Jobs created as a result of the project.
- Elements that promote sustainability. Consider including LEED for Neighborhood Development.

20 points: Project meets priority needs and is appropriate for the redevelopment of the area. Project includes potential jobs for the area. Project is an innovative sustainable project.

15 points: Project meets priority needs and is appropriate for the redevelopment of the area, but no evidence of jobs for the area or that it is a sustainable project.

6. DEVELOPMENT TIMELINE

(maximum 10 points) _____

Provide a complete design and construction schedule for the project, including approvals from other entities involved, construction, marketing, and absorption of the buildings proposed. Include detail on phasing, if applicable. Provide evidence of commitment to meet required development timeline, including a statement of the form and amount of Performance Guaranty for 3-year completion of development, and a proposed remedy offered to Seller if building permit is not obtained in 2 years.

10 points: Proposal included a commitment to complete the development within the 3 year requirement.

7. GROCERY STORE

(maximum 20 points) _____

As part of the *East 11th and 12th Street Development Strategy Technical Report*, this property was identified as a potential site for a mid-sized (10,000-25,000 square feet) neighborhood grocery store. It is the desire of area stakeholders that development on this site include a mid-sized neighborhood grocery store.

20 points: Proposal included the development of a mid-sized neighborhood grocery store.

8. AFFORDABLE HOUSING

(maximum 10 points) _____

The Successful Proposer is encouraged to meet affordable housing goals. If a project includes rental housing, a benchmark goal of 10% or more units shall be affordable to citizens earning 60% or less of the Median Family Income (MFI) for the Austin-Round Rock Metropolitan Statistical Area (MSA). If a project includes owner-occupied housing, the goal is 10% or more units affordable to citizens earning 80% or less of the MFI. (See MFI Chart – **Exhibit A**)

10 points: Proposal meets the City's stated affordable housing goals.

9. MBE/WBE PARTICIPATION

(maximum 10 points) _____

As part of the implementation of City Council resolution no. 20120112-058 (see **Exhibit B**), relating to MBE/WBE compliance (the City of Austin program for Minority-owned Business Enterprises / Women-owned Business

Enterprises), the Successful Proposer is encouraged to set MBE/WBE participation goals or make a good faith effort to achieve these goals in the design and construction of improvements on the subject Property.

10 points: Specific MBE/WBE goals were identified and/or response indicates that a Good Faith Effort will be made to achieve the goals.

10. GREEN BUILDING
(maximum 5 points) _____

The Successful Proposer is encouraged to meet ambitious green building goals. This includes meeting a minimum Austin Energy 2 Star Green Building rating or USGBC LEED Silver rating. (Please refer to information and links provided at www.austintexas.gov/realestate)

5 points: Proposed development achieved the minimum Austin Energy 2 Star Green Building rating.
3 points: Proposed development achieved less than the Austin Energy 2 Star Green Building rating.

11. OTHER PUBLIC BENEFITS
(maximum 5 points) _____

Other public benefits proposed will be given additional consideration.

5 points: Proposal provides additional public benefits. Examples may include community parking, community gathering plazas, public art, etc.

TOTAL SCORE: _____
Out of **160 points**

ENCLOSURE: Exhibit A – MFI Chart for Round Rock-Austin-Round Rock MSA
Exhibit B – City Council Resolution No. 20120112-058 (M/WBE Compliance)

Schedule 2
EXHIBIT A

2013 HUD Income and Rent Limits
Austin-Round Rock -San Marcos, TX MSA
Income Limits - Effective date 3/15/13
Rent Limits - Effective date 6/1/13

HOME Program Income Limits

Income Limit	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
20%	10,250	11,700	13,200	14,640	15,800	17,000	18,150	19,350
*** 30%**	15,400	17,600	19,800	21,950	23,750	25,500	27,250	29,000
40%	20,500	23,400	26,350	29,280	31,600	33,950	36,300	38,650
*** 50%**	25,650	29,300	32,950	36,600	39,550	42,500	45,400	48,350
60%	30,780	35,160	39,540	43,920	47,460	51,000	54,480	58,020
70%	35,850	41,000	46,100	51,240	55,350	59,450	63,550	67,650
*** 80%**	41,000	46,850	52,700	58,550	63,250	67,950	72,650	77,300
100%	51,250	58,550	65,900	**73,200**	79,050	84,900	90,750	96,600
120%	61,500	70,250	79,050	87,840	94,900	101,900	108,900	115,950
140%	71,750	82,000	92,250	102,480	110,700	118,900	127,100	135,250

*** Income provided by HUD.**
** Income calculated by NHCD based on the formula used by HUD.
HUD rounds to the nearest $50 dollars
MFI Chart was expanded to include other percentages used by NHCD.

HOME Program Rent Limits *** Provided by HUD**

	Efficiency	1 BR	2 BR	3 BR	4 BR	5 BR
30% Rent Limit	$398	$426	$512	$591	$660	$728
40% Rent Limit	$532	$570	$684	$789	$881	$972
*** LOW HOME Rent Limit**	$643	$712	$855	$986	$1,101	$1,215
*** HIGH HOME Rent Limit**	$643	$788	$992	$1,249	$1,374	$1,497
For Information Only (Below)						
*** FAIR MARKET RENT**	$643	$788	$992	$1,343	$1,627	$1,871
*** 50% Rent Limit**	$665	$712	$855	$986	$1,101	$1,215
*** 65% Rent Limit**	$844	$906	$1,089	$1,249	$1,374	$1,497

RESOLUTION NO. 20120112-058

The City Council repeals and replaces Resolution No. 20071108-127 with the following:

WHEREAS, each year, the City of Austin enters into multiple third-party agreements, which provide for the construction of public improvements or improvements to City real property by a third party rather than through a direct contract between the City and a general contractor; and

WHEREAS, the City may enter into agreements with private entities requesting City investment for private improvements to private land; and

WHEREAS, such third-party agreements include developer participation agreements, economic development agreements under Chapter 380 of the Texas Local Government Code ("Chapter 380 Agreements"), ground lease agreements, all third-party agreements negotiated between the City and private entities desiring to develop City-owned property; and any agreements pertaining to facilities constructed by private entities in conjunction with reliance on the City's endorsement pursuant to the Texas Major Events Trust Fund Act ("Eligible Third-party Agreements"); and

WHEREAS, the City values ensuring certified minority-owned and women-owned businesses are provided an equal opportunity to participate as

suppliers of material and services on projects resulting from Eligible Third-party Agreements;

WHEREAS, the City desires that the City's Eligible Third-party Agreements comply with the standards and principles of Chapters 2-9A through 2-9D of the City Code regarding minority-owned and women-owned business enterprises (the "City's M/WBE Ordinance");

WHEREAS, the City desires that the City's Eligible Third-party Agreements require efforts be made to provide minority-owned, women-owned, and local small businesses an equal opportunity to participate as suppliers of material and services for the subject project;

WHEREAS, the City desires to redress the unemployment and under-employment in the Austin area by expecting efforts be made to recruit local candidates for employment at the subject project;

WHEREAS, the City desires such efforts will increase the availability of new full-time jobs for local residents; **NOW, THEREFORE,**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

1. It is the policy of the City that Eligible Third Party Agreements comply with the standards and principles of the City's M/WBE Ordinance.

2. Eligible Third-party Agreements are to contain contract terms requiring the third party or private entity entering into the contract (the "Third Party") to comply with the standards and principles of the City's M/WBE Ordinance.

3. Consistent with the standards and principles of the M/WBE Ordinance, Eligible Third-party Agreements will include the establishment of ethnic specific M/WBE utilization goals, and a requirement that contractors and consultants on the subject project either meet the ethnic specific M/WBE utilization goals or demonstrate a good faith effort to meet the goals with respect to any design or construction projects including, but not limited to, construction of any leasehold improvements for the subject project. In the event the subject project is assisted by the City's financial investment (either the payment of dollars or waiver of taxes or fees), the goals shall be applied to the value of the entire subject project (as that term is defined in the agreement)—not limited to the value of financial investment provided by the City. In the event the Third Party enters into a build-to-suit lease or turn-key tenant improvement lease for the subject project, it is the Third Party's responsibility to

ensure the landlord complies with this provision for all construction and design relating to the Third Party's move-in.

4. When the Eligible Third-party Agreement is a developer participation agreement, the obligations of the City and the private entity are governed solely by the requirements contained in this paragraph. First, the City shall encourage the private entity to comply with the standards and principles of the M/WBE Ordinance on (a) the design of the water and wastewater infrastructure and related facilities; and (b) the design and construction of the subject project. Second, the City shall inform in writing all applicants for a service extension request that they are encouraged to comply with the standards and principles of the M/WBE Ordinance in the design of the water and wastewater infrastructure and related facilities. Nothing in this resolution modifies the continued applicability of the full M/WBE Ordinance to the procurement and construction of the subject infrastructure resulting from a service extension request under Chapter § 25-9 of the City Code.

5. When a request is made for the extension of electrical facilities, the City's full M/WBE Ordinance shall apply to the procurement, design, and construction of the electrical facilities.

6. When applicable, Eligible Third-party Agreements shall include the requirement of an outreach program designed to solicit participation of minority-owned businesses, women-owned businesses and small businesses.

7. The Third Party shall apprise the City's Department of Small Business and Minority Business Resources ("SMBR") when the Third Party desires assistance from SMBR in its efforts to meet the ethnic specific M/WBE utilization goals. This assistance may include identifying potential scopes of work (including, but not limited to, design, construction, and supply services), providing availability lists, establishing the bid packages available, scheduling and hosting outreach meetings, and otherwise assisting in soliciting bids from M/WBEs.

8. When applicable, the Eligible Third-party Agreement shall include a requirement that the Third Party use commercially reasonable efforts to provide minority-owned, women-owned, and local small businesses an equal opportunity to participate as suppliers of materials and services for the subject project (the "Suppliers Diversity Commitment").

9. The requirement to comply with the standards and principles of the M/WBE Ordinance and the Suppliers Diversity Commitment shall be included in the City's solicitation documents, if any, for the subject project.

10. The obligation to comply with the standards and principles of the City's M/WBE Ordinance and the Suppliers Diversity Commitment shall be material terms of the contract. Failure to comply with the standards and principles of the M/WBE Ordinance and/or the Suppliers Diversity Commitment shall be treated as breach of the contract, which will be subject to breach of contract remedies. The breach of contract remedies shall include the appropriate sanctions provided in the M/WBE Ordinance. Additionally, under Chapter 380 Agreements, if the Third Party (or landlord) fails to comply with the standards and principles of the M/WBE Ordinance, it shall be required to forfeit the City's financial investment (either the payment of dollars or waiver of taxes or fees) for the applicable compliance period as defined in the agreement. In the event the Third Party has received an up-front monetary contribution from the City or a waiver of taxes or fees on the front-end of the compliance period and the Third Party (or landlord) fails to comply with the standards and

principles of the M/WBE Ordinance, it shall be required to promptly return all monies or reimburse the City for any waiver of taxes or fees received from the City with interest.

11. The requirement to comply with the standards and principles of the M/WBE Ordinance shall be addressed and negotiated at the earliest stages of negotiation of Eligible Third-party Agreements so as to allow ample opportunity for the standards and principles of the M/WBE Ordinance to be fully incorporated into the agreement and other contract documents.

12. The City employees who negotiate Eligible Third-party Agreements will be trained in the standards and principles of the M/WBE Ordinance in order to carry out the directives of this resolution.

13. Eligible Third-party Agreements will include monthly reporting requirements to allow SMBR to track compliance with the requirements contained herein.

14. Eligible Third-party Agreements shall include the requirement that the Third Party make commercially reasonable efforts to recruit residents of the Austin area for available employment opportunities.

15. SMBR shall report its determinations of compliance or noncompliance with the negotiated standards and principles of the

M/WBE Ordinance to the SMBR Advisory Committee and the MBE/WBE & Small Business Council Subcommittee.

16. Eligible Third Party Agreements do not include (1) agreements for the sale of land in which no continuing contractual relationship will exist between the purchaser and the City, (2) interlocal agreements administered by another governmental entity, and (3) agreements for privately-funded public improvements incidental to private development.

17. Any provisions of this Resolution that are inconsistent with its predecessor, Resolution No. 20071108-127, are inapplicable to Third-party Agreements executed prior to the effective date of this Resolution.

ADOPTED: January 12, 2012 **ATTEST:** Shirley A. Gentry

Shirley A. Gentry
City Clerk

Schedule 3-A
1322-1336 E. 12th Street

THE FOLLOWING COMMITMENT FOR TITLE INSURANCE IS NOT VALID UNLESS YOUR NAME AND THE POLICY AMOUNT ARE SHOWN IN SCHEDULE A, AND OUR AUTHORIZED REPRESENTATIVE HAS COUNTERSIGNED BELOW.

COMMITMENT FOR TITLE INSURANCE

ISSUED BY

CHICAGO TITLE INSURANCE COMPANY

We, Chicago Title Insurance Company, will issue our title insurance policy or policies (the Policy) to You (the proposed insured) upon payment of the premium and other charges due, and compliance with the requirements in Schedule B and Schedule C. Our Policy will be in the form approved by the Texas Department of Insurance at the date of issuance, and will insure your interest in the land described in Schedule A. The estimated premium for our Policy and applicable endorsements is shown on Schedule D. There may be additional charges such as recording fees, and expedited delivery expenses.

This Commitment ends ninety (90) days from the effective date, unless the Policy is issued sooner, or failure to issue the Policy is our fault. Our liability and obligations to you are under the express terms of this Commitment and end when this Commitment expires.

CHICAGO TITLE INSURANCE COMPANY

By:

ATTEST President

Secretary

Authorized Signature

CONDITIONS AND STIPULATIONS

1. If you have actual knowledge of any matter which may affect the title or mortgage covered by this Commitment, that is not shown in Schedule B, you must notify us in writing. If you do not notify us in writing, our liability to you is ended or reduced to the extent that your failure to notify us affects our liability. If you do notify us, or we learn of such matter, we may amend Schedule B, but we will not be relieved of liability already incurred.

2. Our liability is only to you, and others who are included in the definition of Insured in the Policy to be issued. Our liability is only for actual loss incurred in your reliance on this Commitment to comply with its requirements or to acquire the interest in the land. Our liability is limited to the amount shown in Schedule A of this Commitment and will be subject to the following terms of the Policy: Insuring Provisions, Conditions and Stipulations, and Exclusions.

COMMITMENT FOR TITLE INSURANCE

SCHEDULE A

Effective Date: **August 22, 2013, 08:00 am** G.F. No. or File No. **1214154-KFO**

Commitment No. _____ issued: **August 29, 2013,**
(if applicable)

1. The policy or policies to be issued are:
   (a) OWNER'S POLICY OF TITLE INSURANCE (Form T-1)
   (Not applicable for improved one-to-four family residential real estate)
   Policy Amount:
   PROPOSED INSURED:
   (b) TEXAS RESIDENTIAL OWNER POLICY OF TITLE INSURANCE - ONE-TO-FOUR FAMILY RESIDENCES (Form T-1R)
   Policy Amount:
   PROPOSED INSURED:
   (c) LOAN POLICY OF TITLE INSURANCE (Form T-2)
   Policy Amount:
   PROPOSED INSURED:
   Proposed Borrower:
   (d) TEXAS SHORT FORM RESIDENTIAL MORTGAGEE POLICY OF TITLE INSURANCE (Form T-2R)
   Policy Amount:
   PROPOSED INSURED:
   Proposed Borrower:
   (e) MORTGAGEE TITLE POLICY BINDER ON INTERIM CONSTRUCTION LOAN (Form T-13)
   Binder Amount:
   PROPOSED INSURED:
   Proposed Borrower:
   (f) OTHER
   Policy Amount:
   PROPOSED INSURED:
2. The interest in the land covered by this Commitment is: **Fee Simple**
3. Record title to the land on the Effective Date appears to be vested in:
   Urban Renewal Agency of the City of Austin, a Texas public body corporate and politic created under Chapter 374, Texas Local Government Code
4. Legal description of the land:

   Lots 1, 2, 3, 4, 5, 6, 7 and 8, Block A, RESUBDIVISION OF THE EAST 65 FEET OF LOT 4, AND LOTS 5 AND 6, BLOCK 2, JAMES O'REILLY SUBDIVISION OF OUTLOT 38, DIVISION B, according to the map or plat thereof, recorded in Volume 102, Page 88, Plat Records, Travis County, Texas.

COMMITMENT FOR TITLE INSURANCE

SCHEDULE B

EXCEPTIONS FROM COVERAGE

In addition to the Exclusions and Conditions and Stipulations, your Policy will not cover loss, costs, attorneys' fees, and expenses resulting from:

1. The following restrictive covenants of record itemized below (We must either insert specific recording data or delete this exception):

   Volume 102, Page 88, Plat Records, Travis County, Texas, but omitting any covenant or restriction based on race, color, religion, sex, disability, handicap, familial status or national origin.

2. Any discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments or protrusions, or any overlapping of improvements.

3. Homestead or community property or survivorship rights, if any, of any spouse of any insured. (Applies to the Owner Policy only).

4. Any titles or rights asserted by anyone, including, but not limited to, persons, the public, corporations, governments or other entities,

   a. to tidelands, or lands comprising the shores or beds of navigable or perennial rivers and streams, lakes, bays, gulfs or oceans, or

   b. to lands beyond the line of harbor or bulkhead lines as established or changed by any government, or

   c. to filled-in lands, or artificial islands, or

   d. to statutory water rights, including riparian rights, or

   e. to the area extending from the line of mean low tide to the line of vegetation, or the rights of access to that area or easement along and across that area.

   (Applies to the Owner Policy only.)

5. Standby fees, taxes and assessments by any taxing authority for the year **2013**, and subsequent years; and subsequent taxes and assessments by any taxing authority for prior years due to change in land usage or ownership, but not those taxes or assessments for prior years because of an exemption granted to a previous owner of the property under Section 11.13, *Texas Tax Code*, or because of improvements not assessed for a previous tax year. (If Texas Short Form Residential Mortgagee Policy (T-2R) is issued, that policy will substitute "which become due and payable subsequent to Date of Policy" in lieu of "for the year _____ and subsequent years.")

6. The terms and conditions of the documents creating your interest in the land.

7. Materials furnished or labor performed in connection with planned construction before signing and delivering the lien document described in Schedule A, if the land is part of the homestead of the owner. (Applies to the Mortgagee Title Policy Binder on Interim Construction Loan only, and may be deleted if satisfactory evidence is furnished to us before a binder is issued.)

8. Liens and leases that affect the title to the land, but that are subordinate to the lien of the insured mortgage. (Applies to Loan Policy (T-2) only.)

9. The Exceptions from Coverage and Express Insurance in Schedule B of the Texas Short Form Residential Mortgagee Policy (T-2R). (Applies to Texas Short Form Residential Mortgagee Policy (T-2R) only. Separate exceptions 1 through 8 of this Schedule B do not apply to the Texas Short Form Residential Mortgagee Policy (T-2R).

10. The following matters and all terms of the documents creating or offering evidence of the matters (We must insert matters or delete this exception.):

a. **Rights of Parties in Possession. (Owner Policy)**

b. **Rights of tenants, as tenants only, under any and all unrecorded leases or rental agreements.** ***(NOTE: This item can be deleted upon receipt of an Affidavit executed by the seller evidencing there are not any outstanding leases or rental agreements. If the Affidavit reveals unrecorded outstanding leases or rental agreements the exception may be modified to make specific exception to those matters.)***

c. **Any visible and apparent easement, either public or private, located on or across the land, the existence of which is not disclosed by the Public Records as herein defined.**

d. **Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the title that would be disclosed by an accurate and complete land survey of the land.**

e. **Any portion of subject property lying within the boundaries of a dedicated or undedicated public or private roadway.**

f. **Easement as shown on the plat and dedication set out in Schedule A hereof:**
Purpose: public utility
Location: 10 feet along all street rights-of-way

g. **Terms, Conditions, and Stipulations in the Agreement:**
Recorded: Volume 13270, Page 268, Real Property Records, Travis County, Texas.
Type: subdivision construction

h. **Notice Regarding: Urban Renewal Plan**
Recorded: Document No(s). 1999157295, 2000078958, 2002204815, 2005075165 and 2008169755, Official Public Records, Travis County, Texas.

i. **This item has been intentionally deleted.**

j. **Deleted.**

k. **Deleted.**

l. **All leases, grants, exceptions or reservation of coal, lignite, oil, gas and other mineral, together with all rights, privileges, and immunities relating thereto appearing in the public records whether listed in Schedule B or not. There may be leases, grants, exceptions or reservations of mineral interest that are not listed.**

COMMITMENT FOR TITLE INSURANCE

SCHEDULE C

Your Policy will not cover loss, costs, attorneys' fees, and expenses resulting from the following requirements that will appear as Exceptions in Schedule B of the Policy, unless you dispose of these matters to our satisfaction, before the date the Policy is issued:

1. Documents creating your title or interest must be approved by us and must be signed, notarized and filed for record.

2. Satisfactory evidence must be provided that:

   a. no person occupying the land claims any interest in that land against the persons named in paragraph 3 of Schedule A,

   b. all standby fees, taxes, assessments and charges against the property have been paid,

   c. all improvements or repairs to the property are completed and accepted by the owner, and that all contractors, subcontractors, laborers and suppliers have been fully paid, and that no mechanic's, laborer's or materialmen's liens have attached to the property,

   d. there is legal right of access to and from the land,

   e. (on a Loan Policy only) restrictions have not been and will not be violated that affect the validity and priority of the insured mortgage.

3. You must pay the seller or borrower the agreed amount for your property or interest.

4. Any defect, lien or other matter that may affect title to the land or interest insured, that arises or is filed after the effective date of this Commitment.

5. **Lien in Favor of City of Austin:**

Recorded:	**Document No. 2001079508, Official Public Records, Travis County, Texas.**
Amount:	**$246.67**
Dated:	**5/16/2001**
Purpose:	**Clearance Lien**

6. **Company must be furnished a properly executed Corporate Resolution in recordable form of the Board of Directors of Urban Renewal Agency of the City of Austin authorizing the proposed transaction and establishing the authority of the officers to act on behalf of the corporation.**

   In addition, company requires verification from the Secretary of State that corporation is in existence and in good standing.

7. **Please furnish the names of the parties to be insured herein. Upon receipt of said names, additional requirements may be made.**

8. **NOTICE: Title Company is unwilling to issue the Title Policy without the general mineral exception(s) set out in Schedule B hereof pursuant to Procedural Rule P-5.1. Optional endorsements (T19.2 and T19.3) insuring certain risks involving minerals, and the use of improvements (excluding lawns, shrubbery and trees) and permanent buildings may be available for purchase upon request of the Proposed Insured. Neither this Policy, nor the optional endorsements, insure that the purchaser has title to the mineral rights related to the surface estate. (Loan Policy only)**

9. **Payment of any and all ad valorem taxes which may be due and payable on the subject property.**

10. **Company requires Owner, Seller and/or Borrower to complete an Affidavit of Debts and Liens prior to the issuance of the Title Insurance Policy.**

11. **Company must be furnished with a properly executed Waiver of Inspection signed by the Purchaser.**

12. **Good Funds in an amount equal to all disbursements must be received and deposited before any funds may be disbursed. Partial disbursements prior to the receipt and deposit of good funds are not permitted. Good Funds means cash, wire transfer, certified checks, cashier's checks and teller checks. Company reserves the right to require wired transfer of funds in accordance with Procedural Rule P-27 where immediate disbursement is requested.**

13. **ARBITRATION: The Owner Policy of Title Insurance (Form T-1) and the Loan Policy of Title Insurance (Form T-2) contain an arbitration provision. It allows the Insured or the Company to require arbitration if the amount of insurance is $2,000,000 or less. If the insured wants to retain the right to sue the Company in case of a dispute over a claim, the Insured must request deletion of the arbitration provision before the Policy is issued. The Insured may do this by signing the Deletion of Arbitration Provision form and returning it to the Company at or before the closing of the real estate transaction or by writing to the Company. {The Arbitration Provision may not be deleted on the Texas Residential Owner Policy of Title Insurance (Form T-1R).}**

14. ***NOTICE:* Pursuant to Procedural Rule P-71, Company may, upon request and if a licensed Agent in the County, issue a T-53 Texas Residential Limited Coverage Chain of Title Policy covering a period of 60 months, showing the following documents filed in the Official Public Records: none**

Countersigned
Independence Title Company

By_____
Authorized Signatory

COMMITMENT FOR TITLE INSURANCE

SCHEDULE D

G.F. No. or File No. **1214154-KFO** Effective Date: **August 22, 2013, 08:00 am**

Pursuant to the requirements of Rule P-21, Basic Manual of Rules, Rates and Forms for the writing of Title Insurance in the State of Texas, the following disclosures are made:

1. The following individuals are directors and/or officers, as indicated, of the Title Insurance Company issuing this Commitment

Chicago Title Insurance Company, a Nebraska Corporation

Officers:		Directors:
Raymond Randall Quirk	President	Raymond Randall Quirk
Anthony John Park	Executive Vice President	Anthony John Park
Michael Louis Gravelle	Secretary	Michael Joseph Nolan
Daniel Kennedy Murphy	Treasurer	Theodore L. Kessner
		Edson Nye Burton, Jr.

Fidelity National Financial, Inc. owns 100% of FNTG Holdings Inc. which owns 100% of Fidelity National Title Group, Inc., which owns 100% of **Chicago Title Insurance Company.**

2. (a) A listing of each shareholder, owner, partner, or other person having, owning or controlling one percent (1%) or more of the Title Insurance Agent that will receive a portion of the premium:

ITCOT, LLC

(b) A listing of each shareholder, owner, partner, or other person having, owning or controlling 10 percent (10%) or more of an entity that has, owns or controls one percent (1%) or more of the Title Insurance Agent that will receive a portion of the premium:

Jay Southworth
Brian Pitman
FSBT Holdings, Inc.

(c) The following is a list of it's officers and directors:

Brian Pitman, President/COO
Jay Southworth, Chairman/CEO

3. You are entitled to receive advance disclosure of settlement charges in connection with the proposed transaction to which this commitment relates. Upon your request, such disclosure will be made to you. Additionally, the name of any person, firm or corporation receiving a portion of the premium from the settlement of this transaction will be disclosed on the closing or settlement statement.

You are further advised that the estimated title premium* is:

Owners Policy	**$0.00**
Loan Policy	**$0.00**
Endorsement Charges	**$0.00**
Other	**$0.00**
Total	**$0.00**

Of this total amount: 15% will be paid to the policy issuing Title Insurance Company: 85% will be retained by the issuing Title Insurance Agent; and the remainder of the estimated premium will be paid to other parties as follows:

Amount	To Whom	For Services

*The estimated premium is based upon information furnished to us as of the date of this Commitment for Title Insurance. Final determination of the amount of the premium will be made at closing in accordance with the Rules and Regulations adopted by the Commissioner of Insurance.

This commitment is invalid unless the insuring provisions and Schedules A, B, and C are attached.

TEXAS TITLE INSURANCE INFORMATION

Title insurance insures you against loss resulting from certain risks to your title.	El seguro de titulo le asegura en relacion a perdidas resultantes de ciertos riesgos que pueden afectar el titulo de su propiedad.
The Commitment for Title Insurance is the title insurance company's promise to issue the title insurance policy. The Commitment is a legal document. You should review it carefully to completely understand it before your closing date.	El Compromiso para Seguro de Titulo es la promesa de la compania aseguradora de titulos de emitir la poliza de seguro de titulo. El Compromiso es un documento legal. Usted debe leerio cuidadosamente y entendario completamente antes de la fecha para finalizar su transaccion.

Your Commitment for Title Insurance is a legal contract between you and us. The Commitment is not an opinion or report of your title. It is a contract to issue you a policy subject to the Commitment's terms and requirements.

Before issuing a Commitment for Title Insurance (the Commitment) or a Title Insurance Policy (the Policy), the Title Insurance Company (the Company) determines whether the title is insurable. This determination has already been made. Part of that determination involves the Company's decision to insure the title except for certain risks that will not be covered by the Policy. Some of these risks are listed in Schedule B of the attached Commitment as Exceptions. Other risks are stated in the Policy as Exclusions. These risks will not be covered by the Policy.

Another part of the determination involves whether the promise to insure is conditioned upon certain requirements being met. Schedule C of the Commitment lists these requirements that must be satisfied or the Company will refuse to cover them. You may want to discuss any matters shown on Schedules B and C of the Commitment with an attorney. These matters will affect your title and your use of the land.

When your Policy is issued, the coverage will be limited by the Policy's Exceptions, Exclusions and Conditions, defined below.

- EXCEPTIONS are title risks that a Policy generally covers but does not cover in a particular instance. Exceptions are shown on Schedule B or discussed in Schedule C of the Commitment. They can also be added if you do not comply with the Conditions section of the Commitment. When the Policy is issued, all Exceptions will be on Schedule B of the Policy.

- EXCLUSIONS are title risks that a Policy generally does not cover. Exclusions are contained in the Policy but not shown or discussed in the Commitment.

- CONDITIONS are additional provisions that qualify or limit your coverage. Conditions include your responsibilities and those of the Company. They are contained in the Policy but not shown or discussed in the Commitment. The Policy Conditions are not the same as the Commitment Conditions.

You can get a copy of the policy form approved by the State Board of Insurance by calling the Title Insurance Company at or by calling the title insurance agent that issued the Commitment. The State Board of Insurance may revise the policy form from time to time.

You can also get a brochure that explains the Policy from the Texas Department of Insurance by calling 1-800-252-3439.

Before the Policy is issued, you may request changes in the Policy. Some of the changes to consider are:

- Request amendment of the "area and boundary" exception (Schedule B, paragraph 2). To get this amendment, you must furnish a survey or comply with other requirements of the Company. On the Owner Policy, you must pay an additional premium for the amendment. If the survey is acceptable to the Company or if the Company's other requirements are met, your Policy will insure you against loss because of discrepancies or conflicts in boundary lines, encroachments or protrusions, or overlapping of improvements. The Company may then decide not to insure against specific boundary or survey problems by making special exceptions in the Policy. Whether or not you request amendment of the "area and boundary" exception, you should determine whether you want to purchase and review a survey if a survey is not being provided to you.

- Allow the Company to add an exception to "rights of parties in possession." If you refuse this exception, the Company or the title insurance agent may inspect the property. The Company may except to and not insure you against the rights of specific persons, such as renters, adverse owners or easement holders who occupy the land. The Company may charge you for the inspection. If you want to make your own inspection, you must sign a Waiver of Inspection form and allow the Company to add this exception to your Policy.

The entire premium for a Policy must be paid when the Policy is issued. You will not owe any additional premiums unless you want to increase your coverage at a later date and the Company agrees to add an Increased Value Endorsement.

DELETION OF ARBITRATION PROVISION

(Not Applicable to the Texas Residential Owner Policy)

Arbitration is a common form of alternative dispute resolution. It can be a quicker and cheaper means to settle a dispute with your Title Insurance Company. However, if you agree to arbitrate, you give up your right to take the Title Company to court and your rights to discovery of evidence may be limited in the arbitration process. In addition, you cannot usually appeal an arbitrator's award.

Your policy contains an arbitration provision (shown below). It allows you <u>or the Company</u> to require arbitration if the amount of insurance is $2,000,000 or less. If you want to retain your right to sue the Company in case of a dispute over a claim, you must request deletion of the arbitration provision before the policy is issued. You can do this by signing this form and returning it to the Company at or before the Closing of your real estate transaction or by writing to the Company.

The arbitration provision in the Policy is as follows:

"Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, any service in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of Insurance is $2,000,000 or less shall be arbitrated at the option of either the Company or the Insured, unless the Insured is an individual person (as distinguished from an Entity). All arbitrable matters when the Amount of Insurance is in excess of $2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction."

I request deletion of the Arbitration provision.

_____ _____

SIGNATURE DATE

Chicago Title Insurance Company

Premium Amount 1	Rate Rules 2	Property Type 3 **3**	County Code 4 **453**	Liability at Reissue Rate 5	6	7	8

CHICAGO TITLE INSURANCE COMPANY

TEXAS TITLE INSURANCE INFORMATION

Title Insurance insures you against loss resulting from certain risks to your title. The Commitment for Title Insurance is the Title Insurance Company's promise to issue the Title Insurance Policy. The Commitment is a legal document. You should review it carefully to completely understand it before your closing date.	El seguro de titulo le asegura en relacion a perdidas resultantes de ciertos riesgos que pueden afectar el titulo de su propiedad. El Compromiso para Seguro de Titulo es la promesa de la compania aseguradora de titulos de emitir la poliza de seguro de titulo. El Compromiso es un documento legal. Usted debe leerlo cuidadosamente y entenderlo complemente antes de la fecha para finalizar su transaccion.

Your Commitment for Title Insurance is a legal contract between you and us. The Commitment is not an opinion or report of your title. It is a contract to issue you a Policy subject to the Commitment's terms and requirements.

Before issuing a Commitment for Title Insurance (the Commitment) or a Title Insurance Policy (the Policy), the Title Insurance Company (the Company) determines whether the title is insurable. This determination has already been made. Part of that determination involves the Company's decision to insure the title except for certain risks that will not be covered by the Policy. Some of these risks are listed in Schedule B of the attached Commitment as Exceptions. Other risks are stated in the Policy as Exclusions. These risks will not be covered by the Policy. The Policy is not an abstract of title nor does a Company have an obligation to determine the ownership of any mineral interest.

---**MINERALS AND MINERAL RIGHTS** may not be covered by the Policy. The Company may be unwilling to insure title unless there is an exclusion or an exception as to Minerals and Mineral Rights in the Policy. Optional endorsements insuring certain risks involving minerals, and the use of improvements (excluding lawns, shrubbery and trees) and permanent buildings may be available for purchase. Neither this Policy, nor the optional endorsements, insure that the purchaser has title to the mineral rights related to the surface estate.

Another part of the determination involves whether the promise to insure is conditioned upon certain requirements being met. Schedule C of the Commitment lists these requirements that must be satisfied or the Company will refuse to cover them. You may want to discuss any matters shown in Schedules B and C of the Commitment with an attorney. These matters will affect your title and your use of the land.

When your Policy is issued, the coverage will be limited by the Policy's Exception, Exclusions and Conditions, defined below.

---**EXCEPTIONS** are title risks that a Policy generally covers but does not cover in a particular instance. Exceptions are shown on Schedule B or discussed in Schedule C of the Commitment. They can also be added if you do not comply with the Conditions section of the Commitment. When the Policy is issued, all Exceptions will be on Schedule B of the Policy.

---**EXCLUSIONS** are title risks that a Policy generally does not cover. Exclusions are contained in the Policy but not shown or discussed in the Commitment.

—**CONDITIONS** are additional provisions that qualify or limit your coverage. Conditions include your responsibilities and those of the Company. They are contained in the Policy but not shown or discussed in the Commitment. The Policy Conditions are not the same as the Commitment Conditions.

You can get a copy of the policy form approved by the Texas Department of Insurance by calling Chicago Title Insurance Company at 1-800-442-4303 or by calling the title insurance agent that issued the Commitment. The Texas Department of Insurance may revise the policy form from time to time.

You can also get a brochure that explains the Policy from the Texas Department of Insurance by calling 1-800-252-3439.

Before the Policy is issued, you may request changes in the Policy. Some of the changes to consider are:

---Request amendment of the "area and boundary" exception (Schedule B, paragraph 2). To get this amendment, you must furnish a survey and comply with other requirements of the Company. On the Owner's Policy, you must pay an additional premium for the amendment. If the survey is acceptable to the Company and if the Company's other requirements are met, your Policy will insure you against loss because of discrepancies or conflicts in boundary lines, encroachments or protrusions, or overlapping of improvements. The Company may then decide not to insure against specific boundary or survey problems by making special exceptions in the Policy.

Whether or not you request amendment of the "area and boundary" exception, you should determine whether you want to purchase and review a survey if a survey is not being provided to you.

---Allow the Company to add an exception to "rights of parties in possession." If you refuse this exception, the Company or the title insurance agent may inspect the property. The Company may except to and not insure you against the rights of specific persons, such as renters, adverse owners or easement holders who occupy the land. The Company may charge you for the inspection. If you want to make your own inspection, you must sign a Waiver of Inspection form and allow the Company to add this exception to your Policy.

The entire premium for a Policy must be paid when the Policy is issued. You will not owe any additional premiums unless you want to increase your coverage at a later date and the Company agrees to add an Increased Value Endorsement.

DELETION OF ARBITRATION PROVISION

(Not applicable to the Texas Residential Owner's Policy)

Arbitration is a common form of alternative dispute resolution. It can be a quicker and cheaper means to settle a dispute with your Title Insurance Company. However, if you agree to arbitrate, you give up your right to take the Title Company to court and your rights to discovery of evidence may be limited in the arbitration process. In addition, you cannot usually appeal an arbitrator's award.

Your policy contains an arbitration provision (shown below). It allows you or the Company to require arbitration if the amount of insurance is $2,000,000 or less. If you want to retain your right to sue the Company in case of a dispute over a claim, you must request deletion of the arbitration provision before the policy is issued. You can do this by signing this form and returning it to the Company at or before the closing of your real estate transaction or by writing to the Company.
The arbitration provision in the Policy is as follows:

"Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, any service in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of Insurance is $2,000,000 or less shall be arbitrated at the option of either the Company or the Insured, unless the Insured is an individual person (as distinguished from an Entity). All arbitrable matters when the Amount of Insurance is in excess of $2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction."

SIGNATURE _____ DATE _____

Fidelity National Financial, Inc.

Privacy Statement

Fidelity National Financial, Inc. and its subsidiaries ("FNF") respect the privacy and security of your non-public personal information ("Personal Information") and protecting your Personal Information is one of our top priorities. This Privacy Statement explains FNF's privacy practices, including how we use the Personal Information we receive from you and from other specified sources, and to whom it may be disclosed. FNF follows the privacy practices described in this Privacy Statement and, depending on the business performed, FNF companies may share information as described herein.

Personal Information Collected

We may collect Personal Information about you from the following sources:

- Information we receive from you on applications or other forms, such as your name, address, social security number, tax identification number, asset information, and income information;
- Information we receive from you through our Internet websites, such as your name, address, email address, Internet Protocol address, the website links you used to get to our websites, and your activity while using or reviewing our websites;
- Information about your transactions with or services performed by us, our affiliates, or others, such as information concerning your policy, premiums, payment history, information about your home or other real property, information from lenders and other third parties involved in such transaction, account balances, and credit card information; and
- Information we receive from consumer or other reporting agencies and publicly recorded documents.

Disclosure of Personal Information

We may provide your Personal Information (excluding information we receive from consumer or other credit reporting agencies) to various individuals and companies, as permitted by law, without obtaining your prior authorization. Such laws do not allow consumers to restrict these disclosures. Disclosures may include, without limitation, the following:

- To insurance agents, brokers, representatives, support organizations, or others to provide you with services you have requested, and to enable us to detect or prevent criminal activity, fraud, material misrepresentation, or nondisclosure in connection with an insurance transaction;
- To third-party contractors or service providers for the purpose of determining your eligibility for an insurance benefit or payment and/or providing you with services you have requested;
- To an insurance regulatory authority, or a law enforcement or other governmental authority, in a civil action, in connection with a subpoena or a governmental investigation;
- To companies that perform marketing services on our behalf or to other financial institutions with which we have joint marketing agreements; and/or
- To lenders, lien holders, judgment creditors, or other parties claiming an encumbrance or an interest in title whose claim or interest must be determined, settled, paid or released prior to a title or escrow closing.

We may also disclose your Personal Information to others when we believe, in good faith, that such disclosure is reasonably necessary to comply with the law or to protect the safety of our customers, employees, or property and/or to comply with a judicial proceeding, court order or legal process.

Disclosure to Affiliated Companies - We are permitted by law to share your name, address and facts about your transaction with other FNF companies, such as insurance companies, agents, and other real estate service providers to provide you with services you have requested, for marketing or product development research, or to market products or services to you. We do not, however, disclose information we collect from consumer or credit reporting agencies with our affiliates or
others without your consent, in conformity with applicable law, unless such disclosure is otherwise permitted by law.

Disclosure to Nonaffiliated Third Parties - We do not disclose Personal Information about our customers or former customers to nonaffiliated third parties, except as outlined herein or as otherwise permitted by law.

Confidentiality and Security of Personal Information
We restrict access to Personal Information about you to those employees who need to know that information to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard Personal Information.

Access to Personal Information/
Requests for Correction, Amendment, or Deletion of Personal Information
As required by applicable law, we will afford you the right to access your Personal Information, under certain circumstances to find out to whom your Personal Information has been disclosed, and request correction or deletion of your Personal Information. However, FNF's current policy is to maintain customers' Personal Information for no less than your state's required record retention requirements for the purpose of handling future coverage claims.

For your protection, all requests made under this section must be in writing and must include your notarized signature to establish your identity. Where permitted by law, we may charge a reasonable fee to cover the costs incurred in responding to such requests. Please send requests to:

Chief Privacy Officer
Fidelity National Financial, Inc.
601 Riverside Avenue
Jacksonville, FL 32204

Changes to this Privacy Statement
This Privacy Statement may be amended from time to time consistent with applicable privacy laws. When we amend this Privacy Statement, we will post a notice of such changes on our website. The effective date of this Privacy Statement, as stated above, indicates the last time this Privacy Statement was revised or materially changed.

INDEPENDENCE TITLE COMPANY

PRIVACY NOTICE

You have chosen to do business with Independence Title Company and we are obligated to honor the relationship with great care, beginning with the confidential information that may come into our possession during the course of your transaction with us. We believe that your privacy should not be compromised and are committed to maintaining the confidentiality of that information.

You can be assured that we are respecting your privacy and safeguarding your "*nonpublic personal information*". Nonpublic personal information is information about you that we collect in connection with providing a financial product or service to you. Nonpublic personal information does not include information that is available from Public sources, such as telephone directories or government records.

We collect nonpublic personal information about you from the following sources:

- Information we receive from you on applications or other forms
- Information about your transaction with us
- Information about your transactions with nonaffiliated third parties
- Information we receive from a consumer–reporting agency

We respect the privacy of our customers, and we will not disclose nonpublic personal information about our customers or former customers to anyone, except as permitted by law.

We restrict access to nonpublic personal information about you to those employees who need that information to provide products or services to you.

We maintain physical, electronic, and procedural safeguards that comply with federal standards to guard your nonpublic personal information.

We will not disclose nonpublic personal information about our customers or former customers to nonaffiliated third parties, except as permitted by law.

Independence Title Company recognizes and respects the privacy expectations of our customers. We want our customers to understand our commitment to privacy in our use of customer information. Customers who have any questions about this Privacy Policy or have any questions about the privacy of their customer information should call **Independence Title Company at (512) 454-4500.**

IMPORTANT NOTICE

To obtain information or make a complaint:

You may call your title insurance company's toll-free telephone number for information or to make a complaint at:

1-800-442-4303

You may also write to your title insurance company at:

2001 Bryan Street, Suite 1700
Dallas, Texas 75201

You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at:

1-800-252-3439

You may write the Texas Department of Insurance:

P.O. Box 149104
Austin, TX 78714-9104
Fax: (512) 475-1771
Web: http://www.tdi.state.tx.us
E-mail: ConsumerProtection@tdi.state.tx.us

PREMIUM OR CLAIM DISPUTES:
Should you have a dispute concerning your premium or about a claim you should contact the company first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

ATTACH THIS NOTICE TO YOUR POLICY:
This notice is for information only and does not become a part or condition of the attached document.

AVISO IMPORTANTE

Para obtener informacion o para someter una queja:

Usted puede llamar al numero de telefono gratis compania de seguros de título de title para informacion o para someter una queja al:

1-800-442-4303

Usted tambien puede escribir a compania seguros de título de title

2001 Bryan Street, Suite 1700
Dallas, Texas 75201

Puede comunicarse con el Departamento de Seguros de Texas para obtener informacion acerca de companias, coberturas, derechos o quejas al:

1-800-252-3439

Puede escribir al Departamento de Seguros de Texas:

P.O. Box 149104
Austin, TX 78714-9104
Fax: (512) 475-1771
Web: http://www.tdi.state.tx.us
E-mail: ConsumerProtection@tdi.state.tx.us

DISPUTAS SOBRE PRIMAS O RECLAMOS:
Si tiene una disputa concerniente a su prima o a un reclamo, debe comunicarse con el la compania) primero. Si no se resuelve la disputa, puede entonces comunicarse con el departamento (TDI).

UNA ESTE AVISO A SU POLIZA: Este aviso es solo para proposito de informacion y no se convierte en parte o condicion del documento adjunto.

Introducing...Your Title Commitment

The ABC's of a Title Commitment

Thank you again for working with Independence Title Company on your transaction. Enclosed is your Commitment for Title Insurance. This document is our commitment to insure your transaction and issue a title policy if conditions described in schedule C are met.

Below is a general guide to reading the title commitment. Please contact your escrow officer with any questions about your specific transaction.

Schedule

"Actual Facts"

"A" is for "Actual Facts." In other words, this is the "Who, What, Where and How Much" of the transaction. You'll see the names of the seller and buyer, a description of the property, the sales price, and the name of the lender, if any.

Schedule

"Buyer Notification"

"B" is for "Buyer Notification" of items in which other parties have some interest or control of the use of property. An example would be a utility easement, where the city would have a part of the land reserved for their use, or a building setback requirement that prevents the homeowner from building within a certain distance from the front, side or back of the property. These items are not covered by the title policy.

Schedule

"Clear to Close"

"C" is for "Clear in order to Close." These items must be resolved in order to transfer title to the new owner. This might include such things as a mortgage to be paid off, home improvement liens, unpaid taxes, or a requirement that another person - such as an heir or a former spouse - participate in the sale of the property. All items shown on Schedule C must be resolved before or at the closing.

Schedule

"Disclosure"

"D" is for "Disclosure." This last section outlines all parties who will share any part of the insurance premium, including underwriters, title agents and attorneys.

Independence Title

We live here, work here, invest here. – We are locally owned and operated in the heart of Texas.

Schedule 3-B
1322-1336 E. 12th Street

THE FOLLOWING COMMITMENT FOR TITLE INSURANCE IS NOT VALID UNLESS YOUR NAME AND THE POLICY AMOUNT ARE SHOWN IN SCHEDULE A, AND OUR AUTHORIZED REPRESENTATIVE HAS COUNTERSIGNED BELOW.

COMMITMENT FOR TITLE INSURANCE

ISSUED BY

CHICAGO TITLE INSURANCE COMPANY

We, Chicago Title Insurance Company, will issue our title insurance policy or policies (the Policy) to You (the proposed insured) upon payment of the premium and other charges due, and compliance with the requirements in Schedule B and Schedule C. Our Policy will be in the form approved by the Texas Department of Insurance at the date of issuance, and will insure your interest in the land described in Schedule A. The estimated premium for our Policy and applicable endorsements is shown on Schedule D. There may be additional charges such as recording fees, and expedited delivery expenses.

This Commitment ends ninety (90) days from the effective date, unless the Policy is issued sooner, or failure to issue the Policy is our fault. Our liability and obligations to you are under the express terms of this Commitment and end when this Commitment expires.

CHICAGO TITLE INSURANCE COMPANY

By:

ATTEST President.

Secretary

Authorized Signature

CONDITIONS AND STIPULATIONS

1. If you have actual knowledge of any matter which may affect the title or mortgage covered by this Commitment, that is not shown in Schedule B, you must notify us in writing. If you do not notify us in writing, our liability to you is ended or reduced to the extent that your failure to notify us affects our liability. If you do notify us, or we learn of such matter, we may amend Schedule B, but we will not be relieved of liability already incurred.

2. Our liability is only to you, and others who are included in the definition of Insured in the Policy to be issued. Our liability is only for actual loss incurred in your reliance on this Commitment to comply with its requirements or to acquire the interest in the land. Our liability is limited to the amount shown in Schedule A of this Commitment and will be subject to the following terms of the Policy: Insuring Provisions, Conditions and Stipulations, and Exclusions.

COMMITMENT FOR TITLE INSURANCE

SCHEDULE A

Effective Date: **February 21, 2013, 08:00 am** G.F. No. or File No. **1214154-COM**

Commitment No. _____ issued: **February 27, 2013,**
(if applicable)

1. The policy or policies to be issued are:
   (a) OWNER'S POLICY OF TITLE INSURANCE (Form T-1)
   (Not applicable for improved one-to-four family residential real estate)
   Policy Amount:
   PROPOSED INSURED:
   (b) TEXAS RESIDENTIAL OWNER POLICY OF TITLE INSURANCE - ONE-TO-FOUR FAMILY RESIDENCES (Form T-1R)
   Policy Amount:
   PROPOSED INSURED:
   (c) LOAN POLICY OF TITLE INSURANCE (Form T-2)
   Policy Amount:
   PROPOSED INSURED:
   Proposed Borrower:
   (d) TEXAS SHORT FORM RESIDENTIAL MORTGAGEE POLICY OF TITLE INSURANCE (Form T-2R)
   Policy Amount:
   PROPOSED INSURED:
   Proposed Borrower:
   (e) MORTGAGEE TITLE POLICY BINDER ON INTERIM CONSTRUCTION LOAN (Form T-13)
   Binder Amount:
   PROPOSED INSURED:
   Proposed Borrower:
   (f) OTHER
   Policy Amount:
   PROPOSED INSURED:
2. The interest in the land covered by this Commitment is: **Fee Simple**
3. Record title to the land on the Effective Date appears to be vested in:
   Urban Renewal Agency of the City of Austin, a Texas public body corporate and politic created under Chapter 374, Texas Local Government Code
4. Legal description of the land:

   Lots 1, 2, 3, 4, 5, 6, 7 and 8, Block A, RESUBDIVISION OF THE EAST 65 FEET OF LOT 4, AND LOTS 5 AND 6, BLOCK 2, JAMES O'REILLY SUBDIVISION OF OUTLOT 38, DIVISION B, according to the map or plat thereof, recorded in Volume 102, Page 88, Plat Records, Travis County, Texas.

COMMITMENT FOR TITLE INSURANCE

SCHEDULE B

EXCEPTIONS FROM COVERAGE

In addition to the Exclusions and Conditions and Stipulations, your Policy will not cover loss, costs, attorneys' fees, and expenses resulting from:

1. The following restrictive covenants of record itemized below (We must either insert specific recording data or delete this exception):

   Volume 102, Page 88, Plat Records, Volume 8393, Page 946, Volume 12843, Page 92, Real Property Records, Travis County, Texas, but omitting any covenant or restriction based on race, color, religion, sex, disability, handicap, familial status or national origin.

2. Any discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments or protrusions, or any overlapping of improvements.

3. Homestead or community property or survivorship rights, if any, of any spouse of any insured. (Applies to the Owner Policy only).

4. Any titles or rights asserted by anyone, including, but not limited to, persons, the public, corporations, governments or other entities,

   a. to tidelands, or lands comprising the shores or beds of navigable or perennial rivers and streams, lakes, bays, gulfs or oceans, or

   b. to lands beyond the line of harbor or bulkhead lines as established or changed by any government, or

   c. to filled-in lands, or artificial islands, or

   d. to statutory water rights, including riparian rights, or

   e. to the area extending from the line of mean low tide to the line of vegetation, or the rights of access to that area or easement along and across that area.

   (Applies to the Owner Policy only.)

5. Standby fees, taxes and assessments by any taxing authority for the year **2013**, and subsequent years; and subsequent taxes and assessments by any taxing authority for prior years due to change in land usage or ownership, but not those taxes or assessments for prior years because of an exemption granted to a previous owner of the property under Section 11.13, *Texas Tax Code*, or because of improvements not assessed for a previous tax year. (If Texas Short Form Residential Mortgagee Policy (T-2R) is issued, that policy will substitute "which become due and payable subsequent to Date of Policy" in lieu of "for the year _____ and subsequent years.")

6. The terms and conditions of the documents creating your interest in the land.

7. Materials furnished or labor performed in connection with planned construction before signing and delivering the lien document described in Schedule A, if the land is part of the homestead of the owner. (Applies to the Mortgagee Title Policy Binder on Interim Construction Loan only, and may be deleted if satisfactory evidence is furnished to us before a binder is issued.)

8. Liens and leases that affect the title to the land, but that are subordinate to the lien of the insured mortgage. (Applies to Loan Policy (T-2) only.)

9. The Exceptions from Coverage and Express Insurance in Schedule B of the Texas Short Form Residential Mortgagee Policy (T-2R). (Applies to Texas Short Form Residential Mortgagee Policy (T-2R) only. Separate exceptions 1 through 8 of this Schedule B do not apply to the Texas Short Form Residential Mortgagee Policy (T-2R).

10. The following matters and all terms of the documents creating or offering evidence of the matters (We must insert matters or delete this exception.):

a. **Rights of Parties in Possession. (Owner Policy)**

b. **Rights of tenants, as tenants only, under any and all unrecorded leases or rental agreements.** ***(NOTE: This item can be deleted upon receipt of an Affidavit executed by the seller evidencing there are not any outstanding leases or rental agreements. If the Affidavit reveals unrecorded outstanding leases or rental agreements the exception may be modified to make specific exception to those matters.)***

c. **Any visible and apparent easement, either public or private, located on or across the land, the existence of which is not disclosed by the Public Records as herein defined.**

d. **Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the title that would be disclosed by an accurate and complete land survey of the land.**

e. **Any portion of subject property lying within the boundaries of a dedicated or undedicated public or private roadway.**

f. **Easement as shown on the plat and dedication set out in Schedule A hereof:**
Purpose: **public utility**
Location: **10 feet along all street rights-of-way**

g. **Terms, Conditions, and Stipulations in the Agreement:**
Recorded: **Volume 13270, Page 268, Real Property Records, Travis County, Texas.**
Type: **subdivision construction**

h. **Notice Regarding:** **Urban Renewal Plan**
Recorded: **Document No(s). 1999157295, 2000078958, 2002204815, 2005075165 and 2008169755, Official Public Records, Travis County, Texas.**

i. **Easement:**
Recorded: **Document No(s). 2006202643 and 2007095456, Official Public Records, Travis County, Texas.**
Purpose: **right of entry and possession**

j. **Easement:**
Recorded: **Volume 8271, Page 911, Real Property Records, Travis County, Texas.**
Purpose: **sidewalk and public utility**

k. **Easement:**
Recorded: **Volume 4369, Page 546, Deed Records, Travis County, Texas.**
Purpose: **electric and telephone**

l. **All leases, grants, exceptions or reservation of coal, lignite, oil, gas and other mineral, together with all rights, privileges, and immunities relating thereto appearing in the public records whether listed in Schedule B or not. There may be leases, grants, exceptions or reservations of mineral interest that are not listed.**

Continuation of Schedule B

G.F. No. **1214154-COM**

COMMITMENT FOR TITLE INSURANCE

SCHEDULE C

Your Policy will not cover loss, costs, attorneys' fees, and expenses resulting from the following requirements that will appear as Exceptions in Schedule B of the Policy, unless you dispose of these matters to our satisfaction, before the date the Policy is issued:

1. Documents creating your title or interest must be approved by us and must be signed, notarized and filed for record.

2. Satisfactory evidence must be provided that:

   a. no person occupying the land claims any interest in that land against the persons named in paragraph 3 of Schedule A,

   b. all standby fees, taxes, assessments and charges against the property have been paid,

   c. all improvements or repairs to the property are completed and accepted by the owner, and that all contractors, subcontractors, laborers and suppliers have been fully paid, and that no mechanic's, laborer's or materialmen's liens have attached to the property,

   d. there is legal right of access to and from the land,

   e. (on a Loan Policy only) restrictions have not been and will not be violated that affect the validity and priority of the insured mortgage.

3. You must pay the seller or borrower the agreed amount for your property or interest.

4. Any defect, lien or other matter that may affect title to the land or interest insured, that arises or is filed after the effective date of this Commitment.

5. **Lien in Favor of City of Austin:**

Recorded:	**Document No. 2001079508, Official Public Records, Travis County, Texas.**
Amount:	**$246.67**
Dated:	**5/16/2001**
Purpose:	**Clearance Lien**

6. **Company must be furnished a properly executed Corporate Resolution in recordable form of the Board of Directors of Urban Renewal Agency of the City of Austin authorizing the proposed transaction and establishing the authority of the officers to act on behalf of the corporation.**

   In addition, company requires verification from the Secretary of State that corporation is in existence and in good standing.

7. **Please furnish the names of the parties to be insured herein. Upon receipt of said names, additional requirements may be made.**

8. **NOTICE: Title Company is unwilling to issue the Title Policy without the general mineral exception(s) set out in Schedule B hereof pursuant to Procedural Rule P-5.1. Optional endorsements (T19.2 and T19.3) insuring certain risks involving minerals, and the use of improvements (excluding lawns, shrubbery and trees) and permanent buildings may be available for purchase upon request of the Proposed Insured. Neither this Policy, nor the optional endorsements, insure that the purchaser has title to the mineral rights related to the surface estate. (Loan Policy only)**

9. **Payment of any and all ad valorem taxes which may be due and payable on the subject property.**

10. **Company requires Owner, Seller and/or Borrower to complete an Affidavit of Debts and Liens prior to the issuance of the Title Insurance Policy.**

Continuation of Schedule C

G.F. No. **1214154-COM**

11. **Company must be furnished with a properly executed Waiver of Inspection signed by the Purchaser.**

12. **Good Funds in an amount equal to all disbursements must be received and deposited before any funds may be disbursed. Partial disbursements prior to the receipt and deposit of good funds are not permitted. Good Funds means cash, wire transfer, certified checks, cashier's checks and teller checks. Company reserves the right to require wired transfer of funds in accordance with Procedural Rule P-27 where immediate disbursement is requested.**

13. **ARBITRATION: The Owner Policy of Title Insurance (Form T-1) and the Loan Policy of Title Insurance (Form T-2) contain an arbitration provision. It allows the Insured or the Company to require arbitration if the amount of insurance is $2,000,000 or less. If the insured wants to retain the right to sue the Company in case of a dispute over a claim, the Insured must request deletion of the arbitration provision before the Policy is issued. The Insured may do this by signing the Deletion of Arbitration Provision form and returning it to the Company at or before the closing of the real estate transaction or by writing to the Company. {The Arbitration Provision may not be deleted on the Texas Residential Owner Policy of Title Insurance (Form T-1R).}**

14. ***NOTICE:* Pursuant to Procedural Rule P-71, Company may, upon request and if a licensed Agent in the County, issue a T-53 Texas Residential Limited Coverage Chain of Title Policy covering a period of 60 months, showing the following documents filed in the Official Public Records: none**

Countersigned
Independence Title Company

By_____
Authorized Signatory

COMMITMENT FOR TITLE INSURANCE

SCHEDULE D

G.F. No. or File No. **1214154-COM** Effective Date: **February 21, 2013, 08:00 am**

Pursuant to the requirements of Rule P-21, Basic Manual of Rules, Rates and Forms for the writing of Title Insurance in the State of Texas, the following disclosures are made:

1. The following individuals are directors and/or officers, as indicated, of the Title Insurance Company issuing this Commitment

CHICAGO TITLE INSURANCE COMPANY, a Nebraska Corporation

Officers:		**Directors:**
President	Raymond Randall Quirk	Edson Nye Burton, Jr.
Executive Vice President	Anthony John Park	Harry Statten Geer, Jr.
Secretary	Michael Louis Gravelle	Raymond Randall Quirk
Treasurer	Daniel Kennedy Murphy	Anthony John Park
		Theodore L. Kessner
		Michael Joseph Nolan

Fidelity National Financial, Inc. owns 100% of FNTG Holdings Inc. which owns 100% of Fidelity National Title Group, Inc. which owns 100% of **Chicago Title Insurance Company**.

2. (a) A listing of each shareholder, owner, partner, or other person having, owning or controlling one percent (1%) or more of the Title Insurance Agent that will receive a portion of the premium:

ITCOT, LLC

(b) A listing of each shareholder, owner, partner, or other person having, owning or controlling 10 percent (10%) or more of an entity that has, owns or controls one percent (1%) or more of the Title Insurance Agent that will receive a portion of the premium:

Jay Southworth
Brian Pitman
FSBT Holdings, Inc.

(c) The following is a list of it's officers and directors:

Brian Pitman, President/COO
Jay Southworth, Chairman/CEO

3. You are entitled to receive advance disclosure of settlement charges in connection with the proposed transaction to which this commitment relates. Upon your request, such disclosure will be made to you. Additionally, the name of any person, firm or corporation receiving a portion of the premium from the settlement of this transaction will be disclosed on the closing or settlement statement.

You are further advised that the estimated title premium* is:

Owners Policy	**$0.00**
Loan Policy	**$0.00**
Endorsement Charges	**$0.00**
Other	**$0.00**
Total	**$0.00**

Of this total amount: 15% will be paid to the policy issuing Title Insurance Company: 85% will be retained by the issuing Title Insurance Agent; and the remainder of the estimated premium will be paid to other parties as follows:

Continuation of Schedule D

G.F. No. 1214154-COM

Amount	To Whom	For Services

*The estimated premium is based upon information furnished to us as of the date of this Commitment for Title Insurance. Final determination of the amount of the premium will be made at closing in accordance with the Rules and Regulations adopted by the Commissioner of Insurance.

This commitment is invalid unless the insuring provisions and Schedules A, B, and C are attached.

TEXAS TITLE INSURANCE INFORMATION

Title insurance insures you against loss resulting from certain risks to your title.	El seguro de titulo le asegura en relacion a perdidas resultantes de ciertos riesgos que pueden afectar el titulo de su propiedad.
The Commitment for Title Insurance is the title insurance company's promise to issue the title insurance policy. The Commitment is a legal document. You should review it carefully to completely understand it before your closing date.	El Compromiso para Seguro de Titulo es la promesa de la compania aseguradora de titulos de emitir la poliza de seguro de titulo. El Compromiso es un documento legal. Usted debe leerio cuidadosamente y entendario completamente antes de la fecha para finalizar su transaccion.

Your Commitment for Title Insurance is a legal contract between you and us. The Commitment is not an opinion or report of your title. It is a contract to issue you a policy subject to the Commitment's terms and requirements.

Before issuing a Commitment for Title Insurance (the Commitment) or a Title Insurance Policy (the Policy), the Title Insurance Company (the Company) determines whether the title is insurable. This determination has already been made. Part of that determination involves the Company's decision to insure the title except for certain risks that will not be covered by the Policy. Some of these risks are listed in Schedule B of the attached Commitment as Exceptions. Other risks are stated in the Policy as Exclusions. These risks will not be covered by the Policy.

Another part of the determination involves whether the promise to insure is conditioned upon certain requirements being met. Schedule C of the Commitment lists these requirements that must be satisfied or the Company will refuse to cover them. You may want to discuss any matters shown on Schedules B and C of the Commitment with an attorney. These matters will affect your title and your use of the land.

When your Policy is issued, the coverage will be limited by the Policy's Exceptions, Exclusions and Conditions, defined below.

- EXCEPTIONS are title risks that a Policy generally covers but does not cover in a particular instance. Exceptions are shown on Schedule B or discussed in Schedule C of the Commitment. They can also be added if you do not comply with the Conditions section of the Commitment. When the Policy is issued, all Exceptions will be on Schedule B of the Policy.

- EXCLUSIONS are title risks that a Policy generally does not cover. Exclusions are contained in the Policy but not shown or discussed in the Commitment.

- CONDITIONS are additional provisions that qualify or limit your coverage. Conditions include your responsibilities and those of the Company. They are contained in the Policy but not shown or discussed in the Commitment. The Policy Conditions are not the same as the Commitment Conditions.

You can get a copy of the policy form approved by the State Board of Insurance by calling the Title Insurance Company at or by calling the title insurance agent that issued the Commitment. The State Board of Insurance may revise the policy form from time to time.

You can also get a brochure that explains the Policy from the Texas Department of Insurance by calling 1-800-252-3439.

Before the Policy is issued, you may request changes in the Policy. Some of the changes to consider are:

- Request amendment of the "area and boundary" exception (Schedule B, paragraph 2). To get this amendment, you must furnish a survey or comply with other requirements of the Company. On the Owner Policy, you must pay an additional premium for the amendment. If the survey is acceptable to the Company or if the Company's other requirements are met, your Policy will insure you against loss because of discrepancies or conflicts in boundary lines, encroachments or protrusions, or overlapping of improvements. The Company may then decide not to insure against specific boundary or survey problems by making special exceptions in the Policy. Whether or not you request amendment of the "area and boundary" exception, you should determine whether you want to purchase and review a survey if a survey is not being provided to you.

- Allow the Company to add an exception to "rights of parties in possession." If you refuse this exception, the Company or the title insurance agent may inspect the property. The Company may except to and not insure you against the rights of specific persons, such as renters, adverse owners or easement holders who occupy the land. The Company may charge you for the inspection. If you want to make your own inspection, you must sign a Waiver of Inspection form and allow the Company to add this exception to your Policy.

The entire premium for a Policy must be paid when the Policy is issued. You will not owe any additional premiums unless you want to increase your coverage at a later date and the Company agrees to add an Increased Value Endorsement.

DELETION OF ARBITRATION PROVISION

(Not Applicable to the Texas Residential Owner Policy)

Arbitration is a common form of alternative dispute resolution. It can be a quicker and cheaper means to settle a dispute with your Title Insurance Company. However, if you agree to arbitrate, you give up your right to take the Title Company to court and your rights to discovery of evidence may be limited in the arbitration process. In addition, you cannot usually appeal an arbitrator's award.

Your policy contains an arbitration provision (shown below). It allows you <u>or the Company</u> to require arbitration if the amount of insurance is $2,000,000 or less. If you want to retain your right to sue the Company in case of a dispute over a claim, you must request deletion of the arbitration provision before the policy is issued. You can do this by signing this form and returning it to the Company at or before the Closing of your real estate transaction or by writing to the Company.

The arbitration provision in the Policy is as follows:

"Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, any service in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of Insurance is $2,000,000 or less shall be arbitrated at the option of either the Company or the Insured, unless the Insured is an individual person (as distinguished from an Entity). All arbitrable matters when the Amount of Insurance is in excess of $2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction."

I request deletion of the Arbitration provision.

_____ _____

SIGNATURE DATE

CHICAGO TITLE INSURANCE COMPANY

TEXAS TITLE INSURANCE INFORMATION

Title Insurance insures you against loss resulting from certain risks to your title. The Commitment for Title Insurance is the Title Insurance Company's promise to issue the Title Insurance Policy. The Commitment is a legal document. You should review it carefully to completely understand it before your closing date.	El seguro de titulo le asegura en relacion a perdidas resultantes de ciertos riesgos que pueden afectar el titulo de su propiedad. El Compromiso para Seguro de Titulo es la promesa de la compania aseguradora de titulos de emitir la poliza de seguro de titulo. El Compromiso es un documento legal. Usted debe leerlo cuidadosamente y entenderlo complemente antes de la fecha para finalizar su transaccion.

Your Commitment for Title Insurance is a legal contract between you and us. The Commitment is not an opinion or report of your title. It is a contract to issue you a Policy subject to the Commitment's terms and requirements.

Before issuing a Commitment for Title Insurance (the Commitment) or a Title Insurance Policy (the Policy), the Title Insurance Company (the Company) determines whether the title is insurable. This determination has already been made. Part of that determination involves the Company's decision to insure the title except for certain risks that will not be covered by the Policy. Some of these risks are listed in Schedule B of the attached Commitment as Exceptions. Other risks are stated in the Policy as Exclusions. These risks will not be covered by the Policy. The Policy is not an abstract of title nor does a Company have an obligation to determine the ownership of any mineral interest.

---**MINERALS AND MINERAL RIGHTS** may not be covered by the Policy. The Company may be unwilling to insure title unless there is an exclusion or an exception as to Minerals and Mineral Rights in the Policy. Optional endorsements insuring certain risks involving minerals, and the use of improvements (excluding lawns, shrubbery and trees) and permanent buildings may be available for purchase. Neither this Policy, nor the optional endorsements, insure that the purchaser has title to the mineral rights related to the surface estate.

Another part of the determination involves whether the promise to insure is conditioned upon certain requirements being met. Schedule C of the Commitment lists these requirements that must be satisfied or the Company will refuse to cover them. You may want to discuss any matters shown in Schedules B and C of the Commitment with an attorney. These matters will affect your title and your use of the land.

When your Policy is issued, the coverage will be limited by the Policy's Exception, Exclusions and Conditions, defined below.

---**EXCEPTIONS** are title risks that a Policy generally covers but does not cover in a particular instance. Exceptions are shown on Schedule B or discussed in Schedule C of the Commitment. They can also be added if you do not comply with the Conditions section of the Commitment. When the Policy is issued, all Exceptions will be on Schedule B of the Policy.

---**EXCLUSIONS** are title risks that a Policy generally does not cover. Exclusions are contained in the Policy but not shown or discussed in the Commitment.

—**CONDITIONS** are additional provisions that qualify or limit your coverage. Conditions include your responsibilities and those of the Company. They are contained in the Policy but not shown or discussed in the Commitment. The Policy Conditions are not the same as the Commitment Conditions.

You can get a copy of the policy form approved by the Texas Department of Insurance by calling Chicago Title Insurance Company at 1-800-442-4303 or by calling the title insurance agent that issued the Commitment. The Texas Department of Insurance may revise the policy form from time to time.

You can also get a brochure that explains the Policy from the Texas Department of Insurance by calling 1-800-252-3439.

Before the Policy is issued, you may request changes in the Policy. Some of the changes to consider are:

---Request amendment of the "area and boundary" exception (Schedule B, paragraph 2). To get this amendment, you must furnish a survey and comply with other requirements of the Company. On the Owner's Policy, you must pay an additional premium for the amendment. If the survey is acceptable to the Company and if the Company's other requirements are met, your Policy will insure you against loss because of discrepancies or conflicts in boundary lines, encroachments or protrusions, or overlapping of improvements. The Company may then decide not to insure against specific boundary or survey problems by making special exceptions in the Policy.

Whether or not you request amendment of the "area and boundary" exception, you should determine whether you want to purchase and review a survey if a survey is not being provided to you.

---Allow the Company to add an exception to "rights of parties in possession." If you refuse this exception, the Company or the title insurance agent may inspect the property. The Company may except to and not insure you against the rights of specific persons, such as renters, adverse owners or easement holders who occupy the land. The Company may charge you for the inspection. If you want to make your own inspection, you must sign a Waiver of Inspection form and allow the Company to add this exception to your Policy.

The entire premium for a Policy must be paid when the Policy is issued. You will not owe any additional premiums unless you want to increase your coverage at a later date and the Company agrees to add an Increased Value Endorsement.

DELETION OF ARBITRATION PROVISION

(Not applicable to the Texas Residential Owner's Policy)

Arbitration is a common form of alternative dispute resolution. It can be a quicker and cheaper means to settle a dispute with your Title Insurance Company. However, if you agree to arbitrate, you give up your right to take the Title Company to court and your rights to discovery of evidence may be limited in the arbitration process. In addition, you cannot usually appeal an arbitrator's award.

Your policy contains an arbitration provision (shown below). It allows you or the Company to require arbitration if the amount of insurance is $2,000,000 or less. If you want to retain your right to sue the Company in case of a dispute over a claim, you must request deletion of the arbitration provision before the policy is issued. You can do this by signing this form and returning it to the Company at or before the closing of your real estate transaction or by writing to the Company.
The arbitration provision in the Policy is as follows:

"Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, any service in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of Insurance is $2,000,000 or less shall be arbitrated at the option of either the Company or the Insured, unless the Insured is an individual person (as distinguished from an Entity). All arbitrable matters when the Amount of Insurance is in excess of $2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction."

_____ _____

SIGNATURE DATE

Fidelity National Financial, Inc.

Privacy Statement

Fidelity National Financial, Inc. and its subsidiaries ("FNF") respect the privacy and security of your non-public personal information ("Personal Information") and protecting your Personal Information is one of our top priorities. This Privacy Statement explains FNF's privacy practices, including how we use the Personal Information we receive from you and from other specified sources, and to whom it may be disclosed. FNF follows the privacy practices described in this Privacy Statement and, depending on the business performed, FNF companies may share information as described herein.

Personal Information Collected

We may collect Personal Information about you from the following sources:

- Information we receive from you on applications or other forms, such as your name, address, social security number, tax identification number, asset information, and income information;
- Information we receive from you through our Internet websites, such as your name, address, email address, Internet Protocol address, the website links you used to get to our websites, and your activity while using or reviewing our websites;
- Information about your transactions with or services performed by us, our affiliates, or others, such as information concerning your policy, premiums, payment history, information about your home or other real property, information from lenders and other third parties involved in such transaction, account balances, and credit card information; and
- Information we receive from consumer or other reporting agencies and publicly recorded documents.

Disclosure of Personal Information

We may provide your Personal Information (excluding information we receive from consumer or other credit reporting agencies) to various individuals and companies, as permitted by law, without obtaining your prior authorization. Such laws do not allow consumers to restrict these disclosures. Disclosures may include, without limitation, the following:

- To insurance agents, brokers, representatives, support organizations, or others to provide you with services you have requested, and to enable us to detect or prevent criminal activity, fraud, material misrepresentation, or nondisclosure in connection with an insurance transaction;
- To third-party contractors or service providers for the purpose of determining your eligibility for an insurance benefit or payment and/or providing you with services you have requested;
- To an insurance regulatory authority, or a law enforcement or other governmental authority, in a civil action, in connection with a subpoena or a governmental investigation;
- To companies that perform marketing services on our behalf or to other financial institutions with which we have joint marketing agreements; and/or
- To lenders, lien holders, judgment creditors, or other parties claiming an encumbrance or an interest in title whose claim or interest must be determined, settled, paid or released prior to a title or escrow closing.

We may also disclose your Personal Information to others when we believe, in good faith, that such disclosure is reasonably necessary to comply with the law or to protect the safety of our customers, employees, or property and/or to comply with a judicial proceeding, court order or legal process.

Disclosure to Affiliated Companies - We are permitted by law to share your name, address and facts about your transaction with other FNF companies, such as insurance companies, agents, and other real estate service providers to provide you with services you have requested, for marketing or product development research, or to market products or services to you. We do not, however, disclose information we collect from consumer or credit reporting agencies with our affiliates or
others without your consent, in conformity with applicable law, unless such disclosure is otherwise permitted by law.

Disclosure to Nonaffiliated Third Parties - We do not disclose Personal Information about our customers or former customers to nonaffiliated third parties, except as outlined herein or as otherwise permitted by law.

Confidentiality and Security of Personal Information
We restrict access to Personal Information about you to those employees who need to know that information to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard Personal Information.

Access to Personal Information/
Requests for Correction, Amendment, or Deletion of Personal Information
As required by applicable law, we will afford you the right to access your Personal Information, under certain circumstances to find out to whom your Personal Information has been disclosed, and request correction or deletion of your Personal Information. However, FNF's current policy is to maintain customers' Personal Information for no less than your state's required record retention requirements for the purpose of handling future coverage claims.

For your protection, all requests made under this section must be in writing and must include your notarized signature to establish your identity. Where permitted by law, we may charge a reasonable fee to cover the costs incurred in responding to such requests. Please send requests to:

Chief Privacy Officer
Fidelity National Financial, Inc.
601 Riverside Avenue
Jacksonville, FL 32204

Changes to this Privacy Statement
This Privacy Statement may be amended from time to time consistent with applicable privacy laws. When we amend this Privacy Statement, we will post a notice of such changes on our website. The effective date of this Privacy Statement, as stated above, indicates the last time this Privacy Statement was revised or materially changed.

INDEPENDENCE TITLE COMPANY

PRIVACY NOTICE

You have chosen to do business with Independence Title Company and we are obligated to honor the relationship with great care, beginning with the confidential information that may come into our possession during the course of your transaction with us. We believe that your privacy should not be compromised and are committed to maintaining the confidentiality of that information.

You can be assured that we are respecting your privacy and safeguarding your "*nonpublic personal information*". Nonpublic personal information is information about you that we collect in connection with providing a financial product or service to you. Nonpublic personal information does not include information that is available from Public sources, such as telephone directories or government records.

We collect nonpublic personal information about you from the following sources:

- Information we receive from you on applications or other forms
- Information about your transaction with us
- Information about your transactions with nonaffiliated third parties
- Information we receive from a consumer–reporting agency

We respect the privacy of our customers, and we will not disclose nonpublic personal information about our customers or former customers to anyone, except as permitted by law.

We restrict access to nonpublic personal information about you to those employees who need that information to provide products or services to you.

We maintain physical, electronic, and procedural safeguards that comply with federal standards to guard your nonpublic personal information.

We will not disclose nonpublic personal information about our customers or former customers to nonaffiliated third parties, except as permitted by law.

Independence Title Company recognizes and respects the privacy expectations of our customers. We want our customers to understand our commitment to privacy in our use of customer information. Customers who have any questions about this Privacy Policy or have any questions about the privacy of their customer information should call **Independence Title Company at (512) 454-4500.**

IMPORTANT NOTICE

To obtain information or make a complaint:

You may call your title insurance company's toll-free telephone number for information or to make a complaint at:

1-800-442-4303

You may also write to your title insurance company at:

2001 Bryan Street, Suite 1700
Dallas, Texas 75201

You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at:

1-800-252-3439

You may write the Texas Department of Insurance:

P.O. Box 149104
Austin, TX 78714-9104
Fax: (512) 475-1771
Web: http://www.tdi.state.tx.us
E-mail: ConsumerProtection@tdi.state.tx.us

PREMIUM OR CLAIM DISPUTES:
Should you have a dispute concerning your premium or about a claim you should contact the company first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

ATTACH THIS NOTICE TO YOUR POLICY:
This notice is for information only and does not become a part or condition of the attached document.

AVISO IMPORTANTE

Para obtener informacion o para someter una queja:

Usted puede llamar al numero de telefono gratis compania de seguros de título de title para informacion o para someter una queja al:

1-800-442-4303

Usted tambien puede escribir a compania seguros de título de title

2001 Bryan Street, Suite 1700
Dallas, Texas 75201

Puede comunicarse con el Departamento de Seguros de Texas para obtener informacion acerca de companias, coberturas, derechos o quejas al:

1-800-252-3439

Puede escribir al Departamento de Seguros de Texas:

P.O. Box 149104
Austin, TX 78714-9104
Fax: (512) 475-1771
Web: http://www.tdi.state.tx.us
E-mail: ConsumerProtection@tdi.state.tx.us

DISPUTAS SOBRE PRIMAS O RECLAMOS:
Si tiene una disputa concerniente a su prima o a un reclamo, debe comunicarse con el la compania) primero. Si no se resuelve la disputa, puede entonces comunicarse con el departamento (TDI).

UNA ESTE AVISO A SU POLIZA: Este aviso es solo para proposito de informacion y no se convierte en parte o condicion del documento adjunto.

APPRAISAL

TRACT 5 - EAST 11th AND EAST 12th STREETS REVITALIZATION PROJECT

1322, 1324, 1326, 1328, 1330, 1332, 1334, 1336 EAST 12th STREET
CITY OF AUSTIN, TRAVIS COUNTY, TEXAS

FILE #: 4759.04A

EFFECTIVE DATE OF APPRAISAL: MARCH 19, 2013
DATE OF REPORT: MARCH 25, 2013

Prepared for
CITY OF AUSTIN
OFFICE OF REAL ESTATE SERVICES
P.O. BOX 1088
AUSTIN, TEXAS 78767-8839

Prepared by

J. L. CRAFT, MAI
J. L. CRAFT & ASSOCIATES
REAL ESTATE APPRAISAL
911 WEST ANDERSON LANE, SUITE 210
AUSTIN, TEXAS 78757

J. L. CRAFT & ASSOCIATES

REAL ESTATE APPRAISAL
911 WEST ANDERSON LANE, SUITE 210
AUSTIN, TEXAS 78757

512-502-8665
FAX 512-343-6329
jlcraft@theareagroup.com

March 25, 2013

Mr. Justin Steinhauer
City Of Austin
Office of Real Estate Services
P.O. Box 1088
Austin, Texas 78767-8839

RE: Project: East 11th and East 12th Streets Revitalization Project
1322, 1324, 1326, 1328, 1330, 1332, 1334, 1336 East 12th Street, Austin, Texas
File #: 4759.04A COA Assignment No. 44-268.04A

Dear Mr. Steinhauer:

The City of Austin is the client and intended user of this Self-Contained Appraisal. The intended use of the appraisal is to assist the City of Austin in its internal decision-making process and for disposition purposes by forming an opinion of the market value of the above referenced property.

This appraisal was conducted in accordance with the *Uniform Appraisal Standards for Federal Land Acquisitions* and the *Uniform Standards of Professional Appraisal Practice* (except to the extent that the *Uniform Appraisal Standards for Federal Land Acquisitions* required invocation of USPAP's Jurisdictional Exception Rule as described in Section D-1 of the *Uniform Appraisal Standards for Federal land Acquisitions*); and Code of Professional Ethics of the Appraisal Institute.

My opinion of the market value of the fee simple estate of the identified real property with an effective date of appraisal of March 19, 2013 is:

EIGHT HUNDRED SEVENTY EIGHT THOUSAND DOLLARS
($878,000)

My opinions and conclusions are based on certain assignment conditions noted in the following sections of the report: *Assumptions and Limiting Conditions* and *Scope of Work*.

Respectfully submitted,

J. L. Craft, PH.D., MAI
State Certified Appraiser TX-1320255-G

APPRAISAL SUMMARY
FOR
OFFICE OF REAL ESTATE SERVICES
CITY OF AUSTIN

Project Name:	East 11th and East 12th Streets Revitalization Project
Date of Report:	March 25, 2013
Date of Inspection:	March 19, 2013
Effective Date of Appraisal:	March 19, 2013
Subject Property:	26,206 SF tract, being eight vacant lots at the northwest corner of Angelina Street and East 12th Street
Address:	1322, 1324, 1326, 1328, 1330, 1332, 1334, 1336 East 12th Street, Austin, Texas
Owner:	Urban Renewal Agency of the City of Austin
Property Rights Appraised:	Fee Simple Estate
Type of Report:	Self-Contained
Market Value Opinion:	$878,000
Appraiser:	J. L. Craft, PH.D., MAI

CERTIFICATION

1322, 1324, 1326, 1328, 1330, 1332, 1334, 1336 EAST 12th STREET
CITY OF AUSTIN, TRAVIS COUNTY, TEXAS

I certify that, to the best of my knowledge and belief:

- the statements of fact contained in this report are true and correct.
- the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- I have performed services, as an appraiser, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- my engagement in this assignment was not contingent upon developing or reporting predetermined results.
- my compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- this appraisal was conducted in accordance with the *Uniform Appraisal Standards for Federal Land Acquisitions* and the *Uniform Standards of Professional Appraisal Practice* (except to the extent that the *Uniform Appraisal Standards for Federal Land Acquisitions* required invocation of USPAP's Jurisdictional Exception Rule as described in Section D-1 of the *Uniform Appraisal Standards for Federal land Acquisitions*); and Code of Professional Ethics of the Appraisal Institute.
- the reported analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the *Uniform Standards of Professional Appraisal Practice*.
- I have made a personal inspection of the property that is the subject of this report; the property owner or owner's designated representative was given an opportunity to accompany the appraiser during the inspection of the property.
- no one provided significant real property appraisal assistance to the persons signing this certification.
- as of the date of this report, I, J. L. Craft, have completed the continuing education program of the Appraisal Institute.
- the use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

J. L. CRAFT, PH.D., MAI
State Certified Appraiser TX-1320255-G

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Appraisal Summary
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Documents & Data

Market Data
Title Commitment Schedules A-C
Subdivision Plat
Notice to Proceed
Qualifications of Appraiser

The following documents are in the Workfile of this report and are publicly available as noted.

	COA Ordinance	**Ordinance recorded, TCDR**
Urban Renewal Plan	990114-10	Document # 1999157295 & 2000078958
	010802-89	Document # 2002204815
	030731-49	Document # 2003189506
	20050407-060	Document # 2005075165
	20080228-113	Document # 2008169755
East 12th St. NCCD	20080228-087	NA

EAST 11TH AND EAST 12TH STREETS REVITALIZATION PROJECT

1322, 1324, 1326, 1328, 1330, 1332, 1334, 1336 EAST 12th STREET
CITY OF AUSTIN, TRAVIS COUNTY, TEXAS

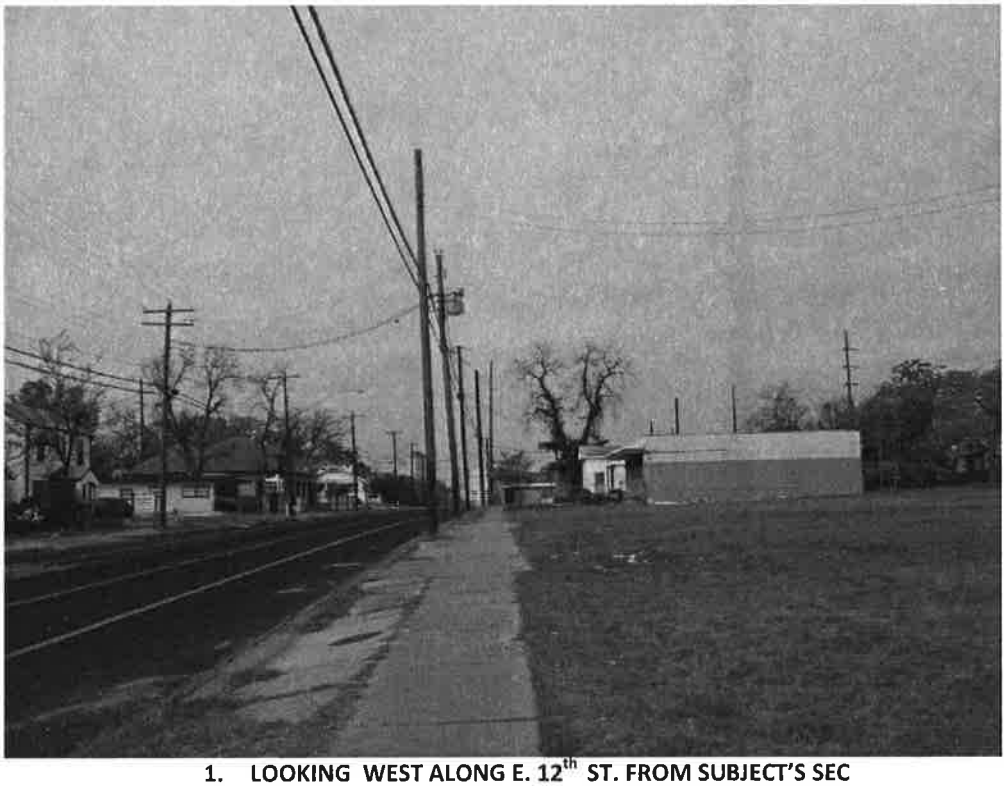
1. ASSIGNMENT ELEMENTS

Client:	City of Austin
Intended User:	City of Austin
Intended Use:	To assist the City of Austin in its internal decision-making process and for disposition purposes by forming an opinion of market value of the identified property
Definition of Value:	The price which the property would bring when its offered for sale by one who desires, but is not obligated to sell, and is bought by one who is under no necessity of buying it, taking into consideration all of the uses to which it is reasonably adaptable and for which it either is or in all reasonable probability will become available within the reasonable future. *From the Court Case of City of Austin vs. Cannizzo, et al, 267 S.W.2d 808, 815 (1954)*
Project Name:	East 11th and East 12th Streets Revitalization Project
Subject Property:	26,206 SF, being eight vacant lots at the northwest corner of Angelina Street and East 12th Street
Larger Parcel:	Eight vacant lots
Location:	1322, 1324, 1326, 1328, 1330, 1332, 1334, 1336 East 12th Street, Austin, Texas
Owner:	Urban Renewal Agency of the City of Austin
Property Rights Appraised:	Fee Simple Estate Fee simple estate is defined as: A title that signifies ownership of all the rights in a parcel of real property subject only to the four powers of government. American Institute of Real Estate Appraisers, *The Dictionary of Real Estate Appraisal*, Second Edition, (Chicago, 1989), page 120
Effective Date of Appraisal:	March 19, 2013
Dates of Inspection:	March 19, 2013
Date of Report:	March 25, 2013
Type of Report:	Self-Contained

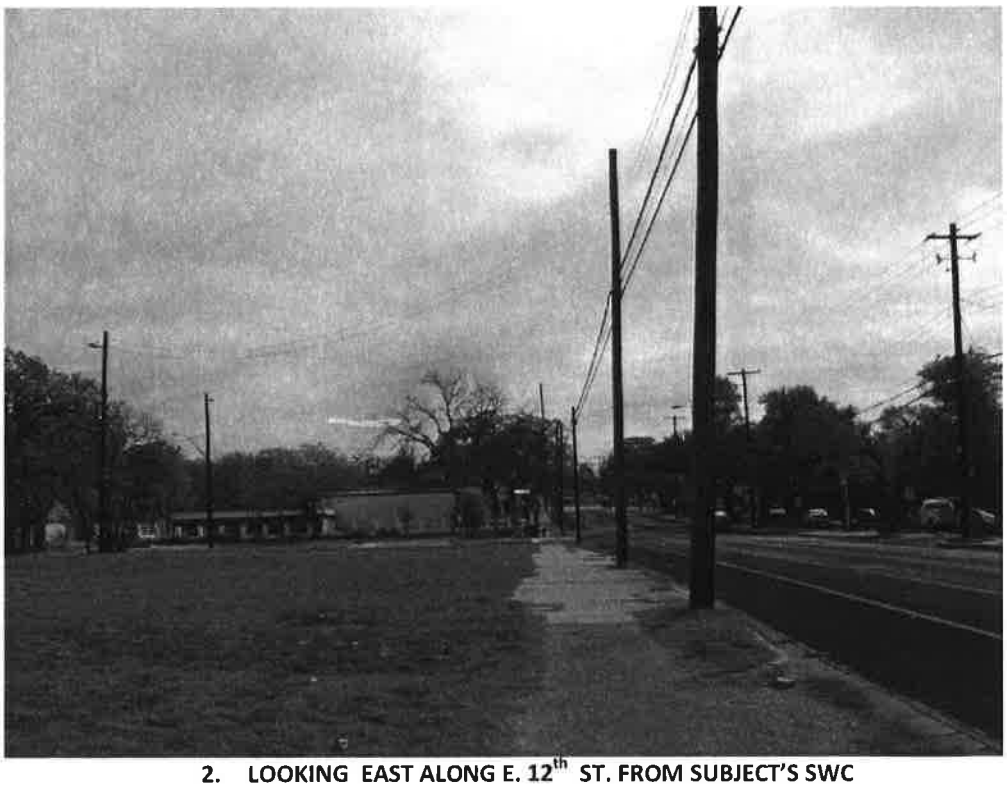
2. PROPERTY DESCRIPTION

CENTRAL EAST AUSTIN NEIGHBORHOOD PLANNING AREA

Photographs taken by J. L. Craft, MAI on March 19, 2013

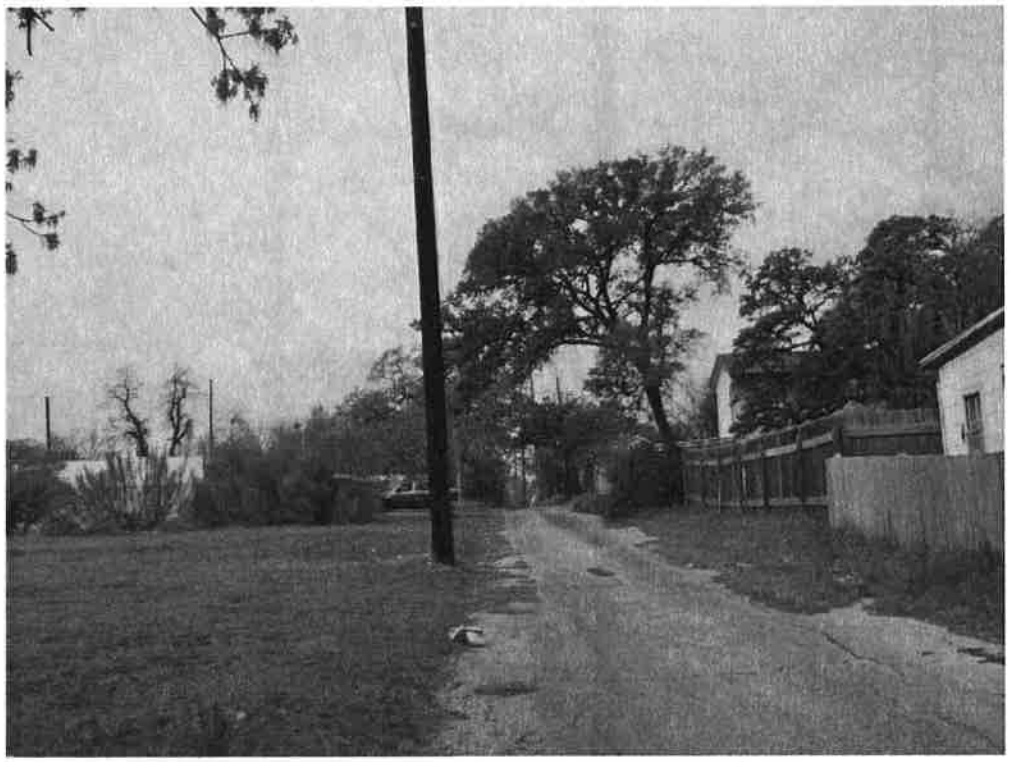


1. LOOKING WEST ALONG E. 12th ST. FROM SUBJECT'S SEC



2. LOOKING EAST ALONG E. 12th ST. FROM SUBJECT'S SWC

3. LOOKING SOUTHWEST ACROSS SUBJECT FROM ITS NEC



4. LOOKING WEST ALONG ALLEY FROM SUBJECT'S NEC

5. LOOKING NORTH ALONG ANGELINA ST. FROM SUBJECT'S SEC

6. LOOKING NORTHWEST ACROSS SUBJECT FROM ANGELINA ST.

PLAT WITH GUIDE TO PHOTOGRAPHS

Legal Description: Lots 1, 2, 3, 4, 5, 6, 7 and 8, Block A, Resubdivision of the East 65 feet of Lot 4, and Lots 5 and 6, Block 2, James O'Reilly Subdivision of Outlot 38, Division B, according to the map or plat thereof, recorded in Volume 102, Page 88 Records, Travis County, Texas

Location: Northwest corner of East 12th Street and Angelina Street

Address: 1322, 1324, 1326, 1328, 1330, 1332, 1334, 1336 East 12th Street

Tract Size: 26,206 SF

Tract Dimensions: 201.31′ (E. 12th St.) x 130.04′ x 201.73′ x 130.04′ (Angelina St.)

Tract Shape: Rectangular

Lot Sizes & Dimensions:

LOT	ADDRESS	LOT SIZE (SF)	DIMENSIONS
1	1336 E. 12th Street	5,130	39.45' x 130.04'
2	1334 E. 12th Street	2,883	22.17' x 130.04'
3	1332 E. 12th Street	2,883	22.17' x 130.04'
4	1330 E. 12th Street	2,883	22.17' x 130.04'
5	1328 E. 12th Street	2,883	22.17' x 130.04'
6	1326 E. 12th Street	2,883	22.17' x 130.04'
7	1324 E. 12th Street	2,883	22.17' x 130.04'
8	1322 E. 12th Street	3,778	29.05' (Avg) x 130.04'

Access: East 12th Street, Angelina Street, and 20′ alley

Soils & Terrain: The soils and subsoils are typical for the area being Urban Land with Bracket and Travis soils. Urban Land is so altered by roads, parking lots, sidewalks, and other public works that it does not resemble any defined soil series. The East 12th Street frontage is level, then slopes down gently toward the rear.

Flood Plain: The site is not within a flood hazard zone as defined and identified by the City of Austin floodplain maps.

Utilities: The site has City of Austin electricity, water, and wastewater available.

10- Year History: The subject has been owned for over ten years by the Urban Renewal Agency or other agency connected to the urban renewal of East 12th Street. It was subdivided into its current configuration by Anderson Community Development Corporation in 1998. No listings or offers are known.

Easements:

Easement as shown on the plat and dedication set out in Schedule A hereof:
Purpose: public utility
Location: 10 feet along all street rights-of-way

Terms, Conditions, and Stipulations in the Agreement:
Recorded: Volume 13270, Page 268, Real Property Records, Travis County, Texas.
Type: subdivision construction

Notice Regarding: Urban Renewal Plan
Recorded: Document No(s). 1999157295, 2000078958, 2002204815, 2005075165 and 2008169755, Official Public Records, Travis County, Texas.

Easement:
Recorded: Document No(s). 2006202643 and 2007095456, Official Public Records, Travis County, Texas.
Purpose: right of entry and possession

Easement:
Recorded: Volume 8271, Page 911, Real Property Records, Travis County, Texas.
Purpose: sidewalk and public utility

Easement:
Recorded: Volume 4369, Page 546, Deed Records, Travis County, Texas.
Purpose: electric and telephone

Restrictive Covenants & Deed Restrictions: See Assumptions and Limiting Conditions

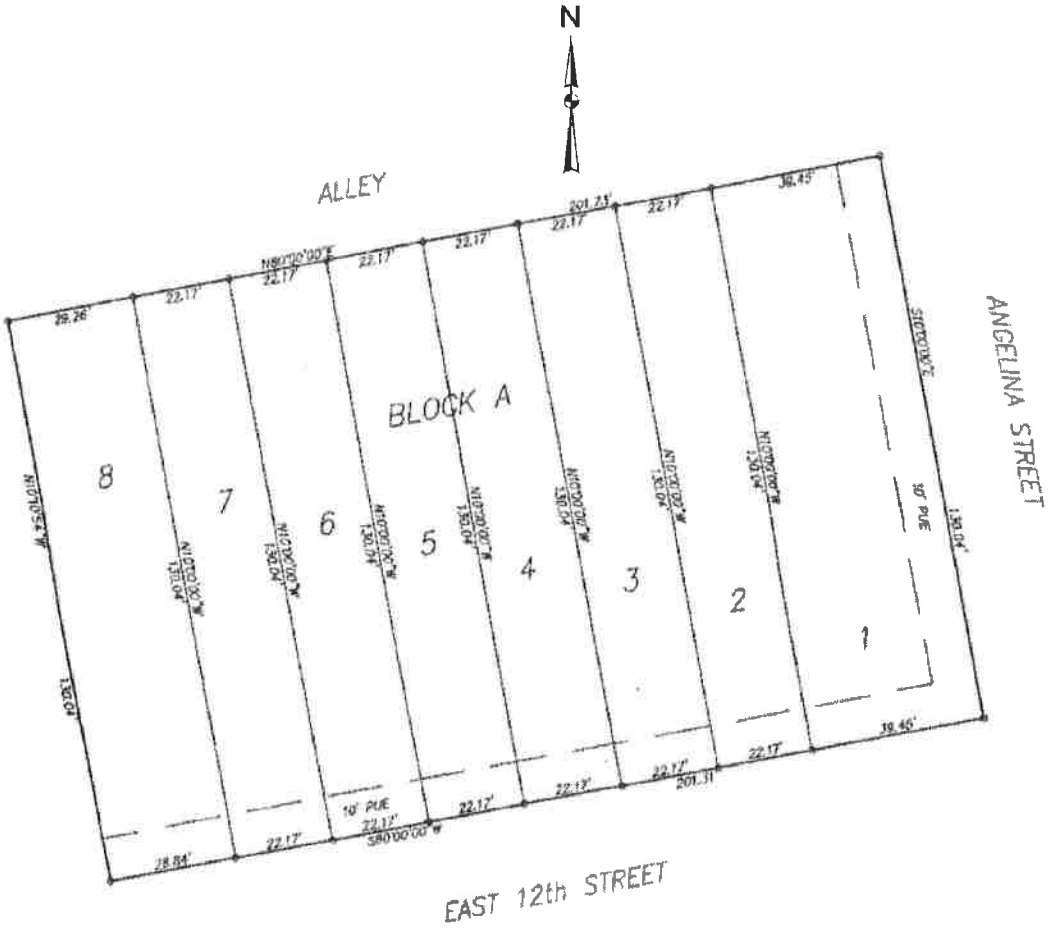
Assessed Values, Jurisdictions, &Tax Rates:

PARCEL NO.	ADDRESS	LAND	JURISDICTION	TAX RATE
02-0708-0819	1336 E. 12th Street	$26,000	Austin ISD	1.2420
02-0708-0820	1334 E. 12th Street	$16,000	City of Austin	0.4811
02-0708-0821	1332 E. 12th Street	$16,000	Travis County	0.4855
02-0708-0822	1330 E. 12th Street	$16,000	ACC	0.0948
02-0708-0823	1328 E. 12th Street	$16,000	Travis Co. Healthcare Dist.	0.0789
02-0708-0824	1326 E. 12th Street	$20,000	TOTAL	2.3823
02-0708-0825	1324 E. 12th Street	$16,000		
02-0708-0826	1322 E. 12th Street	$20,000		

AERIAL

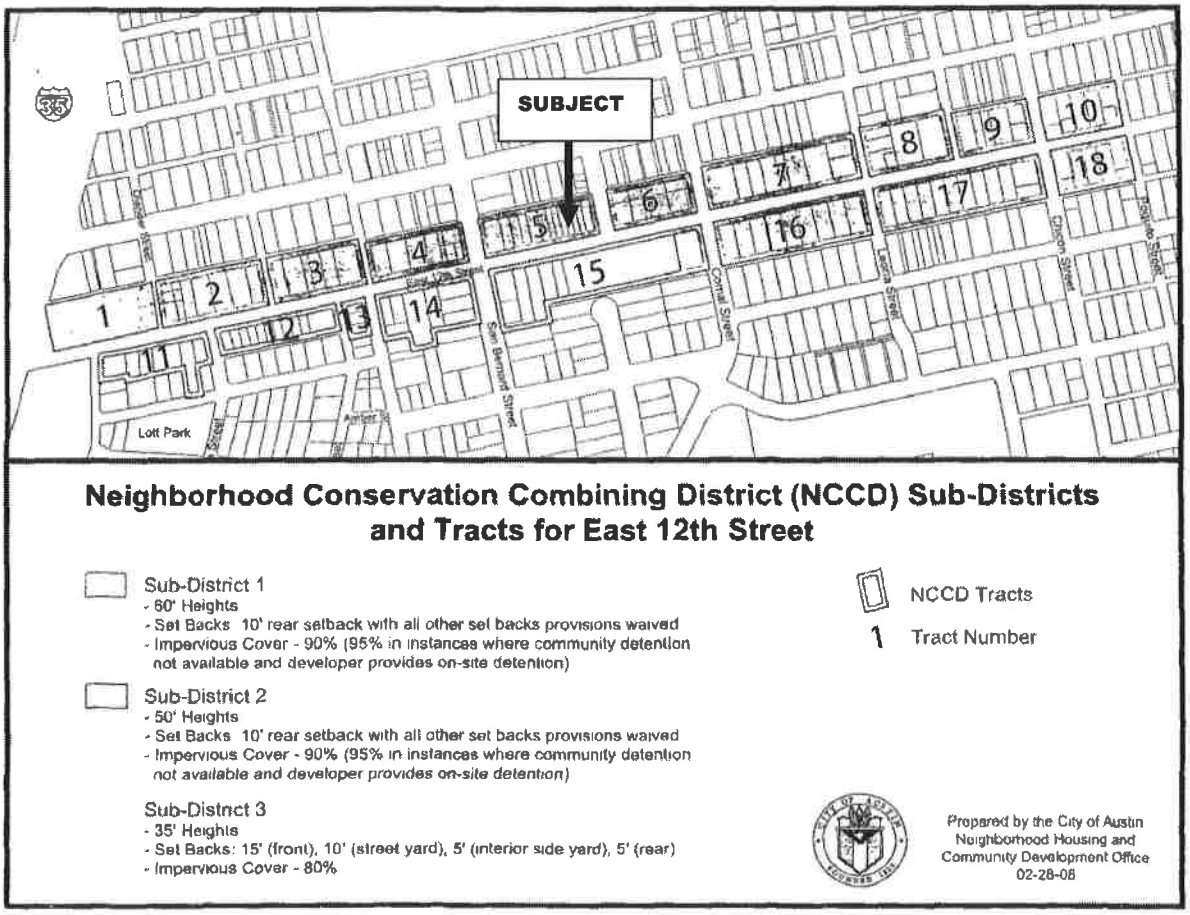
Bob Harrison Ave
Angelina St
E 13th St
SUBJECT
E 12th St
© 2012 Google
Google earth

SUBDIVISION PLAT



NCCD MAP

Subject is part of *Tract 5* and in Sub-District 2.



Zoning, Regulations, and Restrictions

The subject is zoned "CS-MU- NCCD-NP". The base zoning is "CS-MU-NP":

"CS": Community Commercial
"MU": Mixed Use
"NP": Central East Austin Neighborhood Plan,

The subject is in the Urban Renewal Plan (URP) and East 12th Street NCCD and would be developed in conformance to them.

The Central East Austin Neighborhood Plan states (in Appendix H) that the (URP) is the official redevelopment policy guidelines for the Central East Austin community and provides a continual mechanism for community-based participating in ongoing implementation of all redevelopment along its commercial corridors.

The Urban Renewal Plan indicates the following that applies to the subject (Project Number 12-6):

> Permitted use: ***Mixed use and/or Commercial on northwest corner of 12th and Angelina,*** publicly funded community parking at northeast corner of 12th and Angelina [my italics and bold] (Ordinance No. 20050407-060, effective April 18, 2005)

The term *mixed use,* as it applies to the subject property, is defined below:

> "Mixed-use" means a building that provides for a combination of uses, requiring retail or office uses; on the ground floor (except for the exclusion of pawn shops; automobile sales, automotive sales, rentals and repairs; gas stations and adult oriented businesses), and some combination office/retail and/or office and residential uses on the other floors. Retail, office and residential uses referred to herein are as defined in the Land Development Code, as amended from time to time. Single story buildings and buildings less than 2000 sf on East 12th Street and single story buildings East 11th Street will not be required to provide a combination of uses, provided the use is retail, office or residential (except for the exclusion of pawn shops; automobile sales, automotive sales, rentals and repairs; gas stations and adult oriented businesses). Retail, office and residential uses referred to herein are as defined in the Land Development Code, as amended from time to time. (Ordinance No. 20050407-060, effective April 18, 2005)

The NCCD: the subject property is within Sub-District 2, the *East 12th Street Neighborhood Conservation Combining District* (Ordinance No. 20080228-087).

SUB-DISTRICT 2 - Sites generally on the northside of East 12th Street from Olander Street to Poquito Street, the southwest and southeast corners of Comal Street and East 12th Street, and the southside of East 12th Street between Comal Street and Poquito Street.

Site Development Standards for Sub-District 2:

Minimum Setbacks:		
Front Yard	:	None
Street Side Yard	:	None
Interior Side Yard	:	None
Rear Yard	:	10′
Maximum Impervious Cover	:	90% of Lot Area
Building Heights	:	50'
FAR	:	No maximum

Parking: The combined total of on-site and remote spaces will not be less than 80% of Land Development Code parking requirement. Community parking lots will be developed within the district and available for use.

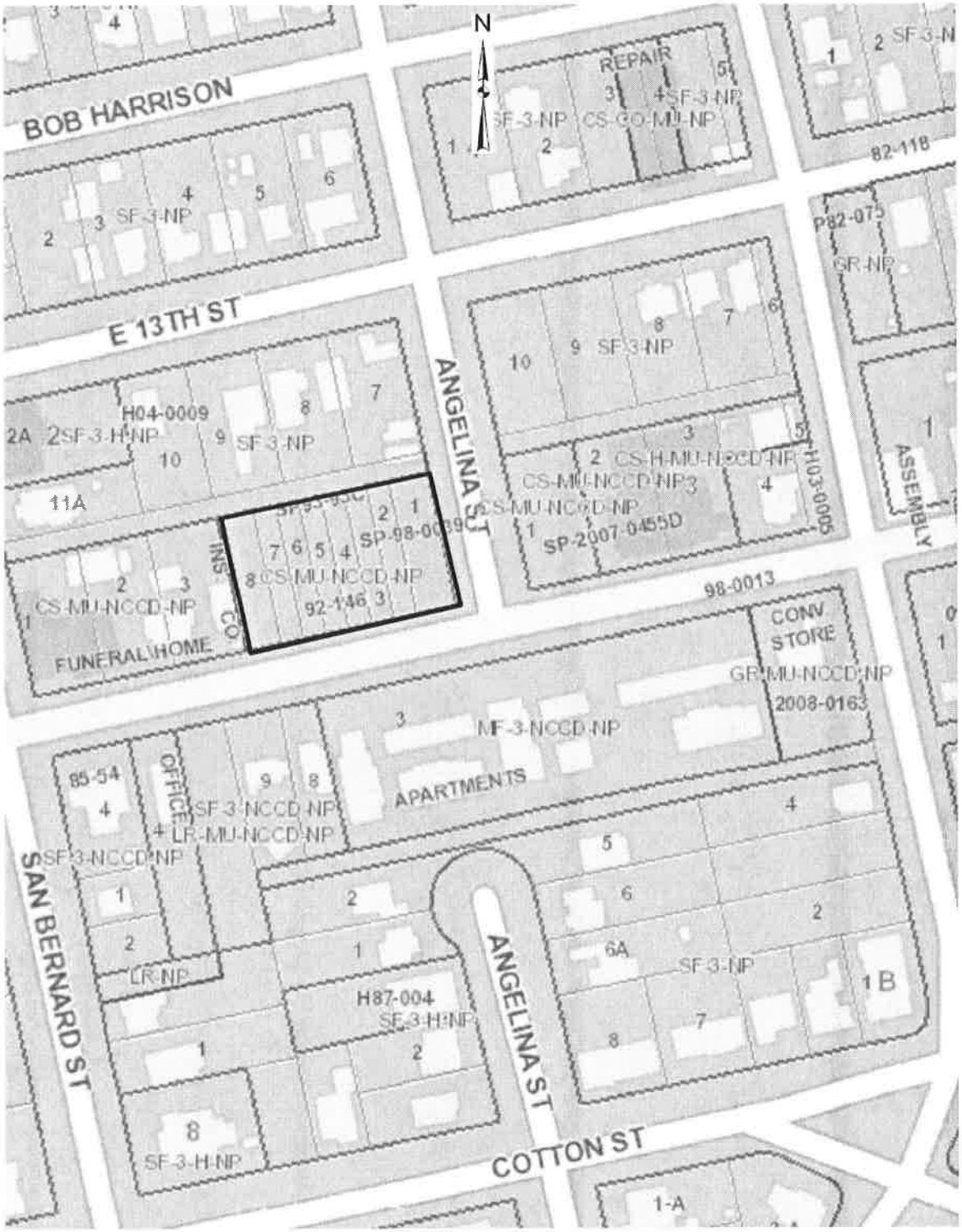
The subject parcel is within an Urban Watershed, Waller Creek, and must comply with the Urban Watershed Ordinance. Development would require participation in a regional storm water management program or construction of on-site detention ponds.

The following uses are prohibited in the East 12th Street NCCD. Those uses currently existing are allowed to continue as a legal non-conforming use as per the Land Development Code, section 25-2-941:

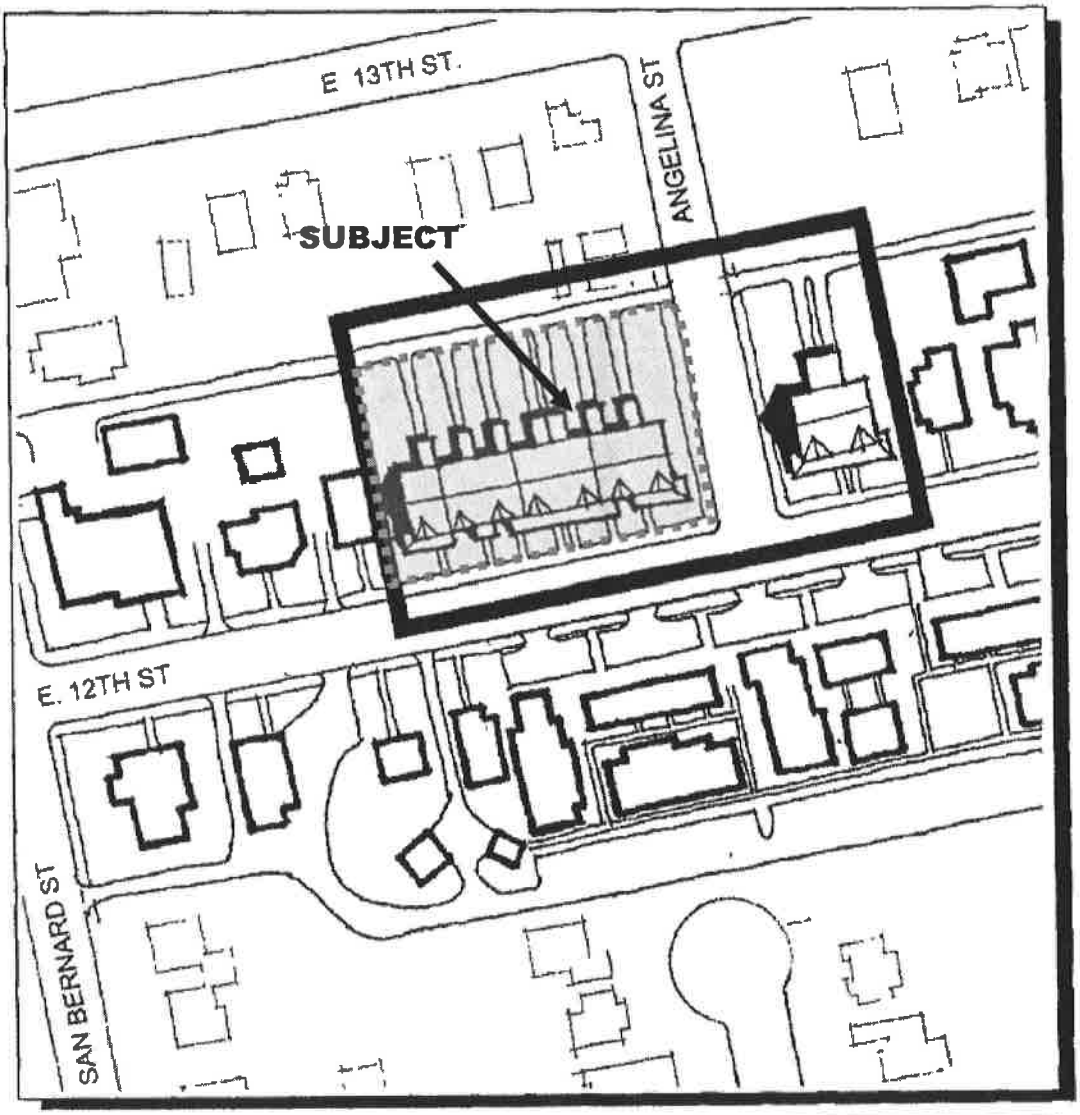
1. Adult-Oriented Businesses
2. Automotive Rental
3. Automotive Repair
4. Automotive Sales
5. Automotive Washing
6. Bail Bond Services
7. Campground
8. Carriage Stable
9. Cocktail Lounge*
10. Laundry Service
11. Commercial Plasma Center
12. Convenience Storage
13. Drop-off recycling Collection Facility
14. Drive Through Services as an accessory use to a restaurant
15. Equipment Repair Services
16. Equipment Sales
17. Exterminating Services
18. Kennels
19. Liquor Sales
20. Pawn Shop Services
21. Outdoor Entertainment
22. Outdoor Recreation
23. Service Stations
24. Telecommunication Tower (if sited on ground)
25. Vehicle Storage
26. Veterinary Services

* Cocktail Lounge is a conditional use 1808-1812 E 12th Street.

ZONING MAP


N
BOB HARRISON
E 13TH ST
ANGELINA ST
SAN BERNARD ST
COTTON ST
ASSEMBLY
REPAIR
SF-3-NP
CS-CO-MU-NP
82-118
P82-075
GR-NP
H04-0009
SF-3-H-NP
SF-3-NP
SP-98-0099C
CS-MU-NCCD-NP
92-146
CS-H-MU-NCCD-NP
SP-2007-0455D
H03-0005
98-0013
CONV STORE
GR-MU-NCCD-NP
2008-0163
FUNERAL HOME
MF-3-NCCD-NP
APARTMENTS
85-54
OFFICE
SF-3-NCCD-NP
LR-MU-NCCD-NP
LR-NP
H87-004
SF-3-H-NP
6A
1B
1-A

FROM ORDINANCE 990114-10 (RECORDED DOC. # 1999157295)



PROJECT NUMBER/NAME	12-6/SCIP II TOWNHOUSES-NORTH
Project Location	North side of 12th St at Angelina
Reuse Objective	Provide New Ownership Housing Opportunities on 12th St
Project Controls	
Site Area	1.0 Acres
Permitted Use	Townhouses
Allowable Height/Permitted FAR	35 foot maximum/ 3.2 Total Maximum FAR
New Commercial Space	0
Commercial Space to be Preserved	0
Potential New Housing Units	8-10
Existing Housing to be Preserved	0
Community Parking Spaces	0
Residential Parking Spaces	16-20 (2 spaces per unit)
Potential Demolition	0

Figure 4-19: SCIP II Townhouses-North

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3. ASSUMPTIONS & LIMITING CONDITIONS

This appraisal is subject to the following assumptions:

1. Title to the ownership interest appraised being free of easements, encumbrances, leases, liens, restrictions and other limitations, except as noted.

2. Title to the ownership interest appraised being "good and marketable."

3. The property being under responsible ownership and competent management.

4. There being no hidden or unknown soil or subsurface conditions, which, if known, would render the property more or less valuable.

5. The property has no significant environmental concerns, based on the prior purchase by City of Austin which required an Environmental Site Assessment.

6. All information considered in the formation of the opinions, estimates, and conclusions set forth herein being factual, true, and correct.

7. Site being buildable and there is no significant impediment to any lot from a tree designated as a Heritage or Protected Tree.

8. Restrictive Covenants and Deed Restrictions noted in Volume 8393, Page 946 and Volume 12843, Page 92 being removed.

The appraisal and this report are subject to the following limiting conditions:

1. The appraiser is not qualified to render an "opinion of title"; hence, no responsibility is accepted or assumed for matters of a legal nature affecting the property. The title to the property has been appraised assuming it to be marketable and free of encumbrances, except as noted.

2. The appraiser is not qualified to render an opinion as to the suitability of the soil and subsurface for any type of construction, development or use. The appraisal assumes there is no hidden or unknown soil or subsurface conditions that would render the title to the property more or less valuable. The appraiser does not warrant such condition.

3. The appraiser is not qualified to detect the presence of potentially hazardous materials such as urea-formaldehyde foam insulation, asbestos, and toxic wastes.

4. All photographs, sketches, and diagrams within and attached to this report or in the file memoranda are for illustrative purposes, intended to assist a reader in visualizing the property. While believed to accurately represent the property or a concept regarding the property, they are not guaranteed to be exact.

5. The land areas reported herein were obtained from sources deemed reliable. While the appraiser has checked them, they are neither guaranteed nor warranted by the appraiser. The appraiser reserves the right to amend any opinion, recommendation, and/or value conclusion based on an area found to be in error.

6. Information, estimates, and opinions used by the appraiser in forming his recommendations, opinions, and conclusions were obtained from sources thought reliable. While believed to be factual and correct, the accuracy of the information is neither guaranteed nor warranted by the appraiser and the appraiser and reserves the right to amend his conclusions if they are based on misinformation.

7. There is no commercial value to the oil, gas, or mineral interests.

8. The bylaws and regulations of the Appraisal Institute govern disclosure of the contents of this document. As such, this report and its use are subject to review by duly authorized representatives of this organization.

4. SCOPE OF WORK

This appraisal was developed in accordance with the *Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA); Uniform Standards of Professional Appraisal Practice (USPAP)*; and the Code of Ethics of the Appraisal Institute. The subject property consists of a vacant tract of land in an area near the CBD and in the East 12th Street NCCD (Ordinance No. 20080228-087). It was inspected on June 13, 2012 and March 19, 2013.

Per the UASFLA, the Larger Parcel must be determined. The Larger Parcel is usually that tract or tracts of land which have unity of ownership and unity of use (the same highest and best use). Usually the tracts are contiguous. The subject property is a vacant tract of land, consisting of eight subdivided lots and totaling 26,206 SF. The Larger Parcel, in my opinion, is the eight subdivided lots considered as selling to one buyer and developed in accordance with the NCCD and URP.

Though the base zoning allows various uses, the use of the Larger Parcel is specified in the East 11th and 12th Urban Renewal Plan as ***Mixed use and/or Commercial*** with no maximum FAR, 90% impervious cover, and allowable maximum height of 50'.

The subject's *mixed-use* zoning designation allows commercial, retail, office, or residential with retail or office uses on the ground floor and some combination of office/retail and/or office and residential uses on the other floors. Single story buildings and buildings less than 2,000 SF on East 12th will not be required to provide a combination of uses, provided the use is retail, office or residential. However, the "and/or Commercial" portion of the identification of the subject's use would allow a commercial use without requiring a combination of uses.

The Sales Comparison Approach was used for forming an opinion of the subject property. Sales in the neighborhood were researched from public and vendor records, lenders, appraisers, brokers, and other market participants. All data used in the report was verified by J. L. Craft & Associates. The Sales Comparison Approach is based on the assumption that buyers will not pay more for a property than the amount required to purchase a suitable substitute. In application, this approach involves analysis of sales and offerings of properties similar to the subject in an effort to ascertain what prices the comparables might have brought had they possessed the same utility and desirability as the subject under market conditions similar to those existing on the effective date of appraisal. In those instances that the comparable is inferior to the subject, it is reasonable to expect that its price would have been higher had it been similar to the subject; when superior, the comparable most likely would not have brought as high a price had it been similar.

Information about the property and its environment was gathered from inspection of the subject property and neighborhood; various representatives of the City of Austin; and miscellaneous real estate

reports, publications, data services, and files.

In accordance with *Section A-12* of the *UASFLA*, Area, City, and Neighborhood Data has been kept to an absolute minimum. (As the subject, comparables, and surrounding area are not in or affected by a floodplain, a floodplain map has been omitted.)

Jurisdiction Exception Rule

Section D-1 of the *Uniform Appraisal Standards for Federal Land Acquisitions* requires invocation of USPAP's Jurisdictional Exception Rule. That section provides that the appraiser shall not link the opinion of market value to a specific exposure time and to disregard any changes in the property's neighborhood brought about by the government's project. No changes that would affect the market value of the subject due to the project were noted.

5. HIGHEST AND BEST USE

A definition of highest and best use is:

> ... the reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, and financially feasible and that results in the highest value. Appraisal Institute, *The Appraisal of Real Estate*, Thirteenth Edition (Chicago: 2008), pp. 277, 278.

Highest and best use analysis inspects four criteria in estimating the use that results in the maximum return to the property. Potential uses are examined to determine first which are legally permissible and second, which of those are physically possible. Physically possible and legally permissible uses are then considered for financial feasibility and most productive uses.

Physically Possible. The subject tract is rectangular in shape with an area of 26,206 SF, having 201.31′ frontage on East 12th Street, 130.04′ frontage on Angelina Street, and 201.31′ frontage on a paved alley. It consists of eight subdivided lots. Seven of the lots have frontage on E. 12th street and the alley and one lot has frontage on those two streets and Angelina Street. Six of the lots are 2,883 SF in size with dimensions of 22.17′ x 130.04′ and appear to have been subdivided for townhouse development. The width and size of the lots pose constraints to development other than townhouse use. The other two lots are 5,130 SF and 3,778 SF in size and are less problematic. As there are eight lots, it would be possible to combine two lots for, say, a single-family residence, which would yield four building sites each above the standard 5,750 SF lot size.

The subject has typical soils, all utilities, and is level to gently rolling. There are no floodplain issues.

In short, the subject is physically suitable for improvements and development in accordance with its zoning.

Legally Permissible. The subject property is identified for *Mixed Use and/or Commercial* by the Urban Renewal Plan and must follow the site development regulations of Sub-District 2, *East 12th Street NCCD*. (See Pages 12 & 13)

The Urban Renewal Plan indicates the following that applies to the subject (Project Number 12-6):

> Permitted use: ***Mixed use and/or Commercial on northwest corner of 12th and Angelina***, publicly funded community parking at northeast corner of 12th and Angelina [my italics and bold] (Ordinance No. 20050407-060, effective April 18, 2005)
>
> "Mixed-use" means a building that provides for a combination of uses, requiring retail or office uses; on the ground floor (except for the exclusion of pawn shops; automobile sales, automotive sales, rentals and repairs; gas stations and adult oriented businesses), and some combination office/retail and/or office and residential uses on the other floors. Retail, office and residential uses referred to herein are as defined in the Land Development Code, as amended from time to time. Single story buildings and buildings less than 2000 SF on East 12th Street and single story buildings East 11th Street will not be required to provide a combination of uses, provided the use is retail, office or residential (except for the exclusion of pawn shops; automobile sales, automotive sales, rentals and repairs; gas stations and adult oriented businesses). Retail, office and residential uses referred to herein are as defined in the Land Development Code, as amended from time to time. (Ordinance No. 20050407-060, effective April 18, 2005)

Since the URP adds "and/or Commercial" to the subject's use, the subject could be developed as a commercial tract without a combination of uses and not need to be single story.

For a multi-story building with a parking garage the following would apply:

1. Requirements for Parking Garages on East 12th Street:

i. All property owners that front both E. 12th Street and a side street must use the side street for the ingress/egress of the parking structure, unless determined by the City's Watershed Protection and Development and Review Department, or its successor, to be infeasible.

ii. For structures of two (2) stories but less than 30' in height, such structures must have complete shielding on the rear side of the structure and the adjacent rear-most fifty percent (50%) of the side walls adjoining such rear wall. Lights shall not be directed nor shall any light splash towards any rear adjacent properties. Overnight parking is limited to residents and their overnight guests.

iii. For structures of two (2) stories but less than 30' in height, such structures must have 75% of ground floor front footage which fronts E. 12th Street must be a pedestrian oriented use. There is a 15' depth requirement for all pedestrian oriented spaces. In the event that ingress/egress fronts such public street, the amount of footage taken up by ingress/egress must be rotated around building so that 75% requirement is met.

Example is a 100' by 100' garage at corner of Waller and E. 12th Street. Developer proposes to have ingress/egress facing E. 12th Street, which has a 30' width. Developer shall have satisfied this requirement if Developer provides 75' of a total front footage of a pedestrian oriented use, meaning an additional 5' of frontage on Waller. Structural pillars only are allowed to decrease the total requirement of 75'.

iv. For structures 30' in height or greater, such structures must have complete shielding on the rear side of the structure and the adjacent rear-most fifty percent (50%) of the side walls adjoining such rear wall. Lights shall not be directed nor shall any light splash towards any rear adjacent properties. Overnight parking is limited to residents and their overnight guests.

v. For structures 30' in height or greater, such structures must have 100% of ground floor front footage which fronts E. 12th Street must be a pedestrian oriented use. There is a 15' depth requirement for all pedestrian oriented spaces. In the event that ingress/egress fronts such public street, the amount of footage taken up by ingress/egress must be rotated around building so that the 100% requirement is met.

Example is a 100' by 100' garage at corner of Waller and E. 12th Street. Developer proposes to have ingress/egress facing 12th street, which has a 30' width. Developer must provide the 30' pedestrian oriented use on either Waller, the west side facing towards I-35 or towards the alley, so that there is a total front footage of 100' of a pedestrian oriented use. Structural pillars only are allowed to decrease the total requirement of 100'.

(From Ordinance No. 20080228-113, Recorded Doc. #2008169755)

Economic Considerations. It is beyond the scope of this appraisal assignment to specify the precise use or combination of uses of the subject with respect to office, retail, or residential, the type of building(s) and number of stories, and the type and orientation of parking or a parking garage. In the current market for sites, such as the subject, in the subject neighborhood, there is little difference in price/SF between land developed for residential use (either for townhouse or single-family residential) and land purchased for commercial or potentially commercial use. The neighborhood commercial development off of I-35 has been minimal along East 12th Street and East 11th Street.

The current market is more directed to residential development, as (1) financing constraints have eased, (2)apartment rents and occupancies, after two years of little or no construction of apartments, have risen, and (3) lot prices compare favorably with other areas near downtown.

An indication of the commercial land market is the tract located at 1000 East 12th Street, which is 50,063 SF, zoned "CS-MU-NCCD-NP" (same as the subject), and has an approved site plan for ground floor retail, administrative offices, multi-family residential, and townhome residential. It had been on the market for over three years, being listed March 2009 for $1,938,000 or $38.71/SF, and sold for $1,700,000 or $33.96/SF on August 9, 2012.

The market for residential lots and residences in East Austin has picked up since 2008, as financing is

more available and Austin's economy is viewed as one of the best in the U.S. Below is a comparison of the lot sales and residential sales in MLS Area 5 (Area 5 is bounded by I-35, MLK, Ed Bluestein & Colorado River) for the selected three month periods:

LOT SALES: AREA 5				
Period	**Sold**	**Median SP**	**%/SP/LP**	**Median DOM**
3/15/11 to 6/14/11	24	$81,250	95%	123
6/15/11 to 9/14/11	16	$85,850	89%	59
9/15/11 to 12/14/12	20	$105,000	96%	189
12/15/12 to 3/14/13	17	$115,000	96%	21
RESIDENCE SALES: AREA 5				
Period	**Sold**	**Median SP**	**%/SP/LP**	**Median DOM**
3/15/11 to 6/14/11	93	$195,000	97%	22
6/15/11 to 9/14/11	89	$190,900	100%	13
9/15/11 to 12/14/12	80	$185,050	98%	16
12/15/12 to 3/14/13	72	$176,000	98%	27

For the Year 3/15/2011 to 3/14/2013, the trend shows a market with (1) lot prices increasing and residential prices slightly decreasing , (2) number of period sales stable for both residences and lots, (3) %SP/LP stable, and (4) days on the market stable for residences with demand increasing for lots during the first quarter of 2013 with a median days on the market of 21.

For the Period 3/15/2012 to 3/14/2013, the market experienced an increase in median lot price by about 42%. The increase in median lot price and the decrease in median residential sales price indicates a demand for new residences instead of older existing residences which predominate Area 5. In the Austin area, 1,626 homes were sold in February 2013, an increase of 26.4% from the 1,286 homes that sold in February 2012.

Conclusion. The highest and best use of the subject property is for residential use, mixed use, or commercial development in accordance with the East 12th Street NCCD and Urban Renewal Plan.

6. SALES COMPARISON APPROACH

Units of Comparison. The price per square foot of land area is a common unit of comparison in the market and is used in this analysis.

The comparables tabulated below are used as the basis for forming an opinion of the market value of the subject site. Additional information on each comparable is included on the market data sheets in the *Documents & Data* Section.

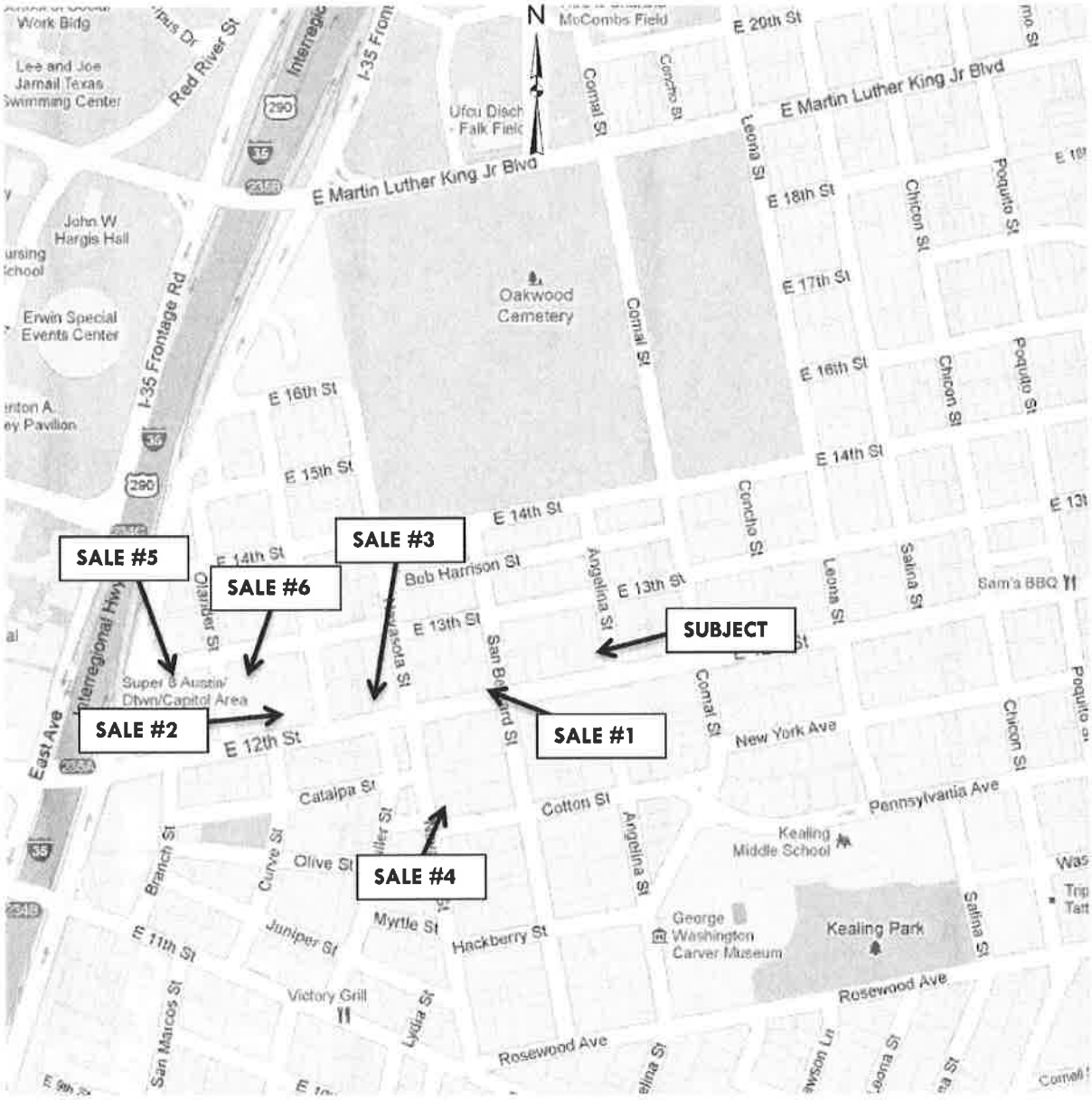
SUMMARY OF SALES

SALE	1	2	3	4	5	6
GRANTOR	Henderson	Alma Tierra Ventures	Harris Properties	Henderson	Easely, et al	Antoine
GRANTEE	Austin Trust Co.	Louie World LLC	Harris 12th, LLP	Smith	Bodner	Austin Newcastle Homes, Ltd.
DOC.#	2012164875 2012164877	2012131944	2005211580	2012202919	2012197436	2012033775
INSTRUMENT	GWD	WD	WD	WD	WD	GWD
DATE	9/28/2012	8/9/2012	6/7/2011	11/28/2012	11/20/2012	4/20/2012
LOCATION	1218 & 1224 E. 12th St.	1000 E. 12th St.	1112 E. 12th St.	1200-1202 Cotton St.	813½ E 13th St.	903 E. 13th St.
SIZE (SF)	17,940	50,063	7,539	7,087	9,597	7,736
UTILITIES	All	All	All	All	All	All
ZONING	CS-MU-NCCD-NP	CS-MU-NCCD-NP	CS-MU-NCCD-NP	SF-3-NP	SF-3-NP	SF-3-NP
FRONTAGE	138' E. 12th; 130' San Bernard	253' E. 12th ; 150' Waller	50' E. 12th	83' Cotton; 86' Navasota	64.15' E 13th	52' E. 13th St.
CORNER	Yes	Yes	No	Yes	No	No
ALLEY ACCESS	Yes	Yes	Yes	No	Yes	Yes
INTENDED USE	Investment	Mixed	Investment	Residential	Residential	Residential
PRICE	$595,000	$1,700,000	$145,000	$270,000	$249,000	$153,000
TERMS	Cash to seller	Cash to seller	Cash to seller	Cash to seller	Cash to seller	Seller
PRICE/SF	$33.17	$33.96	$19.23	$38.10	$25.95	$19.78

(GWD: General Warranty Deed; WD: Warranty Deed)

Comparable sales map is on the following page.

MAP OF COMPARABLES



COMPARABLE SALES

Sale #1. This is a 17,940 SF site located at 1218-1224 East 12th Street, being the northwest corner of E. 12th Street and San Bernard Street. It is zoned CS-MU-NCCD, and it is not in the Urban Renewal Plan. It has alley access, has all utilities available, and is gently sloping. It is improved with a 2,195 SF retail building built in 1956; property was market as land. The property sold on September 28, 2012 for $595,500 or $33.17/SF, cash to seller, after 12 days on the market (Austin MLS # 7195486 & 7424979).

Sale #2. This is a 50,063 SF site located at 1000 East 12th Street. It has frontage on E. 12th Street from Olander to Waller and has access on an alley, Waller Street, and Olander Street. It is zoned CS-MU-NCCD and has an approved site plan. Site plan has two phases with a total floor area of 42,495 SF

GBA, FAR of 0.85 with ground floor retail, administrative offices, multi-family residential, and townhome residential. It was on the market over three years and sold on August 9, 2012 for $1,700,000 or $33.96/SF, cash to seller.

Sale #3. This a 7,539 SF site located at 1112 East 12th Street. The lot is 50' wide, has a rectangular shape, has alley access, and is zoned CS-MU-NCCD, being in the East 12th St. NCCD. All utilities are available, and the lot is cleared and buildable. The site sold on June 7, 2011 for $145,000, cash to seller, after 22 days on the market (Austin MLS #2061386). Buyer took first offer; listing price was $225,000.

Sale #4. This is a 7,087 SF site located at 1200 and 1202 Cotton Street, being the northeast corner of Navasota Street and Cotton Street. The site is a ±83' x ±86' square with no alley access, and is zoned SF-3-Central East Austin NPA. All utilities are available, and the lot is cleared and buildable. The site sold on November 28, 2012 for $270,000 or $38.10/SF, cash to seller, after 12 days on the market (Austin MLS ## 7195486 & 7424979).

Sale #5. This is 9,597 SF site located at 813½ E 13th Street. The site is 64' wide, has a rectangular shape, has alley access, and is zoned SF-3-Central East Austin NPA. It is improved with a 948 SF residence built in 1930; marketed as vacant lot. The site sold on November 20, 2012 for $249,000 or $25.95/SF, cash to seller, after 14 days on the market (Austin MLS # 2206659).

Sale #6. This a 7,736 SF lot located at 903 E. 13th Street. The lot is 52' wide, has a rectangular shape, has alley access, and is zoned SF-3-Central East Austin NPA. All utilities are available, and the lot is cleared and gently sloping. The lot sold on April 20, 2012 for $153,000, with a note of $100,000 to seller at market, after 30 days on the market (Austin MLS #2397968).

ANALYSIS

Methodology. The adjustments for *Property Rights Conveyed, Conditions of Sale, Financing,* and *Market Conditions* were applied to get an adjusted base price per lot for each sale. That adjusted price was used for comparisons, extractions, and derivations of the other adjustments.

ADJUSTMENTS TO DERIVE BASE PRICE/SF

- *Property Rights Conveyed*
- *Conditions of Sale*
- *Financing*
- *Market Conditions*

ADJUSTMENTS TO BASE PRICE/SF

- *Location*
- *Utilities*
- *Terrain*
- *Shape*
- *Zoning*
- *Size*
- *Corner/Access*

DERIVATION OF BASE PRICE/SF

The six comparables sales are representative of sales activity in the subject neighborhood for residential or competitive lots.

Property Rights. All of the comparables involve conveyance of fee simple estates with no unusual easements or encumbrances; therefore, no adjustments are warranted.

Financing. Sales #1-#5 are cash to seller. Sale #6 was seller financed with a note of $100,000; agent report the note was at market terms. Hence no adjustments are required for this factor.

Conditions of Sale. Conditions of sale refer to the circumstances of the sale and whether the sale is arm's length. All of the comparables are arm's length transactions; thus no adjustments for this factor are warranted.

Market Conditions. Sales #1, #2, #4, and #5 sold after July 2012 and represent the current market. Sale #3 is a June 2011 sale, and Sale #6 is a April 2012 sale; these two sales represent the market conditions preceding the current market conditions. As noted in the Highest and Best Use, *Economic Considerations,* the market for land had been stable with an increase in demand for sites impacting the market mid to late 2012. I have paired Sales #3 and #6 with Sale #5, as the three sales are similar in size and absence of corner influence.

PAIRINGS FOR TIME ADJUSTMENT				
PAIR	COMPARABLES	P/SF	DATE	CHANGE
A	5	$25.95	11/20/2012	+35%
	3	$19.23	6/7/2011	
B	5	$25.95	11/20/2012	+31%
	6	$19.78	4/20/2012	

Based on the pairings, Sale #3 and Sale #6 are adjusted upward 33% for the change in market conditions. Below are the base prices/SF for the comparables.

BASE PRICE/SF						
SALE	#1	#2	#3	#4	#5	#6
PRICE/SF	$33.17	$33.96	$19.23	$38.10	$25.95	$19.78
CASH EQUIVALENCY	-0-	-0-	-0-	-0-	-0-	-0-
ADJUSTED P/SF	$33.17	$33.96	$19.23	$38.10	$25.95	$19.78
CONDITIONS OF SALE	-0-	-0-	-0-	-0-	-0-	-0-
ADJUSTED P/SF	$33.17	$33.96	$19.23	$38.10	$25.95	$19.78
MARKET CONDITIONS	-0-	-0-	+33%	-0-	-0-	+33%
BASE PRICE/SF	$33.17	$33.96	$25.58	$38.10	$25.95	$26.31

DERIVATION OF OTHER ADJUSTMENTS

The comparables and sales have similar locational factors, being located in the area bounded by I-35, Martin Luther King Boulevard, San Bernard Street, and East 11th Street. The sales and subject are similar with respect to *Utilities, Terrain,* and *Shape.*

The three elements of comparison requiring discussion are *Zoning, Corner/Access,* and *Size.* Below is an intermediate comparison grid.

INTERMEDIATE GRID 1						
SALE	#1	#2	#3	#4	#5	#6
BASE PRICE/SF	$33.17	$33.96	$25.58	$38.10	$25.95	$26.31
OTHER ADJUSTMENTS						
LOCATION	SIMILAR	SIMILAR	SIMILAR	SIMILAR	SIMILAR	SIMILAR
UTILITIES	SIMILAR	SIMILAR	SIMILAR	SIMILAR	SIMILAR	SIMILAR
TERRAIN	SIMILAR	SIMILAR	SIMILAR	SIMILAR	SIMILAR	SIMILAR
SHAPE	SIMILAR	SIMILAR	SIMILAR	SIMILAR	SIMILAR	SIMILAR
ZONING	SIMILAR	SIMILAR	SIMILAR	SF-3	SF-3	SF-3
CORNER/ACCESS	SIMILAR	SIMILAR	INFERIOR	SIMILAR	INFERIOR	INFERIOR
SIZE	SIMILAR	SIMILAR	SUPERIOR	SUPERIOR	SUPERIOR	SUPERIOR

Zoning. The subject is zoned "CS-MU-NCCD-NP", and the zonings of the sales are as follows.

ZONING COMPARISON		
SALE	**ZONING**	**PRICE/SF**
#1	CS-MU-NCCD-NP	$33.17
#2	CS-MU-NCCD-NP	$33.96
#3	CS-MU-NCCD-NP	$25.58
#4	SF-3-NP	$38.10
#5	SF-3-NP	$25.95
#6	SF-3-NP	$26.31

The zonings of all the sales allow residential development, but the zoning of Sales #1-#3 allows commercial and mixed-use development. Sales #1 and #3 were purchased as an investment. Sale #2 has a site plan for mixed use with office, retail, and residential uses. Sale #1 is in one size category, while Sales #3-#6 fall in another size category. Sale #2 appears to be in a different size category, which requires discussion, and is not used in the Zoning comparison. In Pair A, Sale #4 has been adjusted for size. In Pair B and C, the comparables are similar in their characteristics except for zoning.

PAIRINGS FOR ZONING ADJUSTMENT						
	Pair A		***Pair B***		***Pair C***	
SALE	#1	#4	#3	#5	#3	#6
BASE PRICE/SF	$33.17	$33.60	$25.58	$25.95	$25.58	$26.31
COMPARISON						
LOCATION	SIMILAR	SIMILAR	SIMILAR	SIMILAR	SIMILAR	SIMILAR
UTILITIES	SIMILAR	SIMILAR	SIMILAR	SIMILAR	SIMILAR	SIMILAR
TERRAIN	SIMILAR	SIMILAR	SIMILAR	SIMILAR	SIMILAR	SIMILAR
SHAPE	SIMILAR	SIMILAR	SIMILAR	SIMILAR	SIMILAR	SIMILAR
ZONING	SIMILAR	SF-3	SIMILAR	SF-3	SIMILAR	SF-3
CORNER/ACCESS	SIMILAR	SIMILAR	INFERIOR	INFERIOR	INFERIOR	INFERIOR
SIZE	SIMILAR	ADJUSTED	SIMILAR	SIMILAR	SIMILAR	SIMILAR

The pairings do not indicate a difference in price/SF for zoning. That commercial zoning does not command a higher price/SF is due, as of the date of appraisal, to the demand for residential lots in the subject area and the mix of commercial and residential uses that co-exist on E. 12th Street. Therefore, no adjustment for zoning has been made.

Size. Smaller sites often sell for a higher per unit price and larger sites often sell for a lower per unit price, other factors being similar. Below is a comparison of the subject and comparables.

SIZE COMPARISON				
SALE	SIZE (SF)	CORNER	PRICE/SF	COMPARISON TO SUBJECT
#2	50,063	YES	$33.96	
Subject	26,206	YES		Similar
#1	17,940	YES	$33.17	
#5	9,597	NO	$25.95	
#3	7,539	NO	$25.58	Superior
#6	7,736	NO	$26.31	
#4	7,075	YES	$38.10	

Sales #3-#6, being between 7,075 SF and 9,597 SF, are in the same size category. The subject and Sale #1 are in another size category. Though Sale #2 is significantly larger than the subject and comparables, it consists of about four tracts similar in size to the subject, which could be developed, and its size offers more flexibility in configuration of buildings, parking, and other improvements for greater density. In this case, the larger size of Sale #6 adds an element which offsets the decrease in price due to size alone. I rate Sale #6 *Similar.*

PAIRINGS FOR SIZE ADJUSTMENT						
PAIR	SALE	SIZE (SF	CORNER	PRICE/SF	COMPARISON	DIFFERENCE
D	#1	17,940	YES	$33.17	Similar	-$4.93
	#4	7,075	YES	$38.10	Superior	
E	#2	50,063	YES	$33.96	Similar	-$4.14
	#4	7,075	YES	$38.10	Superior	

Pair D indicates a difference of -$4.93/SF and Pair E indicates a difference of -$4.14 for the difference in size. Based on the two pairs, an adjustment of -$4.50/SF is applied to Sales #3-#6.

Below is an intermediate grid.

INTERMEDIATE GRID - 2						
SALE	#1	#2	#3	#4	#5	#6
BASE PRICE/SF	$33.17	$33.96	$25.58	$38.10	$25.95	$26.31
OTHER ADJUSTMENTS						
LOCATION	-0-	-0-	-0-	-0-	-0-	-0-
UTILITIES	-0-	-0-	-0-	-0-	-0-	-0-
TERRAIN	-0-	-0-	-0-	-0-	-0-	-0-
SHAPE	-0-	-0-	-0-	-0-	-0-	-0-
ZONING	-0-	-0-	-0-	-0-	-0-	-0-
SIZE	-0-	-0-	-$4.50	-$4.50	-$4.50	-$4.50
INDICATION	$33.17	$33.96	$21.08	$33.60	$21.45	$21.81

Corner/Access. Access may be enhanced by corner influence and alley access with the corner being a more significant characteristic than alley access. For some uses in the subject market, alley access may be beneficial for configuration of improvements, parking, and ingress/egress. The subject is a corner and has access by an alley.

COMPARISON OF ACCESS TO SUBJECT		
SALE	**ACCESS**	**COMPARISON**
#1, #2,	Corner & Alley	
#4	Corner & No alley	Similar
Subject	Corner & Alley	
#3, #5, #6	No corner & Alley	Inferior

For the group with Sales #1, #2, and #4, which range from $33.17/SF to $33.96/SF, I use $33.50/SF for comparison purposes. For the group with Sales #3, #5, and #6, which range from $21.08/SF to $21.81/SF, I use $21.50/SF. Based on that comparison, the adjustment for *Corner/Access* to Sales #3, #5, and #6 is $33.50/$21.50, being an upward $12.00/SF.

Below is the adjustment grid.

SUMMARY OF ADJUSTMENTS						
SALE	#1	#2	#3	#4	#5	#6
PRICE/SF	$33.17	$33.96	$19.23	$38.10	$25.95	$19.78
CASH EQUIVALENCY	-0-	-0-	-0-	-0-	-0-	-0-
ADJUSTED P/SF	$33.17	$33.96	$19.23	$38.10	$25.95	$19.78
CONDITIONS OF SALE	-0-	-0-	-0-	-0-	-0-	-0-
ADJUSTED P/SF	$33.17	$33.96	$19.23	$38.10	$25.95	$19.78
MARKET CONDITIONS	-0-	-0-	+33%	-0-	-0-	+33%
BASE PRICE/SF	$33.17	$33.96	$25.58	$38.10	$25.95	$26.31
OTHER ADJUSTMENTS						
LOCATION	-0-	-0-	-0-	-0-	-0-	-0-
UTILITIES	-0-	-0-	-0-	-0-	-0-	-0-
TERRAIN	-0-	-0-	-0-	-0-	-0-	-0-
SHAPE	-0-	-0-	-0-	-0-	-0-	-0-
ZONING	-0-	-0-	-0-	-0-	-0-	-0-
SIZE	-0-	-0-	-$4.50	-$4.50	-$4.50	-$4.50
CORNER/ACCESS	-0-	-0-	+$12.00	-0-	+$12.00	+$12.00
TOTAL ADJUSTMENTS	-0-	-0-	+$7.50	-$4.50	+$7.50	+$7.50
INDICATED PRICE/SF	$33.17	$33.96	$33.08	$33.60	$33.45	$33.81

The indicated prices/SF range from $33.08 to $33.96 with an average of $33.51/SF and a median of $33.53/SF, reconciled to $33.50/SF.

My opinion of value of the subject property on March 19, 2013, subject to the assumptions and conditions of this report, is 26,206 SF x $33.50/SF or $878,000 (rd).

7. FINAL OPINION OF VALUE

The highest and best use of the subject is for retail, office, or residential use in accordance with the Urban Renewal Plan and the East 12th Street NCCD. An opinion of the market value of the subject was formed on the basis of the Sales Comparison Approach, using six sales. The adjustments were for *Market Conditions, Size,* and *Corner/Access* and were extracted by paired sales analysis.

Based on the Sales Comparison Approach, my opinion of the market value of the subject property on March 19, 2013, subject to the assumptions and conditions of this report, is:

EIGHT HUNDRED SEVENTY EIGHT THOUSAND DOLLARS
($878,000)

DOCUMENT & DATA

SALE #1

IDENTIFICATION

LOCATION	:	(1) 1218 E 12th Street; (2) 1224 E 12th Street (NWC E. 12th St & San Bernard St.)
LEGAL	:	(1) W 50' of Lot 4, Block 1 of James O'Reilly's Subdivision of Outlot 38, Division B, Travis County, Texas (2) Lot 5 and E. 19' of Lot 4, Block 1 of James O'Reilly's Subdivision of Outlot 38, Division B, Travis County, Texas
TAX ID. NO.	:	02-0708-0408, 0410
MAPSCO PG.	:	585U

RECORDING DATA

GRANTOR	:	Thomas Henderson
GRANTEE	:	Austin Trust Company and Elizabeth Alford, Co-Trustee of the John Rogers Alford, J. Life Insurance Trust
DOC.#	:	2012164875 & 2012164877
INSTRUMENT	:	General Warranty Deed
DATE	:	9/28/2012

SITE DATA

SIZE (SF)	:	17,940 SF (6,500 SF & 11,440 SF)
SHAPE	:	Rectangular
FLOODPLAIN	:	None
TOPOGRAPHY	:	Level to gently sloping
UTILITIES	:	All Available
ZONING	:	CS-MU-NCCD-NP, Central East Austin NPA. Not in Urban Renewal Plan
FRONTAGE	:	138' E 12th St.; 130' San Bernard St; corner with alley access
HIGHEST & BEST USE	:	Residential

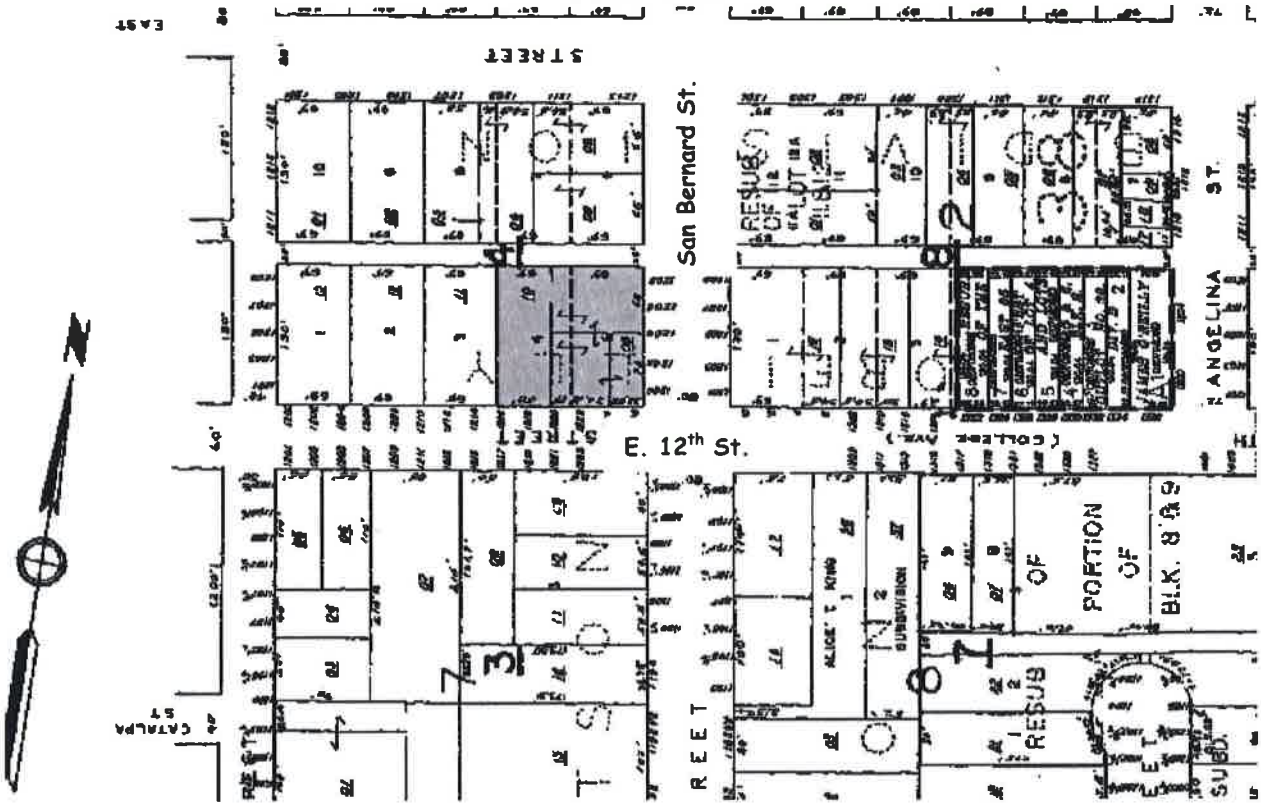
SALES DATA

PRICE	:	$595,000 ($200,000; $395,000)
TERMS	:	Cash to Seller
PRICE/SF	:	$33.17

VERIFICATION

SOURCE	:	Joyce Williams, 658-4672, Austin MLS# 7195486 & 7424979, DOM 12
DEED READ	:	3/15/2013
INSPECTED	:	3/19/2013
COMMENTS	:	Though listed separately, the two properties had to be sold together

TCAD Plat



PHOTOGRAPH – Taken 3.19.2013 by J. L. Craft

SALE #2

IDENTIFICATION

LOCATION	:	1000 E 12th Street (NEC Oleander & 12th; NWC Waller & 12th)
LEGAL	:	South 75' of Lot 9, South 75' and West 25' of Lot 10, East 45' of Lot 10 and Lots 11-14, Outlot 41, Division B, City of Austin, Travis County
TAX ID. NO.	:	02-0806-0211, 0210, 0209, 0208 & 0207
MAPSCO PG.	:	585 T

RECORDING DATA

GRANTOR	:	Alma Tierra Ventures, LLC
GRANTEE	:	Louie World LLC
DOC.#	:	2012131944
INSTRUMENT	:	Warranty Deed
DATE	:	August 9, 2012

SITE DATA

SIZE	:	50,063 SF or 1.1492 Ac
CORNER	:	Two
SHAPE	:	Rectangular
FLOODPLAIN	:	None
TOPOGRAPHY	:	Level to sloping
UTILITIES	:	All available
ZONING	:	CS-MU-NCCD-NP, Central East Austin NPA. In URP Nos. 12-1 & 12-2, identified for mixed-use and/or commercial space
FRONTAGE	:	±253' on E 12th Street; ±75' on Olander Street; ±150' on Waller Street
HIGHEST & BEST USE	:	Mixed Use

SALES DATA

LIST PRICE	:	$1,700,000
TERMS	:	Cash to Seller
PRICE/SF	:	$33.96

VERIFICATION

SOURCE	:	Matt Mathias 330-9111, Matt Mathias & Company
DEED READ	:	3/13/2013
INSPECTED	:	3/24/2011; 3/19/2013
COMMENTS	:	Property has an approved site plan (SP-2007-0467C) and building permits. Site plan has two phases with a total floor area of 42,495 SF GBA with ground floor retail, administrative offices, multi-family residential, and townhome residential. FAR is 0.85. Property has Unified Development Agreement, Doc. #2008135061. Property previously listed by another broker at $1,938,000 or $38.71 as of March 2009.

TCAD PLAT

PHOTOGRAPH – Taken 6.21.2012 by J. L. Craft

SALE #3

IDENTIFICATION

LOCATION	:	1112 E 12th Street (Adjacent on west to NWC of Navasota & 12th)
LEGAL	:	±0.1731 acre out of Outlot 41, Division B, Original City of Austin, Travis County, Texas
TAX ID. NO.	:	02-0806-0308
MAPSCO PG.	:	585R

RECORDING DATA

GRANTOR	:	Wilton D. Harris Properties, Ltd
GRANTEE	:	Harris 12th, LLLP
DOC.#	:	2011082636
INSTRUMENT	:	Warranty Deed with Vendor's Lien
DATE	:	6/7/2011

SITE DATA

SIZE (SF)	:	7,539
SHAPE	:	Rectangular
FLOODPLAIN	:	None
TOPOGRAPHY	:	Level to gently sloping below grade, some mature trees
UTILITIES	:	All Available
ZONING	:	CS-MU-NCCD, Central East Austin NP. In URP No. 12/4 Navasota Retail identified for mixed-use opportunities
FRONTAGE	:	±50' on E 12th Street and 50' at alley
HIGHEST & BEST USE	:	Mixed use

SALES DATA

PRICE	:	$145,000
TERMS	:	Cash to Seller
PRICE/SF	:	$19.23

VERIFICATION

SOURCE	:	John Spae, Austin Referral Realty, Inc 466-1162; Austin MLS #2061386; DOM 22, List Price $225,000
DEED READ	:	6/20/2012
INSPECTED	:	6/13/2012; 3/19/2013
COMMENTS	:	A food trailer court is currently located on the property, buyers an investment partnership with the food court being an interim use. Listing broker reported that he listed the property based on commercial listings in the area and that seller took the first offer. There is no relationship between the buyer and seller, and buyer incorporated owner's name as a historical matter.

TCAD PLAT

PHOTOGRAPH – Taken 6.21.2012 by J. L. Craft

SALE #4

IDENTIFICATION

LOCATION	:	1200 & 1202 Cotton Street (NEC Navasota St. & Cotton St.)
LEGAL	:	Tract 1: 41.4' x 84.6' out of the west 125' of Lot 1, Block 7, George L. Robertson Addition of Outlot No. 56, Division B, Travis County, Texas Tract 2: 41.4' x 85.6' out of Lot 1, Block 7, George L. Robertson Addition of Outlot No. 56, Division B, Travis County, Texas
TAX ID. NO.	:	02-0708-0318, 0317
MAPSCO PG.	:	585U

RECORDING DATA

GRANTOR	:	Thomas Henderson
GRANTEE	:	S. Kevin Smith
DOC.#	:	2012202919
INSTRUMENT	:	Warranty Deed
DATE	:	11/28/2012

SITE DATA

SIZE (SF)	:	7,087 SF
SHAPE	:	Rectangular
FLOODPLAIN	:	None
TOPOGRAPHY	:	Level to gently sloping
UTILITIES	:	All Available
ZONING	:	SF-3-NP, Central East Austin NPA
FRONTAGE	:	82.82' Cotton St.; 85.60' Navasota St; corner with no alley access
HIGHEST & BEST USE	:	Residential

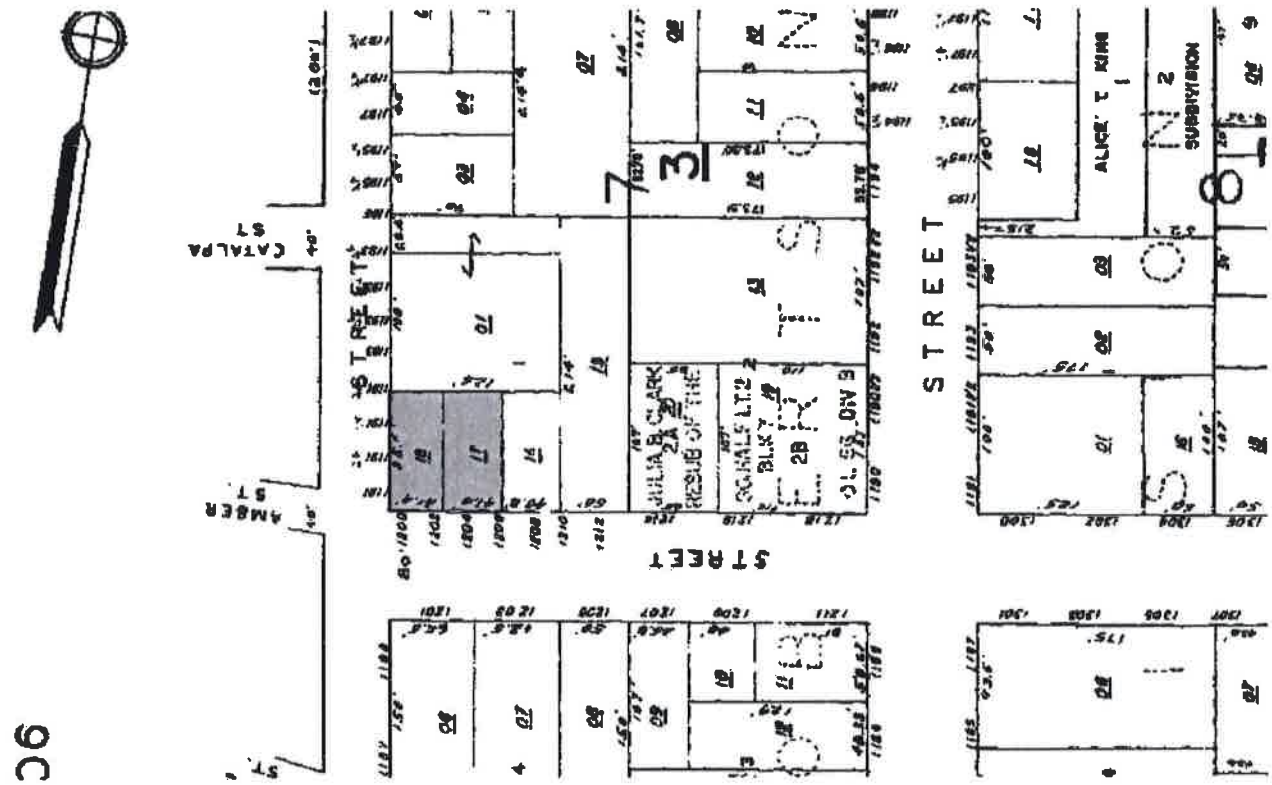
SALES DATA

PRICE	:	$270,000
TERMS	:	Cash to Seller
PRICE/SF	:	$38.10

VERIFICATION

SOURCE	:	Joyce Williams, 658-4672, Austin MLS# 7195486 & 7424979, DOM 12
DEED READ	:	3/15/2013
INSPECTED	:	3/19/2013
COMMENTS	:	Listed separately

TCAD Plat



PHOTOGRAPH – Taken 3.19.2013 by J. L. Craft

SALE #5

IDENTIFICATION

LOCATION	:	813½ E 13th Street
LEGAL	:	E 64.2' of Lot 29 Outlot 42, Division B Travis County, Texas
TAX ID. NO.	:	02-0806-0106
MAPSCO PG.	:	585T

RECORDING DATA

GRANTOR	:	Darnese Easley, et al
GRANTEE	:	Steven Bodner & Kimberly Bodner
DOC.#	:	2012197436
INSTRUMENT	:	Warranty Deed
DATE	:	11/20/2012

SITE DATA

SIZE (SF)	:	9,597 SF
SHAPE	:	Rectangular
FLOODPLAIN	:	None
TOPOGRAPHY	:	Level to gently sloping
UTILITIES	:	All Available
ZONING	:	SF-3-NP, Central East Austin NPA
FRONTAGE	:	64.15' E 13th St.
HIGHEST & BEST USE	:	Residential

SALES DATA

PRICE	:	$249,000
TERMS	:	Cash to Seller
PRICE/SF	:	$25.95

VERIFICATION

SOURCE	:	Michael Clawson, 914-0670, Austin MLS# 2206659, DOM 14
DEED READ	:	3/15/2013
INSPECTED	:	3/19/2013
COMMENTS	:	Improved with a 948 SF residence built in 1930; marketed as vacant lot.

TCAD Plat

PHOTOGRAPH – Taken 3.19.2013 by J. L. Craft

SALE #6

IDENTIFICATION

LOCATION	:	903 E 13th Street
LEGAL	:	Lot B, Antoine Subdivision, Travis County, Texas
TAX ID. NO.	:	02-0806-0215
MAPSCO PG.	:	585T

RECORDING DATA

GRANTOR	:	Rick L. Antoine
GRANTEE	:	Austin Newcastle Homes, Ltd.
DOC.#	:	2012064030
INSTRUMENT	:	General Warranty Deed
DATE	:	4/20/2012

SITE DATA

SIZE (SF)	:	7,736
SHAPE	:	Rectangular
FLOODPLAIN	:	None
TOPOGRAPHY	:	Gently sloping above grade
UTILITIES	:	All Available
ZONING	:	SF-3-Central East Austin NPA
FRONTAGE	:	±51.6' on E 13th Street; 51.6' on alley
HIGHEST & BEST USE	:	Residential

SALES DATA

PRICE	:	$153,000
TERMS	:	Note of $100,000 to grantor at market rate
PRICE/SF	:	$19.78

VERIFICATION

SOURCE	:	Judy Zwarun 454-4600. Austin MLS# 2397968; listed at $175,000. DOM 30
DEED READ	:	6/14/2012
INSPECTED	:	6/21/2012; 3/19/2013
COMMENTS	:	Per agent: 2nd story city view

TCAD PLAT

PHOTOGRAPH – Taken 6.21.2012 by J. L. Craft

COMMITMENT FOR TITLE INSURANCE

SCHEDULE A

Effective Date: **June 12, 2012, 08:00 am** G.F. No. or File No. **1214154-COM**

Commitment No. _____ issued: **June 22, 2012,**
(if applicable)

1. The policy or policies to be issued are:
   - (a) OWNER'S POLICY OF TITLE INSURANCE (Form T-1)
     (Not applicable for improved one-to-four family residential real estate)
     Policy Amount:
     PROPOSED INSURED: **TBD**
   - (b) TEXAS RESIDENTIAL OWNER POLICY OF TITLE INSURANCE - ONE-TO-FOUR FAMILY RESIDENCES (Form T-1R)
     Policy Amount:
     PROPOSED INSURED:
   - (c) LOAN POLICY OF TITLE INSURANCE (Form T-2)
     Policy Amount:
     PROPOSED INSURED:
     Proposed Borrower:
   - (d) TEXAS SHORT FORM RESIDENTIAL MORTGAGEE POLICY OF TITLE INSURANCE (Form T-2R)
     Policy Amount:
     PROPOSED INSURED:
     Proposed Borrower:
   - (e) MORTGAGEE TITLE POLICY BINDER ON INTERIM CONSTRUCTION LOAN (Form T-13)
     Binder Amount:
     PROPOSED INSURED:
     Proposed Borrower:
   - (f) OTHER
     Policy Amount:
     PROPOSED INSURED:
2. The interest in the land covered by this Commitment is: **Fee Simple**
3. Record title to the land on the Effective Date appears to be vested in:
   Urban Renewal Agency of the City of Austin, a Texas public body corporate and politic created under Chapter 374, Texas Local Government Code
4. Legal description of the land:

   Lots 1, 2, 3, 4, 5, 6, 7 and 8, Block A, RESUBDIVISION OF THE EAST 65 FEET OF LOT 4, AND LOTS 5 AND 6, BLOCK 2, JAMES O'REILLY SUBDIVISION OF OUTLOT 38, DIVISION B, according to the map or plat thereof, recorded in Volume 102, Page 88, Plat Records, Travis County, Texas.

COMMITMENT FOR TITLE INSURANCE

SCHEDULE B

EXCEPTIONS FROM COVERAGE

In addition to the Exclusions and Conditions and Stipulations, your Policy will not cover loss, costs, attorneys' fees, and expenses resulting from:

1. The following restrictive covenants of record itemized below (We must either insert specific recording data or delete this exception):

   Volume 102, Page 88, Plat Records, Volume 8393, Page 946, Volume 12843, Page 92, Real Property Records, Travis County, Texas, but omitting any covenant or restriction based on race, color, religion, sex, disability, handicap, familial status or national origin.

2. Any discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments or protrusions, or any overlapping of improvements.

3. Homestead or community property or survivorship rights, if any, of any spouse of any insured. (Applies to the Owner Policy only).

4. Any titles or rights asserted by anyone, including, but not limited to, persons, the public, corporations, governments or other entities,

   a. to tidelands, or lands comprising the shores or beds of navigable or perennial rivers and streams, lakes, bays, gulfs or oceans, or

   b. to lands beyond the line of harbor or bulkhead lines as established or changed by any government, or

   c. to filled-in lands, or artificial islands, or

   d. to statutory water rights, including riparian rights, or

   e. to the area extending from the line of mean low tide to the line of vegetation, or the rights of access to that area or easement along and across that area.

   (Applies to the Owner Policy only.)

5. Standby fees, taxes and assessments by any taxing authority for the year **2012**, and subsequent years; and subsequent taxes and assessments by any taxing authority for prior years due to change in land usage or ownership, but not those taxes or assessments for prior years because of an exemption granted to a previous owner of the property under Section 11.13, *Texas Tax Code*, or because of improvements not assessed for a previous tax year. (If Texas Short Form Residential Mortgagee Policy (T-2R) is issued, that policy will substitute "which become due and payable subsequent to Date of Policy" in lieu of "for the year _____ and subsequent years.")

6. The terms and conditions of the documents creating your interest in the land.

7. Materials furnished or labor performed in connection with planned construction before signing and delivering the lien document described in Schedule A, if the land is part of the homestead of the owner. (Applies to the Mortgagee Title Policy Binder on Interim Construction Loan only, and may be deleted if satisfactory evidence is furnished to us before a binder is issued.)

8. Liens and leases that affect the title to the land, but that are subordinate to the lien of the insured mortgage. (Applies to Loan Policy (T-2) only.)

9. The Exceptions from Coverage and Express Insurance in Schedule B of the Texas Short Form Residential Mortgagee Policy (T-2R). (Applies to Texas Short Form Residential Mortgagee Policy (T-2R) only. Separate exceptions 1 through 8 of this Schedule B do not apply to the Texas Short Form Residential Mortgagee Policy (T-2R).

10. The following matters and all terms of the documents creating or offering evidence of the matters (We must insert matters or delete this exception.):

a. **Rights of Parties in Possession. (Owner Policy)**

b. **Rights of tenants, as tenants only, under any and all unrecorded leases or rental agreements.** ***(NOTE: This item can be deleted upon receipt of an Affidavit executed by the seller evidencing there are not any outstanding leases or rental agreements. If the Affidavit reveals unrecorded outstanding leases or rental agreements the exception may be modified to make specific exception to those matters.)***

c. **Any visible and apparent easement, either public or private, located on or across the land, the existence of which is not disclosed by the Public Records as herein defined.**

d. **Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the title that would be disclosed by an accurate and complete land survey of the land.**

e. **Any portion of subject property lying within the boundaries of a dedicated or undedicated public or private roadway.**

f. **Easement as shown on the plat and dedication set out in Schedule A hereof:**
Purpose: **public utility**
Location: **10 feet along all street rights-of-way**

g. **Terms, Conditions, and Stipulations in the Agreement:**
Recorded: **Volume 13270, Page 268, Real Property Records, Travis County, Texas.**
Type: **subdivision construction**

h. **Notice Regarding:** **Urban Renewal Plan**
Recorded: **Document No(s). 1999157295, 2000078958, 2002204815, 2005075165 and 2008169755, Official Public Records, Travis County, Texas.**

i. **Easement:**
Recorded: **Document No(s). 2006202643 and 2007095456, Official Public Records, Travis County, Texas.**
Purpose: **right of entry and possession**

j. **Easement:**
Recorded: **Volume 8271, Page 911, Real Property Records, Travis County, Texas.**
Purpose: **sidewalk and public utility**

k. **Easement:**
Recorded: **Volume 4369, Page 546, Deed Records, Travis County, Texas.**
Purpose: **electric and telephone**

l. **All leases, grants, exceptions or reservation of coal, lignite, oil, gas and other mineral, together with all rights, privileges, and immunities relating thereto appearing in the public records whether listed in Schedule B or not. There may be leases, grants, exceptions or reservations of mineral interest that are not listed.**

COMMITMENT FOR TITLE INSURANCE

SCHEDULE C

Your Policy will not cover loss, costs, attorneys' fees, and expenses resulting from the following requirements that will appear as Exceptions in Schedule B of the Policy, unless you dispose of these matters to our satisfaction, before the date the Policy is issued:

1. Documents creating your title or interest must be approved by us and must be signed, notarized and filed for record.

2. Satisfactory evidence must be provided that:

   a. no person occupying the land claims any interest in that land against the persons named in paragraph 3 of Schedule A,

   b. all standby fees, taxes, assessments and charges against the property have been paid,

   c. all improvements or repairs to the property are completed and accepted by the owner, and that all contractors, subcontractors, laborers and suppliers have been fully paid, and that no mechanic's, laborer's or materialmen's liens have attached to the property,

   d. there is legal right of access to and from the land,

   e. (on a Loan Policy only) restrictions have not been and will not be violated that affect the validity and priority of the insured mortgage.

3. You must pay the seller or borrower the agreed amount for your property or interest.

4. Any defect, lien or other matter that may affect title to the land or interest insured, that arises or is filed after the effective date of this Commitment.

5. **Lien in Favor of City of Austin:**

Recorded:	**Document No. 2001079508, Official Public Records, Travis County, Texas.**
Amount:	**$246.67**
Dated:	**5/16/2001**
Purpose:	**Clearance Lien**

6. **Company must be furnished a properly executed Corporate Resolution in recordable form of the Board of Directors of Urban Renewal Agency of the City of Austin authorizing the proposed transaction and establishing the authority of the officers to act on behalf of the corporation.**

   In addition, company requires verification from the Secretary of State that corporation is in existence and in good standing.

7. **Please furnish the names of the parties to be insured herein. Upon receipt of said names, additional requirements may be made.**

8. **NOTICE: Title Company is unwilling to issue the Title Policy without the general mineral exception(s) set out in Schedule B hereof pursuant to Procedural Rule P-5.1. Optional endorsements (T19.2 and T19.3) insuring certain risks involving minerals, and the use of improvements (excluding lawns, shrubbery and trees) and permanent buildings may be available for purchase upon request of the Proposed Insured. Neither this Policy, nor the optional endorsements, insure that the purchaser has title to the mineral rights related to the surface estate. (Loan Policy only)**

9. **Payment of any and all ad valorem taxes which may be due and payable on the subject property.**

10. **Company requires Owner, Seller and/or Borrower to complete an Affidavit of Debts and Liens prior to the issuance of the Title Insurance Policy.**

11. **Company must be furnished with a properly executed Waiver of Inspection signed by the Purchaser.**

12. **Good Funds in an amount equal to all disbursements must be received and deposited before any funds may be disbursed. Partial disbursements prior to the receipt and deposit of good funds are not permitted. Good Funds means cash, wire transfer, certified checks, cashier's checks and teller checks. Company reserves the right to require wired transfer of funds in accordance with Procedural Rule P-27 where immediate disbursement is requested.**

13. **ARBITRATION: The Owner Policy of Title Insurance (Form T-1) and the Loan Policy of Title Insurance (Form T-2) contain an arbitration provision. It allows the Insured or the Company to require arbitration if the amount of insurance is $2,000,000 or less. If the insured wants to retain the right to sue the Company in case of a dispute over a claim, the Insured must request deletion of the arbitration provision before the Policy is issued. The Insured may do this by signing the Deletion of Arbitration Provision form and returning it to the Company at or before the closing of the real estate transaction or by writing to the Company. {The Arbitration Provision may not be deleted on the Texas Residential Owner Policy of Title Insurance (Form T-1R).}**

14. ***NOTICE:*** **Pursuant to Procedural Rule P-71, Company may, upon request and if a licensed Agent in the County, issue a T-53 Texas Residential Limited Coverage Chain of Title Policy covering a period of 60 months, showing the following documents filed in the Official Public Records: none**

Countersigned
Independence Title Company

By_____
Authorized Signatory

PLAT OF

RESUBDIVISION OF THE EAST 65 FEET OF LOT 4, AND LOTS 5 & 6, BLOCK 2, JAMES O'REILLY'S SUBDIVISION OF OUTLOT NO. 38, DIVISION B

(SAID PLAT BEING RECORDED IN VOLUME 1, PAGE 39 OF THE PLAT RECORDS OF TRAVIS COUNTY, TEXAS)

CITY OF AUSTIN, TRAVIS COUNTY, TEXAS

MISC FILM CODE
00009831887

SCALE: 1"=100'
0 100' 200' 300' 400'

STATE OF TEXAS
COUNTY OF TRAVIS

KNOW ALL MEN BY THESE PRESENTS THAT ANDERSON COMMUNITY DEVELOPMENT CORPORATION, A TEXAS CORPORATION, ACTING BY AND THROUGH ITS PRESIDENT, RAY DELL GALLOWAY, OWNER OF THE EAST 65 FEET OF LOT 4, AND LOTS 5 AND 6, BLOCK 2, JAMES O'REILLY SUBDIVISION OF OUTLOT 38, DIVISION B, OF THE CITY OF AUSTIN, TEXAS, AS CONVEYED BY DEED OF RECORD IN VOLUME 12877, PAGE 0668 OF THE REAL PROPERTY RECORDS OF TRAVIS COUNTY, TEXAS. SAID LOTS BEING OUT OF THE JAMES O'REILLY SUBDIVISION OF OUTLOT 38, DIVISION B, OF THE CITY OF AUSTIN, TEXAS, AS RECORDED IN VOLUME 1, PAGE 39 OF THE PLAT RECORDS OF TRAVIS COUNTY, TEXAS, SAID SUBDIVISION HAVING BEEN APPROVED FOR FOR RESUBDIVISION PURSUANT TO THE PUBLIC NOTIFICATION AND HEARING PROVISION OF CHAPTER 212.015, OF THE LOCAL GOVERNMENT CODE DOES HEREBY RESUBDIVIDE 0.60 ACRES IN ACCORDANCE WITH THE ATTACHED MAP OR PLAT, TO BE KNOWN AS "RESUBDIVISION OF THE EAST 65 FEET OF LOT 4, AND LOTS 5 & 6, BLOCK 2, JAMES O'REILLY SUBDIVISION OF OUTLOT 38, DIVISION B" AND DOES HEREBY DEDICATE TO THE PUBLIC THE USE OF ALL EASEMENTS AND RIGHTS-OF-WAY SHOWN HEREON, SUBJECT TO ANY AND ALL EASEMENTS AND RESTRICTIONS HERETOFORE GRANTED AND NOT RELEASED.

WITNESS MY HAND THIS 4th DAY OF February A.D. 1998

Ray Dell Galloway
RAY DELL GALLOWAY, PRESIDENT
ANDERSON COMMUNITY DEVELOPMENT CORPORATION
1914-B EAST TWELFTH STREET
AUSTIN, TEXAS 78702

THE STATE OF TEXAS
COUNTY OF TRAVIS

BEFORE ME, Donna L Dearbonne A NOTARY PUBLIC, ON THIS DAY PERSONALLY APPEARED RAY DELL GALLOWAY, KNOWN TO ME ~~OR PROVED TO ME ON THE OATH OF~~ TO BE THE PERSON WHOSE NAME IS SUBSCRIBED TO THE FOREGOING INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE EXECUTED THE SAME FOR THE PURPOSES AND CONSIDERATION THEREIN EXPRESSED.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS THE 4th DAY OF February, A.D. 1998.

DONNA L. DEARBONNE
Notary Public
State of Texas
My Commission Expires
June 25, 2001
SEAL

Donna L. Dearbonne
NOTARY PUBLIC SIGNATURE

DONNA L. DEARBONNE
NOTARY PUBLIC PRINTED OR TYPED NAME

MY COMMISSION EXPIRES: 6-25-2001

SURVEYOR'S CERTIFICATION

I, GEORGE E. LUCAS, AM AUTHORIZED UNDER THE LAWS OF THE STATE OF TEXAS TO PRACTICE THE PROFESSION OF SURVEYING AND HEREBY CERTIFY THAT THIS PLAT COMPLIES WITH THE SURVEYING RELATED PORTIONS OF TITLE 13 OF THE AUSTIN CITY CODE OF 1981 AS AMENDED, IS TRUE AND CORRECT, AND WAS PREPARED FROM AN ACTUAL SURVEY OF THE PROPERTY MADE BY ME OR MADE UNDER MY SUPERVISION, MADE ON THE GROUND IN JULY 1997.

GEORGE E. LUCAS, R.P.L.S. 4160
SURVEYING BY: RANDALL JONES ENGINEERING, INC.
1212 E. BRAKER LANE, AUSTIN TEXAS 78753
(512)836-4793

ENGINEER'S CERTIFICATION

I, RANDALL S. JONES, AM AUTHORIZED UNDER THE LAWS OF THE STATE OF TEXAS TO PRACTICE THE PROFESSION OF ENGINEERING, AND HEREBY CERTIFY THAT THIS PLAT IS FEASIBLE FROM AN ENGINEERING STANDPOINT AND COMPLIES WITH THE ENGINEERING RELATED PORTION OF TITLE 13 OF THE AUSTIN CITY CODE OF 1981, AS AMENDED, AND IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

Randall S Jones 2/4/98
RANDALL S. JONES, P.E. 49872
ENGINEERING BY: RANDALL JONES ENGINEERING
1212 E. BRAKER LANE
AUSTIN, TEXAS 78753
(512)836-4793

STATE OF TEXAS
RANDALL S. JONES
49872
REGISTERED
PROFESSIONAL ENGINEER

FLOOD PLAIN CERTIFICATION
NO PORTION OF THIS TRACT IS WITHIN THE DESIGNATED FLOOD HAZARD AREA AS SHOWN ON THE FEDERAL FLOOD INSURANCE ADMINISTRATION FEMA RATE MAP 48453C0165 E, TRAVIS COUNTY, TEXAS, DATED JUNE 16, 1993.

Randall S Jones 2/4/98
RANDALL S. JONES, P.E. 49872 DATE

APPROVED FOR ACCEPTANCE:

for ALICE GLASCO, DIRECTOR
DEVELOPMENT REVIEW AND INSPECTION DEPARTMENT

ACCEPTED AND AUTHORIZED FOR RECORD BY THE PLANNING COMMISSION, CITY OF AUSTIN COUNTY OF TRAVIS, THIS THE 10th DAY OF February A.D. 1998

J.C. Dusty McCormick
DUSTY McCORMICK, CHAIR

Betty Baker
BETTY BAKER, SECRETARY

1. THIS PLAT IS LOCATED IN THE WALLER CREEK WATERSHED AND IS CLASSIFIED AS URBAN.
2. EROSION/SEDIMENTATION CONTROLS ARE REQUIRED FOR ALL CONSTRUCTION ON EACH LOT, INCLUDING SINGLE FAMILY AND DUPLEX CONSTRUCTION, PURSUANT TO SECTION 13-7-14 OF THE CITY OF AUSTIN LAND DEVELOPMENT CODE.
3. BUILDING SET-BACK LINES SHALL BE IN CONFORMANCE WITH THE CITY OF AUSTIN ZONING ORDINANCE REQUIREMENTS.
4. THE ELECTRIC UTILITY HAS THE RIGHT TO PRUNE AND/OR REMOVE TREES, SHRUBBERY AND OTHER OBSTRUCTIONS TO THE EXTENT NECESSARY TO KEEP THE EASEMENTS CLEAR. THE UTILITY WILL PERFORM ALL TREE WORK IN COMPLIANCE WITH CHAPTER 13-7, ARTICLE II OF THE CITY OF AUSTIN LAND DEVELOPMENT CODE.
5. THE OWNER /DEVELOPER OF THIS SUBDIVISION/LOT SHALL PROVIDE THE CITY OF AUSTIN ELECTRIC UTILITY DEPARTMENT WITH ANY EASEMENT AND/OR ACCESS REQUIRED, IN ADDITION TO THOSE INDICATED, FOR THE INSTALLATION AND ONGOING MAINTENANCE OF OVERHEAD AND UNDERGROUND ELECTRIC FACILITIES. THESE EASEMENTS AND/OR ACCESS ARE REQUIRED TO PROVIDE ELECTRIC SERVICE TO THE BUILDING AND WILL NOT BE LOCATED SO AS TO CAUSE THE SITE TO BE OUT OF COMPLIANCE WITH CHAPTER 13-7 OF THE CITY OF AUSTIN LAND DEVELOPMENT CODE. ELECTRIC EASEMENTS ARE RESERVED AS FOLLOWS: A 10' ELECTRIC EASEMENT ADJACENT TO ALL STREETS RIGHTS OF WAY. ANY ELECTRIC UTILITY ACTIVITY SHALL BE INCLUDED UNDER THE DEVELOPMENT PERMIT.
6. THE OWNER OF THIS SUBDIVISION AND HIS/HER SUCCESSORS AND ASSIGNS, ASSUMES RESPONSIBILITY FOR PLANS FOR CONSTRUCTION OR SUBDIVISION IMPROVEMENTS WHICH COMPLY WITH APPLICABLE CODES AND REQUIREMENTS OF THE CITY OF AUSTIN. THE OWNER UNDERSTANDS AND ACKNOWLEDGES THAT THE PLAT VACATION OR REPLATTING MAY BE REQUIRED, AT THE OWNERS SOLE EXPENSE IF PLANS TO CONSTRUCT THIS SUBDIVISION DO NOT COMPLY WITH SUCH CODES AND REQUIREMENTS.
7. BUILDINGS IN THIS SUBDIVISION SHALL NOT BE OCCUPIED UNTIL CONNECTED TO THE CITY OF AUSTIN WATER AND WASTE WATER SYSTEM.
8. PUBLIC SIDEWALKS, BUILT TO CITY OF AUSTIN STANDARDS, ARE REQUIRED ALONG THE FOLLOWING STREETS AND AS SHOWN BY A DOTTED LINE OF THE FACE OF THE PLAT: EAST 12th STREET AND ANGELINA STREET. THESE SIDEWALKS SHALL BE IN PLACE PRIOR TO THE BEING OCCUPIED. FAILURE TO CONSTRUCT THE REQUIRED SIDEWALKS MAY RESULT IN THE WITHHOLDING OF CERTIFICATES OF OCCUPANCY, BUILDING PERMITS, OR UTILITY CONNECTIONS BY THE GOVERNING BODY OR UTILITY COMPANY.
9. PRIOR TO CONSTRUCTION, EXCEPT DETACHED SINGLE FAMILY ON ANY LOT IN THIS SUBDIVISION, A SITE DEVELOPMENT PERMIT MUST BE OBTAINED FROM THE CITY OF AUSTIN.
10. ALL RESTRICTIONS AND NOTES FROM THE PRIOR SUBDIVISION, JAMES O'REILLY SUBDIVISION OF OUTLOT NO. 38 IN DIVISION B, IN THE CITY OF AUSTIN, TEXAS SHALL APPLY TO THIS RESUBDIVISION PLAT.
11. THE LANDOWNER MUST PAY THE IMPACT FEE WHEN THE LANDOWNER MAKES AN APPLICATION FOR A WATER AND WASTE WATER TAP PERMIT, IF REQUIRED.
12. NO SLOPE EXCEEDS 15% ON THIS PLAT.
13. THE OWNER SHALL BE RESPONSIBLE FOR INSTALLATION OF TEMPORARY EROSION CONTROL, REVEGETATION AND TREE PROTECTION FOR ELECTRIC UTILITY WORK REQUIRED TO PROVIDE ELECTRIC SERVICE TO THIS PROJECT. THIS ELECTRIC UTILITY WORK SHALL ALSO BE INCLUDED WITHIN THE LIMITS OF CONSTRUCTION OF THIS PROJECT.
14. THIS SUBDIVISION PLAT WAS APPROVED AND RECORDED BEFORE THE CONSTRUCTION AND ACCEPTANCE OF STREETS AND OTHER SUBDIVISION IMPROVEMENTS. PURSUANT TO THE TERMS OF A SUBDIVISION IMPROVEMENTS AGREEMENT BETWEEN THE SUBDIVIDER AND THE CITY OF AUSTIN, DATED 9/15 - 1998, THE SUBDIVIDER IS RESPONSIBLE FOR THE CONSTRUCTION OF ALL IMPROVEMENTS NEEDED TO SERVE THE LOTS WITHIN THE SUBDIVISION. THIS RESPONSIBILITY MAY BE ASSIGNED IN ACCORDANCE WITH THE TERMS OF THAT AGREEMENT.

FOR THE SUBDIVISION IMPROVEMENTS AGREEMENT PERTAINING TO THIS SUBDIVISION, SEE SEPARATE INSTRUMENT RECORDED IN VOLUME 13270 PAGE 262 IN THE DEED RECORDS OF TRAVIS COUNTY, TEXAS.

SEE SHEET 2 FOR ADDITIONAL NOTES

THE STATE OF TEXAS
COUNTY OF TRAVIS

I DANA DEBEAUVOIR, CLERK OF TRAVIS COUNTY, TEXAS, DO HEREBY CERTIFY THAT THE FOREGOING INSTRUMENT OF WRITING, WITH ITS CERTIFICATE OF AUTHENTICATION WAS FILED FOR RECORD IN MY OFFICE ON THE 17th DAY OF September 1998 A.D. AT 2:31 O'CLOCK P M., AND DULY RECORDED ON THE 17th DAY OF September 1998 A.D. AT 2:31 O'CLOCK P M., IN THE PLAT RECORDS OF SAID COUNTY AND STATE, IN PLAT BOOK 102, PAGE(S) 58-59.
WITNESS MY HAND AND SEAL OF OFFICE OF THE COUNTY CLERK, THE 17th DAY OF September 1998 A.D.

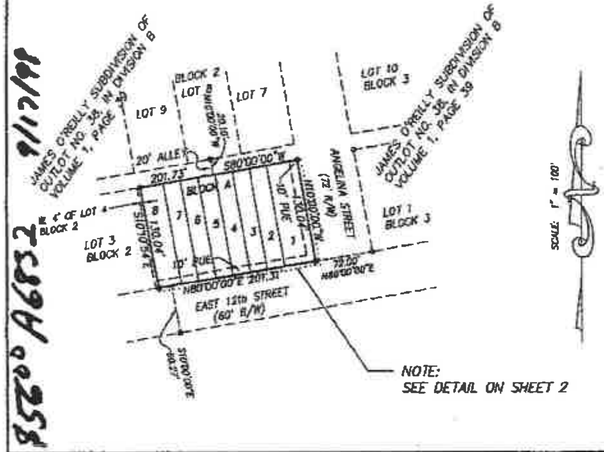
DANA DEBEAUVOIR, COUNTY CLERK
TRAVIS COUNTY, TEXAS

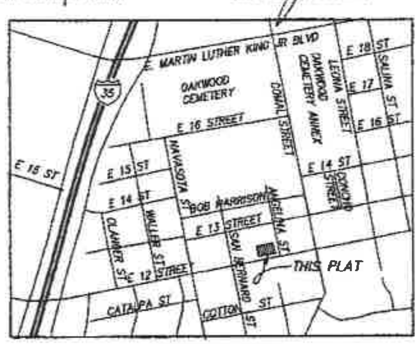
Y. GUERRA
DEPUTY

FILED FOR RECORD AT 2:31 O'CLOCK P M., THIS THE 17th DAY OF September 1998 A.D.

DANA DEBEAUVOIR, COUNTY CLERK
TRAVIS COUNTY, TEXAS

DEPUTY
Y. GUERRA





LOCATION MAP

LEGEND:
- ● = IRON ROD FOUND
- ○ = IRON ROD SET
- ········ = SIDEWALK REQUIRED
- P.U.E. = PUBLIC UTILITY EASEMENT

DATE: OCT. 22, 1997 SHEET 1 OF 2

RANDALL JONES ENGINEERING, INC.
ENGINEERING PLANNING SURVEYING
1212 E. BRAKER LANE AUSTIN, TEXAS 78753 (512) 836-4793

C8-97-0188.0A

PHOTOGRAPHIC MYLAR

9/17/98
8520 A6832

PLAT OF

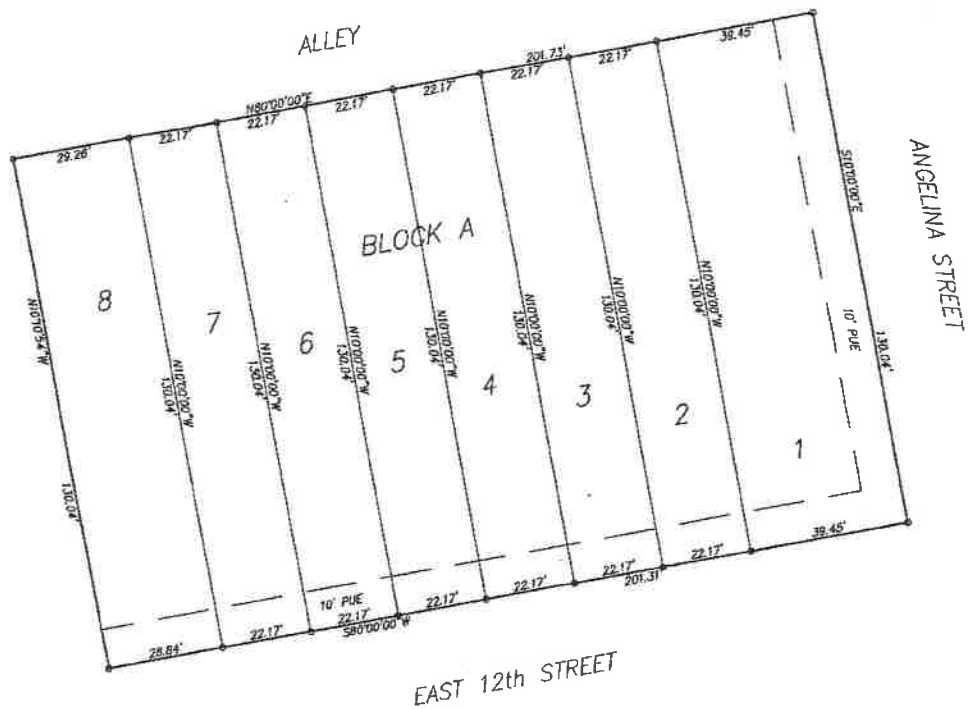
RESUBDIVISION OF THE EAST 65 FEET OF LOT 4, AND LOTS 5 & 6, BLOCK 2, JAMES O'REILLY'S SUBDIVISION OF OUTLOT NO. 38, DIVISION B

(SAID PLAT BEING RECORDED IN VOLUME 1, PAGE 39 OF THE PLAT RECORDS OF TRAVIS COUNTY, TEXAS)

RISC FILM CODE
00009831 [illegible]

SCALE: 1"=20'
0 20' 40' 60' 80'

SCALE: 1" = 20'



LEGEND:

o = IRON ROD SET

NOTES CONTINUED:

15. PRIOR TO CONSTRUCTION ON LOTS IN THIS SUBDIVISION, DRAINAGE PLANS WILL BE SUBMITTED TO THE CITY OF AUSTIN FOR REVIEW. RAINFALL RUN-OFF SHALL BE HELD TO THE AMOUNT EXISTING AT UNDEVELOPED STATUS BY PONDING OR OTHER APPROVED METHODS. ALL PROPOSED CONSTRUCTION OR SITE ALTERATION ON LOTS 1-8, BLOCK A REQUIRES APPROVAL OF A SEPARATE DEVELOPMENT PERMIT.
16. NO BUILDING, FENCES, LANDSCAPING OR OTHER OBSTRUCTIONS ARE PERMITTED IN DRAINAGE EASEMENTS EXCEPT AS APPROVED BY THE CITY OF AUSTIN OR TRAVIS COUNTY.
17. ALL DRAINAGE EASEMENTS ON PRIVATE PROPERTY SHALL BE MAINTAINED BY THE PROPERTY OWNER OR ASSIGNS.
18. THE PROPERTY OWNER SHALL PROVIDE ACCESS T DRAINAGE EASEMENTS AS MAY BE NECESSARY AND SHALL NOT PROHIBIT ACCESS BY GOVERNMENTAL AUTHORITIES.

DETAIL

SCALE: 1" = 20'

DATE: OCT. 22, 1997 SHEET 2 OF 2

RANDALL JONES ENGINEERING, INC.
ENGINEERING PLANNING SURVEYING
1212 E. BRAKER LANE AUSTIN, TEXAS 78753 (512) 836-4793

C8-97-0188.0A

C:\DWG\317\ABC 3\Y\ 4 Feb 1998 11:32:15 PM PDT

City of Austin

Office of Real Estate Services
P.O. Box 1088, Austin, Texas 78767
(512) 974-7090, Fax (512) 974-7088

March 12, 2013

J.L. Craft, MAI
J.L. Craft & Associates
911 West Anderson Lane, Suite 210
Austin, Texas 78757

Project Name:	East 12th Street Affordable Housing Project
File #:	4759.04A
Assignment Number:	44-268.04A
Property Owner:	Urban Renewal Agency
TCAD Parcel Number:	0207080826, 0207080825, 0207080824, 0207080823, 0207080822, 0207080821, 0207080820, 0207080819
Legal Description:	Lot 1-8 Block A OLT 38 Division B OReilly James Re-subdivision of the East 65 of Lot 4 & Lots 5&6 Block 2 (TCAD) NHC:Tract 5

Dear Mr. Craft,

Per our discussion, please proceed on the appraisal assignment regarding the above referenced parcel. The purpose of this appraisal is to develop an opinion of the market value of the subject properties to be acquired. Please provide an opinion of market value for the fee simple interest of the whole (larger parcel) property, the market value of the subject property. This is a whole property/fee simple appraisal assignment. The intended use of the appraisal is to assist the City of Austin in its internal decision-making process and acquisition of the property interest referenced above. The City of Austin is the client and the intended user(s) of the appraisal report is the City of Austin and/or its agents.

This appraisal assignment should be reported in a Self Contained Appraisal Report format in compliance with current Uniform Standards of Professional Appraisal Practice and the Uniform Appraisal Standards for Federal Land Acquisitions as well as the attached Supplemental Appraisal Requirements for the City of Austin. **An unsigned draft should be provided for my review.** Upon approval, please provide ***four (4) copies*** of the completed appraisal report.

Please provide an adjustment grid and a brief narrative discussion explaining the amount or degree of adjustments applied to the comparable properties utilized in the market analysis section, if appropriate for this assignment.

The owner(s) must be notified by regular mail of the inspection date and be given ample opportunity to accompany the appraiser. As I would like to be present, please contact me regarding the time and date of the inspection appointment. A copy of this notice to proceed and a copy of the letter to the property owner notifying them of the inspection should be included in your report.

The contact person for the property is Khris Starbuck and the telephone number is 974-7236.

The following definition of market value should be used:

> "The price which the property would bring when it is offered for sale by one who desires, but is not obligated to sell, and is bought by one who is under no necessity of buying it, taking into consideration all of the uses to which it is reasonably adaptable and for which it either is or in all reasonable probability will become available within the reasonable future." (City of Austin vs. Cannizzo, et al., 267 S.W.2d 808,815[1954]

We have agreed on a fee not to exceed $3,500 and a delivery date of April 5, 2013. No one other than the undersigned is authorized to alter the scope of this assignment. If it becomes apparent during the course of the assignment that the fee will exceed this amount, Real Estate Services is to be notified in writing for written authorization to amend the fee.

Regarding items of an administrative nature, your invoice for requested services and the letter of transmittal should contain the following information:

Address Report to:	Justin Steinhauer
Project Name:	East 12th Street Affordable Housing Project
File #:	4759.04A
Assignment Number:	44-268.04A
Property Owner:	Urban Renewal Agency
TCAD Parcel Number:	0207080826, 0207080825, 0207080824, 0207080823, 0207080822, 0207080821, 0207080820, 0207080819
Legal Description:	Lot 1-8 Block A OLT 38 Division B OReilly James Re-subdivision of the East 65 of Lot 4 & Lots 5&6 Block 2 (TCAD) NHC:Tract 5

Should you have any questions or need additional information, please contact me at 974-7201 or justin.steinhauer@austintexas.gov.

Sincerely,

Justin Steinhauer
Reviewer Appraiser
Sent by fax or email; original with attachments sent via regular mail

City of Austin Supplemental Appraisal Guidelines

1. Subject property inspections should be arranged within 7 to 10 days of the notice to proceed. If any property/owner issues arise, please contact COA Appraisal staff as soon as possible so that they can be addressed in a timely manner.

2. An on-site inspection of the subject property must be completed, except in cases where access has been denied by the property owner.

3. When providing an opinion of value on a property, analyze if, in your opinion, the improvements will be impacted by the acquisition. If the improvements are considered to be impacted, then a valuation of the property as improved is to be undertaken. If your analysis indicates that the improvements are not impacted, then a valuation of only the land component is necessary.

   The subject of the appraisal assignment is the property interest to be acquired. (For example, the proposed easement area and the rights included in the easement represent the subject property for the acquisition of a permanent easement.)

4. All comparable sales must be inspected.

5. Photographs of improved sales and rentals must be included in the report.

6. Plat maps must be included for all comparable sales, as well as the subject property.

7. All comparables must be confirmed in-house.

8. Comparable sale data sheets must include:

   - Name of confirmation source and confirmation date.
   - Inspection date of the comparable sale.
   - The date when the deeds were read.

9. Transactions where the City of Austin, or other condemning authority, is a party are not to be utilized.

10. Appraisers will read all deeds, including deeds pertaining to the subject property history (3 Years per USPAP for the subject) as well as those pertaining to the comparable sales.

11. A brief written description must accompany all adjustments made to the comparable sales as well as an adjustment grid.

12. When contacted by the review appraiser, you will have 7 days to provide a response to the review comments. Once the draft has been approved, you will have 5 days to provide final reports to the COA.

13. SFR appraisals may use URAR forms with supplemental pages addressing the partial acquisition and additional information.

QUALIFICATIONS OF J. L. CRAFT, PH.D., MAI

EDUCATION

Bachelor of Arts Degree from Texas Tech University - 1972
Doctor of Philosophy Degree from the University of Texas - 1977

LICENSES

State Certified General Real Estate Appraiser, Certificate No. TX-1320255-G

PROFESSIONAL MEMBERSHIPS

MAI - Designated Member of the Appraisal Institute
Member & Instructor, International Right of Way Association
Instructor 2001-2004 Annual Joint Symposium Appraisal Institute
IRWA Instructor 1998-2008 Annual Joint Seminar IRWA Chapters 39 & 74
Appraiser Qualifications Board of the Appraisal Foundation Certified USPAP Instructor, No. 10442

EXPERTISE

Qualified Expert Witness: City of Austin, Travis County, Federal Bankruptcy Court, and the State of Texas

APPRAISAL EXPERIENCE

J. L. Craft & Associates, 02/1994 - present
Appraiser, The Harry Seidman Company, 02/1992 - 02/1994
Appraiser, Kaiser & Associates, Kaiser-Seidman, Kaiser Craft & Associates 05/1982 - 02/1992
Trainee Appraiser, Appraisal Associates of Austin, Inc., 05/1980 - 05/1982

APPRAISAL PUBLICATIONS

"Logic and Rhetoric in Appraisal Reporting," *The Appraisal Journal*, April 1995
"Noncompensability and Project Influence," *Right of Way*, May/June, 1998
"Appraising Legally Nonconforming Properties," *Right of Way*, Jan./Feb, 2000

Schedule 5

PURCHASE AND SALE AGREEMENT
(1322-1336 E. 12th Street)

Note: Any substantive changes to the Agreement may render the proposal non-responsive.

THE STATE OF TEXAS §
§
COUNTY OF TRAVIS §

THIS PURCHASE AND SALE AGREEMENT ("***Agreement***") is made by and between the **URBAN RENEWAL AGENCY of the City of Austin, a Texas public body corporate and politic created under Chapter 374, Texas Local Government Code** ("***Seller***"), and **_____** ("***Purchaser***"), a _____.

A. Seller offered the Property (defined below) for sale pursuant to a certain Request for Proposals (the "***RFP***") dated **September 13, 2013**. In connection with the RFP, Seller made available certain information concerning the Property on its website and upon request. Such information, included, but was not limited to, copies of an Appraisal and a title commitment. As used herein, the term "***Proposal Package***" collectively means the RFP, title commitment, Appraisal and any and all information concerning the Property made available to Purchaser in connection therewith.

B. Purchaser was the apparent successful proposer in connection with the RFP and does hereby acknowledge that in connection with the submission of its proposal on the Property under the RFP, Purchaser has received and reviewed the Proposal Package.

I.
Sale and Purchase; Property

1.01 **Sale and Purchase**. Seller hereby agrees to sell and convey unto Purchaser, and Purchaser hereby agrees to purchase from Seller and pay for the following described property, for the price and subject to the provisions herein set forth:

(a) Approximately 26,206 square feet (0.602 acre) of land, more or less, situated in Travis County, Texas, more particularly described in **Exhibit "A"** attached hereto and made a part hereof for all purposes, including all improvements thereon, if any ("***Land***"); and

(b) All other rights and appurtenances belonging or in anyway pertaining to the Land, **SAVE AND EXCEPT any interest Seller has in adjoining**

streets, alleyways, rights of way and utility easements, if any, affecting the Land.

The Land and all appurtenances thereto described in this **Section 1.01** are hereinafter collectively called the "***Property.***"

II.
Consideration

2.01 **Purchase Price**. The purchase price ("***Purchase Price***") to be paid by Purchaser to Seller for the sale and conveyance of the Property is $_____, and is payable to Seller at the closing of the transaction contemplated hereby ("***Closing***") in immediately available and good funds by cashier's check or wire transfer.

2.02 **Proposal Security**. Purchaser has provided $10,000.00 to Seller as a Proposal Security at the time of making the proposal, in accordance with the requirements of the RFP, to secure Purchaser's obligation to provide financial and other information, to sign this Agreement and to provide the Deposit described in Section 2.03. It is agreed that the Proposal Security, if not forfeited by the Purchaser, will constitute additional earnest money for the sale of the Property to Purchaser, and will be applied to the Purchase Price at Closing. The Proposal Security will be held by the Title Company on behalf of Seller and will not be deposited into an interest-bearing account.

2.03 **Deposit; Earnest Money.** Purchaser shall deposit with Independence Title Company ("***Title Company***") at its office at 203 West Main Street, Suite A, Pflugerville, Texas 78660 ("***Title Insurance Company's Office***") attn. Connie Wooster, Closer, the amount of Ten Thousand Dollars ($10,000.00) (the "***Deposit***") in good funds, within 2 business days after execution of this Agreement by Seller and Purchaser. If Purchaser fails to timely deliver the Deposit in good funds, the award will be considered not to have been completed, and Seller may retain the Purchaser's Proposal Security, and award the sale to the next highest and best responsible proposer, or pursue any right or remedy available at law or equity. The Deposit and any interest thereon are collectively referred to herein as the "***Earnest Money***." If the transaction contemplated hereby is consummated in accordance with the terms and provisions hereof, the Earnest Money will be credited against the Purchase Price at Closing. If the transaction is not so consummated, the Earnest Money will be held and delivered by Title Company as herein provided. Title Company must deposit the Earnest Money into an interest-bearing account maintained at a federally insured bank located in Travis County, Texas. Such account must have no penalty for early withdrawal.

III.
Title and Survey

3.01 **Survey**. Purchaser acknowledges that Seller has not made available to Purchaser in connection with the Proposal Package an existing on-the-ground survey of the Land (the "***Initial Survey***").

3.02 **Title Commitment**. Purchaser acknowledges that Seller has made available to Purchaser in connection with the Proposal Package an initial title commitment covering the Property (the "***Initial Title Commitment***") issued by the Independence Title Company. Within 10 days after the Commencement Date, Seller will, at Purchaser's sole cost and expense, cause Title Company to furnish to Purchaser the following:

(a) an update of the Initial Title Commitment (the "***Updated Title Commitment***"), which binds Title Company to issue at Closing an owner's policy of title insurance (the "***Title Policy***") on the standard form promulgated by the Texas Department of Insurance, in the amount of the Purchase Price, insuring Purchaser's fee simple title to the Land to be good and indefeasible subject to the terms of such policy and exceptions shown in the Updated Title Commitment; and

(b) true, correct, and legible copies of any and all additional documents, if any, referred to in the Updated Title Commitment as constituting exceptions to or restrictions upon the title of Seller.

3.03 **Acceptance of Title.** Purchaser has been provided with information on the Property as described herein, and has had an opportunity to review such information and conduct its own investigations of the condition and title to the Property. By executing this Agreement, Purchaser has agreed to take title to the Property by the Special Warranty Deed ("**Deed**") substantially in the form attached hereto as "**Exhibit B**," and subject to the Permitted Exceptions shown therein. Purchaser may negotiate with Title Company to amend any Schedule B exceptions to the Updated Title Commitment.

IV.
Covenants and Representations

4.01 **Representations of Seller**. Seller represents to Purchaser the following:

(a) To Seller's actual knowledge (with no further duty to investigate), the Property has never been used in such a way as to create any environmental condition that is actionable under any federal, state or local environmental law or regulation.

(b) The person signing this Agreement on behalf of Seller has the full right, power and authority to enter into this Agreement on behalf of Seller, and to carry out Seller's obligations, including the conveyance of the Property to Purchaser as provided in this Agreement, without the joinder of any other person.

(c) Except as disclosed in the Proposal Package, to the best of Seller's actual knowledge, there are no outstanding written or oral leases or agreements relating to the use or possession of the Property, and to

Seller's actual knowledge (with no further duty to investigate), there are no parties claiming adverse possession of the Property.

(d) To Seller's actual knowledge (with no further duty to investigate), there are no actions, suits or proceedings pending or threatened against Seller affecting any portion of the Property or affecting Seller's ability to sell and convey the Property, at law or in equity, or before any governmental authority, including but not limited to, proceedings to enforce the power of eminent domain or condemnation by any governmental authority possessing such powers.

As used in this Agreement, the term "Seller's actual knowledge" means the actual knowledge of the Officer of the Office Real Estate Services of the City of Austin.

4.02 **Property Condition**. Seller will convey the Property "***AS IS, WHERE IS, WITH ANY AND ALL FAULTS"*** subject to the following disclaimer:

It is understood and agreed that other than the warranties of title contained in the Deed (defined in Section 7.02), and other than the representations expressly made in this Agreement, Seller has not made any warranties or representations of any kind or character, express or implied, with respect to the Property, including, but not limited to, zoning, tax consequences, physical or environmental conditions, availability of access, ingress or egress, operating history, projections, valuation, marketability, suitability for a particular purpose, governmental approvals, governmental regulations or any other matter or thing relating to or affecting the Property. Purchaser agrees that with respect to the Property, Purchaser has not relied upon and will not rely upon, either directly or indirectly, any representations or warranties of Seller (other than the warranties and representations otherwise expressly contained in this Agreement). Purchaser represents that it is a knowledgeable purchaser of real estate and that it is relying solely on its own expertise and that of its consultants, and that Purchaser has conducted or had the opportunity to conduct such inspections and investigations of the Property, including, but not limited to, the physical and environmental conditions thereof, and relies upon same, and assumes the risk that adverse matters, including, but not limited to, adverse physical and environmental conditions, may not have been revealed by its inspections and investigations. Purchaser acknowledges and agrees that upon Closing, Seller is selling and conveying to Purchaser and Purchaser is accepting the Property" *AS IS, WHERE IS*, *WITH* ANY AND *ALL FAULTS,"* and there are no oral agreements, warranties or representations, collateral to or affecting the Property by Seller or any third party other than those expressly contained in this Agreement. In no event is Seller responsible or liable for latent or patent defects or faults, if any, in the Property, or for remedying or repairing same, including, but not limited to, conditions relating to asbestos or asbestos containing materials, environmental contamination, underground storage tanks or hazardous or toxic

materials, chemicals or waste, or for constructing or repairing any streets, waterwells, septic tank systems, utilities or any improvements located on the Land or shown on any plat of the Land. The provisions of this Section 4.02 will survive the Closing and will be included in the Deed.

THIS CONTRACT IS AN ARMS-LENGTH AGREEMENT BETWEEN THE PARTIES. THE PURCHASE PRICE WAS BARGAINED ON THE BASIS OF AN "AS IS, WHERE IS" TRANSACTION AND REFLECTS THE AGREEMENT OF THE PARTIES THAT THERE ARE NO REPRESENTATIONS, DISCLOSURES, OR EXPRESS OR IMPLIED WARRANTIES, EXCEPT FOR THE WARRANTY OF TITLE STATED IN THE CLOSING DOCUMENTS AND SELLER'S REPRESENTATIONS TO PURCHASER SET FORTH IN THIS AGREEMENT.

THE PROPERTY WILL BE CONVEYED TO PURCHASER IN AN "AS IS, WHERE IS" CONDITION, WITH ANY AND ALL FAULTS. ALL WARRANTIES, EXCEPT THE WARRANTY OF TITLE IN THE CLOSING DOCUMENTS, ARE DISCLAIMED.

These provisions of Section 4.02 will be included in the Deed and will survive Closing.

4.03 **Environmental Matters.**

AFTER CLOSING, AS BETWEEN PURCHASER AND SELLER, THE RISK OF LIABILITY OR EXPENSE FOR ENVIRONMENTAL PROBLEMS, EVEN IF ARISING FROM EVENTS BEFORE CLOSING, WILL BE THE SOLE RESPONSIBILITY OF PURCHASER, REGARDLESS OF WHETHER THE ENVIRONMENTAL PROBLEMS WERE KNOWN OR UNKNOWN AT CLOSING. ONCE CLOSING HAS OCCURRED, PURCHASER INDEMNIFIES, HOLDS HARMLESS, AND RELEASES SELLER FROM LIABILITY FOR ANY LATENT OR PATENT DEFECTS AND FROM ANY LIABILITY FOR ENVIRONMENTAL PROBLEMS AFFECTING THE PROPERTY, INCLUDING LIABILITY UNDER THE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION, AND LIABILITY ACT (CERCLA), THE RESOURCE CONSERVATION AND RECOVERY ACT (RCRA), THE TEXAS SOLID WASTE DISPOSAL ACT, OR THE TEXAS WATER CODE. **PURCHASER INDEMNIFIES, HOLDS HARMLESS, AND RELEASES SELLER FROM ANY LIABILITY FOR ENVIRONMENTAL PROBLEMS AFFECTING THE PROPERTY ARISING AS THE RESULT OF SELLER'S OWN NEGLIGENCE OR THE NEGLIGENCE OF SELLER'S REPRESENTATIVES.** PURCHASER INDEMNIFIES, HOLDS HARMLESS, AND RELEASES SELLER FROM ANY LIABILITY FOR ENVIRONMENTAL PROBLEMS AFFECTING THE PROPERTY ARISING AS THE RESULT OF THEORIES OF PRODUCTS LIABILITY AND STRICT LIABILITY, OR UNDER NEW LAWS OR CHANGES TO EXISTING LAWS ENACTED AFTER THE EFFECTIVE DATE OF THIS AGREEMENT THAT WOULD OTHERWISE IMPOSE ON SELLERS IN THIS TYPE OF TRANSACTION NEW LIABILITIES FOR ENVIRONMENTAL PROBLEMS AFFECTING THE PROPERTY.

These provisions of Section 4.03 will be included in the Deed and will survive Closing.

4.04 **Representations and Warranties of Purchaser**. Purchaser represents and warrants to Seller as follows:

(a) There are no attachments, executions, assignments for the benefit of creditors, or voluntary or involuntary proceedings in bankruptcy or under other debtor relief laws contemplated by, pending, or to the best of Purchaser's knowledge, threatened against Purchaser.

(b) The person signing this Agreement as Purchaser or on behalf of Purchaser has the full right, power and authority to enter into this Agreement as Purchaser or on behalf of Purchaser, and to carry out Purchaser's obligations without the joinder of any other person.

(c) No notice of a violation of any governmental requirement has been issued to Purchaser and there are no actions, suits or proceedings pending or, to Purchaser's actual knowledge, threatened against Purchaser affecting Purchaser's ability to perform its obligations under this Agreement, including without limitation, purchasing and holding title to the Property, at law or in equity, or before any governmental authority.

(d) Purchaser has and will continue to have at Closing the financial capacity to perform its obligations hereunder.

(e) Purchaser intends to use the Property for the following purpose (provide a specific description of the intended use of the Property):
_____

V.
Review Period

5.01 **No Review Period.** No Review Period will be provided in this Agreement. Purchaser has been provided with a title commitment, appraisal and other information on the Property, and has had an opportunity prior to proposal submission to review such information and conduct its own investigations of the condition and title to the Property. By submitting its proposal, and executing this Agreement, Purchaser has agreed to take title to the Property in its existing condition, as is, where is, and with any and all faults, in accordance with the terms of the Deed.

VI.
Remedies

6.01 **Purchaser's Remedies**. In the event Seller breaches its obligation to sell the Property to Purchaser at closing for any reason other than a default by Purchaser, or a termination of this Agreement as provided in this Agreement, then Purchaser will have as its sole and exclusive remedy, the right to terminate this Agreement and obtain the return of its Earnest Money and the Proposal Security.

6.02 **Seller's Remedies**. In the event Purchaser fails or refuses to timely comply with its obligations hereunder or is unable to do so as the result of its act or failure to act, Seller may (i) terminate this Agreement, retain the Earnest Money and Proposal Security as liquidated damages and not as a penalty; or (ii) pursue specific performance of this Agreement; and/or (iii) pursue any other rights or remedies available at law or equity.

6.03 **Attorney's Fees**. If either party retains an attorney to enforce this Agreement, the party prevailing in litigation is entitled to recover reasonable attorney's fees as provided by Section 271.159 of the Texas Local Government Code, expenses and court and other costs from the non-prevailing party.

VII.
Closing

7.01 **Closing Date**. This transaction must close (the "***Closing***") at Title Company's Offices on or before **January 13, 2014** ("***Closing Date***") and at a date and time mutually agreed upon by Seller and Purchaser, unless otherwise extended as herein provided. In the event no date and time is so agreed upon, then the Closing shall occur on January 13, 2014 at 2:00 p.m. at the Title Company's Offices.

7.02 **Closing Matters**. At the Closing, (a) Seller must (i) request the Title Company to issue the Title Policy to Purchaser at Purchaser's expense; (ii) Seller must execute and deliver to Purchaser a Special Warranty Deed ("***Deed***") conveying to Purchaser good and indefeasible fee simple title to the Property, subject to all matters of record or visible and apparent on the ground, such Deed to be substantially in the form attached hereto as **Exhibit "B"**; (iii) deliver possession of the Property to Purchaser; and (iv) execute and deliver such other documents reasonably requested by Title Company to consummate the transaction contemplated herein; and (b) Purchaser must deliver to Seller (i) the Purchase Price less the Earnest Money previously deposited with Title Company and (ii) execute and deliver such other documents reasonably requested by Title Company to consummate the transaction contemplated herein.

7.03 **Closing Costs**. Purchaser must pay (i) all costs for the Updated Title Commitment and the Title Policy, (ii) the escrow fee charged by Title Company along with any other fees that may be charged by the Title Company, (iii) all costs for any tax certificates, (iv) the cost of any feasibility tests or studies conducted by Purchaser, (v) the cost of the Survey, if any, and (vi) the cost of modifying the Title Policy to delete the survey exception to read "shortages in area" and any other endorsements to the Title Policy required by Purchaser, and (vii) execute the Performance Guarantee set forth as Exhibit "C" to this Agreement. Each party will be responsible for the payment of its own attorney's fees, if any, incurred in connection with this transaction, except as provided in Section 6.03.

7.04 **Taxes**. Taxes for the year of Closing will be prorated to the date of Closing. If, at Closing, tax information for the appropriate tax year is not available, the tax proration

will be based on the latest available information. Any additional ad valorem taxes relating to the year of Closing and prior years arising out of the change in land usage or ownership must be paid by Purchaser when assessed. Purchaser assumes the payment of taxes for the year 2013 and subsequent years, and taxes for prior years assessed after the date hereof. These provisions shall survive Closing.

VIII.
Miscellaneous

8.01 **Entire Agreement**. This Agreement and the Request for Proposal, Purchaser's Proposal and all attachments and exhibits thereto, contain the entire agreement of the parties hereto as to the subject matter hereof. There are no other agreements, oral or written, between the parties regarding the sale and purchase of the Property, and this Agreement can be amended only by written agreement signed by the parties hereto and by reference made a part hereof. All Schedules, Attachments and Exhibits to the Agreement, the Proposal, and the Request for Proposal are incorporated therein for all pertinent purposes.

8.02 **Binding**. This Agreement, and the terms, covenants and conditions herein contained, are covenants running with the Land and inure to the benefit of and are binding upon the parties hereto, and their heirs, personal representatives, successors and assigns. The Seller has the right to enforce the Use and Development Restrictions after Closing in any manner provided by law or equity. The Use and Development Restrictions can only be modified or terminated by the written agreement of the Seller and the owner(s) of the Property at the time of modification or termination.

8.03 **Assignment**. Purchaser does not have the right to assign its rights under this Agreement without Seller's prior written consent, which Seller may withhold in its discretion.

8.04 **Commencement Date**. The commencement date ("***Commencement Date***") of this Agreement is the date on which Title Company acknowledges in writing its receipt of the Earnest Money and a fully executed copy of this Agreement.

8.05 **Notice**. Any notice, communication, request, reply or advice (severally and collectively referred to as "***Notice***") required to be given under this Agreement must be in writing. Notice may, unless otherwise provided herein, be given or served (a) by depositing the same in the United States mail, postage paid, certified mail, and addressed to the party to be notified, with return receipt requested, (b) by delivering the same to such party by hand or by a recognized overnight carrier, or (c) when appropriate, by sending via facsimile transmission (with electronic confirmation of receipt) addressed to the party to be notified. Notice sent by certified mail in the manner hereinabove described will be deemed delivered when deposited in the mail, whether or not actually received. Notice given in any other manner is to be effective only if and when received by the party to be notified. For the purposes of notice, the addresses of the parties are, until changed as provided below, as follows:

Seller's Representative:	The City of Austin One Texas Center, Suite 1350 505 Barton Springs Road Austin, Texas 78704 Attention: Ms. Mashell Smith Fax: (512) 974-7088
With copy to:	City Attorney City of Austin Law Department 301 West 2nd Street, 4th Floor Austin, Texas 78701 Attn: Jim Williams Fax: (512) 974-6490
Purchaser:	_____ _____ _____ Attention: _____ Fax: (___) _____
With copy to:	_____ _____ _____ Attention: _____ Fax: (___) _____

The parties hereto have the right from time to time to change their respective addresses, and each has the right to specify as its address any other address within the United States of America by at least 14 day's written notice to the other party.

8.06 **Condemnation and Litigation.** If, prior to Closing, any governmental or other entity having condemnation authority institutes an eminent domain proceeding or takes any steps preliminary thereto (including the giving of any direct or indirect notice of intent to institute such proceedings) with regard to the Property, or any part thereof, which would have a material adverse affect on the Purchaser's ability to use the Property for its intended purpose, and the same is not dismissed on or before ten (10) days prior to Closing, Purchaser is entitled either to terminate this Agreement by giving written notice to Seller prior to Closing, in which event the Earnest Money and Proposal Security will be returned to Purchaser, or to waive such right of termination, close on the sale of the Property and receive all condemnation proceeds applicable to the condemnation of the Property.

8.07 **Casualty Loss.** Purchaser will bear the risk of any casualty loss occurring to the Property on or before Closing.

8.08 **Time**. Time is of the essence in all things pertaining to the performance of this Agreement. If any date or any period provided in this Agreement ends on a Saturday, Sunday or legal holiday on which the administrative offices of the City of Austin are closed, the applicable period will be extended to the first business day following such Saturday, Sunday or legal holiday.

8.09 **Obligations**. To the extent necessary to carry out the terms and provisions hereof, the terms, conditions, warranties, representations, obligations and rights set forth herein will not be deemed terminated at the time of Closing, nor will they merge into the various documents executed and delivered at the time of Closing.

8.10 **Applicable Law and Venue**. The construction and validity of this Agreement is to be governed by the laws of the State of Texas. This Agreement is performable in Travis County, Texas.

8.11 **Construction**. Each party acknowledges that it and its counsel have reviewed this Agreement and that there will be no presumption that any ambiguities will be resolved against the drafting party in the interpretation of this Agreement.

8.12 **Survival of Covenants**. All provisions of the Agreement which expressly state that they survive Closing and all of the representations, warranties, covenants and agreements of the parties of this Agreement, and all of the rights and benefits of the parties which pertain to a period of time following Closing, survive the Closing and are not merged with the Deed and closing documents.

8.13 **Broker**. Seller represents and warrants to Purchaser that no person or entity now claims or will claim any commission, finder's fee or other amounts by, through, under or as a result of any relationship with Seller because of such transactions. In the event of a termination of this Agreement, no broker shall have any right to share in the Earnest Money, if retained by Seller. Purchaser represents and warrants to Seller that either (i) Purchaser has not engaged any broker or finder in connection with any of the transactions contemplated by this Agreement or (ii) any such broker or finder has been engaged under a separate written agreement with Purchaser, will be independently compensated by Purchaser, and will not claim any commission, finder's fee, statutory broker's lien, or other amounts against the Purchase Price or the Earnest Money by, through, under, or as a result of this Agreement or the transaction contemplated hereunder. Purchaser agrees to hold the Seller harmless from and against any and all costs, liability, expenses, claims, losses, liens, or damages, including reasonable attorneys' fees, resulting from any breach of the representations and warranties contained in this Section.

8.14 **No Third-Party Beneficiaries**. There are no third-party beneficiaries to this Agreement.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS HEREOF, this Agreement has been duly executed by the parties hereto on the respective dates appearing opposite each party's signature, to be effective as of the Commencement Date.

SELLER:

Urban Renewal Agency

By:_____

Date: _____

APPROVED AS TO FORM:

By:_____
James M. Williams, Sr.
Assistant City Attorney

PURCHASER:

_____

By: _____
Name: _____
Title: _____
Date:_____

The undersigned Real Estate Broker was engaged by Purchaser and is executing this Agreement to evidence its agreement that it will look solely to the Purchaser for payment of its commission, and that it will not make any claim against the Proposal Security, Earnest Money, the Purchase Price or other amounts paid by Purchaser to Seller under this Agreement, and that it waives any lien or other rights that it may have to assert a claim against or lien on such amounts.

BROKER:

_____

By:_____

Name:_____

Title:_____

Date:_____

JOINDER BY TITLE COMPANY

The undersigned, Independence Title Insurance Company referred to in this Agreement as the "***Title Company***," hereby acknowledges that it received a copy of the Agreement executed by Seller and Purchaser with a Proposal Security in the amount of $10,000, Earnest Money in the amount of $10,000, and accepts the obligations of Title Company as set forth herein.

INDEPENDENCE TITLE INSURANCE COMPANY

By: _____

Name: _____
Escrow Officer

Date: _____

List of Exhibits:

Exhibit "A" Property Description
Exhibit "B" Special Warranty Deed
Exhibit "C" Executed the City of Austin Fiscal Security for or other evidence of Performance Guaranty as proposed by Purchaser

EXHIBIT "A" TO

PURCHASE AND SALE AGREEMENT

PROPERTY DESCRIPTION

Lots 1, 2, 3, 4, 5, 6, 7, and 8, Block A, Resubdivision of the East 65 feet of Lot 4, and Lots 5 and 6, Block 2, James O'Reilly Subdivision of Outlot 38, Division B, according to the map or plat thereof, recorded in Volume 102, Page 88, Plat Records, Travis County, Texas (the "***Property"***).

EXHIBIT "B" TO

PURCHASE AND SALE AGREEMENT

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

SPECIAL WARRANTY DEED

STATE OF TEXAS §
§
COUNTY OF TRAVIS §

DATE: _____, 20__

GRANTORS: Urban Renewal Agency of the City of Austin, a Texas public body corporate and politic created under Chapter 374, Texas Local Government Code

GRANTORS MAILING ADDRESS: P.O. Box 1088
Austin, Travis County,
Texas 78767-8839
Attn.: Office of Real Estate Services

GRANTEE: _____

GRANTEE'S MAILING ADDRESS: _____
_____
_____
(including county)

CONSIDERATION: TEN DOLLARS AND NO/100 ($10.00) and other valuable consideration, the receipt and sufficiency of which is acknowledged.

RESERVATIONS FROM AND EXCEPTONS TO CONVEYANCE AND WARRANTY: As Shown in Exhibit B

PROPERTY : The Property described below:

Lots 1, 2, 3, 4, 5, 6, 7, and 8, Block A, Resubdivision of the East 65 feet of Lot 4, and Lots 5 and 6, Block 2, James O'Reilly Subdivision of Outlot 38, Division B, according to the map or plat thereof, recorded in Volume 102, Page 88, Plat Records, Travis County, Texas (the "***Property***").

Grantor, for the consideration and subject to the reservations from and exceptions to conveyance and warranty, **grants, sells**, and **conveys** to Grantee the Property, together with all and singular the rights and appurtenances thereto in any wise belonging, to **have** and **hold** it to Grantee, Grantee's successors or assigns forever. Grantor binds Grantor and Grantor's administrators, successors and assigns to warrant and forever defend all and singular the Property to Grantee and Grantee's successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof, when the claim is made by, through or under Grantor, but not otherwise.

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

IN WITNESS WHEREOF, Grantors have caused this instrument to be executed on _____, 20__.

GRANTORS: Urban Renewal Agency of the City of Austin, a Texas public body corporate and politic created under Chapter 374, Texas Local Government Code

By: _____

APPROVED AS TO FORM:

_____
James M. Williams, Sr.
Assistant City Attorney

STATE OF TEXAS §
§
COUNTY OF TRAVIS §

This instrument was acknowledged before me on _____, 20___ by _____

[SEAL]

_____
Notary Public, State of Texas

<u>AFTER RECORDING, RETURN TO CITY OF AUSTIN PICK UP BOX</u>:
974-7090
ATTN: Mashell Smith

File#:
Project Name: Tract 5

EXHIBIT A
PERMITTED EXCEPTIONS

Rights shall remain with the parcel:

1. **Rights of tenants, as tenants only, under any and all unrecorded leases or rental agreements.** (NOTE: This item can be deleted upon receipt of an Affidavit executed by the seller evidencing there are not any outstanding leases or rental agreements. If the Affidavit reveals unrecorded outstanding leases or rental agreements the exception may be modified to make specific exception to those matters.)

2. **Public Utility Easement**, 10 feet along all street rights-of-way, as shown on the plat and dedication recorded in Volume 102, Page 88, Plat Records, Travis County, Texas.

3. **Terms, Conditions, and Stipulations in the Agreement** recorded in Volume 13270, Page 268, Real Property Records, Travis County, Texas.

4. **Notice Regarding Urban Renewal Plan**, Recorded Document No(s). 1999157295, 200078958, 2002204815, 2005075165, and 2008169755, Official Public Records, Travis County, Texas.

5. **All leases, grants, exceptions or reservation of coal, lignite, oil, gas and other mineral, together with all rights, privileges, and immunities relating thereto appearing in the public records.**

Schedule 6-A

Resolution of Corporate Authority for General Partner

I, _____ {name}, the undersigned **Secretary** of _____ {name of corporation} the "Corporation", hereby certify that:

Corporation is duly organized and existing under the laws of the State of _____. The following is a true and accurate transcript of a Resolution adopted at the _____ {date} Board meeting. The Corporation's Board of Directors adopted the Resolution, which is contained in Corporation's minute book, at a duly authorized board meeting. A quorum of Corporation's Board of Directors was present at the entire board meeting and all actions taken at the meeting complied with Corporation's charter and by-laws. The Resolution has not been amended or revoked on the date signed below, and remains in full force and effect.

Resolved, that _____ {name} _____ {title} of _____ {name of corporation}, is empowered to sign any and all documents, on behalf of said Corporation, acting in its capacity as General Partner of _____ {name of Partnership}, a _____ {state} Limited Partnership, as in his or her judgment may be necessary or appropriate, related to conveying ____ **{Easements, Street Deed}** to the City.

Signed and sealed on _____, 20____.

{Seal}

_____

Secretary

ACKNOWLEDGMENT

STATE OF TEXAS §
§
COUNTY OF TRAVIS §

Before me, _____ (name) the undersigned Notary Public of the State of Texas, on this day personally appeared _____, [choose one] {known to me **or** proved to me through _____ (TDL#)}, to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that s/he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office this _____ day of _____, A.D. 20___ .

[SEAL]

_____
Notary Public, State of Texas

Note: Resolution of Corporate Authority authorizing the **President** or a **Vice President** to sign all corporate documents must be signed, attested, and dated by the corporate **Secretary** no earlier than three months before the Closing date.

Schedule 6-B

Resolution of Corporate Authority

I, _____ {name}, the undersigned **Secretary** of _____ {name of corporation} the "Corporation", hereby certify that:

Corporation is duly organized and existing under the laws of the State of _____. The following is a true and accurate transcript of a Resolution adopted at the _____ {date} Board meeting. The Corporation's Board of Directors adopted the Resolution, which is contained in Corporation's minute book, at a duly authorized board meeting. A quorum of Corporation's Board of Directors was present at the entire board meeting and all actions taken at the meeting complied with Corporation's charter and by-laws. The Resolution has not been amended or revoked on the date signed below, and remains in full force and effect.

Resolved, that _____ {name} _____ {title} of _____ {name of corporation}, is empowered to sign any and all documents on behalf of said Corporation related to conveying ____ **{Easements, Street Deed}** to the City.

Signed and sealed on _____, 20____.

{Seal}

_____

Secretary

ACKNOWLEDGMENT

STATE OF TEXAS §
§
COUNTY OF TRAVIS §

Before me, _____ (name) the undersigned Notary Public of the State of Texas, on this day personally appeared _____, [choose one] {known to me **or** proved to me through _____ (TDL#)}, to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that s/he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office this _____ day of _____, A.D. 20___ .

[SEAL]

_____
Notary Public, State of Texas

Note: Resolution of Corporate Authority the **President** or a **Vice President** to sign corporate documents must be signed, attested, and dated by the corporation **Secretary** no earlier than three months before date of the Closing date.

Schedule 6-C

Resolution of Corporate Authority for a Limited Liability Company

I, _____ {name}, the undersigned **Member** of _____ {name of limited liability company} the "Company", hereby certify that:

Company is a limited liability company duly organized and existing under the laws of the State of _____. The following is a true and accurate transcript of a Resolution adopted at the _____ {date} Member meeting. The Company's Members adopted the Resolution, which is contained in Company's minute book, at a duly authorized meeting. A quorum of Company's Members was present at the entire meeting and all actions taken at the meeting complied with Company's charter and by-laws. The Resolution has not been amended or revoked on the date signed below, and remains in full force and effect.

Resolved, that _____ {name} _____ {title} of _____ {name of Company}, is empowered to sign any and all documents on behalf of said Company related to conveying _____ **{Easements, Street Deed}** to the City

Signed and sealed on _____, 20____.

{Seal}

_____

Member

ACKNOWLEDGMENT

STATE OF TEXAS §
§
COUNTY OF TRAVIS §

Before me, _____ (name) the undersigned Notary Public of the State of Texas, on this day personally appeared _____, [choose one] {known to me **or** proved to me through _____ (TDL#)}, to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that s/he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office this _____ day of _____, A.D. 20___ .

[SEAL]

_____
Notary Public, State of Texas

Note: Resolution of Corporate Authority the **President** or a **Vice President** to sign corporate documents must be signed, attested, and dated by the corporation **Secretary** no earlier than three months before date of the Closing date.

Schedule 7

REQUEST FOR INSPECTION APPOINTMENT LETTER

For
1322-1336 E. 12th Street – Request For Proposals

DATE: _____

NAME: _____

ADDRESS: _____
_____
_____
_____

PHONE: _____

To Whom It May Concern:

Upon your execution and delivery of this letter as required below, you ("Inspector") will be granted an appointment to enter the property located at 1322, 1324, 1326, 1328, 1330, 1332, 1334, and 1336 East 12th Street, owned by the Urban Renewal Agency of the City of Austin ("Property").

This request is granted solely for the purpose of inspection (the "Inspection") prior to making an offer to purchase the Property and no other use is authorized. You will be contacted within 48 hours after receipt of this request with an appointment time between the hours of 1 p.m. and 4 p.m. While a thorough inspection of the Property is encouraged, please be mindful entry to the Property is dependent upon being accompanied by a City of Austin staff member. Access to the property without an escort is prohibited. Also, possession of firearms and other weapons is prohibited.

As condition to Inspector's authorization to enter the Property:

(i) Inspector agrees that it will not cause or permit damage or injury to be done to any portion of the Property during or as a result of the Inspection, and Inspector shall repair all damage or injury to the Property resulting from the investigation and inspection of the property by Inspector, its employees, agents or contractors.

(ii) Inspector represents that the individual signing on its behalf is authorized to so act and bind Inspector.

(iii) **Inspector indemnifies and holds harmless the City of Austin and the Urban Renewal Agency of the City of Austin on account of any claims, causes of action, damages and expenses (including, without limitation, legal expenses) arising out of or relating to the acts of Inspector, its employees, agents or contractors under the provisions of this letter.**

Keep a copy of this request with you while conducting inspections. You may be asked to present it to a staff member or law enforcement officer.

Sincerely,

Mashell Smith
Property Agent
Office of Real Estate Services
City of Austin

ACCEPTED AND AGREED TO:

_____
[Name of Inspector]

By: _____
Name: _____
Title: _____

Schedule 8

CITY OF AUSTIN, TEXAS
HUMAN RIGHTS COMMISSION
NON-DISCRIMINATION CERTIFICATION

For
Purchase and Development of
1322-1336 E. 12th Street

TO: CITY OF AUSTIN, TEXAS

I hereby certify that our firm conforms to the 1992 City of Austin Code; Chapters 7-4 as reiterated below:

ARTICLE VII, Chapter 7-4: Discrimination in Employment by City Contractors. Sec. 7-4-2 Requirements of contractors:

B (1) Not to engage in any discriminatory employment practice defined in this chapter.

(2) To take affirmative action to insure that applicants are employed, and that employees are treated during employment, without discrimination being practiced against them as defined in this chapter. Such affirmative action shall include, but not be limited to, employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rate of pay or other forms of compensation; and selection for training or any other terms, conditions, or privileges of employment.

(3) To post in conspicuous places, available to the employees and applicants for employment, notices to be provided by the Austin Human Rights Commission setting forth the provision of this chapter.

(4) To state in all solicitations or advertisements for employees placed by or on behalf of the contractor, that all qualified applicants will receive consideration for employment without regard to race, creed, color, religion, national origin, sex or age.

(5) To obtain a written statement from any labor union or labor organization furnishing labor or service to the contractors in which such union or organization has agreed not to engage in any discriminatory employment practices as defined in this chapter and to take affirmative action to implement the policies and provisions of this chapter.

(6) To cooperate fully with the City and the Austin Human Rights Commission in connection with any investigation or conciliation effort of the Austin Human Rights

Commission to ensure that the purpose of the provisions against discriminatory employment practice is being carried out.

(7) To require of all subcontractors having 15 or more employees who hold any subcontract providing for the expenditure of $2,000 or more in connection with any contract with the City subject to the terms of this chapter that they not engage in any discriminatory employment practice as defined in this chapter.

Dated this _____ day of _____, 20___ .

Signature: _____
Respondent: _____
Title: _____

Schedule 9

CITY OF AUSTIN
PROPOSER'S AFFIDAVIT OF NON-COLLUSION,
NON-CONFLICT OF INTEREST, AND ANTI-LOBBYING

For
Purchase and Development of
1322-1336 E. 12th Street

STATE OF TEXAS §
§
COUNTY OF TRAVIS §

I, _____, being first duly sworn, depose and say:

(1) Neither I nor any of my officers, partners, owners, agents, representatives, employees, or parties in interest, has in any way colluded, conspired, or agreed, directly or indirectly, with any person, firm, corporation or other proposer or potential proposer in regard to the amount of this proposal or the terms or conditions of this proposal. I have not paid or agreed to pay, directly or indirectly any person, firm, corporation or other proposer or potential proposer, any money or anything of value in return for assistance in procuring or attempting to procure a contract or in return for fixing the prices in the attached proposal or the proposal of any other proposer. I will not pay any money or anything of value in the future for those purposes.

(2) None of the deciding factors set forth in the request for proposal or in the subsequent agreement were my idea or the idea of anyone representing my company, unless the suggestion was made at a meeting open to all proposers, which all proposers had notice of.

(3) Neither I nor any of my officers, partners, owners, agents, representatives, employees, or parties in interest have had any involvement in the development, preparation, evaluation, or other decision making process for this solicitation, and that should I receive a contract award in response to my proposal, no agent, representative, consultant or subconsultant affiliated with my company, who may have been involved in the development, preparation or evaluation or other decision making process for this solicitation, will have any financial interest, direct or indirect, in said contract.

(4) There are no other potential or actual conflicts of interest regarding this solicitation.

(5) No officer or stockholder of my company sits on the Board of Commissioners of the Urban Renewal Agency of the City of Austin; is related to any member of the Urban

Renewal Board; is an employee of the City of Austin; is an employee of any elected official of the City; or is related to any employee or elected official of the City of Austin.

(6) None of my agents, representatives, subconsultants or I have undertaken or will undertake any activities or actions to promote or advertise my proposal to any member of the Urban Renewal Board of the City of Austin, any member of the Austin City Council, or any City staff.

Signature: _____
Respondent: _____
Title: _____

Date: _____

STATE OF TEXAS §
§
COUNTY OF TRAVIS §

This instrument was acknowledged before me on this ____ day of _____ , 200__ , by _____.

_____
Notary Public, State of Texas

Schedule 10

Request For Proposals for the Purchase and Development of
1322-1336 E. 12th Street

Proposer Submittal Checklist* and Signature Page

*Please refer to all RFP documents, schedules, and addenda for complete guidelines on proposal submittal.

____ Please submit two original copies (clearly marked "original") and one digital copy (on CD or flash drive) of the entire required submission, formatted and sealed according to RFP document, Section IX ("Submittal Instructions").

____ Please submit a cashier's check in the amount of $10,000.00, payable to Independence Title Company, as Proposal Security to be included in the sealed proposal submission.

Proposal must be organized in the following format and sequence, with dividers between each section:

____ (i) Front cover, indicating Proposer's name, contact information, date of submittal, and the Property address.

____ (ii) This Checklist (**Schedule 10**), including the following pages completed and signed by Proposer, and if applicable, by any broker(s) or agent(s) representing Proposer.

____ (1) Executive summary of two pages or less, declaring the Proposer's intended development of the Property, **the proposed purchase price**, and a concise summary of the Proposal.

____ (2) Project Development Plan, specifically addressing the City's Project Goals and how the proposed development will satisfy those goals. (Please refer to RFP document, Section II ("Project Goals"), and **Schedule of Criteria** provided as **Schedule 2**.) The document must set forth a detailed plan that provides, **at minimum**, all information requested in RFP document, Section VIII, Subsection C ("RFP Submission Format: Project Development Plan").

____ (3) Development Entity information, as required and explained by RFP document, Section VIII, Subsection D ("RFP Submission Format: Development Entity").

____ (4) Corporation & Partnership Documentation, as applicable, discussed in RFP document, Section VIII, Subsection E ("RFP Submission Format: Corporation & Partnership Authority Documents"); acceptable forms of Corporate Resolution provided as **Schedule 6 (A, B or C).**

____ (5) Development Team Experience information with reference and contact information, as required and explained by RFP document, Section VIII, Subsection E ("RFP Submission Format: Development Team Experience") and **Schedule of Criteria** provided as **Schedule 2** (Subsection C(2): "Development Experience").

____ (6) Financial Capacity and Capability information, as required and explained by RFP document, Section VIII, Subsection F ("RFP Submission Format: Financial Capacity and Capability") and **Schedule of Criteria** provided as **Schedule 2** (Subsection C(3): "Financial Capacity and Capability"). This entire section should be stamped "Confidential" on each page, submitted in a separate sealed envelope, and included with the RFP submission.

____ (7) Executed Purchase and Sale Agreement (acceptable form available as **Schedule 5**).

____ (8) Executed Non-Discrimination Certification (acceptable form available as **Schedule 8**).

____ (9) Executed Affidavit of Non-Collusion, Non-Conflict of Interest, and Anti-Lobbying (acceptable form available as **Schedule 9**).

____ (10) **Schedule of Criteria** provided as **Schedule 2**, completed as a checklist and notated by Proposer as necessary and applicable, and initialed on the top right corner of each page by the Proposer. Please note that completion and/or notation of Schedule 2 does not constitute or suffice as a submittal of any information required or requested by this RFP, its exhibits and schedules.

To be completed by Proposer:

The undersigned Proposer affirms that they are duly authorized to submit this proposal, that this proposal has not been prepared in collusion with any other firm, and that the contents of this proposal have not been and shall not be communicated to any other entity prior to the award of sale of the Property by the Austin City Council.

Proposer affirms that they are not currently in violation of any City ordinance or previously failed to properly and timely perform its obligations under a contract with the City. If the Proposer cannot affirmatively swear and subscribe to the foregoing statements, the Proposer shall attach a detailed written explanation.

Proposer represents and warrants to City that either (i) Proposer has not engaged any broker or agent in connection with the transactions contemplated by this RFP or (ii) any such broker or agent has been engaged under a separate written agreement with Proposer, and will be independently compensated by Proposer.

Proposer acknowledges that the Property is offered for sale "*AS IS, WHERE IS, WITH ANY AND ALL FAULTS*."

Proposer affirms that this submittal constitutes an irrevocable proposal on the part of the Proposer to purchase the Property on the terms stated in this proposal, until such time as Seller announces its selection and/or rejection of the proposal. In addition, submission of an Proposal constitutes a legally binding commitment of the Proposer to provide such further information as Seller may reasonably request in connection with Seller's evaluation of the proposal and Proposer, and to enter in good faith final negotiations to affect the Proposer's purchase of the Property, if the proposal is accepted by Seller.

Proposer acknowledges that it is not relying on any representation, warranty, statement or other assertion contained in this Request For Proposals or made by Seller or the Seller's Representative, or any employee, agent or representative of either of them, and that the Proposer is relying solely on the Proposer's own examination of the Property and that of the Proposer's employees, agents, representatives and consultants.

Proposer acknowledges that it is the responsibility of Proposer, before submitting this proposal, to ascertain if the City has issued any notices, clarifications, addenda, or other communication to Proposers.

Proposer affirms that all information provided in this proposal submittal is true and complete to the best of its knowledge and ability, and that Proposer has read and understood all information and instructions provided in the 1322-1336 E. 12th Street RFP document, its schedules and addenda.

SIGNATURE: _____

DATE: _____

NAME: _____

TITLE: _____

ENTITY: _____

To be completed by Agent or Broker engaged by Proposer (if applicable):

The undersigned Real Estate Broker was engaged by Proposer and is signing this application to evidence its agreement that it will look solely to the Proposer for payment of its commission, and that it will not make any claim against the Deposit, Purchase Price, or any other agreed terms to be paid or produced by Proposer to Seller, should this Proposer's proposal be selected by the Seller.

SIGNATURE: _____

DATE: _____

NAME: _____

TITLE: _____

ENTITY: _____

REQUEST FOR PROPOSALS

FOR
THE PURCHASE AND DEVELOPMENT OF
1322-1336 E. 12th Street

AN APPROXIMATELY 26,206 SQUARE FOOT VACANT PARCEL OF LAND

IN AUSTIN, TRAVIS COUNTY, TEXAS

OFFERED FOR SALE BY the URBAN RENEWAL AGENCY OF THE CITY OF AUSTIN

RFP TITLE: 1322-1336 E. 12TH STREET

ADDENDUM, OCTOBER 4, 2013

(RFP INQUIRIES AND CORRECTIONS AS OF OCTOBER 3)

FOR MORE INFORMATION VISIT:
http://www.austintexas.gov/realestate

I. Questions

Questions posed in reference to the 1322-1336 E. 12th Street Request For Proposals (RFP) must be in submitted in writing to realestate@austintexas.gov and will be answered in writing on the Seller's Representative's website (www.austintexas.gov/realestate). Mashell Smith, Property Agent, City of Austin, is the **sole authorized point of contact** for inquiries regarding this RFP.

Listed below are all inquiries received by Mashell Smith as of October 3, 2013.

Received September 17, 2013:

> Q: Please confirm that the scoring of proposals based on M/WBE participation is based on the makeup of the investors, and not construction or other tenant occupation contracts that may take place at some future date.
>
> A: Evaluation Criterion #9 (*MBE/WBE Participation*, as described in **Schedule 2** of the RFP) is not scored according to the makeup of the investors. The 10 points allotted for M/WBE participation are awarded based on participation goals for contractors and subcontractors, wages paid, and the provision of safety training to all construction employees.

Received October 2, 2013:

> Q: Has an Environmental Site Assessment (ESA) been completed for the property? If there is an existing ESA, then can you please make it available for review by posting it on the same website as the Request for Proposals?
>
> A: Neither the Urban Renewal Agency nor the City of Austin have commissioned an Environmental Site Assessment for 1322-1336 E. 12th Street, Austin, Texas.

II. Corrections to the RFP

Corrected September 23, 2013:

- Clarified location of property at the northwest corner of the intersection of E. 12th Street and Angelina Street (page 5 and Exhibit A).
- Corrected incorrect reference to "1120 E. 12th St." in the page footer of the RFP document.

Corrected October 3, 2013:

- Replaced all references to the City Council Resolution No. 20071108-127 (regarding M/WBE participation) with **Resolution No. 20120112-058**, which has replaced it.
- Corrected square footage of the property as stated on the cover page of the RFP (should be **26,206 square feet**; square footage was correctly stated within RFP).

III. Disclaimer

Please refer to the Request For Proposals document and all posted addenda and schedules for more information on this RFP. As stated therein:

By submitting a proposal, the Proposer acknowledges, represents and warrants that it is not relying on any representation, warranty, statement or other assertion contained in this Request For Proposals or made by Seller, Seller's Representative or any employee, agent or representative of either the City of Austin or the Urban Renewal Agency; and the Proposer is relying solely on the Proposer's own examination of the Property and that of Proposer's employees, agents, representatives and consultants.

REQUEST FOR PROPOSALS

FOR
THE PURCHASE AND DEVELOPMENT OF
1322-1336 E. 12th Street

AN APPROXIMATELY 26,206 SQUARE FOOT VACANT PARCEL OF LAND

IN AUSTIN, TRAVIS COUNTY, TEXAS

OFFERED FOR SALE BY the URBAN RENEWAL AGENCY OF THE CITY OF AUSTIN

RFP TITLE: 1322-1336 E. 12TH STREET

ADDENDUM,
OCTOBER 21, 2013

FOR MORE INFORMATION VISIT:
http://www.austintexas.gov/realestate

I. Questions

Questions posed in reference to the 1322-1336 E. 12th Street Request For Proposals (RFP) must be in submitted in writing to realestate@austintexas.gov and will be answered in writing on the Seller's Representative's website (www.austintexas.gov/realestate). Mashell Smith, Property Agent, City of Austin, is the **sole authorized point of contact** for inquiries regarding this RFP.

See below for one inquiry received by the Seller's Representative. More questions and their answers will be posted in a separate addendum later this week.

Received October 17, 2013:

> Q: Does the City of Austin have any surveys, plat maps, or tree or topographical surveys readily available for the two East 12th Street properties? Does the City have any of these in an AutoCad.dwg file format?
>
> A: Neither the Urban Renewal Agency (Seller) nor the City of Austin (Seller's Representative) has any of the requested surveys readily available in relation to these two RFPs (1120 E. 12th Street and 1322-1336 E. 12th Street). Proposers may refer to the Travis County Appraisal District (TCAD) at www.traviscad.org to review available plat maps of the area produced by TCAD.

II. Disclaimer

Please refer to the Request For Proposals document and all posted addenda and schedules for more information on this RFP. As stated therein:

By submitting a proposal, the Proposer acknowledges, represents and warrants that it is not relying on any representation, warranty, statement or other assertion contained in this Request For Proposals or made by Seller, Seller's Representative or any employee, agent or representative of either the City of Austin or the Urban Renewal Agency; and the Proposer is relying solely on the Proposer's own examination of the Property and that of Proposer's employees, agents, representatives and consultants.

REQUEST FOR PROPOSALS

FOR
THE PURCHASE AND DEVELOPMENT OF
1322-1336 E. 12th Street

AN APPROXIMATELY 26,206 SQUARE FOOT VACANT PARCEL OF LAND

IN AUSTIN, TRAVIS COUNTY, TEXAS

OFFERED FOR SALE BY the URBAN RENEWAL AGENCY OF THE CITY OF AUSTIN

RFP TITLE: 1322-1336 E. 12TH STREET

ADDENDUM #3, OCTOBER 24, 2013

FOR MORE INFORMATION VISIT:
http://www.austintexas.gov/realestate

I. Questions

Questions posed in reference to the 1322-1336 E. 12th Street Request For Proposals (RFP) must be in submitted in writing to realestate@austintexas.gov and will be answered in writing on the Seller's Representative's website (www.austintexas.gov/realestate). Mashell Smith, Property Agent, City of Austin, is the **sole authorized point of contact** for inquiries regarding this RFP.

See below for two inquiries received by the Seller's Representative.

Received October 10, 2013:

Q: How does the City of Austin plan to manage and/or ensure any M/WBE commitments provided by Proposers? Will reporting requirements and consequences for lack of performance be outlined in the final agreements with the Seller?

A: The City of Austin will not require a reporting or enforcement remedy in the Purchase & Sale Agreement with respect to any MBE/WBE participation goals in the design or construction of improvements on the subject Property. However, a Proposer may include in its proposal an offer to incorporate into the Purchase & Sale Agreement additional requirements or enforcement remedies with regard to MBE/WBE participation goals.

Q: Recognizing that the subject parcels are in the African American Heritage District, can a scoring factor be added to the existing scoring matrix or as bonus points for proposals that reflect M/WBE ownership and/or include a development concept that will contribute to the history of the District?

A: The Seller (Urban Renewal Agency) solicited and received neighborhood and local community input in open Urban Renewal Board meetings as part of the determination of the proposal scoring criteria found in **Schedule 2** of this Request For Proposals (RFP). There is no MBE/WBE ownership goal specified in this RFP. **Schedule 2** of the RFP (Schedule of Criteria for Review and Scoring of Proposals), **subsection C(9)** "MBE/WBE Participation", allots up to 10 points to encourage Proposers to set MBE/WBE design and construction participation goals or to make a good faith effort to achieve these goals, in the same manner as the City Council has established by City Code. **Schedule 2**, **subsection C(11)** "Other Public Benefits", allots up to 5 points to encourage Proposers to contribute additional public and community benefits (beyond those specified in the RFP) as part of any proposed development.

II. Disclaimer

Please refer to the Request For Proposals document and all posted addenda and schedules for more information on this RFP. As stated therein:

By submitting a proposal, the Proposer acknowledges, represents and warrants that it is not relying on any representation, warranty, statement or other assertion contained in this Request For Proposals or made by Seller, Seller's Representative or any employee, agent or representative of either the City of Austin or the Urban Renewal Agency; and the Proposer is relying solely on the Proposer's own examination of the Property and that of Proposer's employees, agents, representatives and consultants.

REQUEST FOR PROPOSALS

FOR
THE PURCHASE AND DEVELOPMENT OF
1322-1336 E. 12th Street

AN APPROXIMATELY 26,206 SQUARE FOOT VACANT PARCEL OF LAND

IN AUSTIN, TRAVIS COUNTY, TEXAS

OFFERED FOR SALE BY the URBAN RENEWAL AGENCY OF THE CITY OF AUSTIN

RFP TITLE: 1322-1336 E. 12TH STREET

ADDENDUM #4, NOVEMBER 1, 2013

FOR MORE INFORMATION VISIT:
http://www.austintexas.gov/realestate

I. Questions

Questions posed in reference to the 1322-1336 E. 12th Street Request For Proposals (RFP) must be in submitted in writing to realestate@austintexas.gov and will be answered in writing on the Seller's Representative's website (www.austintexas.gov/realestate). Mashell Smith, Property Agent, City of Austin, is the **sole authorized point of contact** for inquiries regarding this RFP.

See below for the last inquiry received by the Seller's Representative.

Received October 29, 2013:

> Q: Have any potential respondents to either of the East 12th Street RFPs asked how to contact the neighborhood stakeholders directly affected by this development? If so, what contact information was provided to them? Please share if you are able in your response that the neighborhood association representing the stakeholders adjacent to these tracts is Swede Hill Neighborhood Association, which meets next Tuesday, November 5, at Carver Library, beginning at 7:00 pm. The Neighborhood Association's e-mail is swedehillna@gmail.com.
>
> A: The Seller's Representative has not received any inquiries or requests for the contact information of neighborhood stakeholders.

II. Disclaimer

Please refer to the Request For Proposals document and all posted addenda and schedules for more information on this RFP. As stated therein:

By submitting a proposal, the Proposer acknowledges, represents and warrants that it is not relying on any representation, warranty, statement or other assertion contained in this Request For Proposals or made by Seller, Seller's Representative or any employee, agent or representative of either the City of Austin or the Urban Renewal Agency; and the Proposer is relying solely on the Proposer's own examination of the Property and that of Proposer's employees, agents, representatives and consultants.

29080

DOC. NO.
89027446

FILM CODE
00004466179

RESTRICTIVE COVENANTS
DAVENPORT RANCH WEST PLANNED UNIT DEVELOPMENT
Section Four
City of Austin Case
No. C814-88-0001

29.00 INDX
3:15 PM 2772 1 1 04/04/89
KNOW ALL MEN BY THESE PRESENTS: 27274.46-DOC
7908.88-CHK

STATE OF TEXAS §
§
COUNTY OF TRAVIS §

WHEREAS, The Protestant Episcopal Church Council of the Diocese of Texas ("Declarant") is the owner of approximately 46.56 acres of land in Travis County, Texas, being more fully described in Exhibit A attached hereto and incorporated herein by reference he "Property"); and

WHEREAS, Declarant believes that the Property is reasonably necessary for the operation of a private school and for use of Declarant's buildings as a residential school, and has no present intention to develop any part of the Property, but Declarant, its successors or assigns, may in the future convey the Property and therefore has agreed to impose certain restrictions and covenants on the Property in order to assure compatibility with other existing and planned development for the area; and

WHEREAS, the City of Austin, Texas (the "City") and Declarant have agreed that the Property should be impressed with certain covenants and restrictions running with the land and desire to set forth such agreements in writing;

NOW, THEREFORE, Declarant, for and in consideration of One and No/100 Dollars ($1.00) and other good and valuable consideration in hand paid by the City, the sufficiency and receipt of which are hereby acknowledged, does hereby agree with respect to the Property, such agreement to be deemed and considered as a covenant running with the land for the benefit of the City, and which shall be binding upon Declarant, its successors and assigns, to wit:

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ARTICLE I.

Land Use and Site Development Standards

1.01 The Property is part of Davenport Ranch West Planned Unit Development described and included as part of City of Austin Case No. C814-88-0001 (the "PUD"). The PUD is schematically represented as separate tracts ("Tracts") within the Property and certain other land on the conceptual site plans (the "Concept Plans") submitted as part of the PUD, which Concept Plans (and all other materials in the above-referenced City of Austin Case) are incorporated herein. The development contemplated on the Concept Plans will be phased over a number of years. Nothing herein shall be construed to limit or prevent the right of Declarant or Declarant's successors or assigns to amend the Concept Plans or any other provision of this Restriction, subject to the terms set forth herein and other applicable City requirements.

1.02 Nothing in this Restriction shall be construed to prohibit the exercise by the City Council of the City of its police powers and its authority under the City Charter and the laws of the State of Texas, or to limit or prevent the right of Declarant (or its successors in ownership of any portion of the land within the Property) from seeking variances under any or all of the ordinances applicable to such land. The approval of the Concept Plans for the PUD, and the zoning and land uses and the preliminary subdivision plats pertaining to the Property, shall not lapse or expire and may be modified in accordance with applicable provisions of the Code of the City of Austin and state law. Declarant shall submit a site plan for review and approval by the City, pursuant to applicable City ordinances, rules and regulations (including applicable provisions of this Restriction and ordinances approved by the City Council in connection with the PUD), prior to site development. The terms and provisions of this Restriction are intended to be consistent with the Concept Plans submitted as part of the PUD and approved by the City

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Council in connection with its zoning the Property as a Planned Unit Development zoning district in the above referenced City of Austin Case.

1.03 All public facilities constructed within the Property, including without limitation streets, street lights, street signs, sidewalks, water supply systems, sewerage systems, waste treatment facilities, drainage systems, and park and recreation equipment and improvements, shall be constructed in accordance with the City's design criteria and specifications for similar facilities as applicable within the City, except as and to the extent modified by or pursuant to this Restriction; provided, however, that the Alternate Urban Standards Ordinance as in effect on September 18, 1980, shall govern as to the construction of certain streets within the Property identified on the Concept Plans. All plans and specifications for such facilities shall be submitted to and approved by the City prior to their construction. The City shall have the right to inspect the construction of the facilities and to require that the facilities be constructed in accordance with the provisions set forth herein.

1.04 The Lake Austin Watershed Ordinance (Nos. 840301-F, 840301-G, and 841213-L) shall apply to the Property; provided, however, that except as and to the extent modified by or pursuant to the provisions set forth herein, all critical water quality zones, as defined by the Comprehensive Watersheds Ordinance (No. 860508-V, as in effect May 7, 1987), shall be set aside and left undisturbed, and such critical water quality zones shall be included in all calculations for impervious cover, building square footage, and residential density; and provided further, that the variances set forth on the Concept Plans and on the preliminary subdivision plats pertaining to the Property in the above referenced City of Austin Case and approved by the City Council in connection with the PUD are hereby confirmed.

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REAL PROPERTY RECORDS
TRAVIS COUNTY, TEXAS

10909 1660

1.05 All provisions of the Loop 360 Ordinance (Nos. 840105-AA, 840628-T, and 841129-T), exclusive of the land use restrictions set forth in Section 13-2-233 thereof, and the landscape standards of the Hill Country Roadway Ordinance (No. 860116-J, as in effect May 7, 1987), modified on a lot by lot basis to reduce the natural area requirements from 40% to 25% and the highway vegetative buffer area requirements from 100 feet to 50 feet or 20% of the lot, whichever is less, shall apply to the Property; provided, however, that the variances set forth on the Concept Plans and on the preliminary subdivision plats pertaining to the Property in the above referenced City of Austin Case and approved by the City Council in connection with the PUD are hereby confirmed.

1.06 All lots within the Property fronting on Loop 360 shall be subject to the access restrictions of the Hill Country Roadway Ordinance (No. 860116-J, as in effect May 7, 1987), and direct driveway access to Loop 360 shall be permitted only as and to the extent set forth on the Concept Plans.

1.07 Critical environmental feature setbacks as set forth in the Comprehensive Watersheds Ordinance (No. 860508-V, as in effect May 7, 1987) shall be required for the Property, and shall be depicted on the subdivision plats and site plans for the Property.

1.08 Ground water discharge areas (seeps and springs, according to criteria for critical environmental features as defined by the Comprehensive Watersheds Ordinance [No. 860508-V, as in effect May 7, 1987]) shall be depicted on all subdivision plats and site plans for the Property.

1.09 The City has annexed, for the limited purpose of "Planning and Zoning", all of the Property not previously within the City's zoning jurisdiction. If any or all of the Property is disannexed in the future, or otherwise not subject to the City's zoning jurisdiction, such property so disannexed shall be

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REAL PROPERTY RECORDS
TRAVIS COUNTY, TEXAS

10909 1661

developed according to City standards as if it were within the limited purpose jurisdiction of the City, as and to the extent expressly set forth in this Restriction. Declarant agrees that the Property may remain in the status of being within the jurisdiction of the City for limited purposes for forty (40) years from the effective date of this Restriction, and expressly waives the right to request and require annexation for full purposes within three (3) years of the annexation for limited purposes. The City may from time to time annex all or a portion of the Property for full purposes at any time provided that such annexations shall be in accordance with this Restriction and all statutory requirements of the State of Texas regarding annexation of territory for full purposes.

1.10 Commercial use within the Property shall be limited to the commercial portions of the Property (as identified on the Concept Plans). The remainder of the Property shall be developed for single family residential uses.

1.11 The uses of the Property shall not be more intensive than the uses, and shall be subject to the restrictions, set forth on Exhibit B attached hereto and made a part hereof for all purposes. As to portions of the Property within the city limits of the City, uses shall be in accordance with the permanent zoning classifications fixed in the above referenced City of Austin Zoning Case. Development intensities as set forth on the Concept Plans and on Exhibit B may be subject to reduction on a lot by lot basis upon submittal to and review by the City of final site development permit plans containing full vegative and tree survey information and grading plans, based on such information and plans.

1.12 (a) The total developed area of the commercial portions of each Tract within the Property shall not exceed the floor-to-area ratio ("FAR") and the impervious cover ("Impervious Cover") as set forth on the Concept Plans.

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REAL PROPERTY RECORDS
TRAVIS COUNTY, TEXAS
10909 1662

(b) The FAR or Impervious Cover may be transferred among the lots within each Tract, and on any portion of a particular Tract may exceed the limit specified for such Tract, provided that the total FAR or Impervious Cover within each Tract does not exceed the total allowable FAR or Impervious cover limits specified for such Tract on the Concept Plans. Declarant shall have the right to effectuate any such allocation of FAR or Impervious Cover within a Tract by a notice of allocation filed by Declarant in the Real Property Records of Travis County, Texas. Declarant shall deliver written notice of such allocation to the Director of the City's Planning Department or any successor agency thereto ("Planning Director"). In such event, Declarant shall have the right to receive from the Planning Director certificates verifying such allocation of FAR and/or Impervious Cover and that the affected portion(s) of Tract(s) comply with the FAR and/or Impervious Cover requirements of this Restriction. Further, in the event of an allocation of FAR and/or Impervious Cover by Declarant under the terms hereof, the allocated FAR and/or Impervious Cover may only be utilized in connection with the designated portion of the Tract to which such allocation has been made, unless Declarant makes a reallocation of FAR and/or Impervious Cover as set forth above.

(c) The right to allocate and reallocate FAR and/or Impervious Cover hereunder is assignable in whole or in part by Declarant, but such assignment must be expressly made in writing and filed of record in the Real Property Records of Travis County, Texas, and the mere conveyance of any portion of the Property without the express transfer of the right to allocate FAR and/or Impervious Cover hereunder shall not be considered to transfer or assign any allocation rights hereunder. Further, written notice of any assignment of allocation rights hereunder must be delivered to the Planning Director before such notice of assignment shall be binding upon the City for purposes hereof.

UNOFFICIAL DOCUMENT

REAL PROPERTY RECORDS
TRAVIS COUNTY, TEXAS

10909 1663

(d) In the event FAR and/or Impervious Cover are allocated to a particular portion of any Tract under the terms hereof, the owner(s) of such portion shall have the right to allocate available FAR and/or Impervious Cover within such portion by written agreements filed with the Planning Director and in the Real Property Records of Travis County, Texas. In the event that FAR and/or Impervious Cover are allocated to a particular portion of any Tract under the terms hereof and it is subsequently determined that the actual FAR and/or Impervious Cover required for the full development of such portion is less than the FAR and/or Impervious Cover so allocated to such portion, then, subject to the limitations set forth on the Concept Plans, the unused FAR and/or Impervious Cover shall be deemed available for use by other portions of such Tract and the right to allocate or reallocate such excess FAR and/or Impervious Cover shall automatically be deemed to have reverted to Declarant or to the entity to whom Declarant has assigned the right to allocate such excess available FAR and/or Impervious Cover.

(e) Once available FAR and/or Impervious Cover has been allocated to a particular portion of any Tract under the terms hereof, such FAR and/or Impervious Cover allocation shall be deemed to be a right running with the land which shall automatically be conveyed by the deed(s) transferring the pertinent portion unless previously reallocated as provided herein or specifically reserved in whole or in part by the owner(s) of such portion in the deed(s) conveying such portion.

1.13 The maximum height of each building within the commercial portions of each Tract within the Property shall not exceed the height set forth on the Concept Plans. This restriction shall not limit the number of stories within each building so long as the height limitation set forth on the Concept Plans is not exceeded.

Unofficial Document

REAL PROPERTY RECORDS
TRAVIS COUNTY, TEXAS

10909 1664

1.14 Upon the approval and release of a site plan in accordance with applicable ordinances of the City of Austin as to any portion of the Property, the development proposed for such portion of the Property with respect to which such site plan has been issued shall be deemed to have complied with all terms and provisions of this Restriction.

ARTICLE II.

Water and Wastewater Services

2.01 The PUD shall receive water and wastewater services as provided and subject to the conditions set forth on the preliminary subdivision plats pertaining to the Property in the above referenced City of Austin Case.

ARTICLE III.

Development Phasing Related To Roadway Improvements

3.01 The PUD will generate additional traffic on adjacent roadways, and certain roadway improvements will be necessary in connection therewith. Accordingly, Declarant has agreed that the development of the PUD shall be subject to that certain Restrictive Covenant, Development and Roadway Construction Agreement (the "Roadway Agreement") of even date to be recorded in the Real Property Records of Travis County, Texas.

ARTICLE IV.

Miscellaneous Provisions

4.01 If any person, corporation or entity of any other character shall violate or attempt to violate the foregoing agreements and covenants, it shall be lawful for the City or Declarant, or their respective successors and assigns, to prosecute proceedings at law or in equity against said person or entity violating or attempting to violate such agreements or covenants and to prevent said person or entity from violating or attempting to violate such agreements or covenants.

Unofficial Document

REAL PROPERTY RECORDS
TRAVIS COUNTY, TEXAS

10909 1665

4.02 The failure at any time to enforce any agreement or covenant herein by the City, Declarant, or their respective successors and assigns, whether any violation hereof is known or not, shall not constitute a waiver or estoppel of the right to do so.

4.03 Except as provided otherwise herein, this Restriction may be modified, amended or terminated only by joint action of both (a) a majority of the members of the City Council of the City of Austin, or such other governing body as may succeed the City Council of the City of Austin, and (b) by the owner(s) who is/are the owner(s) at the time of such modification, amendment or termination, of the portion(s) of the Property which is/are directly affected by the proposed modification, amendment or termination. Notice of any proposed modification shall be provided in the same manner as required by applicable City ordinances for an application for a zoning change.

EXECUTED this 31 day of January, 1989.

THE PROTESTANT EPISCOPAL CHURCH
COUNCIL OF THE DIOCESE OF TEXAS

By: Duncan E. Osborne
Name: Duncan E. Osborne
Title: Agent

CITY OF AUSTIN, TEXAS

By:
Name: Barney L. Knight
Its: Acting City Manager

UNOFFICIAL DOCUMENT

REAL PROPERTY RECORDS
TRAVIS COUNTY, TEXAS
10909 1666

THE STATE OF TEXAS §
§
COUNTY OF TRAVIS §

This instrument was acknowledged before me on this 31 day of January, 1989, by Duncan E. Osborne Agent of THE PROTESTANT EPISCOPAL CHURCH COUNCIL OF THE DIOCESE OF TEXAS, on behalf of said church council.

Jill A. McAuliffe
Notary Public in and for the
State of Texas

My Commission Expires:
8-20-92

Print Name: JILL McAULIFFE
Notary Public, State of Texas
My Commission Expires 8-20-92

THE STATE OF TEXAS §
§
COUNTY OF TRAVIS §

This instrument was acknowledged before me on this 16th day of March, 1989, by Barney L. Knight, Acting City Manager of the CITY OF AUSTIN, TEXAS, a municipal corporation, on behalf of said corporation.

Lolita J. Slagle
Notary Public in and for the
State of Texas

My Commission Expires:

Print Name:

LOLITA J. SLAGLE
Notary Public, State of Texas
My Commission Expires 4-11-89

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R-6778
01/12/89

REAL PROPERTY RECORDS
TRAVIS COUNTY TEXAS

10909 1667

TRACT1FN:1 M4 D13
TRACT NO. 1

D. WEST PHASE II
46.5582 ACRES

EXHIBIT A

FIELD NOTES

FIELD NOTES FOR 46.5582 ACRES OUT OF THE BURKE TRAMMELL SURVEY NO. 3 AND THE ANTONIO RODRIGUEZ SURVEY NO. 4 IN TRAVIS COUNTY, TEXAS, SAID 46.5582 ACRES BEING OUT OF A 404.82 ACRE TRACT CONVEYED TO THE PROTESTANT EPISCOPAL CHURCH COUNCIL OF THE DIOCESE OF TEXAS BY DEED RECORDED IN VOLUME 6177 PAGE 1858 OF THE TRAVIS COUNTY DEED RECORDS, SAID 46.5582 ACRES BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

STARTING FOR REFERENCE at a 1/2" steel pin set at the intersection of the north line of the 404.82 acre tract and the west right-of-way line of the Capital of Texas Highway (Loop 360);

THENCE along the west right-of-way line of Loop 360 S29°09'00"W a distance of 1836.88 feet to a concrete monument found at highway reference station 463+00 for the POINT OF BEGINNING;

THENCE along the west right-of-way line of Loop 360 S34°07'56"W a distance of 803.01 feet to a concrete monument found;

THENCE continuing along the west right-of-way line of Loop 360 S29°09'44"W a distance of 458.03 feet to a 1/2" steel pin set;

THENCE leaving the west right-of-way line of Loop 360 and crossing the 404.82 acre tract the following nine (9) courses:

1. N60°50'16"W a distance of 355.01 feet to a 1/2" steel pin set at a point of curvature;

2. Along a curve to the right an arc distance of 904.74 feet, said arc having a radius of 479.73 feet and a chord which bears N06°48'37"W a distance of 776.49 feet to a 1/2" steel pin set at the point of tangency;

3. N47°13'02"E a distance of 2.98 feet to a 1/2" steel pin set;

4. N61°11'39"W a distance of 1134.52 feet to a 1/2" steel pin set;

5. N31°07'41"E a distance of 32.78 feet to a 1/2" steel pin set;

6. N58°52'19"W a distance of 70.00 feet to a 1/2" steel pin set at a point of a non-tangent curve;

7. Along a curve to the right an arc distance of 24.33 feet, said arc having a radius of 15.00 feet and a chord which bears S86°16'12"W a distance of 21.75 feet to a 1/2" steel pin set at the point of tangency;

8. N47°15'38"W a distance of 57.71 feet to a 1/2" steel pin set at a point of curvature;

9. Along a curve to the left an arc distance of 208.36 feet, said arc having a radius of 735.00 feet and a chord which bears N55°22'54"W a distance of 207.67 feet to a 1/2" steel pin set in the northwest line of the 404.82 acre tract, being also the southeast line of a 2.856 acre tract conveyed to Walter Bohl by deed recorded in Volume 3500 Page 2325 of the Travis County Deed Records;

THENCE along the southeast line of the 2.856 acre tract and the northwest line of the 404.82 acre tract N53°39'44"E a distance of 357.12 feet to a 1" iron pipe found;

THENCE along the east line of the 2.856 acre tract and the northwest line of the 404.82 acre tract N32°37'44"E a distance of 499.46 feet to a 1" iron pipe found at the northeast corner of the 2.856 acre tract;

THENCE crossing the 404.82 acre tract the following nine (9) courses:

1. S89°22'16"E a distance of 245.00 feet to a 1/2" steel pin set;

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EXHIBIT A

2. S56°22'16"E a distance of 547.75 feet to a 1/2" steel pin set at a point of curvature;

3. Along a curve to the left an arc distance of 75.06 feet, said arc having a radius of 532.24 feet and a chord which bears S60°24'41"E a distance of 75.00 feet to a 1/2" steel pin set;

4. S17°42'27"W a distance of 230.00 feet to a 1/2" steel pin set;

5. S42°42'27"W a distance of 100.00 feet to a 1/2" steel pin set;

6. S64°40'15"W a distance of 75.21 feet to a 1/2" steel pin set;

7. N89°11'39"W a distance of 240.00 feet to a 1/2" steel pin set;

8. S66°01'59"E a distance of 897.53 feet to a 1/2" steel pin set;

9. S68°48'48"E a distance of 695.07 feet to the POINT OF BEGINNING, containing 46.5582 acres of land, more or less.

Surveyed on the ground and field notes prepared by Canyon Engineering, 1000 Westlake High Drive, Bldg. 5A Austin, Texas 78746

Kenton J. Tunks
RPS 3777

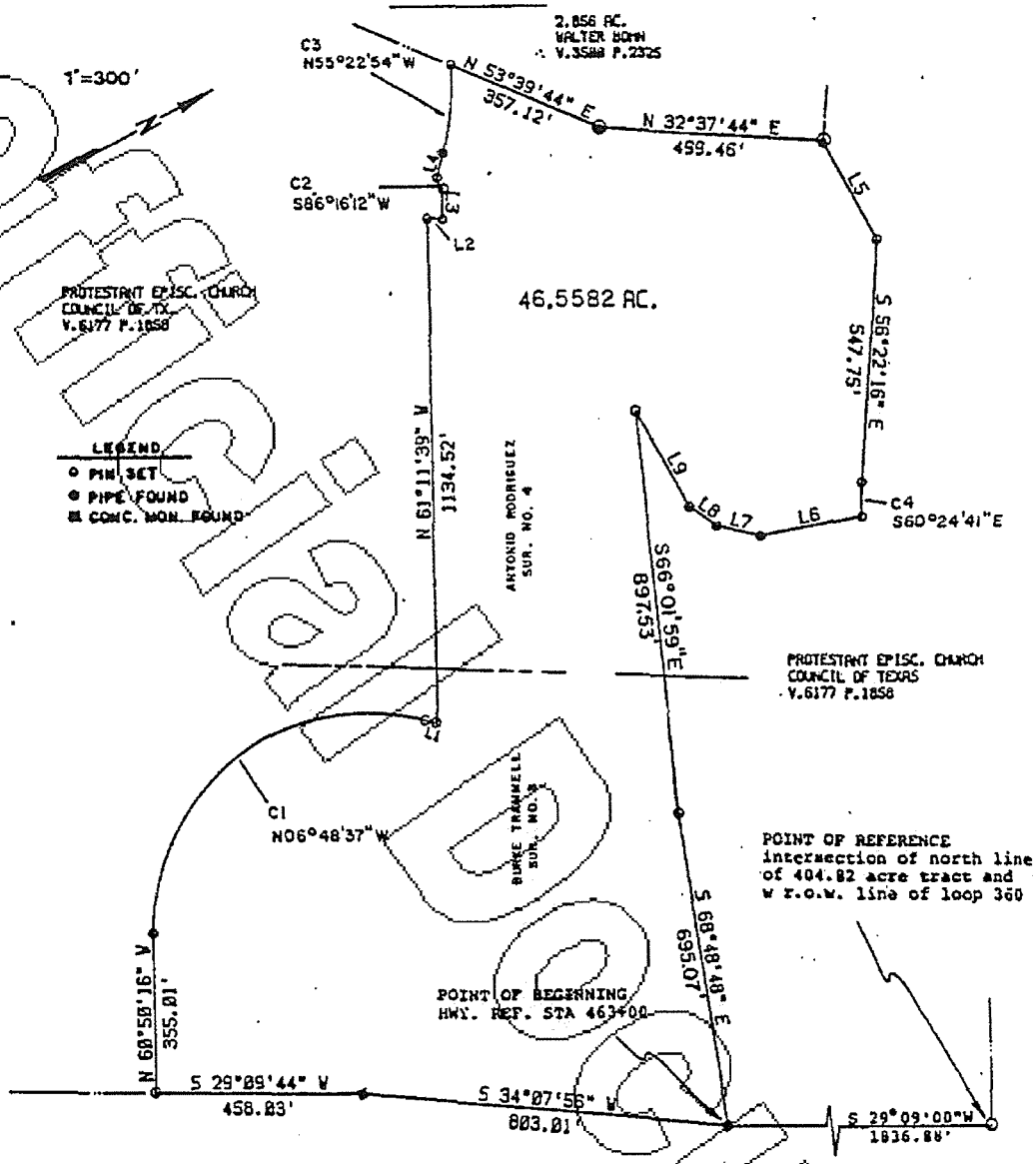
2-23-88
Date

STATE OF TEXAS
KENTON J. TUNKS
3777
REGISTERED
PUBLIC SURVEYOR

REAL PROPERTY RECORDS
TRAVIS COUNTY, TEXAS
10909 1669

SKETCH TO ACCOMPANY FIELD NOTES FOR 46.5582 ACRES
OUT OF A 404.82 ACRE TRACT, VOL.6177 PAGE 1858
TRAVIS COUNTY, TEXAS

EXHIBIT A



CAPITAL OF TEXAS HIGHWAY (LOOP 360)

CURVE	DELTA ANGLE	RADIUS	ARC LENGTH	CHORD
C1	100°05'19"	479.73	904.74	776.49
C2	92°56'22"	15.00	24.33	21.75
C3	16°14'33"	735.00	208.36	207.67
C4	86°04'50"	532.24	75.00	75.00

LINE	DIRECTION	DISTANCE
L1	N 47°13'02" E	2.98
L2	N 31°07'41" E	32.78
L3	N 58°52'19" W	70.00
L4	N 47°15'38" W	57.71
L5	S 89°22'16" E	245.00
L6	S 17°42'27" W	230.00
L7	S 42°42'27" W	100.00
L8	S 64°40'15" W	75.21
L9	N 89°11'39" W	240.00

STATE OF TEXAS
KENTON J. TUNKS
3777
REGISTERED PUBLIC SURVEYOR

Kenton J. Tunks 4-30-87
Kenton J. Tunks Date
R.P.S. 3777

CANYON ENGINEERING INCORPORATED

10-97

REAL PROPERTY RECORDS
TRAVIS COUNTY, TEXAS
10909 1670

Unofficial Document

Unofficial Document

DAVENPORT RANCH WEST PLANNED UNIT DEVELOPMENT

Section Four

Land Uses

Tract*	Permitted Land Uses**
Block A, Lots 1 through 6	Single Family Residence Uses***
Block E, Lots 1 through 15	Single Family Residence Uses****
Block E, Lot 16	General Office Uses
Block D, Lot 1	Community Commercial Uses

*Each Tract is referred to by Block and Lot on the Concept Plans.

**All uses shall be determined under the City Zoning Ordinance (Chapter 13-2A, City Code of the City of Austin), as of May 7, 1987. Permitted uses as to each Tract and Lot within the Property shall include all uses allowed as a permitted use under the specified zoning classification.

***The number of units shall not exceed one (1) unit per acre of gross site area within all such Tracts, with no Lot smaller than three-fourths (3/4) acre. No improvements will be constructed nearer than thirty (30) feet from the bluff line located along the west boundary of the Block A Lots, or nearer than ten (10) feet to any side Lot line. Each residence shall contain not less than two thousand (2,000) square feet of living area.

****The number of units shall not exceed three (3) units per acre of gross site area within all such Tracts, with no Lot smaller than eight thousand (8,000) square feet and not more than fifteen (15) Lots. Each residence shall contain not less than one thousand six hundred (1,600) square feet of living area. A twenty-five (25) foot building set-back shall exist along Bunny Run; such set-back area shall remain in a natural landscaped condition, and no fences or other improvements shall be constructed within such set-back area.

After recording return to:
CITY OF AUSTIN
DEPT. OF LAW
P. O. BOX 1088
AUSTIN, TEXAS 78767
attn: Betty Lewis

FILED
1989 APR -4 PM 2:53
DANA DE BEAUVOIR
COUNTY CLERK
TRAVIS COUNTY, TEXAS

STATE OF TEXAS COUNTY OF TRAVIS
I hereby certify that this instrument was FILED on the date and at the time stamped hereon by me; and was duly RECORDED, in the Volume and Page of the named RECORDS of Travis County, Texas, on

APR 4 1989

COUNTY CLERK
TRAVIS COUNTY, TEXAS

RECORDER'S MEMORANDUM:
At the time of recordation, this instrument was found to be inadequate for the best photographic reproduction because of illegibility, carbon or photo copy, discolored paper, etc. All blackouts, additions, and changes were present at the time the instrument was filed and recorded.

WTB:3/6

Exhibit B

REAL PROPERTY RECORDS
TRAVIS COUNTY, TEXAS
10909 1671

FIRST AMENDMENT TO RESTRICTIVE COVENANTS
DAVENPORT RANCH WEST PLANNED UNIT DEVELOPMENT
Section Four; City of Austin Case NO. C814-88-0001

Owner:	The Protestant Episcopal Church Council of the Diocese of Texas
Address:	2900 Bunny Run, Austin, Texas 78746
City:	The City of Austin, a home-rule city, municipal corporation and political subdivision of the State of Texas, in Travis County, Texas.
City Council:	The City Council of the City of Austin
Consideration:	Ten and No/100 Dollars ($10.00) and other good and valuable consideration paid by the Owner to the City of Austin, the receipt and sufficiency of which is acknowledged.

WHEREAS, The Protestant Episcopal Church Council of the Diocese of Texas (the "Owner"), as owner of approximately 31.844 acres of land (the "Owner's Property"), located in the Davenport Ranch West planned unit development, (the "Davenport PUD"), wishes to amend the Restrictive Covenants being more particularly described in Volume 10909, Page 1658, recorded in the Real Property Records of Travis County, Texas, (the "Restrictive Covenants"), which impose certain restrictions and covenants on the Davenport PUD.

WHEREAS, the Owner's Property is more particularly described by metes and bounds in Exhibit "A", incorporated into this amended covenant;

WHEREAS, the Owner of the Owner's Property, on the date of this First Amendment to Restrictive Covenants (the "Amendment") desires to amend the Restrictive Covenants as to the Owner's Property only.

WHEREAS, the City Council and the Owner agree that the Restrictive Covenants should be amended as to the Owner's Property only.

NOW, THEREFORE, for and in consideration of the premises and mutual promises, covenants, and agreements hereinafter set forth, the City of Austin and the Owner agree as follows:

1. Article 1.10 of the Restrictive Covenants is amended as follows:

   Only commercial uses are permitted on Block D, Lot 1A of Owner's Property. Only detached condominium uses, limited to buildings containing not more than one residential unit, and townhouses are permitted on Block E, Lot 16 of Owner's Property. Only multifamily residential use is permitted on Block D, Lot 1 of Owner's Property.

2. Exhibit "B" to the Restrictive Covenants is amended so that (i) in the right-hand column

8/25/05
#2-1

(Permitted Land Uses) the stated permitted land use for each portion of the Owner's Property is as follows: Block D, Lot 1 – "Multifamily Residential-Low Density (MF-2) *****"; Block E, Lot 16 "Townhouse and Condominium Residential (SF-6) *****"; and Block D, Lot 1A – "Community Commercial (GR) *****", and (ii) a new footnote ***** is added to Exhibit "B" to read "Notwithstanding note ** above, the uses on this Tract shall be determined under the City Zoning Ordinance (Chapter 25-2, City Code of the City of Austin), as of August 25, 2005, such that the permitted uses on this Tract shall include only those uses allowed as a permitted use under the specified zoning classification" except that no multi-family residential is permitted on Block E, Lot 16 of Owner's Property; and pawn shop services, hotel-motel, commercial off-street parking, bail bond services, exterminating services, indoor sports and recreation, theater, communication service facilities, urban farm, off-site accessory parking, funeral services, automotive rentals, automotive sales, automotive repair services, communications services, indoor entertainment, outdoor sports and recreation, congregate living, and residential treatment, group home class I limited, group home class I general, group home class II, and family home shall be prohibited on Block D, Lot 1A of Owner's Property.

3. All references in the Restrictive Covenants to the PUD, including the Concept Plans made part of the PUD, shall be deemed to be references thereto as amended by this Amendment and by Zoning File No. C814-88-0001.8.

4. Except as expressly provided for in this Amendment, each and every one of the terms, conditions, and provisions of the Restrictive Covenants, as set forth in the Restrictive Covenants, shall continue in full force and effect on and after the effective date of this Amendment.

5. The City Manager, or her designee, shall execute, on behalf of the City, this First Amendment to Restrictive Covenants for Zoning File No. C814-88-0001, as authorized by the City Council of the City of Austin. This First Amendment to Restrictive Covenants shall be filed in the Official Public Records of Travis County, Texas.

EXECUTED this 25th day of August, 2005.

OWNER:

The Protestant Episcopal Church Council of the Diocese of Texas

By: _____
John R. Brock, Assistant Treasurer

CITY OF AUSTIN:

By: _____

Laura J. Huffman,
Assistant City Manager,
City of Austin

THE STATE OF TEXAS §
§
COUNTY OF TRAVIS §

This instrument was acknowledged before me on this the 25th day of August, 2005, by John R. Brock, Assistant Treasurer, of The Protestant Episcopal Church Council of the Diocese of Texas, on behalf of the church council.

DORA L. LAIRD
Notary Public, State of Texas
My Commission Expires 10-02-06

_____
Notary Public, State of Texas

THE STATE OF TEXAS §
§
COUNTY OF TRAVIS §

This instrument was acknowledged before me on this the 1st day of September, 2005, by Laura J. Huffman, as Assistant City Manager of the City of Austin, a municipal corporation, on behalf of said municipal corporation.

SANDRA L. RAMIREZ
NOTARY PUBLIC STATE OF TEXAS
COMMISSION EXPIRES:
JANUARY 23, 2007

_____
Notary Public, State of Texas

AFTER RECORDING RETURN TO:

City of Austin Law Department
P.O. Box 1088
Austin, Texas 78767
ATTN: DIANA MINTER, Paralegal

C:\DOCUME~1\RBIEHL~1.HOU\LOCALS~1\Temp\GaBles Amended RC non-ZAP version.revised.DOC

31.844 ACRES
GABLES WESTLAKE

FN.NO. 04-191(MM)
JUNE 6, 2004
BPI JOB NO. 659-15

DESCRIPTION

OF A 31.844 ACRE TRACT OR PARCEL OF LAND OUT OF THE BURKE TRAMMELL SURVEY NO. 3 AND THE ANTONIO RODRIGUEZ SURVEY NO. 4, SITUATED IN THE CITY OF AUSTIN, TRAVIS COUNTY, TEXAS, BEING A PORTION OF THAT CERTAIN 62.965 ACRE TRACT OF LAND CONVEYED TO PROTESTANT EPISCOPAL CHURCH COUNCIL OF THE DIOCESE OF TEXAS BY DEED OF RECORD IN VOLUME 6177, PAGE 1858 OF THE DEED RECORDS OF TRAVIS COUNTY, TEXAS; SAID 31.844 ACRES BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING, at a 1/2 inch iron rod found in the westerly right-of-way line of Capital of Texas Highway (Loop 360) (R.O.W. varies), being the southeasterly corner of said 62.965 acre tract, same being the northeasterly corner of Lot 1, St. Stephens School, a subdivision of record in Volume 90, Pages 204-205 of the Plat Records of Travis County, Texas for the southeasterly corner hereof;

THENCE, leaving the westerly line of Capital of Texas Highway, along the southerly line of said 62.965 acre tract, being a portion of the northerly line of said Lot 1, same being the southerly line hereof, the following four (4) courses and distances:

1) N60°48'34"W, a distance of 354.84 feet to a 1/2 inch iron rod found for the point of curvature of a non-tangent curve to the right;

2) Along said non-tangent curve to the right having a radius of 479.73 feet, a central angle of 108°02'36", an arc distance of 904.63 feet and a chord which bears N06°50'24"W, a distance of 776.43 feet to a 1/2 inch iron rod found for the end of said curve;

3) N47°16'27"E, a distance of 3.01 feet to a 1/2 inch iron rod found for an angle point;

4) N61°12'32"W, a distance of 1012.87 feet to a 1/2 inch iron rod found for the southwesterly corner hereof;

THENCE, leaving the northerly line of said Lot 1, over and across said 62.965 acre tract, along the westerly line hereof, the following three (3) courses and distances:

1) N28°47'53"E, a distance of 49.98 feet to a 1/2 inch iron rod found for an angle point;

2) N65°26'28"E, a distance of 254.05 feet to a 1/2 inch iron rod found for an angle point;

3) N44°56'27"E, a distance of 198.70 feet to a 1/2 inch iron rod found for the northwesterly corner hereof;

THENCE, S66°01'48"E, continuing over and across said 62.965 acre tract, passing at a distance of 107.06 feet, a 1/2 inch iron rod found 0.40 feet to the right (or south of this line), being the southwesterly corner of Lot 17, Block "E", Davenport West P.U.D. Section 5, Phase 5, a subdivision of record in Document No. 200000169 of the Official Public Records of Travis County, Texas and continuing along the southerly line of said Lot 17, Block "E", same being the irregular easterly line of said 62.695 acre tract, for a total distance of 914.96 feet to a 1/2 inch iron rod found at the southeasterly corner of said Lot 17, Block "E", being the southwesterly corner of the southerly terminus of Westlake Drive (90' R.O.W.) for an angle point hereof;

THENCE, continuing along the irregular easterly line of said 62.965 acre tract, being the southerly terminus of Westlake Drive and the southerly line of Lot 2 and Lot 3, Block "D", Davenport West P.U.D. Section 5, Phase 5, a subdivision of record in Document No. 200000171 of said Official Public Records, the following four (4) courses and distances:

1) S69°16'32"E, a distance of 1.84 feet to a 1/2 inch iron rod found for an angle point;

2) S65°59'30"E, a distance of 87.55 feet to a 1/2 inch iron rod found for an angle point;

3) S64°33'19"E, a distance of 0.71 feet to a 1/2 inch iron rod found for an angle point;

4) S68°49'27"E, a distance of 694.12 feet to a 1/2 inch iron rod with cap set in the westerly line of Capital of Texas Highway, being the southeasterly corner of said Lot 3, Block "D", for the northeasterly corner hereof;

THENCE, along the westerly line of Capital of Texas Highway, being the irregular easterly line of said 62.965 acre tract, same being the easterly line hereof, the following two (2) courses and distances:

1) S34°08'02"W, a distance of 802.94 feet to a 1/2 inch iron rod with cap set for an angle point;

2) S29°06'46"W, a distance of 458.10 feet to the **POINT OF BEGINNING**, containing an area of 31.844 acres (1,387,122 sq. ft.) of land, more or less, within these metes and bounds.

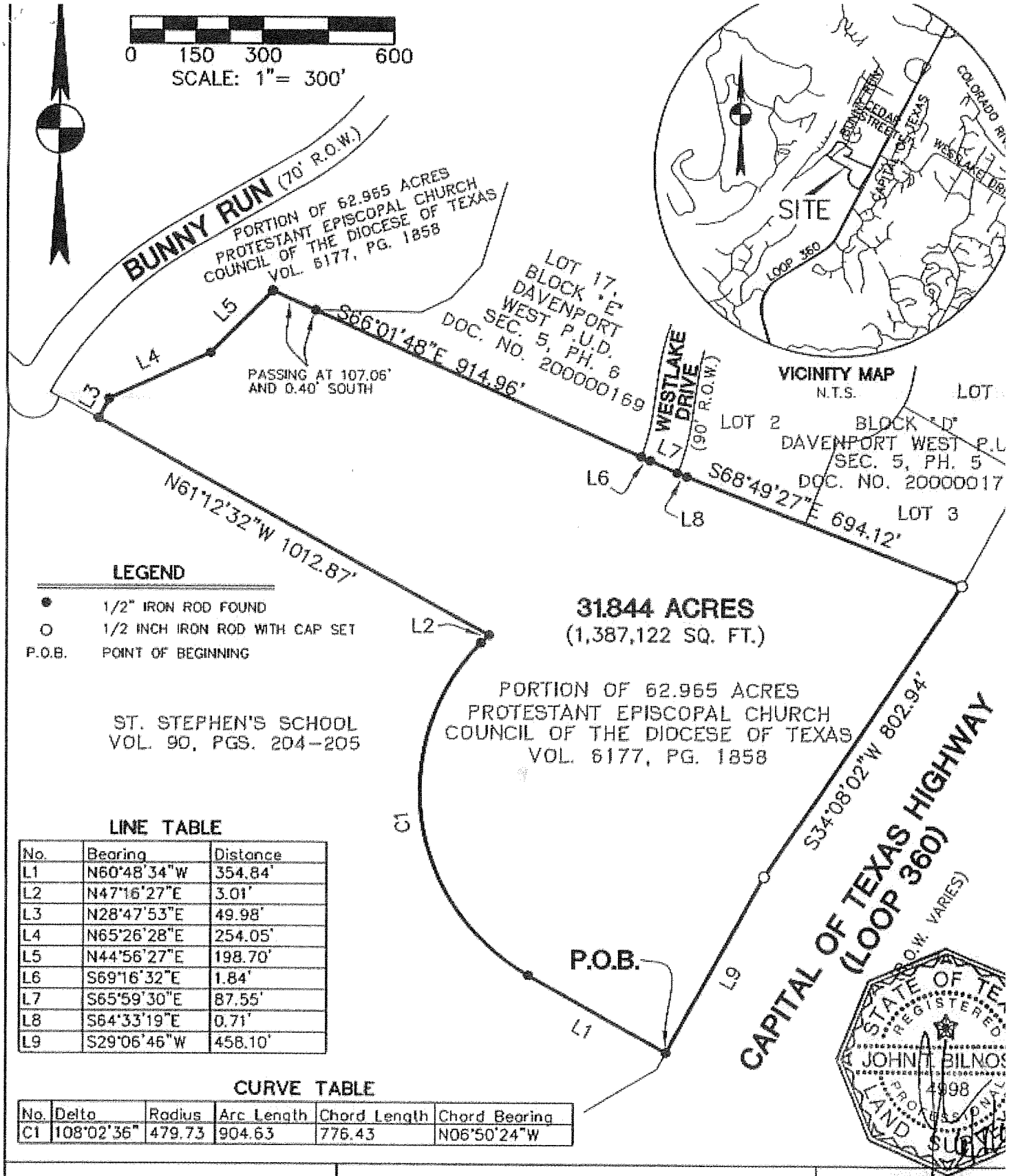
THAT I, JOHN T. BILNOSKI, A REGISTERED PROFESSIONAL LAND SURVEYOR, DO HEREBY CERTIFY THAT THE PROPERTY DESCRIBED HEREIN WAS DETERMINED BY A SURVEY MADE ON THE GROUND UNDER MY DIRECTION AND SUPERVISION.

6/7/04

JOHN T. BILNOSKI
R.P.L.S. NO. 4998
STATE OF TEXAS

STATE OF TEXAS
REGISTERED
JOHN T. BILNOSKI
4998
PROFESSIONAL
LAND SURVEYOR

BURY & PARTNERS, INC.
ENGINEERS-SURVEYORS
3345 BEE CAVE ROAD
AUSTIN, TEXAS 78746



LINE TABLE

No.	Bearing	Distance
L1	N60°48'34"W	354.84'
L2	N47°16'27"E	3.01'
L3	N28°47'53"E	49.98'
L4	N65°26'28"E	254.05'
L5	N44°56'27"E	198.70'
L6	S69°16'32"E	1.84'
L7	S65°59'30"E	87.55'
L8	S64°33'19"E	0.71'
L9	S29°06'46"W	458.10'

CURVE TABLE

No.	Delta	Radius	Arc Length	Chord Length	Chord Bearing
C1	108°02'36"	479.73	904.63	776.43	N06°50'24"W

Bury+ Partners
Engineering Solutions
Austin, Texas Tel 512/328-0011 Fax 512/328-6325
Bury+Partners, Inc. ©Copyright 2004

SKETCH TO ACCOMPANY DESCRIPTION

OF A 31.844 ACRE TRACT OF LAND OUT OF THE BURKE TRAMMELL SURVEY NO. 3 AND THE ANTONIO RODRIGUEZ SURVEY NO. 4 BEING A PORTION OF THAT CERTAIN 62.965 ACRE TRACT OF LAND OF RECORD IN VOLUME 6177, PAGE 1858 OF THE DEED RECORDS OF TRAVIS COUNTY, TEXAS, SITUATED IN THE CITY OF AUSTIN, TRAVIS COUNTY, TEXAS

GABLES RESIDENTIAL TRU

WESTLAKE

DATE: 06/07/04	FILE: H:\659\15\65915EX1.dwg	FN No.: FN04-191 (MM)	DRAWN BY: MM	PROJ. No: 659-15

FILED AND RECORDED

OFFICIAL PUBLIC RECORDS

Dana DeBeauvoir

2005 Sep 16 03:22 PM 2005172776

BENAVIDESV $44.00

DANA DEBEAUVOIR COUNTY CLERK

TRAVIS COUNTY TEXAS