

AUSTIN HOUSING FINANCE CORPORATION

Application for G. O. Bond Financing for Homeownership Projects

Project Name: Austin Neighborhood Alliance for HabitatProject Address: 310 Comal, #100Zip Code 78702No. of units: 16 Project type: ☐ Predevelopment ☒ Acquisition ☐ Rehabilitation ☐ New construction

Amount of funds requested: \$461,920.00

Terms: As stated in application.

Role of applicant in Project (check all that apply):

☒ Owner☐ Developer☐ Sponsor

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

Austin Neighborhood Alliance for Habitat
Name

310 Comal, #100
Street Address

<u>Austin</u>	<u>Texas, 78702</u>	<u>512-472-8788</u>
City	State, Zip	Telephone #

<u>Christian Noll</u>	<u>512-472-8788 x104</u>	<u>512-472-8788 x104</u>
Contact Person	Contact's Telephone #	Fax #

20-3364881
Federal Tax ID Number or SS#

The applicant/developer certifies that the data and exhibits contained comprising this application are true and correct. Unsigned/undated submissions will not be considered.

Austin Neighborhood Alliance for Habitat, Inc.
Legal Name of Developer


Signature of Authorized Officer

Board President
Title

8/20/09
Date

2. **For non-profit applicants/developers only, include copies of the following:**
- Articles of Incorporation
 - Certificate of Incorporation filed with the State of Texas
 - Federal IRS certification granting non-profit status
 - Names, addresses and phone numbers of current board members
 - Certified financial audit for most recent year, which shall include the auditor's opinion and management letters
N/A
 - Board resolution approving the proposed project and authorizing the request for funding
3. **Project Description** – In one page or less, describe the project including the information listed below:

- In addition to providing an Itemized Development Budget through your response to Question 11, summarize the key financials of the project, clearly indicating total project cost, the amount and intended use of AHFC funds requested, amount and provider of other funding and the stage of those commitments.

The Austin Neighborhood Alliance for Habitat requests funds in the amount of \$461,920.00 from The Austin Housing Finance Corporation (AHFC) in conjunction with its Notice of Funding Availability (NOFA) for the Acquisition and Development Program in Affordable Housing General Obligation (G.O. Bond) to purchase 16 developed lots in the Meadow Lake Subdivision, located in Southeast Austin, Texas.

Land will be purchased by The Austin Neighborhood Alliance for Habitat, an affiliate organization of Austin Habitat for Humanity ("Austin Habitat"). Once the purchase is completed, Austin Habitat will initiate construction of 16 zero-interest, affordable single-family homes. Austin Habitat will utilize this opportunity to build upon existing and new relationships within the community to fund affordable home construction. This project will play a key role in Austin Habitat's strategic goal to achieve capacity levels of affordable housing.

Individual site addresses of the affordable homes are as follows:

	Address	City	ST	Zip	Lot	Block	TCAD Parcel ID
1.	2519 Magin Meadow Drive	Austin	TX	78744	57	D	711375
2.	2517 Magin Meadow Drive	Austin	TX	78744	58	D	711374
3.	2515 Magin Meadow Drive	Austin	TX	78744	59	D	711373
4.	2513 Magin Meadow Drive	Austin	TX	78744	60	D	711372
5.	2511 Magin Meadow Drive	Austin	TX	78744	61	D	711371
6.	2509 Magin Meadow Drive	Austin	TX	78744	62	D	711370
7.	2507 Magin Meadow Drive	Austin	TX	78744	63	D	711369
8.	2505 Magin Meadow Drive	Austin	TX	78744	64	D	711368
9.	2518 Magin Meadow Drive	Austin	TX	78744	16	E	711332
10.	2516 Magin Meadow Drive	Austin	TX	78744	17	E	711333
11.	2514 Magin Meadow Drive	Austin	TX	78744	18	E	711334
12.	2512 Magin Meadow Drive	Austin	TX	78744	19A	E	711335
13.	2510 Magin Meadow Drive	Austin	TX	78744	20A	E	711336
14.	2508 Magin Meadow Drive	Austin	TX	78744	21A	E	711337
15.	2506 Magin Meadow Drive	Austin	TX	78744	22	E	711338
16.	2504 Magin Meadow Drive	Austin	TX	78744	23	E	711339

Subject to the approval of this application, we anticipate purchasing these lots in Q4 2009 and building affordable homes through 2015.

Over 58,000 Austinites live in substandard or overcrowded housing. Rent often exceeds a family's income. Austin rental rates now rank as the most expensive in Texas, with homeownership rates lower than the national average. Most low-income families in Austin have one option for achieving homeownership...Austin Habitat for Humanity.

Habitat HomeBuyers are identified following community outreach and social service notification of program application opportunities. Open orientations are then scheduled at Austin Habitat or other community venues and applicants are processed and screened according to AHFH program guidelines. Every year, a number of persons with special needs are approved through the program and receive the opportunity to purchase AHFH homes. All current AHFH homes are constructed for no-step access and visitability, and some have been outfitted accommodate the special needs of the applicant as identified at the time of application.

- b. Location by street address and include an area map with properties indicated.

	Address	City	ST	Zip	Lot	Block	TCAD Parcel ID
1.	2519 Magin Meadow Drive	Austin	TX	78744	57	D	711375
2.	2517 Magin Meadow Drive	Austin	TX	78744	58	D	711374
3.	2515 Magin Meadow Drive	Austin	TX	78744	59	D	711373
4.	2513 Magin Meadow Drive	Austin	TX	78744	60	D	711372
5.	2511 Magin Meadow Drive	Austin	TX	78744	61	D	711371
6.	2509 Magin Meadow Drive	Austin	TX	78744	62	D	711370
7.	2507 Magin Meadow Drive	Austin	TX	78744	63	D	711369
8.	2505 Magin Meadow Drive	Austin	TX	78744	64	D	711368
9.	2518 Magin Meadow Drive	Austin	TX	78744	16	E	711332
10.	2516 Magin Meadow Drive	Austin	TX	78744	17	E	711333
11.	2514 Magin Meadow Drive	Austin	TX	78744	18	E	711334
12.	2512 Magin Meadow Drive	Austin	TX	78744	19A	E	711335
13.	2510 Magin Meadow Drive	Austin	TX	78744	20A	E	711336
14.	2508 Magin Meadow Drive	Austin	TX	78744	21A	E	711337
15.	2506 Magin Meadow Drive	Austin	TX	78744	22	E	711338
16.	2504 Magin Meadow Drive	Austin	TX	78744	23	E	711339

- c. Type of structure (multi-family or single-family), square footage, number and size of units.

The Austin Neighborhood Alliance for Habitat will construct sixteen (16) single-family homes, ranging from 1,080 sq. ft – 1,400 sq. ft depending on the needs/qualifications of the family.

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

N/A

- e. Proposed homebuyers including number and type of individuals to be served, and yearly income relative to all funding source requirements of 30%, 50%, 65% or 80% MFI.

Proposed homebuyers will be identified as those who complete The Austin Habitat HomeBuyer program, which selects and qualifies applicants based on three criteria: Need, Ability to Pay a Mortgage, and Willingness to Partner with Austin Habitat for Humanity, an affiliate organization of The Austin Neighborhood Alliance for Habitat. The partnership requirement entails 400 hours of active program involvement and serves as a "waiting list". The 16 lots developed under this application request will be offered to those low-income program participants (16% - 50% median family income) with zero income mortgages.

Additionally, the City of Austin and Austin Habitat are exploring ways to ensure long-term affordability of their houses by creating a Shared Equity/Right of First Refusal model of ownership. We anticipate this new model will not only make the dream of home ownership a reality to more families in the City of Austin, but will also retain the affordability component for families in the future.

- f. Whether the project is occupied at the time of proposal submission.

The proposed project is not currently occupied.

- g. Compatibility with current Neighborhood Plan (if applicable).

N/A

4. Site Control and Demonstration of Value

See attached Uniform Residential Appraisal Report performed by Ward Appraisal Service, dated November 19, 2008, which indicates a projected appraisal value (Sales Comparison Approach) of \$35,000 and \$35,500 for two sample lots in this subdivision, 7104 Thanna's Way and 7301 Thanna's Way, respectively.

See attached Unimproved Property Contract for demonstration of Site Control.

5. Zoning

See attached letter dated August 11, 2009 from Christopher Johnson of the City of Austin's Watershed Protection and Development Review Department.

6. S.M.A.R.T. Housing

See attached letter dated May 22, 2008 from Stuart Hersh of the City of Austin, S.M.A.R.T. Housing Initiative, Neighborhood Housing and Community Development.

7. Development Team

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

	Name(s) & Any Comments on Role	MBE? (Mark X if Yes)	WBE? (Mark X if Yes)	Non- profit? (Mark X if Yes)
Owner	Austin Neighborhood Alliance for Habitat			xxx
Developer	Austin Habitat for Humanity			xxx
Architect	Austin Habitat for Humanity			xxx
Engineer	N/A			
Construction Lender	Austin Habitat for Humanity			xxx
Other Lenders	Austin Housing Finance Corp.			
Attorney	Hancock & McGill			
Accountant	Austin Habitat for Humanity			xxx
General Contractor	TBD			
Consultant (if Applicable)	Greenlights			xxx
Property Management	Austin Habitat for Humanity			xxx

8. Development Schedule. Complete the grid below. Re-order the steps according to the appropriate sequence for your project, and add in any other significant steps integral to your project's development. If the development schedule differs across several properties to be involved in the project, provide a development schedule for each property.

	DATE(S)
Acquisition and/or holding	12/09 – 3/10
Environmental and/or historic review (AHFC)	12/09 – 3/10
Securing and packaging project financing	4/10 – 12/15
Construction Specifications and Cost estimates	
Construction Bids	
Construction Start	1/11 – 12/15
Anticipated Draws (list all)	12/09 – 3/10
End Construction	12/15
Marketing and Sales	4/10 – 12/15
Close home sales	12/15

9. Experience and Qualifications – Homeownership Development

- a. Is this the developer's first housing project? ☐ Yes ☒ No
- b. Completed projects (complete table below):

COMPLETED PROJECTS				
Address	Number of Units	New or Rehab	Type of Property (apartments, SF units, etc.)	Year Completed
305 W. Boyce	1	New	Single Family	2008
301 W. Townes	1	New	Single Family	2008
6903 Villita Avenida	1	New	Single Family	2008
6906 Villita Cove	1	New	Single Family	2008
7001 Frontera Trail	1	New	Single Family	2008
4402 Acers	1	New	Single Family	2008
4408 Acers	1	New	Single Family	2008
210 E. Lane	1	New	Single Family	2008
4508 Acers	1	New	Single Family	2008
6913 Villita Avenida	1	New	Single Family	2008
6917 Villita Avenida	1	New	Single Family	2008
6910 Villita Avenida	1	New	Single Family	2008
4600 Acers	1	New	Single Family	2008
7002 Montana	1	New	Single Family	2008
6905 Frontera Trail	1	New	Single Family	2008
6903 Frontera Trail	1	New	Single Family	2008
210 W. Eggleston	1	New	Single Family	2008
7006 Villita Avenida	1	New	Single Family	2008
1204 Frontera	1	New	Single Family	2008
6913 Frontera	1	New	Single Family	2008
(23 homes completed in 2008; 25 projected in 2009)				

- c. Describe below the experience/qualifications in completing projects similar in size and scope that indicates the developer's ability and capacity to implement the proposed project. If this is the applicant's first project of this type, please provide a detailed description of the experience of the other members of the development team with similar projects.

In 2007, Austin Habitat and the Austin Neighborhood Alliance and Austin Habitat for Humanity completed twenty-one single-family homes in the Frontier at Montana subdivision in the Montopolis neighborhood on land purchased with CHDO funds, a number of homes in the city of Manor and within a new subdivision development at Austin's Colony. The proposed individual home construction projects will be of similar size and design as these projects.

Austin Habitat has produced over 250 affordable, single-family homes, sold to low-income homebuyers. Experienced staff and volunteers supervise the construction of volunteer-driven construction efforts and coordinate intake, screening, credit counseling by certified professionals and financial education learning opportunities.

Austin Habitat complies with all fair housing regulations in its marketing, HomeBuyer selection and home sales. Sub-contractors are utilized to complete various aspects related to infrastructure and home construction while certified professionals ensure quality Habitat homes comply with City of Austin or other local code requirements. Inspectors review each project before a final certificate of occupancy is obtained and the house is sold to the homebuyer. When working with federal funds, Austin Habitat complies with all federal requirements including Davis-Bacon regulations and reporting procedures.

Austin Neighborhood Alliance and Austin Habitat are currently engaged in a partnership with the City of Austin and the Austin Housing Finance Corporation to create 43 affordable housing units in a new Austin Habitat subdivision, Devonshire Village. AHFC has partially funded the infrastructure of this project which began in 2007 and new home construction began in 2008. Further, Austin Habitat has just recently celebrated its 250th house dedication at this wonderful community and it continues to be well received by Austin Habitat Partner Families and the community. All Devonshire Village administration, reporting and compliance issues are closely aligned with those outlined in GO Bond funding and are well within the capacity of the Alliance and Austin Habitat.

10. Detailed Project Budget – Use the following table to provide a complete project budget. Add line item categories as necessary. (See next page)

DETAILED PROJECT BUDGET		
	Cost	Description
PREDEVELOPMENT		
Appraisal	N/A	
Environmental Review	N/A	
Engineering	N/A	
Survey	N/A	
Architectural	N/A	
TOTAL PREDEVELOPMENT	\$	
ACQUISITION		
Site and/or Land	440,000	16 lots @ \$27,500 each
Structures	0	
Other (specify)	0	
TOTAL ACQUISITION	440,000	
CONSTRUCTION *		
	16 HOUSES	*Note: Budget reflects construction costs @ 16 homes for avg. 3-bedroom AHFH home and does not include Gifts-in-Kind (GIK)
Permits/Inspections/Surveys	20,739	
Re-Inspection Fees	0	
Insurance	0	
Site Clearing, Grading, Prep, Trailer	7,584	
Utility Set-Up	20,016	
Foundation	176,000	
Beam Package	0	
Floor & Decking	0	
Site Framing, purlins, Fascia, Ext Trim	31,988	
Roof Decking Package	25,518	
Wall Framing Pkg – (warehouse)	21,837	
Soffit & Gutters	17,439	
Roof Truss Package (if Stock)	17,600	
Porch/Ramp Package	8,000	
Misc. Fasteners	6,209	
Metal Roofing Pkg (excl.1095)	28,543	
Windows	13,692	
Exterior Doors	6,704	
Siding/Sheathing Package	28,050	
Shed - (costs in Option Pkg #470)	0	
Masonry – Brick	0	
Underpinning/Parge Coat/Masonry	2,512	
Electrical Rough	60,407	
Electrical Finish	28,800	
Electrical Fixtures (incl. in #215, if turnkey)	0	
Plumbing Rough & Yardlines	70,287	
Plumbing Yardlines	0	
Plumbing Top-Out	52,800	
Plumbing Trim	52,987	
Vent Package	2,317	
HVAC sub	61,600	
Insulation	18,520	
Drywall Package	38,592	
Paint	5,584	
Driveway/Sidewalk /Curbcut	56,000	
Cabinets	13,119	
Countertops	8,704	

Interior Doors	13,728	
Appliances (Cost incl. in #470)	0	
Flooring Package - Stain/Score Concrete	8,800	
Interior Trim (incl. Baseboard, shelves)	6,169	
Lockout Package, Blinds	4,531	
Ceramic Tile	0	
Service During Construction	11,120	
Trash	12,800	
Tools	0	
Landscaping	14,720	
Fencing Package	25,461	
Casualty Losses	0	
Miscellaneous	0	
Option Package (Estimated value)	16,000	
TOTAL CONSTRUCTION	1,015,477	
SOFT & CARRYING COSTS		
Legal	1,600	
Audit/Accounting	1,920	
Title/Recording	18,400	
Architectural (Inspections)	32,880	
Construction Interest	0	
Construction Period Insurance	22,400	
Construction Period Taxes	0	
Relocation	0	
Marketing	3,520	
Davis-Bacon Monitoring	N/A	
Other: (Specify)		
TOTAL SOFT & CARRYING COST	80,720	
TOTAL PROJECT BUDGET	1,536,197	

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

- Sources and Uses of Funds** – Complete Tables A & B below, identifying all sources and uses of funds to implement project and include evidence of funds anticipated (financial statements, letters of commitments, etc.).
- Leveraging** – Complete Table C below. Include evidence of other funds leveraged by AHFC funds to implement the project such as owner equity and commitments from private and/or other public resources.

TABLE A: SOURCES OF FUNDS SUMMARY					Intended Use of Funds (Predevelopment, Acquisition, Construction, Soft Costs)
	Term	Interest Rate	Amount	Evidence (Deed, Sales Contract)	
Owner Equity					
Private Financing (List Lenders)					
Other Sources (List Below)					
G.O. Bond Funds			440,000		Land Acquisition
G.O. Bond Funds			21,920		Title/Recording
Community-Sponsored Houses			1,040,000	Certificate of Occupancy	Construction Costs/ Soft Costs
Community Funds			34,277	Unrestricted	Soft Costs

TABLE B: USES OF FUNDS SUMMARY		
	Total Cost	Cost/Unit
Predevelopment		
Acquisition	440,000	27,500
Hard Costs	1,015,477	63,467
Soft & Carrying Costs	80,720	5,045
Other Costs	0	0
Total Project Costs	1,536,197	96,012

TABLE C: LEVERAGE SUMMARY	
TOTAL A&D G. O. BOND FUNDS	\$461,920
TOTAL OTHER FUNDS	\$1,074,277

12. Neighborhood Support

See attached letter of support from Tom Lynch, Director/Vice-President, Meadowlake-Austin Homeowners Association, Inc. dated July 21, 2009

13. Partnership with Non-profit entities

See Operational Agreement between Austin Neighborhood Alliance for Habitat and Austin Habitat for Humanity. Additionally, Austin Habitat has a long history of partnership with the community and with other non-profits to achieve the annual housing goals of the organization. Each year, some 6000 volunteers assist in the construction of Austin Habitat homes and in the operations of the organization. Almost half of these volunteers are members of groups or organizations which choose to collaborate with Austin Habitat. Churches across Austin help fund and build Austin Habitat homes. Campus organizations raise funds and volunteer on jobsites and civic organizations like the Junior League of Austin, Austin Junior Forum, etc. have supported the mission of Austin Habitat for many years.

Austin Habitat's mission of community partnership to eliminate poverty housing is at the daily forefront of all Habitat activities.

14. Accounting Requirements

By submitting this application, the applicant/developer agrees to comply with all reporting, record keeping and on-going monitoring requirements applicable to GO Bond financing of the proposed project.

Yes.