

Highland Studios

By Foundation Communities

2022 RHDA Application

Executive Summary

Highland Studios

Executive Summary

Foundation Communities (FC) is a local homegrown nonprofit that has been developing and managing affordable communities in Austin for 30 years. We offer an innovative and proven housing-plus-services model that empowers our residents and neighbors to achieve educational success, financial stability, and healthier lifestyles. With this application we are requesting \$1,050,000 to purchase the site located at 5906 Airport Blvd, Austin, TX 78752 as part of a plan to build Highland Studios, a new supportive housing community for up to 120 single adults. All units will be affordable to 30%, 40%, and 50% AMI individuals. This location is within the Project Connect anti-displacement eligible area and very close to the Highland Redline Station and therefore eligible for Project Connect funds.

5906 Airport is directly adjacent to 5900 Airport Blvd, which is the current site of FC's Prosper Center and houses our popular financial, tax and health insurance enrollment programs. Our Prosper Center programs have outgrown the space at this location and we are re-envisioning this site as FC's 10th permanent supportive housing community for single adults. We own 5900 Airport Blvd, which is 0.72 acres. Adding 0.33 acres from 5906 Airport will provide the additional space needed to make this new community possible.

Highland Studios will be the new construction of up to 120 studios, with space for amenities such as computer lab, laundry, community room, and community kitchen, as well as offices for on-site property management, maintenance, and services staff. The location meets several of the City's preferences for affordable housing as it is located within the Project Connect anti-displacement eligible area, within a ½ mile of the Airport Activity and Mobility Corridor and the Highland Mall Activity Center, within 1/4 mile of high frequency transit, and less than 1 mile from healthy food. Residents will also be close to educational opportunities at ACC Highland and have proximity to retail and jobs near Mueller, along Lamar, and downtown.

The target population for this community is very low and extremely low-income individuals, persons transitioning out of homelessness, persons at-risk of homelessness, persons with physical, intellectual, and/or developmental disabilities, persons transitioning out of institutionalized care, persons unable to secure permanent housing elsewhere due to various barriers, and/or persons with special housing needs. Foundation Communities has been providing services and housing to this target population for over 15 years.

In addition to having safe, healthy, and affordable apartments to call home, new residents will benefit from intensive case management and free resources right at their doorsteps to improve their health, education, and financial stability. Wraparound services include 24-hour staffing, supported employment, healthy food pantries, adult education, counseling, referrals and connections to community resources, a roving registered nurse, and emergency rental assistance. The majority of supportive services are provided by FC staff and volunteers. We do, however, partner with more than fifty nonprofits and community groups to offer additional services.

Application Tabs

Highland Studios

APPLICATION CHECKLIST/ INFORMATION FORM

DEVELOPER : Foundation Communities	OWNER : TBD Limited Partnership
PROJECT : Highland Studios	FUNDING CYCLE DEADLINE : 5/6/2022
FEDERAL TAX ID NO: 74-2563260	DUNS NO: 55-635-2268
PROJECT ADDRESS: 5900 Airport Blvd, Austin, TX 78752	PROGRAM : RHDA
CONTACT NAME : Sabrina Butler	AMOUNT REQUESTED: \$1,050,000
CONTACT ADDRESS AND PHONE : 3000 S IH 35, suite 300, Austin, TX 78704	

APPLICATION TABS		INITIALS
A 1	EXECUTIVE SUMMARY/PROJECT PROPOSAL	SB
A 2	PROJECT SUMMARY FORM	SB
A 3	PROJECT TIMELINE	SB
A 4	DEVELOPMENT BUDGET	SB
A 5	OPERATING PRO FORMA	SB
A 6	SCORING SHEET	SB

ATTACHMENT TABS			INITIALS	
1	ENTITY INFORMATION	1.a.	Detailed listing of developer's experience	SB
		1.b.	Certificate of Status	SB
		1.c.	Statement of Confidence	N/A
2	PRINCIPALS INFORMATION	2.a.	Resumes of principals	SB
		2.b.	Resumes of development team	SB
		2.c.	Resumes of property management team	SB
3	FINANCIAL INFORMATION	3.a.	Federal IRS Certification	SB
		3.b.	Certified Financial Audit	SB
		3.c.	Board Resolution	SB
		3.d.	Financial Statements	SB
		3.e.	Funding commitment letters	SB
4	PROJECT INFORMATION	4.a.	Market Study	TBD
		4.b.	Good Neighbor Policy	SB
		4.c.	SMART Housing Letter	SB
		4.d.	MOU with ECHO	TBD
		4.e.	Resident Services	SB
5	PROPERTY INFORMATION	5.a.	Appraisal	TBD
		5.b.	Property Maps	SB
		5.c.	Zoning Verification Letter	TBD
		5.d.	Proof of Site control	SB
		5.e.	Phase I ESA	TBD
		5.f.	SHPO	TBD

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

SIGNATURE OF APPLICANT

Sabrina Butler

PRINTED NAME

Sabrina Butler

TITLE OF APPLICANT

Director of Real Estate

DATE OF SUBMISSION

5/5/2022

DATE AND TIME STAMP OF RECEIPT

FOR AHFC USE ONLY

Project Summary Form

1) Project Name Highland Studios	2) Project Type 100% Affordable	3) New Construction or Rehabilitation? New Construction
4) Location Description (Acreage, side of street, distance from intersection) 5900 Airport Blvd, Austin, TX 78752		5) Mobility Bond Corridor Airport Blvd
6) Census Tract 15.03	7) Council District District 4	8) Elementary School REILLY EL
9) Affordability Period 40 years		10) Type of Structure Multi-family
11) Occupied? No		12) How will funds be used? ion, Pre-development, and Cons

13) Summary of Rental Units by MFI Level

Income Level	Efficiency	One Bedroom	Two Bedroom	Three Bedroom	Four (+) Bedroom	Total
Up to 20% MFI						0
Up to 30% MFI	24					24
Up to 40% MFI	36					36
Up to 50% MFI	60					60
Up to 60% MFI						0
Up to 80% MFI						0
Up to 120% MFI						0
No Restrictions						0
Total Units	120	0	0	0	0	120

14) Summary of Units for Sale at MFI Level

Income Level	Efficiency	One	Two	Three	Four (+)	Total
Up to 60% MFI						0
Up to 80% MFI						0
Up to 120% MFI						0
No Restrictions						0
Total Units	0	0	0	0	0	0

15) Initiatives and Priorities (of the Affordable Units)

Initiative	# of Units	Initiative	# of Units
Accessible Units for Mobility Impairments	10	Continuum of Care Units	
Accessible Units for Sensory Impairments	2		

Use the City of Austin GIS Map to Answer the questions below

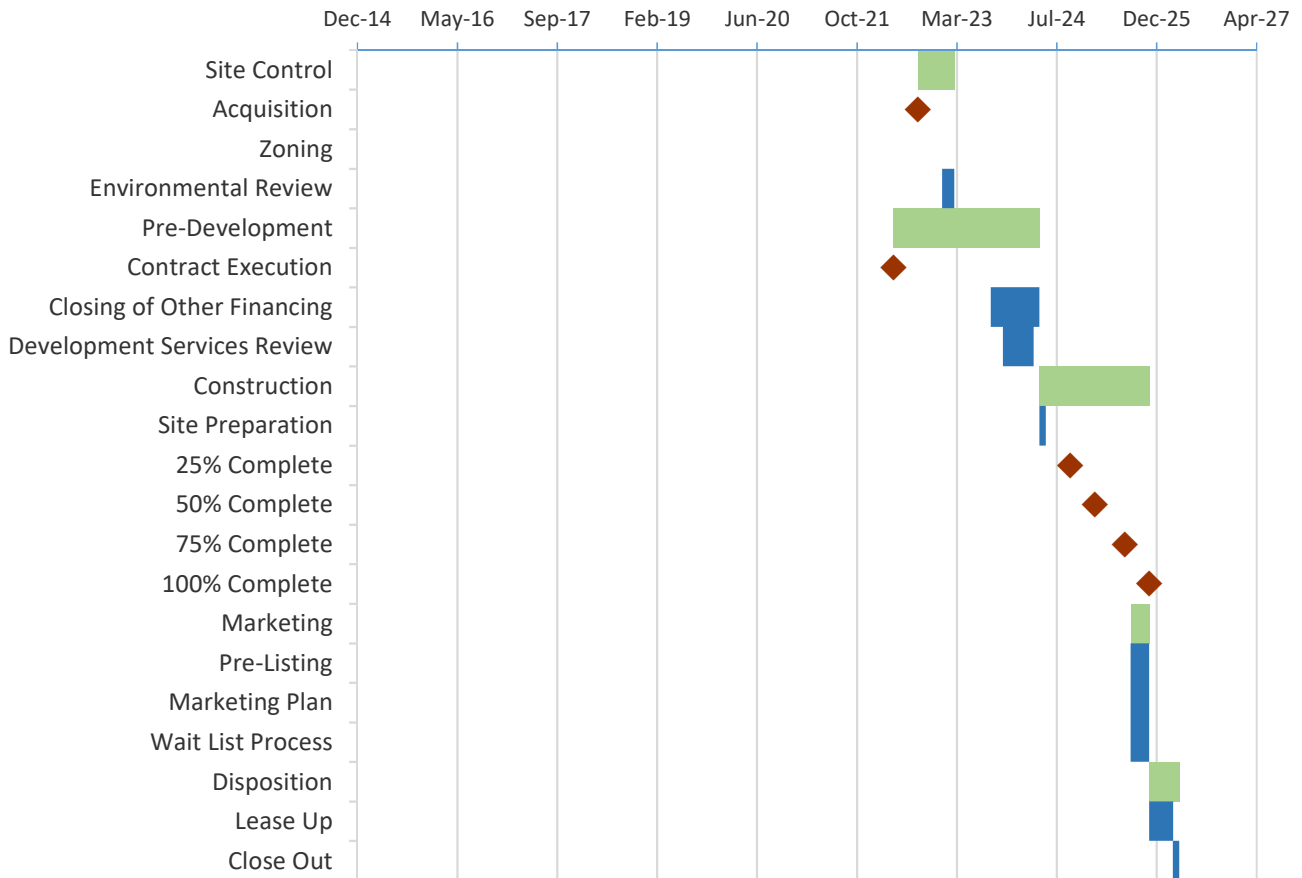
- 16) Is the property within 1/2 mile of an Imagine Austin Center or Corridor?
- 17) Is the property within 1/4 mile of a High-Frequency Transit Stop?
- 18) Is the property within 3/4 mile of Transit Service?
- 19) The property has Healthy Food Access?

20) **Estimated Sources and Uses of funds**

<u>Sources</u>		<u>Uses</u>	
Debt		Acquisition	4,162,450
Third Party Equity	19,598,040	Off-Site	
FC fundraising	1,357,170	Site Work	1,480,548
Deferred Developer Fee	600,000	Sit Amenities	
FHLB	1,250,000	Building Costs	21,465,927
State MFDL	4,000,000	Contractor Fees	1,464,669
Future AHFC request	6,000,000	Soft Costs	1,822,987
Previous AHFC Funding		Financing	1,458,630
Current AHFC Request	1,050,000	Developer Fees	2,000,000
Total	33,855,210	Total	\$ 33,855,210

Development Schedule

	Start Date	End Date
Site Control	Aug-22	Mar-23
Acquisition	Aug-22	
Zoning		
Environmental Review	Jan-23	Mar-23
Pre-Development	May-22	May-24
Contract Execution	May-22	
Closing of Other Financing	Sep-23	May-24
Development Services Review	Nov-23	Apr-24
Construction	May-24	Nov-25
Site Preparation	May-24	Jun-24
25% Complete	Oct-24	
50% Complete	Feb-25	
75% Complete	Jul-25	
100% Complete	Nov-25	
Marketing	Aug-25	Nov-25
Pre-Listing	Aug-25	Nov-25
Marketing Plan	Aug-25	Nov-25
Wait List Process	Aug-25	Nov-25
Disposition	Nov-25	Apr-26
Lease Up	Nov-25	Mar-26
Close Out	Mar-26	Apr-26



Development Budget

	Total Project Cost	Requested AHFC Funds	Description
Pre-Development			
Appraisal	13,500		includes market study
Environmental Review	40,000		
Engineering	6,100		Soils Report
Survey	11,650		
Architectural	948,704		
Subtotal Pre-Development Cost	\$1,019,954	\$0	
Acquisition			
Site and/or Land	4,150,000	1,050,000	\$1.05M for 5906 Airport and \$3.1M for 5900 Airport
Structures			
Other (specify)	12,450		
Subtotal Acquisition Cost	\$4,162,450	\$1,050,000	
Construction			
Infrastructure			
Site Work	1,412,247		
Demolition	68,301		
Concrete	2,761,064		
Masonry	847,263		
Metals	825,696		
Rough Carpentry	3,250,846		
Finish Carpentry	298,550		
Waterproofing and Insulation	656,057		
Roofing and Sheet Metal	251,337		
Plumbing/Hot Water	1,670,191		
HVAC/Mechanical	1,598,292		
Electrical	2,316,108		
Doors/Windows/Glass	765,032		
Lath and Plaster/Drywall and Acoustical	1,124,216		
Tile Work	0		
Soft and Hard Floor	529,317		
Paint/Decorating/Blinds/Shades	428,980		
Specialties/Special Equipment	1,432,804		includes elevator, alarm, data
Cabinetry/Appliances	564,620		
Carpet	0		
Other (community center + commercial)	0		
Other (general, overhead, fee)	2,176,245		
Other (FF&E)	239,639		
Other (submetering)	45,481		
Construction Contingency	1,148,858		
Subtotal Construction Cost	\$24,411,143	\$0	
Soft & Carrying Costs			
Legal	160,000		applicant and lender legal
Audit/Accounting	14,000		
Title/Recordin	330,000		includes origination fees
Architectural (Inspections)	20,600		lender inspections
Construction Interest	880,000		
Construction Period Insurance	115,000		
Construction Period Taxes	23,075		
Relocation			
Marketing			
Davis-Bacon Monitoring			
Developer Fee	2,000,000		
Other (Investor Due Diligence)			
Other (FHA fees)			
Other (Bld Permit fees)	20,000		
Other (Soft Cost Contingency)	69,634		
Other (Materials Testing)	33,700		
Other (Consultants)	116,950		
Other (Tax Credit fees)	83,240		
Other (LOC fees)	34,790		
Other (Reserves)	360,674		
Subtotal Soft & Carrying Costs	\$4,261,663	\$0	
TOTAL PROJECT BUDGET	\$33,855,210	\$1,050,000	

Project Name	Highland Studios	
Project Type	100% Affordable	
Council District	District 4	
Census Tract	15.03	
Prior AHFC Funding	\$0	
Current AHFC Funding Request Amount	\$1,050,000	
Estimated Total Project Cost	\$33,855,210	
High Opportunity	No	
High Displacement Risk	NO	
High Frequency Transit	Yes	
Imagine Austin	Yes	
Mobility Bond Corridor	Airport Blvd	
SCORING ELEMENTS		Description
UNITS		
< 20% MFI	0	# of rental units at < 20% MFI
< 30% MFI	24	# of rental units at < 30% MFI
<i>District Goal</i>	5%	% of City's affordable housing goal
<i>High Opportunity</i>	FALSE	% of City's affordable housing goal for high opportunity areas
<i>Displacement Risk</i>	0%	% of City's affordable housing goal to reduce displacement
<i>High Frequency Transit</i>	7%	% of City's affordable housing goal near high frequency transit
<i>Imagine Austin</i>	7%	% of City's affordable housing goal in imagine austin corridors
<i>Geographic Dispersion</i>	6%	% of City's affordable housing goal to increase geographic dispersion
<i>Mobility Bond Corridor</i>	6%	% of City's affordable housing goal within mobility bond corridors
SCORE	4	% of annual goal * units * 50%, max of 75
< 40% MFI	36	# of rental units at < 40% MFI
< 50% MFI	60	# of rental units at < 50% MFI
<i>District Goal</i>	5%	% of City's affordable housing goal
<i>High Opportunity</i>	FALSE	% of City's affordable housing goal for high opportunity areas
<i>Displacement Risk</i>	0%	% of City's affordable housing goal to reduce displacement
<i>High Frequency Transit</i>	7%	% of City's affordable housing goal near high frequency transit
<i>Imagine Austin</i>	7%	% of City's affordable housing goal in imagine austin corridors
<i>Geographic Dispersion</i>	6%	% of City's affordable housing goal to increase geographic dispersion
<i>Mobility Bond Corridor</i>	6%	% of City's affordable housing goal within mobility bond corridors
SCORE	7	% of annual goal * units * 25%, max of 75
< 60% MFI	0	# of units for purchase at < 60% MFI
<i>District Goal</i>	5%	% of City's affordable housing goal
<i>High Opportunity</i>	FALSE	% of City's affordable housing goal for high opportunity areas
<i>Displacement Risk</i>	0%	% of City's affordable housing goal to reduce displacement
<i>High Frequency Transit</i>	7%	% of City's affordable housing goal near high frequency transit
<i>Imagine Austin</i>	7%	% of City's affordable housing goal in imagine austin corridors
<i>Geographic Dispersion</i>	6%	% of City's affordable housing goal to increase geographic dispersion
<i>Mobility Bond Corridor</i>	6%	% of City's affordable housing goal within mobility bond corridors
SCORE	0	% of annual goal * units * 50%, max of 75
< 80% MFI	0	# of units for purchase at < 80% MFI
<i>District Goal</i>	5%	% of City's affordable housing goal
<i>High Opportunity</i>	FALSE	% of City's affordable housing goal for high opportunity areas
<i>Displacement Risk</i>	0%	% of City's affordable housing goal to reduce displacement
<i>High Frequency Transit</i>	7%	% of City's affordable housing goal near high frequency transit
<i>Imagine Austin</i>	7%	% of City's affordable housing goal in imagine austin corridors
<i>Geographic Dispersion</i>	6%	% of City's affordable housing goal to increase geographic dispersion
<i>Mobility Bond Corridor</i>	6%	% of City's affordable housing goal within mobility bond corridors
SCORE	0	% of annual goal * units * 25%, max of 75
Unit Score	11	MAXIMUM SCORE = 300
INITIATIVES AND PRIORITIES		
<i>Continuum of Care</i>	0	Total # of units provided up to 100 per year
Continuum of Care Score	0	(total CoC Units/100 + HF Units/50)*20
Access to Healthy Food	Yes	Within 1 Mile of Healthy Food (City GIS)
Continuum of Care Weighted Score	0	Mobility, Access to Jobs, Community Institutions, Social Cohesion
<i>2 Bedroom Units</i>	0	Total Affordable 2 Bedroom units
<i>3 Bedroom Units</i>	0	Total Affordable 3 Bedroom units
<i>4 Bedroom Units</i>	0	Total Affordable 4+ Bedroom units
Multi-Generational Housing Score	0	Multi-bedroom Unit/Total Units * 20
TEA Grade	81	Elementary School Rating from TEA
Multi-Generational Housing Weighted Score	0	Educational Attainment, Environment, Community Institutions, Social Cohesion, Mobility and sensory units
<i>Accessible Units</i>	12	
<i>Non-PSH, Non-Voucher Under 20% MFI</i>	0	Total units under 20% MFI
Accessibility Score	2	Accessible Unit/Total Units * 20
Metro Access Service	Yes	Within 3/4 mile of fixed route transit
Accessibility Weighted Score	1	Housing Stability, Health, Mobility, Community Institutions
Initiatives and Priorities Score	3	MAXIMUM SCORE = 200
UNDERWRITING		
<i>AHFC Leverage</i>	3%	% of total project cost funded through AHFC request
Leverage Score	21	3 points per 5% reduction in leverage below 50% (max 30)
<i>AHFC Per Unit Subsidy (including prior amounts)</i>	\$8,750	Amount of assistance per unit
Subsidy per unit score	24	(\$200,000 - per unit subsidy)*25/\$200,000
<i>AHFC Per Bedroom Subsidy</i>	\$8,750	Amount of assistance per bedroom
Subsidy per Bedroom Score	24	(\$200,000 - per bedroom subsidy)*25/\$200,000
<i>Debt Coverage Ratio (Year 5)</i>	0.00	Measured at the 5 Year mark
Debt Coverage Ratio Score	0	Minimum = 1.0; Maximum = 1.5; 1.25 = best score
Underwriting Score	69	MAXIMUM SCORE = 100
APPLICANT		
FINAL QUANTITATIVE SCORE	83	THRESHOLD SCORE = 50
<i>Previous Developments</i>		
<i>Compliance Score</i>		
<i>Proposal</i>		
<i>Supportive Services</i>		
<i>Development Team</i>		
<i>Management Team</i>		
<i>Notes</i>		

Attachment Tabs

Highland Studios

1. Applicant Entity

a. Introduction

Foundation Communities (FC) is a nationally recognized nonprofit founded in 1990 with a mission to provide quality affordable housing and supportive services to low-income families and individuals. FC has 30 years of experience creating housing where individuals and families succeed. Our vision for strong families and communities involves more than just providing a roof over peoples' heads. By combining affordable housing and free on-site services, we empower low-income residents with the tools they need to achieve long-term stability and self-sufficiency. FC focuses on four main areas:

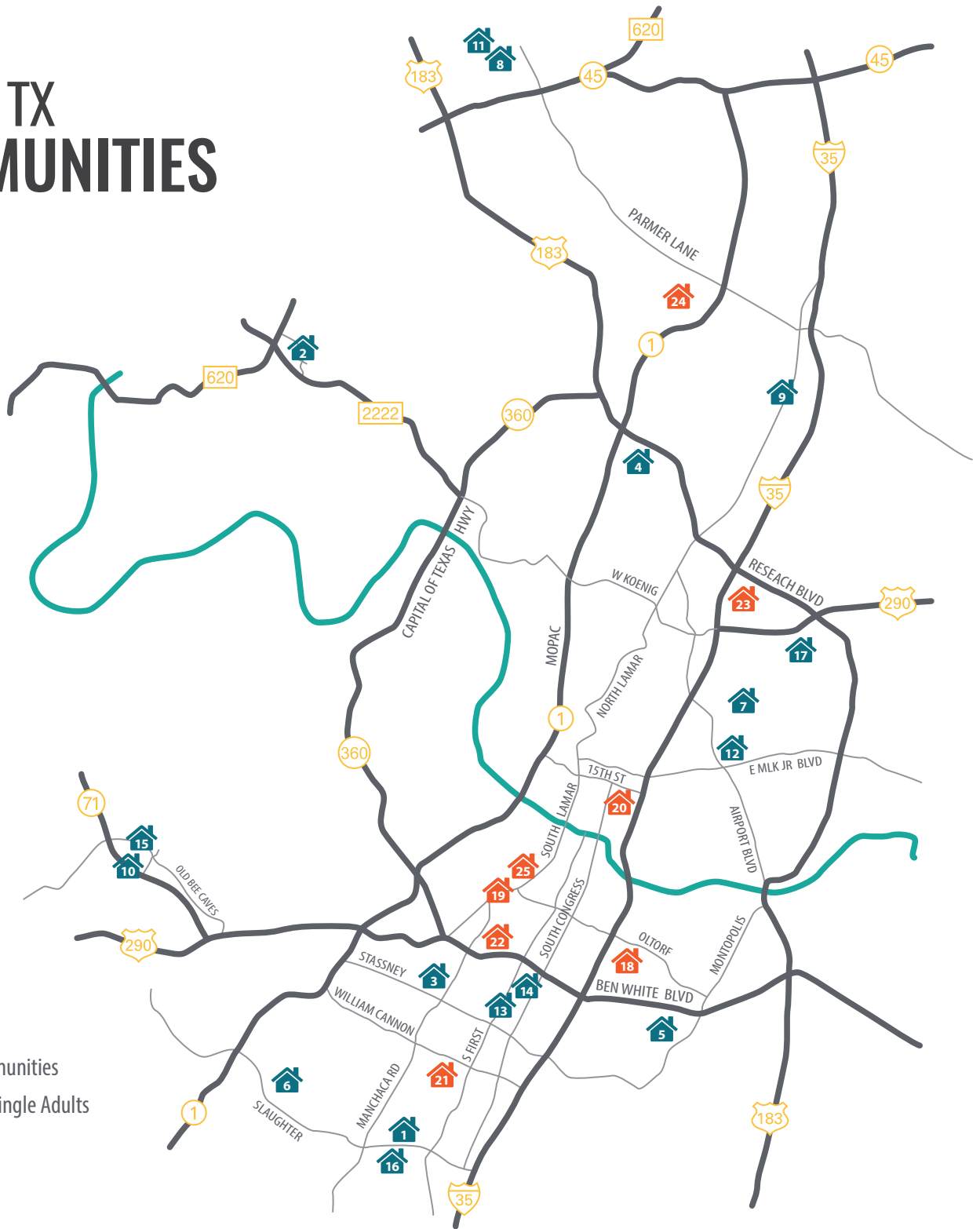
Opening Doors to Homes: We own and manage over 3,700 apartments across 23 properties in Austin and 3 in the North Texas. Over 7,000 residents call our communities home. We are the life-time owner, developer, property manager, and services provider to our Austin portfolio. We invest upfront in high quality design, materials, green building strategies for our new properties and invest heavily in capital repairs, maintenance, and green upgrades at our older properties.

Healthy Communities: All FC residents have access to health amenities and resources including fitness, cooking and nutrition, food pantries, gardens, and disease management/prevention services. We have 859 permanent supportive housing apartments where single adults who have chronic health problems and disabilities, have been homeless, or survive on fixed incomes receive intensive case management. To support families coming out of homelessness, we created the Children's HOME Initiative (CHI). These 173 units, integrated throughout our family properties, provide reduced rents and case management to help families move from crisis to long-term stability.

Learning in a Community: On-site Learning Centers give over 600 children of working parents academic and enrichment support, including the Green and Healthy Kids program. 85% of students maintain or improve their grades in our free out-of-school time programs. Adult education is also a priority and includes job and computer skills, English as a Second Language, and digital and financial literacy. College Hub deepens FC's decade-long commitment to serving non-traditional students, providing intensive support and academic opportunities for low income and first generation college students.

Financial Stability: Financial Centers provide free tax preparation to 20,000+ low-income individuals each year with the help of 600 volunteers. Annual refunds amount to more than \$35 million, and can equal 25% of a family's annual income. Each year, more than 600 families become smart consumers through financial coaching; at least 50% reduce their debt. Matched savings plans assist families to purchase a home, attend college, or start a business.

Austin, TX COMMUNITIES



-  Family Communities
-  Studios for Single Adults

<p>1 Buckingham Place 166 UNITS</p> <hr/> <p>2 Cardinal Point 120 UNITS</p> <hr/> <p>3 Cherry Creek 122 UNITS</p> <hr/> <p>4 Crossroads 92 UNITS</p> <hr/> <p>5 Daffodil 40 UNITS</p> <hr/> <p>6 Homestead Oaks 140 UNITS</p>	<p>7 Jordan at Mueller 132 UNITS</p> <hr/> <p>8 Lakeline Station 128 UNITS</p> <hr/> <p>9 Laurel Creek <i>under construction</i> 88 UNITS</p> <hr/> <p>10 Live Oak Trails 58 UNITS</p> <hr/> <p>11 The Loretta <i>design phase</i> 137 UNITS</p>	<p>12 M Station 150 UNITS</p> <hr/> <p>13 Sierra Ridge 149 UNITS</p> <hr/> <p>14 Sierra Vista 238 UNITS</p> <hr/> <p>15 Southwest Trails 160 UNITS</p> <hr/> <p>16 Trails At The Park 200 UNITS</p> <hr/> <p>17 Trails At Vintage Creek 200 UNITS</p>	<p>18 Arbor Terrace 120 UNITS</p> <hr/> <p>19 Bluebonnet Studios 107 UNITS</p> <hr/> <p>20 Capital Studios 135 UNITS</p> <hr/> <p>21 Garden Terrace 103 UNITS</p> <hr/> <p>22 Skyline Terrace 100 UNITS</p>	<p>23 Spring Terrace 142 UNITS</p> <hr/> <p>24 Waterloo Terrace 132 UNITS <i>under construction</i></p> <hr/> <p>25 Zilker Studios 110 UNITS <i>design phase</i></p>
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1. Applicant Entity
b. Certificate of Status



Office of the Secretary of State

Certificate of Fact

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

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

In testimony whereof, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in Austin, Texas on April 26, 2022.



A handwritten signature in black ink, appearing to read "John B. Scott".

John B. Scott
Secretary of State

1. Applicant Entity

c. Applicant Capacity

Walter Moreau, Executive Director. During his 30+ year career, Walter has secured subsidy financing of more than \$500 million to create more than 4,000 units of service-enriched, nonprofit-owned affordable housing, and 14 onsite Learning Centers. Moreau was recognized as a 2007 James A. Johnson Community Fellow by the Fannie Mae Foundation. He was also awarded the 2005 Social Entrepreneur of the Year Award and the 2004 Texas Houser Award. He holds a Master's degree from UT's LBJ School of Public Affairs. He has been with Foundation Communities for more than 20 years.

Sabrina Butler, Director of Real Estate Development, oversees FC's overall real estate development portfolio, from site selection through construction completion and stabilization. With a background in finance, Sabrina brings a particular strength in securing both public and conventional financing for FC's multi-family housing pipeline, and provides refinancing support to the existing portfolio as well. Sabrina joined Foundation Communities in 2017 with nearly 15 years of experience in nonprofit affordable housing portfolio management and community development finance. Sabrina has a Masters in Regional Planning.

Megan Matthews, Director of Design, and licensed Architect in the State of Texas, oversees the programming, design, and construction management of all development projects. She focuses on green building and sustainability issues while seeking out the best design solutions for the end users. Before joining the Foundation Communities team, Megan worked for the architectural firm responsible for the design of four of our recent communities. Megan coordinates the RFQ and bid processes for the architect, engineers, and general contractor and is the direct link between the third party design and construction professionals and FC's Development team. Megan has a Bachelor of Architecture degree from The University of Texas at Austin.

Tillie Croxdale, Real Estate Project Manager, underwrites all new development proposals and manages initial site analysis and due diligence. Tillie also assists the Director of Real Estate Development with all phases of each capital funding stack including preparation of funding applications (including LIHTC applications), solicitation of mortgage and equity financing and coordination of financing closings. Tillie has a Bachelor in Architecture, a Master in Real Estate Finance and 10 years' experience in the affordable housing field.

Anna Lake-Smith, Development Project Manager, works with the Development team to take projects through feasibility, design, and construction, including coordinating with the Sustainability, Property, and Asset Management teams. Anna brings a wide range of design experience, from residential interiors to city planning. Anna holds a dual MS in Urban Design and MS in Community/Regional Planning from The University of Texas at Austin, and a Bachelor of Arts in Architecture from Wellesley College.

1. Applicant Entity

c. Applicant Capacity

Project management: FC has been managing affordable housing communities in house for 30 years. Megan Matthews oversees the design and construction of our communities, and coordinates the RFQ and bid process for the architect, engineers, and general contractor. She also acts as the direct link between the third party design and construction professionals and FC's Development team. She oversaw the successful completion of The Jordan at Mueller and Waterloo and is currently overseeing 3 communities under construction.

Market Analysis: FC engages a third party firm to conduct market studies for each of our proposed projects. The market study is ordered in the contract feasibility period. Sabrina Butler receives bids and engages each project's market analyst.

Site selection and Control: Walter Moreau has 30 years of site selection experience. Sites are selected based on a variety of factors including current funding priorities, cost of land, preservation of affordable housing opportunities, and availability of sites in close proximity to existing FC properties. FC contracts with a private, third party land broker to find sites and negotiate with sellers.

Planning and Construction: FC contracts with third-party general contractors and has been privileged to work with a number of quality ones. FC invites those firms to bid on all projects developed by Foundation Communities (in addition to other firms who might be interested). FC has an excellent working relationship and with several general contractors.

Design, Architecture and Engineering: Megan Matthews oversees the hiring of the design and engineering team. Typically, Megan issues an RFQ to an invited list of bidders (open to all interested parties.) The list is narrowed down based on responses and then the FC development team including Walter, Sabrina and Megan meet the finalists and make a selection based on presentations. FC has an excellent working relationship with several architectural firms and civil engineers.

Legal and Accounting: All accounting is performed in-house by an accounting team led by Ann Clift, CFO. Tax returns, audits and cost certifications for tax credit properties are contracted out to Novogradac and Company, LLC. FC has engaged a third party attorney.

Federal Funding Rules: FC has extensive experience working with programs funded by HUD and their associated federal regulations including: Federal Labor Standards, Davis Bacon Reporting, Section 3, Affirmative Marketing, Environmental Clearances, Public Notices and Procurement Standards.

Other Funding Source Rules: FC has a great track record for using multiple funding sources on each projects. Funding stacks often include state funds, FLHB, grants, and private fundraising.

1. Applicant Entity

d. Statement of Confidence

This is not applicable as the majority of Foundation Communities portfolio is located within City of Austin and monitored by HPD.

1. Applicant Entity

e. Financial Capacity

Foundation Communities has 30 years of experience utilizing multiple funding tools in the development of affordable multifamily housing. We have an excellent track record of securing funding in competitive allocations of 9% tax credits, Federal Home Loan Bank AHP funds, and City of Austin RHDA funds as well as strong working relationships with multiple lenders and tax credit investors.

Tax Credits: Over the past 18 years, Foundation Communities has applied for and been awarded 9% tax credits for 15 developments and 4% tax credits on 1 development, which utilized bonds from AHFC. The FC development team is well-versed in the LIHTC program and application process and closely follows the annual drafting of the Qualified Allocation Plan. FC has relationships with multiple tax credit investors and syndicators including Enterprise Community Investment, Bank of America, Wells Fargo, Raymond James, NEF, and BBVA Compass.

City of Austin: The City of Austin has been a major contributor on every project completed by Foundation Communities in the past 18 years. The FC Development team follows the release of the City's application rules and NOFA and has a solid working relationship with City of Austin HPD/AHFC staff.

FHLB: Foundation Communities has applied for and received 17 awards through the FHLB Affordable Housing Program.

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

Private Fundraising: FC has a very strong track record of private fundraising and individual donations. Past large foundation donors include Meadows, Topfer, Kendeda, Enterprise, Home Depot, St. David's, and the Michael & Susan Dell Foundations. In the last five years, Foundation Communities has been successful in raising over \$10 million in private funds to help fund construction of 6 new communities.

Other: FC has also utilized TDHCA's Multifamily Direct Loan Program (TCAP and National Housing Trust Fund loans), and the federal Capital Magnet Fund program.

1. Applicant Entity

e. Financial Capacity

Project Name	PIS	Type	Units	Funding Tools
The Loretta – <i>construction</i>	2022	New	137	9% LIHTC City of Austin – GO Bonds FHLB Dallas Capital Magnet Fund
Zilker – <i>construction</i>	2022	New	110	9% LIHTC TDHCA - NHTF City of Austin – GO Bonds FHLB Dallas Capital Magnet Fund
Laurel Creek – <i>under construction</i>	2021	New	88	9% LIHTC TDHCA - NHTF City of Austin – GO Bonds Capital Magnet Fund
Waterloo Terrace	2020	New	132	9% LIHTC TDHCA - NHTF City of Austin - GO Bonds FHLB San Francisco
Jordan At Mueller	2019	New	132	9% LIHTC City of Austin - GO Bonds FHLB San Francisco
Cardinal Point	2017	New	120	9% LIHTC City of Austin - GO Bonds FHLB San Francisco
Garden Terrace Phase III	2017	New	20	TDHCA - TCAP City of Austin - GO Bonds FHLB San Francisco
Bluebonnet Studios	2016	New	107	9% LIHTC TDHCA - TCAP City of Austin - GO Bonds & HOME FHLB San Francisco
Lakeline Stations	2016	New	128	9% LIHTC City of Austin RHDA Program Department of Justice Funds Capital Magnet Fund
Live Oak Trails	2016	New	58	9% LIHTC TDHCA - TCAP City of Austin - GO Bonds & HOME Department of Justice Funds Capital Magnet Fund

1. Applicant Entity

e. Financial Capacity

Project Name	PIS	Type	Units	Funding Tools
Homestead Oaks	2015	New	140	9% LIHTC City of Austin - GO Bonds FHLB San Francisco HUD 221(d)(4) - Mortgage
Capital Studios	2014	New	135	9% LIHTC City of Austin - GO Bonds FHLB San Francisco
Arbor Terrace	2013	Rehab	120	TDHCA - NSP City of Austin - GO Bonds & CDBG FHLB Atlanta
Sierra Vista	2012	Rehab	238	9% LIHTC City of Austin RHDA Program FHLB San Francisco
M Station	2011	New	150	9% LIHTC City of Austin - GO Bonds FHLB San Francisco
Garden Terrace Phase II	2008	Rehab	15	City of Austin - HTF FHLB San Francisco
Skyline Terrace	2006	Rehab	100	9% LIHTC TDHCA HOME City of Austin HOME & HTF FHLB San Francisco
Spring Terrace	2005	Rehab	142	TDHCA HOME & HTF City of Austin - HOME & CDBG FHLB Dallas
Garden Terrace Phase I	2003	Rehab	88	TDHCA - HOME City of Austin - HOME & CDBG FHLB Atlanta HACA
Southwest Trails	2001	New	160	4% LIHTC TDHCA - Housing Trust Fund City of Austin - HOME & HTF FHLB Dallas
Trails at The Park	2000	New	200	9% LIHTC
Trails at Vintage Creek	2000	Rehab	200	City of Austin - Housing Revenue Bond
Daffodil	1996	Rehab	40	TDHCA - RTC AHDP
Peters Colony	1995	Rehab	160	TDHCA - RTC AHDP
Shadow Brook	1995	Rehab	403	TDHCA - RTC AHDP
Sleepy Hollow	1995	Rehab	128	TDHCA - RTC AHDP
Buckingham Duplexes	1991	Rehab	166	TDHCA - RTC AHDP
Sierra Ridge	1991	Rehab	149	
Crossroads	1990	Rehab	92	City of Austin - GO Bonds

1. Applicant Entity

f. Non-profit Developer

Foundation Communities, Inc. is a 501(c)3 nonprofit corporation. The following is an explanation of the support documentation attached. Foundation Communities was originally formed March 5 1990 under the name Central Texas Mutual Housing Association (CTMHA). In 1990 the IRS issued the attached determination letter that recognized Central Texas Housing Mutual Corporation as a 501(c)(3). After changing the organization's name, the IRS issued the attached letter in 2001 reaffirming the 501(c)(3) status for Foundation Communities, Inc. and recognizing the group exemption for all the subordinate nonprofit affiliates.

1. Applicant Entity

f.(i) IRS Letter

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

DEPARTMENT OF THE TREASURY

Date:

JUN 06 1995

CENTRAL TEXAS MUTUAL HOUSING
ASSOCIATION

C/O CINDY CHRISTIANSEN
2512 S IH 35 STE 350
AUSTIN, TX 78704-5751

Employer Identification Number:

74-2563260

Case Number:

755122043

Contact Person:

ANNETTE SMITH

Contact Telephone Number:

(214) 767-6023

Our Letter Dated:

May 23, 1990

Addendum Applies:

No

Dear Applicant:

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

Your exempt status under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3) is still in effect. Based on the information you submitted, we have determined that you are not a private foundation within the meaning of section 509(a) of the Code because you are an organization of the type described in section 509(a)(2).

Grantors and contributors may rely on this determination unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(a)(2) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act, or the substantial or material change on the part of the organization that resulted in your loss of such status, or if he or she acquired knowledge that the Internal Revenue Service had given notice that you would no longer be classified as a section 509(a)(2) organization.

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

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

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

Sincerely yours,



Bobby E. Scott
District Director

Internal Revenue Service

Department of the Treasury

**P.O. Box 2508
Cincinnati, OH 45201**

Date: June 6, 2001

Person to Contact:

Marion F Robinson- Baugh
Customer Service Representative

Toll Free Telephone Number:

8:00 A.M. to 9:30 P.M. EST
877-829-5500

Fax Number:

513-263-3756

Federal Identification Number:

74-2563260

Foundation Communities

3036 S 1st St 200
Austin, TX 78704-6382

Dear Sir or Madam:

This is in response to your request for affirmation of your organization's exempt status.

In May 1990, we issued a determination letter that recognized your organization as exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code. That letter is still in effect.

Based on the information supplied, we recognized the subordinates named on the list your organization submitted as exempt from federal income tax under section 501(c)(3) of the Code. Additionally, we have classified the subordinates your organization operates, supervises, or controls, and which are covered by written notification to us, as organizations that are not private foundations because they are organizations of the type described in sections 509(a)(1) and 170(b)(1)(A)(vi) of the Code.

Donors may deduct contributions to your organization's subordinates as provided in section 170 of the Code. Bequests, legacies, devises, transfers or gifts to the subordinates or for their use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

Your organization and its subordinates are required to file Form 990, Return of Organization Exempt from Income Tax, only if the gross receipts each year are normally more than \$25,000. If a return is required, it must be filed by the 15th day of the fifth month after the end of the organization's annual accounting period. The law imposes a penalty of \$20 a day, up to a maximum of \$10,000, when a return is filed late, unless there is reasonable cause for the delay.

Your organization and its subordinates are not required to file federal income tax returns unless subject to the tax on unrelated business income under section 511 of the Code. If subject to this tax, the organization must file an income tax return on Form 990-T, Exempt Organization Business Income Tax Return. In this letter, we are not determining whether any of your organization or its subordinates' present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

Foundation Communities
74-2563260

Unless specifically excepted, your organization and its subordinates are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more paid to each of its employees during a calendar year. Your organization and its subordinates are not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Each year, at least 90 days before the end of your organization's annual accounting period, please send the following items to the Internal Revenue Service Center at the address shown below:

1. A statement describing any changes during the year in the purposes, character, or method of operation of your organization's subordinates;
2. A list showing the names, mailing addresses (including Postal ZIP Codes), actual addresses if different, and employer identification numbers of subordinates that:
 - a. Changed names or addresses;
 - b. Were deleted from the roster; or
 - c. Were added to the roster.
3. For subordinates to be added, attach:
 - a. A statement that the information on which your organization's present group exemption letter is based applies to the new subordinates;
 - b. A statement that each has given your organization written authorization to add its name to the roster;
 - c. A list of those to which the Service previously issued exemption rulings or determination letters;
 - d. A statement that none of the subordinates is a private foundation as defined in section 509(a) of the Code if the group exemption letter covers organizations described in section 501(c)(3);
 - e. The street address of subordinates where the mailing address is a P.O. Box; and

Foundation Communities
74-2563260

- f. The information required by Revenue Procedure 75-50, 1975-2 C.B. 587 for each subordinate that is a school claiming exemption under section 501(c)(3). Also include any other information necessary to establish that the school is complying with the requirements of Revenue Ruling 71-447, 1971-2 C.B. 230. This is the same information required by Schedule A, Form 1023, Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code.
4. If applicable, a statement that your organization's group exemption roster did not change since the previous report.

The above information should be sent to the following address:

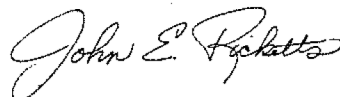
Internal Revenue Service Center
Attn: Entity Control Unit
Ogden, UT 84409

The law requires you to make your organization's annual return available for public inspection without charge for three years after the due date of the return. You are also required to make available for public inspection a copy of your organization's exemption application, any supporting documents and the exemption letter to any individual who requests such documents in person or in writing. You can charge only a reasonable fee for reproduction and actual postage costs for the copied materials. The law does not require you to provide copies of public inspection documents that are widely available, such as by posting them on the Internet (World Wide Web). You may be liable for a penalty of \$20 a day for each day you do not make these documents available for public inspection (up to a maximum of \$10,000 in the case of an annual return).

Your organization's Group Exemption Number is .

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

Sincerely,



John E. Ricketts, Director, TE/GE
Customer Account Services

Change of Address or Responsible Party — Business

▶ Please type or print.

▶ See instructions on back. ▶ Do not attach this form to your return.
 ▶ Go to www.irs.gov/Form8822B for the latest information.

Before you begin: If you are also changing your home address, use Form 8822 to report that change.

If you are a tax-exempt organization (see instructions), check here

Check **all** boxes this change affects:

- 1 Employment, excise, income, and other business returns (Forms 720, 940, 941, 990, 1041, 1065, 1120, etc.)
- 2 Employee plan returns (Forms 5500, 5500-EZ, etc.)
- 3 Business location

4a Business name Foundation Communities, Inc	4b Employer identification number 74-2563260
--	--

5 Old mailing address (no., street, room or suite no., city or town, state, and ZIP code). If a P.O. box, see instructions. If foreign address, also complete spaces below, see instructions.
 3036 S 1st Street, Suite 200, Austin, TX 78704

Foreign country name	Foreign province/county	Foreign postal code
----------------------	-------------------------	---------------------

6 New mailing address (no., street, room or suite no., city or town, state, and ZIP code). If a P.O. box, see instructions. If foreign address, also complete spaces below, see instructions.
 3000 S IH-35, Suite 300, Austin, TX 78704

Foreign country name	Foreign province/county	Foreign postal code
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7 New business location (no., street, room or suite no., city or town, state, and ZIP code). If a foreign address, also complete spaces below, see instructions.
 3000 S IH-35, Suite 300, Austin, TX 78704

Foreign country name	Foreign province/county	Foreign postal code
----------------------	-------------------------	---------------------

8 New responsible party's name

9 New responsible party's SSN, ITIN, or EIN

10 Signature
 Daytime telephone number of person to contact (optional) ▶ _____

Sign Here		1-2-2020
	Signature of owner, officer, or representative	Date
	Executive Director	
	Title	

Where To File	
Send this form to the address shown here that applies to you.	
IF your old business address was in . . .	THEN use this address . . .
Connecticut, Delaware, District of Columbia, Florida, Georgia, Illinois, Indiana, Kentucky, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Tennessee, Vermont, Virginia, West Virginia, Wisconsin	Internal Revenue Service Cincinnati, OH 45999-0023
Alabama, Alaska, Arizona, Arkansas, California, Colorado, Hawaii, Idaho, Iowa, Kansas, Louisiana, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, Wyoming, any place outside the United States	Internal Revenue Service Ogden, UT 84201-0023

The Texas Department of Housing and Community Affairs

hereby certifies

Foundation Communities, Inc.

As a

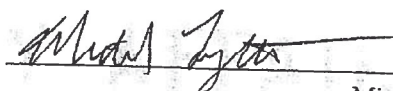
Texas Community Housing Development Organization

This certificate shall evidence that said organization has satisfactorily demonstrated to the Department its compliance with federal HOME Investment Partnerships Program requirements set forth at 24 CFR Part 92.

The Department commends Foundation Communities, Inc. for its proactive involvement in establishing affordable housing for the citizens in its service area.

Date Issued: 01-Nov-05

Expiration Date: 01-Nov-45



Michael Lyttle
Director, Division of Policy and Public Affairs

1. Applicant Entity

f.(ii) Audit

1. Applicant Entity
f.(iii) Board Resolution

Resolution for Highland Studios City of Austin Applications

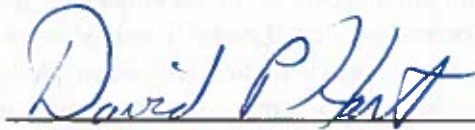
SECRETARY'S CERTIFICATE OF ADOPTION

I, David Hart, certify that I am the duly qualified and acting Secretary of the Board of **FOUNDATION COMMUNITIES, INC.**, a duly organized and existing Texas non-profit corporation (the "**Corporation**").

I do hereby certify that said Corporation is duly organized and existing under the laws of the State of Texas; that all franchise and other taxes required to maintain its corporate existence have been paid when due and no such taxes are delinquent; that no proceedings are pending for the forfeiture of its Certificate of Formation or for its dissolution; that it is duly qualified to do business in the State of Texas and is in good standing in such state; and that there is no provision of the Certificate of Formation or Bylaws of said Corporation limiting the power of the Board of Directors to pass the resolutions set out below and that the same are in conformity with the provisions of said Certificate of Formation and Bylaws.

Attached is a true and correct copy of the resolutions adopted by unanimous consent of the Board of Directors of the Corporation at our legally held meeting.

ADOPTED this 12th day of April, 2022.

A handwritten signature in blue ink that reads "David P. Hart". The signature is written in a cursive style and is positioned above a solid horizontal line.

DAVID HART, Secretary
Foundation Communities, Inc. Board of Directors

Resolution for Highland Studios City of Austin Applications

**RESOLUTION BY BOARD OF DIRECTORS OF
OF FOUNDATION COMMUNITIES, INC.**

WHEREAS, **Foundation Communities, Inc.**, a non-profit Community Housing Development Organization (the "**Corporation**"), has determined that the actions set out in the following resolutions reasonably may be expected to benefit, directly or indirectly, the Corporation;

RESOLVED, that the Corporation apply for a loan for acquisition, predevelopment, and/or construction costs from the Austin Housing Finance Corporation's Rental Housing Development Assistance Program and/or Project Connect Anti-Displacement Community Acquisition Program (the "**Loan**") for a proposed affordable housing, rental community to be constructed at **5900 and 5906 Airport Blvd., Austin, Travis County, Texas 78752** (collectively, the "**Property**");

RESOLVED, that the Corporation apply for permitting and entitlements (collectively, the "**Entitlements**") with the City of Austin related to the proposed affordable housing to be constructed on the Property;

RESOLVED, that Walter Moreau, as Executive Director of the Corporation (the "**ED**") may, in his sole discretion, execute all documents to effectuate the Loan and Entitlements;

RESOLVED, that the Corporation secure up to **\$8,000,000** of funds through the Loan from the Austin Housing Finance Corporation (the "**Lender**") and, whether by and through itself or by and through an entity under common control with the Corporation, pledge the Property and other related assets as collateral therefore, all on such terms and conditions as the ED of the Corporation may, in his sole discretion, deem necessary or desirable, and that the Corporation execute any and all pertinent documents relating to the Loan required by Lender in connection therewith, confirming and ratifying its liability under said Loan, all on such terms and conditions as the ED of the Corporation may, in his sole discretion, deem necessary or desirable;

RESOLVED, that the grant by the Corporation of liens on the Property described above may also secure any and all other indebtedness now or hereafter owing to Lender;

RESOLVED, that the Corporation act in the future to take any and all actions necessary to renew, extend or otherwise modify the terms of the above-referenced Loan and any other loan from Lender, all on such terms and conditions and for such consideration as the ED of the Corporation may in his/her sole discretion, deem necessary or advisable;

RESOLVED, that the ED of the Corporation be, and he is hereby, authorized, empowered, and directed to execute, acknowledge, and deliver, for and on behalf and in the name of the Corporation, such loan applications, assumption agreements, affidavits, assignments, bills of sale, promissory notes, deeds of trust, financing statements, security agreements, guaranties, pledges, loan documents, licenses, easements, entitlement applications, affordability unlocked agreements, and other instruments, containing such terms and conditions as the ED may, in his sole discretion, deem necessary or desirable, and that the attestation by the Secretary of the Corporation and the affixation of the seal of the Corporation shall not be necessary;

RESOLVED, that the Corporation, whether by and through itself or by and through a specific purpose entity created for such and under common control with Corporation, may transfer the Property to a limited partnership affiliated with the Corporation in the event that the ED of the Corporation determines, in his sole discretion, that such a transfer is necessary or desirable;

RESOLVED, that the ED of the Corporation be, and he is hereby, authorized, empowered, and

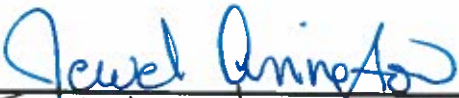
directed to execute, acknowledge, and deliver, for and on behalf and in the name of the Corporation, such deeds, bills of sale and other instruments, containing such terms and conditions as the ED may, in his sole discretion, deem necessary or desirable, and that the attestation by the Secretary of the Corporation and the affixation of the seal of the Corporation shall not be necessary;

RESOLVED, that any instruments executed in connection with the above-described transactions may contain such effective dates, whether prior to or after the date of adoption of these resolutions as set forth below, as the ED of the Corporation may, in his sole discretion, deem necessary or advisable; and

RESOLVED, that any and all transactions by the ED any of the officers or representatives of the Corporation with Lender and the prior owner of the Property prior to the adoption of these resolutions be, and they are hereby, ratified and approved for all purposes.

Adopted and approved by the Board of Directors on the 12th day of April, 2022.

FOUNDATION COMMUNITIES, INC.



Jewel Arrington, Chair
Board of Directors of Foundation Communities, Inc.

2. Development Team

a.+ b. Team members

Role	Info	Contact	MBE	WBE	NP
Owner	TBD tax credit limited partnership affiliate of Foundation Communities	Walter Moreau, Executive Director (512) 610-4016 walter.moreau@foundcom.org			
Developer	Foundation Communities, Inc. 3000 S IH-35, Suite 300 Austin, TX 78704	Walter Moreau, Executive Director (512) 610-4016 walter.moreau@foundcom.org			X
Architect	Forge Craft Architecture + Design 608 W Monroe Street Austin, TX 78704	Scott Ginder, Principal + Founder (512) 872-6655 scott@forgecraftarchitecture.com			
Engineer	TBD				
Attorney	Rigby Slack Lawrence & Comerford, 6836 Austin Center Blvd., Suite 100 Austin, Texas 78731	Cathleen Slack, Partner (512) 782-2060 cslack@rigbyslack.com			
Accountant	Novogradac & Company LLP 11044 Research Blvd. Austin, TX 78759	Susan Wilson, CPA, Partner (512) 349-3232 susan.wilson@novoco.com			
General Contractor	TBD				
Construction Lender	TBD				
Lenders	TBD				
Tax Credit Consultant	TBD				
Property Manager	Foundation Communities, Inc. 3000 S IH-35, Suite 300 Austin, TX 78704	Walter Moreau, Executive Director (512) 610-4016 walter.moreau@foundcom.org			X
Supportive Services	Foundation Communities, Inc. 3000 S IH-35, Suite 300 Austin, TX 78704	Walter Moreau, Executive Director (512) 610-4016 walter.moreau@foundcom.org			X

2. Development Team

c. Experience

Foundation Communities has nearly 30 years of experience contracting for and overseeing the construction and rehabilitation of affordable housing. Eleven of our existing communities were new construction projects financed with tax credits with three communities under construction. The remaining fourteen communities in our portfolio were purchased as existing properties and greatly improved with renovations, green spaces and playscapes, learning centers, landscaping, signage, lighting and green building features (solar panels and rain water harvesting). We have experience with the design and construction of structures that are zero lot VMU, 4-story elevator, 3-story walk up, and renovations of apartment complexes, hotels, nursing homes, and duplexes. We have a great track record of gaining neighborhood support, zoning changes, completing construction within tax credit deadlines, and achieving green certifications with AEGB, LEED, and Enterprise Green Communities. All of FC's 10 recently completed communities received 4 or 5 star AEGB ratings and seven of those received LEED Gold or Platinum Certifications.

Forge Craft Architecture + Design has been engaged as the architect for Parker Apartments. Forgecraft is an architecture firm that specializes in multi-family housing and creative mixed-use development with an emphasis on micro-unit design, affordable housing, tricky urban infill sites, and sustainable design. They have deep experience as a leader in SRO design, and recently published a white paper Field Guide on the subject. Foundation Communities has worked with members of the Forge Craft team on designs of Capital Studios, Bluebonnet Studios, Waterloo Terrace, and Zilker Studios.

3. Property Management Team

a. Experience

Foundation Communities performs all leasing, maintenance, accounting, compliance and other property management functions for its 25 Austin properties and earns property management and asset management fees that help support the overall nonprofit mission. Our team monitors portfolio health, tracks each project monthly, and aggregates detailed performance metrics at the portfolio level for review by the CFO. FC also has a well-funded Central Reserve and robust Asset Management program to keep properties in good condition and eliminate unforeseen capital/repair expenses that would undermine FC's organizational and financial strength. The success of our property management is demonstrated through its high occupancy (97% in 2020), low turnover, and healthy investment in capital repairs and upgrades to existing portfolio (\$680/unit in 2020).

Vicki McDonald, Chief Real Estate Officer. Primary responsibilities include the oversight of our entire real estate portfolio, monitoring annual operating budgets, major capital improvements, and management of a team of ten staff who are directly involved in the daily oversight of property operations, capital improvements, sustainability initiatives, supportive housing, safety and risk management and new construction. She links real estate operations and development through input and participation on the acquisition, design, and construction transition to operations. She is a CCIM Designee, a licensed Texas Real Estate Broker and has owned a real estate management and brokerage firm for 25 years before joining Foundation Communities.

Cacki Young, Director of Supportive Housing Management. Cacki oversees FC's supportive housing portfolio for single adults. Cacki's role includes developing and managing strategic partnerships and policies to increase and maintain access to housing for highly vulnerable populations. Additionally, her role supports both property management and supportive services staff working together in a blended management model to support housing retention. Cacki has a degree in Social Work and previously worked as a licensed social worker in family supportive housing and created financial stability programming for low-income individuals and families. She has worked for FC since 1999.

Valicia Nichols, Director of Compliance, oversees compliance for the entire portfolio and is well-versed in guidelines and regulations for FC's compliance programs, such as Low Income Housing Tax Credits (LIHTC), HOME, HUD Section 8 Voucher, Housing Trust Fund, Neighborhood Stabilization Program (NSP), Section 811 and older programs, e.g., Affordable Housing Program (AHP). She has been with FC since 2011 and maintains FC's good standing with compliance agencies, e.g., TDHCA (state); City of Austin; FHLB as well as investors.

3. Property Management Team

b. Compliance Reports from Austin



City of Austin

Neighborhood Housing and Community Development

P.O. Box 1088, Austin, TX 78767 -1088

(512) 974-3100 ♦ Fax (512) 974-3112 ♦ www.cityofaustin.org/housing

November 30, 2020

Kristina Thompson
Foundation Communities
3226 W Slaughter Lane
Austin, TX 78748

Re: FY19-20 Monitoring Review of Homestead Oaks

Dear Kristina Thompson:

The City of Austin, Neighborhood Housing and Community Development (NHCD) contracted UPCS Inspectors, LLC to perform an on-site monitoring review of the aforementioned property on September 03, 2020. The purpose of the review was to ensure program compliance with federal and local regulatory requirements set forth in the Rental Housing Development Assistance Program Loan Agreement (the “Loan Agreement”) with the Austin Housing Finance Corporation (AHFC).

I am pleased to inform you that the property file reviews were completed and the property is in compliance with the terms of the agreement. Due to COVID-19 precautions, property inspections were suspended for the current year, but NHCD reserves the right to complete the property inspections at a future date.

Should you have any questions or require additional information, please contact Jenilee.Ramirez@austintexas.gov or at 512-974-9379.

Sincerely,

Chase Clements, Financial Manager
City of Austin, NHCD



City of Austin

Neighborhood Housing and Community Development

P.O. Box 1088, Austin, TX 78767 -1088

(512) 974-3100 ♦ Fax (512) 974-3112 ♦ www.cityofaustin.org/housing

November 30, 2020

Kristina Thompson
Foundation Communities
2906 E Martin Luther King Boulevard
Austin, TX 78702

Re: FY19-20 Monitoring Review of M Station

Dear Kristina Thompson:

The City of Austin, Neighborhood Housing and Community Development (NHCD) contracted UPCS Inspectors, LLC to perform an on-site monitoring review of the aforementioned property on September 4, 2020. The purpose of the review was to ensure program compliance with federal regulatory requirements set forth in the agreement between NHCD and Foundation Communities.

I am pleased to inform you that the property file reviews were completed and the property is in compliance with the terms of the agreement. Due to COVID-19 precautions, inspections were suspended for the current year, but NHCD reserves the right to complete the property inspections at a future date.

Should you have any questions or require additional information, please contact Jenilee.Ramirez@austintexas.gov or at 512-974-9379.

Sincerely,

Chase Clements, Financial Manager
City of Austin, NHCD



City of Austin

Neighborhood Housing and Community Development

P.O. Box 1088, Austin, TX 78767 -1088

(512) 974-3100 ♦ Fax (512) 974-3112 ♦ www.cityofaustin.org/housing

November 30, 2020

Kristina Thompson
Foundation Communities
4320 S. Congress Ave.
Austin, TX 78745

Re: FY19-20 Monitoring Review of Sierra Vista

Dear Kristina Thompson:

The City of Austin, Neighborhood Housing and Community Development (NHCD) contracted UPCS Inspectors, LLC to perform an on-site monitoring review of the aforementioned property on September 03, 2020. The purpose of the review was to ensure program compliance with federal and local regulatory requirements set forth in the Rental Housing Development Assistance Program Loan Agreement (the “Loan Agreement”) with the Austin Housing Finance Corporation (AHFC).

I am pleased to inform you that the property file reviews were completed and the property is in compliance with the terms of the agreement. Due to COVID-19 precautions, property inspections were suspended for the current year, but NHCD reserves the right to complete the property inspections at a future date.

Should you have any questions or require additional information, please contact Jenilee.Ramirez@austintexas.gov or at 512-974-9379.

Sincerely,

Chase Clements, Financial Manager
City of Austin, NHCD

3. Property Management Team

- c. Compliance Reports from outside Austin**

OWNER CERTIFICATION OF PROGRAM COMPLIANCE

Monitoring Data Services
Name of Monitoring Agency
PO Box 701769
Address
Dallas TX 75060

 Initial Certification
 Annual Update for Period
06/01/2019 to 5/31/2020
Date Date

From: Sleepy Hollow Mutual Housing Corp
Owner Name
Sleepy Hollow Apartments
Property Name
3903 Ichabod Circle Arlington TX 76013
Address

Property Identification Number 200992880

As the owner(s) of the above-referenced property, I/we hereby certify that I/we have met all terms and conditions of the Land Use Restriction Agreement (LURA) for this property dated 06/06/1995.

I/We certify that:

1. The property meets the Total Set-Aside and the Very Low-Income Set Aside requirements of the LURA.
2. The income of tenants in all Qualifying Units has been reviewed and verified, and falls within the applicable AHDP income limits.
3. Units have been leased in accordance with all occupancy and lease requirements of the LURA.
4. All Qualifying Units have contract rents that are equal to or less than the applicable AHDP maximum rents.
5. The lease provisions required by the LURA have been incorporated in all leases for Qualifying Units.
6. The reports submitted to the monitoring agency are accurate and correct to the best of our knowledge.

I/We understand that any willful false statement or misrepresentations on this certification requires the monitoring agency to promptly notify the RTC or its successors, which may result in legal action.

Owner
Walter Moore

Date
6/11/20

Warning: Section 1001 of Title 18 of the U.S. Code makes it a criminal offense to make willful false statements or misrepresentations to any Department or Agency of the United States as to any matter within its jurisdiction.

OWNER CERTIFICATION OF PROGRAM COMPLIANCE

Monitoring Data Services

Name of Monitoring Agency

P.O. Box 601769

Address

Dallas TX 75360

 Initial Certification

Annual Update for Period

10/1/2019 to 9/30/2020

Date

Date

From: Foundation Communities

Owner Name

Peters Colony Apartments

Property Name

1810 E Peters Colony Road Carrollton TX 75007

Address

Property Identification Number 669827200

As the owner(s) of the above-referenced property, I/we hereby certify that I/we have met all terms and conditions of the Land Use Restriction Agreement (LURA) for this property dated 6/29/1995.

I/We certify that:

1. The property meets the Total Set-Aside and the Very Low-Income Set Aside requirements of the LURA.
2. The income of tenants in all Qualifying Units has been reviewed and verified, and falls within the applicable AHDP income limits.
3. Units have been leased in accordance with all occupancy and lease requirements of the LURA.
4. All Qualifying Units have contract rents that are equal to or less than the applicable AHDP maximum rents.
5. The lease provisions required by the LURA have been incorporated in all leases for Qualifying Units.
6. The reports submitted to the monitoring agency are accurate and correct to the best of our knowledge.

I/We understand that any willful false statement or misrepresentations on this certification requires the monitoring agency to promptly notify the RTC or its successors, which may result in legal action.

Owner
Walter Morris

Date
9/28/20

Warning: Section 1001 of Title 18 of the U.S. Code makes it a criminal offense to make willful false statements or misrepresentations to any Department or Agency of the United States as to any matter within its jurisdiction.

OWNER CERTIFICATION OF PROGRAM COMPLIANCE

Monitoring Data Services
Name of Monitoring Agency
PO Box 701769
Address
Dallas TX 75060

 Initial Certification
 Annual Update for Period
07/01/2019 to 6/30/2020
Date Date

From: Shadow Brook Mutual Housing Corp
Owner Name
Shadow Brook Apartments
Property Name
2020 South Cooper St Arlington TX 76013
Address

Property Identification Number 17144264

As the owner(s) of the above-referenced property, I/we hereby certify that I/we have met all terms and conditions of the Land Use Restriction Agreement (LURA) for this property dated 06/06/1995.

I/We certify that:

1. The property meets the Total Set-Aside and the Very Low-Income Set Aside requirements of the LURA.
2. The income of tenants in all Qualifying Units has been reviewed and verified, and falls within the applicable AHDP income limits.
3. Units have been leased in accordance with all occupancy and lease requirements of the LURA.
4. All Qualifying Units have contract rents that are equal to or less than the applicable AHDP maximum rents.
5. The lease provisions required by the LURA have been incorporated in all leases for Qualifying Units.
6. The reports submitted to the monitoring agency are accurate and correct to the best of our knowledge.

I/We understand that any willful false statement or misrepresentations on this certification requires the monitoring agency to promptly notify the RTC or its successors, which may result in legal action.

Owner
Walter Hoehn

Date
6/22/20

Warning:

Section 1001 of Title 18 of the U.S. Code makes it a criminal offense to make willful false statements or misrepresentations to any Department or Agency of the United States as to any matter within its jurisdiction.

4. Development Proposal

a. Development Description

- i. Describe the proposed resident population, income levels, and services, if any, to be provided to or made available to residents. Indicate the number of units designed to meet accessibility requirements for persons with mobility or sensory impairments; the number of units dedicated to the Continuum of Care; and the number of rental assistance vouchers dedicated to the development.
- **Target Population** – This development will target very low and extremely low income individuals, persons transitioning out of homelessness, persons at-risk of homelessness, persons with physical, intellectual, and/or developmental disabilities, youth aging out of foster care, persons transitioning out of institutionalized care, and persons unable to secure permanent housing elsewhere due to various barriers, and/or persons with special housing needs. Foundation Communities has been providing services and housing to this target population for over 15 years.
 - **Special Needs and Homeless Set aside**– as part of a FHLB application, FC will commit to a 20% - 40% set aside for persons with Special Housing Needs and persons meeting the FHLB definition of homeless.
 - **Continuum of Care** – as part of the 2023 tax credit application we expect to commit 2% of total units for Persons experiencing homelessness and referred from the Continuum of Care or other local homeless service providers.
 - **Accessibility** - 10% of the total units will be made accessible for persons with mobility and 2% of total units will be made accessible for persons with hearing and visual impairments. In addition, all ground floor units will be made adaptable to persons with mobility disabilities.
- ii. Identify the appropriate Neighborhood Plan and describe the Development’s compatibility with it. In the absence of a Neighborhood Plan, describe the Development’s compatibility with the Imagine Austin Comprehensive Plan.

The development site is located within the Brentwood/Highland Combined Neighborhood Planning Area and conforms to the zoning of Commercial as congregate living use. This development aligns with the Plans goals of density along major corridors and improving affordability.

4. Development Proposal

a. Development Description

- iii. Summarize the key financials of the development, clearly indicating the total development cost; the amount and intended use of AHFC/HPD funds being requested; the amount and use of any prior funding that the development may have received from AHFC; and the amount(s) and provider(s) of other funding and the status of those funding commitments.
- **Total Development Cost - \$33,855,210**
 - **Tax Credit Equity \$19,598,040** – In 2023, FC will submit an application for \$2 million in 9% tax credits. Assuming \$0.98 per tax credit, we are expecting over \$19 million in tax credit equity. This location as supportive housing scores very competitively.
 - **AHFC Acquisition - \$1,050,000** – with this application, FC is applying for funds to be used for acquisition of 5906 Airport. We request these funds from the City to be in the form of a deferred forgivable loan with a 40 year term.
 - **AHFC Construction- \$6,000,000** – in 2023, we will submit an application for RHDA construction funding currently expected to be approximately \$6,000,000, although this is subject to change based on updated estimates of costs and other funding opportunities.
 - **National Housing Trust Fund (NHTF) –\$4,000,000** - FC will apply for NHTF funds in 2022 in connection with our tax credit application
 - **Federal Home Loan Bank (FHLB) - \$1,250,000** – FC will apply for FHLB funds in 2023 at the Dallas and Atlanta locations. These are competitive applications due in spring and summer and awards announced in fall.
 - **FC Fundraising - \$1,357,170**- FC will commit its own funding as a placeholder for private fundraising that will be pursued as the project is developed. These funds will be loaned to the property as a 3% interest 40 year cash flow contingent loan. This placeholder is subject to change prior to our 2nd RHDA application as we learn more about likely fundraising opportunities for this project.
- iv. Indicate whether the project meets the requirements of the City's Vertical Mixed-Use (VMU) Ordinance, or is in a Planned-Unit Development (PUD) or Transit Oriented Development (TOD) or any other City of Austin density bonus program.

This site is not located within a PUD or TOD or zoned VMU.

4. Development Proposal

b. Funding Commitments

With this application, Foundation Communities is committing to provide a bridge loan as fundraising opportunities are pursued.

4. Development Proposal

c. Market Assessment

Foundation Communities will engage a market analyst as part of our due diligence and will forward to AHFC once available.

4. Development Proposal

d. Continuum of Care

As part of the 2023 tax credit application we expect to commit 2% of units to persons referred through Continuum of Care.

4. Development Proposal

e. Resident Services

- i. A description of the services to be provided to residents and/or clients, and the estimated annual cost of providing those services. If the development will also be applying for LIHTC, please reference the specific services as allowed for by TDHCA's Qualified Allocation Plan (QAP).

Foundation Communities will provide free supportive service programs that will educate, support and improve health and financial standing for residents. Two full time case managers will be available on site. Supportive Service programs to be offered on site include:

- **Adult Education Classes** – Staff and volunteers offer “at your door” educational opportunities to adults such as ESL, computer skills, financial literacy and GED.
- **Workforce Development-** Staff and volunteers work one on one with interested residents to develop resumes, conduct job searches, prepare for interviews, and research educational and training opportunities to help residents to increase their employment income.
- **Healthy Food Pantry:** An on-site Healthy Food Pantry will be open to both residents and community members and will offer fresh produce, dairy, eggs, meat, and shelf-stable foods.
- **Counseling and Referrals** – Our staff will provide one-on-one counseling and warm connections to local health resources and assistance with obtaining benefits and entitlements such as Social Security, Medicaid, and Food Stamps.
- **Health Fairs & Events:** These include Health Fairs for resident, and community members, featuring opportunities for health screenings, immunizations, and access to resources like PPE.
- **Nutrition and Fitness Classes:** Free cooking, nutrition, and fitness classes, such as yoga, walking groups, aerobics, and the ever-popular Zumba classes, will be offered to residents and the community.
- **Eviction Prevention** – property management and services staff collaborate to prevent eviction through early communication, referrals for rent assistance, and counseling

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

The final unit count is subject to design, but we expect that this development will house up to 120 individuals at any given time.

4. Development Proposal

e. Resident Services

- iii. **Developer's experience and qualifications in providing the services to be offered, if services are offered by the developer.**

Foundation Communities, as the primary supportive service provider at all our communities, has nearly 25 years of experience in the provision of supportive services to its residents. Supportive services are an integral part of all Foundation Communities properties, and are included in the planning process for every new community from inception.

FC is considered a national leader in the provision of service-enriched housing. All Foundation Communities service programs are developed to meet the particular needs of residents. Each program area utilizes a Theory of Change approach to identify the particular resident outcomes that are desired, the resources that will be required and how progress towards outcomes achievement will be measured and evaluated. Foundation Communities utilizes and contributes to best practices in the fields of education, health, trauma-informed case management and financial stability. Because our programs have a long and consistent record of achieving positive resident outcomes, numerous foundations and public agencies provide funding to establish and grow our programs.

- iv. **Description of the organization(s) providing the services and a memorandum of understanding or some other type of signed agreement that indicates the relationship between the developer and service provider, if the services are provided by an external organization.**

The majority of supportive services will be provided by Foundation Communities staff and volunteers. We do, however partner with more than fifty nonprofits and community groups to provide additional services. Some significant partnerships include: Breakthrough Austin, Caritas of Austin, Safe Place, Life Works, Travis County CPS, Communities for Recovery, and Project Transition.

4. Development Proposal

e. Resident Services

- v. Resumes of key personnel who will be actively involved in the delivery of services including information on certifications, licenses, years of experience, and education.

Services Staff

2 full-time Supportive Services Staff will be located on-site at this development, and will coordinate volunteer services staff, collaborate with community partners, manage the on-site Food Pantry, work closely with property management to help residents maintain their housing, and coordinate service delivery that promotes the empowerment and self-sufficiency of all residents. Services include, but are not limited to, helping residents access public entitlements (e.g. SSI, Unemployment), helping residents increase their income by improving their job skills to expand employment opportunities, encouraging residents to participate in the on-site Adult Education classes, and connecting interested residents to mental health programs. Staff must have a Bachelor's degree in social work or related field and a minimum of 3 years of relevant experience.

Key leadership roles involved in service delivery.

- **Cacki Young – Director of Supportive Housing Management.** Cacki oversees FC's supportive housing portfolio for single adults. Cacki's role includes developing and managing strategic partnerships and policies to increase and maintain access to housing for highly vulnerable populations. Additionally, her role supports both property management and supportive services staff working together in a blended management model to support housing retention. Cacki has a degree in Social Work and previously worked as a licensed social worker in family supportive housing and created financial stability programming for low-income individuals and families. She has worked for FC since 1999.
- **Kori Hattemer – Director of Financial Programs.** In this capacity, she oversees Foundation Communities' free tax preparation, college support services, one-on-one financial coaching, and money management classes. Prior to joining Foundation Communities, Kori was the Associate Director of Savings & Financial Capability at CFED. Kori received her Master of Public Affairs degree at the University of Texas, where she also completed her undergraduate degree.
- **Rita Ortega—Director of Health Initiatives.** Rita joined Foundation Communities in 2019. Prior to taking over as Director, she served as the Program Manager for Health and Nutrition, overseeing FC's food pantry and health education programs. She has over 15 years of public health education experience with the American Cancer Society, Austin Public Health, and the Texas Department of Health Services. She earned her bachelor's degree in Kinesiology from the UT at Austin and her master's degree in Health Education from Texas State University. Rita is a Master Certified Health Education Specialist.

4. Development Proposal

e. Resident Services

vi. Financial capacity of the Services provider:

Foundation Communities has a strong track record of fundraising to cover these programs. Funding for the supportive services will come from a combination of cash flow, grants and fundraising from private foundations, corporations and individuals. This is the same method used to fund the supportive service programs at all our existing properties. FC has raised approximately \$45 million over the past 5 years to fund services at our existing 22 properties in Austin. We have deep relationships with the donor community, a well-funded Central Reserve, and maintains a healthy portfolio contributing strong ongoing revenue to the organization, with all projects producing their targeted cash flow and reserves established by the Board. Below is the services budget.

Sources	Year 1	Year 2	Year 3
City/Grants	\$354,098	\$368,712	\$383,845
Project Cash Flow	\$110,713	\$105,395	\$99,744
TOTAL	\$464,811	\$474,107	\$483,589

Uses	Year 1	Year 2	Year 3
Service Staff Salaries	\$184,000	\$187,680	\$191,434
24-Hour Desk Clerks	\$108,742	\$110,917	\$113,135
Taxes and Benefits	\$84,177	\$85,861	\$87,578
General Admin	\$2,122	\$2,164	\$2,208
Direct Aide	\$10,078	\$10,280	\$10,485
Programs	\$75,692	\$77,206	\$78,750
TOTAL USES	\$464,811	\$474,107	\$483,589

4. Development Proposal

f. Affordability Unlocked

We submitted an AU application in January 2022. Staff has requested that we execute the AU agreement once we purchase the second site.

4. Development Proposal

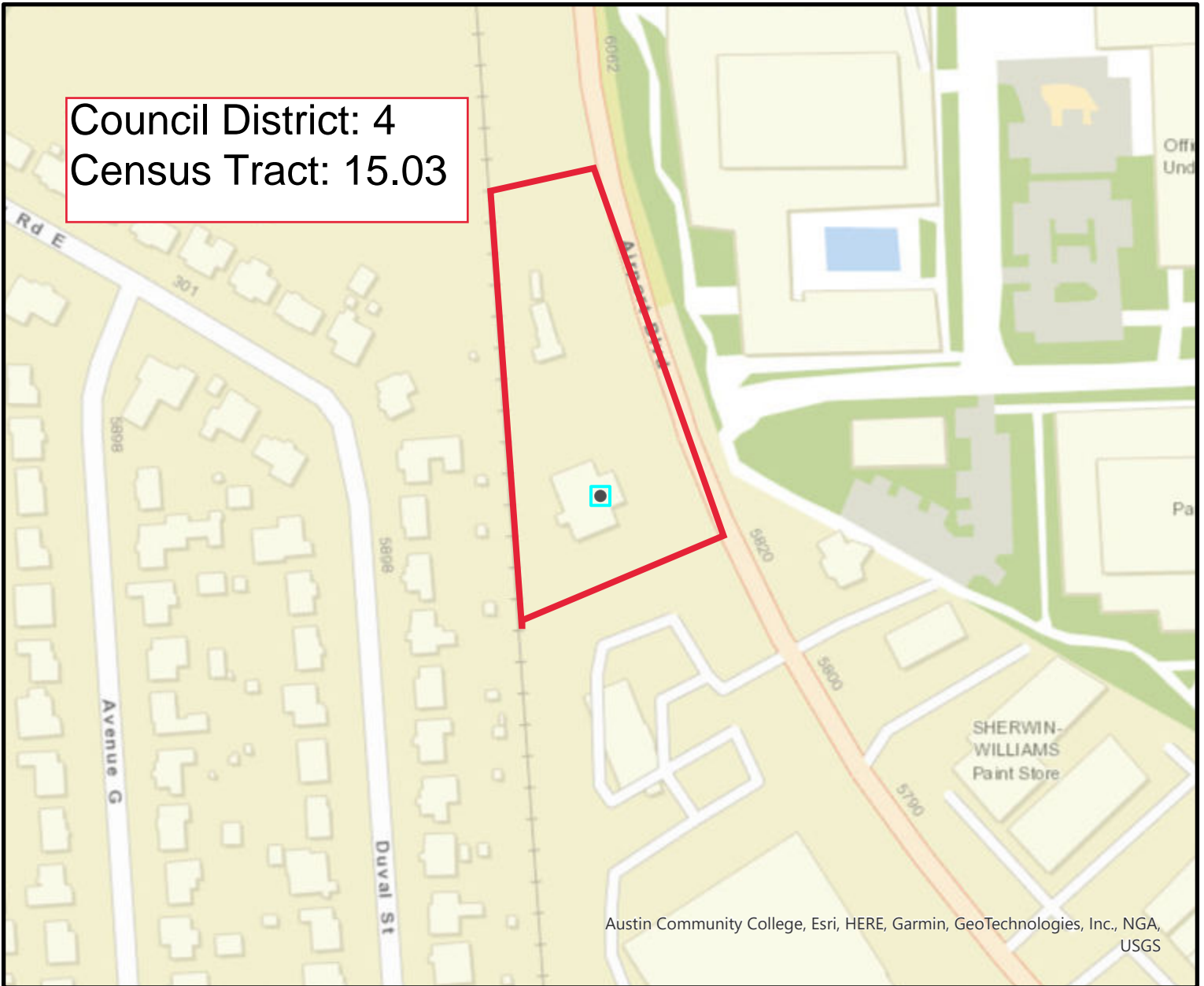
g. SMART Housing

We submitted a SMART Housing application in January 2022. Staff has requested that we finalize the AU certification before they will provide a SMART housing certification letter.

5. Property

- a. Maps

Council District: 4
Census Tract: 15.03



Property Label

Steward Agency: Steward Label

Managing Agency: Managing Label

Address: Address Label

Land Attributes: Land Label

ORES Management ID: ORES ID Label

ORES File Number: ORES File Label

Restrictions: Restrictions Label

Restrictions & Protection Comments: Comments Label

Land Classification: Classification Label

Land Category: Land Category Label

Approximate Acreage: Acreage Label

Appraisal District: Appraisal Label

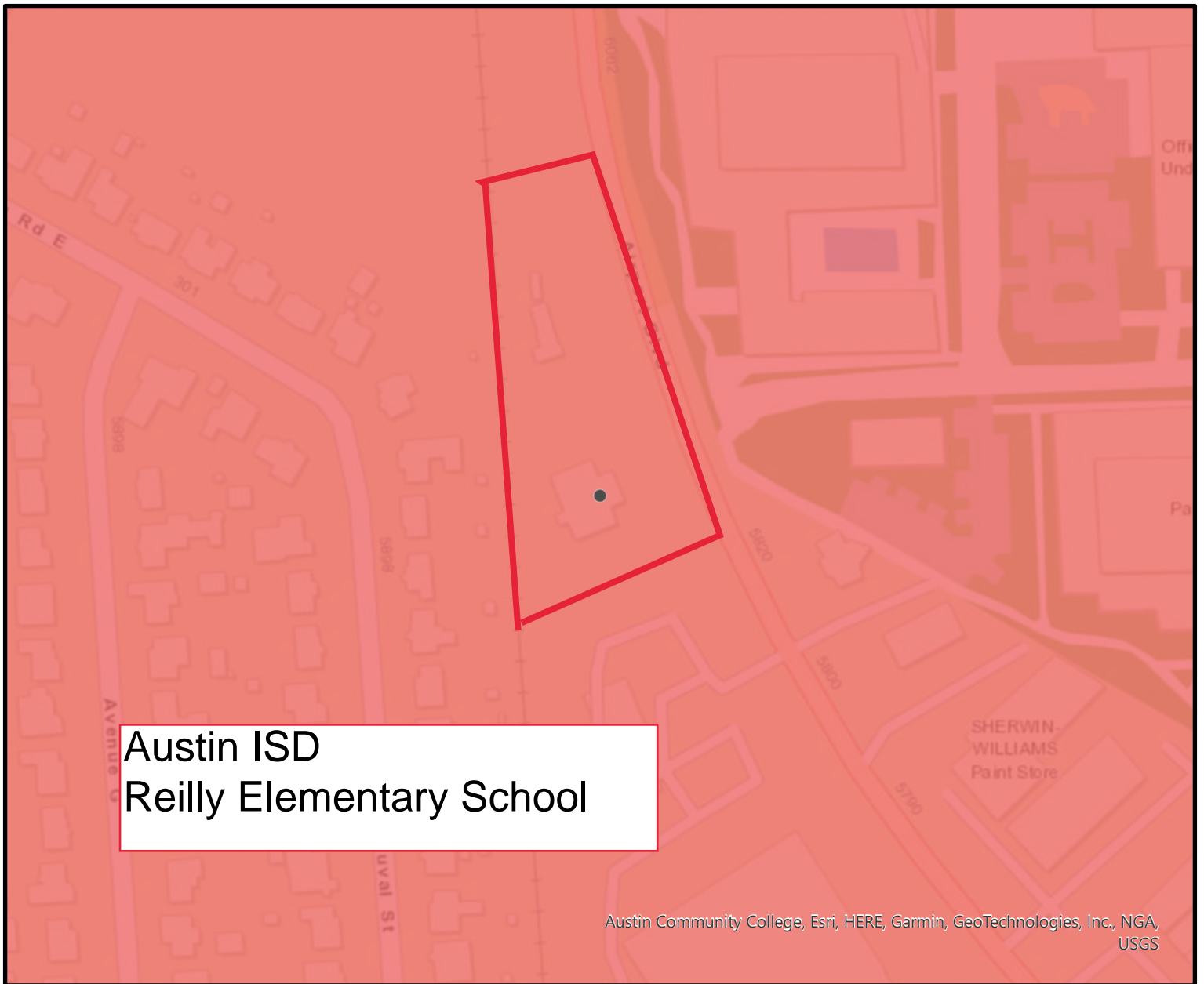
Appraisal District Property ID: Property ID Label

Maximo Asset Tracking Number: Maximo Label



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





Austin ISD
 Reilly Elementary School

Austin Community College, Esri, HERE, Garmin, GeoTechnologies, Inc., NGA, USGS

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City of Austin Regulatory Floodplains

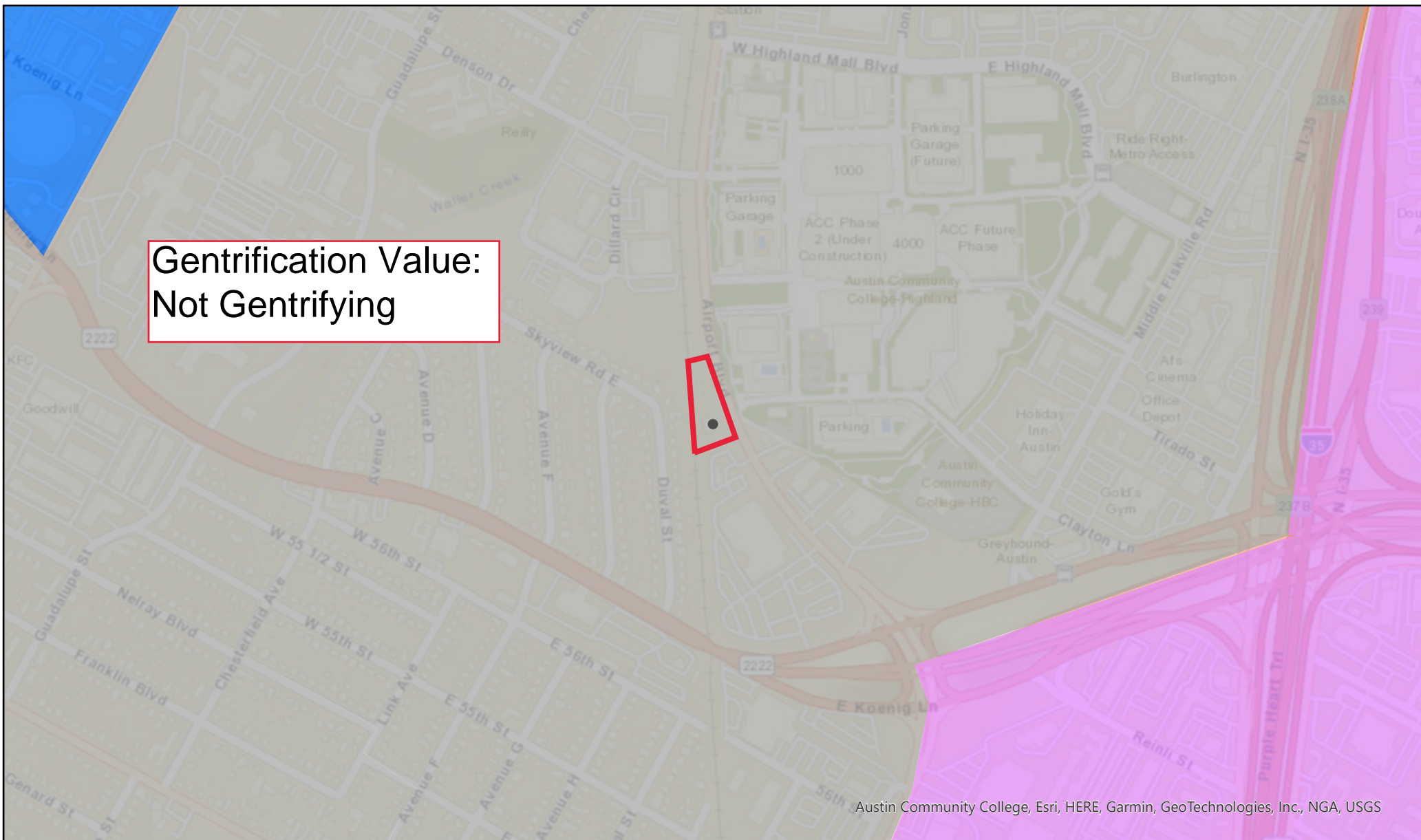
The City of Austin Watershed Protection Department produced this product for informational purposes. It is not intended for or suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative locations of property boundaries. No warranty is made by the City of Austin regarding specific accuracy or completeness. Final determination of the floodplain status for a property must be based on a topographic survey by a Texas registered professional. For regulatory purposes, 100-Year floodplain elevations must be determined from an engineering model created in accordance with the Drainage Criteria Manual and approved by the City of Austin.

0 200 400 Feet



Prepared: 5/4/2022

Address	
Contour	
Index	
Intermediate	
Parcel	
Fully Developed Floodplain	
COA Fully Developed 25-Year	
COA Fully Developed 100-Year	
COA Master Plan 25-Year	
COA Master Plan 100-Year	
100-Year (Detailed-AE)	
100-Year (Shallow-AO,AH)	



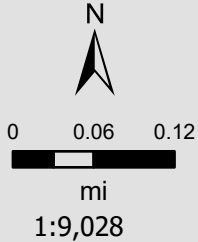
Gentrification Value:
Not Gentrifying

Austin Community College, Esri, HERE, Garmin, GeoTechnologies, Inc., NGA, USGS



ArcGIS Web Map

04 May 2022



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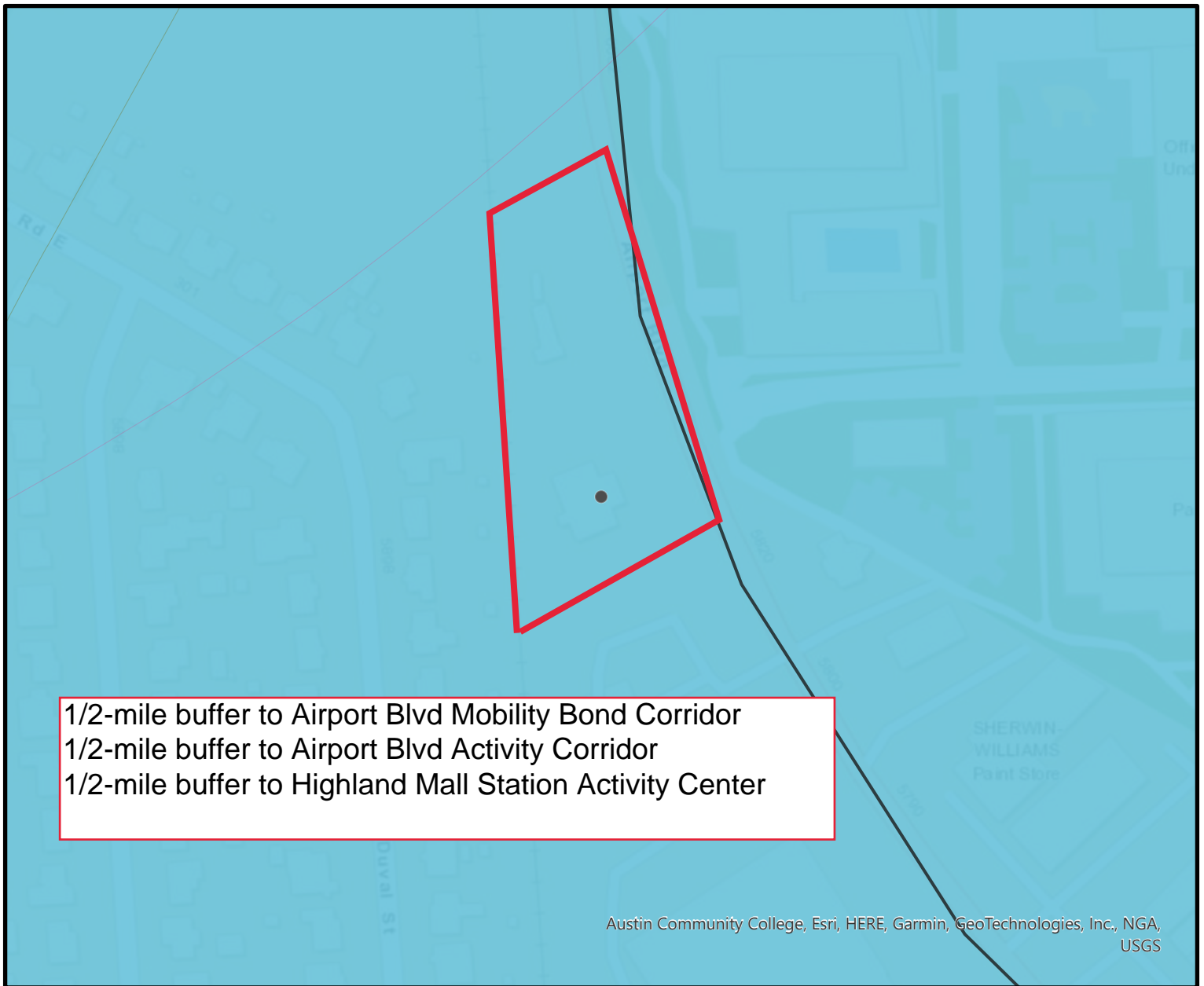
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1/2-mile buffer to Airport Blvd Mobility Bond Corridor
 1/2-mile buffer to Airport Blvd Activity Corridor
 1/2-mile buffer to Highland Mall Station Activity Center

Austin Community College, Esri, HERE, Garmin, GeoTechnologies, Inc., NGA, USGS

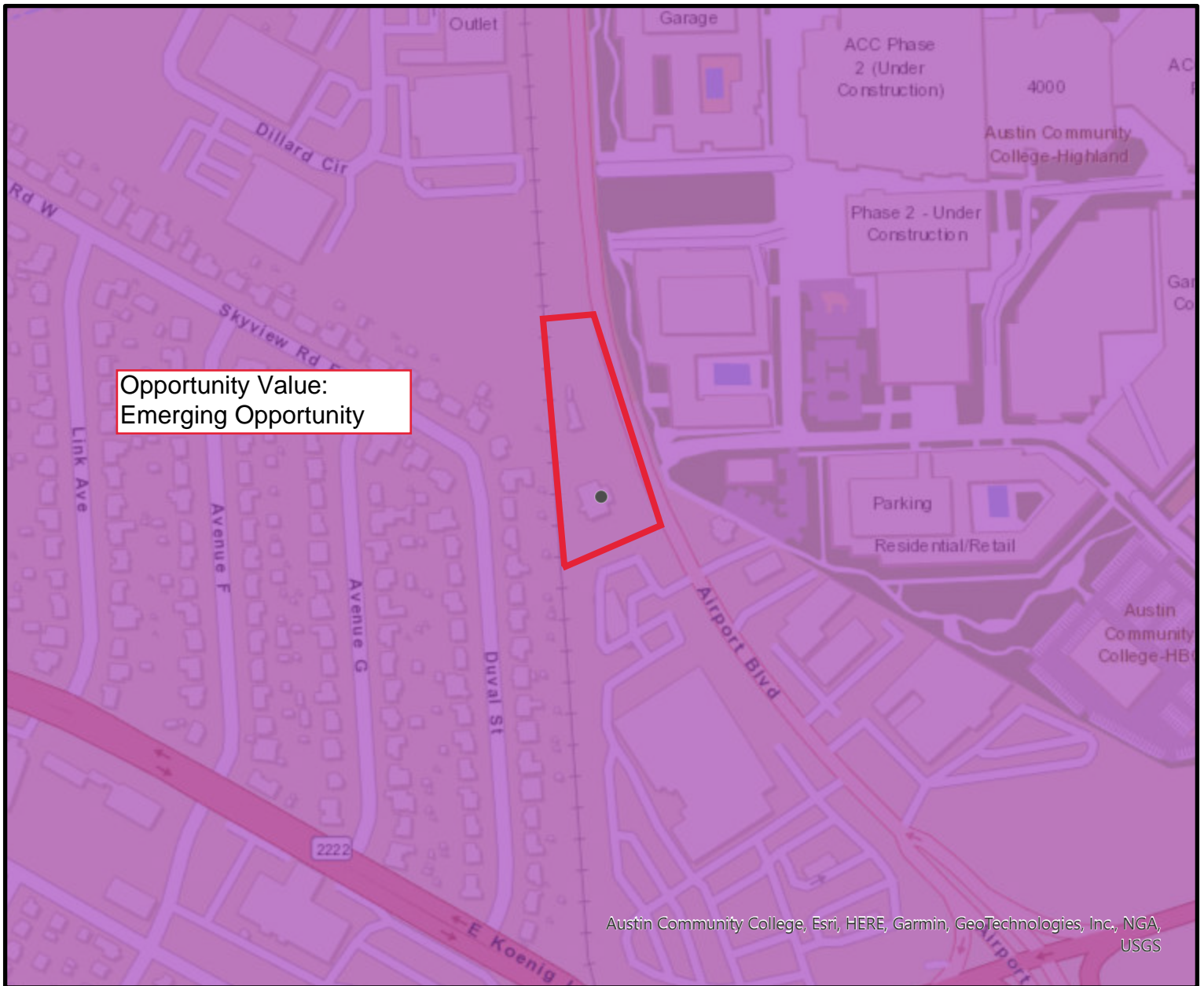
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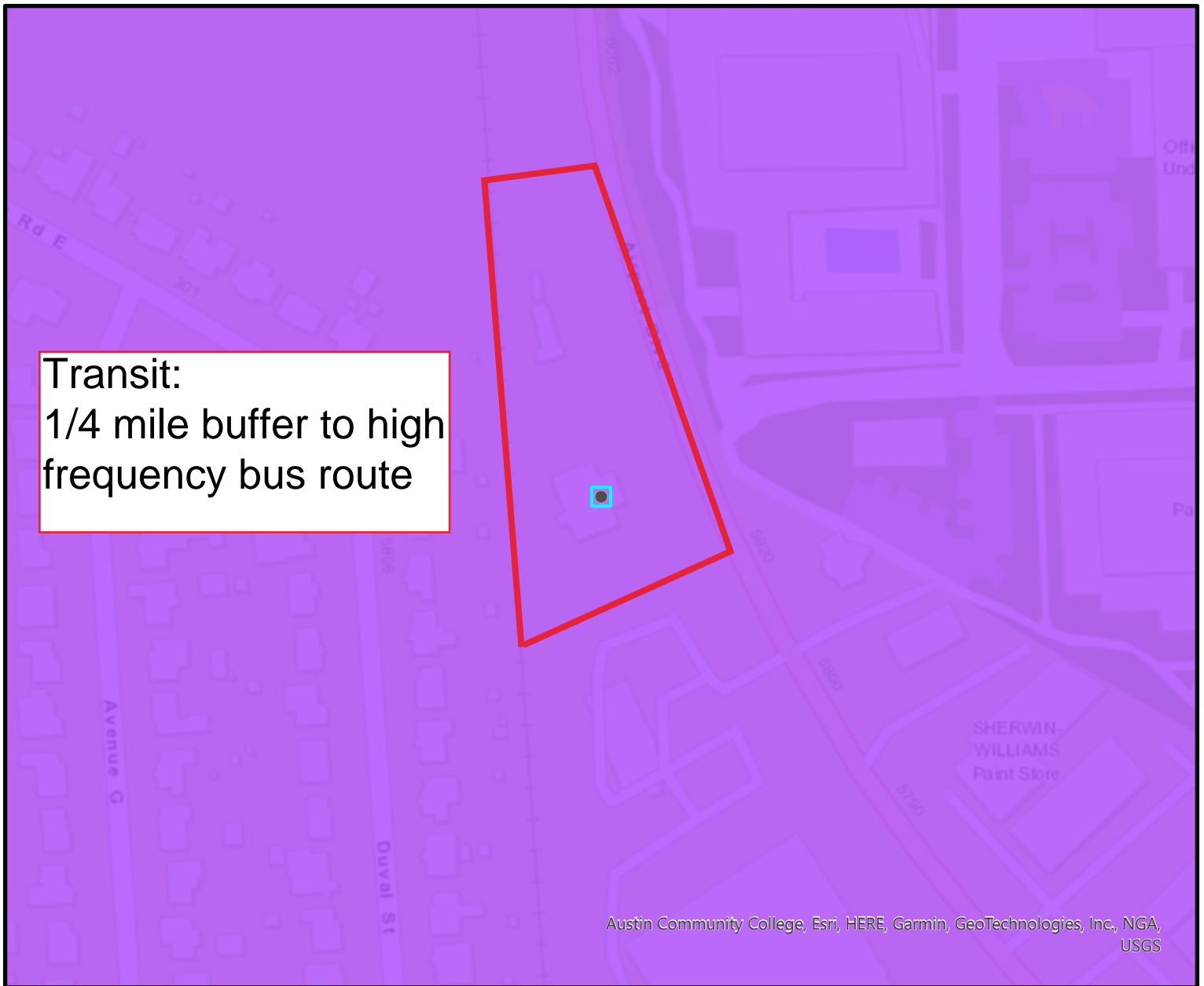
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Transit:
1/4 mile buffer to high frequency bus route

Austin Community College, Esri, HERE, Garmin, GeoTechnologies, Inc., NGA, USGS

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5. Property

b. Appraisal

Foundation Communities will request an Appraisal as part of our due diligence and will be forwarded to AHFC staff once available.

5. Property

c. Site Control

Foundation Communities owns the site 5900 Airport (0.72 acres) and has executed a purchase contract for the adjacent site 5906 Airport (0.33 acres). See attached Warranty Deed and Purchase Contract with amendments. As part of the development budget, the project will pay Foundation Communities the estimated market value of \$3.1 million for 5900 Airport Blvd.

Notice of confidentiality rights: If you are a natural person, you may remove or strike any or all of the following information from this instrument before it is filed for record in the public records: your Social Security number or your driver's license number.

SPECIAL WARRANTY DEED

[With Vendor's Lien]

**ACKNOWLEDGEMENT
COPY**

DATE: July 6, 2016

GRANTOR: **5900 AIRPORT, LLC**
1906 Holly Hill Drive
Austin, Travis County, Texas 78746

GRANTEE: **FOUNDATION COMMUNITIES, INC.**
3036 South First Street
Austin, Travis County, Texas 78704

**ORIGINAL
FILED FOR RECORD**

CONSIDERATION:

Cash and a note of even date that is in the principal amount of **ONE MILLION TWO HUNDRED THOUSAND AND NO/100 DOLLARS** (\$1,200,000.00), and is executed by Grantee, payable to the order of **UNIVERSITY FEDERAL CREDIT UNION**. The note is secured by a vendor's lien retained in favor of **UNIVERSITY FEDERAL CREDIT UNION**, in this Deed and by a Deed of Trust of even date from Grantee to **LAURIE ROBERTS**, Trustee.

PROPERTY (including any improvements):

Lot 1, Block A, of BUTTERKRUST SUBDIVISION, a subdivision in Travis County, Texas, according to the map or plat recorded under Document Number 200000347, in the Official Public Records of Travis County, Texas.

Together with:

- (1) all buildings, improvements, and fixtures;
- (2) all rights, privileges, and appurtenances pertaining to the Property, including Grantor's right, title, and interest in any minerals, utilities, adjacent streets, alleys, strips, gores, and rights-of-way;
- (3) Grantor's interest in all leases, rents, and security deposits for all or part of the Property;
- (4) Grantor's interest in all licenses and permits related to the Property;
- (5) Grantor's interest in all third party warranties or guaranties, if transferable, relating to the Property or any fixtures;
- (6) Grantor's interest in any trade names, if transferable, used in connection with the Property; and
- (7) all Grantor's tangible personal property located on the Property that is used in connection with the Property's operations.

RESERVATIONS FROM CONVEYANCE: NONE.

EXCEPTIONS TO CONVEYANCE AND WARRANTY:

The following outstanding pre-existing rights, title, and interests relating to the Property to which Grantor's ownership is also subject:

1. Liens described as part of the Consideration.
2. Validly existing taxes and assessments by any taxing authority for the year 2016.
3. A 10' public utility easement along Airport Boulevard, as shown on the plat of record under Document No. 200000347, of the Official Public Records of Travis County, Texas, and as shown on survey dated July 1, 2016, prepared by Eric J. Dannheim, Registered Professional Land Surveyor No. 6075.

4. A 10' public utility easement along the northerly property line as shown on the plat of record under Document No. 200000347, of the Official Public Records of Travis County, Texas, and as shown on survey dated July 1, 2016, prepared by Eric J. Dannheim, Registered Professional Land Surveyor No. 6075.
5. A 10' drainage and public utility easement along the westerly property line as shown on the plat of record under Document No. 200000347, of the Official Public Records of Travis County, Texas, and as shown on survey dated July 1, 2016, prepared by Eric J. Dannheim, Registered Professional Land Surveyor No. 6075.
6. A variable-width drainage easement across the south part of the subject property as shown on the plat of record under Document No. 200000347, of the Official Public Records of Travis County, Texas, and as shown on survey dated July 1, 2016, prepared by Eric J. Dannheim, Registered Professional Land Surveyor No. 6075.
7. A 10' electric and telephone lines and systems easement granted to the City of Austin, as described in Volume 4177, Page 274, of the Deed Records of Travis County, Texas, and shown on the plat of record under Document No. 200000347, of the Official Public Records of Travis County, Texas, and as shown on survey dated July 1, 2016, prepared by Eric J. Dannheim, Registered Professional Land Surveyor No. 6075.
8. Building setback line(s) as shown and/or described on the plat of record under Document No. 200000347, of the Official Public Records of Travis County, Texas, and as noted on survey dated July 1, 2016, prepared by Eric J. Dannheim, Registered Professional Land Surveyor No. 6075.
9. The property is conveyed with no persons in possession of any part of the property as lessees, tenants at sufferance, or trespassers, except for tenants, if any, under written leases assigned to Grantee.

GRANT OF PROPERTY:

Grantor for the Consideration and subject to the Reservations From Conveyance and the Exceptions to Conveyance and Warranty, **GRANTS, SELLS AND CONVEYS** to Grantee, the Property, together with all and singular the rights and appurtenances thereto in any wise belonging, to have and hold it to Grantee, Grantee's heirs, successors and assigns forever. Grantor binds Grantor and Grantor's heirs and successors to **WARRANT AND FOREVER DEFEND** all and singular the Property to Grantee and Grantee's heirs, 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, except as to the Reservations From Conveyance and the Exceptions to Conveyance and Warranty.

Ad valorem real property taxes for the current year have been prorated through the date of closing, and Grantee assumes and promises to pay such taxes for the current year before they become delinquent, if they are not paid at closing. If the actual ad valorem real property taxes for the current year vary from the amount prorated at closing, the Grantor and Grantee will make the adjustments and payments between themselves.

The vendor's lien against, and superior title to, the Property are retained until each note described is fully paid according to its terms, at which time this Deed shall become absolute.

UNIVERSITY FEDERAL CREDIT UNION, at Grantee's request, has paid in cash to Grantor that portion of the purchase price of the property that is evidenced by the note described. The vendor's lien and superior title to the property are retained for the benefit of, and are transferred to, **UNIVERSITY FEDERAL CREDIT UNION**, without recourse on Grantor.

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

This Deed may be separately executed in any number of counterparts with the same effect as if all signatory parties had signed the same document. All counterparts are to be construed together and constitute one and the same instrument, and the signature pages may be removed from the counterparts and combined on one instrument for recording or convenience.

[SIGNATURES ON FOLLOWING PAGES]

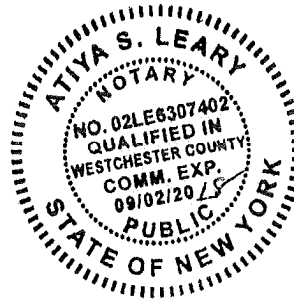
5900 AIRPORT, LLC

By: [Signature]
Joseph C. White, Manager

STATE OF ~~TEXAS~~ NEW YORK
COUNTY OF ~~TRAVIS~~ WESTCHESTER

This instrument was acknowledged before me on the 6th day of July, 2016,
by JOSEPH C. WHITE, Manager of 5900 AIRPORT, LLC, a Texas limited liability company, on behalf of said
company.

[Signature]
Notary Public, STATE OF ~~TEXAS~~ NEW YORK



5900 AIRPORT, LLC

By: [Signature]
Edward L. Scharf, Manager

STATE OF ~~TEXAS~~ NEW YORK
COUNTY OF ~~TRAVIS~~ WESTCHESTER

This instrument was acknowledged before me on the 6th day of July, 2016,
by EDWARD L. SCHARF, Manager of 5900 AIRPORT, LLC, a Texas limited liability company, on behalf of said
company.

[Signature]
Notary Public, STATE OF ~~TEXAS~~ NEW YORK



FILED AND RECORDED

OFFICIAL PUBLIC RECORDS

[Signature: Dana DeBeauvoir]

Jul 08, 2016 04:40 PM 2016110060

RODRIGUEZA: \$38.00

Dana DeBeauvoir, County Clerk

Travis County TEXAS



COMMERCIAL CONTRACT - IMPROVED PROPERTY

USE OF THIS FORM BY PERSONS WHO ARE NOT MEMBERS OF THE TEXAS ASSOCIATION OF REALTORS®, INC. IS NOT AUTHORIZED. ©Texas Association of REALTORS®, Inc. 2021

1. PARTIES: Seller agrees to sell and convey to Buyer the Property described in Paragraph 2. Buyer agrees to buy the Property from Seller for the sales price stated in Paragraph 3. The parties to this contract are:

Seller: Cabot-Chase, Ltd.

Address: 3839 Bee Caves Rd Ste 200, West Lake Hills, TX 78746-6400

Phone: (512)474-2900 E-mail: jimmy@jimmynassour.com

Fax: (512)474-4547 Other: maureen@jimmynassour.com

Buyer: Foundation Communities, Inc. or its assigns, provided that assignee is a qualified 501(c)3 non-profit corporation.

Address: 3000 S. IH 35 Ste. 300, Austin, TX 78704

Phone: (512)610-4016 E-mail: walter.moreau@foundcom.org

Fax: Other:

2. PROPERTY:

A. "Property" means that real property situated in Travis County, Texas at 5906 Airport Blvd. Austin, TX 78752 (address) and that is legally described on the attached Exhibit A or as follows:

Abstract 789, Survey 57, J.P. Wallace Survey being approximately 0.330 acres and having Travis Central Appraisal District Property ID No. 228176.

B. Seller will sell and convey the Property together with:

- (1) all buildings, improvements, and fixtures;
(2) all rights, privileges, and appurtenances pertaining to the Property, including Seller's right, title, and interest in any minerals, utilities, adjacent streets, alleys, strips, gores, and rights-of-way;
(3) Seller's interest in all leases, rents, and security deposits for all or part of the Property;
(4) Seller's interest in all licenses and permits related to the Property;
(5) Seller's interest in all third party warranties or guaranties, if transferable, relating to the Property or any fixtures;
(6) Seller's interest in any trade names, if transferable, used in connection with the Property; and
(7) all Seller's tangible personal property located on the Property that is used in connection with the Property's operations except: None

Any personal property not included in the sale must be removed by Seller prior to closing.

(Describe any exceptions, reservations, or restrictions in Paragraph 12 or an addendum.)

(If mineral rights are to be reserved an appropriate addendum should be attached.)

(If the Property is a condominium, attach Commercial Contract Condominium Addendum (TXR-1930) or (TXR-1946).)

3. SALES PRICE: At or before closing, Buyer will pay the following sales price for the Property:

A. Cash portion payable by Buyer at closing \$ 1,050,000.00

B. Sum of all financing described in Paragraph 4 \$ * see Special Provisions

C. Sales price (sum of 3A and 3B) \$ 1,050,000.00

(TXR-1801) 09-01-21

Initialed for Identification by Seller and Buyer

Page 1 of 15

Commercial Contract - Improved Property concerning _____

4. **FINANCING:** Buyer will finance the portion of the sales price under Paragraph 3B as follows:

- A. ~~Third Party Financing:~~ One or more third party loans in the total amount of \$ _____ . This contract:
 - (1) is ~~not~~ contingent upon Buyer obtaining third party financing.
 - (2) is ~~contingent~~ upon Buyer obtaining third party financing in accordance with the attached Commercial Contract Financing Addendum (TXR-1931).
- B. ~~Assumption:~~ In accordance with the attached Commercial Contract Financing Addendum (TXR-1931), Buyer will assume the existing promissory note secured by the Property, which balance at closing will be \$ _____ .
- C. ~~Seller Financing:~~ The delivery of a promissory note and deed of trust from Buyer to Seller under the terms of the attached Commercial Contract Financing Addendum (TXR-1931) in the amount of \$ _____ .

5. **EARNEST MONEY:**

- A. Not later than 3 days after the effective date, Buyer must deposit \$ **\$40,000.00** as earnest money with **Independence Title Company** (title company) at **5900ShepherdMtnCv II-200 Austin, TX 78730** (address) **Gay Heavilin** (closer). If Buyer fails to timely deposit the earnest money, Seller may terminate this contract or exercise any of Seller's other remedies under Paragraph 15 by providing written notice to Buyer before Buyer deposits the earnest money. *See Special Provisions Addendum attached hereto.*
- B. ~~Buyer will deposit an additional amount of \$ _____ with the title company to be made part of the earnest money on or before:~~
 - (i) _____ days after Buyer's right to terminate under Paragraph 7B expires; or
 - (ii) _____

~~Buyer will be in default if Buyer fails to deposit the additional amount required by this Paragraph 5B within 3 days after Seller notifies Buyer that Buyer has not timely deposited the additional amount.~~
- C. Buyer may instruct the title company to deposit the earnest money in an interest-bearing account at a federally insured financial institution and to credit any interest to Buyer.

6. **TITLE POLICY, SURVEY, AND UCC SEARCH:**

- A. Title Policy:
 - (1) Seller, at Seller's expense, will furnish Buyer an Owner's Policy of Title Insurance (the title policy) issued by any underwriter of the title company in the amount of the sales price, dated at or after closing, insuring Buyer against loss under the title policy, subject only to:
 - (a) those title exceptions permitted by this contract or as may be approved by Buyer in writing; and
 - (b) the standard printed exceptions contained in the promulgated form of title policy unless this contract provides otherwise.
 - (2) The standard printed exception as to discrepancies, conflicts, or shortages in area and boundary lines, or any encroachments or protrusions, or any overlapping improvements:
 - (a) will not be amended or deleted from the title policy.
 - (b) ~~will~~ ^{may} be amended to read "shortages in areas" at the expense of Buyer Seller.
 - (3) Within 5 days after the effective date, Seller will furnish Buyer a commitment for title insurance (the commitment) including legible copies of recorded documents evidencing title exceptions. Seller authorizes the title company to deliver the commitment and related documents to Buyer at Buyer's address.

B. Survey: Within 5 days after the effective date:

- (1) Buyer will obtain a survey of the Property at Buyer's expense and deliver a copy of the survey to Seller. The survey must be made in accordance with the: (i) ALTA/NSPS Land Title Survey standards, or (ii) Texas Society of Professional Surveyors' standards for a Category 1A survey under the appropriate condition. Seller will reimburse Buyer _____ (insert amount) of the cost of the survey at closing, if closing occurs.
- (2) Seller, at Seller's expense, will furnish Buyer a survey of the Property dated after the effective date. The survey must be made in accordance with the: (i) ALTA/NSPS Land Title Survey standards, or (ii) Texas Society of Professional Surveyors' standards for a Category 1A survey under the appropriate condition.
- (3) Seller will deliver to Buyer and the title company a true and correct copy of Seller's most recent survey of the Property along with an affidavit required by the title company for approval of the existing survey. If the existing survey is not acceptable to the title company, Seller Buyer (updating party), will, at the updating party's expense, obtain a new or updated survey acceptable to the title company and deliver the acceptable survey to the other party and the title company within 30 days after the title company notifies the parties that the existing survey is not acceptable to the title company. The closing date will be extended daily up to 30 days if necessary for the updating party to deliver an acceptable survey within the time required. The other party will reimburse the updating party up to \$1000.00 (insert amount or percentage) of the cost of the new or updated survey at closing, if closing occurs.

C. UCC Search:

- (1) Within _____ days after the effective date, Seller, at Seller's expense, will furnish Buyer a Uniform Commercial Code (UCC) search prepared by a reporting service and dated after the effective date. The search must identify documents that are on file with the Texas Secretary of State and the county where the Property is located that relate to all personal property on the Property and show, as debtor, Seller and all other owners of the personal property in the last 5 years.
- (2) Buyer does not require Seller to furnish a UCC search.

D. Buyer's Objections to the Commitment, Survey, and UCC Search:

- (1) Within 5 days after Buyer receives the last of the commitment, copies of the documents evidencing the title exceptions, any required survey, and any required UCC search, Buyer may object to matters disclosed in the items if: (a) the matters disclosed are a restriction upon the Property or constitute a defect or encumbrance to title to the real or personal property described in Paragraph 2 other than those permitted by this contract or liens that Seller will satisfy at closing or Buyer will assume at closing; or (b) the items show that any part of the Property lies in a special flood hazard area (an "A" or "V" zone as defined by FEMA). If the commitment or survey is revised or any new document evidencing a title exception is delivered, Buyer may object to any new matter revealed in such revision or new document. Buyer's objection must be made within the same number of days stated in this paragraph, beginning when the revision or new document is delivered to Buyer. If Paragraph 6B(1) applies, Buyer is deemed to receive the survey on the earlier of: (i) the date Buyer actually receives the survey; or (ii) the deadline specified in Paragraph 6B.
- (2) Seller may, but is not obligated to, cure Buyer's timely objections within 15 days after Seller receives the objections. The closing date will be extended as necessary to provide such time to cure the objections. If Seller fails to cure the objections by the time required, Buyer may terminate this contract by providing written notice to Seller within 5 days after the time by which Seller must cure the objections. If Buyer terminates, the earnest money, less any independent consideration under Paragraph 7B(1), will be refunded to Buyer.

(3) Buyer's failure to timely object or terminate under this Paragraph 6D is a waiver of Buyer's right to object except that Buyer will not waive the requirements in Schedule C of the commitment.

7. PROPERTY CONDITION:

A. Present Condition: Buyer accepts the Property in its present condition except that Seller, at Seller's expense, will complete the following before closing: current "AS IS" condition, with ALL FAULTS and with no representation or warranty made by Seller other than to title.

B. Feasibility Period: Buyer may terminate this contract for any reason ~~within~~ by 1/31/22 ~~days after the effective date~~ (feasibility period) by providing Seller written notice of termination.

(1) Independent Consideration. (Check only one box and insert amounts.)

(a) If Buyer terminates under this Paragraph 7B, the earnest money will be refunded to Buyer less \$ 1,000.00 that Seller will retain as independent consideration for Buyer's unrestricted right to terminate. Buyer has tendered the independent consideration to Seller upon payment of the amount specified in Paragraph 5A to the title company. The independent consideration is to be credited to the sales price only upon closing of the sale. If no dollar amount is stated in this Paragraph 7B(1) or if Buyer fails to deposit the earnest money, Buyer will not have the right to terminate under this Paragraph 7B.

(b) Not later than 3 days after the effective date, Buyer must pay Seller \$ _____ as independent consideration for Buyer's right to terminate by tendering such amount to Seller or Seller's agent. If Buyer terminates under this Paragraph 7B, the earnest money will be refunded to Buyer and Seller will retain the independent consideration. The independent consideration will be credited to the sales price only upon closing of the sale. If no dollar amount is stated in this Paragraph 7B(2) or if Buyer fails to pay the independent consideration, Buyer will not have the right to terminate under this Paragraph 7B.

(2) Feasibility Period Extension: Prior to the expiration of the initial feasibility period, Buyer may extend the feasibility period for a single period of an additional _____ days by depositing additional earnest money in the amount of \$ _____ with the title company. If no dollar amount is stated in this Paragraph or if Buyer fails to timely deposit the additional earnest money, the extension of the feasibility period will not be effective.

C. Inspections, Studies, or Assessments:

(1) During the feasibility period, Buyer, at Buyer's expense, may complete or cause to be completed any and all inspections, studies, or assessments of the Property (including all improvements and fixtures) desired by Buyer.

(2) Seller, at Seller's expense, will turn on all utilities necessary for Buyer to make inspections, studies, or assessments.

(3) Buyer must:

- (a) employ only trained and qualified inspectors and assessors;
- (b) notify Seller, in advance, of when the inspectors or assessors will be on the Property;
- (c) abide by any reasonable entry rules or requirements of Seller;
- (d) not interfere with existing operations or occupants of the Property; and
- (e) restore the Property to its original condition if altered due to inspections, studies, or assessments that Buyer completes or causes to be completed.

(4) Except for those matters that arise from the negligence of Seller or Seller's agents, Buyer is responsible for any claim, liability, encumbrance, cause of action, and expense resulting from

Buyer's inspections, studies, or assessments, including any property damage or personal injury. Buyer will indemnify, hold harmless, and defend Seller and Seller's agents against any claim involving a matter for which Buyer is responsible under this paragraph. This paragraph survives termination of this contract.

D. Property Information:

(1) Delivery of Property Information: Within 3 days after the effective date, Seller will deliver to Buyer: (Check all that apply.)

- (a) a current rent roll of all leases affecting the Property certified by Seller as true and correct;
- (b) copies of all current leases, including any mineral leases, pertaining to the Property, including any modifications, supplements, or amendments to the leases;
- (c) a current inventory of all personal property to be conveyed under this contract and copies of any leases for such personal property;
- (d) copies of all notes and deeds of trust against the Property that Buyer will assume or that Seller will not pay in full on or before closing;
- (e) copies of all current service, utility, maintenance, and management agreements relating to the ownership and operation of the Property;
- (f) copies of current utility capacity letters from the Property's water and sewer service provider;
- (g) copies of all current warranties and guaranties relating to all or part of the Property;
- (h) copies of fire, hazard, liability, and other insurance policies that currently relate to the Property;
- (i) copies of all leasing or commission agreements that currently relate to the tenants of all or part of the Property;
- (j) a copy of the "as-built" plans and specifications and plat of the Property;
- (k) copies of all invoices for utilities and repairs incurred by Seller for the Property in the 24 months immediately preceding the effective date;
- (l) a copy of Seller's income and expense statement for the Property from _____ to _____;
- (m) copies of all previous environmental assessments, geotechnical reports, studies, or analyses made on or relating to the Property;
- (n) real and personal property tax statements for the Property for the previous 2 calendar years;
- (o) Tenant reconciliation statements including, operating expenses, insurance and taxes for the Property from _____ to _____; and
- (p) **Buyer acknowledges that Seller is delivering the property information for Buyer's review but that Buyer shall rely solely on its own investigations, due diligence and third party reports to determine the suitability of the Property for Buyer's intended use.**

(2) Return of Property Information: If this contract terminates for any reason, Buyer will, not later than 10 days after the termination date: (Check all that apply.)

- (a) return to Seller all those items described in Paragraph 7D(1) that Seller delivered to Buyer in other than an electronic format and all copies that Buyer made of those items;
- (b) delete or destroy all electronic versions of those items described in Paragraph 7D(1) that Seller delivered to Buyer or Buyer copied in any format; and
- (c) deliver to Seller copies of all inspection and assessment reports related to the Property that Buyer completed or caused to be completed.

This Paragraph 7D(2) survives termination of this contract.

E. Contracts Affecting Operations: Until closing, Seller: (1) will operate the Property in the same manner as on the effective date under reasonably prudent business standards; and (2) will not transfer or dispose of any part of the Property, any interest or right in the Property, or any of the personal property or other items described in Paragraph 2B or sold under this contract. After the feasibility period ends, Seller may not enter into, amend, or terminate any other contract that affects the operations of the Property without Buyer's written approval.

8. LEASES:

- A. Each written lease Seller is to assign to Buyer under this contract must be in full force and effect according to its terms. Seller may not enter into any new lease, fail to comply with any existing lease, or make any amendment or modification to any existing lease without Buyer's written consent. Seller must disclose, in writing, if any of the following exist at the time Seller provides the leases to the Buyer or subsequently occur before closing:
- (1) any failure by Seller to comply with Seller's obligations under the leases;
 - (2) any circumstances under any lease that entitle the tenant to terminate the lease or seek any offsets or damages;
 - (3) any non-occupancy of the leased premises by a tenant;
 - (4) any advance sums paid by a tenant under any lease;
 - (5) any concessions, bonuses, free rents, rebates, brokerage commissions, or other matters that affect any lease; and
 - (6) any amounts payable under the leases that have been assigned or encumbered, except as security for loan(s) assumed or taken subject to under this contract.
- B. Estoppel Certificates: Within N/A days after the effective date, Seller will deliver to Buyer estoppel certificates signed not earlier than N/A by each tenant that leases space in the Property. The estoppel certificates must include the certifications contained in the current version of TXR Form 1938 - Commercial Tenant Estoppel Certificate and any additional information requested by a third party lender providing financing under Paragraph 4 if the third party lender requests such additional information at least 10 days prior to the earliest date that Seller may deliver the signed estoppel certificates.

9. BROKERS:

A. The brokers to this sale are:

Principal Broker: *See Special Provisions

Cooperating Broker: None

Addendum _____

Agent: _____

Agent: _____

Address: _____

Address: _____

Phone & Fax: _____

Phone & Fax: _____

E-mail: _____

E-mail: _____

License No.: _____

License No.: _____

Principal Broker: *(Check only one box)*

Cooperating Broker represents Buyer.

- represents Seller only.
- represents Buyer only.
- is an intermediary between Seller and Buyer.

B. Fees: *(Check only (1) or (2) below.)*

(Complete the Agreement Between Brokers on page 14 only if (1) is selected.)

(1) Seller will pay Principal Broker the fee specified by separate written commission agreement between Principal Broker and Seller. Principal Broker will pay Cooperating Broker the fee specified in the Agreement Between Brokers found below the parties' signatures to this contract.

(2) At the closing of this sale, Seller will pay:

Principal Broker a total cash fee of:
 _____ % of the sales price.

Cooperating Broker a total cash fee of:
 _____ % of the sales price.

The cash fees will be paid in _____ County, Texas. Seller authorizes the title company to pay the brokers from the Seller's proceeds at closing.

NOTICE: Chapter 62, Texas Property Code, authorizes a broker to secure an earned commission with a lien against the Property.

C. The parties may not amend this Paragraph 9 without the written consent of the brokers affected by the amendment.

10. CLOSING:

A. The date of the closing of the sale (closing date) will be on or before the later of:

(1) _____ days after the expiration of the feasibility period.

August 31, 2022 (specific date).

Closing Date is subject to extension per the attached Special Provisions Addendum.

(2) 7 days after objections made under Paragraph 6D have been cured or waived.

B. If either party fails to close by the closing date, the non-defaulting party may exercise the remedies in Paragraph 15.

C. At closing, Seller will execute and deliver to Buyer, at Seller's expense, a general special warranty deed. The deed must include a vendor's lien if any part of the sales price is financed. The deed must convey good and indefeasible title to the Property and show no exceptions other than those permitted under Paragraph 6 or other provisions of this contract. Seller must convey the Property:

- (1) with no liens, assessments, or Uniform Commercial Code or other security interests against the Property which will not be satisfied out of the sales price, unless securing loans Buyer assumes;
- (2) without any assumed loans in default; and
- (3) with no persons in possession of any part of the Property as lessees, tenants at sufferance, or trespassers except tenants under the written leases assigned to Buyer under this contract.

D. At closing, Seller, at Seller's expense, will also deliver to Buyer:

- (1) tax statements showing no delinquent taxes on the Property;
- (2) a bill of sale with warranties to title conveying title, free and clear of all liens, to any personal property defined as part of the Property in Paragraph 2 or sold under this contract;
- (3) an assignment of all leases to or on the Property;
- (4) to the extent that the following items are assignable, an assignment to Buyer of the following items as they relate to the Property or its operations:
 - (a) licenses and permits;
 - (b) service, utility, maintenance, management, and other contracts; and
 - (c) warranties and guaranties;
- (5) a rent roll current on the day of the closing certified by Seller as true and correct;
- (6) evidence that the person executing this contract is legally capable and authorized to bind Seller;
- (7) an affidavit acceptable to the title company stating that Seller is not a foreign person or, if Seller is a foreign person, a written authorization for the title company to: (i) withhold from Seller's proceeds an amount sufficient to comply with applicable tax law; and (ii) deliver the amount to the Internal Revenue Service together with appropriate tax forms; and
- (8) any notices, statements, certificates, affidavits, releases, and other documents required by this contract, the commitment, or law necessary for the closing of the sale and the issuance of the title policy, all of which must be completed and executed by Seller as necessary.

E. At closing, Buyer will:

- (1) pay the sales price in good funds acceptable to the title company;

- (2) deliver evidence that the person executing this contract is legally capable and authorized to bind Buyer;
- (3) sign and send to each tenant in the Property a written statement that:
 - (a) acknowledges Buyer has received and is responsible for the tenant's security deposit; and
 - (b) specifies the exact dollar amount of the security deposit;
- (4) sign an assumption of all leases then in effect; and
- (5) execute and deliver any notices, statements, certificates, or other documents required by this contract or law necessary to close the sale.

F. Unless the parties agree otherwise, the closing documents will be as found in the basic forms in the current edition of the State Bar of Texas Real Estate Forms Manual without any additional clauses.

11. POSSESSION: Seller will deliver possession of the Property to Buyer upon closing and funding of this sale in its present condition with any repairs Seller is obligated to complete under this contract, ordinary wear and tear excepted. Any possession by Buyer before closing or by Seller after closing that is not authorized by a separate written lease agreement is a landlord-tenant at sufferance relationship between the parties.

12. SPECIAL PROVISIONS: The following special provisions apply and will control in the event of a conflict with other provisions of this contract. *(If special provisions are contained in an Addendum, identify the Addendum here and reference the Addendum in Paragraph 22D.)*

A. See Special Provisions Addendum attached hereto and made a part hereof for additional special provisions applicable to this Contract.

13. SALES EXPENSES:

A. Seller's Expenses: Seller will pay for the following at or before closing:

- (1) releases of existing liens, other than those liens assumed by Buyer, including prepayment penalties and recording fees;
- (2) release of Seller's loan liability, if applicable;
- (3) tax statements or certificates;
- (4) preparation of the deed and any bill of sale;
- (5) one-half of any escrow fee;
- (6) costs to record any documents to cure title objections that Seller must cure; and
- (7) other expenses that Seller will pay under other provisions of this contract.

B. Buyer's Expenses: Buyer will pay for the following at or before closing:

- (1) all loan expenses and fees;
- (2) preparation fees of any deed of trust;
- (3) recording fees for the deed and any deed of trust;
- (4) premiums for flood and hazard insurance as may be required by Buyer's lender;
- (5) one-half of any escrow fee; and
- (6) other expenses that Buyer will pay under other provisions of this contract.

14. PRORATIONS:

A. Prorations:

- (1) Interest on any assumed loan, taxes, rents, and any expense reimbursements from tenants will be prorated through the closing date.

- (2) If the amount of ad valorem taxes for the year in which the sale closes is not available on the closing date, taxes will be prorated on the basis of taxes assessed in the previous year. If the taxes for the year in which the sale closes vary from the amount prorated at closing, the parties will adjust the prorations when the tax statements for the year in which the sale closes become available. This Paragraph 14A(2) survives closing.
 - (3) If Buyer assumes a loan or is taking the Property subject to an existing lien, Seller will transfer all reserve deposits held by the lender for the payment of taxes, insurance premiums, and other charges to Buyer at closing and Buyer will reimburse such amounts to Seller by an appropriate adjustment at closing.
- B. Rollback Taxes: If Seller's use or change in use of the Property before closing results in the assessment of additional taxes, penalties, or interest (assessments) for periods before closing, the assessments will be the obligation of Seller. If this sale or Buyer's use of the Property after closing results in additional assessments for periods before closing, the assessments will be the obligation of Buyer. This Paragraph 14B survives closing.
- C. Rent and Security Deposits: At closing, Seller will tender to Buyer all security deposits and the following advance payments received by Seller for periods after closing: prepaid expenses, advance rental payments, and other advance payments paid by tenants. Rents prorated to one party but received by the other party will be remitted by the recipient to the party to whom it was prorated within 5 days after the rent is received. This Paragraph 14C survives closing.

15. DEFAULT:

- A. If Buyer fails to comply with this contract, Buyer is in default and Seller, as Seller's sole remedy(ies), may terminate this contract and receive the earnest money, as liquidated damages for Buyer's failure except for any damages resulting from Buyer's inspections, studies or assessments in accordance with Paragraph 7C(4) which Seller may pursue, or
(Check if applicable)
 enforce specific performance, or seek such other relief as may be provided by law.
- B. If, without fault, Seller is unable within the time allowed to deliver the estoppel certificates, survey or the commitment, Buyer may:
 - (1) terminate this contract and receive the earnest money, less any independent consideration under Paragraph 7B(1), as liquidated damages and as Buyer's sole remedy; or
 - (2) extend the time for performance up to 15 days and the closing will be extended as necessary.
- C. Except as provided in Paragraph 15B, if Seller fails to comply with this contract, Seller is in default and Buyer may:
 - (1) terminate this contract and receive the earnest money, less any independent consideration under Paragraph 7B(1), as liquidated damages and as Buyer's sole remedy; or
 - (2) enforce specific performance, ~~or seek such other relief as may be provided by law, or both.~~

16. CASUALTY LOSS AND CONDEMNATION:

- A. If any part of the Property is damaged or destroyed by fire or other casualty after the effective date, Seller must restore the Property to its previous condition as soon as reasonably possible and not later than the closing date. If, without fault, Seller is unable to do so, Buyer may:
 - (1) terminate this contract and the earnest money, less any independent consideration under Paragraph 7B(1), will be refunded to Buyer;
 - (2) extend the time for performance up to 15 days and closing will be extended as necessary; or
 - (3) accept at closing: (i) the Property in its damaged condition; (ii) an assignment of any insurance proceeds Seller is entitled to receive along with the insurer's consent to the assignment; and (iii) a credit to the sales price in the amount of any unpaid deductible under the policy for the loss.

- B. If before closing, condemnation proceedings are commenced against any part of the Property, Buyer may:
- (1) terminate this contract by providing written notice to Seller within 15 days after Buyer is advised of the condemnation proceedings and the earnest money, less any independent consideration under Paragraph 7B(1), will be refunded to Buyer; or
 - (2) appear and defend the condemnation proceedings and any award will, at Buyer's election, belong to: (a) Seller and the sales price will be reduced by the same amount; or (b) Buyer and the sales price will not be reduced.

17. ATTORNEY'S FEES: If Buyer, Seller, any broker, or the title company is a prevailing party in any legal proceeding brought under or with relation to this contract or this transaction, such party is entitled to recover from the non-prevailing parties all costs of such proceeding and reasonable attorney's fees. This Paragraph 17 survives termination of this contract.

18. ESCROW:

- A. At closing, the earnest money will be applied first to any cash down payment, then to Buyer's closing costs, and any excess will be refunded to Buyer. If no closing occurs, the title company may require payment of unpaid expenses incurred on behalf of the parties and a written release of liability of the title company from all parties.
- B. If one party makes written demand for the earnest money, the title company will give notice of the demand by providing to the other party a copy of the demand. If the title company does not receive written objection to the demand from the other party within 15 days after the date the title company sent the demand to the other party, the title company may disburse the earnest money to the party making demand, reduced by the amount of unpaid expenses incurred on behalf of the party receiving the earnest money and the title company may pay the same to the creditors.
- C. The title company will deduct any independent consideration under Paragraph 7B(1) before disbursing any earnest money to Buyer and will pay the independent consideration to Seller.
- D. If the title company complies with this Paragraph 18, each party hereby releases the title company from all claims related to the disbursement of the earnest money.
- E. Notices under this Paragraph 18 must be sent by certified mail, return receipt requested. Notices to the title company are effective upon receipt by the title company.
- F. Any party who wrongfully fails or refuses to sign a release acceptable to the title company within 7 days after receipt of the request will be liable to the other party for: (i) damages; (ii) the earnest money; (iii) reasonable attorney's fees; and (iv) all costs of suit.
- G. Seller Buyer intend(s) to complete this transaction as a part of an exchange of like-kind properties in accordance with Section 1031 of the Internal Revenue Code, as amended. All expenses in connection with the contemplated exchange will be paid by the exchanging party. The other party will not incur any expense or liability with respect to the exchange. The parties agree to cooperate fully and in good faith to arrange and consummate the exchange so as to comply to the maximum extent feasible with the provisions of Section 1031 of the Internal Revenue Code. The other provisions of this contract will not be affected in the event the contemplated exchange fails to occur.

19. MATERIAL FACTS: To the best of Seller's knowledge and belief: *(Check only one box.)*

- A. Seller is not aware of any material defects to the Property except as stated in the attached Commercial Property Condition Statement (TXR-1408).
- B. Except as otherwise provided in this contract, Seller is not aware of:
 - (1) any subsurface: structures, pits, waste, springs, or improvements;
 - (2) any pending or threatened litigation, condemnation, or assessment affecting the Property;

- (3) any environmental hazards or conditions that materially affect the Property;
- (4) whether the Property is or has been used for the storage or disposal of hazardous materials or toxic waste, a dump site or landfill, or any underground tanks or containers;
- (5) whether radon, asbestos containing materials, urea-formaldehyde foam insulation, lead-based paint, toxic mold (to the extent that it adversely affects the health of ordinary occupants), or other pollutants or contaminants of any nature now exist or ever existed on the Property;
- (6) any wetlands, as defined by federal or state law or regulation, on the Property;
- (7) any threatened or endangered species or their habitat on the Property;
- (8) any present or past infestation of wood-destroying insects in the Property's improvements;
- (9) any contemplated material changes to the Property or surrounding area that would materially and detrimentally affect the ordinary use of the Property;
- (10) any material physical defects in the improvements on the Property; or
- (11) any condition on the Property that violates any law or ordinance.

(Describe any exceptions to (1)-(11) in Paragraph 12 or an addendum.)

20. NOTICES: All notices between the parties under this contract must be in writing and are effective when hand-delivered, mailed by certified mail return receipt requested, or sent by facsimile transmission to the parties addresses or facsimile numbers stated in Paragraph 1. The parties will send copies of any notices to the broker representing the party to whom the notices are sent.

- A. Seller also consents to receive any notices by e-mail at Seller's e-mail address stated in Paragraph 1.
- B. Buyer also consents to receive any notices by e-mail at Buyer's e-mail address stated in Paragraph 1.

21. DISPUTE RESOLUTION: The parties agree to negotiate in good faith in an effort to resolve any dispute related to this contract that may arise. If the dispute cannot be resolved by negotiation, the parties will submit the dispute to mediation before resorting to arbitration or litigation and will equally share the costs of a mutually acceptable mediator. This paragraph survives termination of this contract. This paragraph does not preclude a party from seeking equitable relief from a court of competent jurisdiction.

22. AGREEMENT OF THE PARTIES:

A. This contract is binding on the parties, their heirs, executors, representatives, successors, and permitted assigns. This contract is to be construed in accordance with the laws of the State of Texas. If any term or condition of this contract shall be held to be invalid or unenforceable, the remainder of this contract shall not be affected thereby.

B. This contract contains the entire agreement of the parties and may not be changed except in writing.

C. If this contract is executed in a number of identical counterparts, each counterpart is an original and all counterparts, collectively, constitute one agreement.

D. Addenda which are part of this contract are: *(Check all that apply.)*

- (1) Property Description Exhibit identified in Paragraph 2;
- (2) Commercial Contract Condominium Addendum (TXR-1930) or (TXR-1946);
- (3) Commercial Contract Financing Addendum (TXR-1931);
- (4) Commercial Property Condition Statement (TXR-1408);
- (5) Commercial Contract Addendum for Special Provisions (TXR-1940);
- (6) Addendum for Seller's Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards (TXR-1906);
- (7) Notice to Purchaser of Real Property in a Water District (MUD);
- (8) Addendum for Coastal Area Property (TXR-1915);
- (9) Addendum for Property Located Seaward of the Gulf Intracoastal Waterway (TXR-1916);
- (10) Information About Brokerage Services (TXR-2501);
- (11) Information About Mineral Clauses in Contract Forms (TXR-2509);
- (12) Notice of Obligation to Pay Improvement District Assessment (TXR-1955, PID);

(13) N/A

(Note: Counsel for Texas REALTORS® has determined that any of the foregoing addenda which are promulgated by the Texas Real Estate Commission (TREC) or published by Texas REALTORS® are appropriate for use with this form.)

E. Buyer may may not assign this contract. If Buyer assigns this contract, Buyer will be relieved of any future liability under this contract only if the assignee assumes, in writing, all of Buyer's obligations under this contract.

23. TIME: Time is of the essence in this contract. The parties require strict compliance with the times for performance. If the last day to perform under a provision of this contract falls on a Saturday, Sunday, or legal holiday, the time for performance is extended until the end of the next day which is not a Saturday, Sunday, or legal holiday.

24. EFFECTIVE DATE: The effective date of this contract for the purpose of performance of all obligations is the date the title company receipts this contract after all parties execute this contract.

25. ADDITIONAL NOTICES:

- A. Buyer should have an abstract covering the Property examined by an attorney of Buyer's selection, or Buyer should be furnished with or obtain a title policy.
- B. If the Property is situated in a utility or other statutorily created district providing water, sewer, drainage, or flood control facilities and services, Chapter 49, Texas Water Code, requires Seller to deliver and Buyer to sign the statutory notice relating to the tax rate, bonded indebtedness, or standby fees of the district before final execution of this contract.
- C. Notice Required by §13.257, Water Code: "The real property, described below, that you are about to purchase may be located in a certificated water or sewer service area, which is authorized by law to provide water or sewer service to the properties in the certificated area. If your property is located in a certificated area there may be special costs or charges that you will be required to pay before you can receive water or sewer service. There may be a period required to construct lines or other facilities necessary to provide water or sewer service to your property. You are advised to determine if the property is in a certificated area and contact the utility service provider to determine the cost that you will be required to pay and the period, if any, that is required to provide water or sewer service to your property. The undersigned purchaser hereby acknowledges receipt of the foregoing notice at or before the execution of a binding contract for the purchase of the real property described in the notice or at closing of purchase of the real property." The real property is described in Paragraph 2 of this contract.
- D. If the Property adjoins or shares a common boundary with the tidally influenced submerged lands of the state, §33.135, Texas Natural Resources Code, requires a notice regarding coastal area property to be included as part of this contract (*the Addendum for Coastal Area Property (TXR-1915) may be used*).
- E. If the Property is located seaward of the Gulf Intracoastal Waterway, §61.025, Texas Natural Resources Code, requires a notice regarding the seaward location of the Property to be included as part of this contract (*the Addendum for Property Located Seaward of the Gulf Intracoastal Waterway (TXR-1916) may be used*).
- F. If the Property is located outside the limits of a municipality, the Property may now or later be included in the extra-territorial jurisdiction (ETJ) of a municipality and may now or later be subject to annexation by the municipality. Each municipality maintains a map that depicts its boundaries and ETJ. To determine if the Property is located within a municipality's ETJ, Buyer should contact all municipalities located in the general proximity of the Property for further information.

- G. If apartments or other residential units are on the Property and the units were built before 1978, federal law requires a lead-based paint and hazard disclosure statement to be made part of this contract (*the Addendum for Seller's Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards (TXR-1906) may be used*).
- H. Section 1958.154, Occupations Code requires Seller to provide Buyer a copy of any mold remediation certificate issued for the Property during the 5 years preceding the date the Seller sells the Property.
- I. Brokers are not qualified to perform property inspections, surveys, engineering studies, environmental assessments, or inspections to determine compliance with zoning, governmental regulations, or laws. Buyer should seek experts to perform such services. Buyer should review local building codes, ordinances and other applicable laws to determine their effect on the Property. Selection of experts, inspectors, and repairmen is the responsibility of Buyer and not the brokers. Brokers are not qualified to determine the credit worthiness of the parties.
- J. NOTICE OF WATER LEVEL FLUCTUATIONS: If the Property adjoins an impoundment of water, including a reservoir or lake, constructed and maintained under Chapter 11, Water Code, that has a storage capacity of at least 5,000 acre-feet at the impoundment's normal operating level, Seller hereby notifies Buyer: "The water level of the impoundment of water adjoining the Property fluctuates for various reasons, including as a result of: (1) an entity lawfully exercising its right to use the water stored in the impoundment; or (2) drought or flood conditions."
- K. LICENSE HOLDER DISCLOSURE: Texas law requires a real estate license holder who is a party to a transaction or acting on behalf of a spouse, parent, child, business entity in which the license holder owns more than 10%, or a trust for which the license holder acts as a trustee or of which the license holder or the license holder's spouse, parent or child is a beneficiary, to notify the other party in writing before entering into a contract of sale. Disclose if applicable: N/A.
- L. PUBLIC IMPROVEMENT DISTRICTS: If the Property is in a public improvement district, Seller must give Buyer written notice as required by §5.014, Property Code. An addendum containing the required notice shall be attached to this contract.
- 26. CONTRACT AS OFFER:** The execution of this contract by the first party constitutes an offer to buy or sell the Property. Unless the other party accepts the offer by 5:00 p.m., in the time zone in which the Property is located, on January 20, 2022, the offer will lapse and become null and void.

READ THIS CONTRACT CAREFULLY. The brokers and agents make no representation or recommendation as to the legal sufficiency, legal effect, or tax consequences of this document or transaction. **CONSULT your attorney BEFORE signing.**

Seller: Cabot-Chase, Ltd.

Buyer: Foundation Communities, Inc. or its assigns,
provided that assignee is a qualified 501(c)3 non-profit
corporation.

By: _____
By (signature): _____
Printed Name: _____
Title: _____

By: _____
By (signature): Walter Moreau
Printed Name: Walter Moreau
Title: Executive Director

By: _____
By (signature): _____
Printed Name: _____
Title: _____

By: _____
By (signature): _____
Printed Name: _____
Title: _____

AGREEMENT BETWEEN BROKERS

(use only if Paragraph 9B(1) is effective)

Principal Broker agrees to pay N/A (Cooperating Broker) a fee when the Principal Broker's fee is received. The fee to be paid to Cooperating Broker will be:

- \$ _____, or
- _____ % of the sales price, or
- _____ % of the Principal Broker's fee.

The title company is authorized and directed to pay Cooperating Broker from Principal Broker's fee at closing. This Agreement Between Brokers supersedes any prior offers and agreements for compensation between brokers.

Principal Broker: _____ Cooperating Broker: _____

By: _____ By: _____

ATTORNEYS

Seller's attorney: _____ Buyer's attorney: _____

Address: _____ Address: _____

Phone & Fax: _____ Phone & Fax: _____

E-mail: _____ E-mail: _____

Seller's attorney requests copies of documents, notices, and other information:

- the title company sends to Seller.
- Buyer sends to Seller.

Buyer's attorney requests copies of documents, notices, and other information:

- the title company sends to Buyer.
- Seller sends to Buyer.

ESCROW RECEIPT

The title company acknowledges receipt of:

- A. the contract on this day January 11, 2022 (effective date);
- B. earnest money in the amount of \$ 40,000 in the form of wire on 1.13.22.

Title company: Independence Title

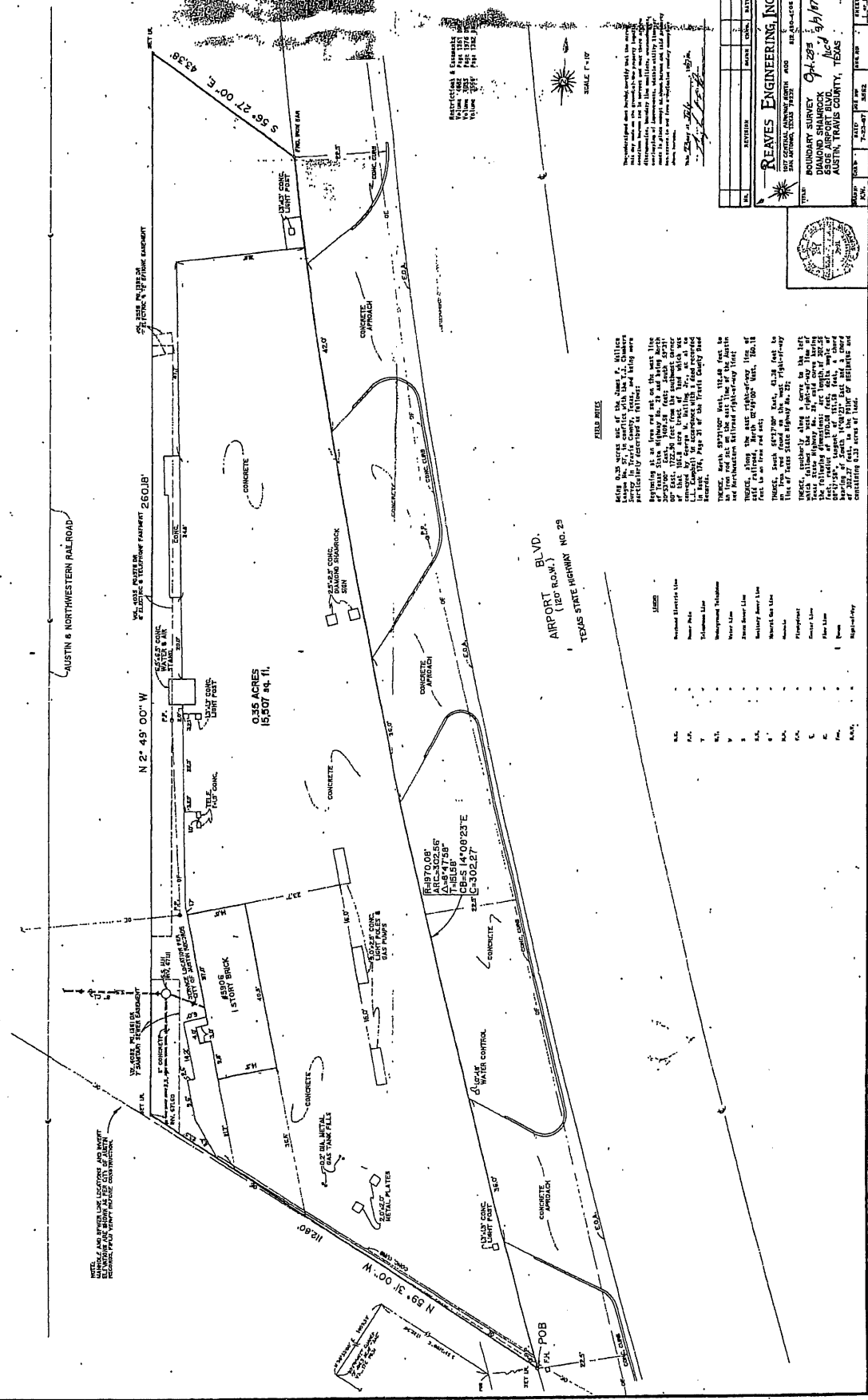
Address: 5900 Shepherd Mountain Cove, Bldg. 2 Austin, Texas 78730

By: *awishner*

Phone & Fax: 512-454-4500 / 512-279-1858

Assigned file number (GF#): 2201310-COM

E-mail: GMHTeam@independencetitle.com



FIELD NOTES

Being this survey one of the James F. Miller Survey No. 27, in accordance with the J.F. Miller Survey No. 27, the bearings and distances are particularly noteworthy as follows:

Beginning at an iron rod set on the west line of the Escobedo Airport Blvd. (120' R.O.W.) at the corner of the same with the north line of the same, the line of the survey is as follows:

1. S 89° 31' 00\" W 120.00' to a concrete curb.

2. S 27° 27' 00\" E 433.38' to a concrete curb.

3. S 89° 31' 00\" W 120.00' to a concrete curb.

4. S 27° 27' 00\" E 433.38' to a concrete curb.

5. S 89° 31' 00\" W 120.00' to a concrete curb.

6. S 27° 27' 00\" E 433.38' to a concrete curb.

7. S 89° 31' 00\" W 120.00' to a concrete curb.

8. S 27° 27' 00\" E 433.38' to a concrete curb.

9. S 89° 31' 00\" W 120.00' to a concrete curb.

10. S 27° 27' 00\" E 433.38' to a concrete curb.

11. S 89° 31' 00\" W 120.00' to a concrete curb.

12. S 27° 27' 00\" E 433.38' to a concrete curb.

13. S 89° 31' 00\" W 120.00' to a concrete curb.

14. S 27° 27' 00\" E 433.38' to a concrete curb.

15. S 89° 31' 00\" W 120.00' to a concrete curb.

16. S 27° 27' 00\" E 433.38' to a concrete curb.

17. S 89° 31' 00\" W 120.00' to a concrete curb.

18. S 27° 27' 00\" E 433.38' to a concrete curb.

19. S 89° 31' 00\" W 120.00' to a concrete curb.

20. S 27° 27' 00\" E 433.38' to a concrete curb.

21. S 89° 31' 00\" W 120.00' to a concrete curb.

22. S 27° 27' 00\" E 433.38' to a concrete curb.

23. S 89° 31' 00\" W 120.00' to a concrete curb.

24. S 27° 27' 00\" E 433.38' to a concrete curb.

25. S 89° 31' 00\" W 120.00' to a concrete curb.

26. S 27° 27' 00\" E 433.38' to a concrete curb.

27. S 89° 31' 00\" W 120.00' to a concrete curb.

28. S 27° 27' 00\" E 433.38' to a concrete curb.

29. S 89° 31' 00\" W 120.00' to a concrete curb.

30. S 27° 27' 00\" E 433.38' to a concrete curb.

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33. S 89° 31' 00\" W 120.00' to a concrete curb.

34. S 27° 27' 00\" E 433.38' to a concrete curb.

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39. S 89° 31' 00\" W 120.00' to a concrete curb.

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41. S 89° 31' 00\" W 120.00' to a concrete curb.

42. S 27° 27' 00\" E 433.38' to a concrete curb.

43. S 89° 31' 00\" W 120.00' to a concrete curb.

44. S 27° 27' 00\" E 433.38' to a concrete curb.

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46. S 27° 27' 00\" E 433.38' to a concrete curb.

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50. S 27° 27' 00\" E 433.38' to a concrete curb.

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54. S 27° 27' 00\" E 433.38' to a concrete curb.

55. S 89° 31' 00\" W 120.00' to a concrete curb.

56. S 27° 27' 00\" E 433.38' to a concrete curb.

57. S 89° 31' 00\" W 120.00' to a concrete curb.

58. S 27° 27' 00\" E 433.38' to a concrete curb.

59. S 89° 31' 00\" W 120.00' to a concrete curb.

60. S 27° 27' 00\" E 433.38' to a concrete curb.

61. S 89° 31' 00\" W 120.00' to a concrete curb.

62. S 27° 27' 00\" E 433.38' to a concrete curb.

63. S 89° 31' 00\" W 120.00' to a concrete curb.

64. S 27° 27' 00\" E 433.38' to a concrete curb.

65. S 89° 31' 00\" W 120.00' to a concrete curb.

66. S 27° 27' 00\" E 433.38' to a concrete curb.

67. S 89° 31' 00\" W 120.00' to a concrete curb.

68. S 27° 27' 00\" E 433.38' to a concrete curb.

69. S 89° 31' 00\" W 120.00' to a concrete curb.

70. S 27° 27' 00\" E 433.38' to a concrete curb.

71. S 89° 31' 00\" W 120.00' to a concrete curb.

72. S 27° 27' 00\" E 433.38' to a concrete curb.

73. S 89° 31' 00\" W 120.00' to a concrete curb.

74. S 27° 27' 00\" E 433.38' to a concrete curb.

75. S 89° 31' 00\" W 120.00' to a concrete curb.

76. S 27° 27' 00\" E 433.38' to a concrete curb.

77. S 89° 31' 00\" W 120.00' to a concrete curb.

78. S 27° 27' 00\" E 433.38' to a concrete curb.

79. S 89° 31' 00\" W 120.00' to a concrete curb.

80. S 27° 27' 00\" E 433.38' to a concrete curb.

81. S 89° 31' 00\" W 120.00' to a concrete curb.

82. S 27° 27' 00\" E 433.38' to a concrete curb.

83. S 89° 31' 00\" W 120.00' to a concrete curb.

84. S 27° 27' 00\" E 433.38' to a concrete curb.

85. S 89° 31' 00\" W 120.00' to a concrete curb.

86. S 27° 27' 00\" E 433.38' to a concrete curb.

87. S 89° 31' 00\" W 120.00' to a concrete curb.

88. S 27° 27' 00\" E 433.38' to a concrete curb.

89. S 89° 31' 00\" W 120.00' to a concrete curb.

90. S 27° 27' 00\" E 433.38' to a concrete curb.

91. S 89° 31' 00\" W 120.00' to a concrete curb.

92. S 27° 27' 00\" E 433.38' to a concrete curb.

93. S 89° 31' 00\" W 120.00' to a concrete curb.

94. S 27° 27' 00\" E 433.38' to a concrete curb.

95. S 89° 31' 00\" W 120.00' to a concrete curb.

96. S 27° 27' 00\" E 433.38' to a concrete curb.

97. S 89° 31' 00\" W 120.00' to a concrete curb.

98. S 27° 27' 00\" E 433.38' to a concrete curb.

99. S 89° 31' 00\" W 120.00' to a concrete curb.

100. S 27° 27' 00\" E 433.38' to a concrete curb.

REAVES ENGINEERING, INC.
 514 SPRING VALLEY WEST RD. BOX 812-438
 AUSTIN, TEXAS 78743
 DATE: 9/28/77
 BY: [Signature]
 CHECKED: [Signature]
 TITLE: [Signature]

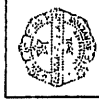


EXHIBIT "A"

SPECIAL PROVISIONS ADDENDUM

The following Special Provisions are hereby incorporated into the Contract. In the event of any inconsistency between the provisions set out in the body of the Contract and the provisions set out in this Special Provisions Addendum, the provisions set out in this Special Provisions Addendum shall control.

1. Special Provisions. Any third-party reports, including surveys and environmental studies produced by or for the Buyer during the feasibility period (surveys [both .pdf & CAD versions], reports, etc.) and any submissions made to governmental entities, shall be copied to the Seller within three (3) business days of Buyer's possession or control.
2. Purchase Price/Charitable Contribution. Buyer agrees to ensure that the Grantee under the deed is a charitable organization under IRS 501(c)3. Buyer will reasonably cooperate with the Seller to the extent necessary for Seller to establish charitable contributions, if any, applicable to the difference between the contract purchase price and the appraised market value of the Property.
3. Earnest Money. All Earnest Money shall be applicable to the purchase price, and shall not be released to Seller until Closing; provided, however, that the Earnest Money shall become hard and nonrefundable (except in case of Seller default) in increments of \$5,000 per month commencing on February 1, 2022 and continuing each month thereafter on the first of each month until the earlier of (a) Closing; or (b) the last of the Earnest Money becomes nonrefundable.
4. Feasibility Period. Should Buyer need to pursue a change in zoning or other governmental entitlements to achieve its intended use for the Property, Seller shall cooperate with such efforts including but not limited to signing applications, provided that Seller is not required to undertake any additional expense in doing so.
5. Site Development Permit. Buyer does not require a site development permit prior to Closing.
6. Broker Commissions. Buyer shall be solely responsible for any real estate commissions due on the sale of the Property.
7. Lease-Back. If applicable, Buyer agrees to execute a lease-back agreement with Seller, which will terminate no later than November 30, 2022.
8. Utilities. Seller, at no cost to Seller, will assign and transfer at Closing all rights to the utility service and capacity currently serving the Property.
9. Closing. Purchaser shall be entitled to one (1) thirty (30) day extension to the Closing date upon payment of an additional Earnest Money deposit of \$10,000, which shall be

nonrefundable but \$5,000 of such additional Earnest Money will be credited against the Purchase Price at Closing.

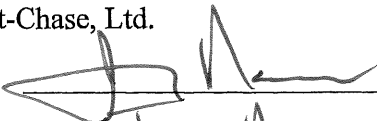
10. Special Conditions. Seller will not renew any existing leases on the Property for terms other than month-to-month.
11. In the event of a conflict between the terms and provisions of this Special Provisions Addendum (the "Addendum") and the Contract, the terms of the Addendum shall prevail.
12. Notwithstanding any other provision of this Contract, Purchaser shall have no obligation to purchase the Property, and no transfer of title to the Purchaser may occur, unless and until the Texas Department of Housing and Community Affairs ("TDHCA") has provided Purchaser and/or Seller with a written notification that: (A) TDHCA has completed a federally required environmental review and TDHCA's request for release of federal funds has been approved and, subject to any other Contingencies in this Contract, (i) the purchase may proceed, or (ii) the purchase may proceed only if certain conditions to address issues in the environmental review have been satisfied before or after the purchase of the Property; or (B) TDHCA has determined that the purchase is exempt from federal environmental review and a request for release of funds is not required.; and
13. The Buyer does not have the power of eminent domain relating to the purchase and acquisition of the Property. The Buyer may use federal funds from the U.S. Department of Housing and Urban Development (HUD) to complete this purchase. HUD will not use eminent domain authority to condemn the Property. All parties entered this transaction voluntarily and the Buyer has notified the Seller of what it believes the value of the Property to be in accordance with 49 CFR Part 24 Appendix A. If negotiations between both parties fail, Buyer will not take further action to acquire the Property.

[Remainder of this page intentionally left blank]

Executed by Seller and Buyer on January _____, 2022

SELLER:

Cabot-Chase, Ltd.

By:  _____

Name: Jimmy Nasson

Title: Genl Partner

BUYER:

Foundation Communities, Inc.

By: Walter Moreau

Name: Walter Moreau

Title: Executive Director

5. Property

d. Zoning

The Property is currently zoned as Commercial and is noted as Commercial in the Future land Use Map as part of the Brentwood/ Highland Neighborhood Plan. This zoning allows for the intended congregate living use. Many of our recent communities for single adults have met the City's requirements for congregate living use. Foundation Communities will submit a request for verification zoning letter as part of the due diligence process and send to AHFC staff once received.

5. Property

e. Neighborhood Plan

The development site is located within the Brentwood/Highland Neighborhood Plan and conforms to the Future Land Use Map of commercial, because it will be a congregate living use. This development also aligns with the Plans goals of density along major corridors and affordable rental housing. Below is a link to the Plan -

https://www.austintexas.gov/sites/default/files/files/Housing_%26_Planning/Adopted%20Neighborhood%20Planning%20Areas/02_Brentwood-HighlandCombined/brent-highland-np.pdf

After conducting a search within the City of Austin Community Registry, FC identified 3 neighborhood organizations, Skyview Neighborhood Association, Highland/Skyview Neighborhood Plan Contact Team, and the Mayan Collective. We sent emails to all 3 organizations about our 2022 tax credit pre-application, but haven't received responses

City of Austin Good Neighbor Checklist

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

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

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

(1) Preliminary Research

- Review the Neighborhood Plan (if applicable)

(2) Neighborhood Notification

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

(3) Pre-Application Engagement

- Contact neighborhood organizations to provide current information about the project, including any neighborhood association whose boundaries are included in the proposed development site and Neighborhood Planning Contact Team (if applicable). *(see full City of Austin Good Neighbor Guidelines for more detailed information on what kind of information may be appropriate to share)*
- Appoint a Single-Point-of-Contact (SPOC) to serve as the liaison for exchanging information.

(4) Application requirements

- Provide communications plan
- Provide documentation showing the content of the notice, and proof of delivery
- Provide signed copy of this checklist.

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

<i>Sabrina Butler</i>	Sabrina Butler	May 4, 2022
Signed	printed name	date

Good Neighbor Communication Plan

Contact

Sabrina Butler
sabrina.butler@foundcom.org
(512) 610-4016

Foundation Communities (FC) has a long history of engaging with neighborhood groups during pre-development, construction, and ongoing operations of our communities. We believe the key to a project's true success is the support and engagement of the surrounding neighborhood and stakeholders. The following steps have been and will be implemented to communicate with the neighborhood surrounding the proposed development.

- 1) Preliminary Research:** As part of preliminary due diligence, FC development staff uses the City of Austin Community Registry to identify neighborhood organizations that contain the proposed site and review any Neighborhood Plan and FLUM in place.
- 2) Pre-Application Notification:** FC sends a notification letter to all neighborhood organizations identified in the Austin Community Registry. The City sends notifications to all neighborhood organizations and property owners within 500 ft as part of a zoning and neighborhood amendment process.
- 3) Pre-Application Engagement:** After notification, FC engages with all neighbors and organizations based on received responses, interest and questions.
 - FC will offer to present at a neighborhood meeting and provide an information packet. At meetings, Foundation Communities presents information about our organization, plans for design of the building, target population, and services.
 - FC will invite neighborhood members to visit our existing portfolio of properties and attend Open House lunches held bi-weekly at one of our properties to learn more about Foundation Communities.
 - FC will offer to provide updates in the form and timing that the neighborhood requests.
- 4) Implementation/Ongoing Relations -** FC will implement the following processes to encourage ongoing relations with neighborhood members:
 - FC will invite the neighborhood group to view the property once completed.
 - FC will invite neighborhood members to participate in services programs being offered at our community.
 - FC will invite and educate neighborhood members on the many ways to volunteer with Foundation Communities.
 - FC will establish an open-door policy so that neighborhood members will feel comfortable communicating any concerns with either the on-site property management or the single point of contact.

Good Neighbor Communication Log

Highland Studios

Neighborhood Organizations within boundaries

Skyview Neighborhood Association
Highland/Skyview Neighborhood Plan Contact Team
Austin Mayan Collective

Notifications

Notification of Tax Credit application	notification emailed and mailed in January 2022 by FC staff to all registered neighborhood organizations within boundaries. No responses to date
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5. Property

f. Tenant Relocation Plan

The property is currently operating as a financial center and used car sales business, therefore tenant relocation is not applicable.

5. Property

g. Phase I ESA

A Phase I ESA is in process and will be forwarded to AHFC staff once available. FC will work with the environmental consultant to appropriately address environmental findings.

5. Property

h. State Historical Preservation Officer

Foundation Communities intends to submit an application in 2023 to TDHCA for National Housing Trust Funds, which requires SHPO. FC will engage our environmental consultant to conduct a SHPO consultation after submittal of the TDHCA application.