

APPLICATION CHECKLIST/ INFORMATION FORM

DEVELOPER : Austin Affordable Housing Corporation/Carleton Development, Ltd.	OWNER : Pathways at Rosewood Courts East, LP
PROJECT : Pathways at Rosewood Courts East	FUNDING CYCLE DEADLINE : 5/7/21
FEDERAL TAX ID NO: To be formed	DUNS NO: TBD
PROJECT ADDRESS: 2001 Rosewood Avenue	PROGRAM : RHDA
CONTACT NAME : Suzanne Schwertner	AMOUNT REQUESTED: \$7,000,000
CONTACT ADDRESS AND PHONE : 1124 S IH 35, Austin, TX 78704; 512-767-7796	

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

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

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

PRINTED NAME

Ron Kowal

TITLE OF APPLICANT

VP

DATE OF SUBMISSION

05/07/21

DATE AND TIME STAMP OF RECEIPT

FOR AHFC USE ONLY

Executive Summary/Project Proposal

Pathways at Rosewood Courts East is the redevelopment of the existing public housing development, Rosewood Courts (2001 Rosewood Avenue). It is located in District 1 and has not received any previous RHDA funding. The project is being developed jointly by Austin Affordable Housing Corporation (AAHC) and Carleton Development, Ltd. and will be owned by a newly formed single asset entity (Pathways at Rosewood Courts East, LP). AAHC will serve as the sole member of the GP of Pathways at Chalmers Courts East, LP.

Rosewood Courts was originally built in 1939. The development plan calls for the demolition of all but eight (8) of the existing buildings. The eight (8) buildings that will be retained will be rehabilitated and modernized containing 20 renovated units. The development plan also includes the new construction of 164 one-, two-, three-, and four-bedroom units. The development is thus both new construction and rehabilitation. The development will also include dedicated park space, a visitor's center and other community spaces for education and benefit of Rosewood residents and visitors alike.

Project Summary Form

1) Project Name Pathways at Rosewood Courts	2) Project Type Mixed-Income	3) New Construction or Rehabilitation Rehabilitation
4) Address(s) or Location Description 2001 Rosewood Avenue		5) Mobility Bond Corridor
6) Census Tract 8.04	7) Council District District 1	8) Elementary School BLACKSHEAR EL
		9) Affordability Period 40 years
10) Type of Structure Multi-family	11) Occupied? Yes	12) How will funds be used? Construction

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		10	6	1	1	18
Up to 40% MFI						0
Up to 50% MFI		39	15	11	5	70
Up to 60% MFI		39	38	6	3	86
Up to 80% MFI						0
Up to 120% MFI						0
No Restrictions						0
Total Units	0	88	59	18	9	174

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	20	Continuum of Care Units	0
Accessible Units for Sensory Impairments	8		

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

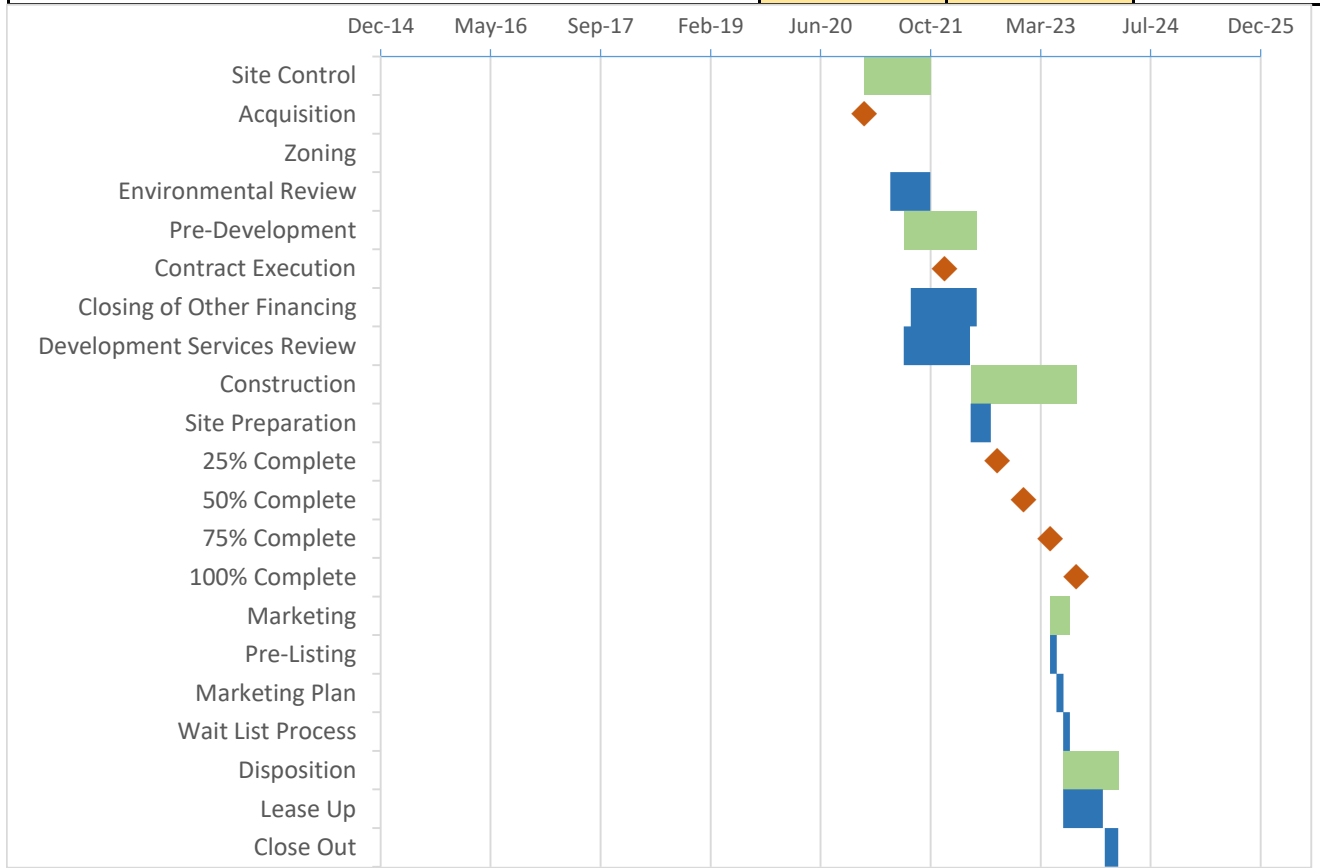
- 16) Is the property within 1/2 mile of an Imagine Austin Center or Corridor?
- 17) Is the property within 1/4 mile of a High-Frequency Transit Stop?
- 18) Is the property within 3/4 mile of Transit Service?
- 19) The property has Healthy Food Access?

20) Estimated Sources and Uses of funds

Sources		Uses	
Debt	16,750,000	Acquisition	2,000
Equity	20,544,645	Off-Site	-
Grant		Site Work	6,623,960
Other	8,843,867	Sit Amenities	772,000
Deferred Developer Fee	1,500,921	Building Costs	24,961,723
Previous AHFC Funding	-	Contractor Fees	1,797,649
Current AHFC Request	7,000,000	Soft Costs	5,484,834
		Financing	8,889,860
		Developer Fees	6,107,407
Total	\$ 54,639,433	Total	\$ 54,639,433

Development Schedule

	Start Date	End Date
Site Control	Jan-21	Oct-21
Acquisition	Jan-21	
Zoning	NA	NA
Environmental Review	May-21	Oct-21
Pre-Development	Jul-21	May-22
Contract Execution	Jan-22	
Closing of Other Financing	Aug-21	May-22
Development Services Review	Jul-21	Apr-22
Construction	May-22	Aug-23
Site Preparation	May-22	Jul-22
25% Complete	Aug-22	
50% Complete	Dec-22	
75% Complete	Apr-23	
100% Complete	Aug-23	
Marketing	Apr-23	Jul-23
Pre-Listing	Apr-23	May-23
Marketing Plan	May-23	Jun-23
Wait List Process	Jun-23	Jul-23
Disposition	Jun-23	Mar-24
Lease Up	Jun-23	Dec-23
Close Out	Jan-24	Mar-24



Development Budget			
	Total Project Cost	Requested AHFC Funds	Description
Pre-Development			
Appraisal	26,000		includes App & Market Study
Environmental Review	114,200		includes Env & Soils Report
Engineering	300,000		
Survey	50,000		
Architectural	2,100,000		
Subtotal Pre-Development Cost	\$2,590,200	\$0	
Acquisition			
Site and/or Land	1,000		
Structures	1,000		
Other (specify)			
Subtotal Acquisition Cost	\$2,000	\$0	
Construction			
Infrastructure	3,929,398	3,929,398	Culvert
Site Work	2,694,562		
Demolition	995,994		Interior & Exterior Demo
Concrete	1,299,427		
Masonry	1,889,512		
Rough Carpentry	4,953,360		Woods & Plastics
Finish Carpentry	38,000		Equipment
Waterproofing and Insulation	471,173		
Roofing and Sheet Metal	718,788		
Plumbing/Hot Water	917,540		Specialties
HVAC/Mechanical	2,840,140		
Electrical	2,100,742		
Doors/Windows/Glass	1,255,053		
Lath and Plaster/Drywall and Acoustical	720,500		Metals
Tile Work	45,909		Special Construction
Soft and Hard Floor			
Paint/Decorating/Blinds/Shades	313,782		Furnishings
Specialties/Special Equipment	442,000		Elevators
Cabinetry/Appliances	2,695,278		Finishes
Carpet			
Preservation Unit Costs	4,194,514	3,070,602	
Construction Contingency	1,639,660		
Subtotal Construction Cost	\$34,155,332	\$7,000,000	
Soft & Carrying Costs			
Legal	410,000		
Audit/Accounting	25,000		
Title/Recording	175,000		
Architectural (Inspections)	25,000		
Construction Interest	2,293,956		
Construction Period Insurance	280,000		
Construction Misc	1,033,326		Feasibility, Permits, P&P and Other Consultants
Relocation	571,308		
Marketing	375,000		Marketing & FFE
Existing Loan payoff	3,988,035		
Developer Fee	6,107,407		
Other (specify)	2,607,869		Additional Financing Costs & Reserves
Subtotal Soft & Carrying Costs	\$17,891,901	\$0	
TOTAL PROJECT BUDGET	\$54,639,433	\$7,000,000	

15 Year Rental Housing Operating Pro Forma (RHDA)

The pro forma should be based on the operating income and expense information for the base year (first year of stabilized occupancy using today's best estimates of market rents, restricted rents, rental income and expenses), and principal and interest debt service. The Department uses an annual growth rate of 2% for income and 3% for expenses. Written explanation for any deviations from these growth rates or for assumptions other than straight-line growth made during the proforma period should be attached to this exhibit.

INCOME	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 10	YEAR 15
POTENTIAL GROSS ANNUAL RENTAL INCOME	\$2,147,112	\$2,190,054	\$2,233,855	\$2,278,532	\$2,324,103	\$2,565,998	\$2,833,069
Secondary Income	\$22,080	\$22,522	\$22,972	\$23,431	\$23,900	\$26,388	\$29,134
POTENTIAL GROSS ANNUAL INCOME	\$2,169,192	\$2,212,576	\$2,256,827	\$2,301,964	\$2,348,003	\$2,592,385	\$2,862,203
Provision for Vacancy & Collection Loss	-\$162,689	-\$165,943	-\$169,262	-\$172,647	-\$176,100	-\$194,429	-\$214,665
Rental Concessions	\$0	\$0	\$0	\$0	\$0	\$0	\$0
EFFECTIVE GROSS ANNUAL INCOME	\$2,006,503	\$2,046,633	\$2,087,565	\$2,129,317	\$2,171,903	\$2,397,956	\$2,647,538
EXPENSES							
General & Administrative Expenses	\$65,000	\$66,950	\$68,959	\$71,027	\$73,158	\$84,410	\$98,318
Management Fee	\$80,260	\$81,865	\$83,503	\$85,173	\$86,846	\$95,918	\$105,901
Payroll, Payroll Tax & Employee Benefits	\$250,000	\$257,500	\$265,225	\$273,182	\$281,377	\$326,193	\$378,147
Repairs & Maintenance	\$85,000	\$87,550	\$90,177	\$92,882	\$95,668	\$110,906	\$128,570
Electric & Gas Utilities	\$39,000	\$40,170	\$41,375	\$42,616	\$43,895	\$50,886	\$58,991
Water, Sewer & Trash Utilities	\$130,000	\$133,900	\$137,917	\$142,055	\$146,316	\$169,621	\$196,637
Annual Property Insurance Premiums	\$90,000	\$92,700	\$95,481	\$98,345	\$101,296	\$117,430	\$136,133
Property Tax	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserve for Replacements	\$55,200	\$56,856	\$58,562	\$60,319	\$62,128	\$72,023	\$83,495
Other Expenses	\$60,060	\$56,712	\$58,413	\$60,166	\$61,971	\$71,841	\$83,283
TOTAL ANNUAL EXPENSES	\$854,520	\$874,203	\$899,610	\$925,764	\$952,655	\$1,099,228	\$1,269,475
NET OPERATING INCOME	\$1,151,983	\$1,172,430	\$1,187,955	\$1,203,553	\$1,219,248	\$1,298,728	\$1,378,063
DEBT SERVICE							
First Deed of Trust Annual Loan Payment	\$963,732	\$963,732	\$963,732	\$963,732	\$963,732	\$963,732	\$963,732
Second Deed of Trust Annual Loan Payment	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Third Deed of Trust Annual Loan Payment	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Annual Required Payment	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Annual Required Payment	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ANNUAL NET CASH FLOW	\$188,251	\$208,698	\$224,223	\$239,821	\$255,516	\$334,996	\$414,331
CUMULATIVE NET CASH FLOW	\$188,251	\$396,949	\$621,172	\$860,993	\$1,116,509	\$2,592,789	\$4,466,106
Debt Coverage Ratio	1.20	1.22	1.23	1.25	1.27	1.35	1.43

Project Name	Days at Rosewood Courts East	
Project Type	Mixed-Income	
Council District	District 1	
Census Tract	8.04	
Prior AHFC Funding	\$0	
Current AHFC Funding Request Amount	\$7,000,000	
Estimated Total Project Cost	\$54,639,433	
High Opportunity	No	
High Displacement Risk	YES	
High Frequency Transit	Yes	
Imagine Austin	Yes	
Mobility Bond Corridor	0	
SCORING ELEMENTS		Description
UNITS		
< 20% MFI	0	# of rental units at < 20% MFI
< 30% MFI	18	# of rental units at < 30% MFI
District Goal	12%	% of City's affordable housing goal
High Opportunity	FALSE	% of City's affordable housing goal for high opportunity areas
Displacement Risk	28%	% of City's affordable housing goal to reduce displacement
High Frequency Transit	18%	% of City's affordable housing goal near high frequency transit
Imagine Austin	18%	% of City's affordable housing goal in imagine austin corridors
Geographic Dispersion	0%	% of City's affordable housing goal to increase geographic dispersion
Mobility Bond Corridor	0%	% of City's affordable housing goal within mobility bond corridors
SCORE	7	% of annual goal * units * 50%, max of 75
< 40% MFI	0	# of rental units at < 40% MFI
< 50% MFI	70	# of rental units at < 50% MFI
District Goal	12%	% of City's affordable housing goal
High Opportunity	FALSE	% of City's affordable housing goal for high opportunity areas
Displacement Risk	28%	% of City's affordable housing goal to reduce displacement
High Frequency Transit	18%	% of City's affordable housing goal near high frequency transit
Imagine Austin	18%	% of City's affordable housing goal in imagine austin corridors
Geographic Dispersion	0%	% of City's affordable housing goal to increase geographic dispersion
Mobility Bond Corridor	0%	% of City's affordable housing goal within mobility bond corridors
SCORE	13	% of annual goal * units * 25%, max of 75
< 60% MFI	0	# of units for purchase at < 60% MFI
District Goal	12%	% of City's affordable housing goal
High Opportunity	FALSE	% of City's affordable housing goal for high opportunity areas
Displacement Risk	28%	% of City's affordable housing goal to reduce displacement
High Frequency Transit	18%	% of City's affordable housing goal near high frequency transit
Imagine Austin	18%	% of City's affordable housing goal in imagine austin corridors
Geographic Dispersion	0%	% of City's affordable housing goal to increase geographic dispersion
Mobility Bond Corridor	0%	% 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
District Goal	12%	% of City's affordable housing goal
High Opportunity	FALSE	% of City's affordable housing goal for high opportunity areas
Displacement Risk	28%	% of City's affordable housing goal to reduce displacement
High Frequency Transit	18%	% of City's affordable housing goal near high frequency transit
Imagine Austin	18%	% of City's affordable housing goal in imagine austin corridors
Geographic Dispersion	0%	% of City's affordable housing goal to increase geographic dispersion
Mobility Bond Corridor	0%	% of City's affordable housing goal within mobility bond corridors
SCORE	0	% of annual goal * units * 25%, max of 75
Unit Score	20	MAXIMUM SCORE = 300
INITIATIVES AND PRIORITIES		
Continuum of Care	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
2 Bedroom Units	21	Total Affordable 2 Bedroom units
3 Bedroom Units	12	Total Affordable 3 Bedroom units
4 Bedroom Units	6	Total Affordable 4+ Bedroom units
Multi-Generational Housing Score	9	Multi-bedroom Unit/Total Units * 20
TEA Grade	82	Elementary School Rating from TEA
Multi-Generational Housing Weighted Score	2	Educational Attainment, Environment, Community Institutions, Social Cohesion, I
Accessible Units	28	mobility and sensory units
Non-PSH, Non-Voucher Under 20% MFI	0	Total units under 20% MFI
Accessibility Score	6	Accessible Unit/Total Units * 20
Metro Access Service	Yes	Within 3/4 mile of fixed route transit
Accessibility Weighted Score	2	Housing Stability, Health, Mobility, Community Institutions
Initiatives and Priorities Score	19	MAXIMUM SCORE = 200
UNDERWRITING		
AHFC Leverage	25%	% of total project cost funded through AHFC request
Leverage Score	15	3 points per 5% reduction in leverage below 50% (max 30)
AHFC Per Unit Subsidy (including prior amounts)	\$79,545	Amount of assistance per unit
Subsidy per unit score	15	(\$200,000 - per unit subsidy)*25/\$200,000
AHFC Per Bedroom Subsidy	\$46,358	Amount of assistance per bedroom
Subsidy per Bedroom Score	19	(\$200,000 - per bedroom subsidy)*25/\$200,000
Debt Coverage Ratio (Year 5)	1.27	Measured at the 5 Year mark
Debt Coverage Ratio Score	23.48681999	Minimum = 1.0; Maximum = 1.5; 1.25 = best score
Underwriting Score	73	MAXIMUM SCORE = 100
APPLICANT		
FINAL QUANTITATIVE SCORE	112	THRESHOLD SCORE = 50
Previous Developments		
Compliance Score		
Proposal		
Supportive Services		
Development Team		
Management Team		
Notes		

Carleton Companies

Detailed listing of Carleton Development's experience

NEW CONSTRUCTION & REHAB APARTMENT DEVELOPMENTS
CARLETON RESIDENTIAL PROPERTIES
Last 13 Years

Year	Project Name	Location	Total Units	Construction		Type of Financing	Current Status	Carleton's Function				
				Type	Lender			Owner	Dev.	C.M.	G.C.	Sub
2019	Chalmers East*	Austin	156	Demo/New	Mason Joseph	9% Tax Credits	Under Const		X	X		X
2019	Chalmers South*	Austin	86	Demo/New	Chase	4% Tax Credits	Completed		X	X		X
2019	Sutherland	Grand Prairie	272	New	Mason Joseph	Market Rate	Completed	X	X		X	
2018	The Julian	Mansfield	225	New	Frost	Market Rate	Completed	X	X		X	
2018	Rocklyn	Fort Worth	274	New	Inwood	Market Rate	Completed	X	X		X	
2017	Pioneer Place*	Mansfield	135	New	CBoT	9% Tax Credits	Completed		X	X		X
2017	Merritt McGowan*	McKinney	136	Demo/New	Bank of America	9% Tax Credits	Completed		X		X	
2016	Villas Central Park	Grand Prairie	249	New	221(D)	Market Rate	Completed	X	X		X	
2015	Newsome Homes*	McKinney	180	Demo/New	CBoT	4% TC & Other	Completed		X		X	
2015	Frisco Summit	Frisco	373	New	Bank of America	Market Rate	Completed	X	X		X	
2015	Martha's Vineyard*	Dallas	100	Demo/New	CBoT	4% TC & Other	Completed		X		X	
2015	Tays South*	El Paso	198	Demo/New	PNC	9% Tax Credits	Completed		X	X		
2014	404 Border	Arlington	135	New	American Nat'l	OE, MRD & MRE	Sold	X	X		X	
2014	Villaggio	Mansfield	272	New	Frost	Owner Equity	Completed	X	X		X	
2012	Trails at Carmel Creek	Hutto	61	New	Chase	9% Tax Credits	Completed				X	
2011	Wildflower Terrace*	Austin	201	New	Chase	9% Tax Credits	Completed				X	
2014	Hunter Plaza*	Fort Worth	164	Rehab	CBoT	9% TC & Other	Completed		X	X		X
2014	Serenity Place*	Dallas	45	Demo/New	BoA	9% TC & Other	Stabilized		X	X		X
2013	Villas di Lucca	Mansfield	176	New	Frost	Owner Equity	Stabilized	X	X		X	
2012	Fair Park	Ft. Worth	48	Recon	BoOK	RAD	Stabilized		X			
2012	Fair Oaks	Ft. Worth	78	Recon	BoOK	RAD	Stabilized		X			

Year	Project Name	Location	Total Units	Construction		Type of Financing	Current Status	Carleton's Function				
				Type	Lender			Owner	Dev.	C.M.	G.C.	Sub
2011	RoseHill Ridge*	Texarkana	122	Demo/New	CBoT	9% TC & HOPE VI	Stabilized		X	X		X
2010	The Crossing*	Beaumont	150	Demo/New	Wells Fargo	9% Tax Credits	Stabilized		X	X		X
2010	Pecan Ridge*	Texarkana	124	Demo/New	Wells Fargo	9% TC & HOPE VI	Stabilized		X	X		X
2009	Carpenters Point*	Dallas	150	New	Comerica	9% Tax Credits	Stabilized		X		X	
2008	HemisView*	San Antonio	252	New	Capital One	4% Tax Credits	Stabilized		X	X		X
2009	Wind River*	Fort Worth	168	Rehab	Bank of America	9% Tax Credits	Stabilized		X	X		X
2007	Pointe North*	Beaumont	158	New	CBDG/Misc	9% Tax Credits	Stabilized		X	X		X
2007	Covington*	Texarkana	126	Demo/New	Wells Fargo	9% Tax Credits	Stabilized		X	X		X
2007	Peachtree	Dallas	150	New	PNC	9% Tax Credits	Stabilized			X	X	
2007	Regent I*	Beaumont	160	Demo/New	Wells Fargo	4% Tax Credits	Stabilized		X	X		X
Transactions with PHA's		Total Units	5,280									
		Low Income	3,304									
		Market Rate	1,976									
		Total LI Dev Last 10 Years	1,878									



Office of the Secretary of State

Certificate of Fact

The undersigned, as Secretary of State of Texas, does hereby certify that the document, Certificate Of Limited Partnership for CARLETON DEVELOPMENT, LTD. (file number 8869510), a Domestic Limited Partnership (LP), was filed in this office on May 03, 1996.

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 May 05, 2021.



A handwritten signature in black ink, appearing to read "Ruth R. Hughs".

Ruth R. Hughs
Secretary of State



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 Austin Affordable Housing Corporation (file number 800244892), a Domestic Nonprofit Corporation, was filed in this office on September 10, 2003.

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 May 05, 2021.



A handwritten signature in black ink, appearing to read "Ruth R. Hughs".

Ruth R. Hughs
Secretary of State

Item 2.a

Austin Affordable Housing Corporation Resume

September 2003:	Inception of Austin Affordable Housing Corporation <ul style="list-style-type: none">• SHCC Building included in AAHC initial inventory<ul style="list-style-type: none">○ 9,547sf office space located at 1507 S. IH 35, Austin, TX 78704
October 2003:	Purchase of Eastland Plaza shopping center <ul style="list-style-type: none">• 88,774sf retail space located at 1144 Airport Blvd., Austin, TX 78702
March 2004:	Purchase of Sterling Village Apartments <ul style="list-style-type: none">• 207 units located at 10401 North Lamar Blvd, Austin, TX 78753
July 2004:	Purchase of SHCC House <ul style="list-style-type: none">• 2,198sf Office space located at 1503 S. IH 35, Austin, TX 78704
August 2004:	Purchase of Bent Tree Apartments <ul style="list-style-type: none">• 126 units located at 8405 Bent Tree Rd., Austin, TX 78759
April 2005:	Purchase of Housing Authority of the City of Austin Main Office <ul style="list-style-type: none">• 113,373sf Office Space located at 1124 S. IH 35, Austin, TX 78704
September 2007:	Purchase of Sweetwater Apartments <ul style="list-style-type: none">• 152 units located at 2323 Wells Branch Pkwy, Austin, TX 78728
October 2008:	Purchase of Park at Summers Grove Apartments 80% GP Interest <ul style="list-style-type: none">• 240 units located at 2900 Century Park Blvd, Austin, TX 78728
July 2009:	Purchase of Chapman Building <ul style="list-style-type: none">• 3,261sf Office Space located at 1100 S. IH 35, Austin, TX 78704
February 2008- January 2011:	Purchase of Leisure Time Village 55+ Housing <ul style="list-style-type: none">• 22 Senior units located at 1920 Gaston Place Drive, Austin, TX 78723
2001-2012:	Purchase of Single-Family Homes <ul style="list-style-type: none">• 17 Single Family Homes located across Austin, TX
September 2013:	Purchase of Lexington Hills Apartments <ul style="list-style-type: none">• 238 units located at 2430 Cromwell Circle, Austin, TX 78741
September 2013:	Disposition of Old Administration Building by HUD <ul style="list-style-type: none">• Received title to 5600sf and 17,860sf of office space located at 1640 A & B East 2nd Street, Austin, TX 78702
August 2014:	Closed on new development Pointe at Ben White Family Apartments using 4% Tax Credit/Bond financing <ul style="list-style-type: none">• 250 units located at 6934 E. Ben White Blvd., Austin, TX 78741
August 2014:	Closed on new development Villages of Ben White Senior Apartments using 4% Tax Credit/Bond financing <ul style="list-style-type: none">• 183 units located at 7000 E. Ben White Blvd., Austin, TX 78741
July 2015:	Closed on new development Reserve at Springdale using 4% Tax Credit/Bond financing <ul style="list-style-type: none">• 292 units located at 5605 Springdale Road, Austin, TX 78723

August 2015: Closed on new development Harris Branch Senior using 4% Tax Credit/Bond financing

- 216 units located at 12433 Dessau Road, Austin, TX 78754

September 2015: Purchased Bridge at Tech Ridge Apartments

- 294 units located at 12800 Center Lake Drive, Austin, TX 78753

Purchased Bridge at Center Ridge Apartments

- 348 units located at 701 Center Ridge Drive, Austin, TX 78753

December 2015: Closed on new development Urban Oaks using 4% Tax Credit/Bond Financing

- 194 units located at 6725 Circle S Road, Austin, TX 78745

May 2016: Purchased Bridge at South Point

- 176 units located at 6808 So. IH 35, Austin, TX 78745

September 2016: Purchased Bridge at Volente

- 208 units located at 11908 Anderson Mill Road, Austin, TX 78726

November 2016: Rental Assistance Demonstration (RAD) conversion acquisition/rehabs on five properties using 4% Tax Credit/Bond Financing.

- Pathways at Georgian Manor – 94 units located at 110 Bolles Circle, Austin, TX 78753
- Pathways at Manchaca Village – 33 units located at 3628 Manchaca Road, Austin, TX 78704
- Pathways at North Loop – 130 units located at 2300 W. Northloop, Austin, TX 78756
- Pathways at Northgate – 50 units located at 9120 Northgate, Austin, TX 78758
- Pathways at Shadowbend Ridge – 50 units located at 6328 Shadowbend, Austin, TX 78745

November 2016: RAD straight conversion of three properties

- Pathways at Bouldin Oaks – 144 units located at 1203 Cumberland, Austin, TX 78704
- Pathways at Coronado Hills – 48 units located at 1438 Coronado Hills, Austin, TX 78752
- Pathways at Manchaca II – 33 units located at 6113 Buffalo Pass, Austin, TX 78745

January 2017: Closed on new development Studios at thinkEAST using 4% Tax Credit/Bond Financing

- 182 units located at 1143 Shady Lane, Austin, TX 78721

June 2017: Purchased Bridge at Sterling Springs

- 172 units located at 2809 W. William Cannon Drive, Austin, TX 78745

July 2017: Rental Assistance Demonstration (RAD) conversion acquisition/rehab on Pathways at Gaston Place using 4% Tax Credit/Bond Financing.

- 100 units, 1941 Gaston Place Drive, Austin, TX 78723

October 2017:	<p>RAD straight conversion of two properties</p> <ul style="list-style-type: none"> • Pathways at Booker T. Washington – 216 units located at 905 Bedford, Austin, TX 78702 • Pathways at Meadowbrook Court - 160 units located at 1201 West Live Oak, Austin, TX 78704
November 2017:	<p>Closed on new construction development Harris Ridge Apartments using 4% Tax Credit/Bond Financing</p> <ul style="list-style-type: none"> • 324 units, located at 1501 Howard Lane, Austin, TX 78754
December 2017:	<p>Closed on new construction development Bridge at Cameron using 4% Tax Credit/Bond Financing</p> <ul style="list-style-type: none"> • 263 units located at 9201 Cameron Rd, Austin, TX 78754
December 2017:	<p>Closed on new construction development Commons at Goodnight using 4% Tax Credit/Bond Financing</p> <ul style="list-style-type: none"> • 304 units located at 2022 E. Slaughter Lane, Austin, TX 78747
July 2018:	<p>Closed on new construction development The Rail at MLK using private equity</p> <ul style="list-style-type: none"> • 235 units located at 2921 E. 17th St., Austin, TX
August 2018:	<p>Closed on new construction development Pathways at Chalmers Courts South using 4% Tax Credit/Bond Financing</p> <ul style="list-style-type: none"> • 86 units to be used for RAD relocation located at 1638 East 2nd St., Austin, TX 78702
September 2018:	<p>Closed on RAD 9% tax credit new construction conversion of Pathways at Goodrich</p> <ul style="list-style-type: none"> • 120 units located at 2126 Goodrich Avenue, Austin, TX 78704
September 2018:	<p>Purchased the Preserve at Wells Branch</p> <ul style="list-style-type: none"> • 308 units located at 1773 Wells Branch Parkway, Austin, TX 78728
October 2018:	<p>Closed on RAD straight conversion Pathways at Thurmond Heights</p> <ul style="list-style-type: none"> • 144 units located at 8426 Goldfinch Court, Austin, TX 78758
November 2018:	<p>Closed on three RAD straight conversions:</p> <ul style="list-style-type: none"> • Pathways at Rosewood Courts – 124 units located at 2001 Rosewood Avenue, Austin, TX 78702 • Pathways at Santa Rita Courts – 97 units located at 2341 Corta Street, Austin, Texas 78702 • Pathways at Salina – 32 units located at 1145 Salina Street, Austin, Texas 78702
November 2018:	<p>Purchased the Bridge at Terracina</p> <ul style="list-style-type: none"> • 170 units located at 8100 N. Mopac Expressway, Austin, Texas 78759
November 2018:	<p>Purchased the Bridge at Northwest Hills</p> <ul style="list-style-type: none"> • 314 units located at 3600 Greystone Drive, Austin, Texas 78731
December 2018:	<p>Closed on new construction development Elysium Grand using 4% Tax Credit/Bond Financing</p> <ul style="list-style-type: none"> • 90 units located at 3300 Oak Creek Drive, Austin, TX 78727

June 2019:	Closed on new construction development The Oaks using AAHC/LDG equity <ul style="list-style-type: none"> • 96 units located at 6936 E Ben White Blvd, Austin, TX 78741
June 2019:	Purchased Bridge at Asher Apartments <ul style="list-style-type: none"> • 452 units located at 10505 South Interstate 35, Austin, TX 78747
June 2019:	Closed as General Partner on existing development Signature at Franklin Park <ul style="list-style-type: none"> • 163 units located at 4509 East Saint Elmo Road, Austin, TX 78744
July 2019:	Closed on partial RAD conversion to redevelop and construct new units using 9% tax credits on Pathways at Chalmers Courts East <ul style="list-style-type: none"> • 156 units located at 1700 E. 3rd St., Austin, TX 78702
August 2019:	Closed as General Partner on existing development Woodway Village <ul style="list-style-type: none"> • 160 units located at 4600 Nuckols Crossing Road, Austin, TX 78744
October 2019:	Closed on RAD straight conversion of Pathways at Lakeside <ul style="list-style-type: none"> • 164 units located at 85 Trinity St, Austin, TX 78701
October 2019:	Closed on new construction development SOCO II using PFC structure <ul style="list-style-type: none"> • 270 units located at 8104 South Congress, Austin, TX 78745
November 2019:	Closed on new construction development Bridge at Granada using 4% bond/LIHTC <ul style="list-style-type: none"> • 258 units located at 414 E. Wonsley Drive, Austin, TX 78753
December 2019:	Closed as General Partner and resyndicated using 4% bond/LIHTC on the existing development Oaks on North Plaza <ul style="list-style-type: none"> • 62 units located at 9125 North Plaza, Austin, TX 78753
December 2019:	Closed on new construction development Bridge at Canyon View using 4% bond/LIHTC <ul style="list-style-type: none"> • 215 units located at 4506 E William Cannon, Austin, TX 78744
December 2019:	Closed on new construction development Estates at Norwood using 4% bond/LIHTC <ul style="list-style-type: none"> • 228 units located at 916 & 918 Norwood Park Blvd, Austin, TX 78753
January 2020:	Closed on new construction development Bridge at Loyola Lofts using 4% bond/LIHTC <ul style="list-style-type: none"> • 204 units located at 6420 Loyola Lane, Austin, TX 78724
February 2020:	Closed on new construction development Ventura at Parmer Lane using 4% bond/LIHTC <ul style="list-style-type: none"> • 216 units located at 8407 E. Parmer Lane, Austin, TX 78653
May 2020:	Closed on new construction development Moonlight Gardens using private equity. <ul style="list-style-type: none"> • 264 units located at 8901 Nuckols Crossing, Austin, TX 78747

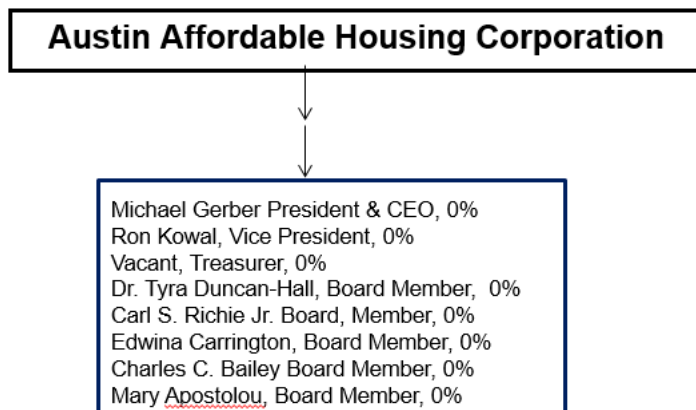
- July 2020: Closed on new construction development Heritage Estates at Owen Tech using 4% bond/LIHTC
- 174 senior units located at 14011 Owen Tech Blvd, Austin, Texas 78728
- July 2020: Closed on new construction development Vega Multifamily using the PFC structure
- 330 units located at 5313 Vega Avenue, Austin, Texas 78735

Board Members:

Edwina Carington, Chairperson
Charles Bailey, Vice-Chairperson
Mary Apostolou, 2nd Vice-Chairperson
Tyra Duncan-Hall, Director
Carl Ritchie Jr., Director

of AAHC Employees – 2 (Ron Kowal Vice-President, Asset Management/Housing Development and Suzanne Schwertner Director of Development)

AAHC Org Chart:



Carleton Companies

Carleton – Principal Biographies

Carleton was founded in 1991 by Printice Gary. The firm is managed by three partners, Printice Gary, Neal Hildebrandt, and Jeff Fulenchek who have been working together at Carleton for over 24 years. These partners have over 85 years of combined experience in apartment development, construction, and management. Carleton has a deep, cohesive, and stable team with the 10 most senior professionals averaging nearly 9 years with the firm. The partners of the firm have experience developing over 20,000 multifamily units in the Southwestern United States.



Printice L. Gary

Printice Gary is the founder and Managing Partner of Carleton Residential. Prior to founding Carleton Residential, Mr. Gary was a Partner with Trammell Crow Residential where he oversaw all aspects of the partnership's development, acquisition, financing, construction, and asset management for over 6,000 multifamily units. His other career experiences include eight years ending as a Division President with the Centex Corporation (Fox & Jacobs, Inc. Division), where operations under his direction sold and completed more than 17,000 single family homes; and six years with Piper Jaffray and Hopwood Inc., investment bankers, as a Vice President in the Corporate Finance Department specializing in debt and equity private placements. Mr. Gary is a graduate of Carleton College (and is a former Trustee) and completed his MBA at Harvard. Printice Gary has served on numerous boards and currently serves on the board of C.C. Young, Inc., the National Equity Fund, Inc. in Chicago, IL, and the Southwestern Medical Foundation. Mr. Gary was appointed by Governor Rick Perry to the University of Texas System Board of Regents in 2007, where he chairs the Facilities Planning & Construction Committee, and serves on the UTIMCO Board of Directors and the Board of Lease of University Lands. He served 10 years on the Board of National Equity Fund, Inc and was a member of the Investment Committee. He is currently on the board of Preservation of Affordable Housing, Inc. (POAH), a non-profit affordable housing entity headquartered in Boston serving as Chairman of the Investment Committee.

Carleton Companies



Neal R. Hildebrandt

Neal Hildebrandt is a Carleton Residential Partner and the Chief Operating Officer of Treymore Construction. Prior to joining Carleton, Mr. Hildebrandt was with Trammell Crow Company where he had construction and asset management responsibility for a portfolio of 2.6 million square feet of commercial real estate. Mr. Hildebrandt's experience also includes several years with Trammell Crow Residential where he was responsible for the development and construction of multiple residential communities, and with Centex Corporation where he was a field Construction Project Manager with Direct responsibility for production. Mr. Hildebrandt is a graduate of Oklahoma State University where he earned a BS in Construction Engineering.



Jeffrey D. Fulenchek

Jeff Fulenchek is a Partner and the Director of Development for Carleton Residential Properties. Mr. Fulenchek began his career with Carleton in 1996 and directs the development activity for both Carleton's affordable and market rate multi-family divisions. Prior to joining Carleton, Mr. Fulenchek had a wide range of real estate experience, including overseeing Securities and Exchange Commission reporting for several national real estate limited partnerships for a large real estate investment firm. Mr. Fulenchek holds a BBA in Accounting from Texas A&M University.

Mr. Fulenchek is a Founder Council member of the Affordable Housing Developers Council ("AHDC"). AHDC is a CEO level organization uniquely positioned to draft and advance innovative federal policy that would result in more affordable housing subsidies including low income housing tax credits and equity in the marketplace that advance production of affordable housing. As a member of the Founder Council, Mr. Fulenchek has worked extensively with members of Congress, their staff and the administration to protect, preserve, and enhance affordable housing solutions include preservation and expansion of the low-income housing tax credit program in the Tax Cuts and Jobs Act of 2017.

Carleton Companies



Will Henderson

Will Henderson is the Vice President of Affordable Housing. Will joined the firm in 2007. He analyzes a project's financial feasibility among various funding structures and recommends the best course of action to ensure a project's success. He is also responsible for ongoing analysis through the cycle of a project to keep expenditures in line with budgets and expectations of the client. Mr. Henderson also led Carleton as the first developers in Texas to close the first of multiple RAD deals in the State of Texas. Will is experienced in real estate financial analysis through his work as a Special Project Analyst with Trammell Crow and Project Base Analyst at PAJ Inc.



Holland Gary

Holland Gary is the CFO of Carleton Residential Properties, and the President of Salt River Capital, a real estate finance subsidiary. He is an experienced private equity investment professional with a background investing and managing private equity assets for some of the largest public pension plans in the nation. He was a Principal and COO at Aldus Equity, a private equity firm with \$7 billion under management and formerly an affiliate of RREEF Alternative Investments, the global alternatives asset management business of Deutsche Bank's Asset Management division. He served on the investment committee which deployed over \$1 billion each year. Prior to Aldus Equity, Mr. Gary was an investment professional with Innovation Philadelphia, and worked with prominent Dallas area venture capital firms providing market research and due diligence. Mr. Gary began his career in a variety of operational management roles at venture-backed early stage companies, where he had responsibilities developing and managing enterprise software and web-based technologies for Fortune 500 companies including Whirlpool, Prudential, Bank of America, and Walmart. Mr. Gary is a graduate of the Greenhill School in the Dallas area where he currently serves on the Board of Trustees as Finance Committee Chair. He is also the current Chair of the Board of Directors for The da Vinci School. Mr. Gary earned an MBA in Finance and Entrepreneurial Management from the Wharton School of the University of Pennsylvania where he was a Joseph Wharton Fellow and Co-Chair of the

Carleton Companies

Wharton Ethics Committee. He earned a BSE in Electrical Engineering from Princeton University where he was an All-Ivy track and field athlete. Holland Gary lives in the Dallas, Texas area with his wife and two young children.



David Cohenour, CPA

David Cohenour joined the firm in 2002 and is the Vice President and Director of Asset Management for Carleton Residential Properties. Prior to joining Carleton, David held controllership positions at Lincoln Property Company, Pace Realty Corporation and at a national multi-family REIT. David is experienced in all aspects of multifamily asset management, accounting, and compliance, with emphasis on stabilization and disposition of new construction properties and refinancing of established properties. David is a graduate of The University of Iowa with a degree in accounting. He is a member of the American Institute of Certified Public Accountants and the Texas Apartment Association.



Jonathan W. Gary

Jonathan joined the firm in 2020 and is an Investment Associate with over 10 years' experience. Prior to joining Salt River Capital/Carleton Companies, he worked as in institutional investment management with PIMCO, Hedge Funds, and Multifamily Asset Management with JF1, Greystar. Jonathan is a graduate of Princeton University with an AB Economics degree, as well as an MBA from Harvard Business School.

Carleton Companies



Larry Frazier, HCCP, CAPS, NCP, CSPHM

Larry Frazier is the President and CEO of Carleton Management Services, LLC. Larry has over 30 years of experience in the multi-family and commercial rental markets in both the public and private sectors. He has experience working in Public Housing Operations and Development with the Housing Authority of the City of Austin and the Fort Worth Housing Authority (FWHA). His experience includes direct involvement with development and operation of multifamily ventures, from due diligence through financing, acquisition, design, construction, lease up and management operations. He played a key role in the successful acquisition and development of 3,099 affordable units located on 14 sites across the City of Fort Worth for FWHA. He spearheaded the creation and served as President of a successful full-service property management company. He developed and oversaw a \$350M property portfolio consisting of primarily mixed affordable and public housing communities in several regions in Texas. Larry received an Undergraduate Degree in Business Administration from the University of Phoenix. He is a Certified Apartment Portfolio Manager (CAPS) through the National Apartment Association (NAA), Housing Credit Compliance Professional (HCCP) through the National Association of Home Builders (NAHB). He is a Certified Specialist in Public Housing Management (CSPHM) through the National Association of Housing and Redevelopment Officials (NAHRO) and a National Compliance Professional (NCP) through the Housing Credit College. Larry is a Texas State Licensed HVAC Contractor and Electrician. His experience includes over 35 years operating a successful mechanical contracting business in Texas. He recently served on the Board of Directors for the Apartment Association of Tarrant County.



Annette Hardin

Annette Hardin is the CFO of Carleton Management Services, LLC. Annette has over 30 years of professional accounting experience in corporate and affordable multifamily environments. She has experienced the following positions over the course of her career: Chief Financial Officer, Director of Accounting, Accounting Supervisor, Senior Accountant; as well as several other full charge management positions in large corporate environments. Her experience includes managing, directing and supervising staff, treasury management, development and management of budgets and financial reporting; oversight of IT services, purchasing, payroll services, development and

Carleton Companies

maintenance of internal control systems, corporate income tax processes and maintaining the G/L accounting system. In addition, monthly/annual financial closeout, financial reports development analysis and review, audit preparation and footnotes, financial report writing/queries, and many other accounting functions such as business filings and fixed assets. She earned her Bachelor of Business Administration in Accounting Degree from Savannah State University, Savannah, GA. Other credits include OneSite/RealPage Accounting, OneSite/RealPage Leasing and Rents, OneSite/RealPage Budgeting, JD Edwards software for IBM AS400, JD Edwards Enterprise One, Microsoft Products and many other PC software, treasury management and internet-based platforms. Other training includes, Housing Tax Credit Compliance, Fair Housing, and BDO Public Housing Authority Finance.



Laura Sullivan, CAPS, CAM, HCCP, CSPHM, COS, NCP, CPO

Laura Sullivan is the COO of Carleton Management Services, LLC. Laura has over 25 years of experience in real estate. She has considerable experience in the operation and management of single family, multifamily (Conventional & Mixed Affordable) and commercial assets. Her experience includes overseeing due diligence, operational management, development, construction, and substantial renovation. She holds real estate licenses in Texas with reciprocity in Oklahoma. Laura successfully supervised all aspects of operations of a diverse affordable portfolio consisting of over 4,100 mixed affordable and public housing units located in 29 developments operating regionally in Texas. She has managed more than 100 employees. Her expertise includes the successful management of LIHTC, Public Housing, RAD, High & Low Home, NSP, PBV and PBVA programs as well as management of conventional market rate multifamily assets. She has a demonstrated expertise in the repositioning of difficult assets. Laura is a Certified Apartment Portfolio Supervisor (CAPS) through the National Apartment Association (NAA), Housing Credit Compliance Professional (HCCP) through the National Association of Home Builders (NAHB), Certified Specialist in Public Housing Management (CSPHM) through the National Association of Housing and Redevelopment Officials (NAHRO). Laura holds certifications as a Senior Certified Occupancy Specialist (COS), Certified Apartment Manager, (CAM), National Compliance Professional (NCP) and Certified Professional Occupancy (CPO) as well.

Carleton Companies



Benjamin Smith, HCCP, TSCA, COSA, PHOS, MORS, CSPM

Ben has experience working with complex mixed affordable compliance programs. He brings a unique combination of both managerial and firsthand compliance expertise working with multiple HUD and LIHTC affordable programs. His experience includes Section 42 Tax Credit, HOME, Public Housing, Housing Choice Vouchers (HCV), Project Based Vouchers (PBV), Section 811 PRA, Project Based Rental Assistance (RAD), and Relocation oversight. Ben has 19 years' experience supervising and managing personnel and programs. Over the past 7 years Ben served as Director of Compliance and Trainer with a North Texas management company overseeing compliance for more than 3,000 highly complex and layered mixed affordable units. No unit or property in his portfolio experienced any uncorrectable findings from any auditing agency. Ben studied at the University of Oklahoma and Rose State College. Ben holds certifications as a Certified Specialist in Public Housing Management (CSPHM) through the National Association of Housing and Redevelopment Officials (NAHRO), Certified Occupancy Specialist-Advanced (COSA) through the National Center for Housing Management (NCHM), Public Housing Occupancy Specialist (PHOS) through NAHRO, Tax Credit Specialist-Advanced (TCSA) through NCHM, and Management and Occupancy Review Specialist (MORS) through NCHM. In addition, Ben is a Certified Housing Credit Compliance Professional (HCCP).



Ronnie McCarty, SHCM, HCCP, COS

Ron is a Regional Manager with the Property Management Division. He has over 35 years of experience in real estate. He has considerable experience in the operation and management of multifamily assets, both Market Rate and Mixed Affordable. He is proficient in pre-acquisition due diligence, operational management, and renovation/new construction lease-up. Ron supervised all aspects of management operations overseeing a large portfolio of both market rate and mixed affordable properties operating in 6 states. He managed more than 200 employees comprised of Corporate Accountants, AP, Compliance and property-based employees. He oversaw and managed large-scale renovations Renovation Crews. His expertise includes the successful management of LIHTC, Public Housing and Section 8 programs as well as management of conventional market rate multifamily assets. Ron attended Northeast Louisiana University in Monroe, LA. He is a Certified Occupancy Specialist (COS) and a Specialist in Housing Credit Management (SHCM) and Housing Credit Compliance Professional (HCCP).

Carleton Management Services

History of Organization

Carleton Residential Properties (CRP) is a fully integrated company. Since 1991 our firm has been engaged in development, construction, asset management and property management of 20,000 high quality multi-family residential communities throughout the SW United States. In Response to demand from clients to expand our property management services beyond our personal portfolio, Carleton recapitalized its existing management arm and introduced Carleton Management Services, (CMS) LLC.

Carleton has positioned seasoned executives with over 30 years of experience in leadership of this team. The CMS executive team has 8 years' prior experience working together successfully managing a portfolio consisting of over 4,000 mixed affordable units in Texas. The Carleton team has been managing multifamily properties successfully since 1991. Our exceptional experience in all things multifamily uniquely positions our management team to offer the best in service and expertise, adding value to every property managed with extraordinary

SERVICES PROVIDED:

- Full Service Property Management
- Pre-acquisition due diligence
- Property Repositioning
- Lease-up for Stabilization
- Program Compliance Monitoring
- Staffing & Training/Consulting

PROGRAMS MANAGED

- Conventional Market Rate
- Section 42 Bond and LIHTC
- Public Housing
- Project Based Vouchers (PBV)
- Project Based Rad Assistance (PBRA)
- Supportive Services Housing



Larry Frazier, HCCP, CAPS, NCP, CSPHM



Larry Frazier is the President and CEO of Carleton Management Services, LLC. Larry has over 30 years of experience in the multifamily and commercial rental markets in both the public and private sectors. He has extensive experience working in Public Housing Operations and Development with the Housing Authority of the City of Austin and the Fort Worth Housing Authority (FWHA). His experience includes direct involvement with development and operation of multifamily ventures, from due diligence through financing, acquisition, design, construction, lease up and management operations. He played a key role in the successful acquisition and development of 3,099 affordable units located on 14 sites across the City of Fort Worth for FWHA. He spearheaded the creation and served as President of a successful full-service property management company. He developed and oversaw a \$350M property portfolio consisting of primarily mixed affordable and public housing communities in several regions in Texas. Larry received an Undergraduate Degree in Business Administration from the University of Phoenix. He is a Certified Apartment Portfolio Manager (CAPS) through the National Apartment Association (NAA), Housing Credit Compliance Professional (HCCP) through the National Association of Home Builders (NAHB). He is a Certified Specialist in Public Housing Management (CSPHM) through the National Association of Housing and Redevelopment Officials (NAHRO) and a National Compliance Professional (NCP) through the Housing Credit College. Larry is a Texas State Licensed HVAC Contractor and Electrician. His experience includes over 35 years operating a successful mechanical contracting business in Texas. He recently served on the Board of Directors for the Apartment Association of Tarrant County.

Annette Hardin



Annette Hardin is the CFO of Carleton Management Services, LLC. Annette has over 30 years of professional accounting experience in corporate and affordable multifamily environments. She has experienced the following positions over the course of her career: Chief Financial Officer, Director of Accounting, Accounting Supervisor, Senior Accountant; as well as several other full charge management positions in large corporate environments. Her experience includes managing, directing and supervising staff, treasury management, development and management of budgets and financial reporting; oversight of IT services, purchasing, payroll services, development and maintenance of internal control systems, corporate income tax processes and maintaining the G/L accounting system. In addition, monthly/annual financial closeout, financial reports development analysis and review, audit preparation and footnotes, financial report writing/queries, and many other accounting functions such as business filings and fixed assets. She earned her Bachelor of Business Administration in Accounting Degree from Savannah State University, Savannah, GA. Other credits include OneSite/RealPage Accounting, OneSite/RealPage Leasing and Rents, OneSite/RealPage Budgeting, JD Edwards software for IBM AS400, JD Edwards Enterprise One, Microsoft Products and many other PC software, treasury management and internet-based platforms. Other training includes, Housing Tax Credit Compliance, Fair Housing, and BDO Public Housing Authority Finance.

Laura Sullivan, CAPS, CAM, HCCP, CSPHM, COS, NCP, CPO



Laura Sullivan is the COO of Carleton Management Services, LLC. Laura has over 25 years of experience in real estate. She has considerable experience in the operation and management of single family, multifamily (Conventional & Mixed Affordable) and commercial assets. Her experience includes overseeing due diligence, operational management, development, construction, and substantial renovation. She holds real estate licenses in Texas with reciprocity in Oklahoma. Laura successfully supervised all aspects of operations of a diverse affordable portfolio consisting of over 4,100 mixed affordable and public housing units located in 29 developments operating regionally in Texas. She has managed more than 100 employees. Her expertise includes the successful management of LIHTC, Public Housing, RAD, High & Low Home, NSP, PBV and PBVA programs as well as management of conventional market rate multifamily assets. She has a demonstrated expertise in the repositioning of difficult assets. Laura is a Certified Apartment Portfolio Supervisor (CAPS) through the National Apartment Association (NAA), Housing Credit Compliance Professional (HCCP) through the National Association of Home Builders (NAHB), Certified Specialist in Public Housing Management (CSPHM) through the National Association of Housing and Redevelopment Officials (NAHRO). Laura holds certifications as a Senior Certified Occupancy Specialist (COS), Certified Apartment Manager, (CAM), National Compliance Professional (NCP) and Certified Professional Occupancy (CPO) as well.

Megan Stejskal, HCCP, CPO, COSA, PHOS, MORS



Megan Stejskal is the Compliance Director for Carleton Management Services, LLC. Megan has extensive experience working with complex mixed affordable compliance programs. She brings a unique combination of both managerial and hands-on compliance expertise working with multiple HUD and TDHCA affordable programs. Her experience includes Section 42 Tax Credit, HOME, Public Housing, Housing Choice Vouchers (HCV), Project Based Vouchers (PBV), Project Based Rental Assistance (RAD), and Relocation oversight. Megan has 15 years' experience supervising and managing personnel and programs. Over the past 5.5 years Megan served as Compliance Manager and Trainer with a North Texas management company overseeing compliance for more than 2,600 highly complex mixed affordable and public housing units. No unit or property in her portfolio experienced any uncorrectable findings from any auditing agency. She attended Grand Canyon University in Phoenix, AZ. and VanderCook College of Music in Chicago, IL. Megan holds certifications as a Certified Specialist in Public Housing Management (CSPHM) through the National Association of Housing and Redevelopment Officials (NAHRO), Certified Occupancy Specialist–Advanced (COSA) through the National Center for Housing Management (NCHM), Public Housing Occupancy Specialist (PHOS) through NAHRO, and Management and Occupancy Review Specialist (MORS) through NCHM. In addition, Megan is a Certified Housing Credit Compliance Professional (HCCP).

Item 3.a

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date:

AUG 17 2004

AUSTIN AFFORDABLE HOUSING CORP
PO BOX 6159
AUSTIN, TX 78762

Employer Identification Number:

41-2121187

DLN:

17053068013034

Contact Person:

GARY L BOTKINS

ID# 31463

Contact Telephone Number:

(877) 829-5500

Accounting Period Ending:

March 31

Public Charity Status:

509(a)(3)

Form 990 Required:

No

Effective Date of Exemption:

September 10, 2003

Contribution Deductibility:

Yes

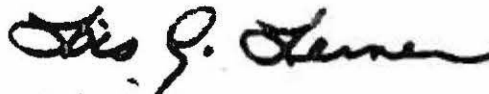
Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. We determined that you are a public charity under the Code section(s) listed in the heading of this letter.

Please see enclosed Information for Exempt Organizations Under Section 501(c)(3) for some helpful information about your responsibilities as an exempt organization.

Sincerely,



Lois G. Lerner

Director, Exempt Organizations
Rulings and Agreements

Enclosures: Information for Organizations Exempt Under Section 501(c)(3)

Letter 947 (DO/CG)

Item 3.b

**Austin Affordable
Housing Corporation and
Subsidiaries
(A Blended Component
Unit of the Housing
Authority of the City of
Austin)**

**Consolidated Financial
Statements**

March 31, 2020

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITOR'S REPORT	1
CONSOLIDATED FINANCIAL STATEMENTS	
Consolidated Statement of Net Position	3
Consolidated Statement of Revenues, Expenses and Changes in Net Position	4
Consolidated Statement of Cash Flows	5
Notes to Consolidated Financial Statements	7



INDEPENDENT AUDITOR'S REPORT

Board of Directors
Austin Affordable Housing Corporation
Austin, Texas

We have audited the accompanying consolidated statement of net position of the Austin Affordable Housing Corporation and Subsidiaries ("AAHC") (a nonprofit organization), a blended component unit of the Housing Authority of the City of Austin, as of March 31, 2020, and the related consolidated statement of revenues, expenses and changes in net position and statement of cash flows for the year then ended, which collectively comprise AAHC's consolidated financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the respective net position of AAHC and its Subsidiaries as of March 31, 2020, and the respective changes in net position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the consolidated financial statements. Such missing information, although not a part of the consolidated financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the consolidated financial statements in an appropriate operational, economic, or historical context. Our opinion on the consolidated financial statements is not affected by this missing information.

February 19, 2021
Melbourne, Florida

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

Austin Affordable Housing Corporation and Subsidiaries
(A Component Unit of the Housing Authority of the City of Austin)

CONSOLIDATED STATEMENT OF NET POSITION

March 31, 2020

ASSETS

CURRENT ASSETS

Cash - unrestricted	\$ 14,528,337
Cash - restricted	38,463,943
Investments - unrestricted	357,936
Tenant receivables, net	215,770
Due from HUD	28,014
Other receivables	97,255
Prepaid expenses	364,931
Total current assets	<u>54,056,186</u>

NONCURRENT ASSETS

Cash - restricted	86,506
Capital assets, net	69,265,111
Notes receivable	8,994,472
Investments in joint ventures	28,970,948
Total noncurrent assets	<u>107,317,037</u>
Total assets	<u>161,373,223</u>

LIABILITIES

CURRENT LIABILITIES

Current portion of long-term debt	1,057,199
Accounts payable	307,091
Accrued salaries	63,789
Accrued compensated absences	9,244
Accrued interest payable	337,756
Unearned revenue	217,909
Tenant security deposits	545,837
Due to Authority	1,190,210
Family self-sufficiency escrow	87,147
Other current liabilities	891,170
Total current liabilities	<u>4,707,352</u>

NONCURRENT LIABILITIES

Long-term debt	81,359,540
Loan payable to Authority	4,900,000
Family self-sufficiency escrow	86,506
Accrued compensated absences	116,918
Total noncurrent liabilities	<u>86,462,964</u>
Total liabilities	<u>91,170,316</u>

NET POSITION

Net investment in capital assets	(19,132,228)
Restricted	37,795,957
Unrestricted	51,539,178
Total net position	<u>\$ 70,202,907</u>

The accompanying notes are an integral part of these consolidated financial statements.

Austin Affordable Housing Corporation and Subsidiaries
(A Blended Component Unit of the Housing Authority of the City of Austin)

CONSOLIDATED STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION

For the year ended March 31, 2020

OPERATING REVENUES

Tenant revenue, net	\$ 11,547,349
HUD operating revenue	6,547,768
Non-dwelling rental revenue	2,409,241
Management fees	639,072
Developer fees	2,618,038
Other operating revenue	<u>6,626,646</u>
Total operating revenues	<u>30,388,114</u>

OPERATING EXPENSES

Administrative	7,750,578
Tenant services	11,708
Utilities	2,351,520
Maintenance	4,674,803
Protective services	287,241
General	2,111,740
Depreciation	<u>5,225,661</u>
Total operating expenses	<u>22,413,251</u>

OPERATING INCOME

7,974,863

NONOPERATING REVENUES (EXPENSES)

Transfers from the Authority	141,556
Interest expense	(3,673,121)
Investment income - unrestricted	337,020
Investment income - restricted	<u>117,555</u>
Total nonoperating revenues (expenses)	<u>(3,076,990)</u>
Change in net position before capital contributions	4,897,873

CAPITAL CONTRIBUTIONS

Capital transfers from the Authority	2,312,856
Contributed capital	<u>4,653,000</u>
Change in net position	11,863,729

NET POSITION AT BEGINNING OF YEAR

58,339,178

NET POSITION AT END OF YEAR

\$ 70,202,907

The accompanying notes are an integral part of these consolidated financial statements.

Austin Affordable Housing Corporation and Subsidiaries
(A Blended Component Unit of the Housing Authority of the City of Austin)

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended March 31, 2020

CASH FLOWS FROM OPERATING ACTIVITIES

Collections from tenants	\$ 11,449,586
HUD operating grants received	6,562,075
Collections from other sources	12,869,706
Payments to employees	(3,734,963)
Payments to suppliers	<u>(13,887,198)</u>
Net cash provided by operating activities	<u>13,259,206</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Interest received	454,575
Purchase of investments	<u>(7,936)</u>
Net cash provided by investing activities	<u>446,639</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Proceeds from long-term debt	8,427,944
Payments on long-term debt	(832,457)
Transfers from the Authority	61,211
Purchase of property and equipment	(3,851,974)
Contributions in investment in joint ventures	(2,978,101)
Distributions from investment in joint ventures	2,117,750
Interest paid	<u>(3,570,314)</u>
Net cash used in capital and related financing activities	<u>(625,941)</u>

NET INCREASE IN CASH 13,079,904

CASH AT BEGINNING OF YEAR 39,998,882

CASH AT END OF YEAR \$ 53,078,786

RECONCILIATION TO STATEMENT OF NET POSITION

Cash - unrestricted	\$ 14,528,337
Cash - restricted	38,463,943
Cash - restricted - noncurrent	<u>86,506</u>
	<u><u>\$ 53,078,786</u></u>

The accompanying notes are an integral part of these consolidated financial statements.

Austin Affordable Housing Corporation and Subsidiaries
(A Blended Component Unit of the Housing Authority of the City of Austin)

CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

For the year ended March 31, 2020

**RECONCILIATION OF OPERATING INCOME TO NET
CASH PROVIDED BY OPERATING ACTIVITIES**

Operating income	\$ 7,974,863
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	5,225,661
(Increase) decrease in assets:	
Tenant receivables, net	(154,767)
Due from HUD	14,307
Other receivables	569,424
Prepaid expenses	(84,163)
Investments in joint ventures	(1,588,631)
Increase (decrease) in liabilities:	
Accounts payable	(139,938)
Accrued salaries	(8,808)
Accrued compensated absences	18,509
Unearned revenue	34,789
Tenant security deposits	57,004
Due to Authority	717,161
Family self-sufficiency escrow	(12,468)
Other current liabilities	636,263
Net cash provided by operating activities	<u><u>\$ 13,259,206</u></u>

**SUPPLEMENTAL DISCLOSURE OF NON-CASH
TRANSACTIONS:**

Capital assets transferred from Authority	<u><u>\$ 2,312,856</u></u>
Equity contributed to joint venture partnerships	<u><u>\$ 4,653,000</u></u>
Long-term debt used to fund investments in joint venture	<u><u>\$ 4,000,000</u></u>
Refinance of long-term debt	<u><u>\$ 1,328,056</u></u>

The accompanying notes are an integral part of these consolidated financial statements.

**Austin Affordable Housing Corporation and Subsidiaries
(A Blended Component Unit of the Housing Authority of the City of Austin)**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Nature of the organization

The Austin Affordable Housing Corporation and Subsidiaries ("AAHC") is a nonprofit Texas corporation organized exclusively for one or more of the purposes as specified in Section 501(c)(3) of the Internal Revenue Code. AAHC was created as an instrumentality of the Housing Authority of the City of Austin (the "Authority") for the purpose of providing low-income families and individuals with housing and home-ownership opportunities in the City of Austin. As such, AAHC is a blended component unit of the Authority as defined in Governmental Accounting Standards Board's ("GASB") Codification of Governmental Accounting and Financial Reporting Standards, Section 2100, *Defining the Financial Reporting Entity*. AAHC's Board of Directors consists of the Board of Commissioners of the Authority. Therefore, AAHC, as a blended component unit of the Authority, meets the definition of a government for financial reporting purposes.

In total, when the new units under construction are placed in service, AAHC will have access to a portfolio of 54 properties and 9,543 affordable residential units either through direct ownership or co-ownership. AAHC financials reflect that AAHC wholly owns and operates 18 single family homes and 16 multifamily properties, consisting of 2,083 units which are offered for rent at below-market or subsidized rents or prices to low-income families and individuals. In addition to owning and operating these properties, AAHC owns a shopping center, three office buildings and one warehouse. As a partial owner in partnerships, and therefore not fully in AAHC's financials, AAHC has access to an additional 30 properties with 5,852 affordable residential units and is developing 8 properties with 1,608 residential units.

AAHC has significant development and management responsibilities through its subsidiaries which were created as subsidiaries of AAHC for the purpose of providing and developing affordable housing opportunities. The following subsidiaries are controlled by AAHC and are therefore included within the activity of AAHC:

2015 Urban Oaks GP, LLC	AAHC Bridge at Asher MM, LLC	AAHC Woodway Village GP, LLC
AAHC Rail GP, LLC	AAHC Franklin Park GP, LLC	Ben White Development GP, LLC
AAHC-CDT Parmer, LLC	AAHC Lexington Hills, LLC	Bridge at Northwest Hills, LLC
Bridge at Bent Tree, LLC	AAHC-CDT Center Ridge, LLC	Bridge at Sterling Springs, LLC
Bridge at Granada MM, LLC	AAHC-CDT Tech Ridge, LLC	Bridge at Sterling Village, LLC
Bridge at Terracina, LLC	Bridge at Loyola Lofts GP, LLC	Bridges at Canyon View GP, LLC
Bridge at Volente, LLC	Bridge at South Point, LLC	Harris Ridge Apartments GP, LLC
Elysium Grand GP, LLC	Bridge at Sweetwater, LLC	LDG Estates at Norwood GP, LLC
HACA P.A.S.G., LLC	Commons at Goodnight GP, LLC	Pathways at Booker T. Washington Terraces, LLC
HACA Pathways I GP, LLC	LDG Bridges at Cameron GP, LLC	Pathways at Chalmers Courts East GP, LLC
Harris AAHCLDG GP, LLC	Oaks on North Plaza GP, LLC	Pathways at Chalmers Courts South GP, LLC
LDG Oaks GP, LLC	Pathways at Bouldin Oaks, LLC	Pathways at Goodrich Place GP, LLC
Pathways at Lakeside, LLC	Pathways at Coronado Hills, LLC	Pathways at Meadowbrook Court, LLC
Pathways at Manchaca II, LLC	Pathways at Gaston Place GP, LLC	Pathways at Thurmond Heights, LLC
Pathways at Salina, LLC	Pathways at Rosewood Courts, LLC	Preserve at Wells Branch, LLC
Thinkeast GP, LLC	Pathways at Santa Rita Courts, LLC	Springdale Community Development GP, LLC
	Villages of Ben White GP, LLC	Ventura at Parmer Lane GP, LLC

Austin Affordable Housing Corporation and Subsidiaries
(A Blended Component Unit of the Housing Authority of the City of Austin)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

1. Nature of the organization (continued)

AAHC also provides social and human support services, such as educational programs, training programs, and family counseling in order to promote the health and welfare of its residents and a Down Payment Assistance Program to assist first-time homebuyers who are residents of Public Housing or the Housing Choice Voucher Program.

2. Measurement focus and basis of accounting

AAHC follows proprietary fund accounting guidance as established by the GASB. The proprietary fund utilizes an economic resources measurement focus. Measurement focus is a term used to describe which transactions are recorded within the various financial statements. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

Operating activities generally arise from providing services in connection with a proprietary fund's principal activity. The operating revenues of AAHC consist primarily of rental charges to tenants, management fees, development fees, and operating grants from the U.S. Department of Housing and Urban Development ("HUD"). Operating expenses for AAHC include the cost of administrative, tenant services, utilities, maintenance, protective services, general and depreciation. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses, except for capital contributions, which are presented separately.

Basis of accounting refers to when transactions are recorded regardless of the measurement focus applied. The basis of accounting used is similar to businesses in the private sector, thus, these funds are maintained on the accrual basis of accounting. Revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

3. Use of estimates

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

**Austin Affordable Housing Corporation and Subsidiaries
(A Blended Component Unit of the Housing Authority of the City of Austin)**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4. Cash and cash equivalents

For financial statement purposes, AAHC considers all unrestricted, highly liquid investments with an initial maturity of three months or less to be cash equivalents.

5. Investments

Investments are reported at fair value and are either insured or collateralized with securities held by AAHC or in AAHC's name. It is AAHC's policy that all funds on deposit are collateralized in accordance with requirements of the State of Texas, and also follow the Authority's investment policy.

6. Tenant receivables

Tenant receivables consist of revenues earned during the fiscal year and not yet received. Management individually reviews all accounts receivable periodically and assesses the portions, if any, of the balance that will not be collected. Tenant accounts receivable are charged to bad debt expense when they are determined to be uncollectible based upon a periodic review of the accounts by management. The allowance for uncollectible amounts as of March 31, 2020 was \$59,988.

7. Transfers and amounts due from and to the Authority

As of March 31, 2020, the AAHC has capital and noncapital transfers from the Authority related to the Rental Assistance Demonstration ("RAD") conversion (see Notes C and D). In addition, AAHC has a payable due to the Authority of \$1,190,210 for reimbursement for payment of common costs.

8. Due from HUD

These receivables consist of amounts due from the U.S. Department of Housing and Urban Development ("HUD") for Housing Assistance Payments subsidy under the Project Based Rental Assistance program. As of March 31, 2020, all amounts are considered to be fully collectible and there is no allowance recorded.

9. Other receivables

These receivables consist of amounts due from related party partnerships for amounts relating to the investment in joint ventures (see Note A-11), non-dwelling rent and other miscellaneous amounts. An allowance for doubtful accounts is based on management's prior experience with similar types of receivables and periodic aging of outstanding balances. As of March 31, 2020, all amounts are considered to be fully collectible and there is no allowance recorded.

Austin Affordable Housing Corporation and Subsidiaries
(A Blended Component Unit of the Housing Authority of the City of Austin)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

10. Capital assets

AAHC's policy is to capitalize assets with a value that generally exceeds \$2,500 and has a useful life in excess of two years. AAHC capitalizes the costs of site acquisition and improvement, structures, infrastructure, equipment and direct development costs meeting the capitalization policy. Assets are valued at historical cost, or estimated historical cost if actual historical cost is not available, and contributed assets are valued at fair value on the date contributed.

Depreciation has been provided using the straight-line method over the estimated useful lives, which range as follows:

Buildings and improvements	5-40 years
Equipment	3-5 years

11. Investments in joint ventures

In accordance with the equity method of accounting, AAHC's investments in joint ventures are recorded at cost and then increased or decreased by their share of income or losses and decreased by distributions.

12. Impairment of long-lived assets

AAHC evaluates its long-lived assets for possible impairment as events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. AAHC compares the carrying amount to estimated future net undiscounted cash flows expected to be generated by such assets. Should an impairment exist, the impairment loss would be measured based on the excess carrying value of the asset over the asset's fair value. Management has determined that long-lived assets were not impaired at March 31, 2020.

13. Accrued compensated absences

Permanent employees are granted paid time off at varying rates depending on tenure and can accrue a maximum of 240 hours of vacation time. Employees are entitled to 100% of any remaining accrued vacation upon termination. Employees with vacation time in excess of 240 hours must take time off to stay under the maximum. Sick leave is accrued and is eligible to be paid out on a vesting basis after a minimum of five years employment. The amount of compensated absences earned in the current period is expensed with the cumulative amount owed per the policy reflected as a liability in the basic financial statements.

**Austin Affordable Housing Corporation and Subsidiaries
(A Blended Component Unit of the Housing Authority of the City of Austin)**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

14. Unearned revenues

Unearned revenues include amounts collected before revenue recognition criteria are met. The unearned revenues consist of \$217,909 of prepaid tenant rents.

15. Income tax

AAHC accounts for income taxes in accordance with *Financial Accounting Standards Board Accounting Standards Codification* ("FASB ASC") 740 *Income Taxes*. FASB ASC 740 requires a two-step approach to evaluate tax positions and determine if they should be recognized in the financial statements. The two-step approach involves recognizing any tax positions that are more likely than not to occur and then measuring those positions to determine if they are recognizable in the financial statements. Management regularly reviews and analyzes all tax positions and has determined that no uncertain tax positions have been taken.

For the fiscal year ended March 31, 2020, no provision or liability for federal income taxes has been included in the financial statements. The income tax filings of AAHC and its subsidiaries are subject to audit by various taxing authorities. AAHC and its subsidiaries are no longer subject to income tax examinations by tax authorities for years before 2016.

16. Revenue recognition

Revenues, including management fees and developer fees, are recognized when earned. Lease payments from tenants are due by the first business day of each month for the current month.

17. Principles of consolidation

The consolidated financial statements include the accounts of AHCC and its subsidiaries described in Note A-1. All intercompany balances and transactions have been eliminated upon consolidation. As of March 31, 2020, \$5,980,600 of notes receivable and notes payable have been eliminated for the presentation of AAHC as a whole.

Austin Affordable Housing Corporation and Subsidiaries
(A Blended Component Unit of the Housing Authority of the City of Austin)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2020

NOTE B - DEPOSITS AND INVESTMENTS

As of March 31, 2020, AAHC's cash balance consists of cash in banks in the amount of \$53,078,786. AAHC's investment balance consists of certificates of deposit in the amount of \$357,936.

In accordance with GASB Codification Sections C20, *Cash Deposits with Financial Institutions*, and I50, *Investments*, AAHC's exposure to risk is disclosed as follows:

Custodial Credit Risk - is the risk that in the event of a bank failure, AAHC's balance may not be returned. AAHC's deposit policy for custodial credit risk requires collateral to be held in AAHC's name by its agent or by the bank's trust department. AAHC's deposits are also insured by the Federal Depository Insurance Corporation up to \$250,000 per financial institution, per depositor. As of March 31, 2020, none of AAHC's total bank balance was exposed to custodial credit risk, as it was either fully insured or collateralized.

Interest Rate Risk - is the risk that the relative value of a security will decline due to a change in interest rates. AAHC's policy to limit its exposure to declines in fair values of its investment portfolio is to only invest in HUD allowed investments and to monitor investments. As of March 31, 2020, AAHC's investment balance solely consisted of certificates of deposit, and therefore was not exposed to interest rate risk.

Credit Risk - is the risk that a counterparty will fail to meet its obligations in accordance with agreed terms. It is AAHC's policy to follow the HUD regulations by only having direct investments and investments through mutual funds to direct obligations, guaranteed obligations, or obligations of the agencies in the United States of America. As of March 31, 2020, AAHC mitigated their exposure to credit risk by following HUD regulations.

Cash was restricted for the following purposes at March 31, 2020:

Current:	
Modernization and development	\$ 37,444,734
Reserve accounts	386,225
Tenant security deposits	545,837
Family self-sufficiency escrow	87,147
Subtotal current	38,463,943
Noncurrent:	
Family self-sufficiency escrow	86,506
Total restricted cash	\$ 38,550,449

The modernization and development balance above primarily consists of reserve and replacement accounts associated with RAD properties.

Austin Affordable Housing Corporation and Subsidiaries
(A Blended Component Unit of the Housing Authority of the City of Austin)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2020

NOTE C - TRANSFERS WITH THE AUTHORITY

During 2020, as part of the Rental Assistance Demonstration ("RAD") conversion, the Authority transferred \$2,454,412 to AAHC. This amount consisted of fixed assets with a net book value of \$1,291,429 (see Note D), cash of \$61,211, and receivables in the amount of \$80,345. In addition, the Authority transferred a daycare center with a net book value of \$1,021,427 to AAHC.

NOTE D - FIXED ASSETS

A summary of changes in capital assets is as follows:

	Balance at April 1, 2019	Transfers in/ Additions	Transfers out/ Deletions	Balance at March 31, 2020
Non-depreciable:				
Land	\$ 10,859,145	\$ 759,349	\$ -	\$ 11,618,494
Construction in progress	3,429,656	1,018,330	(3,574,994)	872,992
Total non-depreciable	14,288,801	1,777,679	(3,574,994)	12,491,486
Depreciable:				
Buildings and improvements	145,040,273	14,478,013	(613,766)	158,904,520
Equipment - administrative	606,022	251,420	-	857,442
Equipment - dwelling	562,865	427,662	-	990,527
Total depreciable	146,209,160	15,157,095	(613,766)	160,752,489
Total capital assets	160,497,961	16,934,774	(4,188,760)	173,243,975
Less accumulated depreciation	(92,172,020)	(11,806,844)	-	(103,978,864)
Capital assets, net	<u>\$ 68,325,941</u>	<u>\$ 5,127,930</u>	<u>\$ (4,188,760)</u>	<u>\$ 69,265,111</u>

During 2020, as part of the RAD conversion, the Authority transferred capital assets with a cost of \$7,872,612 and accumulated depreciation of \$6,581,183 to AAHC relating Lakeside Apartments. These amounts are reflected as transfers in the above schedule. These transfers are reflected under capital contributions on the consolidated statement of revenues, expenses and changes in net position. The remaining increase to accumulated depreciation consists of current year depreciation of \$5,225,661.

Austin Affordable Housing Corporation and Subsidiaries
(A Blended Component Unit of the Housing Authority of the City of Austin)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2020

NOTE E - NOTES RECEIVABLE

In accordance with the terms and funding arrangements for certain developments, AAHC made loans to assist with the associated purchase or constructions costs. A summary of changes in notes receivable for the year ended March 31, 2020 is as follows:

	Balance at April 1, 2019	Additions	Reductions	Balance at March 31, 2020	Due within one year
HACA Pathways I, LP	\$ 820,000	\$ -	\$ -	\$ 820,000	\$ -
Pathways at Gaston Place, LLC	5,674,472	-	-	5,674,472	-
Pathways at Chalmers Courts South, LLC	2,500,000	-	-	2,500,000	-
Total notes receivable	<u>\$ 8,994,472</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,994,472</u>	<u>\$ -</u>

During fiscal year 2017, AAHC entered into a loan agreement with HACA Pathways I, LP in the amount of \$820,000. The note does not bear interest. The note is payable from surplus cash and is due and payable in full on its maturity date of November 1, 2066.

During fiscal year 2018, AAHC entered into a loan agreement with Pathways at Gaston Place, LLC in the amount of \$5,674,472. The note does not bear interest. The note is payable from surplus cash and is due and payable in full on its maturity date of July 1, 2067.

During fiscal year 2019, AAHC entered into a loan agreement with Pathways at Chalmers Courts South, LP in the amount of \$2,500,000. The note does not bear interest. The note is payable from surplus cash and is due and payable in full on its maturity date of August 1, 2048.

Austin Affordable Housing Corporation and Subsidiaries
(A Blended Component Unit of the Housing Authority of the City of Austin)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2020

NOTE F - INVESTMENTS IN JOINT VENTURES

As of March 31, 2020, AAHC's investments in joint ventures ownership percentage and equity balances are as follows:

Related Party Partnership	Ownership interest	Balance at March 31, 2020
AAHC Bridge at Asher MM, LLC	15.00%	\$ 5,881,950
HACA Pathways I, GP, LLC	0.10%	4,899,472
Pathways at Chalmers Courts South GP, LLC	0.01%	4,652,947
AAHC-CDT Center Ridge, LLC	20.00%	2,695,701
Bridge at Volente, LLC	47.22%	2,473,391
Bridge at Sterling Springs, LLC	34.48%	2,367,563
AAHC-CDT Tech Ridge, LLC	20.00%	1,771,783
Preserve at Wells Branch, LLC	9.00%	1,173,972
Bridge at Northwest Hills, LLC	10.00%	1,139,639
Bridge at Terracina, LLC	10.01%	679,731
Pathways at Chalmers Courts East GP, LLC	0.01%	582,050
LDG Oaks GP, LLC	50.00%	491,000
Century Park Apartments (HACA PASG, LLC)	0.10%	73,528
Other .01% ownership interest entities	0.01%	88,221
Total investment in joint ventures		<u>\$ 28,970,948</u>

Austin Affordable Housing Corporation and Subsidiaries
(A Blended Component Unit of the Housing Authority of the City of Austin)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2020

NOTE G - LONG-TERM DEBT

A summary of changes in long-term debt is as follows:

	Balance at April 1, 2019	Additions	Reductions	Balance at March 31, 2020	Due within one year
Sweetwater Apartments	\$ 3,997,000	\$ -	\$ -	\$ 3,997,000	\$ -
Bent Tree Apartments	1,328,056	-	(1,328,056)	-	-
Bent Tree Apartments Refinance	-	4,000,000	-	4,000,000	-
Sterling Village Apartments	4,600,000	-	-	4,600,000	-
Lexington Hills	8,190,489	-	(154,165)	8,036,324	163,991
Bridge at South Point (OSLO)	13,200,000	-	-	13,200,000	170,718
Bouldin Oaks	6,154,669	-	(116,917)	6,037,752	122,558
Coronado Hills	1,057,338	-	(20,085)	1,037,253	21,055
Manchaca II	951,605	-	(18,077)	933,528	18,949
Booker T. Washington	11,439,193	-	(198,651)	11,240,542	208,807
Meadowbrook	7,468,976	-	(129,705)	7,339,271	136,336
Rosewood	3,915,000	-	(52,838)	3,862,162	55,112
Eastland Plaza	4,961,926	-	(94,012)	4,867,914	100,285
Santa Rita	3,557,000	-	(48,007)	3,508,993	50,073
Lakeside	-	5,756,000	-	5,756,000	9,315
Bridge at Asher	-	4,000,000	-	4,000,000	-
Total long-term debt	<u>\$ 70,821,252</u>	<u>\$ 13,756,000</u>	<u>\$ (2,160,513)</u>	<u>\$ 82,416,739</u>	<u>\$ 1,057,199</u>

Sweetwater Apartments

On September 28, 2007, AAHC entered into a debt agreement payable to JPMorgan Chase Bank in the original amount of \$3,992,000 for the financing of Sweetwater Apartments. The debt was issued at a rate of 6.11% per annum with monthly payments of \$24,217. On July 19, 2017, AAHC refinanced the loan with Bellwether Enterprise in the amount of \$3,997,000 with an interest rate of 4.41% per annum with monthly payments of \$20,039 and a maturity date of July 1, 2027.

Austin Affordable Housing Corporation and Subsidiaries
(A Blended Component Unit of the Housing Authority of the City of Austin)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2020

NOTE G - LONG-TERM DEBT (continued)

Sweetwater Apartments (continued)

As of March 31, 2020 the future principal and interest maturities are as follows for the years ending March 31:

	Principal	Interest
2021	\$ -	\$ 178,716
2022	41,851	178,197
2023	64,913	175,555
2024	67,407	173,057
2025	70,952	169,516
2026-2028	3,751,877	382,828
	\$ 3,997,000	\$ 1,257,869

Bent Tree Apartments

On November 14, 2013, AAHC entered into a debt agreement in the amount of \$1,650,000 for the financing of Bent Tree Apartments. On December 30, 2019, AAHC refinanced the debt into a debt agreement payable to Bellwether Enterprise in the amount of \$4,000,000. The annual interest rate is 3.74% per annum with monthly payments of principal and interest of \$18,502 starting in the fiscal year ending March 31, 2026. The loan matures January 1, 2030 and is secured by the real property.

As of March 31, 2020, the future principal and interest maturities are as follows for the years ending March 31:

	Principal	Interest
2021	\$ -	\$ 151,678
2022	-	151,678
2023	-	151,678
2024	-	151,678
2025	65,768	150,635
2026-2030	3,934,232	586,070
	\$ 4,000,000	\$ 1,343,417

Austin Affordable Housing Corporation and Subsidiaries
(A Blended Component Unit of the Housing Authority of the City of Austin)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2020

NOTE G - LONG-TERM DEBT (continued)

Sterling Village Apartments

On November 14, 2013, AAHC entered into a debt agreement in the amount of \$3,500,000 for the financing of Sterling Village Apartments. On October 1, 2014, AAHC entered into a debt agreement in the amount of \$900,000 for building improvements. On August 7, 2017, AAHC refinanced these loans with Bellwether Enterprise in the amount of \$4,600,000 with an interest rate of 4.24% per annum and a maturity date of May 1, 2027. The debt is secured by the real property.

As of March 31, 2020, the future principal and interest maturities are as follows for the years ending March 31:

	Principal	Interest
2021	\$ -	\$ 197,749
2022	62,291	196,781
2023	77,642	193,586
2024	80,529	190,698
2025	84,577	186,651
2026-2028	4,294,961	391,547
	\$ 4,600,000	\$ 1,357,012

Lexington Hills

On September 20, 2013, AAHC entered into a debt agreement in the amount of \$8,900,000 for the financing of Lexington Hills. The debt was issued at a rate of 5.38% per annum with monthly payments of \$49,865. The loan matures on October 1, 2023 and is secured by the real property.

As of March 31, 2020, the future principal and interest maturities are as follows for the years ending March 31:

	Principal	Interest
2021	\$ 163,991	\$ 434,391
2022	173,164	425,219
2023	182,849	415,533
2024	7,516,320	238,887
	\$ 8,036,324	\$ 1,514,030

Austin Affordable Housing Corporation and Subsidiaries
(A Blended Component Unit of the Housing Authority of the City of Austin)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2020

NOTE G - LONG-TERM DEBT (continued)

Bridge at South Point (OSLO)

On May 12, 2016, AAHC entered into a debt agreement with Bellwether Enterprise Real Estate Capital, LLC in the amount of \$13,200,000 for building improvements. The debt was issued at a rate of 3.95% per annum. The loan matures on June 1, 2026 and is secured by the real property. Monthly payments are scheduled to commence in 2021.

As of March 31, 2020 the future principal and interest maturities are as follows for the years ending March 31:

	Principal	Interest
2021	\$ 170,718	\$ 525,769
2022	234,247	516,965
2023	243,790	507,422
2024	252,371	498,841
2025	264,003	487,209
2026-2027	12,034,871	594,782
	\$ 13,200,000	\$ 3,130,988

Bouldin Oaks

On November 7, 2016, AAHC entered into a debt agreement with Greystone Servicing Corp. in the amount of \$6,403,000 for critical maintenance and renovations for the property. The debt was issued at a rate of 4.10% per annum with monthly payments of \$30,939. The loan matures on December 1, 2034 and is secured by the real property.

As of March 31, 2020, the future principal and interest maturities are as follows for the years ending March 31:

	Principal	Interest
2021	\$ 122,558	\$ 248,712
2022	127,751	243,519
2023	133,164	238,106
2024	138,177	233,093
2025	144,661	226,609
2026-2030	820,000	1,036,351
2031-2035	4,551,441	810,503
	\$ 6,037,752	\$ 3,036,893

Austin Affordable Housing Corporation and Subsidiaries
(A Blended Component Unit of the Housing Authority of the City of Austin)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2020

NOTE G - LONG-TERM DEBT (continued)

Coronado Hills

On November 7, 2016, AAHC entered into a debt agreement with Greystone Servicing Corp. in the amount of \$1,100,000 for critical maintenance and renovations for the property. The debt was issued at a rate of 4.10% per annum with monthly payments of \$5,315. The loan matures on December 1, 2034 and is secured by the real property.

As of March 31, 2020, the future principal and interest maturities are as follows for the years ending March 31:

	Principal	Interest
2021	\$ 21,055	\$ 42,727
2022	21,947	41,835
2023	22,877	40,905
2024	23,738	40,044
2025	24,852	38,930
2026-2030	140,871	178,039
2031-2035	781,913	139,240
	\$ 1,037,253	\$ 521,720

Manchaca II

On November 7, 2016, AAHC entered into a debt agreement with Greystone Servicing Corp. in the amount of \$990,000 for critical maintenance and renovations for the property. The debt was issued at a rate of 4.10% per annum with monthly payments of \$4,784. The loan matures on December 1, 2034 and is secured by the real property.

As of March 31, 2020, the future principal and interest maturities are as follows for the years ending March 31:

	Principal	Interest
2021	\$ 18,949	\$ 38,455
2022	19,752	37,652
2023	20,589	36,815
2024	21,364	36,040
2025	22,367	35,037
2026-2030	126,784	160,236
2031-2035	703,723	125,316
	\$ 933,528	\$ 469,551

Austin Affordable Housing Corporation and Subsidiaries
(A Blended Component Unit of the Housing Authority of the City of Austin)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2020

NOTE G - LONG-TERM DEBT (continued)

Pathways at Booker T. Washington Terraces

On October 6, 2017, AAHC entered in a debt agreement with Greystone Servicing Corp. in the amount of \$11,695,000 for critical maintenance and renovations for the property. The debt was issued at a rate of 4.29% per annum with monthly payments of \$57,807. The loan matures on November 1, 2035 and is secured by the real property.

As of March 31, 2020, the future principal and interest maturities are as follows for the years ending March 31:

	Principal	Interest
2021	\$ 208,807	\$ 484,871
2022	218,073	475,606
2023	227,749	465,929
2024	236,620	457,059
2025	248,355	445,324
2026-2030	1,415,982	2,052,412
2031-2035	1,759,404	1,708,989
2036	6,925,552	198,845
	\$ 11,240,542	\$ 6,289,035

Pathways at Meadowbrook Court

On October 6, 2017, AAHC entered in a debt agreement with Greystone Servicing Corp. in the amount of \$7,636,000 for critical maintenance and renovations for the property. The debt was issued at a rate of 4.29% per annum with monthly payments of \$37,744. The loan matures on November 1, 2035 and is secured by the real property

As of March 31, 2020, the future principal and interest maturities are as follows for the years ending March 31:

	Principal	Interest
2021	\$ 136,336	\$ 316,586
2022	142,386	310,537
2023	148,704	304,219
2024	154,496	298,427
2025	162,158	290,765
2026-2030	924,535	1,340,078
2031-2035	1,148,766	1,115,848
2036	4,521,890	129,832
	\$ 7,339,271	\$ 4,106,292

Austin Affordable Housing Corporation and Subsidiaries
(A Blended Component Unit of the Housing Authority of the City of Austin)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2020

NOTE G - LONG-TERM DEBT (continued)

Rosewood

On November 30, 2018, AAHC entered into a debt agreement with Greystone Servicing Corp. in the amount of \$3,915,000 for critical maintenance and renovations for the property. The debt was issued at a rate of 5.20% per annum with monthly payments of \$21,498. The loan matures on December 1, 2036 and is secured by the real property.

As of March 31, 2020, the future principal and interest maturities are as follows for the years ending March 31:

	Principal	Interest
2021	\$ 55,112	\$ 202,860
2022	58,668	199,304
2023	61,837	196,135
2024	65,178	192,795
2025	68,155	189,817
2026-2030	402,638	887,223
2031-2035	523,814	766,048
2036-2037	2,626,760	264,862
	\$ 3,862,162	\$ 2,899,044

Eastland Plaza

On October 5, 2018, AAHC entered into a debt agreement with Plains Capital Bank in the amount of \$5,000,000 for critical maintenance and renovations for the property. The debt was issued at a rate of 5.65% per annum with monthly payments of \$31,390. The loan matures on October 5, 2028 and is secured by the real property.

As of March 31, 2020, the future principal and interest maturities are as follows for the years ending March 31:

	Principal	Interest
2021	\$ 100,285	\$ 276,201
2022	106,392	270,292
2023	112,649	264,034
2024	119,275	257,409
2025	126,290	250,394
2026-2029	4,303,023	2,698,540
	\$ 4,867,914	\$ 4,016,870

Austin Affordable Housing Corporation and Subsidiaries
(A Blended Component Unit of the Housing Authority of the City of Austin)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2020

NOTE G - LONG-TERM DEBT (continued)

Santa Rita

On November 30, 2018, AAHC entered into a debt agreement with Greystone Servicing Corp. in the amount of \$3,557,000 for critical maintenance and renovations for the property. The debt was issued at a rate of 5.2% per annum with monthly payments of \$19,532. The loan matures on December 1, 2036 and is secured by the real property.

As of March 31, 2020, the future principal and interest maturities are as follows for the years ending March 31:

	Principal	Interest
2021	\$ 50,073	\$ 184,310
2022	53,304	181,079
2023	56,183	178,200
2024	59,217	175,165
2025	61,923	172,459
2026-2030	365,820	806,093
2031-2035	475,914	695,998
2036-2037	2,386,559	240,642
	\$ 3,508,993	\$ 2,633,946

Lakeside

On October 24, 2019, AAHC, entered in a debt agreement with Bellwether Enterprise Mortgage Investments, LLC, in the amount of \$5,756,000 for Pathways at Lakeside Apartments. The debt was issued at a fixed rate of 3.34% per annum with monthly payments of \$25,336. The loan matures on November 1, 2029 and is secured by the real property.

As of March 31, 2020, the future principal and interest maturities are as follows for the years ending March 31:

	Principal	Interest
2021	\$ 9,315	\$ 195,455
2022	111,144	192,885
2023	114,966	189,062
2024	118,920	185,108
2025	122,498	181,530
2026-2030	5,279,157	826,377
	\$ 5,756,000	\$ 1,770,417

Austin Affordable Housing Corporation and Subsidiaries
(A Blended Component Unit of the Housing Authority of the City of Austin)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2020

NOTE G - LONG-TERM DEBT (continued)

Bridge at Asher

On June 27, 2019, Bridge at Asher, LLC entered into a debt agreement with NHTE Opportunity Housing, LLC in the amount of \$4,000,000 for Bridge at Asher Apartments. The debt was issued at an escalating rate of 4% to 6% per annum with interest payments due quarterly. The loan is secured by the real property and matures on June 30, 2029 with a full balloon payment of \$4,000,000 due on that date.

As of March 31, 2020, the future principal and interest maturities are as follows for the years ending March 31:

	Principal	Interest
2021	\$ -	\$ 160,000
2022	-	160,000
2023	-	190,000
2024	-	200,000
2025	-	230,000
2026-2030	4,000,000	1,020,000
	<u>\$ 4,000,000</u>	<u>\$ 1,960,000</u>

NOTE H - LOAN PAYABLE TO AUTHORITY

During fiscal year 2017, AAHC borrowed \$4,900,000 from the Authority to fund the investment in HACA Pathways I, LLC (see Note F). The loan is unsecured, considered to be noncurrent and is noninterest bearing. No payments have been made on the loan as of March 31, 2020.

NOTE I - CONTINGENCIES

In the normal course of operations, AAHC could be party to various pending or threatened legal actions. Although the outcome of these actions, if any, is not presently determinable, it is AAHC's opinion that any ultimate liability is not expected to have a material adverse effect on AAHC's financial position.

**Austin Affordable Housing Corporation and Subsidiaries
(A Blended Component Unit of the Housing Authority of the City of Austin)**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2020

NOTE J - SUBSEQUENT EVENTS

AAHC has evaluated subsequent events through February 19, 2021, the date that the financial statements were available to be issued, and has determined that no additional material events have occurred that would require disclosure, except as follows:

Subsequent to year end, AAHC closed on nine joint venture relationships. Of the nine closings, three of the joint ventures have tax credits and one of the nine closings is for properties formerly in Low Income Public Housing, now in Project Based Rental Assistance through the RAD program. In addition, AAHC, like most other businesses, was faced with the COVID-19 pandemic. The overall impact and duration of COVID-19 is uncertain as of the date of this report, however with the unemployment rate on the rise, AAHC could be impacted as residents may have a loss of income and related evictions are placed on temporary hold. AAHC has revised operational activities to conform with the current guidelines.

Austin Affordable Housing Corporation and Subsidiaries
(A Blended Component Unit of the Housing Authority of the City of Austin)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2020

NOTE K - CONSOLIDATING SCHEDULES OF MAJOR SUBSIDIARIES

AAHC considers its major subsidiaries to be those entities with assets or revenues in excess of 5% of the total assets or total revenues of AAHC. Consolidating information for AAHC's major subsidiaries as listed in Note A-1 is presented below:

Consolidating Statement of Net Position

	Pathways at Booker T. Washington Terraces, LLC	Pathways at Meadowbrook Court, LLC	Pathways at Thurmond Heights, LLC	Pathways at Chalmers Courts South GP, LP	Bridge at Sterling Village, LLC	AAHC Lexington Hills, LLC	Bridge at Southpoint, LLC
ASSETS							
Current assets	\$ 8,985,890	\$ 5,445,283	\$ 2,702,404	\$ 105,266	\$ 994,648	\$ 1,471,337	\$ 1,673,843
Capital assets, net	5,137,821	4,092,391	6,053,644	-	4,446,520	12,289,873	15,379,527
Other noncurrent assets	-	-	-	4,652,947	-	-	-
Total assets	14,123,711	9,537,674	8,756,048	4,758,213	5,441,168	13,761,210	17,053,370
LIABILITIES							
Current liabilities	836,265	345,824	203,028	-	1,034,960	4,391,249	5,524,079
Noncurrent liabilities	11,061,973	7,272,378	2,204,902	-	4,600,000	7,872,332	13,029,282
Total liabilities	11,898,238	7,618,202	2,407,930	-	5,634,960	12,263,581	18,553,361
NET POSITION							
Net investment in capital assets	(6,102,721)	(3,246,880)	3,848,860	-	(153,480)	4,253,550	2,179,527
Restricted	8,525,660	4,954,181	2,204,731	-	370,941	246,739	186,907
Unrestricted	(197,466)	212,171	294,527	4,758,213	(411,253)	(3,002,660)	(3,866,425)
Total net position	\$ 2,225,473	\$ 1,919,472	\$ 6,348,118	\$ 4,758,213	\$ (193,792)	\$ 1,497,629	\$ (1,499,991)

Austin Affordable Housing Corporation and Subsidiaries
(A Blended Component Unit of the Housing Authority of the City of Austin)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2020

NOTE K - CONSOLIDATING SCHEDULES OF MAJOR SUBSIDIARIES (continued)

Consolidating Statement of Revenues, Expenses and Changes in Net Position

	Pathways at Booker T. Washington Terraces, LLC	Pathways at Meadowbrook Court, LLC	Pathways at Thurmond Heights, LLC	Pathways at Chalmers Courts South GP, LP	Bridge at Sterling Village, LLC	AAHC Lexington Hills, LLC	Bridge at Southpoint, LLC
OPERATING REVENUES							
HUD operating revenues	\$ 1,794,197	\$ 996,171	\$ 887,046	\$ -	\$ -	\$ -	\$ -
Tenant revenue, net	532,997	680,971	571,996	-	1,724,514	2,213,956	1,622,433
Other operating revenue	9,747	(30)	521	140,302	218,304	269,431	233,837
Total operating revenues	2,336,941	1,677,112	1,459,563	140,302	1,942,818	2,483,387	1,856,270
OPERATING EXPENSES							
Other operating expenses	1,678,883	1,034,160	808,776	35,089	1,744,527	1,767,681	1,091,216
Depreciation	374,842	658,420	1,005,363	-	469,866	596,115	580,435
Total operating expenses	2,053,725	1,692,580	1,814,139	35,089	2,214,393	2,363,796	1,671,651
OPERATING INCOME (LOSS)	283,216	(15,468)	(354,576)	105,213	(271,575)	119,591	184,619
NONOPERATING REVENUES (EXPENSES)							
Interest income - unrestricted	651	651	915	-	-	-	-
Interest income - restricted	22,508	13,644	39,514	-	-	97	145
Interest expense	(494,294)	(322,739)	(122,464)	-	(198,291)	(477,714)	(529,419)
Total nonoperating revenues (expenses)	(471,135)	(308,444)	(82,035)	-	(198,291)	(477,617)	(529,274)
CAPITAL CONTRIBUTIONS							
Contributed capital	-	-	-	4,653,000	-	-	-
Change in net position	(187,919)	(323,912)	(436,611)	4,758,213	(469,866)	(358,026)	(344,655)
Total net position - beginning	2,413,392	2,243,384	6,784,729	-	276,074	1,855,655	(1,155,336)
Total net position - ending	\$ 2,225,473	\$ 1,919,472	\$ 6,348,118	\$ 4,758,213	\$ (193,792)	\$ 1,497,629	\$ (1,499,991)

Austin Affordable Housing Corporation and Subsidiaries
(A Blended Component Unit of the Housing Authority of the City of Austin)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2020

NOTE K - CONSOLIDATING SCHEDULES OF MAJOR SUBSIDIARIES (continued)

Consolidating Statement of Cash Flows

	Pathways at Booker T. Washington Terraces, LLC	Pathways at Meadowbrook Court, LLC	Pathways at Thurmond Heights, LLC	Pathways at Chalmers Courts South GP, LP	Bridge at Sterling Village, LLC	AAHC Lexington Hills, LLC	Bridge at Southpoint, LLC
NET CASH PROVIDED BY (USED IN):							
Operating activities	\$ 914,013	\$ 539,101	\$ 296,433	\$ -	\$ 735,110	\$ 1,687,356	\$ 1,919,004
Investing activities	23,159	14,295	40,429	-	-	97	145
Capital and related financing activities	(692,945)	(452,444)	(163,276)	-	(198,291)	(631,879)	(529,419)
NET INCREASE (DECREASE) IN CASH	244,227	100,952	173,586	-	536,819	1,055,574	1,389,730
Cash at beginning of year	8,645,193	5,246,300	2,434,526	-	449,822	378,041	222,915
Cash at end of year	<u>\$ 8,889,420</u>	<u>\$ 5,347,252</u>	<u>\$ 2,608,112</u>	<u>\$ -</u>	<u>\$ 986,641</u>	<u>\$ 1,433,615</u>	<u>\$ 1,612,645</u>

RESOLUTION NO. 00182

A Resolution by the Board of Directors of Austin Affordable Housing Corporation (“AAHC”) authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to participate in the housing tax credit application for Pathways at Rosewood Courts East

WHEREAS, AAHC is the sole member of Pathways at Rosewood Courts East GP, LLC, a Texas limited liability company (the “**General Partner**”);

WHEREAS, the General Partner shall be the sole general partner of Pathways at Rosewood Courts East, LP, a Texas limited partnership (the “**Partnership**”);

WHEREAS, the Partnership was formed for the purpose of owning, developing, managing, and otherwise dealing with Pathways at Rosewood Courts East, a 184-unit multifamily affordable apartment complex (the “**Project**”) to be developed on a parcel of land located at approximately 2001 Rosewood Avenue in Austin, Travis County, Texas (the “**Land**”), and intended for rental to persons of low and moderate income;

WHEREAS, in connection with the development of the Project, the Partnership plans to submit or has submitted a 4% housing tax credit application to the Texas Department of Housing and Community Affairs (the “**Application**”);

WHEREAS, in connection with the Partnership’s preparation and submission of the Application, AAHC desires to participate as nonprofit sponsor, developer, and as sole member of the General Partner;

NOW, BE IT RESOLVED, that all of the documents, instruments, or other writing executed by AAHC (both individually and in a representative capacity as identified in these resolutions), in consummation of the transactions herein described (both individually and in a representative capacity as identified in these resolutions), including, but not limited to, (i) the Application and (ii) any and all such additional documents executed to consummate the transactions contemplated herein (collectively, the “**Application Documents**”) shall be in form and substance approved by the Executing Officer (as such term is hereinafter defined), both individually and in a representative capacity as identified in these resolutions, his/her approval of each such instrument to be conclusively evidenced by his execution thereof; and it is further,

RESOLVED that the authorization of AAHC, Partnership and/or General Partner to enter into the Application Documents and that execution and delivery in the name and on behalf of AAHC and/or General Partner and/or the Partnership, by any of the officers of AAHC of the Application Documents, in the form as so executed and delivered is hereby approved, ratified

and confirmed; and it is further

RESOLVED, that Ron Kowal, Vice President of AAHC, and any other officer of AAHC (each an "**Executing Officer**"), acting alone without the joinder of any other officer, is hereby authorized and directed for and on behalf, and as the act and deed of AAHC and/or General Partner and/or the Partnership, to execute and deliver all other documents and other writings of every nature whatsoever in connection with the development of the Project, including but not limited to, the Application Documents, as the Executing Officer deems necessary in order to carry into effect the intent and purposes of these resolutions, and any other instruments approved by the Executing Officer (acting in a representative capacity as identified in these resolutions, acting individually and on behalf of the General Partner), executing same, his/her approval of each such instrument to be conclusively evidenced by his/her execution thereof, and to take such other action in the consummation of the transactions herein contemplated as the Executing Officer acting shall deem to be necessary or advisable, without the necessity of attestation by the secretary or other officer or director, and any and all acts heretofore taken by the Executing Officer to such end are hereby expressly ratified and confirmed as the acts and deeds of AAHC and/or General Partner and/or Partnership, effective as of the date such action was taken; and it is further

RESOLVED, that the Board of Directors finds the actions authorized by these resolutions may reasonably be expected to directly or indirectly benefit AAHC; and it is further

RESOLVED, that the Partnership be promptly notified in writing by the Secretary or any other officer of AAHC or any change in these resolutions, and until it has actually received such notice in writing, the Partnership is authorized to act in pursuance of these resolutions.

[End of Resolution]

PASSED, APPROVED and ADOPTED this 15th day of April, 2021.


Edwina Carrington, Chairperson

ATTEST:


Secretary

Item 3.d

Carleton Development Ltd

BALANCE SHEET

For the Period Ended December 31, 2020

ASSETS

Current Assets

Cash	\$	1,341,479	
Accounts Receivable		<u>926,840</u>	
Total Current Assets	\$		2,268,319

Other Assets

N/R: JCD Partners, LLC	\$	283,000	
N/R: Frisco Multifamily Land		113,237	
Tenant Improvements		55,732	
Amortized Costs		<u>(55,732)</u>	
Total Other Assets	\$		<u>396,237</u>

Total Assets	\$		<u><u>2,664,556</u></u>
--------------	----	--	-------------------------

LIABILITIES AND PARTNER'S CAPITAL

Current Liabilities

Intercompany	\$	<u>235,949</u>	
Total Current Liabilities	\$		235,949

Long-Term Liabilities

N/P: P. Gary	\$	<u>300,000</u>	
Total Long-Term Liabilities	\$		300,000
Total Liabilities	\$		<u>535,949</u>

Partners' Capital

Partner's Capital	\$	1,911,688	
Net Income (Loss)		<u>216,919</u>	
Total Partners' Capital	\$		<u>2,128,607</u>
Total Liabilities and Partners' Capital	\$		<u><u>2,664,556</u></u>

(Preliminary - Unaudited)

Carleton Development Ltd
INCOME STATEMENT
For the Period Ended December 31, 2020

Current Month Year-To-Date

REVENUE

Development Fees (pre 2012)	\$ 0	\$ 652,888
Development Fees	25,018	1,507,382
Management Fees	2,680	14,803
Asset Management Fees	<u>15,000</u>	<u>239,901</u>
Gross Profit	\$ 42,698	\$ 2,414,974

GENERAL & ADMINISTRATIVE

Advertising and Marketing	\$ 10	\$ 17,305
Payroll and Related	160,708	1,708,977
General and Administrative	16,050	396,790
Travel	0	6,720
Legal and Professional	407	26,480
Insurance	167	44,091
Abandoned Pursuit Costs	<u>6,096</u>	<u>38,622</u>
Total Expenses	\$ 183,437	\$ 2,238,985

Operating Income (Loss)	\$ (140,739)	\$ 175,989
-------------------------	---------------------	-------------------

OTHER INCOME & EXPENSE

Interest Income	\$ 0	\$ 63,698
Miscellaneous Income	(4,364)	7,624
Amortization	(4,385)	(4,385)
State Taxes	0	(25,310)
Property Taxes	<u>0</u>	<u>(696)</u>
Total Other Income & Expense	\$ (8,749)	\$ 40,929

Net Income (Loss)	\$ (149,489)	\$ 216,919
-------------------	---------------------	-------------------

(Preliminary - Unaudited)



Austin Affordable Housing Corporation

Established in 2003

February 22, 2021

Pathways at Rosewood Courts East, LP
Attn: Ron Kowal
Vice President of Sole Member of General Partner
1124 South IH 35
Austin, TX 78704

Re: Commitment of Gap Financing – Pathways at Rosewood Courts East

Dear Mr. Kowal:

The Austin Affordable Housing Corporation (AAHC) commits to provide loan financing to the following development in the amount listed below.

The loan will be in the form of a subordinate cash flow note. The interest rate will be the long-term Applicable Federal Rate (annual compounding), which for March 2021 is 1.62%. The loan term will be 50 years. Funds are and will remain readily available at Commitment and until the required investment is completed.

Funding of the loan shall be conditioned upon the borrower having executed all documents and provided all data, information, certifications, opinions of counsel and other requirements reasonably necessary and/or required by lender to meet the conditions of and to close under the loan, and receipt of any required HUD approval.

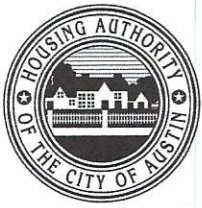
Development	Loan Amount
Pathways at Rosewood Courts East	Up to \$8,000,000

Sincerely,

Michael G. Gerber
President & CEO

Bringing Opportunity Home

1124 S. IH 35, Austin, TX. 78704 • (512) 477-4488 • Fax (512) 477-0953



Housing Authority of the City of Austin

Established in 1937

Board of Commissioners
Carl S. Richie Jr., Chairman
Charles Bailey
Tyra Duncan-Hall
Edwina Carrington
Mary Apostolou

President & CEO
Michael Gerber

May 6, 2021

Pathways at Rosewood Courts East, LP
Attn: Ron Kowal
Vice President of Sole Member of General Partner
1124 South IH 35
Austin, TX 78704

Re: Commitment of Deferred Developer Fee Financing – Pathways at Rosewood Courts East

Dear Mr. Kowal,

The Austin Affordable Housing Corporation (AAHC) and Carleton Development, Ltd. (Carleton) are the developers Pathways at Rosewood Courts East, and commit to provide gap financing in the form of deferred developer fee in the amount listed below. The loan will be in the form of a subordinate cash flow note.

Development
Pathways at Rosewood Courts East

Deferred Developer Fee Loan Amount
Approximately \$1,500,921

Sincerely,

Michael G. Gerber
President
Austin Affordable Housing Corporation

Will Henderson
Vice President
Carleton Development, Ltd.

Bringing Opportunity Home

1124 S. IH 35, Austin, TX. 78704 • P.O. Box 6159 Austin, TX 78762-6159 • (512) 477-4488 • Fax (512) 477-0953



Community Capital

May 5, 2021

Carleton Development, Ltd
Attn: Will Henderson

Re: Pathways at Rosewood Courts East ("Project")
Austin, Texas

Dear Mr. Henderson:

Citibank, N.A. ("CITI") understands that Carleton Development, Ltd. ("Carleton") and the Housing Authority of the City of Austin ("HACA") intend to submit an application to the City of Austin for HDA soft funds. CITI is interested in providing the related construction and permanent loan for the project (see attached Term Sheet, "Exhibit A").

This letter is not intended to be, and shall not constitute, a commitment to lend, syndicate a financing, underwrite or purchase securities, commit capital, or provide or arrange any portion of the financing for the Project. Such obligations would arise only under separate written agreements acceptable to CITI in its sole discretion. Furthermore, any such commitments would be subject to, among other things, (a) the satisfactory completion of CITI's customary due diligence review; (b) approval by CITI internal committees; (c) the receipt of any necessary governmental, contractual and regulatory consents or approvals in connection with the Project and the related financing; (d) the negotiation and documentation of the financing referred to above, including the terms and conditions of the financing, in form and substance satisfactory to CITI and its counsel; and (e) there not having occurred any disruption of or change in financial, banking or capital market conditions that, in CITI's judgment, could make it inadvisable or impractical to proceed with any portion of the financing of the Project.

Neither CITI nor any of its affiliates shall have any liability (whether direct or indirect, or in contract, tort or otherwise) to Carleton, the Project or any other person, claiming through Carleton or the Project, as the case may be, for or in connection with the delivery of this letter.

In connection with this transaction, CITI will be acting solely as a principal and not as your agent, advisor or fiduciary. CITI has not assumed a fiduciary responsibility with respect to this transaction, and nothing in this transaction or in any prior relationship between you and CITI will be deemed to create an advisory, fiduciary or agency relationship between us in respect of this transaction. You should consider carefully whether you would like to engage an independent advisor to represent or otherwise advise you in connection with this transaction, if you have not already done so.

Very truly yours,
CITIBANK, N.A.

A handwritten signature in black ink, appearing to read "Catherine Lee", written over a horizontal line.

Catherine Lee
Vice President

Encl. - Exhibit A

TERM SHEET

Multifamily Rental Developments with Rent Restrictions New Construction and/or Substantial Rehabilitation and/or Term Mortgages Tax-Exempt “Back-to-Back” Loan Structure

Parkways at Rosewood Courts East

May 5, 2021

NOTE: This Term Sheet constitutes a brief summary of certain, but not all transaction terms and conditions for discussion purposes only. The summary that follows is subject to credit approval and does not constitute an offer or commitment.

In connection with this Term Sheet, CITI will be acting solely as a principal and not as your agent, advisor or fiduciary. CITI has not assumed a fiduciary responsibility with respect to this Term Sheet, and nothing in this transaction or in any prior relationship between you and CITI will be deemed to create an advisory, fiduciary or agency relationship between us in respect of this Term Sheet. You should consider carefully whether you would like to engage an independent advisor to represent or otherwise advise you in connection with this Term Sheet, if you have not already done so.

PRELIMINARY LOAN TERMS

Transaction Summary:

CITIBANK, N.A. (“CITI”) proposes to arrange a tax exempt construction /permanent loan to the Issuer (the “Governmental Lender”), where “construction” means: new construction (ground up), moderate rehabilitation or substantial rehabilitation. The proceeds of the loan to Governmental Lender shall fund a construction loan converting into a permanent mortgage loan (“Tax-exempt Loan”) by Governmental Lender to the Borrower for the Property described below. If required by Governmental Lender, a fiscal agent (“Fiscal Agent”) will be appointed and will be responsible for following the terms of the Tax-exempt Loan documents and administering funds held under the Construction Funding Agreement.

The Tax-exempt Loan will have two distinct phases: (1) Construction Phase - an initial phase during which funds will be fully advanced to Governmental Lender and loaned to Borrower (directly or through a Fiscal Agent, at Governmental Lender’s discretion). Payments on the Tax-exempt Loan during the Construction Phase will be interest only. (2) Permanent Phase - a subsequent phase when, upon completion of construction and achievement of stabilized operations, no additional funds will be available to Borrower. Payments during the Permanent Phase will include principal reduction payments as well as interest.

For purposes of this Term Sheet, the term “Construction Phase” means the period from the Closing Date through the day prior to the Conversion Date and the term “Permanent Phase” means the period from the Conversion Date (inclusive) through the maturity date (or earlier termination) of the Project’s permanent financing.

Property:

A to-be-constructed multifamily project containing 184 units located in Austin, TX. The property is commonly referred to as “Parkways at Rosewood Courts East” (“Property”).

Set-Asides:	10% of the units are reserved for individuals or families whose income is no greater than 30% of Area Median Income (“AMI”), 38% of the units are reserved for individuals or families whose income is no greater than 50% of AMI, 47% of the units are reserved for individuals or families whose income is no greater than 60% of AMI, and 10% of the units will be unrestricted at market. 90 of the units are covered by a Project Based Section 8 HAP Contract.
Applicant (Sponsor):	Pathways at Rosewood Courts East, LP
Borrower:	A single asset entity whose manager or general partner is the Applicant or an affiliate of Applicant. Borrower entity, its constituent entities and its operating or partnership agreement must be acceptable to CITI in all respects.
LIHTC Investor/ Syndicator:	The Low Income Housing Tax Credit (“LIHTC”) Investor/Syndicator, the upper tier investor(s) and the terms and conditions of the partnership or operating agreement must be acceptable to CITI in all respects including, particularly, the timing and conditions to funding capital contributions.
Guarantor(s):	Carleton Development, Ltd., Treymore Construction LLC, and an affiliate of the Housing Authority of the City of Austin It is expected that Carleton Development, Ltd. and Treymore Construction LLC will provide the Construction Phase Recourse Guarantees and that the affiliate of the Housing Authority of City of Austin will provide the Permanent Phase Guarantees. The Guarantor(s)’ financial condition(s) must be acceptable to CITI in all respects.
Subordinate Debt:	If applicable, the sources of subordinate debt and the subordinate loan documents must be acceptable to CITI in all respects. All subordinate debt must fund prior to Tax-exempt Loan funding unless CITI approves other arrangements.
Loan Security:	First lien on land or leasehold estate and any improvements, UCC filings for fixtures; assignment of all leases and rents; and, a first priority collateral assignment of all contracts, management agreements, and other agreements and all permits relating to the Property. Ground leases must be subordinate to CITI’s lien position unless the fee interest is owned by a government agency to ensure long-term affordability. All income and rent restrictions will be subordinate to the CITI security instrument.
Construction Phase Recourse Guarantees:	Prior to conversion of the Tax-exempt Loan to the Permanent Phase (described below), the Tax-exempt Loan will be fully recourse to the Borrower and to the Guarantor(s) and Completion and Repayment Guarantees are required from the Borrower and the Guarantor(s). Carleton Development, Ltd. and Treymore Construction LLC will provide the Completion Guarantee. Carleton Development, Ltd. will provide the Repayment Guarantee.
Guarantees, Permanent Phase:	None, except for industry standard carve outs (“ <u>Carve Outs</u> ”). Carve Outs include guarantees against fraud, misrepresentation, bankruptcy and environmental issues. Housing Authority of the City of Austin will provide the Permanent Phase Guarantees.
Environmental Indemnity:	Borrower and Guarantor(s) will be liable for CITI’s standard environmental indemnity.

Closing: Closing is subject to full satisfaction of CITI’s standard due diligence, underwriting and credit approval processes, and the execution and delivery of all required loan documents, delivery of opinions, payment of fees and other customary requirements.

Closing Date (est.): Second Quarter 2022.

CONSTRUCTION PHASE

Construction Phase

Loan Amount: The Construction Phase Loan amount is currently estimated to be \$26,000,000, an amount not to exceed 80% of costs covered through the Construction Phase.

Term: 24 months, plus two 6-month extension(s). Fees for the extension(s) are indicated below under “Fees & Expenses”.

Construction Phase

Interest Rate: A fixed rate of 4.25%

Construction Phase

Interest Day Count: Actual/360.

Interest Reserve: Calculated at the Construction Phase Interest Rate noted above, plus a cushion acceptable to CITI at time of final credit approval. Currently, CITI is underwriting with no cushion. The Interest Reserve will be sized based on an analysis of the projected draw schedule for the Tax-exempt Loan from the closing of the Construction Phase financing through Conversion.

Availability: Tax-exempt Loan proceeds will be fully funded to the Fiscal Agent at Closing and then advanced to Borrower on a “draw down” basis upon receipt of a written request from Borrower, supported by documentation acceptable to CITI. Borrower will be required to submit a loan budget worksheet with each draw request tracking all Property sources and uses of funds. Draw requests limited to one per month.

**Tax-exempt Loan in
Balance:**

The Tax-exempt Loan must remain “in balance” during the Construction Phase. “In balance” means that (1) the funds available during the Construction Phase (from the Tax-exempt Loan and all other debt and equity sources) are sufficient to complete the construction or rehabilitation of the Property and all other expenses reasonably expected to be necessary to achieve the conditions for conversion of the Tax-exempt Loan to the Permanent Phase; and (2) the sources available at Conversion are sufficient to pay down the Construction Phase Loan Amount to the Permanent Phase Loan Amount, along with any other funding requirements for Conversion.

Amortization: None. Payments on the Tax-exempt Loan during the Construction Phase will be interest only.

**Prepayment and
Yield Maintenance:**

Voluntary prepayment of Tax-exempt Loan principal amounts during the Construction Phase, including those as a result of a Borrower default, may be made without prepayment fee or penalty unless the Construction Phase Loan Amount is reduced to less than ninety percent (90%) of the Permanent Phase Loan Amount (as defined below).

If the prepayment reduces the Tax-exempt Loan amount to an amount less than ninety percent (90%) the Permanent Phase Loan Amount, the Borrower shall pay the greater of: (i) 1% of the amount of the Tax-exempt Loan prepaid below 90% of the Permanent Phase Loan Amount; or (ii) CITI’s standard yield maintenance amount on the amount of the Tax-exempt Loan prepaid below 90% of the Permanent Phase Loan Amount.

In the event that a Tax-exempt Loan prepayment resulting from a Tax-exempt Loan resizing, as determined by CITI in its sole discretion, reduces the Tax-exempt Loan amount to an amount less than the Permanent Phase Loan Amount, the Borrower shall pay the greater of: (i) 1% of the amount of the Tax-exempt Loan prepaid below 90% of the Permanent Phase Loan Amount; or (ii) CITI’s standard yield maintenance amount on the amount of the Tax-exempt Loan prepaid below 90% of the Permanent Phase Loan Amount.

Notwithstanding any of the above, in the event the amount of such prepayment would cause the Tax-exempt Loan amount to fall below 50% of the Permanent Phase Loan Amount, the Borrower shall be required to repay the Tax-exempt Loan in full plus the greater of: (i) 1% of the amount of the Tax-exempt Loan repaid below 90% of the Permanent Phase Loan Amount; or (ii) CITI’s standard yield maintenance amount on the amount of the Tax-exempt Loan repaid below 90% of the Permanent Phase Loan Amount.

If Borrower prepays Tax-exempt Loan principal amounts through the application of insurance proceeds or a condemnation award, no prepayment fee shall be payable to CITI.

**Budget and
Contingencies:**

The budget for the Construction Phase, including all budget line items, is subject to CITI approval. The budget shall include a hard cost contingency of no less than 5% of budgeted hard costs for new construction projects and no less than 10% of budgeted hard costs for rehabilitation projects. The budget shall include a soft cost contingency of no less than 5% of budgeted soft costs, excluding 1) soft costs incurred prior to or in connection with closing; 2) interest reserve and bank fees; 3) capitalized operating reserve deposits and other costs that may be due in connection with Conversion for which specific sources are identified; and 4) developer fees.

**General Contractor and
Bonding Requirements:**

The general contractor and the construction contract must be acceptable to CITI. CITI will require payment and performance bonds equal to 100% of the construction contract amount. Surety issuing bonds must have an A.M. Best rating of “A/VIII” or better and must be acceptable to CITI in all other respects. In lieu of bonds, CITI will accept a letter of credit (“LC”) equal to 10% of the hard cost budget. LC provider must be rated “BBB” or better. Subject to final credit committee approval, CITI expects to waive the P&P Bond for this transaction.

Retainage:

Construction contract will provide for a minimum retainage of 10% of each construction pay application until “substantial completion” (as defined in the Loan documents). Retainage percentage amounts can be revised, but only down to a minimum of 10% until 50% completion and then 0% retention withheld thereafter. No release of retainage is permitted for achieving 50% completion. All retained amounts will be released upon final, lien-free completion of construction, as approved by CITI.

PERMANENT PHASE

Permanent Phase

Loan Amount: An amount currently estimated to be in the maximum amount of \$16,750,000 or such other loan amount supported by CITI’s underwriting of the Property at the time of Conversion in accordance with CITI’s underwriting requirements including those listed below.

Maturity Date: Anticipated nominal maturity date of 33 years following the Closing Date, subject to any Governmental Lender restrictions.

Mandatory Prepayment / Term: At the end of the 18th year following the Closing Date, mandatory prepayment of the Tax-exempt Loan will be required in full.

Interest Only Period: Payments will be interest only during the first three years of the Permanent Phase.

Amortization: 35 years.

Lock-out Period: From the Conversion Date until the 10th anniversary of the Conversion Date.

Yield Maintenance Period: From the Closing Date until 6 months prior to the end of the Mandatory Prepayment.

Permanent Phase Interest Rate: A fixed rate of 4.25%

Permanent Phase Interest Day Count: Actual/360.

Conversion to Permanent Phase Requirements: Conversion requirements include completion of construction and 90% physical occupancy of Project for three consecutive calendar months. CITI will review the Property’s net operating income to determine the maximum Permanent Phase Loan Amount based on the Debt Service Coverage and Loan-to-Value noted below

Debt Service Coverage: A minimum of 1.15 to 1.00.

Loan-to-Value: 90% of market value, based on restricted rents and inclusive of value of permanent below market financing (if applicable), assuming project rents on 80% or more of the units are discounted to a level at least 10% below market. Otherwise, 85%.

Other Conversion Requirements: As may be required by Governmental Lender and/or permanent Governmental Note Holder.

Replacement Reserve: Upon Conversion, Borrower will be required to fund a Replacement Reserve for each of the first five years following Conversion in a minimum amount of \$250/unit/year for new construction projects or, for renovation projects, in an amount determined by a Physical Needs Assessment acceptable to CITI, but in a minimum amount of \$250/unit/year. For each successive five year period thereafter until Tax-exempt Loan maturity, the Replacement Reserve level will be determined by a new Physical Needs Assessment acceptable to CITI.

Taxes and Insurance: Commencing upon Conversion, real estate taxes and insurance premiums must be escrowed with the Tax-exempt Loan servicer (“Servicer”) on a monthly prorated basis in an amount sufficient to enable the Servicer to pay (at least 30 days before due) all taxes, assessments, insurance premiums or other similar charges affecting the Property.

OTHER

Appraisal, Environmental, Plan/Cost Reviews: Appraisal and Plan/Cost Review reports will be commissioned and reviewed by CITI. CITI may rely upon environmental reports commissioned by Borrower if report is current (within 12 months) and CITI has been provided evidence of acceptable E&O insurance coverage carried by Borrower’s environmental consultant and a reliance letter in form acceptable to CITI. Otherwise, CITI will commission its own environmental report. Appraisal, environmental and plan/cost reviews must be acceptable to CITI in all respects. CITI reserves the right to either co-engage any vendor providing the foregoing services and/or to share the reports with a LIHTC Investor/Syndicator.

Property Tax Abatements, Incentives: All documentation related to any tax abatement or tax incentives must be acceptable to CITI in all respects.

Developer Fee: Any developer fee paid prior to conversion to the Permanent Phase shall be pre-approved by CITI in its sole discretion.

FEES & EXPENSES

Application Fee: \$25,000, which amount shall be non-refundable (except as set forth in the “Exclusivity” section of the Preliminary Application, if applicable) and due and payable upon acceptance of a Loan Application. This fee is applicable toward third party reports, loan underwriting and processing (in the minimum amount of \$5,000), and CITI’s initial legal fees. Applicant is responsible for the payment of all reasonable costs incurred in connection with the underwriting, processing and/or closing of the Tax-exempt Loan (including CITI legal fees).

Origination Fee: A non-refundable Origination Fee equal to 1.00% of the Construction Phase loan amount (“Origination Fee”) shall be earned in full by CITI upon the closing of the Tax-exempt Loan, and is due and payable at that time.

CITI Legal Fees (est): Estimated fees of CITI’s counsel for the initial closing are TBD and assume no significant negotiation over CITI’s form documents. A portion of the Application Fee will be applied to initial CITI counsel fees. Applicant agrees to make a supplemental deposit to cover CITI’s counsel fees once the drafting of legal documentation commences, if requested.

Course of Construction Inspections (est): \$TBD/monthly report.

Construction Term Extension Fee: See Permanent Phase Interest Rate section.

Conversion Fee and Expenses: A Conversion fee equal to \$10,000 will be charged by CITI. Other expenses, including insurance review, site inspection and loan servicer set-up fees are estimated to be \$7,500.

Rate Lock: No earlier than 5 business days prior to Closing. Rate lock must occur on or before one hundred fifty (150) days following the date of the Preliminary Application.

Other Costs: Applicant is responsible for costs of survey, title insurance policy, hazard insurance policy, tax escrow fee and all other normal and customary loan closing expenses.

**Term Sheet
Expiration Date:** May 19, 2021, unless attached to a signed Preliminary Application letter received by CITI on or before May 19, 2021 along with the Application Fee, in which case 150 days following the date of the Preliminary Application.

This Term Sheet is an indication of our proposal to finance the Property. It is understood and agreed that this Term Sheet does not, in any manner, constitute a commitment to lend. The financing documents evidencing the Tax-exempt Loan will be in separate documents and will contain terms and conditions that may be in addition to or in substitution of those set forth in this Term Sheet.

Any terms set forth herein are intended for discussion purposes only and are subject to the final terms as set forth in separate definitive written agreements. This Term Sheet is not a commitment to lend, syndicate a financing, underwrite or purchase securities, or commit capital nor does it obligate us to enter into such a commitment, nor are we acting as a fiduciary to you. By accepting this presentation, subject to applicable law or regulation, you agree to keep confidential the existence of and proposed terms for any transaction contemplated hereby (a “Transaction”).

The provision of information in this Term Sheet is not based on your individual circumstances and should not be relied upon as an assessment of suitability for you of a particular product or transaction. Even if CITI possesses information as to your objectives in relation to any transaction, series of transactions or trading strategy, this will not be deemed sufficient for any assessment of suitability for you of any transaction, series of transactions or trading strategy.

This Term Sheet is provided for information purposes and is intended for your use only. Except in those jurisdictions where it is impermissible to make such a statement, CITI hereby informs you that this Term Sheet should not be considered as a solicitation or offer to sell or purchase any securities or other financial products. This Term Sheet does not constitute investment advice and does not purport to identify all risks or material considerations which should be considered when undertaking a transaction. CITI makes no recommendation as to the suitability of any of the products or transactions mentioned. Any trading or investment decisions you take are in reliance on your own analysis and judgment and/or that of your advisors and not in reliance on us.

CITI often acts as (i) a market maker; (ii) an issuer of financial instruments and other products; and (iii) trades as principal in many different financial instruments and other products, and can be expected to perform or seek to perform investment banking and other services for the issuer of such financial instruments or other products. The author of this Term Sheet may have discussed the information contained herein with others within or outside CITI and the author and/or such other Citi personnel may have already acted on the basis of this information (including by trading for CITI's proprietary accounts or communicating the information contained herein to other customers of CITI). CITI, CITI's personnel (including those with whom the author may have consulted in the preparation of this Term Sheet), and other customers of CITI may be long or short the financial instruments or other products referred to in this Term Sheet, may have acquired such positions at prices and market conditions that are no longer available, and may have interests different from or adverse to your interests.

CITI is required to obtain, verify and record certain information that identifies each entity that enters into a formal business relationship with CITI. CITI will ask for your complete name, street address, and taxpayer ID number. CITI may also request corporate formation documents, or other forms of identification, to verify information provided.

Although Citibank, N.A. (together with its subsidiaries and branches worldwide, "Citibank") is an affiliate of CITI, you should be aware that none of the financial instruments or other products mentioned in this term sheet (unless expressly stated otherwise) are (i) insured by the Federal Deposit Insurance Corporation or any other governmental authority, or (ii) deposits or other obligations of, or guaranteed by, Citibank or any other insured depository institution.

© 2020 Citigroup Global Markets Inc. Member SIPC. All rights reserved. Citi and Arc Design are trademarks and service marks of Citigroup Inc. or its affiliates and are used and registered throughout the world.

May 5, 2021

Pathways at Rosewood Courts East, LP
C/O Mr. Ron Kowal
1124 South IH 35
Austin, TX 78704

Re: – Pathways at Rosewood Courts East - Letter of Intent

Dear Mr. Kowal:

This letter is a preliminary equity investment commitment from the National Equity Fund, Inc. (NEF) for Pathways at Rosewood Courts East (“Project”), a proposed LIHTC, multifamily community located in Austin, TX.

NEF, an affiliate of the Local Initiatives Support Corporation (LISC), was incorporated in 1987 with the mission to identify and develop new sources of financing to help provide affordable housing for low income families and to assist non-profit organizations in creating this housing. NEF has worked with 700 local development partners in forming partnerships which acquire, develop, rehabilitate and manage low-income rental housing. Since the enactment of the Federal Low Income Housing Tax Credit in 1986, NEF has raised more than \$11 billion in equity and invested it in more than 2,200 affordable housing projects in 46 states, including Washington, D.C. and Puerto Rico.

Described below are the basic terms, conditions and assumptions of this preliminary commitment:

- The Project consists of a proposed LIHTC, multifamily community which will consist of 184 total housing units located in Austin, TX. The Project will consist of 174 LIHTC units targeted to families with incomes at or below 30%, 50%, or 60% AMI. The remaining 10 units will be unrestricted at market rents.
- The Project will be owned by Pathways at Rosewood Courts East, LP. The General Partner will be Pathways at Rosewood Courts East GP, LLC and will be owned by Austin Affordable Housing Corporation. The Class B Special Limited Partner will be Carleton GP II, Inc. and owned by Carleton principals. The Limited Partner will be NEF Assignment Corporation. NEF has reviewed the entities and principals involved and has no reservations at this time.
- NEF proposes to be the Federal Low Income Housing tax credit investor with an equity investment of \$20,544,645 based on annual LIHTC allocation of \$2,283,195 which represents a price of \$0.90. NEF’s proposed equity pay-in schedule is depicted on the following page:

- o 20% at Closing;
- o 40% at Construction Completion;
- o 40% at Stabilization & 8609

The final timing and amounts of equity payments at closing and during construction will be agreed upon by NEF and the General Partner prior to closing. NEF will charge a \$55,000 Due Diligence fee.

- Reserves - The Limited Partner will require the following reserves:
 - Operating Reserve equal to six months of operating expenses plus debt service
 - Replacement Reserve of \$300 per unit per year to be funded monthly.
- Guaranties and Adjusters – NEF will require Carleton Development, Ltd. to provide guaranties of development completion and the repurchase of NEF's interest if the project fails to meet basic tax credit benchmarks. Austin Affordable Housing Corporation will provide on-going and operating guaranties. The Project's partnership agreement will include adjusters to the Limited Partner's capital contributions if there is a change in the agreed upon amounts of total projected tax credits or projected first year credits.

A final determination of our investment will depend upon confirmation of the project's assumptions; a full underwriting of the Project, the development team and their financial statements; the review of plans and specifications; the commitment for all other sources of financing; the development schedule; review of due diligence materials; successful negotiation of the partnership agreement and approval by NEF's Investment Review Committee and by its final tax credit investors.

Sincerely,



Jason Aldridge
Vice President
National Equity Fund

Item 4.b – Good Neighbor Policy

In the spirit of the “Good Neighbor Policy” which called for a broad community dialogue that includes stakeholders from neighborhoods to establish successful approaches for integrating low-income housing throughout the city and for utilization of best practices in engaging communities and building support for housing projects, the members of the development team have done extensive outreach to the current residents, surrounding neighborhood residents, local neighborhood groups, local non-profit and service organizations as well a local and state governmental entities and representatives. This process served to gather input as well as disseminate information about the proposed project.

Select examples of this outreach are below:

Meetings with neighborhood organizations:

- OCEAN - Organization of Central East Austin Neighborhoods 10/28/20
- Blackshear Prospect Hill Neighborhood Association 11/19/20 & 1/28/21

Texas Department of Housing and Community Affairs Notifications of the tax credit application to the following groups in January 2021:

- Blackshear Prospect Hill Neighborhood Association
- Rosewood-Salina Resident Council
- OCEAN - Organization of Central East Austin Neighborhoods
- East Austin Conservancy
- Mayor of the City of Austin
- Austin City Council
- Travis County Judge
- Travis County Commissioners
- AISD Superintendent
- AISD Board President

Community Workshops have been held virtually:

- 4/13/21
- 5/1/21
- 6/10/21 (Scheduled)



City of Austin

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

Housing and Planning Department S.M.A.R.T. Housing Program

March 3, 2021

S.M.A.R.T. Housing Certification
Housing Authority of the City of Austin
1124 S IH35, Austin, TX 78704 (ID 784)

TO WHOM IT MAY CONCERN:

The Housing Authority of the City of Austin (development contact John McQuage; ph: 512-767-7750; email johnm@hacanet.org) is planning to preserve and rehabilitate 8 of the existing buildings and demolish the remaining buildings to be replaced with 3 new construction buildings resulting in a 184-unit, multi-family development at Pathways at Rosewood Courts East, 2001 Rosewood Avenue, Austin TX 78702. The project will be subject to a minimum 5-year affordability period after issuance of a certificate of occupancy unless funding requirements are longer.

The Housing and Planning Department (HPD) certifies the proposed project meets the S.M.A.R.T. Housing standards at the pre-submittal stage. Since 94.6% (174) units will serve households at or below 60% MFI and 5.4% (10) units will be market rate, the development will be eligible for 100% waiver of fees listed in Land Development Code, Chapter 25-1-704, as amended or other fees waived under a separate ordinance, except for Austin Water Utility (AWU) Capital Recovery Fees. **This development is not fully in accordance with the requirements under the Texas Local Government Code, Chapter 395.16(g) and 42 U.S.C. Section 12745 (A)(1) as it relates to how housing qualifies as affordable housing and the 10 market rate units will not be eligible to receive Austin Water Utility Capital Recovery Fee (CRF) waivers** The expected fee waivers include, but are not limited to, the following fees:

AWU Capital Recovery Fees
Building Permit
Site Plan Review
Construction Inspection
Demolition Permit Fee

Concrete Permit
Electrical Permit
Subdivision Plan Review
Parkland Dedication Fee
(by separate ordinance)
Regular Zoning Fee

Mechanical Permit
Plumbing Permit
Zoning Verification
Land Status Determination
Building Plan Review

Prior to issuance of building permits and starting construction, the developer must:

- ◆ Obtain a signed Conditional Approval from the Austin Energy Green Building Program stating that the plans and specifications for the proposed development meet the criteria for a Green Building Rating. (Contact Austin Energy Green Building: 512-482-5300 or greenbuilding@austinenenergy.com).
- ◆ Submit plans demonstrating compliance with the required accessibility or visitability standards.

Before a Certificate of Occupancy will be granted, the development must:

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

- ◆ An administrative hold will be placed on the building permit, until the following items have been completed: 1) the number of affordable units have been finalized and evidenced through a sealed letter from project architect and/or engineer, 2) a Restrictive Covenant stating the affordability requirements and terms has been filed for record at the Travis County Clerk Office.

The applicant must demonstrate compliance with S.M.A.R.T. Housing standards after the certificate of occupancy has been issued or repay the City of Austin, in full, the fees waived for this S.M.A.R.T. Housing certification.

Please contact Alex Radtke by phone 512.974.2108 or by email at alex.radtke@austintexas.gov if you need additional information.

Sincerely,

Sandra Harkins

Sandra Harkins, Project Coordinator
Housing and Planning Department

Cc: Kristin Martinez, AE

Jonathan Orenstein, AWU

Mashell Smith, ORS

Item 4.e – Resident Services

The residents of Rosewood Courts East will have a number of services available to them. These services will be contracted through Austin Pathways who has extensive experience providing services such as these. These services would be provided to all residents at no charge to residents. Austin Pathways will be paid a monthly fee, but also work to get much of the

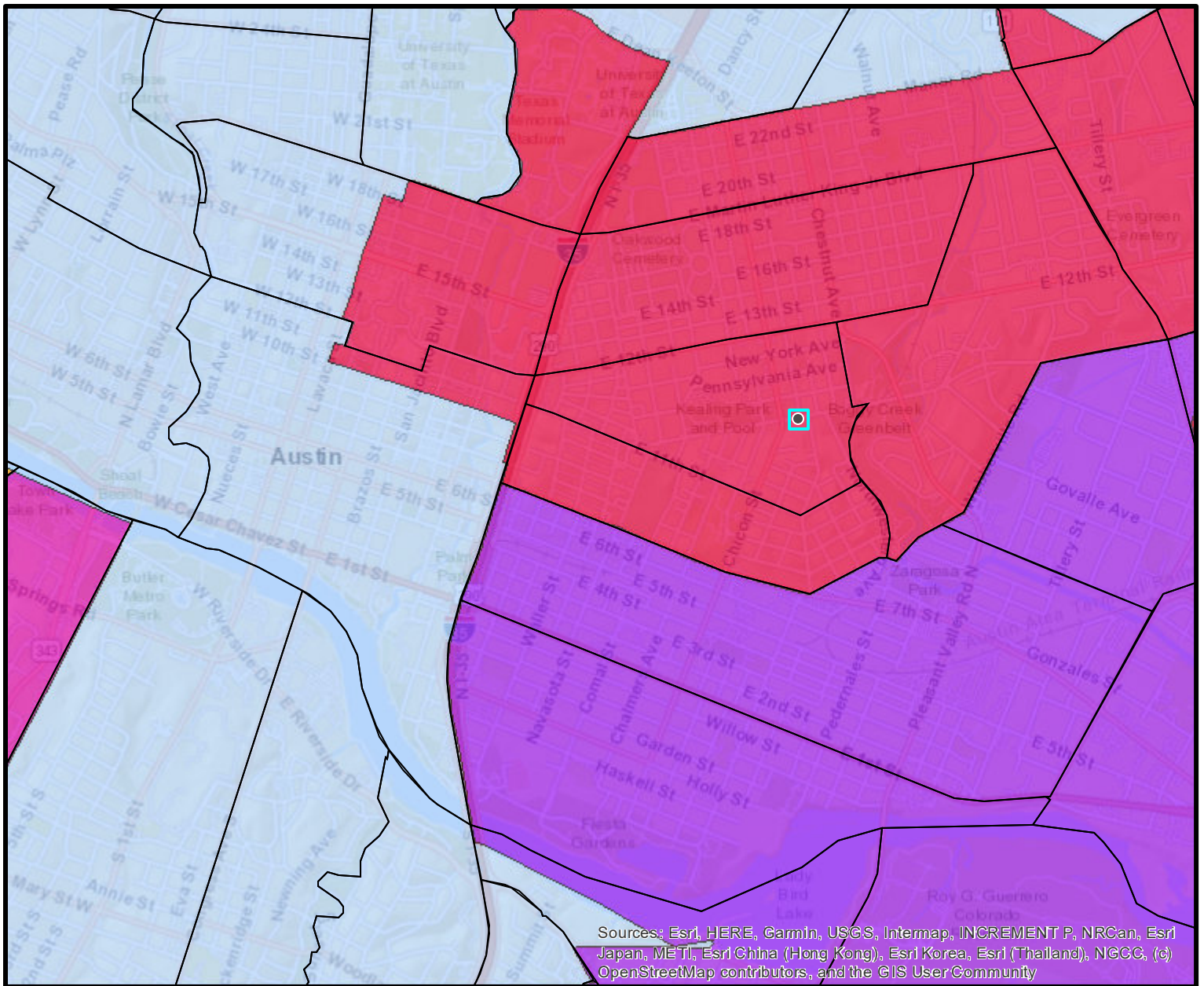
Austin Pathways experience has shown that the success of Resident Services Programs relies on cooperation and teamwork directed toward a common objective. The provider, management, owner, partners and residents must work in unison to achieve mutually agreed upon objectives. Austin Pathways will use its existing networks, organizations, and agencies to provide services and programs to address the needs of the community and work with other non-profit organizations, government agencies, neighborhood associations, religious institutions, health and social services, local businesses, educational institutions and schools, to develop community-based approaches to enrich the lives of the residents and enhance the community while simultaneously meeting LURA compliance requirements.

While the specific services provided will be selected based on the wants and needs of the future residents, an example of potential services and budget is below. Please keep in mind that below is a list of likely services and partners, it is subject to change based on the final assessment after construction is completed.

Potential Services and Budget

	TDHCA Points	TDHCA Item Letter	Annual Cost	Annual Value
Weekday Academic Tutoring - Boys and Girls Club	3.5	B ii	Owner funded	\$ 31,463.41
Workforce Development Services- Austin Area Urban League	2	C iii	grant match	\$ 12,000.00
Specific Case Mgmt. for senior/disabled - Family Eldercare floating Service Coordinator	3	E v	grant funded	\$ 10,000.00
Quarterly Financial Planning classes- FLCCT			grant funded	\$ 4,000.00
Senior Food distribution (monthly)- Central Texas Food Bank	2	D i	0	0
2x Per month Social Events - Managed by shared Service Coordinator w/office (16 hours/week, \$24,840/year + supplies)	1	E iv	\$30,000	\$30,000
TOTAL			\$30,000	\$ 87,463.41

Council Districts



Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan, Esri Japan, METI, Esri China (Hong Kong), Esri Korea, Esri (Thailand), NGCC, (c) OpenStreetMap contributors, and the GIS User Community

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

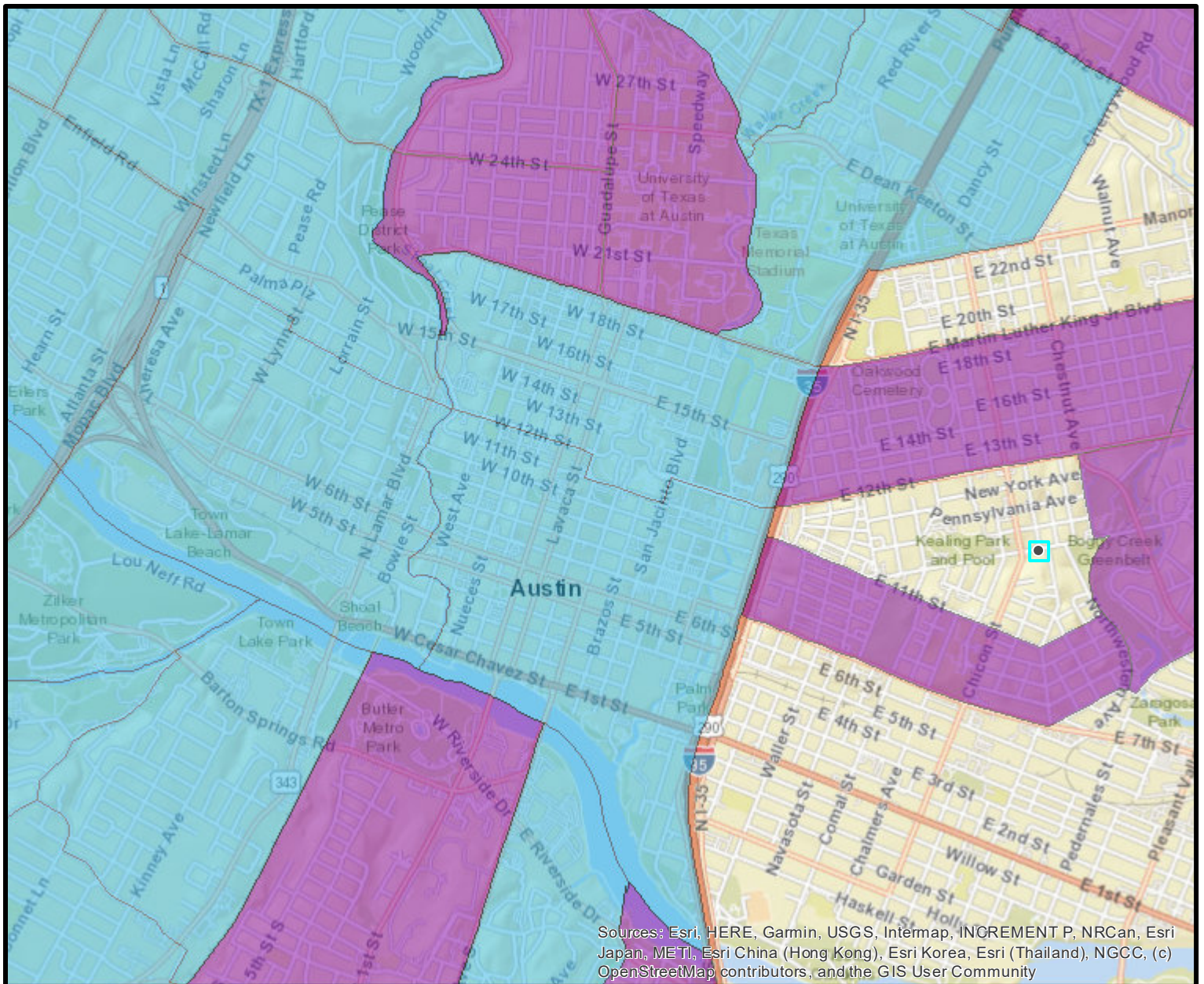
Appraisal District Property ID: Property ID Label

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 Parks and Recreation Department for the sole purpose of geographic reference. No warranty is made by the City of Austin regarding specific accuracy or completeness.

Opportunity Values



Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan, Esri Japan, METI, Esri China (Hong Kong), Esri Korea, Esri (Thailand), NGCC, (c) OpenStreetMap contributors, and the GIS User Community

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

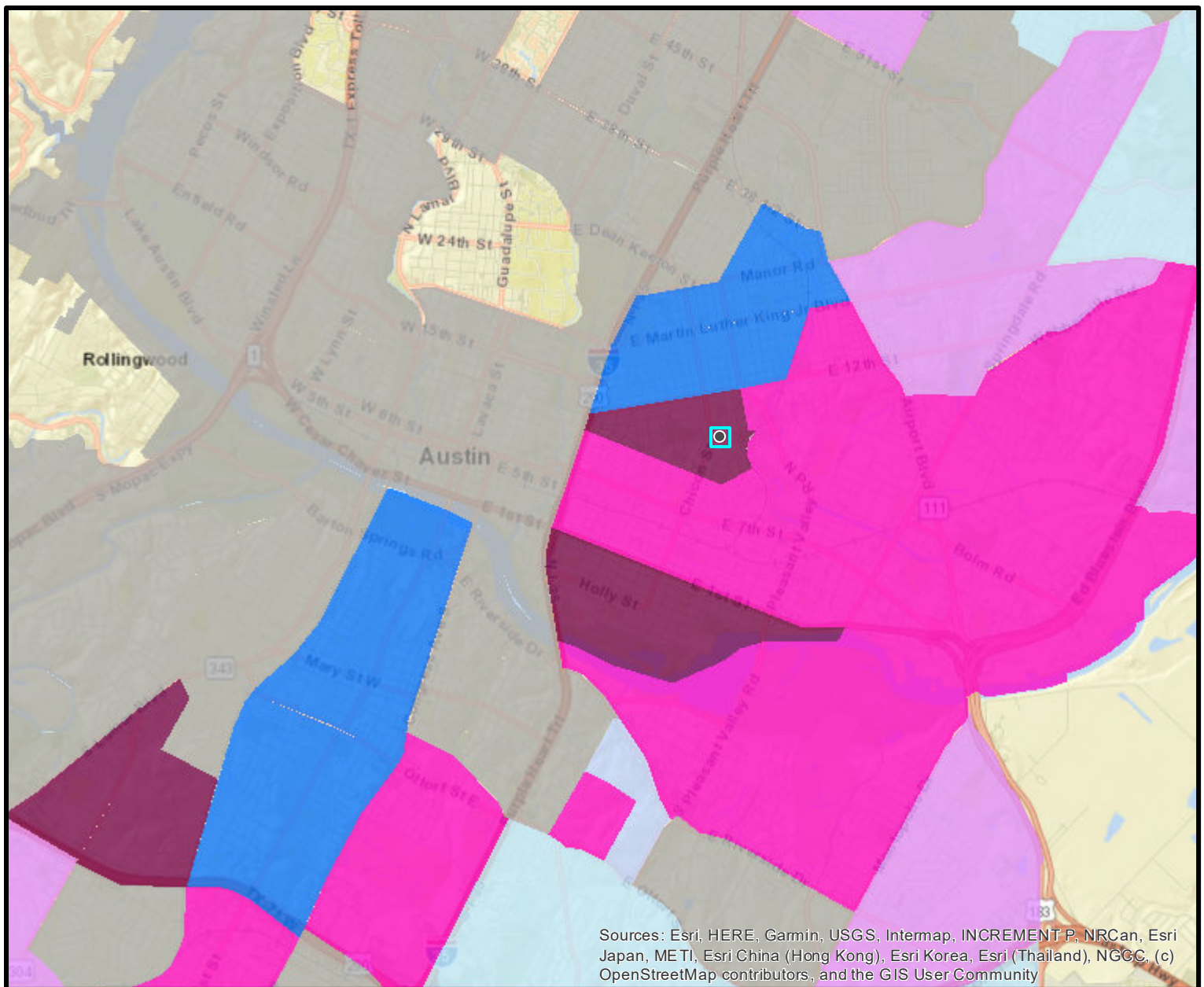
Appraisal District: Appraisal Label

Appraisal District Property ID: Property ID Label

Maximo Asset Tracking Number: Maximo Label



Gentrification Values



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



ArcGIS Web Map

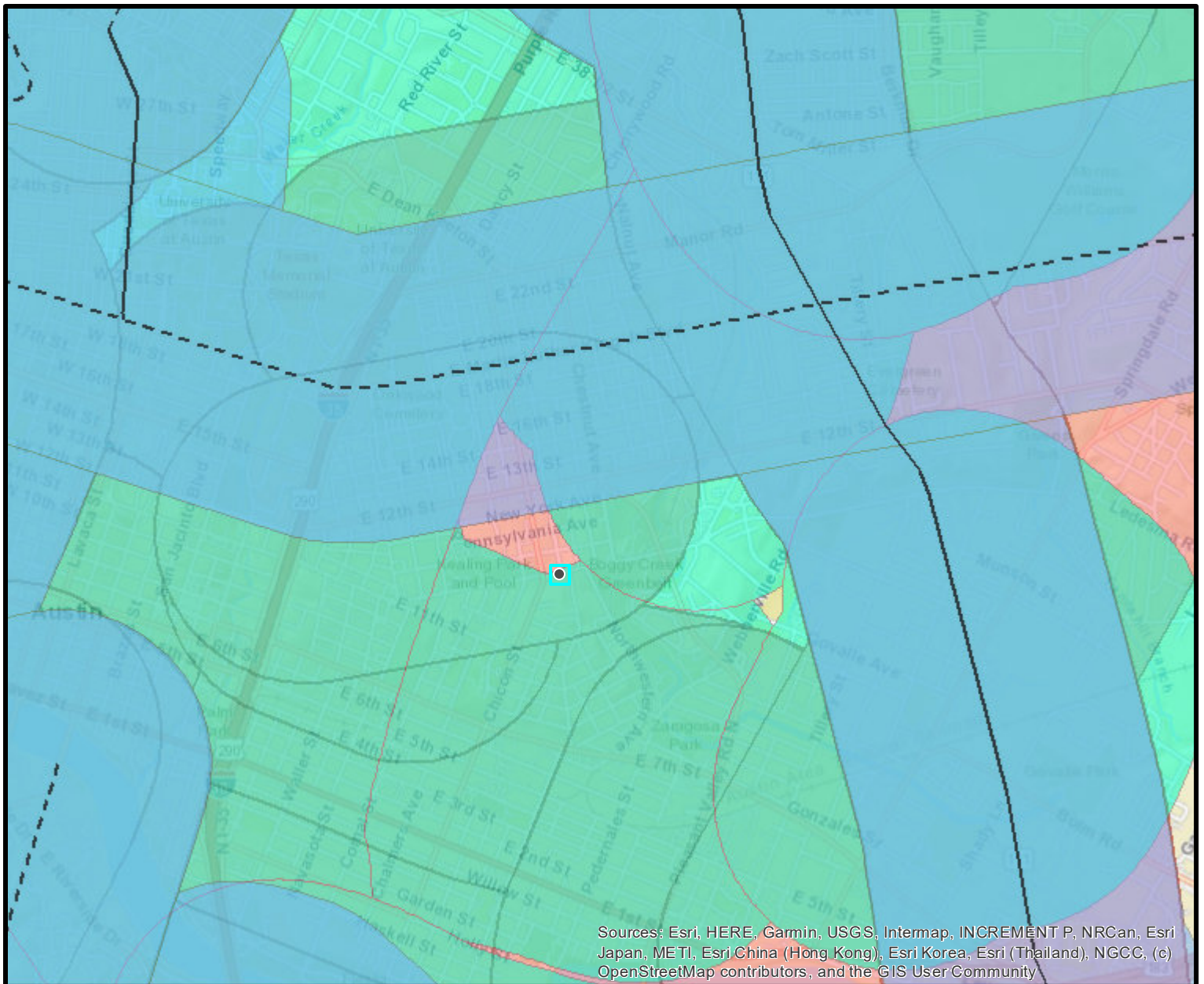
ArcGIS Web AppBuilder

5/3/2021

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 Parks and Recreation Department for the sole purpose of geographic reference. No warranty is made by the City of Austin regarding specific accuracy or completeness.



Mobility Bond



Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan, Esri Japan, METI, Esri China (Hong Kong), Esri Korea, Esri (Thailand), NGCC, (c) OpenStreetMap contributors, and the GIS User Community

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

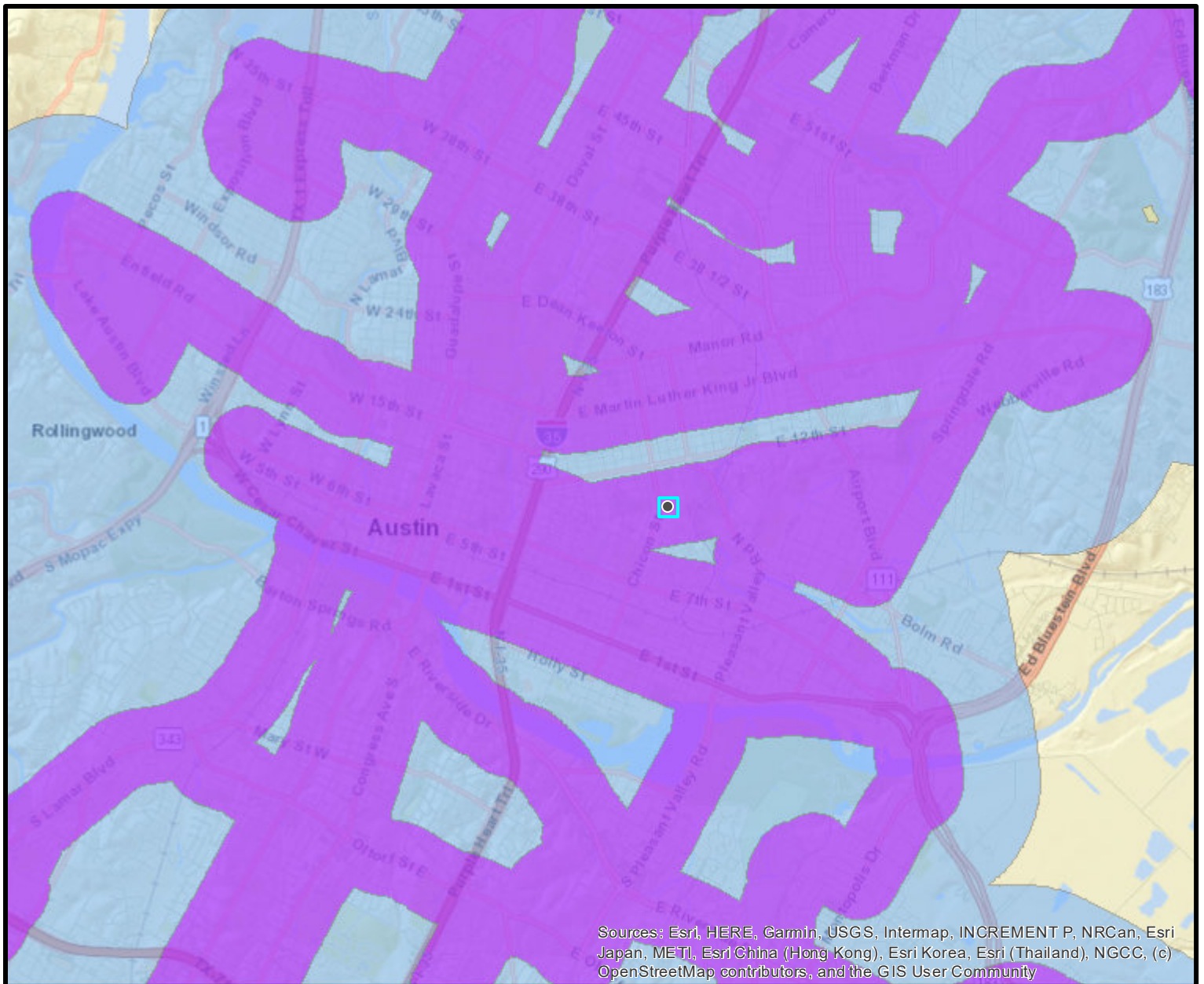
Approximate Acreage: Acreage Label

Appraisal District: Appraisal Label

Appraisal District Property ID: Property ID Label

Maximo Asset Tracking Number: Maximo Label





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

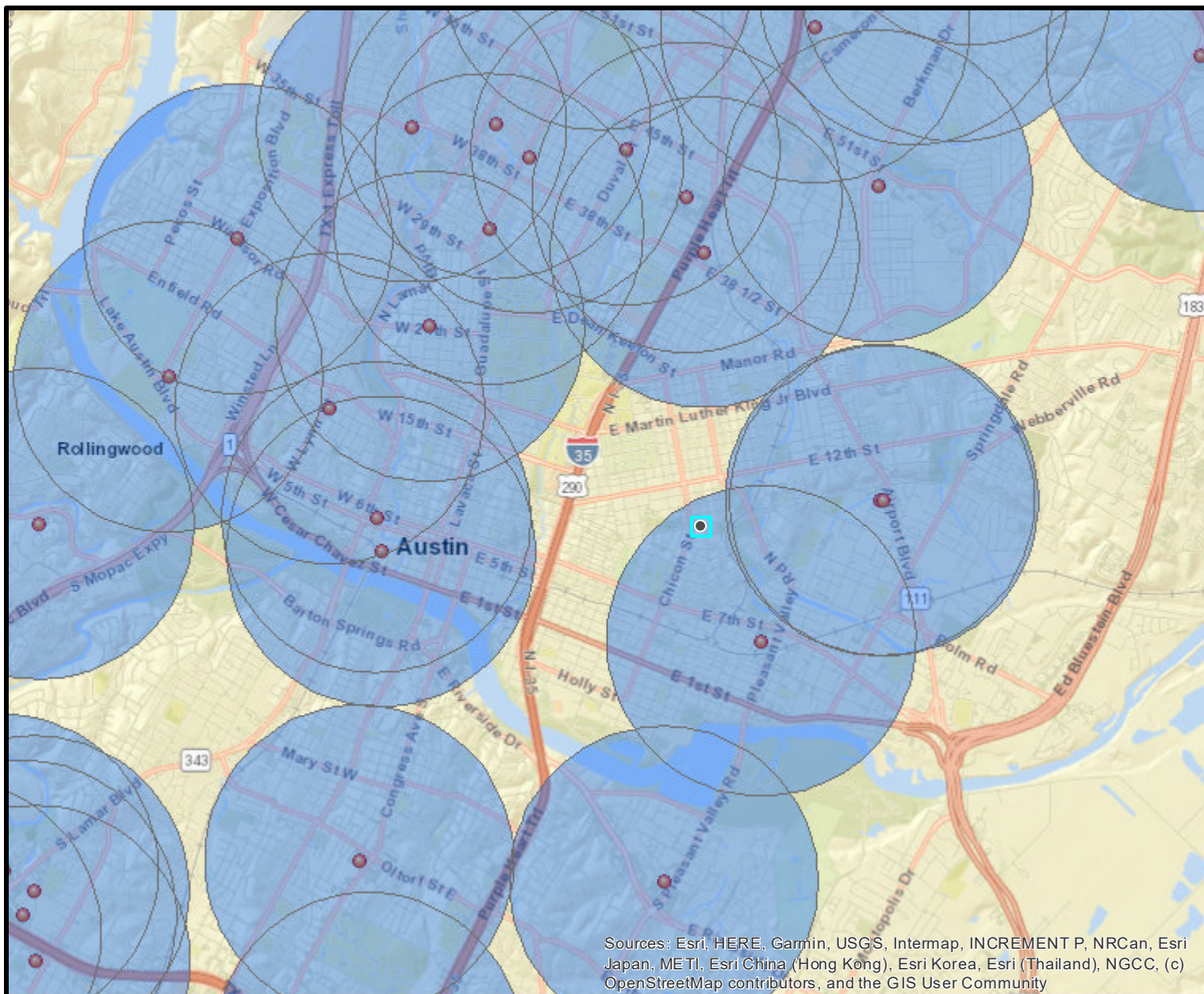
Appraisal District: Appraisal Label

Appraisal District Property ID: Property ID Label

Maximo Asset Tracking Number: Maximo Label



Healthy Foods



Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan, Esri Japan, METI, Esri China (Hong Kong), Esri Korea, Esri (Thailand), NGCC, (c) OpenStreetMap contributors, and the GIS User Community

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



ArcGIS Web Map

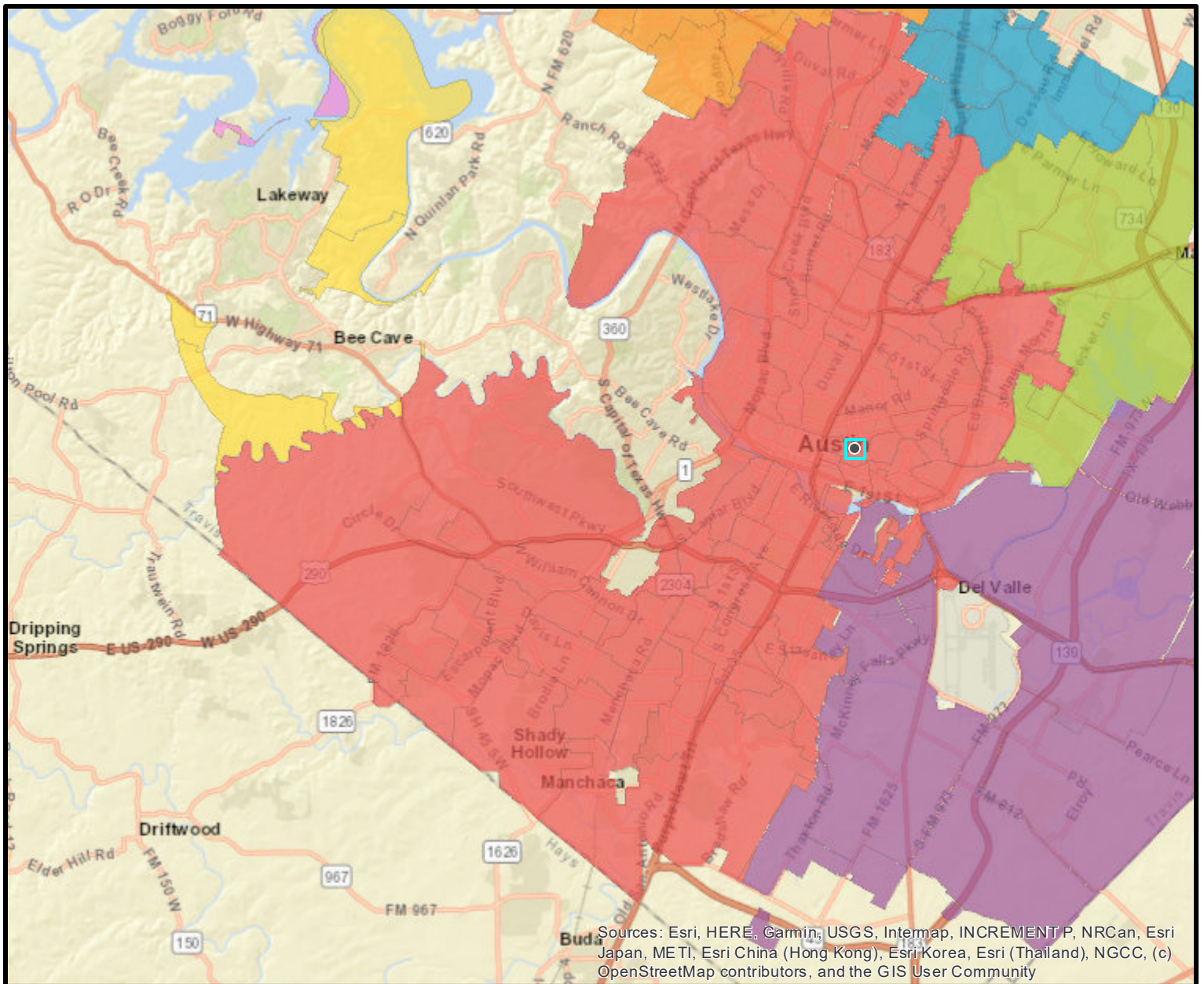
ArcGIS Web AppBuilder

5/3/2021

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 Parks and Recreation Department for the sole purpose of geographic reference. No warranty is made by the City of Austin regarding specific accuracy or completeness.



Elementary Schools



Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan, Esri Japan, METI, Esri China (Hong Kong), Esri Korea, Esri (Thailand), NGCC, (c) OpenStreetMap contributors, and the GIS User Community

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



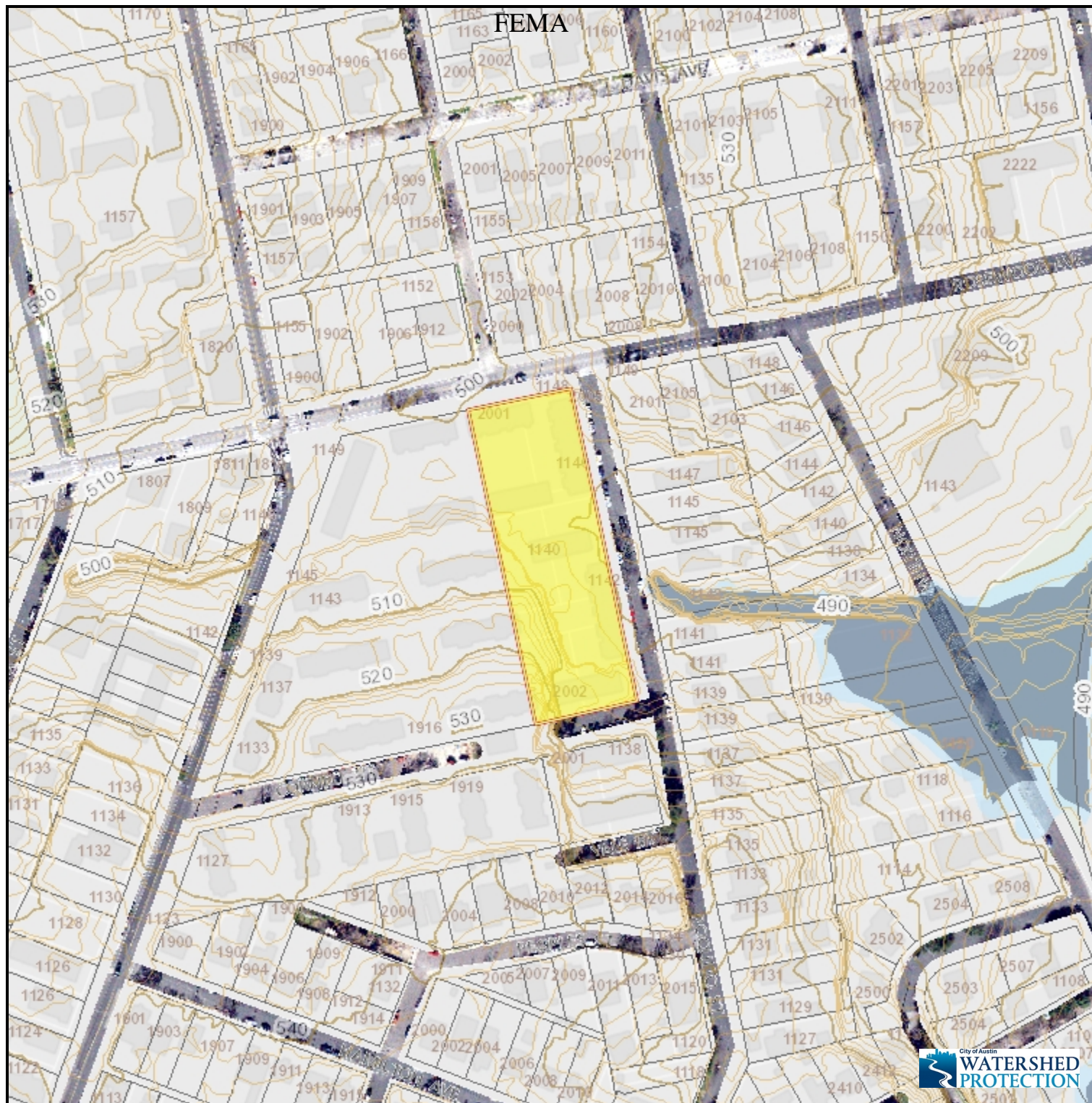
ArcGIS Web Map

ArcGIS Web AppBuilder

5/3/2021

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 Parks and Recreation Department for the sole purpose of geographic reference. No warranty is made by the City of Austin regarding specific accuracy or completeness.





FEMA 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: 5/3/2021

- Address
- Contour
 - Index
 - Intermediate
- Parcel
- FEMA Floodplain
 - 100 Year (Detailed-AE)
 - 100 year (Shallow-AO)
 - 100 Year (Approx-A)
 - X Protected by Levee
 - 500 Year
- Outside Austin City Limits



CITY OF AUSTIN - ZONING VERIFICATION LETTER

For questions concerning zoning compliance or any development criteria contact the Development Assistance Center of the City of Austin at (512) 974-6370.

This letter is to verify that the parcel listed is covered by the listed zoning classification on the date the letter was created.

Party Requesting Verification

Name: Vanessa Mendez
Mailing Address:
5707 Southwest Parkway, Bldg.2, Suite 250
Austin, TX 78735

Tax Parcel Identification Number

Agency: TCAD
Parcel ID: 0206100101

Zoning Classification(s)

Find definitions at <http://www.austintexas.gov/page/zoning-districts>

MF-4-H-NP, MF-4-NP

Zoning Case Number(s)

Look up case info at https://www.austintexas.gov/devreview/a_queryfolder_permits.jsp

C14-01-0148, C14H-2015-0008

Zoning Ordinance Number(s)

Look up ordinances at <http://austintexas.gov/edims/search.cfm>

011213-42, 20180322-089

For Address Verification visit:

<http://austintexas.gov/addressverification>

To access zoning ordinance documentation visit:

<http://austintexas.gov/edims/search.cfm>

To access zoning overlay documentation (Land Development Code Chapter 25-2 Division 6) visit:

<http://austintexas.gov/department/austin-city-code-land-development-code>

<http://austintexas.gov/department/zoning>

This letter was produced by the City of Austin Communication Technology Management Department on behalf of the Planning and Development Review Department.

I, Stacy Meeks, of the Communications and Technology Management Department for the City of Austin, do hereby certify that the above information reflects the data and records on file in this office.

A handwritten signature in black ink, appearing to read "Stacy Meeks".

2/1/2021

0206100101



CITY OF AUSTIN - ZONING VERIFICATION LETTER

For questions concerning zoning compliance or any development criteria contact the Development Assistance Center of the City of Austin at (512) 974-6370.

This letter is to verify that the parcel listed is covered by the listed zoning classification on the date the letter was created.

Party Requesting Verification

Name: Vanessa Mendez
Mailing Address:
5707 Southwest Parkway, Bldg.2, Suite 250
Austin, TX 78735

Tax Parcel Identification Number

Agency: TCAD
Parcel ID: 0206100102

Zoning Classification(s)

Find definitions at <http://www.austintexas.gov/page/zoning-districts>

MF-4-NP

Zoning Case Number(s)

Look up case info at https://www.austintexas.gov/devreview/a_queryfolder_permits.jsp

C14-01-0148

Zoning Ordinance Number(s)

Look up ordinances at <http://austintexas.gov/edims/search.cfm>

011213-42

For Address Verification visit:

<http://austintexas.gov/addressverification>

To access zoning ordinance documentation visit:

<http://austintexas.gov/edims/search.cfm>

To access zoning overlay documentation (Land Development Code Chapter 25-2 Division 6) visit:

<http://austintexas.gov/department/austin-city-code-land-development-code>

<http://austintexas.gov/department/zoning>

This letter was produced by the City of Austin Communication Technology Management Department on behalf of the Planning and Development Review Department.

I, Stacy Meeks, of the Communications and Technology Management Department for the City of Austin, do hereby certify that the above information reflects the data and records on file in this office.

A handwritten signature in black ink, appearing to read "Stacy Meeks".

2/1/2021

0206100102



CITY OF AUSTIN - ZONING VERIFICATION LETTER

For questions concerning zoning compliance or any development criteria contact the Development Assistance Center of the City of Austin at (512) 974-6370.

This letter is to verify that the parcel listed is covered by the listed zoning classification on the date the letter was created.

Party Requesting Verification

Name: Vanessa Mendez
Mailing Address:
5707 Southwest Parkway, Bldg.2, Suite 250
Austin, TX 78735

Tax Parcel Identification Number

Agency: TCAD
Parcel ID: 0206100301

Zoning Classification(s)

Find definitions at <http://www.austintexas.gov/page/zoning-districts>

MF-4-H-NP, MF-4-NP

Zoning Case Number(s)

Look up case info at https://www.austintexas.gov/devreview/a_queryfolder_permits.jsp

C14-01-0148, C14H-2015-0008

Zoning Ordinance Number(s)

Look up ordinances at <http://austintexas.gov/edims/search.cfm>

011213-42, 20180322-089

For Address Verification visit:

<http://austintexas.gov/addressverification>

To access zoning ordinance documentation visit:

<http://austintexas.gov/edims/search.cfm>

To access zoning overlay documentation (Land Development Code Chapter 25-2 Division 6) visit:

<http://austintexas.gov/department/austin-city-land-development-code>

<http://austintexas.gov/department/zoning>

This letter was produced by the City of Austin Communication Technology Management Department on behalf of the Planning and Development Review Department.

I, Stacy Meeks, of the Communications and Technology Management Department for the City of Austin, do hereby certify that the above information reflects the data and records on file in this office.

A handwritten signature in black ink, appearing to read "Stacy Meeks".

2/1/2021

0206100301



CITY OF AUSTIN - ZONING VERIFICATION LETTER

For questions concerning zoning compliance or any development criteria contact the Development Assistance Center of the City of Austin at (512) 974-6370.

This letter is to verify that the parcel listed is covered by the listed zoning classification on the date the letter was created.

Party Requesting Verification

Name: Vanessa Mendez
Mailing Address:
5707 Southwest Parkway, Bldg.2, Suite 250
Austin, TX 78735

Tax Parcel Identification Number

Agency: TCAD
Parcel ID: 0206100302

Zoning Classification(s)

Find definitions at <http://www.austintexas.gov/page/zoning-districts>

MF-4-NP

Zoning Case Number(s)

Look up case info at https://www.austintexas.gov/devreview/a_queryfolder_permits.jsp

C14-01-0148

Zoning Ordinance Number(s)

Look up ordinances at <http://austintexas.gov/edims/search.cfm>

011213-42

For Address Verification visit:

<http://austintexas.gov/addressverification>

To access zoning ordinance documentation visit:

<http://austintexas.gov/edims/search.cfm>

To access zoning overlay documentation (Land Development Code Chapter 25-2 Division 6) visit:

<http://austintexas.gov/department/austin-city-land-development-code>

<http://austintexas.gov/department/zoning>

This letter was produced by the City of Austin Communication Technology Management Department on behalf of the Planning and Development Review Department.

I, Stacy Meeks, of the Communications and Technology Management Department for the City of Austin, do hereby certify that the above information reflects the data and records on file in this office.

A handwritten signature in black ink, appearing to read "Stacy Meeks".

2/1/2021

0206100302



Travis Central Appraisal District
8314 Cross Park Drive
Austin, Texas 78714
Internet Address: www.traviscad.org
Main Telephone Number (512) 834-9317
Appraisal Information (512) 834-9318
TDD (512) 836-3328

This tax map was compiled solely for the use of TCAD. Areas depicted by these digital products are approximate, and are not necessarily accurate to mapping, surveying or engineering standards. Conclusions drawn from this information are the responsibility of the user. The TCAD makes no claims, promises or guarantees about the accuracy, completeness or adequacy of this information and expressly disclaims liability for any errors and omissions. The mapped data does not constitute a legal document.

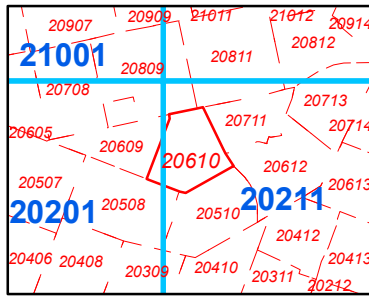
NAD_1983_StatePlane_Texas_Central_FIPS_4203_Feet
Projection: Lambert_Conformal_Conic

N

0 120 Feet

Revision Date: 6/30/2017

20610



**CONTRACT FOR GROUND LEASE AND BILL OF SALE
PATHWAYS AT ROSEWOOD COURTS EAST**

This Contract for Ground Lease and Bill of Sale (this “**Agreement**”) is made and entered into effective as of the 1st day of January, 2021 (the “**Effective Date**”) by and between the HOUSING AUTHORITY OF THE CITY OF AUSTIN, a Texas public body corporate and politic organized under the laws of the State of Texas (“**Housing Authority**”), and PATHWAYS AT ROSEWOOD COURTS EAST, LP, a to be formed Texas limited partnership (the “**Partnership**”).

RECITALS:

A. The Housing Authority, the owner of the property that is the subject of this Agreement, desires to enter into a long-term ground lease with the Partnership in order to allow the Partnership to lease that certain property located in Austin, Texas, which is more fully described on Exhibit “A” attached hereto, and to purchase the improvements located on the property which consist of an existing multifamily rental project to be known as the Pathways at Rosewood Courts East (the “**Project**”).

B. An affiliate of the Housing Authority will be the sole member of the general partner of the Partnership. The Partnership will syndicate the low income housing tax credits sought for the Project.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Property. Upon and subject to the following terms and conditions, the Housing Authority agrees to lease to the Partnership and the Partnership agrees to lease from the Housing Authority, the following real property (collectively, the “**Property**”): (a) the parcel of land situated in the City of Austin, Travis County, Texas, as more particularly described on Exhibit “A-1” and depicted on Exhibit “A-2” attached hereto and made a part hereof for all purposes (the “**Land**”); and (b) all rights, titles and interest of the Housing Authority in and to any easements, privileges, licenses, permits, rights-of-way, subterranean pedestrian tunnel or passageway, or rights of ingress or egress appurtenant to the Land (the “**Rights**”). Housing Authority also agrees to sell to the Partnership by Bill of Sale any and all existing buildings, structures and improvements located on the Land. Ownership of the existing buildings, structures and improvements, and any future buildings, structures and improvements hereinafter placed, constructed or installed on the Land (collectively, the “**Improvements**”), will pass to the Housing Authority upon termination or expiration of the lease.

2. Closing. The consummation of the lease of the Property contemplated under this Agreement (the “**Closing**”) shall occur on or before January 1, 2022 (the “**Closing Date**”). The Closing shall take place at the offices of the Coats Rose, P.C. in Austin, Texas, unless otherwise agreed to by the Partnership and the Housing Authority. NOTWITHSTANDING THE FOREGOING, THIS CONTRACT FOR LEASE SHALL BE VALID FOR THE ENTIRE

PERIOD THE PROJECT IS UNDER CONSIDERATION FOR LOW INCOME HOUSING TAX CREDITS.

3. Earnest Money. On the date of its execution of this Agreement, the Partnership shall deposit or cause to be deposited with the Housing Authority the sum of \$100 (the "**Earnest Money**") in cash by wire transfer of immediately available funds, or by check, to be held by the Housing Authority and delivered in accordance with the provisions of this Agreement. The Earnest Money becomes nonrefundable at 4:00 p.m. on July 1, 2021, unless this Agreement is terminated by the Partnership as provided in Paragraph 8 of this Agreement.

4. Lease. Subject to the terms and provisions set forth in this Agreement, the Property shall be leased to the Partnership pursuant to a Ground Lease containing, among other provisions, the following terms and conditions:

Term	Seventy-five (75) years
Rental	An annual payment of \$1,000 per year
Price for Improvements	A payment in the amount of \$1,000.
Use	Low income residential rental units, together with supportive and community services for the tenant population

5. Title Commitment. The Partnership will obtain a title commitment (the "**Title Commitment**") covering the Property, together with copies of all title exception items shown on Schedules B and C thereof within sixty (60) days of the date hereof.

6. Physical Inspection. The Partnership shall have the right, at the Partnership's sole cost and expense, to examine and inspect the Property and the Improvements at any reasonable time. The Partnership shall and does hereby indemnify and hold the Housing Authority harmless from and against any and all liability, loss, cost, expense and damage caused to or incurred by the Housing Authority or the Property or the Improvements by any acts or omissions of the Partnership (or its agents or representatives) in connection with such inspection, and this indemnification shall survive the termination of this Agreement. Any information relating to the Property or the Improvements provided by the Housing Authority to the Partnership or obtained by the Partnership in the course of its inspection shall be treated as confidential information by the Partnership, to be made available only to such persons as may be reasonably necessary to properly evaluate the Property and/or as may be needed by the Partnership to secure financing, tax credits or investments for the Project.

7. Review and Inspection. The Partnership shall have a period of time commencing on the Effective Date (as hereinafter defined) and ending at 4:00 p.m. on July 1, 2021 within which to inspect and review all aspects of the Property and the Improvements. The Partnership shall have the opportunity to inspect the Property and the Improvements and conduct such environmental, engineering, marketing and economic feasibility studies as the Partnership deems appropriate, review the Title Commitment and the Survey, to review the books and records of the Property

and Improvements, to examine and review all contracts which relate to the Property and Improvements, examine and review the terms of the proposed Lease, inspect and test the physical condition of the Land and the Improvements, and to examine, study and otherwise become adequately familiar with the physical and financial condition of the Property. The Housing Authority shall have no obligation to cure or remove any objections to the Property or the Improvements.

8. Right to Terminate. On or before 4:00 p.m. on July 1, 2021, the Partnership may terminate this Agreement for any reason, whereupon the Earnest Money (less \$50.00 payable to the Housing Authority as independent consideration for the right to inspect the Property) shall be refunded to the Partnership and neither party shall have further rights or obligations pursuant to this Agreement. If the Partnership fails to give Notice to the Housing Authority on or before 4:00 p.m. on July 1, 2021 of its termination of this Agreement, the Earnest Money shall be nonrefundable and the Partnership shall be deemed to have waived any and all objections to the Property and elected to proceed with the Closing on the terms and conditions provided herein, subject only to the Housing Authority's satisfaction or removal of all matters listed in Schedule C of the Title Commitment.

9. Disclaimer.

9.1 No Reliance. The Partnership acknowledges and agrees that upon the Closing, the Partnership shall have had ample opportunity to review documents concerning the Property and the Improvements, to conduct physical inspections of the Property, including, without limitation, inspections regarding the structural and environmental condition of the Property and Improvements, and to conduct such marketing and economic feasibility studies as the Partnership deems appropriate. The Partnership hereby represents, warrants and agrees that as of the Closing, (a) the Partnership shall have examined the Property and Improvements and will be familiar with the physical condition thereof; (b) the Partnership shall have conducted such investigations of the Property and Improvements (including, without limitation, the structural and environmental condition thereof) as the Partnership has deemed necessary to satisfy itself as to the condition of the Property and Improvements and the existence or nonexistence, or curative action to be taken with respect to, any hazardous or toxic substances on or discharge from the Property; (c) neither the Housing Authority nor any affiliate, agent, officer, attorney, employee or representative of any of the foregoing have made any written or oral representations, warranties, promises or guarantees whatsoever to the Partnership, express or implied, and in particular, that no such representations, warranties, guarantees or promises have been or will be made with respect to the physical condition, operation, or any other matter or thing affecting or related to the Property or the Improvements or the offering or lease of the Property; and (d) the Partnership has not relied and will not rely upon any representations, warranties, guarantees or promises or upon any statements made or any information provided concerning the Property and Improvements provided or made by the Housing Authority or their respective affiliates, agents, officers, attorneys, employees or representatives. The Partnership shall elect to lease the Property only after having made and relied solely on its own independent investigation, inspection, analysis, appraisal and evaluation of the Property and the Improvements and the facts and circumstances related thereto. Without limiting the generality of the foregoing, the Partnership acknowledges and agrees that the Housing Authority has no

obligation to disclose to the Partnership, and shall have no liability for its failure to disclose to the Partnership, any information known to it relating to the Property or the Improvements.

9.2 Disclaimers. THE PARTNERSHIP ACKNOWLEDGES AND AGREES THAT THE PROPERTY SHALL BE LEASED TO THE PARTNERSHIP, AND THE PARTNERSHIP SHALL ACCEPT THE PROPERTY "AS IS, WHERE IS, WITH ALL FAULTS". THE HOUSING AUTHORITY HEREBY EXPRESSLY DISCLAIMS ANY AND ALL REPRESENTATIONS AND WARRANTIES OF ANY KIND OR CHARACTER, EXPRESS OR IMPLIED, WITH RESPECT TO THE PROPERTY AND THE IMPROVEMENTS. WITHOUT LIMITING THE GENERALITY OF THE PRECEDING SENTENCE OR ANY OTHER DISCLAIMER SET FORTH HEREIN, THE HOUSING AUTHORITY AND THE PARTNERSHIP HEREBY AGREE THAT THE HOUSING AUTHORITY HAS NOT MADE AND IS NOT MAKING ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, WRITTEN OR ORAL, AS TO (A) THE NATURE OR CONDITION, PHYSICAL OR OTHERWISE, OF THE PROPERTY OR THE IMPROVEMENTS OR ANY ASPECT THEREOF, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES OF HABITABILITY, SUITABILITY, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR USE OR PURPOSE, (B) THE NATURE OR QUALITY OF CONSTRUCTION, STRUCTURAL DESIGN OR ENGINEERING OF THE IMPROVEMENTS, OR THE STATE OF REPAIR OR LACK OF REPAIR OF ANY OF SUCH IMPROVEMENTS, (C) THE SOIL CONDITIONS, DRAINAGE CONDITIONS, TOPOGRAPHICAL FEATURES, ACCESS TO PUBLIC RIGHTS-OF-WAY, AVAILABILITY OF UTILITIES OR OTHER CONDITIONS OR CIRCUMSTANCES WHICH AFFECT OR MAY AFFECT THE PROPERTY OR ANY USE TO WHICH THE PARTNERSHIP MAY PUT THE PROPERTY, (D) ANY CONDITIONS AT OR WHICH AFFECT OR MAY AFFECT THE PROPERTY WITH RESPECT TO ANY PARTICULAR PURPOSE, USE, DEVELOPMENT POTENTIAL OR OTHERWISE, (E) THE AREA, SIZE, SHAPE, CONFIGURATION, LOCATION, CAPACITY, QUANTITY, QUALITY, CASH FLOW, EXPENSES, VALUE, COMPOSITION, AUTHENTICITY OR AMOUNT OF THE PROPERTY, OR ANY PART THEREOF, (F) ANY ENVIRONMENTAL, GEOLOGICAL, METEOROLOGICAL, STRUCTURAL, OR OTHER CONDITION OR HAZARD OR THE ABSENCE THEREOF HERETOFORE, NOW OR HEREAFTER AFFECTING IN ANY MANNER THE PROPERTY OR THE IMPROVEMENTS, INCLUDING BUT NOT LIMITED TO, THE ABSENCE OF ASBESTOS OR ANY ENVIRONMENTALLY HAZARDOUS SUBSTANCE ON, IN, UNDER OR ADJACENT TO THE PROPERTY AND THE IMPROVEMENTS, (G) THE COMPLIANCE OF THE PROPERTY OR THE OPERATION OR USE OF THE PROPERTY WITH ANY APPLICABLE RESTRICTIVE COVENANTS, OR WITH ANY LAWS, ORDINANCES OR REGULATIONS OF ANY GOVERNMENTAL BODY (INCLUDING SPECIFICALLY, WITHOUT LIMITATION, ANY ZONING LAWS OR REGULATIONS, ANY BUILDING CODES, ANY ENVIRONMENTAL LAWS, AND THE AMERICANS WITH DISABILITIES ACT OF 1990, 42 U.S.C. 12101 ET SEQ.). THE PARTNERSHIP RECOGNIZES AND AGREES THAT UPON CLOSING, THE PARTNERSHIP SHALL BEAR THE RISK THAT ADVERSE MATTERS, INCLUDING BUT NOT LIMITED TO, VIOLATIONS OF ANY APPLICABLE LAWS, CONSTRUCTION DEFECTS, COST OVERRUNS, AND ADVERSE PHYSICAL AND ENVIRONMENTAL CONDITIONS, MAY NOT HAVE BEEN REVEALED BY THE PARTNERSHIP'S

INVESTIGATIONS, AND THE PARTNERSHIP, UPON CLOSING, SHALL BE DEEMED TO HAVE WAIVED, RELINQUISHED AND RELEASED THE HOUSING AUTHORITY AND ITS AFFILIATES, AGENTS, OFFICERS, ATTORNEYS, EMPLOYEES OR REPRESENTATIVES FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, CAUSES OF ACTION (INCLUDING CAUSES OF ACTION IN TORT), LOSSES, DAMAGES, LIABILITIES, COSTS AND EXPENSES (INCLUDING ATTORNEY'S FEES AND COURT COSTS) OF ANY AND EVERY KIND OR CHARACTER, KNOWN OR UNKNOWN, WHICH THE PARTNERSHIP MIGHT HAVE ASSERTED OR ALLEGED AGAINST THE HOUSING AUTHORITY AT ANY TIME BY REASON OF OR ARISING OUT OF ANY VIOLATIONS OF ANY APPLICABLE LAWS (INCLUDING ANY ENVIRONMENTAL LAWS), CONSTRUCTION DEFECTS, COST OVERRUNS, PHYSICAL CONDITIONS, AND ANY AND ALL OTHER ACTS, OMISSIONS, EVENTS, CIRCUMSTANCES OR MATTERS REGARDING THE PROPERTY OR THE IMPROVEMENTS.

9.3 Survival of Disclaimers. The Housing Authority and the Partnership agree that the provisions of this Section 9 shall survive Closing.

10. Authorization.

(a) The Partnership will deliver to the Housing Authority and the Title Company at or before the Closing any and all certificates, affidavits, powers of attorney, partnership agreements, joint venture agreements, and trust agreements, deemed necessary or required by the Housing Authority or the Title Company, and the Partnership will cause all persons or entities required by the Housing Authority or the Title Company to execute the Closing documents or give written consent to the lease of the Property in accordance with this Agreement (collectively, the “**Partnership Authorization Documents**”). The representations and warranties of the Partnership set forth in this Section 10(a) shall survive the Closing.

(b) The Housing Authority will deliver to the Partnership and the Title Company at or before the Closing any and all certificates, affidavits, powers of attorney, partnership agreements, joint venture agreements, and trust agreements, deemed necessary or required by the Partnership or the Title Company, and the Housing Authority will cause all persons or entities required by the Partnership or the Title Company to execute the Closing documents or give written consent to the lease of the Property in accordance with this Agreement (collectively, the “**Housing Authority Authorization Documents**”). The representations and warranties of the Housing Authority set forth in this Section 10(b) shall survive the Closing.

11. Deliveries at Closing.

(a) At the Closing, the Housing Authority shall execute and deliver to the Partnership the following:

- (i) the Ground Lease;

- (ii) the Memorandum of Ground Lease;
- (iii) the Bill of Sale for the Improvements;
- (iv) the Housing Authority Authorization Documents; and
- (v) such other documents as the Housing Authority and the Partnership may have agreed to deliver at the Closing.

(b) At the Closing, the Partnership shall execute and deliver to the Housing Authority the following:

- (i) the Ground Lease;
- (ii) the Memorandum of Ground Lease;
- (iii) the Bill of Sale for the Improvements;
- (iv) the Partnership Authorization Documents; and
- (v) such other documents as the Housing Authority and the Partnership may have agreed to deliver at the Closing.

12. Default by the Partnership. If the Partnership defaults hereunder, then provided the Housing Authority is not likewise in default hereunder, the Housing Authority may terminate this Agreement by giving Notice thereof to the Partnership, whereupon the Earnest Money, together with all interest accrued thereon, shall be paid to the Housing Authority as liquidated damages as the Housing Authority's sole and exclusive remedy hereunder, and neither party shall have any further rights or obligations pursuant to this Agreement, it being understood and agreed by the Partnership and the Housing Authority that actual damages in such event are uncertain in amount, difficult and inconvenient to ascertain and that the amount of the Earnest Money as liquidated damages was reasonably determined.

13. Default by the Housing Authority. If the Housing Authority defaults hereunder, then provided the Partnership is not likewise in default hereunder, the Partnership, as the Partnership's sole and exclusive remedy, may terminate this Agreement, whereupon the Earnest Money, together with all interest accrued thereon, shall be refunded to the Partnership, and neither party shall have any further rights or obligations pursuant to this Agreement.

14. Brokerage. The Partnership and the Housing Authority each represent and warrant to the other that they have dealt with no brokers, finders or intermediaries of any kind in connection with this transaction. Each party hereto does hereby indemnify and agree to hold the other harmless from and against any and all causes, claims, demands, losses, liabilities, fees, commissions, settlements, judgments, damages, expenses and fees (including, but not limited to,

reasonable attorneys' fees and court costs) in connection with any claim for commissions, fees, compensation or other charges relating in any way to this transaction, or the consummation thereof, which may be made by any person, firm or entity as the result of any of its acts or the acts of its agents or representatives or as a result of its breach of its representations contained in this Section. The provisions of this Section 16 shall survive the Closing or any earlier termination of this Agreement.

15. Notices. All notices, requests and communications ("**Notice**") under this Agreement shall be given in writing and shall be (i) delivered in person, (ii) mailed by first class certified mail, postage prepaid, return receipt requested, or (iii) or sent by facsimile transmission followed by first class certified mail, postage prepaid, return receipt requested, to the individuals and addresses indicated below:

(a) If to the Housing Authority:

Housing Authority of the City of Austin
1124 South IH 35
Austin, Texas 78704
Attention: Ron Kowal
Phone No: (512) 477-4488 x2113

(b) If to the Partnership:

Pathways at Rosewood Courts East, LP
c/o Austin Affordable Housing Corporation
1124 South IH 35
Austin, Texas 78704
Attention: Ron Kowal
Phone No: (512) 477-4488 x2113

Any Notice provided for herein shall become effective only upon and at the time of receipt by the party to whom it is given, unless such Notice is mailed by certified mail, return receipt requested, in which case it shall be deemed to be received the date that it is mailed. Any party may, by proper Notice hereunder to the other party, change the individual address to which such Notice shall thereafter be sent or delivered.

16. Miscellaneous. The Housing Authority and the Partnership further agree as follows:

a) This Agreement may not be assigned by the Partnership without the prior written consent of the Housing Authority; any assignment hereunder, whether or not consented to by the Housing Authority, shall not act to release the Partnership from its obligations hereunder.

(b) Except as otherwise set forth herein, the representations, warranties, covenants and agreements of the parties set forth herein shall not survive the Closing and shall be merged therein.

(c) Should any action be brought which arises out of this Agreement, including, without limitation, any action for declaratory or injunctive relief, the prevailing party shall be entitled to reasonable attorneys' fees and costs and expenses of investigation, all as actually incurred.

(d) THIS AGREEMENT HAS BEEN EXECUTED IN THE STATE OF TEXAS AND SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF TEXAS AND THE LAWS OF THE UNITED STATES OF AMERICA APPLICABLE TO TRANSACTIONS WITHIN THE STATE OF TEXAS. VENUE FOR ANY LEGAL ACTION BROUGHT BY EITHER PARTY HERETO SHALL LIE EXCLUSIVELY IN TRAVIS COUNTY, TEXAS.

(e) This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, successors and assigns.

(f) In case any one or more of the provisions contained in this Agreement shall be held to be invalid, illegal or unenforceable in any respect for any reason, then such invalidity, illegality or unenforceability shall not affect any other provision hereof.

(g) The captions, headings and arrangements used in this Agreement are for convenience only and do not in any way affect, limit, amplify or modify the terms and provisions hereof.

(h) This Agreement constitutes the entire, sole and only agreement of the parties hereto and supersedes any prior understanding or written or oral agreements between the parties respecting the subject matter of this Agreement.

(i) Words of any gender used in this Agreement shall be held and construed to include any other gender and words in the singular shall be held to include the plural and vice versa unless the context requires otherwise.

(j) Time is of the essence in this Agreement. In the computation of any period of time provided for in this Agreement or by law, the day of the act or event from which said period of time runs shall be excluded, and the last day of such period shall be included, unless it is a Saturday, Sunday or legal holiday, in which case the period shall be deemed to run until the end of the next day which is not a Saturday, Sunday or legal holiday.

(k) This Agreement shall have no binding effect on either party until executed by both parties hereto.

(l) No modification, amendment or waiver of any portion of this Agreement shall be effective unless it is in writing and signed by the Housing Authority and the Partnership.

(m) This Agreement may be executed in two or more counterparts, and it shall not be necessary that any one of the counterparts be executed by all of the parties hereto. Each fully or partially executed counterpart shall be deemed an original, but all such counterparts taken together shall constitute but one and the same instrument.

[Remainder of page intentionally left blank for signature]

This Agreement is executed to be effective as of the Effective Date.

HOUSING AUTHORITY:

HOUSING AUTHORITY OF THE CITY OF AUSTIN

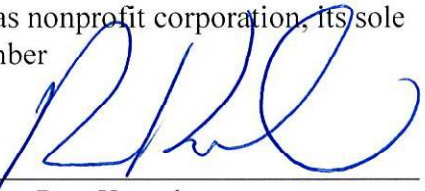
By: 
Name: Michael Gerber
Title: President & CEO

PARTNERSHIP:

PATHWAYS AT ROSEWOOD COURTS EAST, LP, a to be formed Texas limited partnership

By: Pathways at Rosewood Courts East GP, LLC, a to be formed Texas limited liability company

By: Austin Affordable Housing Corporation, a Texas nonprofit corporation, its sole member

By: 
Name: Ron Kowal
Title: Vice President

Acknowledgement of Housing Authority's receipt of \$100.00 Check for Earnest Money:

Date: January 5, 2021

HOUSING AUTHORITY OF THE CITY OF AUSTIN

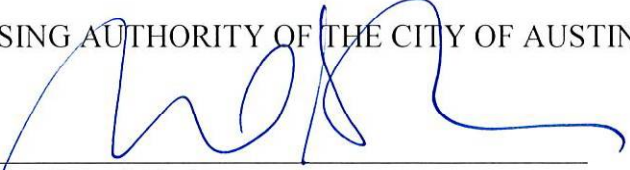
By: 
Name: Michael Gerber
Title: President & CEO

EXHIBIT "A-1"

PROPERTY DESCRIPTION

7.10 acres out of a 7.99-acre tract of land, said 7.99-acre tract being described as follows:

ALL THAT CERTAIN PARCEL OR TRACT OF LAND OUT OF OUTLOT 62, DIVISION B, CITY OF AUSTIN, TRAVIS COUNTY, TEXAS; AND BEING ALL OF THOSE TRACTS OF LAND AS CONVEYED TO THE HOUSING AUTHORITY OF THE CITY OF AUSTIN BY DEEDS RECORDED IN VOLUME 593, PAGE 467; VOLUME 594, PAGE 21; VOLUME 594, PAGE 22; VOLUME 594, PAGE 25 AND VOLUME 594, PAGE 272 OF THE DEED RECORDS OF TRAVIS COUNTY, TEXAS AND BEING ALL OF LOTS 1 THRU 8 OF THE W. D. HART SUBDIVISION, AS RECORDED IN BOOK 2, PAGE 147 OF THE PLAT RECORDS OF TRAVIS COUNTY, TEXAS AND BEING ALL THE STREETS AND ALLEYS VACATED BY THE CITY COUNCIL OF THE CITY OF AUSTIN, TRAVIS COUNTY, TEXAS AS RECORDED IN MINUTE BOOK 17, PAGE 206 AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A POINT AT THE INTERSECTION OF THE SOUTH RIGHT-OF-WAY LINE OF ROSEWOOD AVENUE AND THE WEST RIGHT-OF-WAY LINE OF POQUITO STREET BEING THE NORTHEAST CORNER OF SAID W. D. HART SUBDIVISION FOR THE NORTHEAST CORNER AND POINT OF BEGINNING OF THIS TRACT;

THENCE, WITH THE WEST RIGHT-OF-WAY LINE OF POQUITO STREET, BEING THE EAST LINE OF SAID W. D. HART SUBDIVISION S09°00'00"E, 640.00 FEET TO A POINT AT THE INTERSECTION OF SAID WEST RIGHT-OF-WAY LINE OF POQUITO STREET AND THE NORTH RIGHT-OF-WAY LINE OF YALE STREET, BEING THE SOUTHEAST CORNER OF SAID W. D. HART SUBDIVISION FOR THE SOUTHEAST CORNER OF THIS TRACT;

THENCE, WITH THE NORTH RIGHT-OF-WAY LINE OF YALE STREET AND THE SOUTH LINE OF SAID W. D. HART SUBDIVISION S81°00'00"W, 152.00 FEET TO A POINT BEING THE SOUTHWEST CORNER OF SAID W. D. HART SUBDIVISION AND THE SOUTHEAST CORNER OF THAT TRACT OF LAND DESCRIBED AS THE 2ND TRACT, CONVEYED TO THE HOUSING AUTHORITY OF THE CITY OF AUSTIN FROM T. J. CALDWELL, ET AL, AS RECORDED IN VOLUME 593, PAGE 467 OF THE DEED RECORDS OF TRAVIS COUNTY, TEXAS;

THENCE, WITH THE SOUTH LINE OF SAID T. J. CALDWELL 2ND TRACT THE FOLLOWING THREE (3) COURSES:

(1) S81°00'00"W", 6.26 FEET TO A POINT IN THE EAST LINE OF LOT 7, BLOCK B2 OF THE COLLEGE HEIGHTS ANNEX, AS RECORDED IN BOOK 3, PAGE 51 OF THE PLAT RECORDS OF TRAVIS COUNTY, TEXAS;

(2) N10°00'00"W, 2.10 FEET TO A POINT AT THE NORTHEAST CORNER OF LOT 7 BLOCK B2 OF SAID COLLEGE HEIGHTS ANNEX;

(3) WITH THE NORTH LINE OF SAID COLLEGE ANNEX, S81°07'00"W, 587.40 FEET TO A POINT IN THE EAST RIGHT-OF-WAY LINE OF CHICON STREET, BEING THE NORTHWEST CORNER OF LOT 1, BLOCK A OF SAID COLLEGE HEIGHTS ANNEX AND THE SOUTHWEST CORNER OF SAID T.J. CALDWELL 2ND TRACT FOR THE SOUTHWEST CORNER THIS TRACT;

THENCE, WITH THE EAST RIGHT-OF-WAY LINE OF CHALMERS STREET N23°12'00"E, PASSING AT 386.92 FEET THE NORTHWEST CORNER OF SAID T. J. CALDWELL 2ND TRACT, A TOTAL DISTANCE OF 752.44 FEET TO A POINT AT THE INTERSECTION OF SAID RIGHT-OF-WAY LINE OF CHICON STREET AND THE SOUTH RIGHT-OF-WAY LINE OF ROSEWOOD AVENUE FOR THE NORTHWEST CORNER OF THIS TRACT;

THENCE, WITH THE SOUTH RIGHT-OF-WAY LINE OF ROSEWOOD AVENUE N81°00'00"E, PASSING AT 103.10 FEET THE NORTHWEST CORNER OF THAT TRACT OF LAND DESCRIBED AS THE 1ST TRACT, CONVEYED TO THE HOUSING AUTHORITY OF THE CITY OF AUSTIN BY T.J. CALDWELL, ET AL, AS RECORDED IN VOLUME 593, PAGE 467 OF THE DEED RECORDS OF TRAVIS COUNTY, TEXAS, PASSING AT 192.75 THE NORTHEAST CORNER OF SAID 1ST TRACT, ALSO BEING THE NORTHEAST OF SAID W.D. HART SUBDIVISION, A TOTAL DISTANCE OF 344.75 FEET TO THE POINT OF BEGINNING, AND CONTAINING 7.99 ACRES OF LAND, MORE OR LESS.

EXHIBIT “A-2”

PROPERTY DEPICTION

[attached]



- SITE AND AMENITY LEGEND**
- A. RECLAIMED CITY-OWNED ROW (0.07 ACRES)
 - B. PLAZA
 - C. LAWN
 - D. COVERED PAVILION WITH SEATING AREA
 - E. RAISED ENTRY DRIVE
 - F. RAIN GARDEN
 - G. BARBECUE GRILLS
 - H. ACCESSIBLE ROUTE WITH LIGHTED PATHWAY
 - I. ENCLOSED SUN PORCH / COVERED PATIO
 - J. COVERED PLAYScape

- LEGEND**
- SERVICE AREA
 - VISITOR CENTER
 - AMENITY SPACE
 - 1 BR UNIT
 - 2 BR UNIT
 - 3 BR UNIT
 - 4 BR UNIT
 - NOT IN SCOPE

PARKING
 158 TOTAL SPACES
 21 ACCESSIBLE SPACES INCLUDING 4 VAN SPACES

CITY OF AUSTIN PARKING REDUCTIONS PER AFFORDABILITY UNLOCKED DEVELOPMENT BONUS PROGRAM

ORDINANCE NO. 20190509-027, SECTION 25-6-471 (J)

SITE ACREAGE
 7.10 ACRES

PROPERTY IS NOT WITHIN A FLOOD PLAIN

NO EASEMENTS ON SITE

STACKED DETENTION PROVIDED; RAIN GARDENS TO MEET COA WATER QUALITY REQUIREMENTS

REFER TO RECAP SHEET FOR ADDL PROJECT DATA

budget

Relocation Plan for Pathways at Rosewood Courts East



Prepared for Pathways at Rosewood Courts East

By CVR Associates Inc.

February 1, 2021

Table of Contents

Introduction	4
I. Project Location and Description	5
A. Location	5
B. Project Description	8
C. General Area Demographic and Housing Characteristics	8
II. Relocation Needs Assessment	10
A. Housing Mix	10
B. Project Rents	10
C. Occupancy and Overcrowding	10
D. Tenant Income Information	11
E. Replacement Housing Needs	12
F. Resident Race and Ethnicity	12
G. Household Disabilities and Senior Households	13
III. Housing Resources	13
A. Concurrent Displacement	13
IV. Relocation Program	13
A. Program Objectives, Standards and Assurances	13
B. Relocation Advisory Assistance	14
C. Relocation Financial Assistance	15
1. Residential Moving Expense Payments	15
2. Rental Assistance to Tenants Who Choose to Rent	16
3. Down payment Assistance to Tenants Who Choose to Purchase	17
4. Last Resort Housing	17
D. The Relocation Process	17
E. Return to Project	18
F. Over-Housed Tenants	18
G. Post-Occupancy in Overcrowded Units	19
H. Termination of Lease During Relocation	19
I. Record Keeping	19
J. Relocation Tax Consequences	19
K. Grievance Procedures	19
L. Eviction Policy	20
M. Immigration Status	20

N. Citizen Rights and Participation	20
O. Non-Discriminatory Statement	21
P. Project Timing.....	21
Q. Estimated Relocation Costs.....	21
Appendices.....	22
Appendix A	22
HUD 2020 Income Limits - County of Travis, Austin-Round Rock, TX	22
Appendix B	23
Moving Allowance Schedule.....	23
Appendix C	24
GENERAL INFORMATION NOTICE.....	24
NOTICE OF ELIGIBILITY FOR URA RELOCATION ASSISTANCE.....	27
NOTICE OF NON-DISPLACEMENT TO RESIDENTIAL TENANT	30
90-DAY NOTICE TO VACATE	31

List of Figures

Figure 1: Regional Project Site Setting	6
Figure 2: Rosewood Courts Site	7
Figure 3: Aerial View of Project Vicinity	7

List of Tables

Table 1: 2019 ACS Population- City of Austin and Impacted Tract.....	8
Table 2: 2010 Census Housing Units - City of Austin and Impacted Tract.....	9
Table 3: Housing Units and Bedroom Sizes (124 Units)	10
Table 4: Tenant Income Levels (122 Households)	12
Table 5: Race and Ethnicity Information (249 Individuals)	12
Table 6: Sample Computation of Rental Assistance Payments	16

Introduction

At Pathways at Rosewood Courts East, an affiliate of the Housing Authority of the City of Austin (HACA), resident opportunity and well-being through improved housing is paramount. HACA is a public entity that was formed in 1937 to provide federally subsidized housing and housing assistance to low-income families within the Austin, Texas area. HACA owns and manages a variety of affordable housing units and administers Section 8 Housing Assistance Vouchers, along with a myriad of supportive service programs for its residents.

HACA dedicates itself to creating and sustaining affordable housing communities and partnerships that inspire self-reliance, growth and optimism. HACA is a public agency whose business is to:

- Revitalize its affordable housing assets, seek additional rental assistance vouchers, and advance innovative affordable housing solutions;
- Promote individual responsibility and high expectations, and foster results-based community partnerships and programs focused on workforce development, wellness, safety and education;
- Ensure a resident, partner and customer focused environment where all are treated with dignity and respect;
- Invest in its staff, ensure accountability and effective communication, and promote an innovative, healthy and safe work environment, with training and leadership development opportunities; and
- Pursue new funding sources and entrepreneurial opportunities, ensure responsible stewardship, maximize efficiency and promote environmentally friendly initiatives.

The following relocation plan has been prepared for Pathways at Rosewood Courts East to be redeveloped through a submission to the Texas Department of Housing and Community Affairs (TDHCA) and their 9% tax credit program and other funding agencies, as necessary. The Plan is prepared in conformance with the applicable provisions of the Uniform Relocation Act (46 U.S.C. § 4600 et seq.), its implementing regulations (49 C.F.R. Part 24), the TDHCA Relocation Handbook and HUD Handbook 1378 (Guidelines). The subject of the Plan is the 124-unit Pathways at Rosewood Courts East (Project) being undertaken by HACA in partnership with Carleton Development, LTD. Seventeen of the property's 25 buildings will be demolished. The area will be rebuilt with the new construction of 164 units. The remaining 8 original buildings will undergo exterior restoration and full-scale interior renovation, yielding 20 units. This brings the total number of multifamily units to 184, an increase of 60 units overall.

Rosewood Courts was built in 1939 with 124 units. The complex consists of single-story, wheelchair ramp equipped units, as necessary, and two-story units. Available amenities include washer hookups, outdoor clothing lines, garden space for residents' personal use, extremely limited off-street resident parking, children's playground, daycare close to property, and adult job training/placement services. The units range from 0 to 4 bedrooms and are designated for low-income individuals and families where rents do not exceed 30% of household monthly adjusted income, and incomes do not exceed 80% of the Austin MSA Median Family Income limits.

The existing affordable multi-family residential development is constructed of cinder block with stucco facade. Heating is provided by individual split systems consisting of electric central heating. Air conditioning is provided by offering each household one window AC unit. Each apartment unit has individually metered electric service paid by the resident. The water, sewer, trash and natural gas are also paid by HACA.

The statutory basis for this Plan arises from the anticipated need to displace the households from their Project units for the duration of redevelopment which may exceed 12 months, but not 18 months, as well as to identify relocation requirements, special needs and preferences for these households and the relocation assistance program HACA will follow. The Plan is presented in four sections:

Section I: General demographic data and Project description

Section II: Profile of tenants who may be affected

Section III: Description of available housing resources

Section IV: Description of the relocation assistance program

The existing Relocation Plan was revised by CVR Associates, Inc. (CVR) in order to meet the needs of the Rosewood Courts relocation efforts. CVR has multiple offices including Tampa, FL, Atlanta, GA, White Plains, NY, Gary, IN, Newark, NJ and Buffalo, NY and staff who reside across the country including Austin TX.

I. Project Location and Description

A. Location

The Project is located on Rosewood Avenue central east of downtown in the City of Austin, County of Travis, generally between Rosewood Avenue to the north, Poquito Street to the east, Chicon Street to the west, and just beyond Cornell Street and Yale Street on the south. The apartments associated with the Project are located approximately 1.6 miles East of the 35 Interstate Freeway, and approximately 8 miles north of the Austin Bergstrom International Airport. (see Figure 1 for Regional Location Setting, Figure 2 for Specific Site Location and Figure 3 for Aerial Project View).

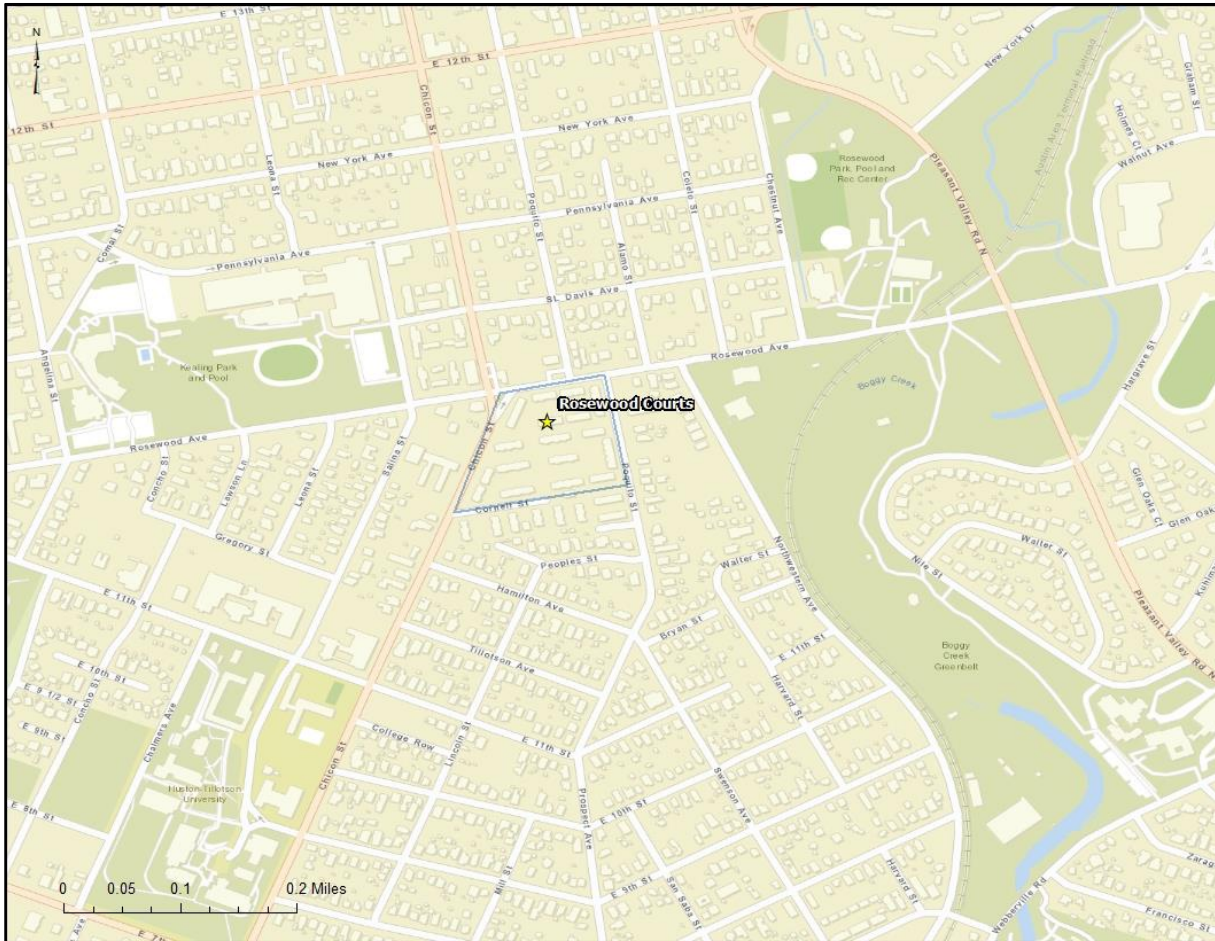


Figure 1: Regional Project Site Setting

Specific location of Rosewood Courts is on Chicon Street in Austin, Texas. The property is situated in a predominantly residential neighborhood, with the Kealing Park and Kealing Jr. High School immediately adjacent to the West, as well as Blackshear Elementary School and Huston-Tillotson University within walking distance. The property is served by Bus Lines 17, 21, and 2.

Figure 2: Rosewood Courts Site

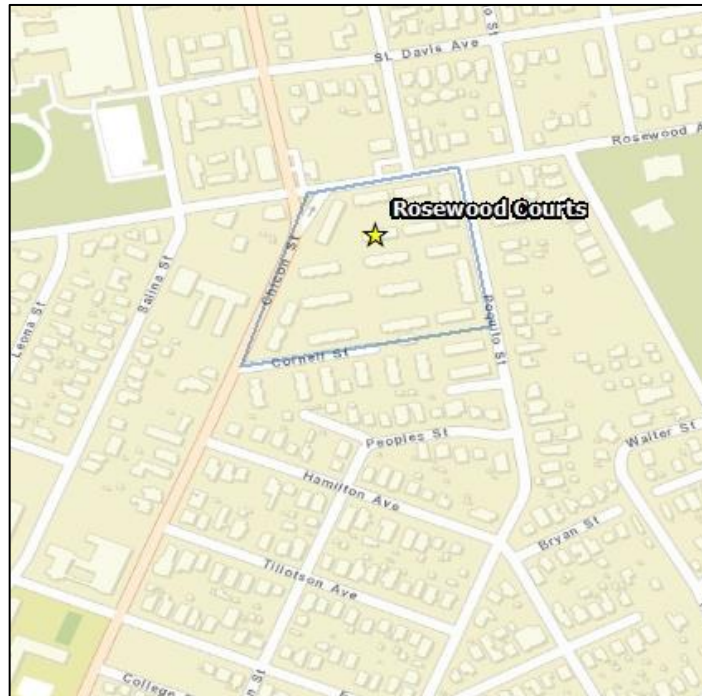
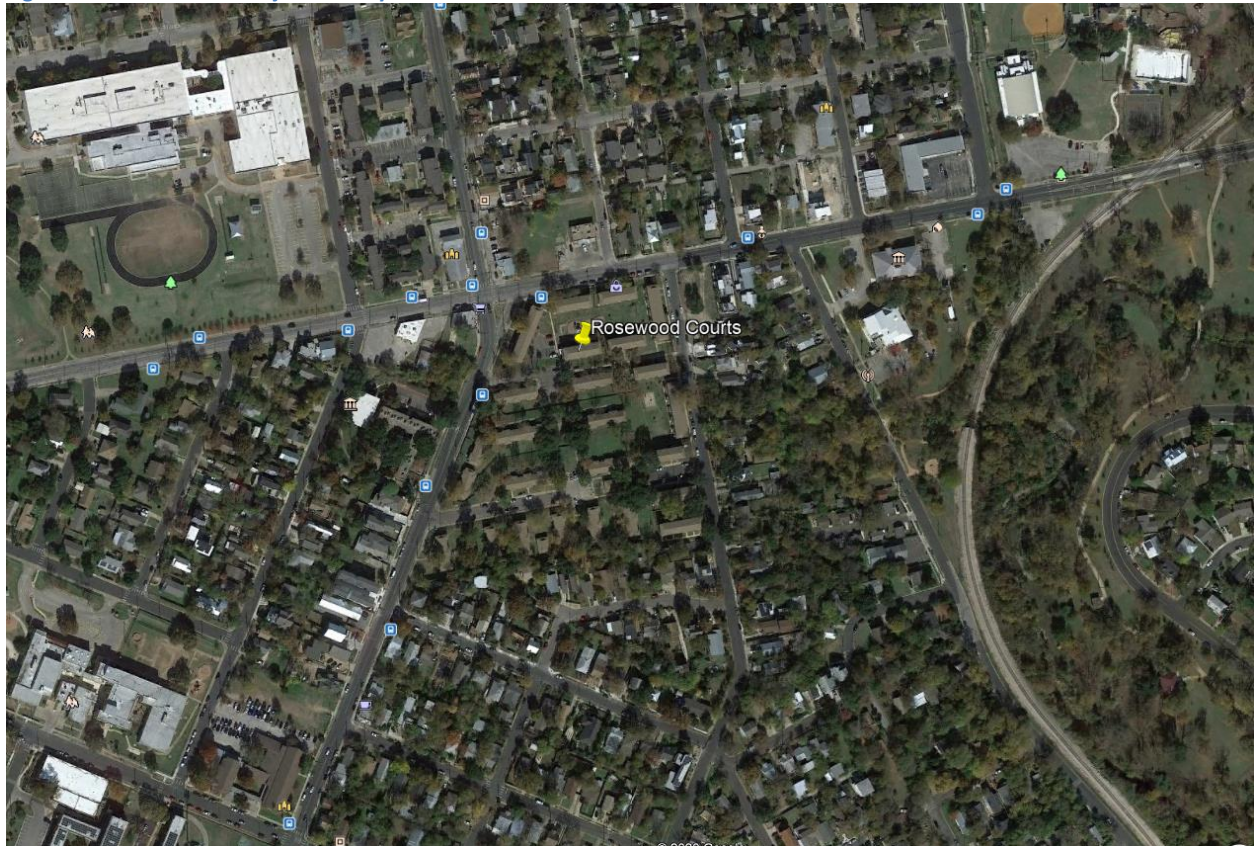


Figure 3: Aerial View of Project Vicinity



B. Project Description

As a Public Housing Authority, HACA has an Annual Contributions Contract (ACC) with HUD to administer both the Conventional Public Housing program and the Housing Choice Voucher program. After conversion through RAD to the Project Based Rental Assistance program, HACA has signed a Housing Assistance Payment (HAP) contract with HUD for the Pathways at Rosewood Courts East and is receiving subsidy from HUD via the voucher system.

The intent of the redevelopment of this property is to improve both the living conditions and the quality of life for the residents who reside at the property, as well as better utilize the property by increasing density and adding 60 more units. To successfully complete the redevelopment, residents will be required to relocate off-site. Since the new construction and renovations will not be completed within 12 months, HACA will provide temporary relocation benefits and offer permanent relocation benefits to residents if the construction exceeds 12 months. The residents will have the option to be temporarily relocated into the newly constructed Chalmers West and Chalmers East which are two recently developed properties that are located 1 mile away as well as being offered the opportunity to be relocated through the Housing Choice Voucher Program or to other Affordable Housing Properties owned by HACA. Relocated tenants will be given the first right to return to the Project upon the completion of construction. HACA cares about the impact this relocation and construction work will have on the lives of residents while the Project is underway. To that end, HACA created this relocation plan in conformity with Fair Housing laws and guidance to address the residents' needs during relocation in a manner to minimize disruption of residents' daily lives.

The Project is categorized as Full Redevelopment, due to the need to tear down the existing buildings (with the exception of 8 buildings that will remain at the site for historical purposes) and construct new apartments with added density. HACA guarantees that all residents will have the right to return to the property.

C. General Area Demographic and Housing Characteristics

According to the 2019 American Community Survey (ACS), the population of the City of Austin was 950,807 and the population of the impacted Census Tract 8.04 was 2,658 (see Table 1). Corresponding Census data concerning the housing mix are shown in Table 2.

Table 1: 2019 ACS Population- City of Austin and Impacted Tract

Population	Tract 8.04	%	City	%
Total Population	2,658	100.0	950,807	100.0
White	1,497	56.3	690,572	72.6
Black or African American	777	29.2	74,441	7.8

American Indian and Alaskan Native	44	1.7	6,289	0.7
Asian	62	2.3	72,133	7.6
Native Hawaiian and Other Pacific Islander	0	0.0	524	0.1
Some other Race	130	4.9	73,876	7.8
Two or More Races	148	5.6	32,972	3.5
Hispanic or Latino (of Any Race)	1,036	39.0	322,458	33.9

Source: U.S. Census Bureau, American Community Survey 5-Year Estimates, 2019

Table 2: 2010 Census Housing Units - City of Austin and Impacted Tract

Housing	Tract 9.02	%	City	%
Total Units	1,141	100.0	442,388	100.0
Occupied Housing Units	1,025	89.8	409,903	92.7
Vacant Housing Units	116	10.2	32,485	7.3
Homeowner Vacancy Rate	3.5	-	0.8	-
Rental Vacancy Rate	2.3	-	5.2	-
Owner-Occupied	440	42.9	182,068	44.4
Renter-Occupied	585	57.1	227,835	55.6
Median Rooms per Housing Unit	4.4	-	4.5	-
Average Household Size of Renter-Occupied Unit	2.18	-	2.18	-

Source: U.S. Census Bureau, American Community Survey 5-Year Estimates, 2019

II. Relocation Needs Assessment

This Plan provides the results of a needs assessment survey, their incorporation into the planning process, and details of HACA's proposed relocation program. This Plan sets forth policies and procedures necessary to conform to federal and state statutes and regulations for temporary and permanent residential displacements.

To obtain information necessary for the implementation stage of this Plan, interviews will be conducted with the current residents on the Project site prior to any relocation activities. Inquiries to be made of the occupants will include household size and composition, ages of occupants, rental and income information, length and type of occupancy, ethnicity, primary language in the home, disabilities, health problems, identification of other special needs and preferences related to replacement housing and location. Information for this Plan was provided by HACA and has been verified as of January 29, 2021 by examining current rent roll, property information and tenant data. There are currently 122 occupied and 2 vacant units within the Project. Any tenant data that is incomplete or missing and is not available as of the preparation of this Plan, will be obtained prior to commencement of any relocation activities.

A. Housing Mix

The property consists of 124 apartment units as follows: 8 zero-bedroom, 48 one-bedroom units, 150 two-bedroom units, 12 three-bedroom units and 6 four-bedroom units.

Table 3: Housing Units and Bedroom Sizes (124 Units)

No. of Bedrooms	Zero	One	Two	Three	Four
No. of Units	8	48	50	12	6

B. Project Rents

The Project Contract unit rents are \$547 for a zero-bedroom, \$666 for a one-bedroom, \$833 for a two-bedroom, \$1,125 for a three-bedroom unit and \$1,363 for a four-bedroom unit. There are currently no market-rate units located at this Project.

C. Occupancy and Overcrowding

The Project site consists of 248 individuals among 122 households. The average household size is 2 persons per unit.

HACA's occupancy standards will be utilized. Generally, the standards are as follows:

- Generally, there is a maximum of 2 people per bedroom. The owner/agent does not determine who shares a bedroom.

- The family is given the choice of which bedroom size is appropriate for their family, as long as the number of family members is within the range listed in the Tenant Selection Plan.
- Once the family has selected an eligible bedroom size, they will be placed on the waiting list for that bedroom size. Changes to the bedroom size cannot be made unless a qualifying event occurs. Qualifying events include:
 - Changes in the family composition (removing or adding household members) which result in the family no longer being eligible for the chosen bedroom size.
 - Changes in the ages of the children, resulting in 2 children of the opposite sex, with one at least 7 years of age. These children will not be required to share a bedroom.
 - Changes in family composition adding persons of different generations (grandparent, grandchild, parent, etc.). These family members will not be required to share a bedroom.
 - Need for a different bedroom size as a reasonable accommodation for a disability.
- Authorized live-in aides will be allocated a separate bedroom. No additional bedrooms will be provided for the live-in aide's family.
- Anticipated children will be included. Anticipated children include:
 - Children expected to be born to a pregnant woman;
 - Children in process of being adopted by an adult family member;
 - Children whose custody is being obtained by an adult family member;
 - Foster children who will reside in the unit;
 - Children who are temporarily in a foster home who will return to the family; and
 - Children in joint custody arrangements who are present in the household 50% or more of the time.
- A household that contains a family member (not the head of household or spouse) who is enrolled as a full-time student at an institution of higher learning and who is on the lease will be counted for the purposes of establishing occupancy standards for unit size if:
 - the family member is enrolled and actively attending a two-year or four-year college or university; and
 - the family member resides in the public housing unit during school breaks and holidays.

Any household placed in a unit size different from that defined in these Occupancy Standards shall agree to transfer to an appropriate size unit at the same property when one becomes available. Once an appropriate size unit is offered to the family, they have 30 days to complete the transfer or lose their subsidy.

D. Tenant Income Information

Income information was available for all 122 of the Project households. According to the income levels for the Travis County, Texas, adjusted for family size as published by City of Austin, Neighborhood Housing and Community Development Office (NHCD) based on the formula used by HUD, on July 1, 2020 (see **Appendix A**), 115 households qualify as extremely low income (30% or less of area median), six households qualify as very low income (31%-50% of area median), and one household qualifies as low income (51%-80% of area median).

Table 4: Tenant Income Levels (122 Households)

Income Level	Extremely Low	Very Low	Low	Moderate
No. of Households	115	6	1	0

E. Replacement Housing Needs

Replacement housing needs, as expressed in this Plan, are defined by the total number of required replacement units and the distribution of those units by bedroom size. The projected number of required units by bedroom size is determined by comparing household size with HACA's replacement housing occupancy standards and general rental market standards at the time of displacement. These standards, generally, allow for up to two persons in a one-bedroom unit, four persons in a two-bedroom unit, six persons in a three-bedroom unit and eight persons in a four-bedroom unit.

Relocation activities will consider individual household needs to be close to public transportation, employment, schools, public/social services and agencies, recreational services, parks, community centers, or shopping. The HACA staff will, through its relocation representatives, assure that sufficient replacement housing units exist in compliance with the decent, safe, and sanitary requirements, prior to displacing any residential households. Permanently displaced households will require replacement units that are similar in size to the Project units.

Chalmers South, Chalmers East and Chalmers West properties , has been designated as best replacement property for the Project tenants during the relocation time. The unit mix is sufficient, and all residents except for one, are under 60% of the AMI.

F. Resident Race and Ethnicity

The race and ethnic distribution among the Project residents are listed in the table below.

Table 5: Race and Ethnicity Information (249 Individuals)

Race	White	Black / African American	Other	Native American
No. of Individuals	70	120	57	1
Ethnicity	Hispanic		Non-Hispanic	
No. of Individuals	119		129	

Relocation assistance information and counseling will be provided in the primary language of the Project occupants, in order to assure that all occupants obtain a complete understanding of the relocation program and eligible benefits.

G. Household Disabilities and Senior Households

Senior household is defined as a household with a head of household or spouse who is 62 years of age or older. There are 28 senior households in the Project among 122 households, and 80 individuals within the property have reported some type of disability. The nature and severity of the disabilities are unknown and will be determined at the time of personal interviews with all residents. The presence of disabilities will be considered at the time of displacement to the extent it may affect the physical move and necessary accommodations. HACA pledges to provide appropriate special care for households requiring additional assistance due to disabilities.

III. Housing Resources

In planning the Project, HACA carefully phased the redevelopment of their affordable housing portfolio to ensure the best possible replacement housing units are available for the Project tenants. HACA's recently constructed Chalmers East and South properties have completed construction and Chalmers West property will complete construction prior to the relocation activities at Pathways at Rosewood Courts East, in which either property will provide the ideal mix of units for Project residents.

HACA will provide residents with three options for the replacement housing: relocation assistance to the Pathways at Chalmers Courts Properties (East/South/West), available units within HACA's Affordable Housing Properties, or through the use of a Housing Choice Voucher. Housing availability is not expected to be a factor in the relocation process.

A. Concurrent Displacement

HACA does not anticipate any other project to be undergoing rehabilitation at the same time as Pathways at Rosewood Courts East that would compete for available replacement units at the Pathways at Chalmers Court Properties.

IV. Relocation Program

The relocation program and assistance offered by HACA will conform to provisions of the federal and state law and guidelines, as appropriate.

A. Program Objectives, Standards and Assurances

It is HACA's objective to fully inform eligible Project occupants of the nature of the relocation activities, timing, and procedures for obtaining relocation assistance and benefits. In the scope of the relocation, HACA staff or its hired relocation consultant will:

- Determine the needs of each residential household eligible for assistance.
- Provide adequate information and assistance to move to another Affordable Housing unit provided by HACA; or to utilize a Housing Choice Voucher, or to utilize the maximum relocation assistance payment for down payment on a purchase of a home.
- Provide assistance that does not result in different, or separate treatment due to race, color, religion, national origin, sex, disability, creed, familial status, student status, marital status, sexual orientation, gender identity, age or other arbitrary circumstances.
- Supply information concerning federal and state governmental programs providing assistance to low income or disabled persons.
- Assist each eligible person to complete applications for benefits.
- Make relocation benefit payments in accordance with applicable guidelines.
- Inform all persons of HACA's property management policies including criteria for pursuing tenant evictions.

B. Relocation Advisory Assistance

As a function of the overall relocation assistance program, advisory assistance will be provided to all residents by HACA and contracted relocation representatives. The following services and tasks will be undertaken:

- Each household will be personally interviewed to gather information appropriate to determine needs and preferences with regard to the move. Inquiries made of residential occupants by relocation personnel will cover the following areas: family size, ethnic background, immigration status, age and health considerations, current employment status, family income, transportation needs, and preferences relative to replacement housing.
- Required notices will be provided to the residents including: The General Information Notice, Notice of Eligibility, Notice of Non-Displacement, 90-Day Notice and the Notice to Return will be provided to the residents.
- As soon as feasible, the relocation representative shall explain the relocation payments and other assistance for which households and individuals may be eligible, including related eligibility requirements and the procedures for obtaining such assistance.
- Assistance will be provided to complete appropriate forms and coordinate moving arrangements. All residents will be kept informed of Project timing and receive appropriate notice to prepare for required moves. Claims for compensable expenses associated with the relocation process will be processed expeditiously.
- Translation assistance will be provided, as needed.
- COVID-19 protocols will be in place to minimize the potential spread of the virus:
 - The number of staff in the office will be limited and relocation services will be provided remotely as need to minimize face to face interaction;
 - Staff shall be required to wear masks when interacting with residents and will disinfectant all areas utilized by staff daily;

- Staff will disinfect all areas that are touched by residents, including chairs, desks and common areas upon the completion of meeting with each resident;
- Residents who are interacting with staff will wear PPE when interacting with staff. If residents do not have PPE available, they will be provided to the resident to ensure the safety of both the residents and the staff.

Staff will practice social distancing when interacting with others and will work with residents utilizing various forms of communication, including but not limited to phone, text, video conferencing and email.

C. Relocation Financial Assistance

Currently, there is one resident who is over 60% of the AMI, while all other residents are under 60% of the AMI. Any resident who is over 60% of the AMI may not be eligible to return to the property. Additionally, if the relocation of the resident exceeds 12 months, HACA will provide full permanent relocation benefits to the displacees. In the course of personal interviews and follow-up visits, each displacee will be counseled as to available options and the consequences of any choice with respect to financial assistance.

Relocation benefits will be paid to eligible displacees upon submission of required claim forms and documentation in accordance with HACA's administrative procedures. HACA does not anticipate a need for advance payment requests which mitigate hardships for residential tenants who do not have access to sufficient funds to pay move-in costs, however, should the individual circumstances dictate a need for advanced payments, HACA will review and approve such requests expeditiously.

1. Residential Moving Expense Payments

All residential occupants to be relocated will be eligible to receive a payment for moving expenses. Moving expense payments will be made based upon the actual cost of a professional mover contracted by HACA or a fixed payment based on a room-count schedule.

Actual Cost - Professional Move

HACA will retain the services of a licensed professional mover, in which case HACA will pay for the actual cost of the moving services, based on the lowest of two acceptable bids. (HACA may, at its discretion, solicit competitive bids to determine the lowest, reasonable move cost.) After the move is complete, HACA will pay the mover directly.

In addition to the cost of the actual move, one-time expenses associated with utility re-connections (e.g., gas, water, electricity) will be eligible for reimbursement. Transportation costs will be limited to a distance of 50 miles, unless otherwise authorized by HACA. Utilities reconnection costs are not anticipated due to HACA made arrangement with the utility companies to waive any such costs for relocated tenants.

Fixed Payment - Based on Room Count Schedule

The displacee may, while taking full responsibility for the move, elect to receive a fixed payment for moving expenses based on a room count in the displacement dwelling. The fixed payment is a one-time, all-inclusive allowance that does not require back-up documentation. The current schedule for fixed moving payments is set forth in **Appendix B**.

HACA will also provide the same moving payments for return moves to Pathways at Rosewood Courts East upon completion.

2. Rental Assistance to Tenants Who Choose to Rent

A tenant displaced from a Project dwelling may be entitled to a Replacement Housing Payment in the form of rental assistance not-to-exceed \$7,200 for tenants (prior to consideration of eligibility for Last Resort Housing benefits - see Last Resort Housing), if the displacee:

- Generally, has actually and lawfully (i.e., have a lease and have been paying rent) occupied the displacement dwelling for at least 90 days immediately prior to the initiation of negotiations; and
- Has rented or purchased (as a result of the relocation process), and occupied a decent, safe, and sanitary replacement dwelling within one year (unless HACA extends this period for good cause) after the date he or she moves from the displacement dwelling.

Rental/Down payment assistance payment amounts are equal to 42 times the difference between the base monthly rental and the lesser of:

- The monthly rent and estimated average monthly cost of utilities for a comparable replacement dwelling; or
- The monthly rent and estimated average monthly cost of utilities for the decent, safe, and sanitary replacement dwelling actually occupied by the displaced person; or
- The total of the amount designated for shelter and utilities if receiving government subsidized assistance from a program that designated the amounts for shelter and utilities.

The base monthly rental for the displacement dwelling is the lesser of:

- The average monthly cost for rent and utilities at the displacement dwelling for a reasonable period prior to displacement, as determined by HACA. For households which paid little or no rent, fair market rent will be used as a substitute for actual rent; or
- Thirty percent (30%) of the displacee's monthly gross household income. If a displacee refuses to provide appropriate evidence of income or is a dependent, the base monthly rental shall be determined to be the average monthly cost for rent and utilities at the displacement dwelling.

Table 6: Sample Computation of Rental Assistance Payments

1. Old Rent	\$750	Old Rent (plus Utility Allowance)
- or -		

2. Ability to Pay	\$700	30% of Monthly Gross Household Income
3. Lesser of lines 1 and 2	\$700	
Subtracted from the lesser of:		
4. Actual New Rent	\$800	Actual New Rent (plus Utility Allowance)
- or -		
5. Comparable Rent	\$825	Set by HACA (plus Utility Allowance)
6. Lesser of lines 4 and 5	\$800	
7. Monthly Need Amount	\$100	Subtract line 3 from line 6
Rental Assistance	\$4,200	Multiply line 7 (Monthly Need) by 42 months

3. Down payment Assistance to Tenants Who Choose to Purchase

Residential displacees eligible to receive a rental assistance payment, may choose to utilize up to the full amount of their rental assistance eligibility (including any Last Resort benefits) to purchase a replacement dwelling, provided that the entire eligibility amount is used toward the down payment and eligible incidental closing costs. In the case of Down Payment Assistance claims, HACA will arrange for the deposit of the total rental assistance eligibility amount in an open escrow account. Provisions will be included in the escrow instructions to assure the prompt return of all HACA-provided funds in the event escrow is cancelled by either party or should fail to close within a reasonable period of time.

4. Last Resort Housing

HACA anticipates that it might be necessary to make rental assistance payments in excess of the statutory cap of \$7,200, to bridge the difference between tenants' ability to pay for current rent and the Pathways at Rosewood Court property. Rental assistance payments to low-income non-90-day tenants and rental assistance and replacement housing payment amounts in excess of the statutory caps are considered to be Last Resort Housing (LRH) payments.

HACA, at its discretion, may opt to pay LRH rental assistance payments on a periodic basis. Recipients of LRH rental assistance who intend to purchase rather than re-rent replacement housing have the right to request a lump sum payment of all benefits for the purpose of making a down payment and paying standard, non-recurring closing costs. Households receiving periodic payments may elect, at any time, to request a lump sum payment of all remaining benefits to assist with the purchase of a decent, safe and sanitary dwelling.

D. The Relocation Process

The general steps that will be required of HACA and the relocation team in implementation of the Relocation Plan:

- The relocation program will be carried out by the relocation consultants and overseen by HACA to ensure consistency in the application of the local policies and state and federal requirements.
- Pursuant to HUD requirements the General Information Notice (GIN) will be issued as soon as feasible by HACA.
- Several resident meetings have taken place with the resident at Rosewood over the past several years. HACA has conducted a total of 11 resident meetings to discuss the redevelopment of Rosewood, beginning in November 2016 through December 2019. As the process moves forward additional meetings will be scheduled to present and review the draft Relocation Plan and general Project timing.
- HACA prepared a preliminary relocation assumptions and budgets based on current Project occupancy and anticipated relocation costs.
- Relocation consultants will conduct assessments of each resident to develop an individual relocation plan, identify special needs and determine the level of assistance needed for each resident.
- A minimum of 90 days prior to the relocation of each tenant, the relocation consultants shall issue a 90 Day Notice to Vacate; the Notice of Non-Displacement and or the Notice of Eligibility of URA Relocation, as applicable, which shall include the offer of the HACA replacement unit.
- Relocation staff shall be responsible for tracking tenants during the relocation period and coordinating support services as needed; as well as communicating the Project completion schedule and counseling displacees of their choice of either returning to the Project or remaining in the replacement unit.

E. Return to Project

Residents who are staying out of their units for the duration of Project construction but decide to return to the Project instead of permanent relocation, will be provided notice of return to the covered project, of either 15% of the time the resident was located off site, or up to a maximum of 90 days.

Failure to complete the move when advised to do so shall result in termination of the right to return and termination of any further relocation assistance.

F. Over-Housed Tenants

Families that were over-housed prior to relocation and choose to return to the Project will be moved back to the Project to an appropriately sized unit if such units are available in the newly redeveloped project. If appropriately sized units are not available, an over-housed family will be housed in the smallest unit available in the Project that meets the family size. A family may continue to be over housed until they or another tenant leave the Project.

Over-housed families shall be right sized in the following order:

- Residents who may voluntarily request a smaller unit.
- Households with the greatest number of excess bedrooms shall be right sized to the smallest appropriate size unit available at the property.
- Households with the same number of excess bedrooms shall be right-sized based on length of tenancy beginning with the most recent lease dates of the initial move in at the property.

G. Post-Occupancy in Overcrowded Units

If a household will be overcrowded upon their return, they shall be housed in the largest unit available for their household size at the property.

Relocation consultants shall make every effort to complete the return moves for all tenants to an appropriate unit within the Project as described in this Plan.

H. Termination of Lease During Relocation

A material breach of the lease agreement or temporary housing lease agreement and failure to correct such breach, within the stated notice requirements under the lease, state law or federal regulation may result in eviction action during the temporary relocation period, which would disqualify the resident from returning to Pathways at Rosewood Courts East upon completion of the construction.

I. Record Keeping

HACA and their relocation consultant shall be responsible for all records related to the resident relocation process, including General Information Notice. Records and documentation shall be kept in sufficient detail to demonstrate compliance with all TDHCA and URA requirements. Such records shall include all notices and claim forms including evidence of payment of claims and shall be retained for at least three years after the latest date of (1) the issuance of all payments to affected tenants;(2) the date of project completion; or (3) resolution of all issues resulting from litigation, negotiation, audit, or other action.

J. Relocation Tax Consequences

In general, relocation payments are not considered income for the purpose of the Internal Revenue Code of 1968, or the Personal Income Tax Law, Part 10 of the Revenue and Taxation Code. Displaced persons are encouraged, however, to consult with personal tax advisors concerning the tax consequences or social service providers to obtain information concerning the tax consequences associated with relocation payments.

K. Grievance Procedures

HACA's Grievance Policy follows the standards described in section 24.10 of the Uniform Act. All displaced persons have the right to ask for administrative review concerning determinations of eligibility; relocation payment amount; the failure by HACA to provide comparable temporary housing referrals; or HACA property management practices.

L. Eviction Policy

HACA recognizes that eviction is permissible only as a last resort and that relocation records must be documented to reflect the specific circumstances surrounding any eviction. Eviction will only take place in cases of nonpayment of rent, serious violation of the rental agreement, a dangerous or illegal act in the unit, or if the household refuses all reasonable offers to move. Eviction will not affect the eligibility of a person legally entitled to relocation benefits. However, legal action to evict shall be undertaken for tenant refusal to cooperate with the relocation program and refusal of all offered replacement housing without good cause.

M. Immigration Status

Federal legislation (PL105-117) prohibits the payment of relocation assistance benefits under the Uniform Act to any non-citizen not lawfully present in the United States unless such ineligibility would result in an exceptional and extremely unusual hardship to the alien's spouse, parent, or child any of whom is a citizen, or an alien admitted for permanent residence. Exceptional and extremely unusual hardship is defined as significant and demonstrable adverse impact on the health or safety, continued existence of the family unit, and any other impact determined by the overseeing government authority to negatively affect the alien's spouse, parent or child.

In order to track and account for relocation assistance and benefit payments, relocation staff will be required to seek immigration status information from each displacee 18 years and older by having them self-certify as to their legal status.

N. Citizen Rights and Participation

HACA will fully meet its obligations under the Relocation Guidelines with respect to the following activities:

- **Right to Return.** Any residents who are relocated to facilitate redevelopment or construction and are both income eligible and remain in good standing, will have a right to return to an assisted unit at the Project once construction is completed. Where the transfer of assistance to a new site is warranted and approved, residents of the Project will have the right to reside in an assisted unit at the new site once rehabilitation or construction is complete. Residents of a property may voluntarily accept HACA's offer to permanently relocate to another assisted unit, and thereby waive their right to return to the Project after rehabilitation or construction is completed.

O. Non-Discriminatory Statement

Residents who are relocated as a result of the Project redevelopment shall be relocated to other decent, safe, sanitary and affordable housing on a non-discriminatory basis without regard to race, color, religion, creed, national origin, handicap, age, familial status, sex, sexual preference, sexual orientation or gender identity and in compliance with federal, state and local laws.

P. Project Timing

It is anticipated that HACA will submit the tax credit application in the first quarter of 2021. Once funding is secured, the construction is not scheduled to begin until the 1st quarter of 2022 or not until after the completion of Chalmers Court West property is ready for occupancy.

Q. Estimated Relocation Costs

The Project will be funded through 9% Low Income Housing Tax Credits. The estimate of relocation benefits is based on available tenant data and current market rents for adequately sized replacement units.

Estimated relocation costs for the Project, including 10% contingency, are \$571,308.

Appendices

Appendix A

HUD 2020 Income Limits - County of Travis, Austin-Round Rock, TX

The following figures are approved by the U. S. Department of Housing and Urban Development (HUD) for use in the County of Travis to define and determine housing eligibility by income level.

Area Median - \$97,600			
Household Size	Extremely Low	Very Low	Low
One Person	\$20,550	\$34,200	\$54,700
Two People	\$23,450	\$39,050	\$62,500
Three People	\$26,400	\$43,950	\$70,300
Four People	\$29,300	\$48,800	\$78,100
Five People	\$31,650	\$52,750	\$84,350
Six People	\$35,160	\$56,650	\$90,600
Seven People	\$39,640	\$60,550	\$96,850
Eight People	\$44,120	\$64,450	\$103,100

Figures are per the huduser.gov, based on the formula used by HUD, April 1, 2020.

Appendix B

Moving Allowance Schedule

Unfurnished Dwelling (Tenant Owns Furniture)	
Room Count	Amount
One	\$600
Two	\$800
Three	\$1,000
Four	\$1,200
Five	\$1,400
Six	\$1,600
Seven	\$1,750
Eight	\$1,900
Each additional	\$150
Furnished Dwelling (Tenant Does Not Own Furniture)	
Room Count	Amount
One	\$400
Two	\$450
Each additional	\$50

Effective: August 24, 2015

Appendix C

GENERAL INFORMATION NOTICE

Date

Dear Resident,

The Housing Authority of the City of Austin (HACA) is excited to inform you that we are starting the planning process for improving Pathways at Rosewood Courts East, where you currently live. As a resident at a HACA property, we want you to know that you are our highest priority. HACA is considering renovation or redevelopment of Pathways at Rosewood Courts East because we believe that it will improve the quality of life for you and all residents. Therefore, HACA seeks your continued feedback on what physical improvements would make Rosewood Courts a better home for your family.

This discussion is happening as part of HACA's redevelopment efforts of their Affordable Housing Portfolio. The redevelopment of these properties provides tools and resources to make improvements to the property that will also directly improve the quality of life of our residents. As you heard at the resident meeting, redevelopment of affordable properties is really about PIC – Protections, Improvements and Choice:

P - Protections

Your assistance is protected. You will not lose housing assistance because of the redevelopment. HACA will maintain resident service programs focused on education, employment, health and wellness

I - Improvements

New kitchens, bathrooms, appliances, flooring, washer / dryer access, playground covers or more as needed – this will vary from property to property
Better living spaces will improve your quality of life

C - Choice

You will have choices in the changes that are made at your property
You will have new choices about where you live through site-based waiting lists

Due to the significant improvements that are needed at Rosewood Courts, families will need to be temporarily relocated during the construction work. As part of any potential relocation, HACA wants to assure residents of additional protections available to you. HACA will have a Tenant Protection Team that will assist you through the entire process to help you successfully relocate and return to Rosewood Courts. The team will find the relocation housing and HACA will pay for relocation costs.

The earliest any construction / renovation may start is Spring 2022. There will be several more resident meetings before anything starts. You will also receive several notices prior to commencement of construction.

While we still do not know the extent of the improvements, HACA is required to inform you of the following:

This notice serves to inform you of your *potential* rights under a federal law known as the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA).

Based on the preliminary plans for renovation, residents may be relocated for more than 12 months. If you are relocated for more than 12 months, you may become eligible for relocation assistance and payments under the URA, including:

- **Relocation advisory services that include referrals to replacement properties, help in filing payment claims and other necessary assistance to help you successfully relocate;**
- **At least 90 days' advance written notice of the date you will be required to move;**
- **Payment for moving expenses; and**
- **Payments to enable you to rent similar replacement housing.**

NOTE: Persons not lawfully present in the United States are not eligible for URA relocation assistance, unless such ineligibility would result in exceptional and extremely unusual hardship to a qualifying spouse, parent, or child as defined at 49 CFR 24.208(h). While such persons are not eligible for relocation assistance, they are still eligible to return to the property after renovations are complete. All persons seeking relocation assistance will be required to certify that they are a United States citizen or national, or an immigrant lawfully present in the United States.

All eligible residents who are currently occupying the property have the right to return to the property after the work is complete. You will be able to occupy a newly renovated or reconstructed unit at Pathways at Rosewood Courts East when the work is complete.

HACA is not planning any permanent relocation for residents of Rosewood Courts. However, if this changes and you are permanently displaced, you will not be required to move until you are given at least 90-day advance written notice of any required move and at least one comparable replacement dwelling has been made available to you.

If you are temporarily relocated and your temporary relocation lasts more than one year, you will be contacted and offered permanent relocation assistance as a displaced person under the URA. This assistance would be in addition to any assistance you may receive in connection with temporary relocation and will not be reduced by the amount of any temporary relocation assistance you have already received.

If you are required to relocate from the property, HACA will provide the following:

Advanced written notice;

- Information about assistance and payments you are eligible to receive and how you will receive them;
- Reasonable assistance necessary to complete and file any required claims for relocation payments;
- The right to appeal a determination on your eligibility for relocation assistance.

This is not a notice of eligibility for relocation assistance.

You should continue to pay your rent and meet any other requirements specified in your lease. If you fail to do so, HACA may have cause for your eviction. If you choose to move, or if you are evicted, prior to receiving a formal notice of relocation eligibility, you may become ineligible to receive relocation assistance. It is very important for you to contact us before making any plans to move.

You will be contacted soon so that we can provide you with more information about the proposed project. If the project is approved, we will make every effort to accommodate your needs. In the meantime, if you have any questions about our plans, please contact HACA at:

Address: 1124 S IH 35

Austin, TX 78704

Email: rosewood@nomail.com

Phone: 1-800-HACA-TBD (1-800-422-2TBD)

Website: www.hacarosewood.org

This letter is important to you; please keep a copy for your records.

Sincerely,

Name

Title

NOTICE OF ELIGIBILITY FOR URA RELOCATION ASSISTANCE

Date

Name

Address

Austin, TX 78702

Dear Residents:

On GIN Date, the Housing Authority of the City of Austin (HACA) , notified you of proposed plans to rehabilitate and redevelop the property you currently occupy at Rosewood Court for a project which could receive funding assistance from Texas Department of Housing and Community Affairs (TDHCA) under the Low-Income Housing Tax Credit program. On (date), the project was approved and will receive federal funding.

It has been determined that the redevelopment of Rosewood Courts will exceed 12 months and while you will have an opportunity to return to the project upon completion, you will be offered full permanent displacement option. Since you are being displaced in connection with this federally funded project, you will be eligible for relocation assistance and payments under the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA).

This is your Notice of Eligibility for relocation assistance

The effective date of your eligibility is _____. (date of Initiation of Negotiations)

Pursuant to Public Law 105-117, aliens not lawfully present in the United States are not eligible for relocation assistance, unless such ineligibility would result in exceptional hardship to a qualifying spouse, parent, or child. All persons seeking relocation assistance will be required to certify that they are a United States citizen or national, or an alien lawfully present in the United States.

To carry out the project, it will be necessary for you to move. However, you do not need to move now. You will be provided written notice of the date by which you will be required to move. This date will be no less than 90 days from the date comparable replacement housing has been made available to you.

Enclosed is a brochure entitled, "Relocation Assistance to Tenants Displaced from Their Homes." Please read the brochure carefully. It explains your rights and provides additional information on eligibility for relocation payments and what you must do in order to receive these payments.

The relocation assistance to which you are entitled includes:

Relocation Advisory Services. Including counseling and other assistance to help you find another home and prepare to move.

Payment for Moving Expenses. You may choose: (1) a payment for your actual reasonable moving and related expenses, or (2) a fixed moving payment in the amount of \$_____based on the URA Fixed Residential Moving Cost Schedule, or (3) a combination of both.

Replacement Housing Payment. You may be eligible for a replacement housing payment to rent or buy a replacement home. The payment is based on several factors including: (1) the monthly rent and cost of utility services for a comparable replacement dwelling, (2) the monthly rent and cost of utility services for your present home, and (3) for low-income persons, 30 percent of your average monthly gross household income. This payment is calculated on the difference in the old and new housing costs for a one-month period and multiplied by 42.

Listed below are three comparable replacement dwellings that you may wish to consider for your replacement home. If you would like, we can arrange for you to inspect these and other replacement dwelling.

Address	Rent & Utility Costs	Contact Info
1. Rosewood #111	\$858	HACA
2. Rosewood #222	\$858	HACA
3. Rosewood #333	\$858	HACA

We believe that the dwelling located at No (1,2,3) __ above is the most representative of your present home. The monthly rent and the estimated average monthly cost of utilities for this dwelling is \$_____and it will be used to calculate your maximum replacement housing payment. Please contact us immediately if you believe this dwelling is not comparable to your current home. We can explain our basis for selecting this dwelling as most representative of your current home and discuss your concerns.

Based on the information you have provided about your income and the rent and utilities you now pay, you may be eligible for a maximum replacement housing payment of approximately \$ (42 x \$____), if you rent the dwelling identified above as the most comparable to your current home or rent another dwelling of equal cost.

Replacement housing payments are not adjusted to reflect future rent increases or changes in income. This is the maximum amount that you would be eligible to receive. If you rent a decent, safe and sanitary home where the monthly rent and average estimated utility costs are less than the comparable dwelling, your replacement housing payment will be based on the actual cost of the dwelling. We will not base your payment on any dwelling that is not a comparable replacement home. All replacement housing payments must be paid in installments. Your payment will be paid in #____ installments.

Should you choose to purchase (rather than rent) a decent, safe and sanitary replacement home, you would be eligible for a down payment assistance payment, which is equal to your maximum replacement housing payment, \$ _____. Let us know if you are interested in purchasing a replacement home and we will help you locate such housing.

Please note that all replacement housing must be inspected in order to ensure it is decent, safe and sanitary before any replacement housing payments are made.

If you have any questions about this letter and your eligibility for relocation assistance and payments, please contact (name), (title) at (phone), (address) before you make any moving plans. He/she will assist you with your move to a new home and help ensure that you preserve your eligibility for all relocation payments to which you may be entitled.

Remember, do not move or commit to the purchase or lease of a replacement home before we have a chance to further discuss your eligibility for relocation assistance.

This letter is important to you and should be retained.

Sincerely,

Name

Title

NOTICE OF NON-DISPLACEMENT TO RESIDENTIAL TENANT

Date

Name

Address

Austin, TX 78702

Dear Residents:

On GIN Date, the Housing Authority of the City of Austin (HACA) notified you of proposed plans to rehabilitate and redevelop the property you currently occupy at Pathways at Rosewood Courts East for a project which could receive Federal, State or Local Funding. On (date), the project was approved and will receive funding. Redevelopment will begin soon.

This is a notice of non-displacement. You will not be required to move permanently as result of the rehabilitation.

This notice guarantees you the following:

1. Upon completion of the redevelopment, you will be able to lease and occupy a suitable, decent, safe and sanitary apartment in the new building/complex under reasonable terms and conditions.
2. If you must move temporarily so that the rehabilitation can be completed, you will be reimbursed for all of your extra expenses, including the cost of moving to and from temporary housing and any increased interim housing costs. The temporary unit will be decent, safe and sanitary, and all other conditions of the temporary move will be reasonable.

Since you will have the opportunity to occupy a newly rehabilitated apartment, I urge you not to move. (If you do elect to move for your own reasons, you will not receive any relocation assistance.) We will make every effort to accommodate your needs. Because federal funding is involved in this project, you are protected by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended. Of course, you must continue to comply with the terms and conditions of your lease.

If you have any questions, please contact (name), at (phone), (address). This letter is important to you and should be retained.

Sincerely,

Name

Title

90-DAY NOTICE TO VACATE

Date

Name

Address

Austin, TX 78702

Dear Residents:

Notice is hereby given that the Housing Authority of the City of Austin (HACA) has elected to terminate your tenancy of the premises located at (Address)_____. HACA has provided you with a Notice of Eligibility for relocation benefits.

Notice is hereby given that HACA elects to terminate your tenancy in ninety (90) days beginning Insert Date and ending Insert Date. You are hereby noticed to quit and deliver up possession of the property that you occupy on or before Insert Date. If you do not vacate the unit by that date, HACA will initiate legal proceedings to recover possession of the premises, along with any rents and damages.

During this period, (relocation consultant) will continue to offer relocation assistance, referrals to replacement units, moving coordination, relocation claim forms and other tasks to help facilitate your relocation. Your Relocation Consultant, (name), may be contacted at (phone) for ongoing relocation advisory services.

Upon vacating your unit, you are responsible for removing all personal property, delivering the premises in satisfactory condition and turning in your keys to your relocation consultant on the day you schedule the final abandonment walk-through of your unit with your consultant.

Sincerely,

Name

Title

Item 5f – SHPO

The Section 106 process is already underway. HUD has sent out packets of information which is found behind this tab. We have also included the Interested and Consulting Parties list for your reference.

**ROSEWOOD COURTS
INTERESTED PARTIES**

- 1. Rosewood/Salina Resident Council***
1143 Salina
Austin, TX 78702
alexish@hacanet.org
- 2. City Wide Advisory Board**
1124 South IH 35
Austin, TX 78704
leilanil@hacanet.org
- 3. Blackshear Prospect Hill Neighborhood Association**
Attn: Alex Finnell, President
alexfinnell@gmail.com
- 4. Preservation Austin***
P.O. Box 2113
Austin, TX 78768
Attn: Lindsey Derrington
director@preservationaustin.org; lindsey@preservationaustin.org
- 5. Preserve Rosewood***
2316 Thrasher Lane
Austin, TX 78741-6622
info@preserverosewood.org
- 6. Save Our Springs Alliance**
905 West Oltorf, Suite A
Austin, Texas 78704
sosinfo@sosalliance.org
- 7. Community not Commodity**
309 East 11th Street, Suite 2
Austin TX 78701
lindabailey123@gmail.com
- 8. PODER**
P.O. Box 6237
Austin, TX 78762-6237
poder.austin@gmail.com
- 9. Austin Justice Coalition**
314 E. Highland Mall Blvd. #108
Austin, TX 78752
info@austinjustice.org; chasmoore@austinjustice.org
- 10. Six Square**
Attn: Pam Benson Owens, Executive Director
director@sixsquare.org; info@sixsquare.org
- 11. Mid-Tex Mod**
Attn: Lindsey Derrington, President
programs@preservationaustin.org; info@midtexmod.org

*Consulting Parties



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-8000

OFFICE OF HOUSING

April 28, 2021

City Wide Advisory Board
1124 South IH 35
Austin, TX 78704
leilanil@hacanet.org

Re: Application for Section 106 Review
Pathways at Rosewood Courts, Austin, Texas

Good Afternoon,

In accordance with Section 106 of the National Historic Preservation Act and its implementing regulations, 36 CFR Part 800, we are providing information for your review and concurrence regarding **Pathways at Rosewood Courts**. This property is being considered for HUD assistance and is subject to review under 24 CFR Part 50. Attached to this e-mail is our formal request letter along with the site map, description/scope of work, survey plan, and site photographs.

If you have any questions, please contact me at tamieka.m.green@hud.gov.

Thanks,

Tameika Green
Transaction Manager
US Department of Housing & Urban Development
451 7th Street, SW Room #6130
Washington, DC 20410



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-8000

OFFICE OF HOUSING

April 29, 2021

City Wide Advisory Board
1124 South IH 35
Austin, TX 78704
leilanil@hacanet.org

**Re: Application for Section 106 Review
Pathways at Rosewood Courts, Austin, Texas**

To Whom It May Concern:

In accordance with Section 106 of the National Historic Preservation Act and its implementing regulations, 36 CFR Part 800, we are providing information for your review and concurrence regarding the above-referenced project. This property is being considered for HUD assistance and is subject to review under 24 CFR Part 50. The application package includes (i) site map, (ii) description/scope of work, (iii) relocation plans, (iv) site photographs and (v) sources and uses.

<u>HUD Program:</u>	Rental Assistance Demonstration ("RAD")
<u>Location:</u>	2001 Rosewood Avenue, Austin, Texas 78702
<u>APE:</u>	Poquito Street, Yale Street and Chicon Street.
<u>Project Size:</u>	124 units on 8 acres of land. There are 24 residential buildings and one non-residential building
<u>Present Condition of Sites:</u>	Dilapidated Buildings
<u>Ground Disturbance Activities:</u>	This is an existing Rental Assistance Demonstration (RAD) transaction that converted to PBRA in [insert date]. The request includes ground disturbance, specifically the demolition of 17 existing buildings.

The Housing Authority of the City of Austin (HACA) is proposing a full redevelopment of Rosewood Courts (the "Project"). The Project, built in 1939, is a 124-unit family property consisting of 8-efficiency, 48 one-bedroom, 50 two-bedrooms, 12 three-bedrooms and 6 four-bedrooms. There are 24 residential buildings and one non-residential building that currently serves

as office space for HACA's partner, Goodwill. The Project is situated on 8 acres in the Central East Austin neighborhood in Central Austin. The proposed scope of work at the Project includes the demolition of 17 existing buildings and the preservation of the remaining 8 existing buildings within the Pathways at Rosewood Courts Historic District.

The redevelopment of the Project contemplates the restoration of the existing exteriors to their historic 1940 design, including new roofing, windows, and doors, removing exterior stucco, and repairing the existing brick. Site improvements include providing new site utilities, adding a larger parking lot, adding new street trees and landscape features, repairing/ replacing existing site walls and providing ADA accessible sidewalks. Also, there will be new construction of 3 new multifamily buildings and a new public park at the corner of Rosewood and Chicon Streets.

HUD is requesting the review and approval of the project under HUD regulation 24 CFR Part 50 and Section 106 of the National Historic Preservation Act and its implementing regulations 36 CFR Part 800 for possible impacts on historic properties.

Your response and input within 30 days of receipt of this application is greatly appreciated. Please feel free to contact me with any questions or concerns at 202- 402-4126 (e-mail: Alan.M.Kaufmann@hud.gov) or the RAD Transaction Manager, Tameika Green, at 202-402-5222(e-mail: tamieka.m.green@hud.gov).

Sincerely,

Alan Kaufmann
Branch Chief
US Department of Housing & Urban Development
451 7th Street, SW Room #6130
Washington, DC 20410

Enclosures:

- *Site map*
- *Description/scope of work*
- *Site photograph*
- *Sources and Uses*

6.0 Scope and Cost Review Evaluation

6.1 Developer's Identified Rehabilitation Scope

Summary of Work

The following scope of work includes the construction of (3) new multifamily buildings and the renovation of (8) existing buildings at the Rosewood Courts housing site located at 2001 Rosewood Avenue in Austin, Texas. Also included in the scope is the construction of a new public park at the corner of Rosewood and Chicon Streets. Rosewood Courts was originally constructed in 1939 and consists of (130) apartment units located within (25) one and two-story buildings. Work will include the following:

- **Demolition of (17) existing buildings**
- **Preservation of remaining existing buildings and Historic District**
 - Restoration of the exteriors of the remaining (8) buildings to their historic 1940 design, including new roofing, windows, and doors, removing exterior stucco, and repairing the existing brick.
 - Provision of (20) new code-compliant units within the existing brick and concrete building shells:
 - (14) One-Bedroom units
 - (6) Two-Bedroom units
 - Exterior improvements and site improvements including providing new site utilities, adding a larger parking lot, adding new street trees and landscape features, repairing/ replacing existing site walls, and providing ADA accessible sidewalks.
- **New Construction**
 - Construction of (3) new 3 and 4-story Type V residential apartment buildings, including resident amenities, a future community space, and a total of (164) new units:
 - (80) One-Bedroom units
 - (57) Two-Bedroom units
 - (18) Three-Bedroom units
 - (9) Four-Bedroom units
- **Accessible Unit Breakdown:**
 - ◦ (20) units or 10% of each unit type are required to meet current accessibility codes as per the Architectural Drawings, per federal and state accessibility guidelines, in addition to the City of Austin's SMART Housing program.

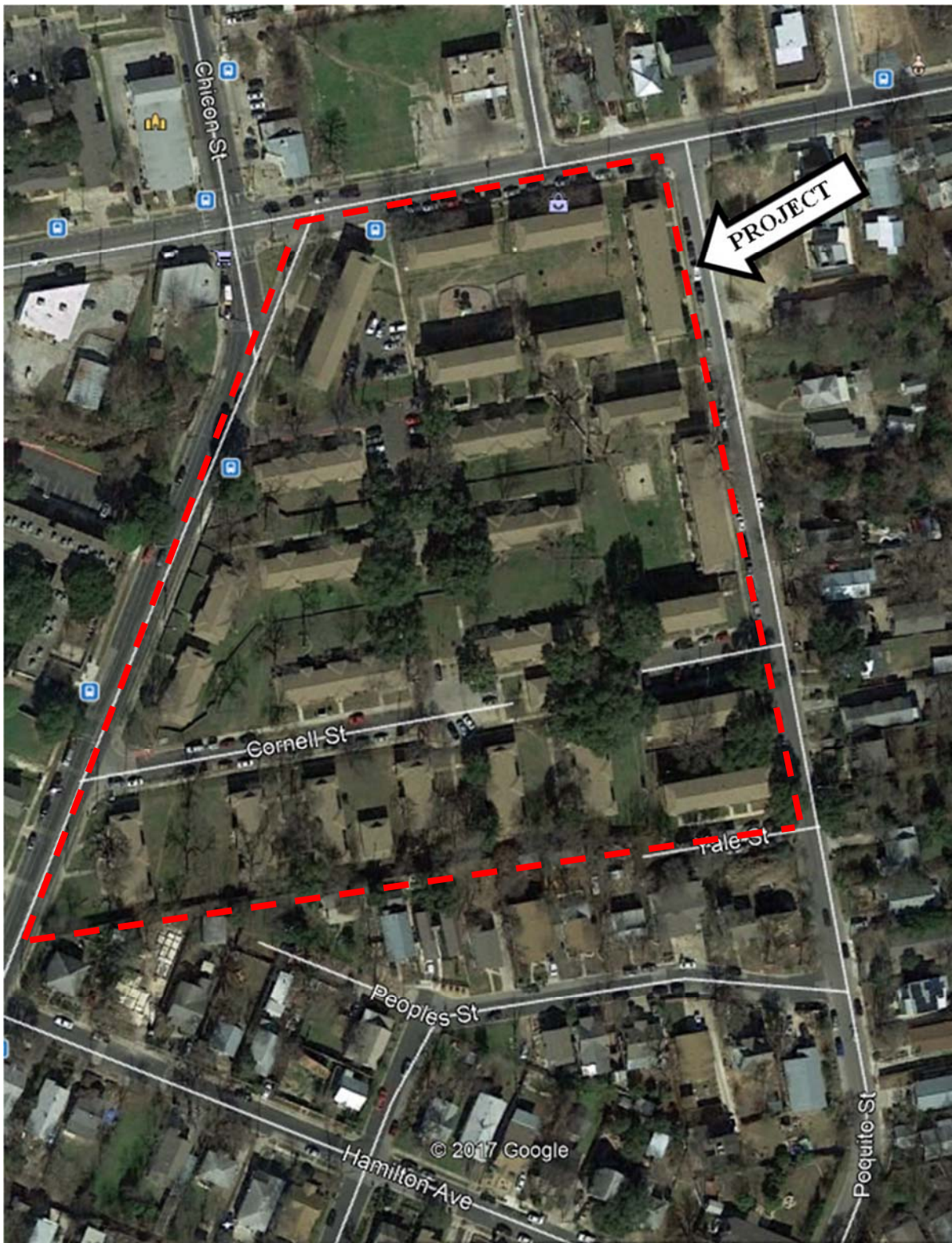
Drawings and Specifications

The scope of work narrative, specification manual and drawing documents shall serve as the documents for the project. The drawings and specifications are intended to supplement each other. Any materials, labor, or scope described in one but not the other, will be construed to be included in both the drawings and specifications. Likewise, labor, materials, or scope not described in either the drawings or specifications, but obviously required for proper installation and function, will be provided by the subcontractor at no additional cost.

6.2 Provider Opinion of Scope and Cost

Phase Engineering, Inc. has the opinion that the scope and cost associated with the rehabilitation activities for this project as provided by the developer are sufficient to meet the project objectives.

Site Plan



Project Name:
Rosewood Courts

Source:
Google Earth

Project Number:
121069.16R000-002.364

On-Site Date:
July 14, 2016



PHOTO #1: TYPICAL TWO-STORY ELEVATION



PHOTO #2: TYPICAL ONE-STORY ELEVATION



PHOTO #3: TYPICAL SITE WITH PICNIC TABLES



PHOTO #4: SITE SIDEWALK AND STAIRS



PHOTO #5: COMMUNITY DUMPSTERS



PHOTO #6: COMMUNITY MAILBOXES