



**RENTAL HOUSING DEVELOPMENT ASSISTANCE
APPLICATION
NOVEMBER 1, 2024**

8404 LOYOLA LN
AUSTIN, TEXAS

LOYOLA FLATS

AUSTIN, TEXAS

Loyola Flats is a proposed 208-unit affordable multifamily development that will be located in the Colony Park area of Austin. The development will include 1-, 2-, 3-, and 4-bedroom units and will utilize income averaging for residents earning between 50% and 70% of the Area Median Income. The community is a +/-10-acre site that will provide residents with a community room, swimming pool, community porch, fitness center, dog park, and other amenities. Units will include 9-foot ceilings, granite countertops, LVT flooring, ceiling fans, balconies, and stainless-steel appliances. There will be three four-story buildings. The site's surrounding area is rapidly developing with numerous Class A MF projects, for-sale SF subdivisions, and institutional industrial developments. Additionally, this area will benefit long-term by the Telsa campus which is just ~10-minute drive from the subject site. Finally, this community is adjacent to the 208-acre Colony Park Sustainable Community Development that will be developed over the next decade.

TAB A1

EXECUTIVE SUMMARY/PROJECT PROPOSAL

APPLICATION CHECKLIST/ INFORMATION FORM

DEVELOPER NAME: Elmginton Affordable, LLC	BORROWER ENTITY NAME : ECG Loyola, LP
DEVELOPMENT NAME : Loyola Flats	FUNDING CYCLE DEADLINE : November 1, 2024
FEDERAL TAX ID NO: 99-2440978	DUNS NO: 123744746
PROJECT ADDRESS: 8404 Loyola Lane	PROGRAM : RHDA
CONTACT NAME : Donnell McGhee	AMOUNT REQUESTED: 2,200,000
CONTACT ADDRESS AND PHONE : 1030 16th Ave S, Suite 500, Nashville, TN 37212; 708 227 7006	

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

ATTACHMENT TABS					
1	ENTITY INFORMATION	1.a.	Detailed listing of developer's experience		DM
		1.b.	Certificate of Status		DM
		1.c.	Statement of Confidence		Not Applicable
2	PRINCIPALS INFORMATION	2.a.	Resumes of principals		DM
		2.b.	Resumes of development team		DM
		2.c.	Resumes of property management team		DM
3	FINANCIAL INFORMATION	3.a.	Federal IRS Certification		Not Applicable
		3.b.	Certified Financial Audit		Not Applicable
		3.c.	Board Resolution		Not Applicable
		3.d.	Financial Statements		DM
		3.e.	Funding commitment letters		DM
4	PROJECT INFORMATION	4.a.	Market Study		DM
		4.b.	Good Neighbor Policy		DM
		4.c.	SMART Housing Letter		DM
		4.d.	MOU with ECHO		Not Applicable
		4.e.	Resident Services		DM
5	PROPERTY INFORMATION	5.a.	Appraisal		Not Available
		5.b.	Property Maps		DM
		5.c.	Zoning Verification Letter		DM
		5.d.	Proof of Site control		DM
		5.e.	Phase I ESA		DM

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

Donnell McGhee

TITLE OF APPLICANT

Director of Development

DATE OF SUBMISSION

11/1/2024

DATE AND TIME STAMP OF RECEIPT

FOR AHFC USE ONLY

TAB A2

PROJECT SUMMARY FORM

Project Summary Form

1) Project Name Loyola Flats	2) Project Type 100% Affordable	3) New Construction or Rehabilitation New Construction
4) Address(s) or Location Description 8404 Loyola Ln, Austin, TX 78724		5) Mobility Bond Corridor Colony Loop Dr
6) Census Tract 22.02	7) Council District District 1	8) Elementary School OVERTON EL
9) Affordability Period 40 years		
10) Type of Structure Multi-family	11) Occupied? No	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						0
Up to 40% MFI						0
Up to 50% MFI		5	17	17	5	44
Up to 60% MFI		10	49	52	9	120
Up to 80% MFI		5	17	17	5	44
Up to 120% MFI						0
No Restrictions						0
Total Units	0	20	83	86	19	208

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	21	Continuum of Care Units	0
Accessible Units for Sensory Impairments	6		

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

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

20) Estimated Sources and Uses of funds

<u>Sources</u>	
Debt	36,128,353
Equity	30,976,749
Grant	
Other	6,004,726
Deferred Developer Fee (not applicable for OHDA)	5,572,335
Previous AHFC Funding	-
Current AHFC Request	2,200,000

<u>Uses</u>	
Acquisition	5,750,000
Off-Site	
Site Work	4,159,225
Sit Amenities	937,944
Building Costs	37,380,098
Contractor Fees	5,097,272
Soft Costs	5,884,373
Financing	12,668,251
Developer Fees	9,005,000
Total	\$ 80,882,163

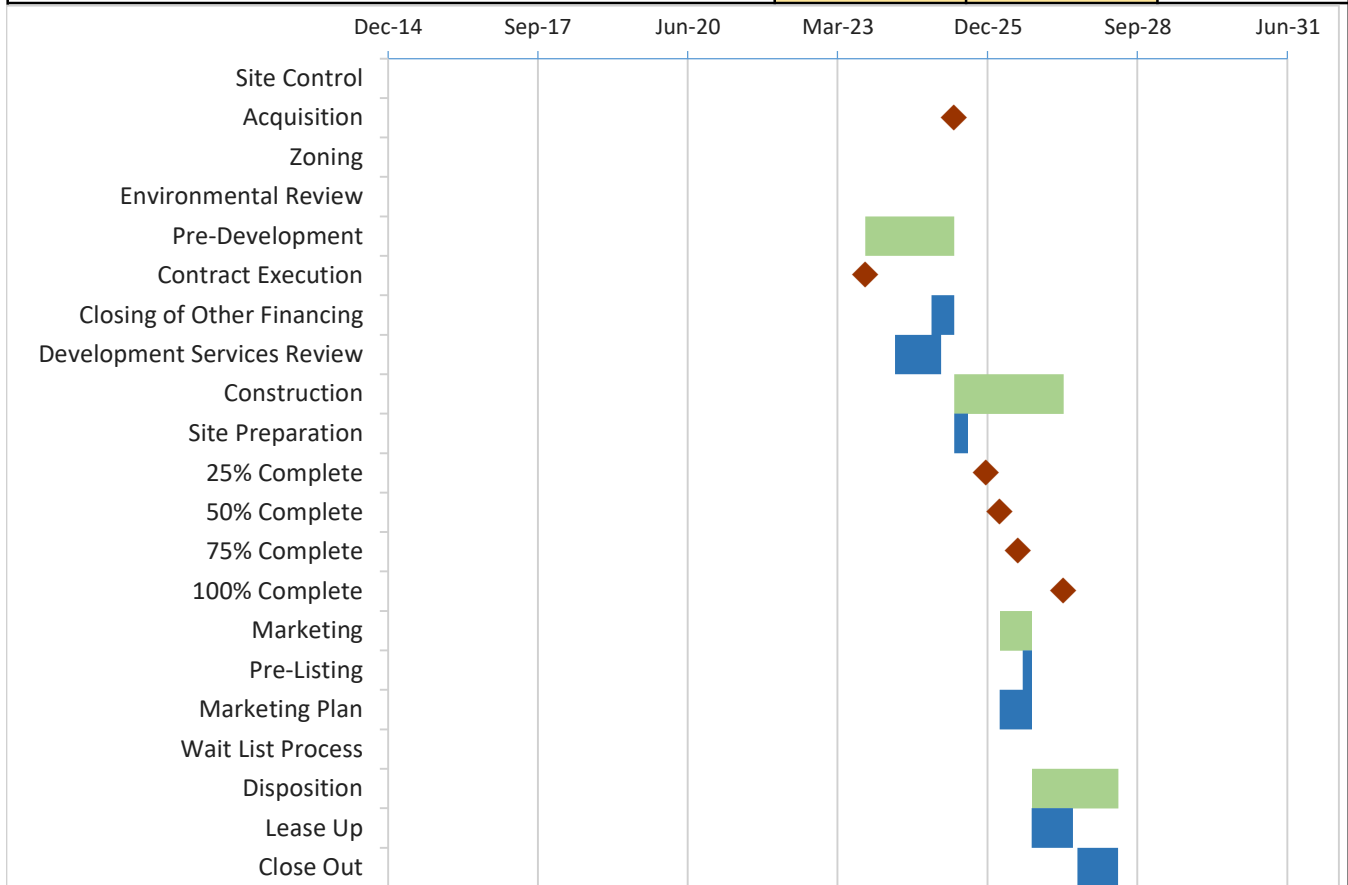
Total \$ 80,882,163

TAB A3

PROJECT TIMELINE

Development Schedule

	Start Date	End Date
Site Control	Apr-25	Jan-00
Acquisition	Apr-25	
Zoning		
Environmental Review		
Pre-Development	Sep-23	Apr-25
Contract Execution	Sep-23	
Closing of Other Financing	Dec-24	Apr-25
Development Services Review	Apr-24	Feb-25
Construction	May-25	Apr-27
Site Preparation	May-25	Aug-25
25% Complete	Nov-25	
50% Complete	Mar-26	
75% Complete	Jul-26	
100% Complete	Apr-27	
Marketing	Mar-26	Oct-26
Pre-Listing	Aug-26	Oct-26
Marketing Plan	Mar-26	Oct-26
Wait List Process		
Disposition	Oct-26	Apr-28
Lease Up	Oct-26	Jul-27
Close Out	Aug-27	Apr-28



TAB A4

DEVELOPMENT BUDGET

Development Budget

	Total Project Cost	Requested AHFC Funds	Description
Pre-Development			
Appraisal	12,000		Includes market study
Environmental Review	125,000		Includes environmental, geotech
Engineering	550,000		
Survey	25,000		
Architectural	650,000		
Subtotal Pre-Development Cost	\$1,362,000	\$0	
Acquisition			
Site and/or Land	5,750,000		
Structures			
Other (specify)			
Subtotal Acquisition Cost	\$5,750,000	\$0	
Construction			
Infrastructure			
Site Work	5,097,169		
Demolition			
Concrete	1,675,969		
Masonry	1,556,154		
Rough Carpentry	7,785,437		
Finish Carpentry	5,922,544	250,000	Includes drywall, flooring, appliances, cabinets, decorating
Waterproofing and Insulation	2,237,665		
Roofing and Sheet Metal	739,656		
Plumbing/Hot Water			
HVAC/Mechanical	6,422,939	500,000	Includes HVAC, Mechanical, Plumbing, Elevators
Electrical	4,849,290	1,200,000	
Doors/Windows/Glass	2,082,658	250,000	
Lath and Plaster/Drywall and Acoustical			
Tiel Work			
Soft and Hard Floor			
Paint/Decorating/Blinds/Shades			
Specialties/Special Equipment	1,235,852		
Cabinetry/Appliances			
Carpet			
Other (specify)	7,108,086		Includes insurance, GC Fee's, P&P Bonds, Permits, Impact Fees
Construction Contingency	2,318,770		Includes hard cost contingency, soft cost contingency
Subtotal Construction Cost	\$49,032,189	\$2,200,000	
Soft & Carrying Costs			
Legal	875,000		
Audit/Accounting	15,000		
Title/Recordin	300,000		
Architectural (Inspections)	150,000		
Construction Interest	9,447,939		Includes additional interest expense for bonds
Construction Period Insurance	500,000		
Construction Period Taxes			
Relocation			
Marketing	100,000		
Davis-Bacon Monitoring			
Developer Fee	9,005,000		
Other (specify)	4,345,035		Reserves, FF&E, NP Fee, Loan Fees, Equity Fees, Issuance
Subtotal Soft & Carrying Costs	\$24,737,974	\$0	
TOTAL PROJECT BUDGET	\$80,882,163	\$2,200,000	

TAB A5

OPERATING PROFORMA

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	\$4,129,332	\$4,211,919	\$4,296,157	\$4,382,080	\$4,469,722	\$4,934,934	\$5,448,566
Secondary Income	\$49,920	\$50,918	\$51,937	\$52,976	\$54,035	\$59,659	\$65,868
POTENTIAL GROSS ANNUAL INCOME	\$4,179,252	\$4,262,837	\$4,348,094	\$4,435,056	\$4,523,757	\$4,994,593	\$5,514,434
Provision for Vacancy & Collection Loss	-\$313,444	-\$319,713	-\$326,107	-\$332,629	-\$339,282	-\$374,594	-\$413,583
Rental Concessions	\$0	\$0	\$0	\$0	\$0	\$0	\$0
EFFECTIVE GROSS ANNUAL INCOME	\$3,865,808	\$3,943,124	\$4,021,987	\$4,102,427	\$4,184,475	\$4,619,999	\$5,100,851
EXPENSES							
General & Administrative Expenses	\$99,050	\$102,022	\$105,082	\$108,235	\$111,482	\$129,238	\$149,822
Management Fee	\$126,318	\$128,844	\$131,421	\$134,050	\$136,731	\$150,962	\$166,674
Payroll, Payroll Tax & Employee Benefits	\$280,800	\$289,224	\$297,901	\$306,838	\$316,043	\$366,380	\$424,735
Repairs & Maintenance	\$156,000	\$160,680	\$165,500	\$170,465	\$175,579	\$203,545	\$235,964
Electric & Gas Utilities	\$53,111	\$54,704	\$56,345	\$58,036	\$59,777	\$69,298	\$80,335
Water, Sewer & Trash Utilities	\$96,000	\$98,880	\$101,846	\$104,902	\$108,049	\$125,258	\$145,209
Annual Property Insurance Premiums	\$156,000	\$160,680	\$165,500	\$170,465	\$175,579	\$203,545	\$235,964
Property Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reserve for Replacements	\$52,000	\$53,560	\$55,167	\$56,822	\$58,526	\$67,848	\$78,655
Other Expenses	\$49,320	\$50,800	\$52,324	\$53,893	\$55,510	\$64,351	\$74,601
TOTAL ANNUAL EXPENSES	\$1,068,599	\$1,099,394	\$1,131,086	\$1,163,706	\$1,197,276	\$1,380,425	\$1,591,959
NET OPERATING INCOME	\$2,797,209	\$2,843,730	\$2,890,901	\$2,938,721	\$2,987,199	\$3,239,574	\$3,508,892
DEBT SERVICE							
First Deed of Trust Annual Loan Payment	\$2,385,397	\$2,385,397	\$2,385,397	\$2,385,397	\$2,385,397	\$2,385,397	\$2,385,397
Second Deed of Trust Annual Loan Payment							
Third Deed of Trust Annual Loan Payment							
Other Annual Required Payment	\$41,000	\$41,000	\$41,000	\$41,000	\$41,000	\$41,000	\$41,000
Other Annual Required Payment	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ANNUAL NET CASH FLOW	\$370,812	\$417,333	\$464,504	\$512,324	\$560,802	\$813,177	\$1,082,495
CUMULATIVE NET CASH FLOW	\$370,812	\$788,145	\$1,252,649	\$1,764,973	\$2,325,775	\$5,760,723	\$10,499,903
Debt Coverage Ratio	1.15	1.17	1.19	1.21	1.23	1.34	1.45

TAB A5.5

UNIT SF

Bedroom Type	Income Level	Unit Square Footage	# of Units	Total Sq Footage
1-bdrm	50% MFI	742	5	3,710
1-bdrm	60% MFI	742	10	7,420
1-bdrm	80% MFI	742	5	3,710
2-bdrm	50% MFI	1,015	17	17,255
2-bdrm	60% MFI	1,015	49	49,735
2-bdrm	80% MFI	1,015	17	17,255
3-bdrm	50% MFI	1,274	17	21,658
3-bdrm	60% MFI	1,274	52	66,248
3-bdrm	80% MFI	1,274	15	19,110
3-bdrm	80% MFI	1,348	2	2,696
4-bdrm	50% MFI	1,509	5	7,545
4-bdrm	60% MFI	1,509	9	13,581
4-bdrm	80% MFI	1,509	5	7,545
				-
				-
				-
				-
				-
				-
				-
Total			208	237,468

Average Square Foot AHFC Units at or Below 50% MFI				
Efficiency	1-bdrm	2-bdrm	3-bdrm	4-bdrm
-	742	1015	1274	1509

TAB A6
SCORING SHEET

Project Name	Loyola Flats	
Project Type	100% Affordable	
Council District	District 1	
Census Tract	22.02	
Prior AHFC Funding	\$0	
Current AHFC Funding Request Amount	\$2,200,000	
Estimated Total Project Cost	\$80,882,163	
High Opportunity	No	
High Displacement Risk	NO	
High Frequency Transit	No	
Imagine Austin	Yes	
Mobility Bond Corridor	Colony Loop Dr	
SCORING ELEMENTS		Description
UNITS		
< 20% MFI	0	# of rental units at < 20% MFI
< 30% MFI	0	# 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	0%	% of City's affordable housing goal to reduce displacement
High Frequency Transit	0%	% 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	5%	% of City's affordable housing goal within mobility bond corridors
SCORE	0	% of annual goal * units * 50%, max of 75
< 40% MFI	0	# of rental units at < 40% MFI
< 50% MFI	44	# 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	0%	% of City's affordable housing goal to reduce displacement
High Frequency Transit	0%	% 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	5%	% of City's affordable housing goal within mobility bond corridors
SCORE	4	% 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	0%	% of City's affordable housing goal to reduce displacement
High Frequency Transit	0%	% 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	5%	% 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	0%	% of City's affordable housing goal to reduce displacement
High Frequency Transit	0%	% 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	5%	% of City's affordable housing goal within mobility bond corridors
SCORE	0	% of annual goal * units * 25%, max of 75
Unit Score	4	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	17	Total Affordable 2 Bedroom units
3 Bedroom Units	17	Total Affordable 3 Bedroom units
4 Bedroom Units	5	Total Affordable 4+ Bedroom units
Multi-Generational Housing Score	18	Multi-bedroom Unit/Total Units * 20
TEA Grade	76	Elementary School Rating from TEA
Multi-Generational Housing Weighted Score	5	Educational Attainment, Environment, Community Institutions, Social Cohesion, E
Accessible Units	27	mobility and sensory units
Non-PSH, Non-Voucher Under 20% MFI	0	Total units under 20% MFI
Accessibility Score	12	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	37	MAXIMUM SCORE = 200
UNDERWRITING		
AHFC Leverage	13%	% of total project cost funded through AHFC request
Leverage Score	24	3 points per 5% reduction in leverage below 50% (max 30)
AHFC Per Unit Subsidy (including prior amounts)	\$50,000	Amount of assistance per unit
Subsidy per unit score	19	(\$200,000 - per unit subsidy)*25/\$200,000
AHFC Per Bedroom Subsidy	\$20,000	Amount of assistance per bedroom
Subsidy per Bedroom Score	23	(\$200,000 - per bedroom subsidy)*25/\$200,000
Debt Coverage Ratio (Year 5)	1.23	Measured at the 5 Year mark
Debt Coverage Ratio Score	23.11254094	Minimum = 1.0; Maximum = 1.5; 1.25 = best score
Underwriting Score	88	MAXIMUM SCORE = 100
APPLICANT		
FINAL QUANTITATIVE SCORE	130	THRESHOLD SCORE = 50
Previous Developments		
Compliance Score		
Proposal		
Supportive Services		
Development Team		
Management Team		
Notes		

ATTACHMENT 1 – ENTITY INFORMATION

1A. DETAILED LISTING OF DEVELOPER'S EXPERIENCE



BETTER HOUSING

ADVANCING
COMMUNITIES



OVER
10,000
UNITS DEVELOPED

ELMINGTON CURRENTLY HAS

6,168

MULTIFAMILY UNITS IN THE PIPELINE

and is one of the largest developers of
affordable housing in the nation*

ElmingtonDevelops.com

*Updated Apr. 2024

ELMINGTON CONSTRUCTION
WILL COMPLETE OVER

\$625
MILLION

IN MULTIFAMILY PROJECTS BY THE END OF 2024*



6 PRIMARY LINES OF BUSINESS

ELMINGTON COMMERCIAL

- Completed acquiring 38 assets covering the four primary asset types (multifamily, office, retail, industrial) over the past 12 years
- Purchased over \$600 million of real estate
- Raised over \$220 million of largely high net worth capital
- Currently own 1.5 million square feet of commercial space in the middle Tennessee region

ELMINGTON AFFORDABLE

- 5,350 units delivered to the market with additional 4,705 units under construction
- 6,168 units in the development pipeline which will increase the unit count to 16,223
- Total dollar value of units delivered or under construction is \$2.2 billion
- Total equity raised for units delivered or under construction is \$733 million

ELMINGTON RESIDENTIAL

- Total of 4,715 homes either developed or under construction currently
- 750 homes in pre-development (under contract)
- \$375mm in total capitalization to date (since founding in 2017)
- \$150mm in equity invested to date

ELMINGTON PROPERTY MANAGEMENT

- Currently managing 195 properties with over 31,000 units across 14 states
- Partnering with 56 different owners to manage a diverse assortment of multi-family housing
- Specializing in conventional, affordable, build-to-rent, senior, and mixed income



- 43,000 units live on the Fortress software
- An additional 9,300 units signed to be onboarded in Q3/Q4 2023
- Annual Recurring Revenue (ARR) of \$4.1M at the end of 2022; Projected to end 2023 with ARR of \$8.4M.
- \$14M in capital raised to date

ELMINGTON CONSTRUCTION

- Currently constructing 17 projects totaling 3,650 units in 6 states
- Delivered 15 projects to date totaling over 2,704 units
- Over the past 5 years, revenue has increased from \$36 million to over \$250 million

ELMINGTON

COMPANY HISTORY



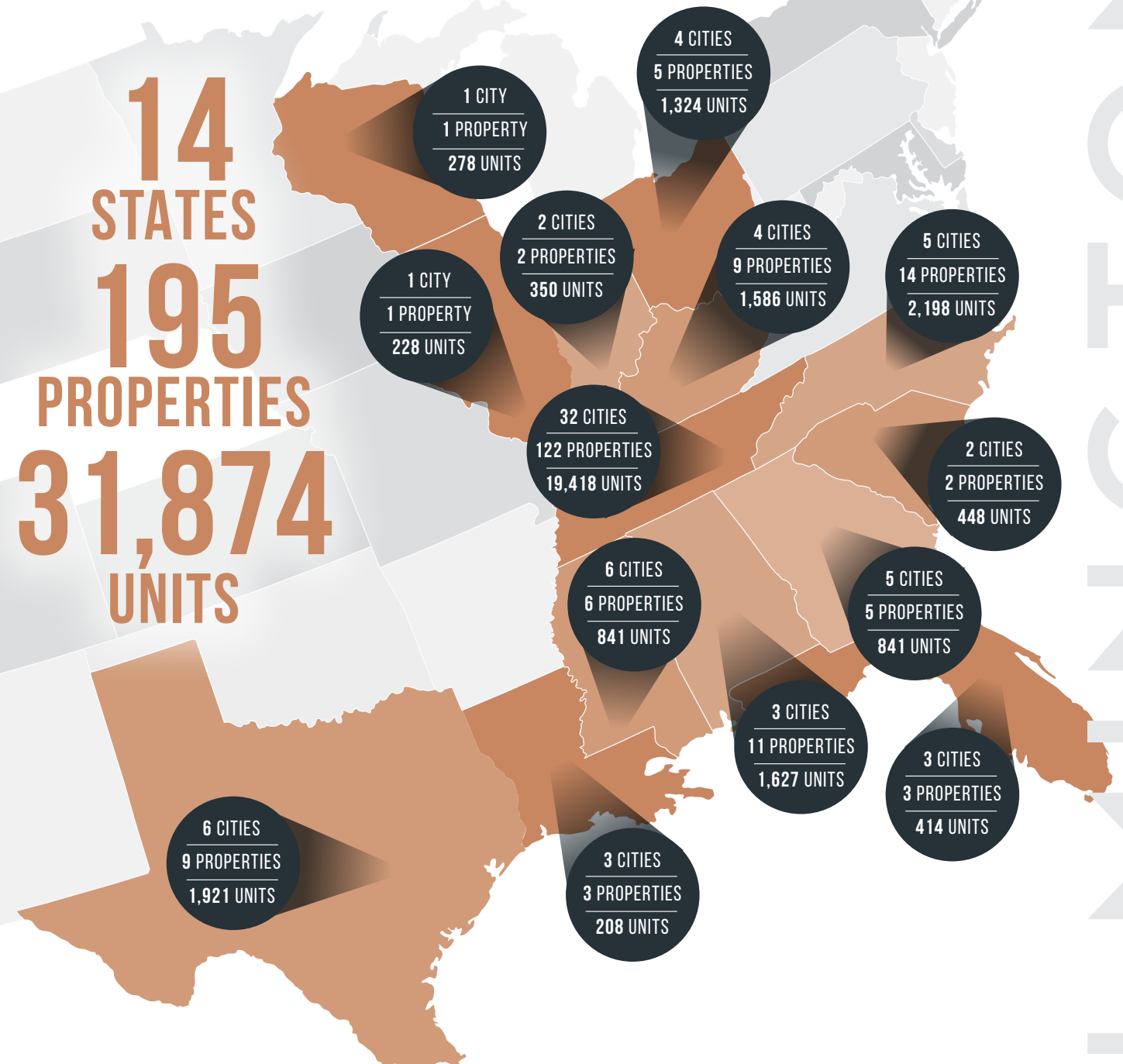
ELMINGTON PROPERTY MANAGEMENT

PROPERTY AND ASSET MANAGEMENT SERVICES

Elmington Property Management has an undisputed track record of hands-on property, asset, and facilities management, as outlined below:

- EPM alone is entrusted with over \$417 Million in rent receipts per year, a number that is ever-growing with our increased footprint and client partnerships.
- Elmington manages more than 31,000 apartment units with a focus on fostering healthy communities for our residents and neighbors.
- Our property team understands the market, prospects, and residents. We want everyone to participate in the process of building community.

14
STATES
195
PROPERTIES
31,874
UNITS





BETTER HOUSING

RAISING STANDARDS SINCE 2010

Elmington is a privately owned real estate investment and development firm, focusing on Affordable and Workforce housing. We are national leaders in the development, acquisition, construction, and management of affordable, workforce, mixed-use, and mixed-income communities.

As deep-rooted investors in neighborhoods and collaborators with non-profit organizations, we focus on improving communities to enhance the lives of those who inhabit them while also adding lasting value. We create better housing through development, re-positioning, effective operations, and creative capitalization. Our extensive experience with 4% and 9% Low-Income Housing Tax Credits (LIHTCs), tax-exempt bond-financing, tax-increment financing (TIF), HUD rental assistance programs, and an array of other development strategies make us experts and an invaluable resource to our partners.

ADVANCING COMMUNITIES

COMMUNITY-ORIENTED. DIVERSITY-FOCUSED.

Our philosophy is simple: people are the difference. We believe in investing in the future of the communities in which we operate, beyond just the buildings we develop. Elmington supports a variety of schools and non-profit organizations that are making a positive impact on the neighborhoods we serve.

Incorporating a diversity of perspectives improves the quality of the built environment, and we are committed to advancing diversity and maximizing opportunities for underrepresented communities in all of our projects. These efforts include setting diversity goals in our development activities and encouraging our partners to do the same, investing in under-resourced communities, and proactively working to attract, develop, and retain team members with diverse backgrounds and perspectives.





IMPACT

- Our team collaborates with Elmington Elevates, a registered 501c3 and the charitable arm of our parent company, to provide school supplies, canned food, and toys to children in the states Elmington serves.
- Elmington Construction built a 10,000 sq ft office and program space for Salama Urban Ministries, a youth development organization, at Hillside Flats in Nashville, TN.
- In 2022, Elmington received an \$18.8 million loan from Amazon’s Housing Equity Fund to develop Harpeth Valley Apartments in an effort to create more inclusive solutions to the affordable housing crisis.
- Resident services at each of our properties are customized to fit the communities we serve, including Senior Services, Budgeting and Financial Education, and Career and Workforce Development Training.
- Sustainability is an important aspect of everything we build. We are leaders in the adoption of solar technology in workforce housing. Our developments commonly incorporate EnergyStar, NGBS Green Building Standards, and other energy efficiency and sustainability designations and are verified by independent third parties.



DEVELOPMENT EXPERIENCE

ElmingtonDevelops.com

12TH & WEDGEWOOD

NASHVILLE, TN

Mixed-income development in the heart of Nashville. All units restricted to tenants with incomes ranging from 60% AMI - 120% AMI.

- Open Floorplans with Spacious Closets
- Granite Countertops
- Stainless Steel Appliances
- Control Gated Access
- Attached Parking Garage
- 10 Foot Ceilings
- Large Balconies
- Hardwood-Like Flooring
- Washer/Dryer Provided in Units

NUMBER OF UNITS 170

ALLOCATION OF 4% LIHTCS
UNIQUE PUBLIC/PRIVATE PARTNERSHIP
WITH METRO NASHVILLE
PROPERTY TAX ABATEMENT

ElmingtonDevelops.com





12TH & WEDGEWOOD | NASHVILLE, TN



ARCHDALE FLATS

CHARLOTTE, NC

Affordable housing development serving family and elderly residents who make 30-80% AMI or less.

- Fitness Center
- Balconies/Patios
- Resident Business Center
- Resident Lounge
- Non Smoking Community
- Stainless Steel Appliances
- Secured Access Building
- On Site Management and Maintenance
- Wood-look floors Washer/Dryer in Units
- Oversized Closets

NUMBER OF UNITS 333

TAX EXEMPT BONDS

ALLOCATION OF 4% LIHTCS

PROPERTY TAX ABATEMENT

RAD VOUCHER RELOCATION

ElmingtonDevelops.com





ARCHDALE FLATS | CHARLOTTE, NC



CHESTNUT FLATS

CHATTANOOGA, TN

Income restricted modern apartment community located outside Downtown Chattanooga with access to I-24.

- Gated Community
- Fitness Center
- Balconies/Patios
- Large Floor Plans
- Oversized Closets
- Stainless Steel Appliances
- Wood-look floors and 9-ft ceilings
- Affordable Housing - income restrictions apply
- On Site Management & Maintenance
- Washer/Dryer Connections
- Cable Ready
- Garden Tubs

NUMBER OF UNITS 199

ALLOCATION OF 4% LIHTCS

HUD 223(F) LOAN

EPA BROWNFIELD REDEVELOPMENT LOAN

PROPERTY TAX ABATEMENT

ElmingtonDevelops.com





CHESTNUT FLATS | CHATTANOOGA, TN



THE CARROLL BUILDING

WATERBURY, CT

Five story, historic residence building restoration conveniently located in downtown Waterbury.

- Spacious Floorplans
- Granite Countertops
- Hardwood-Like Flooring
- Fully-Equipped Kitchen
- Historic Charm
- Fitness Center
- Laundry On-Site
- Courtyard
- Street Parking
- Access to Downtown
- Located Downtown and Conveniently on a Busline

NUMBER OF UNITS 35

HISTORIC TAX CREDITS

ALLOCATION OF 9% LIHTCS

CT DOH OF HOUSING FLEX LOAN

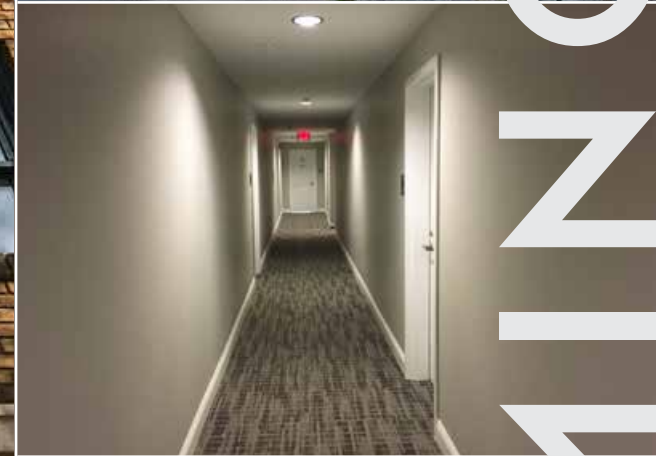
CT ENTERPRISE ZONE PROP TAX ABATEMENT

ALLOCATION OF NEW PROJECT BASED VOUCHERS

CT LIGHT & POWER ENERGY EFFICIENCY REBATE

SHELTER PLUS CARE UNITS

ElmingtonDevelops.com



HOBSON FLATS

NASHVILLE, TN

Hobson Flats is conveniently located on Hobson Pike near Murfreesboro Pike.

- Open Floorplans with Spacious Closets
- Granite Countertops
- Stainless Steel Appliances
- Resort-Style Pool
- 10 Foot Ceilings
- Large Balconies
- Hardwood-Like Flooring
- Washer/Dryer Connections

NUMBER OF UNITS 267

TAX EXEMPT BONDS

ALLOCATION OF 4% LIHTCS

PROPERTY TAX ABATEMENT

CITC QUALIFIED LOW-RATE LOAN

ElmingtonDevelops.com





HOBSON FLATS

| NASHVILLE, TN



WILDHORSE FLATS

AUSTIN, TX

Affordable housing development serving families who make 60% AMI or less.

- Fitness Center
- Balconies/Patios
- Resident Business Center
- Swimming Pool
- Non Smoking Community
- Stainless Steel Appliances
- Gated Community
- On Site Management and Maintenance
- Wood-look floors
- Washer/Dryer in Units
- Oversized Closets
- Austin Energy Green Building Certified

NUMBER OF UNITS 310

TAX EXEMPT BONDS

ALLOCATION OF 4% LIHTCS

PROPERTY TAX ABATEMENT

SALES TAX ABATEMENT

ElmingtonDevelops.com





WILDHORSE FLATS | AUSTIN, TX



HILLSIDE FLATS

NASHVILLE, TN

Hillside Flats is located just south of Downtown Nashville on Edgehill Ave. near Eighth Ave. S.

- Open Floorplans with Spacious Closets
- Granite Countertops
- Stainless Steel Appliances
- 10 Foot Ceilings
- Large Balconies
- Hardwood-Like Flooring
- Washer/Dryer Provided in Units

NUMBER OF UNITS 267

TAX EXEMPT BONDS

ALLOCATION OF 4% LIHTCS

PROPERTY TAX ABATEMENT

CITC QUALIFIED LOW-RATE LOAN

ElmingtonDevelops.com





HILLSIDE FLATS | NASHVILLE, TN



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MOSS GROVE

KNOXVILLE, TN

Moss Grove is located just minutes from Downtown Knoxville off Kingston Pike near Moss Grove Blvd.

- Open Floorplans with Spacious Closets
- Granite Countertops
- Stainless Steel Appliances
- 9 Foot Ceilings
- Large Balconies
- Hardwood-Like Flooring
- Washer/Dryer Connections
- Swimming Pool
- Fitness Center

NUMBER OF UNITS 192

ALLOCATION OF 4% LIHTC
PROPERTY TAX ABATEMENT
CITC QUALIFIED LOW-RATE LOAN

ElmingtonDevelops.com





MOSS GROVE | KNOXVILLE, TN



BURKLE & MAIN

MEMPHIS, TN

Burkle & Main is an affordable housing, income restricted community located near Uptown Memphis.

- Open Floorplans with Spacious Closets
- Granite Countertops
- Stainless Steel Appliances
- 10 Foot Ceilings
- Large Balconies
- Hardwood-Like Flooring
- Washer/Dryer Provided in Units

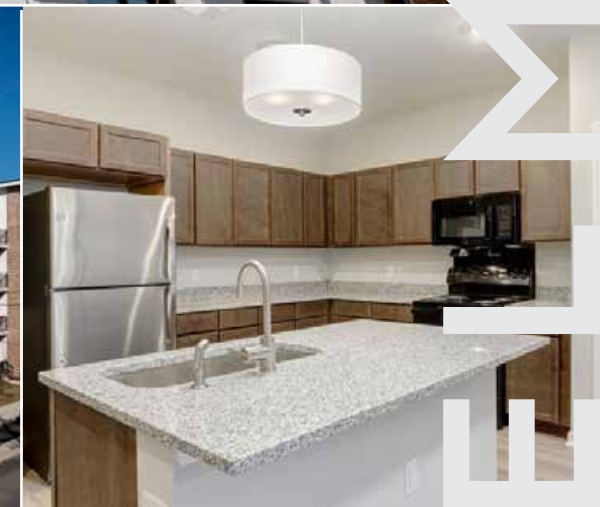
NUMBER OF UNITS 126

ALLOCATION OF 4% LIHTC

PROPERTY TAX ABATEMENT

CITC QUALIFIED LOW-RATE LOAN

ElmingtonDevelops.com



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BURKLE & MAIN

| MEMPHIS, TN





2ND STREET FLATS
Memphis, TN



12TH & WEDGEWOOD
Nashville, TN



3600 CAPITOL
Austin, TX



ALLEGHANY CROSSING
Charlotte, NC



ARCHDALE FAMILY
Charlotte, NC



ARCHDALE SENIOR
Charlotte, NC



BLUE RIDGE
Austin, TX



BURKLE & MAIN
Memphis, TN



THE CARROLL
BUILDING
Waterbury, CT



CHESTNUT FLATS
Chattanooga, TN



CHESTNUT HILL
Nashville, TN



CLARKSVILLE HEIGHTS
Clarksville, TN



CLARKSVILLE PIKE
Nashville, TN



CRESCENT BLUFF I
Memphis, TN



CRESCENT BLUFF I
Memphis, TN



DAFFAN LANE
Austin, TX



DRY CREEK FLATS
Harvest, AL



EAST SIDE FLATS
Charlotte, NC



THE FLATS AT 2109
Charlotte, NC



THE FLATS
AT POND GAP
Knoxville, TN



THE FLATS AT
WEST BOULEVARD
Charlotte, NC



FORUM FLATS
Memphis, TN



FREEDOM FLATS
Charlotte, NC



HALLMARK STATION
Nashville, TN



HARPETH VALLEY
Nashville, TN



THE HEIGHTS AT 8200
Nashville, TN



THE HEIGHTS AT 8721
Austin, TX



HERMITAGE FLATS
Nashville, TN



HICKORY LAKE
Nashville, TN



HILLSIDE FLATS
Nashville, TN



HOBSON FLATS
Nashville, TN



KINGSPARK COMMONS
Charlotte, NC



MILLINGTON FLATS
Millington, TN



MONROVIA FLATS
Huntsville, AL



MOSS GROVE
Knoxville, TN



NORTH LIGHTS
Nashville, TN



OAKWOOD FLATS
Nashville, TN



THE PATTEN
Chattanooga, TN



PATTERSON FLATS
Memphis, TN



RIDGE ROADS FLATS
Tallahassee, FL



ROBINSON FLATS
Old Hickory, TN



SOUTHSIDE FLATS
Knoxville, TN



SUTHERLAND 1
Knoxville, TN



SUTHERLAND 2
Knoxville, TN



TILLMAN COVE
Memphis, TN



UNION COMMONS
FAMILY
Cincinnati, OH



UNION COMMONS
SENIOR
Cincinnati, OH



UPTOWN FLATS
Memphis, TN



WILDHORSE FLATS
Austin, TX



YAGER FLATS
Austin, TX



YOUNG HIGH FLATS
Knoxville, TN

Elmington Affordable Track Record

Friday, November 1, 2024

Completed Projects and Acquisitions

Deal Name	Property Name	Location	Units	Type	Affordability Restrictions	Program	Closing/Funding Date	Completion/Cert. of Occupancy Date
ECG Hickory Lake, LP	Hickory Lake Apts	Nashville, TN	322	Acq / Rehab	322 at 60%	4%	6/27/2012	27-May-15
ECG Crescent, LLC / TOV Virginia Partners, LP	Crescent Bluff I	Memphis, TN	72	New Construction	8 at 50%, 64 at 60%	9%	12/5/2013	13-Mar-13
ECG Virginia, LP	Crescent Bluff II	Memphis, TN	172	New Construction	36 at 50%	9%	12/19/2013	15-Oct-15
ECG New Blossom Partners, LP	2nd Street Flats	Memphis, TN	64	New Construction	13 at 50%, 51 at 60%	9%	3/5/2014	15-Sep-15
ECG Station, LP	ECG Station (Hallmark Station)	Nashville, TN	66	Acq / Rehab	7 at 50%, 59 at 60%	9%	9/23/2015	27-Nov-13
ECG Patterson, LP	Patterson Flats	Memphis, TN	194	New Construction	120 at 60%	4%	8/15/2016	31-Oct-18
ECG Uptown, LP	Uptown Flats	Memphis, TN	155	New Construction	117 at 60%, 38 - 8bb units	4%	11/22/2016	30-May-18
ECG Hermitage, LP	Hermitage Flats	Nashville, TN	267	New Construction	267 at 60%	4%	7/13/2017	21-Dec-18
ECG Old Hickory, LP	Robinson Flats	Nashville, TN	209	New Construction	209 at 60%	4%	11/21/2017	24-Oct-19
ECG Forum, LP	Forum Flats	Memphis, TN	205	New Construction	205 at 60%	4%	12/13/2017	5-Mar-20
ECG Chestnut, LP	Chestnut Flats	Chattanooga, TN	199	New Construction	112 at 60%, 87 w/ Vouchers	4%	12/19/2017	22-Oct-19
ECG Wedgewood, LP	12th & Wedgewood	Nashville, TN	160	New Construction	67 at 60%, 63 at 100%, 30 at 120%	4%	12/19/2017	24-Jan-20
ECG Martin Mill, LP	Southside Flats (Martin Mill)	Knoxville, TN	172	New Construction	112 at 60%, 60 w/ PBV	4%	4/25/2018	20-Apr-20
ECG Oakwood, LP	Oakwood Flats	Nashville, TN	280	New Construction	210 at 60%, 70 w/ PBV	4%	4/30/2018	12-Mar-20
ECG Pond Gap, LP	Flats at Pond Gap	Knoxville, TN	102	New Construction	43 at 60%, 59 w/ PBV	4%	4/1/2019	31-Mar-21
ECG Young High, LP	Young High Flats	Knoxville, TN	156	New Construction	147 at 60%, 9 w/ PBV	4%	6/7/2019	24-Feb-21
Patten Affordable Partners, LP	Patten Towers	Chattanooga, TN	221	Acq / Rehab	221 at 60%	4%	6/7/2019	1-Mar-21
ECG North Main, LP	Burkle & Main	Memphis, TN	126	New Construction	126 at 60%	4%	11/7/2019	4-Oct-21
ECG Hillside, LP	Hillside Flats	Nashville, TN	290	New Construction	138 at 40% PBV, 52 at 60%, 100 at 80%	4%	11/26/2019	30-Aug-21
ECG Archdale Family, LP	Archdale Family	Charlotte, NC	202	New Construction	36 at 30%, 116 at 60%, 50 at 80%	4%	12/30/2019	29-Sep-22
ECG Archdale Seniors, LP	Archdale Senior	Charlotte, NC	131	New Construction	7 at 30%, 23 at 50%, 79 at 60%, 22 at 80%	4%	12/30/2019	8-Dec-22
ECG Moss Grove, LP	Moss Grove	Knoxville, TN	192	New Construction	46 w/ PBV, 100 at 60%, 46 at 70%	4%	3/26/2020	8-Oct-21
ECG Trinity, LP	North Lights	Nashville, TN	210	New Construction	10 at 50%, 109 at 60%, 10 at 70%	4%	6/9/2020	10-Feb-22
WCO Hobson, LP	Hobson Flats	Nashville, TN	324	New Construction	324 at 60%	4%	6/24/2020	2-Nov-21
ECG Wildhorse, LP	Wildhorse Flats	Austin, TX	310	New Construction	310 at 60%	4%	1/21/2021	6-Mar-24
WCO Wilkinsville, LP	Millington Flats (Wilkinson)	Millington, TN	80	New Construction	2 at 50%, 76 at 60%, 2 at 70%	9%	3/18/2021	10-Oct-22
ECG Ashley, LP	The Flats at 2109 (Ashley Flats)	Charlotte, NC	150	New Construction	8 at 30%, 130 at 60%, 12 at 80%	4%	4/30/2021	3-Apr-24
ECG Freedom, LP	Freedom Flats	Charlotte, NC	220	New Construction	11 at 30%, 209 at 60%	4%	10/7/2020	28-Apr-24
TOTAL			5,251					

Under Construction

Deal Name	Property Name	Location	Units	Type	Affordability Restrictions	Program	Date Closed	Completion/Cert. of Occupancy Date
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ATTACHMENT 1 – ENTITY INFORMATION

1B. CERTIFICATE OF STATUS



Office of the Secretary of State

Certificate of Fact

The undersigned, as Secretary of State of Texas, does hereby certify that the document, Certificate of Formation for ECG Loyola, LP (file number 805406780), a Domestic Limited Partnership (LP), was filed in this office on February 05, 2024.

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 November 01, 2024.



A handwritten signature in black ink that reads "Jane Nelson".

Jane Nelson
Secretary of State

ATTACHMENT 1 – ENTITY INFORMATION

1C. STATEMENT OF CONFIDENCE

LOYOLA FLATS

AUSTIN, TEXAS

ATTACHMENT TABS

Attachment 1 – Entity Information (**N/A**)

1c. Statement of Confidence (**N/A**)

ATTACHMENT 2 – PRINCIPALS INFO

2A. RESUMES OF PRINCIPALS

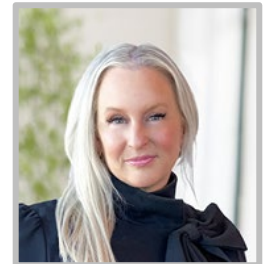
C. HUNTER NELSON, PRESIDENT – ELMINGTON AFFORDABLE, LLC

Hunter provides leadership on Elmington’s affordable housing portfolio. With an expertise in Low Income Housing Tax Credit (LIHTC) development, Hunter oversees Elmington’s 4% bond financed and 9% competitive tax credit development portfolio. He is responsible for the affordable housing strategic direction and day to day operations, including sourcing new construction and rehabilitation deals, project management, financial analysis, government relations, syndication, and due diligence activities. As the principal of the firm, he participates in determining overall corporate growth objectives.



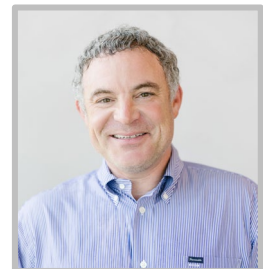
DEANNA MOORE, PRESIDENT – ELMINGTON PROPERTY MANAGEMENT, LLC

DeAnna brings a 25-year career and an innovative, results-driven approach to real estate leadership. A Texas native and Texas Tech alumna based in Nashville, she is a devoted University of Texas Longhorns fan. DeAnna, recognized for leading portfolios exceeding \$3 billion, excels in new business development and building trusting client relationships. Her transformative leadership highlights a commitment to revenue growth and enhanced customer experiences. Notably, she implemented a customer-centric sales model, centralized sales organization, and Sales Excellence BI dashboard. DeAnna’s goal at Elmington is clear—improving multifamily real estate efficiency while championing equity and value for employees and clients. With a unique blend of expertise, she is set to lead Elmington into a new era of prosperity and innovation.



CARY ROSENBLUM, PRINCIPAL

As a founding member, Cary oversees Elmington’s corporate operations and its six primary business divisions: Property Management, Affordable Housing Development, Commercial Property Investment & Management, Construction, and Single-Family Build-to-Rent platform. Cary focuses on developing and managing Elmington’s operational and financial goals and strategic growth plans. Cary is also involved with investment and financing activities, focusing on identification of assets for acquisition and development, new business development, and corporate relations with financial partners. Elmington currently owns, operates, and manages over 40,000 apartments units and 1.5 million square feet of office, retail and industrial space throughout the Southeast and Midwest United States with a staff of over 1000 dedicated professionals.



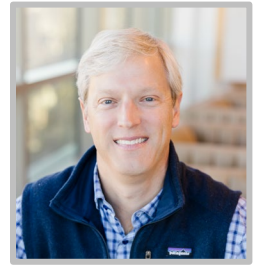
BEN BREWER, PRINCIPAL

As a founding member, Ben is responsible for the overall growth objectives of Elmington and its family of companies. He is involved in the growth of the existing business and the expansion of Elmington into new opportunities. Through this role, he has been integral in growing Elmington to over \$3 Billion in acquisitions and developments and helping grow Elmington Property Management into an organization managing over 40,000 units in 16 states with over 1,000 employees. Additionally, Ben focuses on investor relationships and helping to communicate Elmington’s story both internally and externally.



RYAN SEIBELS, PRINCIPAL

Ryan leads Elmington's conventional acquisitions through a focus on analysis and identification of attractive new assets. He oversees asset management in the commercial portfolio, which includes: marketing and leasing oversight, investor relations, financing opportunities, and disposition analysis. Previously, Ryan served as Vice President at FifthThird Bank and with a private equity real estate investment firm, Harbert, providing a unique perspective of being involved on both the debt and equity side of the real estate transaction.



ATTACHMENT 2 – PRINCIPALS INFO

2B. RESUMES OF DEVELOPMENT TEAM

OUR TEAM

ElmingtonDevelops.com



HUNTER NELSON

PRESIDENT, ELMINGTON AFFORDABLE, LLC

Hunter provides leadership for Elmington's affordable housing portfolio. With an expertise in Low Income Housing Tax Credit (LIHTC) development, Hunter oversees Elmington's 4% bond financed and 9% competitive tax credit development portfolio. He is responsible for the affordable housing strategic direction and day-to-day operations, including sourcing new construction and rehabilitation deals, project management, financial analysis, government relations, syndication, and due diligence activities. As a principal of the firm, he participates in determining overall corporate growth objectives. Hunter graduated from the University of Alabama with a Bachelor of Science in Business Administration.

MATTHEW RIDDLE

EXECUTIVE VICE PRESIDENT OF OPERATIONS

As Executive Vice President of Operations for Elmington Affordable, Matthew oversees accounting and financial reporting, cash forecasting, development draws, and loan conversions for all projects in our portfolio. Matthew partners closely with the project management and asset management teams to understand the current state of each project and help facilitate effective transitions throughout the various stages of development. He also manages key financial and operational data to support strategic decision-making across the company. Matthew graduated in 2014 with a Bachelor of Business Administration in Accounting from Middle Tennessee State University.





MARK MCCORD

EXECUTIVE VICE PRESIDENT OF DEVELOPMENT

Mark is focused on the acquisition and development of conventional and affordable multifamily opportunities. Mark's responsibilities include market evaluation, site selection, underwriting, debt/equity financing, and due diligence. Prior to joining Elmington, Mark was an Investment Professional within The Carlyle Group's U.S. Real Estate team based in Washington, DC. Mark received a B.A. in Finance from the University of Kentucky and an M.B.A. from The Wharton School at the University of Pennsylvania.

DONNELL MCGHEE

DIRECTOR OF DEVELOPMENT

As a Director of Development, Donnell is responsible for the acquisition and development of multifamily housing including LIHTC, Tax-Exempt Bond, and Workforce Housing opportunities. He is currently focusing on the Texas market responding to needs within the permanent supportive housing and mixed income housing spaces. Donnell successfully navigates these opportunities by cultivating Public-Private Partnerships, including but not limited to collaboration with co-development partners, service providers, housing finance agencies, and housing authorities. Donnell has been involved in the development of a dozen projects, consisting of 1,200 units, totaling more than a quarter of a billion dollars in development costs. Prior to Elmington, Donnell worked with the Vecino Group and in the Integral Group's Development Division where he led the implementation of strategic development efforts. These included large-scale master planned community developments anchoring area revitalization efforts, with scope including master planning, demolition, infrastructure and building design and construction, project financing, and property stabilization. Donnell has developed \$204MM worth of multi-family housing projects in various markets throughout Texas and the southeast. Donnell received his MBA from Emory University's Goizueta Business School.





JOE HOROWITZ
SENIOR VICE PRESIDENT OF DEVELOPMENT

Joe is responsible for the acquisition and development of affordable multifamily properties, including market evaluation, underwriting, financing, and due diligence. Prior to joining Elmington, Joseph was a Director at Citi Community Capital where he oversaw the underwriting and credit approval for more than \$3 billion of financing for multifamily projects, mixed-use developments, and other community development projects located throughout the United States. Sources included 4% & 9% LIHTCs, NMTCs, tax exempt bonds, and other mission-focused funding programs available through the federal government and local municipalities.

ANTHONY ALBANESE
DIRECTOR OF DEVELOPMENT

As a Director of Development, Anthony helps guide the development process for new affordable and workforce multifamily opportunities. His key responsibilities include project due diligence, underwriting, and financial analysis, with a primary focus on the Ohio and North Carolina markets. Before joining Elmington, Anthony served as a Development Officer at The Michaels Organization, where he was responsible for affordable new-construction and acquisition-rehab developments in Colorado and Texas. He holds a B.A. from Vanderbilt University and an M.B.A. from Columbia Business School in New York.





JOHN SHEPARD
SENIOR VICE PRESIDENT OF DEVELOPMENT

John Shepard is a Vice President of Development responsible for the development and acquisition of residential and mixed-use communities. Since joining Elmington, he has led over \$900 million in development. John's expertise includes community-focused development and public-private partnerships. John holds M.B.A. and J.D. degrees from Harvard University and prior to joining Elmington, he directed real estate activities for a leading land conservation organization.

AARON VARGAS
SENIOR DEVELOPMENT ASSOCIATE

Aaron Vargas is a Senior Development Associate focused on the development of multifamily housing using 4% and 9% low-income housing tax credits in the state of Florida. Aaron's responsibilities include sourcing development sites, underwriting and due diligence, while cultivating local relationships to leverage public-private partnerships. Prior to Elmington, Aaron worked for both LIHTC and workforce housing developers. Aaron holds a Master's in Social and Applied Economics from Wright State University in Ohio and a B.A. in Communication from Carson-Newman University in Tennessee.





REED ELLIS
DIRECTOR OF DEVELOPMENT

Reed Ellis is a Director of Development focused on the acquisition and development of residential and mixed-use communities using 4% and 9% low-income housing tax credits. Prior to joining Elmington, Reed worked as a Development Associate with a large international real estate firm and as an Engineer in the energy and environmental sectors. Reed received his M.B.A. from Vanderbilt University's Owen Graduate School of Management and a B.S. in Geological Engineering from the University of Mississippi.

LC WALLACE
DIRECTOR OF DEVELOPMENT

LC is focused on development of the affordable housing portfolio in Tennessee. She is responsible for the site acquisition, underwriting, facilitating the projects through entitlements and design, as well as financing affordable multifamily properties using 4% and 9% Low-Income Housing Tax Credits, PILOTs, Project-Based Vouchers, Tax-Exempt Bonds, and soft loan or grant programs. LC also serves the vital role of working with our various partners, including local non-profits, housing authorities, and municipal departments. LC received her B.S. in Chemical and Biological Engineering from the University of Alabama.





BEN DACHILLE
DIRECTOR OF DEVELOPMENT

Ben is focused on the sourcing of conventional and workforce multifamily development opportunities throughout the Southeastern United States. Ben's responsibilities include market evaluation, site selection, underwriting, and due diligence. Prior to joining Elmington, Ben was an Analyst at J.P. Morgan in the Financial Institutions Group and an Acquisitions Associate with Carter-Haston Real Estate based in Nashville, TN. Ben received a B.A. in Finance from The George Washington University and an M.B.A from Vanderbilt University's Owen Graduate School of Management.

ERIK SMITH
SENIOR DEVELOPMENT ASSOCIATE

Erik is responsible for the acquisition and development of multifamily products including underwriting, due diligence, and financing. Prior to joining Elmington, Erik worked for the Montgomery County Housing Opportunities Commission, where he underwrote and executed transactions totaling over \$250 MM, led the acquisition of more than \$100 MM in Low-Income Housing Tax Credit Equity, and he delivered more than \$100 MM of private activity bonds for the acquisition and development of over 350 units. Erik received his B.A. in Economics from the University of Maryland, College Park and his M.B.A. from University of Virginia's Darden School of Business.





DREW CANNON
INVESTMENT ANALYST

Drew is responsible for finding site acquisition opportunities, performing due diligence, and underwriting for 4% and 9% LIHTC multifamily developments. Before joining Elmington full-time, Drew worked as an intern for Elmington, working in a similar capacity with the Affordable team as well as our Commercial, Construction, and Single-Family Rental teams. Drew attended Auburn University's Harbert College of Business, where he graduated Magna Cum Laude and as an Honors Scholar with a B.S. in Finance.

SHELBEY PALMER
DEVELOPMENT ASSOCIATE

Shelbey is responsible for conducting site due diligence, assisting in financial modeling, and underwriting, as well as pursuing state and local funding and financing for Elmington's affordable multifamily developments. Prior to joining Elmington, Shelbey was an Appraisal and Valuation Management Analyst at SitusAMC where she valued institutional portfolios of over \$5 Billion in various asset classes. Shelbey has a B.A. in Economics from the University of Colorado at Boulder and a Master of Real Estate Development from Auburn University's Harbert College of Business and the College of Architecture, Design, and Construction.



Elmington is a highly professional affordable real estate development group unrivaled in knowledge, attention to detail, and ability to execute. Elmington knows how to perform and close the deal which is exactly the type of relationship an investment partner desires. I have worked with Elmington for many years and am thankful for their partnership and “can do” attitude.

STACEY FANTOM

Financial Advisor | Pinnacle Financial Partners

Elmington develops the absolute highest quality affordable housing in the country. I literally could not believe my eyes when I toured their communities. Their vertically-integrated platform, exceptional professionalism, attention to detail and stunning communities are some of the many reasons I am so proud to call them a partner.

DARREN SWANSON

Managing Director | Red Stone Equity Partners

OUR PARTNERS SAY

Elmington Capital is a proven leader in developing high quality housing for working families across the country. The team’s innovative solutions truly revitalize neighborhoods and provide best-in-class housing for the tenants they serve. Citi is proud to partner with Elmington as they ensure more families have access to high-quality housing that they are proud to call home.

CARRIE LEE

Director | Citi Community Capital

Our community development team and I worked with Elmington on multiple projects over several years. Together we were able to deliver several hundred newly constructed as well as renovated affordable housing units for our community, often under very challenging circumstances. Their experience, integrated approach and ability to problem solve made them an invaluable partner.

DONNA C. WILLIAMS

Former Administrator | City of Chattanooga



CONTACT

ElmingtonDevelops.com

FLORIDA OFFICE
Tampa, FL

813.358.7671

503 EAST JACKSON ST. SUITE 240
TAMPA, FL 33602

CORPORATE HEADQUARTERS
Nashville, TN

615.490.6700

1030 16TH AVE. SOUTH, SUITE 500
NASHVILLE, TN 37212

WESTERN OFFICE
Denver, CO

702.506.4895

2515 LAWRENCE STREET
DENVER, CO 80205

ATTACHMENT 2 – PRINCIPALS INFO

2C. RESUMES OF PROPERTY MANAGEMENT TEAM


FORGET

THE ORDINARY



ELMINGTON
PROPERTY MANAGEMENT

OneElmington.com



What if you could start a world-class
property management company from scratch —
take the best parts from the top companies and mesh
them with the latest technology and finest talent in the business?

We are a company focused solely on extraordinary results
with a flexible approach where identifying, recruiting, training,
and rewarding talent is the key to success.
Property management is a mature industry, and EPM is reinventing it.

CARY ROSENBLUM

CEO, Co-Founder

Elmington is a privately owned, multi-faceted commercial real estate investment and development firm headquartered in Nashville, Tennessee.



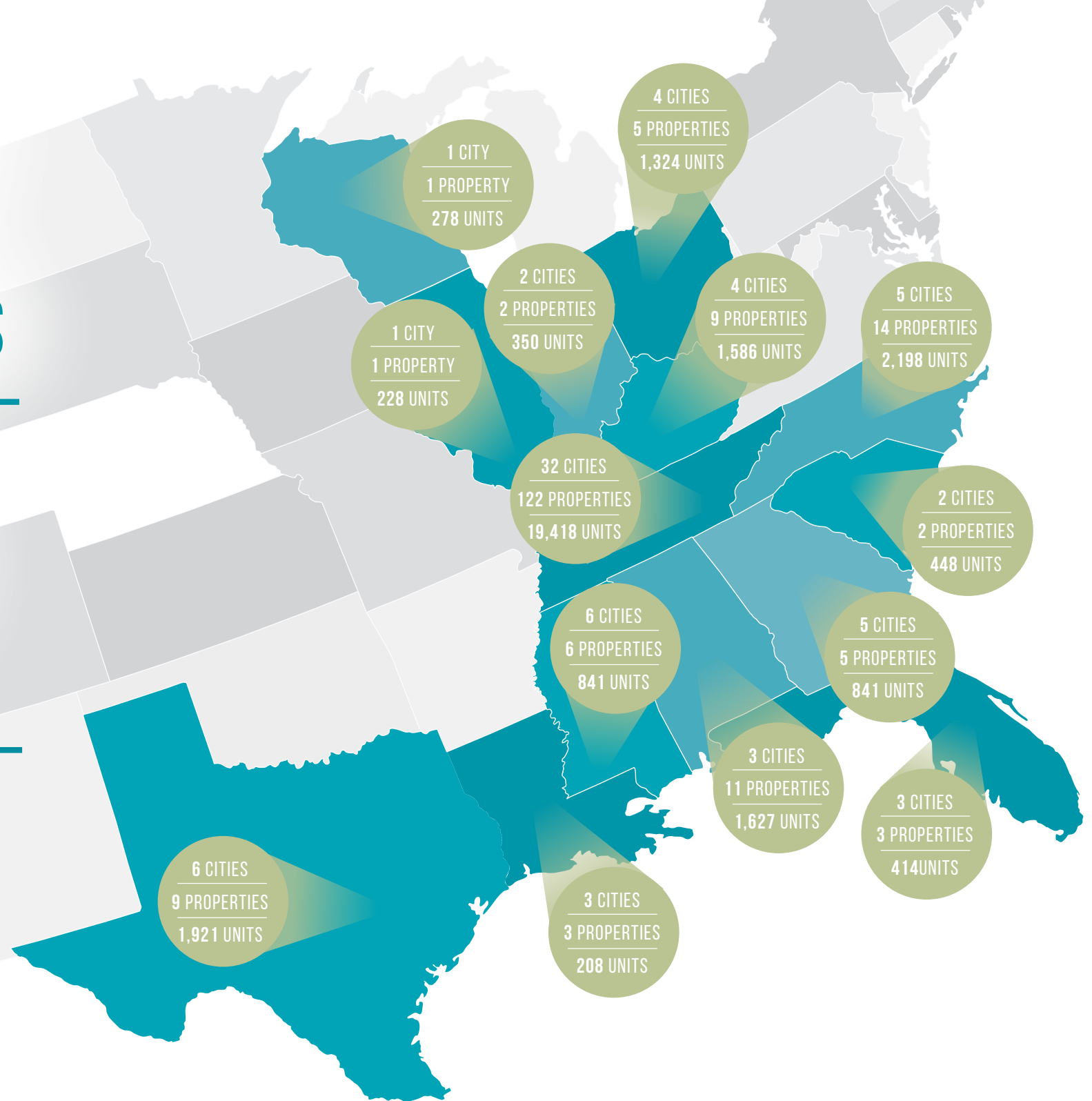
Our family of companies focuses on multifamily housing through a diverse array of strategic initiatives, such as Conventional, Build-To-Rent, and Affordable. We build, develop, and manage commercial and residential properties, and we have redefined property management software through Fortress.

14
STATES

197
PROPERTIES

31,874
UNITS

ELMINGTON
PROPERTY
MANAGEMENT



WE HAVE YOU COVERED

EPM manages a diverse assortment of multifamily housing in partnership with 56 different owners.



EXPECT EXTRAORDINARY

Elmington Property Management
is far from ordinary.

Too many times
companies fall back
into the trap of
'that's the way we've
always done it'
in property management.

Quite frankly, that's
unacceptable to us.

We settle for nothing
less than awesome,
and we mean it.

FORGET THE ORDINARY

The Elmington team lives by
this creed. Our daily focus
is on the extraordinary,
and we are dedicated to
this level of excellence in
everything we do.

THINK LIKE AN OWNER

We are committed to
providing laser-focus attention
to your assets. We make
it a habit to think like an
owner and manage with
this mindset.

TREAT AMAZING PEOPLE AMAZINGLY

This is a partnership.
Ultimately, we show each other
what amazing really feels like
through acknowledgment,
teamwork, and
openness.

ASK INTENTIONALLY

The Elmington team isn't
just open to feedback,
we ASK for it and are up for
the challenge of putting it
into action for the betterment
of ourselves and
our business.

MOVE PEOPLE ALONG

Our goal is to never
burden our overachievers
with underachievers.
We set expectations,
and have the right people
in the right positions
to succeed.

ELEVATE YOUR COMMUNITY

Being a part of Elmington
Elevates is central to our
mission. It is our way of
giving back and making sure
we all rise together.

FRONT STAB

Front stabbing is all about
open communication,
honesty, and transparency.
We continually seek
opportunities for innovation
and improvement.

THE KEYS TO SUCCESS



FINANCIAL
MANAGEMENT



EMPLOYEE DEVELOPMENT



TECHNOLOGY



OUTREACH

FINANCIAL MANAGEMENT



Owners of EPM-managed properties experience:

- FORWARD-THINKING EMBRACEMENT OF TECHNOLOGY
SEEKING INNOVATIVE WAYS TO AUTOMATE, EXPEDITE,
AND ENSURE ACCURACY OF FINANCIAL PERFORMANCE
- LEVERAGING OF BEST IN MARKET SYSTEMS AND GAAP
ACCOUNTING PRINCIPALS
- CUSTOMIZED MONTHLY FINANCIAL REPORTING VIA
SAGE INTACCT AND AI BOT TECHNOLOGY

Our Property Support Team oversees accounting, accounts payable, compliance, and software support for our communities. Our main focus is to ensure we provide onsite operations with all the support and services needed to be successful.

LEVERAGED
AI
TECHNOLOGY

BALANCE SHEET
INTEGRITY

LOAN
MANAGEMENT

REPLACEMENT
**RESERVE
FUNDING**

PROMOTES GROWTH & DEVELOPMENT



FOCUSES ON NEW HIRES & INTERNAL PROMOTIONS



OFFERS CUSTOMIZED TRAINING & LEARNING PATHS

EMPLOYEE DEVELOPMENT



Our in-person and digital training resources promote the growth and development of our employees from their initial hire through their advancement within EPM. We offer customized individual learning paths to best suit each employee. Our onboarding practices are applied to both new hires and internal promotions to reinforce excellence.



TRAINING COURSES IN LIBRARY: **328**



INDIVIDUALLY CURATED LEARNING PATHS
FOR SITE POSITIONS: **8**



IN PROGRESS: CLIFTON STRENGTHS-BASED
LEADERSHIP TRAINING

TECHNOLOGY

FORTRESS:

Property management software should be straightforward and informative. For this reason, we designed Fortress to provide instantaneous insight into occupancy, collections, concessions, work orders, and many other important KPIs. This real-time transparency empowers you to be both reactive and proactive when opportunities arise.

FORTRESS
SERVES
OVER
44,000
APARTMENT HOMES

100%
OF USERS SAY
FORTRESS
IS EASY TO
NAVIGATE

88%
OF USERS WOULD
RECOMMEND USING
FORTRESS
OVER OTHER
SOFTWARE SYSTEMS

79%
OF USERS SAY THAT
FORTRESS
HAS SAVED THEM AN
HOUR OR MORE
PER WEEK



CENTRALIZED

USER-FRIENDLY

AUTOMATED

EXCEPTIONALLY
SUPPORTED



TECHNOLOGY



ELMINGTON INFORMATION TECHNOLOGY:

Our in-house Information Technology (IT) team delivers a more personalized experience than a third party vendor, beginning with the onboarding process and continuing every step of the way. With high-speed response times, our team speaks to specific property management needs. Elmington's IT department is more cost-efficient, nearly 50% less, than an outside party. Viruses, computer malfunctions, internet troubles, and email or printer issues are no match for our in-house crew.

PROPERTY MANAGEMENT SUPPORT:

Technological difficulties can be frustrating, especially in property management. Our in-house support team leverages a digital ticketing platform to focus on answering any and all questions, allowing your team to focus their efforts on making their sites successful.

OUTREACH

ELMINGTON ELEVATES

Our teams and communities are filled with giving, philanthropic, and caring people. Elmington Elevates is its own 501c(3), operating in close partnership with EPM's employees, residents, clients, and vendor partners. With our support, Elmington Elevates has:



We are passionate about elevating our community to learn, grow, and thrive. As one of Elmington's convictions, Elevates brings our amazing team members together in a positive and impactful way.



BRAND GUIDELINES

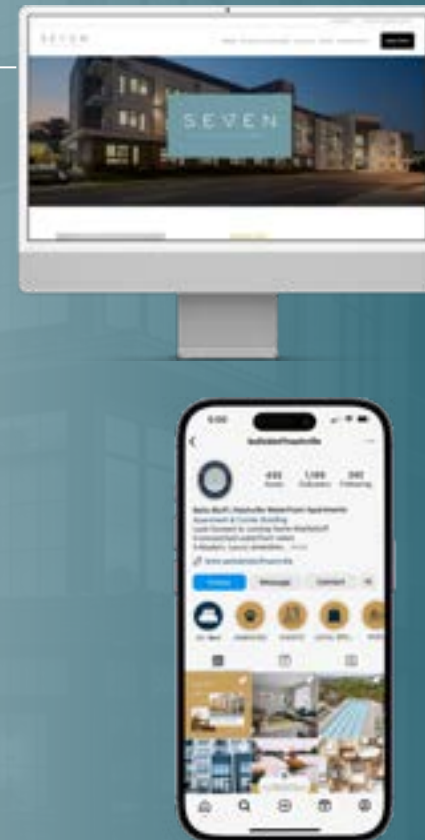


BRANDING & POSITIONING PACKAGES

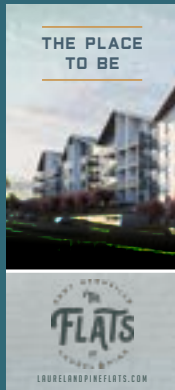


WEBSITE & DIGITAL MANAGEMENT

CREATIVE SERVICES



Our Creative Services Team supports everything a property could ever need: from branding new construction and lease up strategies to reinvigorating life into well-established communities, we do it all. Branding guides, websites, brochures, move-in gifts, and promo items are just the tip of the iceberg. We optimize your property's image and make you look good.



Rack Card Front

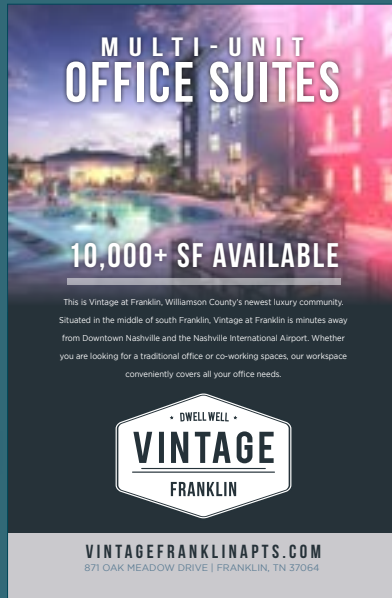
Brochure Front



Brochure Inside



PRINT COLLATERAL



Flyer



Banner



Bootlegs



A-Frame Board



SIGNAGE & VISIBILITY



Promotional Items



Move-in Gifts

PROMO MATERIALS



AMAZING TALENT

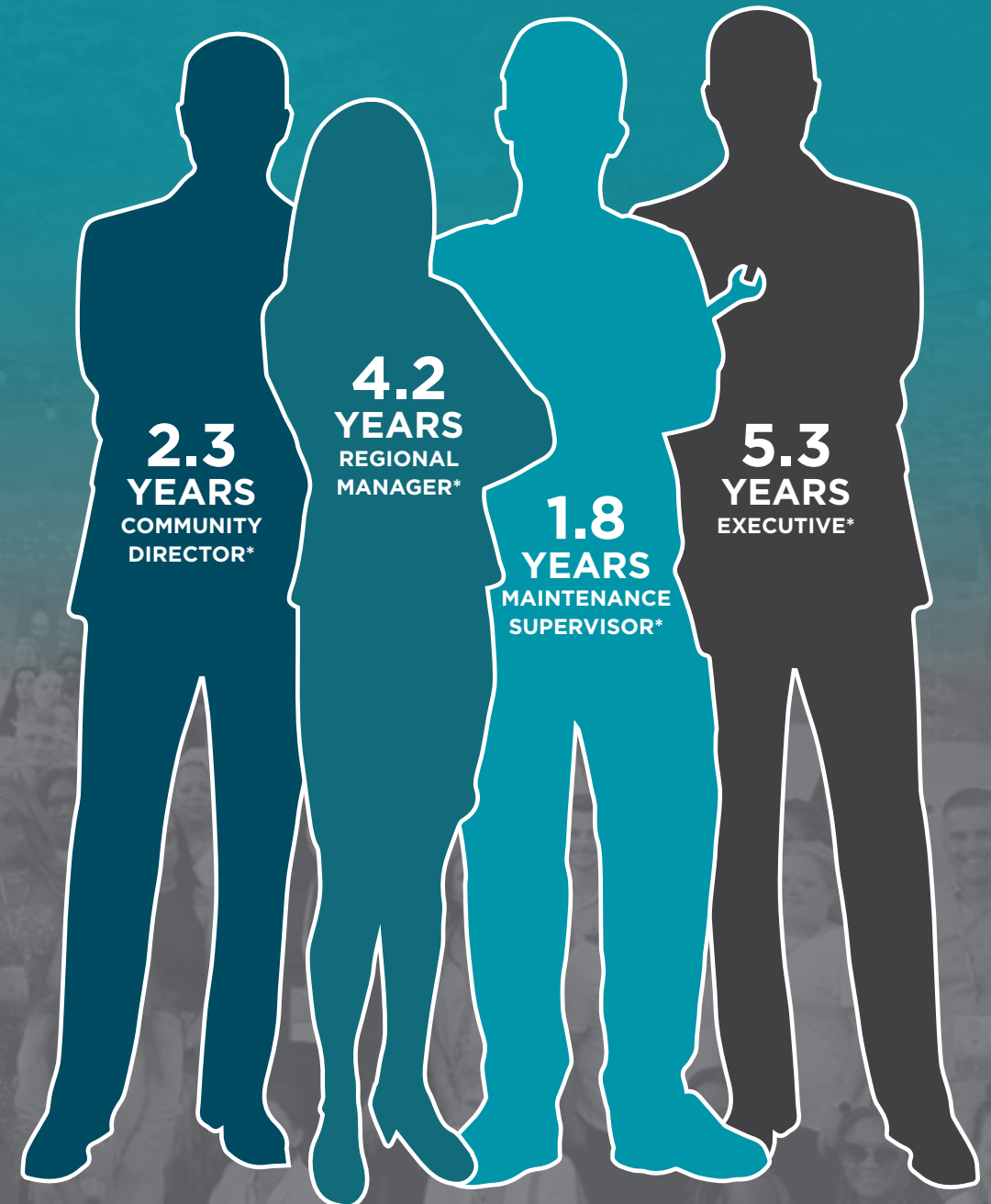
THIS IS HOW WE ATTRACT TOP TALENT

RECRUITING

People are our priority, and recruiting is integral for our company's success. We have amazing people with amazing tenure in a high-churn industry. We find and attract great people to manage your properties with a full-time recruiter who:

- ▶ Proactively sources resumes in our markets to maintain a constant pool of candidates readily available for hire
- ▶ Presents candidates when needs arise and prompts targeted searches for additional candidates, as needed
- ▶ Hosts quarterly career mixers in high need areas/positions
- ▶ Creates and manages customized job postings
- ▶ Screens resumes, conducts phone interviews, and checks references
- ▶ Eliminates the time-consuming administrative hours involved in hiring
- ▶ Administers 90-day "check-in" calls with new employees
- ▶ Breathes the Elmington spirit and easily motivates desired candidates to make the move to Elmington!

....AND RETAIN EMPLOYEES



*The statistics provided here reflect the average years of tenure for each position at Elmington.

“Elmington provides institutional level property management with an entrepreneurial approach that understands that every property presents unique challenges and opportunities. Having assets across multiple Southeast markets, Elmington provided a dedicated Regional which has greatly improved our ability to work closely with the property management teams to optimize performance and improve the return on investment. Additionally, they worked with us to develop a customized financial report and close out process that streamlines our investor reporting.”

BLAKE BERG
MANAGING PRINCIPAL AND CHIEF
INVESTMENT OFFICER
WICKER PARK CAPITAL MANAGEMENT

“Elmington Property Management is the pinnacle of what a property management company should look like. Elmington’s people first approach to a people first business (multifamily) and their attention to detail is what separates them from other PM companies.

They are a true partner that works with the ownership team to grow the business and achieve the objectives of the properties. We are grateful to have such a great PM managing our assets.”

**MIKE ROEDER, DAN BRISSE &
STEVE WOOLWORTH**
GRANITE TOWERS

IT’S NOT ALL DOLLARS & CENTS

**IT’S MORE ABOUT IMPACTING
THE LIVES WE TOUCH:**

FROM THE GROWTH OF OUR EMPLOYEES,
TO THE VALUE CREATED FOR OUR CLIENTS,
TO THE EXPERIENCE OF OUR RESIDENTS.

**WE’RE PASSIONATE ABOUT
MAKING A DIFFERENCE**

“My team tries to always Forget the Ordinary and Think Like an Owner on a daily basis. Numbers are important, but communication, listening to the residents and employees, being proactive not reactive, and keeping the big picture in mind generates good numbers. In my region, we have our ‘Bumble Bee Award’. Every month, I award that to a Community Director based on not just numbers, but attitude, problem solving, events for residents, and keeping employees engaged in what we stand for – the best management company around. We have a trophy that gets awarded, and then each month, the CD has to give it up as I select a new recipient. I started this in January of 2015, and it’s amazing how they all fight for it. The concept is a bumble bee aerodynamically should not be able to fly; their wings are too small to carry them. No one ever told them that so they do it anyways. That applies to my managers. EPM empowers us to do our jobs and do them well, and when they go above and beyond, they are my ‘bumble bees.’”

LOU REEVES
REGIONAL VICE PRESIDENT

“We exclusively use Elmington’s fantastic property management group for all of our projects. They are an invaluable part of our pre-development team providing us with the granular data on our submarket and competition which allows us to better understand the revenue opportunities during due diligence, and then to tailor our unit mix and target audience during the design phase of the project. This also gives the management team the insight from the outset to structure their marketing campaign at leasing start to coincide with the project’s identified market. During lease up, they are extremely responsive to residents, and the number of leases due to referrals speaks to their personal approach to each tenant. I can’t recommend Elmington highly enough.”

MATT GARDNER
PARTNER
IMAGINE1

“We choose to entrust Elmington with the management of our portfolio because of the creative and powerful partnership we have established and continue to nurture. ACRE and EPM share similar views on what a successful field level operation looks like and together we find meaningful operational efficiencies through a mutual approach to managing, where neither the owner nor agent come in with off-the-shelf control. This structure that contemplates a two way think-tank and partnership is an absolute pleasure.”

MELANIE GERSPER
CHIEF OPERATING OFFICER
ACRE



NOTABLE HONORS

NATIONAL APARTMENT ASSOCIATION

2023 TOP WORKPLACE FINALIST

TOP WORKPLACE IN TENNESSEE 5 CONSECUTIVE YEARS

**#22 RANKING ON NATIONAL AFFORDABLE HOUSING MANAGEMENT
ASSOCIATION'S 2023 TOP 100 AFFORDABLE LIST**

LARGEST OPERATOR IN STATE OF TENNESSEE



CARY ROSENBLUM
CHIEF EXECUTIVE OFFICER



BEN BREWER
PARTNER

AT ELMINGTON PROPERTY MANAGEMENT, OUR V.I.PEEPS SERVE YOUR V.I.PROPERTY WITH THE
UNSTOPPABLE LOYALTY OF SUPERHEROES — MINUS THE BURDENSOME CAPES.



MAGGIE BOGGS
CHIEF OPERATING OFFICER



BRITTANY SANCHEZ
EXECUTIVE VICE PRESIDENT



KEVIN HOYLER
EXECUTIVE VICE PRESIDENT



SUPPORTING YOUR REGIONAL MANAGER



**NEW
CONSTRUCTION
LEASE UPS**



BUILD-TO-RENT



**STABILIZED
CONVENTIONAL**



MIXED USE



**AFFORDABLE
HOUSING**



VALUE ADD



**MIXED
INCOME**



**LUXURY/
CLASS A**



SENIOR



ELMINGTON

PROPERTY MANAGEMENT

EPM manages a diverse assortment of housing and has experience in just about every property type.

EXPECT EXTRAORDINARY



DEANNA MOORE
PRESIDENT
demoore@elmingtonpm.com

CATHERINE NEAL
VP OF CLIENT SERVICES
cneal@elmingtonpm.com

ELMINGTON
OneElmington.com

1030 16TH AVE. SOUTH, SUITE 500 | NASHVILLE, TN 37212 | 615.348.9305

ATTACHMENT 3 – FINANCIAL INFO

3A. FEDERAL IRS CERTIFICATION

LOYOLA FLATS

AUSTIN, TEXAS

ATTACHMENT TABS

Attachment 3 – Project Info (**N/A**)

3a. Federal IRS Certification (**N/A**)

ATTACHMENT 3 – FINANCIAL INFO

3B. CERTIFIED FINANCIAL AUDIT

LOYOLA FLATS

AUSTIN, TEXAS

ATTACHMENT TABS

Attachment 3 – Project Info (**N/A**)

3b. Certified Financial Audit (**N/A**)

ATTACHMENT 3 – FINANCIAL INFO

3C. BOARD RESOLUTION

LOYOLA FLATS

AUSTIN, TEXAS

ATTACHMENT TABS

Attachment 3 – Project Info (**N/A**)

3c. Board Resolution (**N/A**)

ATTACHMENT 3 – FINANCIAL INFO

3D. FINANCIAL STATEMENTS

**FINANCIAL STATEMENTS TO BE
PROVIDED UNDER SEPARATE COVER**

ATTACHMENT 3 – FINANCIAL INFO

3E. FUNDING COMMITMENT LETTERS

Community Capital



September 3, 2024

Elmington Capital Group LLC
1030 16th Avenue, Suite 500
Nashville, TN 37212
Attn: Donnell McGhee

Re: Loyola Flats – 8404 Loyola Lane, Austin, TX 78724

Dear Mr. McGhee:

Citibank, N.A. (“CITI”) understands that Elmington Capital Group (“Sponsor”) intends to submit an application to TDHCA for a Private Activity Bond Allocation to finance Loyola Flats (the “Project”). 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 the Sponsor, the Project or any other person, claiming through the Sponsor 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
Authorized Signatory
Encl. - Exhibit A

**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
Taxable Loan Structure****Loyola Flats****September 3, 2024**

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 Strategic Housing Finance Corporation (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 an interim 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 tranches: Tranche A will be funded first and will provide construction to permanent phase financing. Tranche B will be for additional, construction phase only financing, with the potential to earn-out permanent phase financing (as defined herein). The proceeds of both Tranche A and Tranche B will be drawn down first and fully funded at Closing.

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, unless otherwise noted below.

Additionally, CITI proposes to arrange a taxable construction-only loan (the “Taxable Loan” and together with the Tax-exempt Loan, the “Loans”) to the Borrower (defined below) in connection with the acquisition and construction of the Property described below. The Taxable Loan will only have a Construction Phase, during which funds will be made available on a draw down basis and advanced to the borrower to fund project costs. Payments on the Taxable Loan during the Construction Phase will be interest only.

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 property containing 208 units located in Austin, TX. The property is commonly referred to as “Loyola Flats” (“Property”).
- Set-Asides:** 44 units are reserved for individuals or families whose income is no greater than 50% of Area Median Income (“AMI”). 120 units are reserved for individuals or families whose income is no greater than 60% of AMI. 44 units are reserved for individuals or families whose income is no greater than 70% of AMI.
- Applicant (Sponsor):** Elmington Capital Group.
- 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 operating or partnership agreement must be acceptable to CITI in all respects including, particularly, the timing and conditions to funding capital contributions. The timing of the funding of capital contributions into the Transaction must follow a schedule that will allow for a minimum of 10% of the Equity being contributed at Closing and 50% of the total Equity being contributed prior to Conversion.
- Guarantor(s):** Elmington Affordable, Hunter Nelson, Ryan Seibels, Cary Rosenblum, Ben Brewer, and Scott Sohr. The Guarantor(s)’ financial condition(s) must be acceptable to CITI in all respects.
- Subordinate Debt:** 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 the Loans funding unless CITI approves other arrangements. Subordinate Debt will be subject to CITI’s Subordination Agreement, which in addition to other provisions, requires that Subordinate Debt only be paid from 75% of available cash flow.
- Loan Security:** First lien on 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. CITI acknowledges there will be a ground lease executed between the Partnership and the General Partner (Strategic Housing Finance Corporation) at Closing. The form of the ground lease remains subject to CITI’s review and approval.

Construction Phase

Recourse Guarantees: Prior to conversion of the Loan to the Permanent Phase (described below), the Loans 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).

Guarantees,

Permanent Phase: None, except for industry standard carve outs (“Carve Outs”). Carve Outs include guarantees against fraud, misrepresentation, bankruptcy, and environmental issues.

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.):

First Quarter 2025.

CONSTRUCTION PHASE

Tax-Exempt Construction

Phase Loan Amount: An amount currently estimated to be \$41,000,000 (comprised of the \$36,128,353 Tax-Exempt Tranche A piece and \$4,871,647 Tax-Exempt Tranche B piece), but in any event, the Tax-Exempt Construction Phase Loan Amount shall not exceed 80% of costs covered through the Construction Phase.

Taxable Construction

Phase Loan Amount: An amount currently estimated to be \$17,571,053, but in any event, the combined Tax-Exempt and Taxable Construction Phase Loan Amounts shall not exceed 80% of costs covered through the Construction Phase.

Construction Term:

36 months, plus two as-of-right 6-month extensions. Spread adders for the extensions are indicated below under the “Tax-Exempt Construction Phase Interest Rate (Tranche A)” and “Earn-Out Interest Rate” sections.

Tax-Exempt Construction

Phase Interest Rate

(Tranche A):

CITI is underwriting to a fixed rate that is currently estimated to be 6.00%. The rate does not include Governmental Lender, Fiscal Agent, or miscellaneous third-party fees. The rate will be committed at the time of closing of the Construction Phase financing. Pricing is based on current market conditions and is subject to change.

If the Conversion to the Permanent Phase does not occur on or before month 36 following Closing, 0.05% will be added to the above quoted rate for each as-of-right 6-month period past the initial 36-month period in which Conversion occurs.

Tax-Exempt Construction

Phase Interest Rate

(Tranche B):

CITI is underwriting to a fixed rate that is currently estimated to be 6.00%. The rate does not include Governmental Lender, Fiscal Agent, or miscellaneous third-party fees. The rate will be committed at the time of closing of the Construction Phase financing. Pricing is based on current market conditions and is subject to change.

**Taxable Construction
Phase Interest Rate:**

CITI is underwriting to a variable rate that is currently estimated to be 6.25%. The rate does not include Governmental Lender, Fiscal Agent, or miscellaneous third-party fees. The rate will be committed at the time of closing of the Construction Phase financing. Pricing is based on current market conditions and is subject to change.

**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 a cushion of 0.75% on the Taxable Construction Phase Loan Amount only. The Interest Reserve will be sized based on an analysis of the projected draw schedule for the Loans from the closing of the Construction Phase financing through Conversion.

Availability:

Tax-exempt Loan proceeds (Tranche A and Tranche B) 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. Taxable Loan proceeds will be 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.

Loans in Balance:

The Loans must remain “in balance” during the Construction Phase. “In balance” means that (1) the funds available during the Construction Phase (from the Loans 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 Loans 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 Loans during the Construction Phase will be interest only.

**Prepayment and
Yield Maintenance –
Tax-Exempt:**

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%) of 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.

**Prepayment and
Yield Maintenance –
Taxable:**

Prepayment of Taxable Loan principal amounts, partial or full, during the Construction Phase may be made without any prepayment premium.

**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, unless the general contractor is Elmginton Construction LLC, an affiliate entity of the Applicant. 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.

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), unless there are other requirements under State law or unless other arrangements have been approved by CITI. 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 \$36,128,353, 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 34 years following the Closing Date, subject to any Governmental Lender restrictions.

Mandatory Prepayment /

Term: At the end of the 19th year following the Closing Date, mandatory prepayment of the Tax-exempt Loan will be required in full.

Amortization: 40 years following the Interest-Only Period.

Interest-Only Period: Payments during the first three (3) years of the Permanent Phase will be interest-only.

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 Mandatory Prepayment / Term.

Permanent Phase Interest Rate: See “Tax-Exempt Construction Phase Interest Rate (Tranche A)” section above.

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.

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 \$300/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.

TDHCA

Acknowledgement:

Please note that in providing this proposal for submission to TDHCA as part of the application process to get an award of 4% Housing Tax Credits, CITI (the “Bank”) acknowledges the following:

- 1) The Bank has reviewed the sponsor’s application for the proposed development and finds that the project is feasible for financing by the Bank. Please also see attached exhibit regarding the 15-year pro forma that the Bank finds acceptable which demonstrates a debt service coverage of no less than 1.15x for 15 years.
- 2) The Bank has reviewed the creditworthiness and quality of the principals involved and has determined that the principals are acceptable to the Bank.
- 3) The Bank has reviewed in substance, the creditworthiness and quality of the financial strength of the guarantors as noted above and finds such guarantors acceptable as part of the financing outlined in this proposal.
- 4) The Bank acknowledges the Applicant’s intent to elect income averaging for the Project.

POTENTIAL EARN-OUT

Earn-Out Amount:

CITI will provide a tax-exempt earn-out in an amount not to exceed 10% of the initial Permanent Phase Loan amount. The earn-out will be sourced from available tax-exempt proceeds at conversion (Tax-Exempt Construction Phase Loan Tranche B) and is currently estimated to be \$3,612,835. The amount of the earn-out will be determined by CITI in its sole discretion based on its underwriting of the NOI at the time of Conversion and Application of CITI’s loan sizing parameters. To the extent the Permanent Phase Loan Amounts (including the Permanent Phase Earn-Out Amount) exceeds the Loan-to-Value threshold; CITI will require a new appraisal at the Borrower’s expense to support the Permanent Phase Earn-Out Amount.

Earn-Out Interest Rate:

The rate on the earn-out will be set at Conversion and will be fixed rate. The final rate for the Permanent Loan, inclusive of the Earn-out Amount, shall be a blended rate between the Permanent Phase Interest Rate and the Earn-Out Interest Rate.

If the Conversion to the Permanent Phase does not occur on or before month 36 following Closing, 0.05% will be added to the above quoted spread for each as-of-right 6-month period past the initial 36-month period in which Conversion occurs.

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 Loan (including CITI legal fees).

Origination Fee: A non-refundable Origination Fee equal to 1.00% of the combined Tax-Exempt and Taxable Construction Phase Loan Amounts and 1.00% of the Earn-Out Amount (“Origination Fee”) shall be earned in full by CITI upon the closing of the Loan and is due and payable at that time.

CITI Legal Fees (est.): Estimated fees of CITI’s counsel for the initial closing are to be determined 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.

Fees of CITI’s counsel for work associated with conversion of the Tax-exempt Loan to the Permanent Phase are to be determined.

**Course of Construction
Inspections (est.):**

\$TBD/monthly report.

**Construction Term
Extension Fee:**

See “Tax-Exempt Construction Phase Interest Rate (Tranche A)” and “Earn-Out Interest Rate” sections above.

**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:

September 17, 2024, unless attached to a signed Preliminary Application letter received by CITI on or before September 17, 2024, 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.

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.



September 5, 2024

Mr. Donnell McGhee
Elmington Capital Group
1030 16th Ave South, Suite 500,
Nashville, TN 37212

Re: Loyola Flats
Austin, TX

Dear Mr. McGhee,

Red Stone Equity Partners, LLC ("Red Stone") is pleased to be given an opportunity to submit a proposal on Loyola Flats (the "Project") located in Austin, Texas. This letter serves as an outline of the business terms regarding the acquisition of partnership interests in ECG Loyola, LP (the "Partnership") that will own the Project. Red Stone or its designee (the "Limited Partner") will acquire a 99.990% limited partner interest (the "LP Interest") in the Partnership. This proposal contains an outline of suggested terms only, and it does not represent a commitment by Red Stone or create any obligation whatsoever on Red Stone's part to provide equity financing for the Project. It is for discussion purposes only, and the outlined terms have not received final approval by Red Stone's investment committee. Further, this proposal replaces and voids any and all previous financing proposals by Red Stone for the Project. Any commitment shall only be as set forth in a to-be-negotiated partnership agreement ("Partnership Agreement") and will be subject to, among other things, (i) satisfactory transaction structure and documentation, (ii) satisfactory due diligence, including third party reports and (iii) other standard conditions for transactions of this type as described more fully in Paragraphs 14 and 15 below.

1. **Project Information.** The Partnership has been formed to acquire, own, develop and operate the Project, which is anticipated to be eligible to claim Low Income Housing Tax Credits ("Housing Credits") under Section 42 of the Internal Revenue Code. The Project will consist of 208 residential units for rent to low-income families. The Project will be located at 8404 Loyola Lane, in the City of Austin, Travis County, within the State of Texas. Within the Project, 208 of the units are expected to be Housing Credit compliant, with no additional units being designated as management units. The residential unit mix shall reflect the detail below and shall conform to any other set-asides as required by The Texas Department of Housing and Community Affairs (the "Agency"). If the Average Income Test is used to meet the Minimum Set-Aside Test, no residential units comprising the low-income component of the Project will be rented at market rate without Red Stone's consent. The means for such conformance shall be reviewed and approved by Red Stone.

Unit Type	Number of Units	Income Restrictions / Rental Subsidy
1 BD/1 BA	5	50% AMI
1 BD/1 BA	10	60% AMI
1 BD/1 BA	5	70% AMI
2 BD/2 BA	17	50% AMI
2 BD/2 BA	49	60% AMI
2 BD/2 BA	17	70% AMI
3 BD/2 BA	17	50% AMI
3 BD/2 BA	52	60% AMI
3 BD/2 BA	17	70% AMI
4 BD/2 BA	5	50% AMI
4 BD/2 BA	9	60% AMI
4 BD/2 BA	5	70% AMI

The construction and lease-up schedule expected for the Project, and upon which the credit pricing and deal terms are contemplated herein, are as follows:

Closing Date*	February 1, 2025
Completion Date	November 1, 2026
First Unit Leased	November 1, 2026
Last Unit Leased	November 30, 2027
Stabilized Operations	January 1, 2028

**If the closing date occurs after February 1, 2025, each of the date benchmarks above will be deferred by the same amount of time with the same timeline in place.*

2. **Project Ownership.** SHFC Loyola GP, LLC (the “General Partner”), will be a taxable, single-purpose, bankruptcy remote entity with a 0.051% ownership interest in the Partnership. Any change in the ownership of the General Partner shall be subject to Red Stone’s consent. The anticipated ownership structure and other key participants in the Project are set forth below. All key participants are subject to the review and approval of Red Stone.

Entity	Name	Ownership Interest
General Partner*	SHFC Loyola GP, LLC	0.051%
Special Limited Partner	ECG Loyola SLP, LLC	0.049%
Limited Partner	RSEP Holding , LLC, or its designee	99.990%
Developer	Loyola Developer, LLC and ECG Loyola Developer, LLC	
Guarantors ¹	Elmington Affordable, LLC, Ben	

*If the General Partner is controlled by a 501(c)(3), indicate whether the General Partner will be a taxable subsidiary or whether qualified allocations are required.

	Brewer and Jennifer Wells Brewer (individuals), C. Hunter Nelson (individual), Cary Rosenblum (individual), Scott Sohr (individual) and Ryan Seibels (individual) (jointly and severally the "Guarantors")	
General Contractor	Elmington Construction LLC	
Property Manager	Elmington Property Management	

3. **Tax Credits.** The Project expects to receive an allocation of 4% Housing Credits from the Agency for the year 2024 in an annual amount of \$3,591,907. The total Housing Credits anticipated to be delivered to the Partnership is \$35,919,067 (the "Projected Federal LIHTC"). The Project is anticipated to include residential units that constitute energy efficient dwelling units under Section 45L which are expected to generate \$104,000 in energy efficient home credits for the Partnership pursuant to Section 45L ("45L Credits").

Any decision to delay the commencement date of the Housing Credit period beyond 2026 is subject to Red Stone's consent. In addition, any decision to commence the Housing Credit period prior to August 2026 is subject to Red Stone's consent.

4. **Capital Contribution.** Red Stone will acquire its LP Interest in the Partnership for a total capital contribution of \$30,976,749, subject to adjustment in Paragraph 5 below. This capital contribution is based on the following pricing:

Credit Type	Total amount	Pricing Factor	Equity
Projected Federal LIHTC	\$35,919,067	\$0.86	\$30,887,309
Projected 45L	\$104,000	\$0.86	\$89,440
		Total	\$30,976,749

The above pricing assumes 100% of residential depreciation being taken over 30 years; 100% of depreciation on site improvements being taken over 15 years; and 100% of depreciation on personal property being taken over 5 years. The allocation of the depreciable line items is subject to Red Stone's review and approval.

Red Stone will fund its capital contribution pursuant to the following schedule:

- A. 25.00% (\$7,744,187) shall be paid upon the later of (a) the execution of the Partnership Agreement, (b) receipt and approval of all due diligence items on Red Stone's due diligence checklist, (c) receipt by the Partnership of commitment for a non-recourse permanent loan acceptable to Red Stone, (d) receipt of commitments of any additional

¹ The Guarantors will guarantee certain of the General Partner's obligations set forth in Paragraph 7 herein, will do so on a joint and several basis, and will be subject to the review and approval of Red Stone

financing sources described in Paragraph 11, and (e) closing and initial funding of the construction loan and soft loan.

- B. 50.00% (\$15,488,374) upon the later of (a) satisfaction of the funding conditions described in (A) above, (b) receipt of temporary certificates of occupancy, (c) receipt of an architect's certificate of lien-free substantial completion, and (d) November 1, 2026
- C. 20.00% (\$6,195,349) upon the later of (a) satisfaction of the funding conditions described in (B) above, (b) receipt of permanent certificates of occupancy, (c) receipt of the final cost certification from an independent certified public accountant, (d) repayment of the construction loan and funding of the Project's permanent mortgage (or such condition will be met concurrently with the payment of this installment), (e) satisfaction of all funding conditions required for the permanent mortgage, including without limitation, three (3) consecutive months of a 1.15 to 1.00 Debt Service Coverage ratio ("DSC") and 90 days of 90% physical occupancy, (f) achievement of 100% qualified occupancy, (g) calculations of the preliminary adjusters have been prepared, (h) receipt of evidence that the Real Estate tax abatement is in place, and (i) January 1, 2028.
- D. 5.00% (\$1,548,837) upon the later of (a) satisfaction of the funding conditions described in (C) above, (b) receipt of IRS Form 8609s and a recorded extended use agreement, (c) receipt and review of an acceptable initial tenant file audit, and (d) calculations of final adjusters have been prepared.

5. **Adjusters.**

- A. Increase or Decrease in Housing Credits. In the event that actual Housing Credits, as determined by the cost certification and 8609s, exceeds Projected Federal LIHTC, Red Stone will pay an additional capital contribution equal to the product of (i) \$0.86 multiplied by (ii) the difference between the actual Federal LIHTC and the Projected Federal LIHTC. In the event that actual Housing Credits, as determined by the cost certification and 8609s, are less than Projected Federal LIHTC, Red Stone's capital contribution will be reduced by an amount equal to the product of (i) \$0.86 multiplied by (ii) the difference between the Projected Federal LIHTC and the actual Federal LIHTC ("Federal Adjustment Amount"). If the Federal Adjustment Amount exceeds the total of all unfunded capital contributions, then the General Partner will make a payment (which payment shall be guaranteed by the Guarantors) to the Partnership equal to the amount of such excess, and the Partnership will immediately distribute such amount to Red Stone as a return of its capital contribution.
- B. Timing of Housing Credit Delivery. In addition to the Federal Adjustment Amount, Red Stone's capital contribution will be similarly reduced in the event that the actual delivery of Housing Credits is slower than the anticipated schedule set forth in Paragraph 3. The amount (the "Late Delivery Adjustment") of this reduction will equal the product of (i) \$0.55 multiplied by (ii) the difference in the Projected Federal LIHTC

and actual Housing Credits for such years are less than the amounts shown in Paragraph 3. Conversely, in the event that the actual delivery of Housing Credits exceeds the anticipated schedule set forth in Paragraph 3, Red Stone will pay an additional capital contribution (the “Early Delivery Adjustment”) equal to the product of (i) \$0.45 multiplied by (ii) the difference between actual Housing Credits and the Projected Federal LIHTC. Red Stone will pay such additional capital contribution at the funding of its final capital contribution installment.

- C. 45L Credit Adjusters. The Partnership Agreement will also include adjuster provisions related to the amount and timing of 45L Credits.

Notwithstanding the above, in no event will the net additional Capital Contribution to be paid by Red Stone exceed 5% of the total original Capital Contribution amount, and Red Stone will pay such additional Capital Contribution at the funding of its final capital contribution. Such additional Capital Contribution will be used to pay any outstanding fees owed to Red Stone and then will be distributed in accordance with the provisions of Paragraph 10(B) below.

6. Reserves. The Partnership will fund the following reserves:

- A. Operating Reserve. The Partnership will fund and maintain an Operating Reserve to be funded from the third Capital Contribution in an amount equal to six (6) months of operating expenses, replacement reserves and debt service payments (“OERDS”) (currently anticipated to be \$ 1,760,374). Pursuant to Paragraph 10(B), the Operating Reserve will be replenished up to \$ 1,760,374 (the “Operating Reserve Floor”) from cash flow to the extent withdrawals are made. No withdrawals may be made from the Operating Reserve until the Maximum ODG Amount (as defined in Paragraph 7(B) below) is funded by the General Partner, as required pursuant to Paragraph 7(B)(ii) below. To the extent the balance of the Operating Reserve is less than the Operating Reserve Floor at the expiration of the ODG Period as described in Paragraph 7(B)(ii) below, the General Partner shall cause the Operating Reserve to be replenished back to the Operating Reserve Floor and the ODG Period shall be extended until the Operating Reserve has been replenished. Any release of funds from the Operating Reserve will be subject to Red Stone’s consent. The Operating Reserve shall remain an asset of the Partnership and shall be subject to distribution in accordance with Paragraph 10(C) below, subject to the approval of any project lenders.
- B. Replacement Reserve. The General Partner shall cause the Partnership to annually deposit \$250 per unit (increasing by 3% per annum) from the Partnership's gross operating revenues into the Replacement Reserve, or such greater amount specified by the project lenders. Any release of funds from the Replacement Reserve will be subject to Red Stone’s consent.

7. Guarantees. The Guarantors will guarantee the following obligations of the General Partner:

- A. Construction Completion Guarantee. The Guarantors shall guarantee the General Partner's obligation of lien-free completion of the Project in accordance with the plans and specifications approved by Red Stone for the amount set forth in the approved Project development budget. The Construction Completion Guarantee will provide that the Guarantors shall pay any amount in excess of the approved Project development budget as well as any Project deficiency arising prior to Stabilized Operations (as defined in Paragraph 7(B) below). Payments made under this guaranty will not constitute loans to the Partnership or capital contributions and no Guarantors will have any right to receive any repayment on account of such payments.
- B. Operating Deficit Guarantee. The Guarantors will agree to advance to the Partnership any amounts required to fund operating deficits arising after the expiration of the Construction Completion Guarantee, if needed, as follows:
- (i) The guarantee shall be unlimited until the Project achieves "Stabilized Operations." Stabilized Operations is to be defined as the later to occur of (i) construction loan payoff and conversion to approved non-recourse permanent financing; and (ii) rental income generated from the Project is sufficient, utilizing the greater of the actual or underwritten vacancy rate of 7%, to pay all operating expenses of the Project, including, without limitation, all actual or anticipated mandatory debt service; real estate taxes; insurance premiums; management fees; replacement and operating reserve deposits and maintain a debt service coverage ratio of not less than 1.15 to 1.00 for six (6) consecutive months after funding and commencement of the Project's permanent loan. To the extent applicable, if Project income is insufficient to enable the Project to attain the required debt service coverage necessary for the closing or conversion of all permanent loans, the Guarantors will agree to pay down the construction loan in an amount necessary to allow the Project to cause the closing or conversion of all permanent loans by the conversion date required by the lender(s). Payments made under this guarantee will not constitute loans to the Partnership or capital contributions and no Guarantors will have any right to receive any repayment on account of such payments.
 - (ii) Following (i) above, for a period of 60 months following the achievement of Stabilized Operations (the "ODG Period"), the amount shall be limited to an amount equal to six (6) months OERDS (the "Maximum ODG Amount") which is currently projected to equal \$ 1,760,374, and will be released provided the Project maintains a minimum of 1.15 to 1.00 debt service coverage ratio over each of the last consecutive four (4) quarters of the ODG Period. Any amounts so advanced will constitute interest-free loans ("Operating Deficit Loan") repayable out of future available cash flow or out of available proceeds of a sale or refinancing described in Paragraph 10.
 - (iii) Notwithstanding anything in this Section 7(B) to the contrary, if the real estate tax exemption or abatement is terminated or modified during the Compliance

Period and such change results in an operating deficit, the Guarantors shall be obligated to fund operating deficits caused by such change in real estate tax status. Any amounts so advanced will constitute an Operating Deficit Loan.

- C. Repurchase Guarantee. The Guarantors will repurchase Red Stone's interest upon the occurrence of certain events described in the Partnership Agreement.
 - D. Housing Credit Shortfall and Recapture Guarantee. In addition to the Housing Credit and Timing Adjusters set forth in Paragraph 5, if the actual amount of Housing Credits for any year is less than Projected Federal LIHTC set forth in Paragraph 3, as adjusted by Paragraph 5, the Guarantors will guarantee payment to the Limited Partner of an amount equal to the shortfall, or recapture amount, plus all applicable fees, penalties or other costs incurred by the Partnership and/or Red Stone as a result of such shortfall or recapture. The Guarantors will pay the Limited Partner \$1.00 for each dollar of Housing Credits lost, plus any related interest or penalties. Notwithstanding the foregoing, the Guarantors shall not be responsible for loss or recapture of Housing Credits attributable to changes to the Code or Treasury Regulations after the achievement of Stabilized Operations. As used herein, change in the Code shall not apply to any amendment to the Code or Treasury Regulations pertaining to the use of the Average Income Test as a mechanism to meet the Minimum Set-Aside Test.
 - E. Environmental Indemnification. The General Partner and the Guarantors, jointly and severally, shall indemnify and hold harmless the Partnership and the Limited Partner from and against all claims, actions, causes of action, damages, costs, liability and expense incurred or suffered based upon a violation of environmental laws, or respecting the presence of environmental hazards.
 - F. Guarantors. The Guarantors will guarantee all of the General Partner's obligations including those set forth above. The Guarantors will maintain a minimum liquidity of \$1,000,000 and a minimum net worth of \$5,000,000. The Guarantors will provide Red Stone with annual financial statements evidencing compliance with the liquidity and net worth covenants above.
8. Construction. The General Partner will arrange for a fixed or guaranteed maximum price construction contract in the anticipated amount of \$40,408,497 in addition to a construction contingency equal to 5.00% of the construction contract. The General Partner shall cause lien-free completion to occur and shall provide either a payment and performance bond or letter of credit to secure the contractor's obligations. Red Stone may, in its sole discretion, engage a construction consultant to review plans and specifications and evaluate the construction progress by providing monthly reports to the Partnership. The cost of the construction consultant shall be borne by the Partnership.

9. **Fees.** The following fees will be paid by the Partnership for services rendered in organizing, developing and managing the Partnership and the Project.

- A. **Developer Fee.** The Developer will earn a developer fee of \$9,005,000. The portion of the developer fee that will not be paid out of the Capital Contributions will be deferred and payable by the Partnership to the Developer as a distribution of net cash flow in accordance with Paragraph 10(B). The deferred amount is projected to be \$7,772,335 and will accrue interest at the rate of up to 8.00% per annum, or such other interest rate acceptable to Red Stone and / or their tax counsel, in effect as of the placed-in-service date of the Project. The balance of the developer fee that is not projected to be permanently deferred is projected to be \$1,232,665, (“Cash Development Fee”)

The deferred amount will be payable out of available cash flow and will mature on the 13th anniversary of the placed-in-service date (“Maturity Date”). If the deferred portion of the developer fee has not been repaid upon the Maturity Date, the General Partner will be required to advance the Partnership the amount equal to the unpaid balance of the deferred amount.

- B. **Property Management Fee.** The property management fee will be an amount up to 3.00% of gross collected rents. The appointment of, and terms of the property management agreement, are subject to the prior approval of Red Stone.
- C. **LP Asset Management Fee.** The Partnership will pay Red Stone an annual LP asset management fee in an amount equal to \$7,500 per annum. The asset management fee will be paid annually and such fee shall accrue beginning at Initial Closing, with the first payment due and payable on or before March 1, 2026, and each anniversary thereafter. The asset management fee will increase annually by 3%.
- D. **Incentive Management Fee.** An incentive management fee, may be payable to the General Partner on an annual basis in an amount equal to an aggregated 90% of net cash flow. , or such other amount as determined by and acceptable to tax counsel to Red Stone.

10. **Distribution of Tax and Cash Benefits.**

- A. **Tax Benefits.** Tax profits, tax losses, and tax credits arising prior to the sale or other disposition of the Project will be allocated 99.99% to the Limited Partner, .001% to the Special Limited Partner and .009% to the General Partner. The Limited Partner will have the right, in its sole discretion, to undertake a limited deficit restoration obligation at any time during the term of the Partnership.

B. Net Cash Flow Distributions. Distributions of net cash flow, as defined in the Partnership Agreement, but generally all cash receipts less cash expenditures (e.g., payment of debt service and property management fee), will be made as follows:

- (i) to the Limited Partner in proportion to any phantom tax liability incurred by the Limited Partner (i.e., tax liability resulting from allocations of income where the Limited Partner has not received a cash distribution);
- (ii) to the Limited Partner, to make any payment of any unpaid tax credit adjuster or any tax credit shortfall or other debts owed to the Limited Partner;
- (iii) to the Limited Partner as payment of any unpaid LP Asset Management Fee;
- (iv) to replenish the Operating Reserve account to the Operating Reserve Floor;
- (v) to the payment of any unpaid developer fee, until such fee has been paid in full;
- (vi) to the payment of any debts owed to the General Partner;
- (vii) 90% to the General Partner to the payment of any incentive management fee, or such other amount as determined by and acceptable to tax counsel; and
- (viii) the balance, .009% to the General Partner, .001% to the Special Limited Partner, and 99.99% to the Limited Partner, or such other amount determined by and acceptable to tax counsel.

C. Distributions upon Sale or Refinance. Net proceeds resulting from any sale or refinance will be distributed as follows:

- (i) in accordance with subparagraphs 10B(i) through (iii) above;
- (ii) in accordance with subparagraphs 10B(v) through (vi) above;
- (iii) to the Special Limited Partner, 1% of such gross proceeds as a partnership liquidation fee;
- (iv) to the Limited Partner in an amount equal to any projected exit taxes caused by a deficit capital account; and

- (v) the balance, 90.000% to the General Partner, 9.999% to the Limited Partner and 0.001% to the Special Limited Partner, or such other amount as determined by and acceptable to tax counsel.

11. **Debt Financing.** As a condition to funding the capital contribution described in Paragraph 4, the General Partner will deliver the loan commitments described below. The terms of these loans and/or financing sources are subject to Red Stone's consent and all loans will be made directly from the lenders to the Partnership.

- A. **Permanent Loan.** The Partnership expects to receive non-recourse permanent loan commitments in the maximum amounts, and with the terms set forth below:

Name	Hard / Soft Debt	Interest Rate	Term (mos.)	Amort. (mos.)	% of cash flow
Citibank Perm Loan-\$36,128,353	Hard	6.00%	228	480	100%

- B. **Construction Loan.** In addition to the permanent financing sources described above, it is expected the Project will be financed with a Tranche B Tax Exempt Construction loan in the amount of \$4,871,647 with an approximate rate of 6.00% and a term of no less than 36 months and a Tranche C Taxable Construction loan in the amount of \$17,571,053 with an approximate rate of 6.25% and a term of no less than 36 months.

Purchase Option and Right of First Refusal (Exhibit N of LPA).

- A. **Project Purchase Option.** For a period of 2 years following the end of the compliance period, the General Partner shall have an option to purchase the Project for a purchase price equal to the greater of (i) fair market value or (ii) the sum of (x) the amount of all indebtedness of the Project, which indebtedness may be assumed by the General Partner at its discretion, and (y) the amount of the federal, state, and local tax liability that the Limited Partner would incur as a result of the sale.
- B. **Partnership Interest Option.** For a period of 2 years following the end of the compliance period, the General Partner shall have an option to purchase the Limited Partner's and the Special Limited Partner's partnership interests in the Partnership for an amount equal to the amount which would be payable to the Limited Partner and the Special Limited Partner upon liquidation of the Partnership following a sale of the property under the Project Purchase Option in Section 12(A) above.
- C. **ROFR.** For a period of 2 years following the end of the compliance period and subject to the receipt of an offer from an unrelated party, a qualified nonprofit organization, will have the right, upon receipt of an offer, to exercise a Right of First Refusal to


purchase the property for an amount no greater than the minimum purchase price pursuant to Section 42(i) of the Code.

13. **Limited Partner Exit.** The Limited Partner will have the right, after the making of all required capital contributions, to transfer its interests in the Partnership to the General Partner as further described in the Partnership Agreement.
14. **Due Diligence, Opinions and Financial Projections (14.05 of LPA).** The General Partner will satisfy all of Red Stone's due diligence requirements, including an acceptable local law opinion. The Limited Partner's tax counsel will provide the tax opinion. The Partnership will reimburse the Limited Partner an amount equal to \$75,000 toward the costs and expenses incurred by the Limited Partner in conducting its due diligence review, the costs and expenses of Red Stone's counsel (including, without limitation, the costs of the preparation of the tax opinion), and for the costs of Red Stone's third party reports. If, however, closing has not occurred by the date ninety (90) days following the Closing Date identified in Section 1 above, the Partnership will reimburse the Limited Partner an additional amount equal to \$20,000 for additional costs and expenses incurred by the Limited Partner. If closing has not occurred by the date one-hundred and fifty (150) days following the Closing Date identified in Section 1, Red Stone reserves the right to seek reimbursement by the Partnership for additional costs and expenses. Red Stone may deduct the amount owed it for reimbursement of costs and expenses from its first Capital Contribution and such amount will be payable to Red Stone in the event the General Partner elects not to close the transaction for any reason. The financial projections to be attached to the Partnership Agreement and that support the tax opinion will be prepared by Red Stone based on financial projections provided by the General Partner. The General Partner financial projections will include eligible basis calculations, sources and uses, and cash flow statements.
15. **Partnership Closing.** Final Partnership closing will be contingent upon Red Stone's receipt, review and approval in its sole discretion of all due diligence including the items set forth on its due diligence checklist to be delivered to the General Partner. Final Partnership closing also is contingent upon (i) a satisfactory site visit conducted by Red Stone to determine overall market feasibility, including an analysis of proforma rents and expenses, (ii) Red Stone's review and approval of all third party reports, and (iii) final approval of Red Stone's investor. Red Stone's agreement to acquire the LP Interest on the pricing, terms and conditions contained in this letter are further based on the assumption that the Partnership closing will occur on or before the Closing Date set forth in Section 1. Terms and credit pricing herein shall be valid until the Closing Date. If the Partnership closing does not occur on or before the Closing Date set forth in Section 1, Red Stone reserves the right in its discretion to modify the tax credit pricing and other terms to be consistent with market conditions.
16. **Exclusivity.** Upon the execution of this Letter of Intent, the General Partner agrees to cease its efforts to obtain financing from other sources. This exclusive arrangement shall terminate should Red Stone notify the General Partner in writing that it does not intend to proceed with this investment any time prior to ratification by the Red Stone investment committee.

Remainder of page left intentionally blank

It is hereby acknowledged and understood that this proposal is not a commitment to invest, nor is it intended to be a letter of commitment, and Red Stone is not bound to any of the terms and conditions herein outlined. The terms of the financing set forth in this letter are not set until formally approved by Red Stone and the transaction documentation has been executed by Red Stone and the General Partner.

Sincerely,

By: 
Name: Darren T. Swanson
Title: Managing Director

ATTACHMENT 4 – PROJECT INFO

4A. MARKET ANALYSIS

**REMOVED DUE TO FILE SIZE CONSTRAINTS
WITH WEB VIEWING**

ATTACHMENT 4 – PROJECT INFO

4B. GOOD NEIGHBOR POLICY

GOOD NEIGHBOR POLICY

LOYOLA FLATS

8404 Loyola Ln.

Austin, TX 78724

CONTACT

Donnell McGhee

Elmington Capital

1030 16th Ave S, Suite 500,

Nashville, TN 37212

(708) 227 7006

dmcghee@elmingtoncapital.com

COMMUNICATIONS PLAN FOR NEIGHBORHOOD ENGAGEMENT

Before any other facets of a development are pursued, Elmington Capital will approach the neighborhood and talk to key stakeholders about the project, target population and share examples of the future development.

The following steps have already or will soon be taken to communicate with the neighborhood surrounding the proposed development located at 8404 Loyola Ln., Austin, TX 78724.

Preliminary Research: Using the Texas Secretary of State as of 30 days prior to the beginning of the LIHTC Application Acceptance Period, and whose boundaries include the entire proposed Development Site as of submission of the Application, True Casa Consulting researched the neighborhood organizations that contain the proposed site and identified the following active organizations.

Colony Park Neighborhood Assoc., Inc.
Colony Park/Lakeside Community Development Corp.
Del Valle Community Coalition
Friends of Northeast Austin

Neighborhood Plan: The development is located in the City of Austin Full Purpose Jurisdiction, however there is no associated Neighborhood Plan.

1) Neighborhood Contact: Elmington has reached out to the priority neighborhood organization(s) to share info on plans for the development of Loyola Flats. Site visits have already occurred, and engagement will continue.

2) Neighborhood Notification – The organizations above have been notified as part of the TDHCA notification process. A zoning change is not necessary for this site.

3) Neighborhood Engagement – Upon any further request at any upcoming neighborhood meetings, Elmington will present information about their firm, plans for design of the building and talk about who will live at the property and what services will be offered.

- After initial phone contact, meetings will be scheduled with any organization that should request such.
- Elmington will invite neighborhood members to volunteer events to get more involved with the project.

4) Implementation/Ongoing Relations – Elmington will implement the following processes to encourage ongoing relations with neighborhood members:

- Neighborhood members will be invited to the Groundbreaking and Ribbon Cutting events that will be held for the property. Neighborhoods will be given recognition for their support.
- The property will invite neighborhood members to participate in service programs being offered at our community.
- Elmington will continue work with the neighborhood and local nonprofits on ways to help integrate the property within the overall benefit of the community.
- Elmington will establish an open-door policy so that neighborhood members will feel comfortable communicating any concerns with either the on-site property management or the single point of contact.

Colony Park
Neighborhood Association



COLONY PARK
A Community of Endless Possibilities

P.O. Box 12891 Austin, Texas 78711-2891 USA

October 29, 2024

To Whom It May Concern:

On behalf of Colony Park Association Inc., I am pleased to express our support for the proposed Loyola Flats Development on the corner of Loyola Lane and Decker Lane in Austin. Elmington, the project developer, has informed us that the development will offer a mix of 1, 2, 3, and 4-bedroom units, targeting families with incomes between 50% and 70% of the area median income.

Throughout the pre-development process, Elmington has proactively engaged with our community, addressing concerns about design, aesthetics, and the broader needs of Colony Park. After a site visit and tour of Elmington's existing properties, we are confident that the Loyola Flats Development will positively contribute to our community's character and quality of life.

With the upcoming Colony Park redevelopment, we view the Loyola Flats project as a vital opportunity to help prevent the displacement of long-term residents as the Colony Park Sustainable Communities Plan unfolds over the next decade.

Please feel free to contact me with any further questions. I may be reached at 512 922-1202 or barbara_scott@sbcglobal.net.

Warm regards,

A handwritten signature in black ink that reads "Barbara D. Scott". The signature is written in a cursive, flowing style.

Barbara D. Scott, President – Colony Park Association Inc.



October 31, 2024

Re: Loyola Flats

To Whom It May Concern:

On behalf of Equidad ATX, I am pleased to offer our support for the proposed Loyola Flats Development at the corner of Loyola Lane and Decker Lane in Austin. Equidad ATX, a tax-exempt charitable organization, is dedicated to holistic, equitable, sustainable, and transformative neighborhood revitalization that disrupts generational poverty in Austin's "Eastern Crescent." Our work in Colony Park, includes the Lakeside section—a neighborhood located immediately adjacent to the Loyola Flats site and currently at risk of displacement, as is all of Colony Park.

Elmington, the project developer, has committed to partner with us in our Colony Park transformation and preservation work, including exploring and supporting options to incorporate commercial activity within Lakeside. The Loyola Flats development is planned to include a mix of 1-, 2-, 3-, and 4-bedroom units, intended to serve families earning between 50% and 70% of the Area Median Income. This aligns with our vision for transforming Colony Park, providing current residents with a viable option to remain in their community rather than suffer displacement. Elmington has also agreed to partner with Equidad in creating community benefits in Lakeside.

After participating in a site visit and touring one of Elmington's existing properties, we believe that Loyola Flats will bring meaningful benefits to Colony Park. When combined with some of our work, Loyola Flats can be a part of the foundation for inclusive and accessible redevelopment in Colony Park.

Please feel free to reach out with to me any questions.

Sincerely,

Ashton Cumberbatch, Jr.

Ashton Cumberbatch, Jr.
President
Equidad ATX

City of Austin Good Neighbor Checklist

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

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

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

(1) Preliminary Research

- ☒ Review the Neighborhood Plan (if applicable)

(2) Neighborhood Notification

- ☒ Notify property owners within at least 500 feet of the site and registered neighborhood organizations with boundaries included in the proposed development site, using a written notice, letter or flyer. **NOTE: These notices were sent out as part of the HTC application.*

(3) Pre-Application Engagement

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

(4) Application requirements

- ☒ Provide communications plan
- ☒ Provide documentation showing the content of the notice, and proof of delivery *Available upon request.*
- ☒ Provide signed copy of this checklist.

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



Donnell McGhee

10/31/2024

Signed

printed name

date

ATTACHMENT 4 – PROJECT INFO

4C. SMART HOUSING LETTER



City of Austin

P.O. Box 1088, Austin, TX 78767
www.austintexas.gov/department/housing-and-planning

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

April 4, 2024

S.M.A.R.T. Housing Certification
ECG Acquisitions, LLC
Loyola Flats - (ID 959-6065)

TO WHOM IT MAY CONCERN:

ECG Acquisitions, LLC (development contact: Donnell McGhee, ph: 708-227-7006, email: smcghee@elmingtoncapital.com) is planning to develop a **208-unit multifamily rental** development at 6700 and 6900 ½ Decker Lane, and 8404 Loyola Lane, Austin, Texas 78724.

S.M.A.R.T. Housing – Rental – 6700 & 6900 ½ Decker Ln. and 8404 Loyola Ln.	
Total units: 208 units	
<u>Minimum Required:</u> 40% (84 units) at or below 80% MFI - Requirements for 100% fee waiver	<u>Proposed unit mix:</u> 21% (43 units) at or below 50% MFI 58% (122 units) at or below 60% MFI 21% (43 units) at or below 70% MFI
Affordability Period (S.M.A.R.T. units): 5 Years*	
Fee waiver level: 100%	
AWU Capital Recovery Fees: 165/208 units eligible	

*Note: This certification letter only reflects the minimum requirements for the relevant program (S.M.A.R.T. Housing). Should the owner choose to participate in other affordability programs, the development may be subject to additional affordability restrictions and/or a longer affordability period.

Because the applicant has proposed a unit mix that meets the minimum program thresholds, the development will be eligible for a 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 Capital Recovery Fees (see below). The fee waiver level is listed above. The project will be subject to its minimum affordability period after issuance of a certificate of occupancy, unless funding requirements are longer.

Based on 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, only a certain number of units may be eligible to receive Austin Water Utility Capital Recovery Fee (CRF) waivers. The table above lists the number of units which are eligible to receive CRF fee waivers.

The Housing Department certifies the proposed project meets the S.M.A.R.T. Housing standards at the pre-submittal stage. The expected fee waivers may include 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@austinenergy.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 me by phone 512.978.1594 or by email at brendan.kennedy@austintexas.gov if you need additional information.

Sincerely,



Brendan Kennedy, Project Coordinator
Housing Department

Cc: Kristin Martinez, AE

Jonathan Orenstein, AWU

Mashell Smith, ORS



City of Austin

P.O. Box 1088, Austin, TX 78767
<https://www.austintexas.gov/department/housing-planning>

Housing Department

April 4, 2024

Affordability Unlocked Development Bonus Certification ECG Acquisitions, LLC Loyola Flats – (ID 959-6065)

To Whom It May Concern:

ECG Acquisitions, LLC (development contact: Donnell McGhee, ph: 708-227-7006, email: smcghee@elmingtoncapital.com) is planning to develop a **208-unit multifamily rental** development at 6700 and 6900 ½ Decker Lane, and 8404 Loyola Lane, Austin, Texas 78724. The applicant has elected to participate in the City of Austin's Affordability Unlocked Development Bonus Program, Type 2, so the development can receive waivers or modifications from certain development regulations as described in Ordinance No. 20190509-027.

Affordability Unlocked – Type 2 – Rental – 6700 & 6900 ½ Decker Ln. and 8404 Loyola Ln.	
Total units: 208 units	
<u>Minimum Required:</u> 50% (104 units) available to households averaging 60% MFI 20% (42 units) at or below 50% MFI 25% of affordable units 2+ bedroom	<u>Proposed unit mix:</u> 21% (43 units) at or below 50% MFI 58% (122 units) at or below 60% MFI 21% (43 units) at or below 70% MFI - At least 25% of affordable units are 2 bedroom
Affordability Period (AU units): 40 Years	
Street Impact Fee Waivers: 165/208 units	

Note: This certification letter only reflects the minimum requirements for the relevant program (AU). Should the owner choose to participate in other affordability programs, the development may be subject to additional affordability restrictions and/or a longer affordability period.

The Housing Department certifies that the project, at the site plan submittal stage, meets the affordability requirements to qualify as a Type 2 development and is eligible to receive waivers and modifications of development regulations as described in Ordinance No. 20190509-027.

The affordability commitments outlined in this letter qualify the development for a 100% reduction of the street impact fee only for the number of units listed in the table above.

If changes are made through the review process, the applicant must notify the Housing Department and an amendment to the Affordability Unlocked Land Use and Restrictions Agreement must be made and a revised Affordability Unlocked Certification letter must be issued. An administrative hold will be placed on the building permits, 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 2) a Restrictive Covenant stating the

affordability requirements and terms has been filed for record at the Travis County Clerk Office.

Please contact me by phone at 512.978.1594 or by email at Brendan.kennedy@austintexas.gov if you need additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "Brendan Kennedy". The signature is stylized with a large, bold "B" and a long, sweeping underline.

Brendan Kennedy, Project Coordinator
Housing Department

ATTACHMENT 4 – PROJECT INFO

4D. MOU WITH ECHO

LOYOLA FLATS

AUSTIN, TEXAS

ATTACHMENT TABS

Attachment 4 – Project Info (**N/A**)

4d. MOU with ECHO (**N/A**)

ATTACHMENT 4 – PROJECT INFO

4E. RESIDENT SERVICE

LOYOLA FLATS

AUSTIN, TEXAS

ATTACHMENT TABS

Attachment 4 – Project Info

4e. Resident Services

Description of General Supportive Services

Elmington's communities are all managed by Elmington Property Management, LLC, which is a related party under the Elmington Group umbrella of companies. Elmington manages nearly 40,000 units across the southeast with more than 2,000 in Texas, which all provides a full offering of supportive services via partnership with Portfolio Resident Services. At Loyola Flats, we intend to primarily offer services for families such as after school programming, financial literacy education, job training, health and wellness education and screenings, and regular social events. The services offered will be assessed regularly to ensure they best respond to the needs of the residents. Services may also be offered to local neighborhood residents, as appropriate.

Resumes for Portfolio Resident Services can be provided upon request.

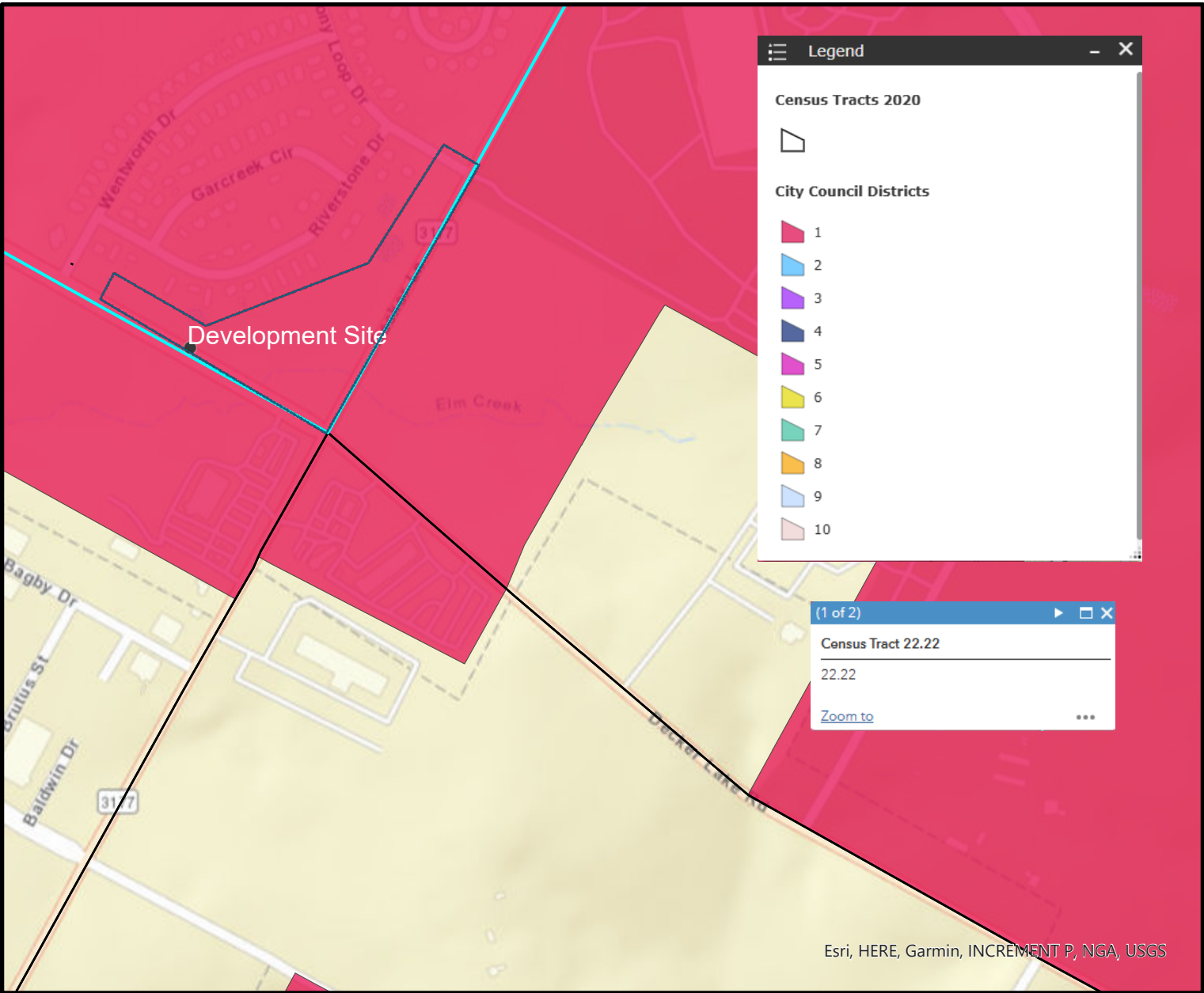
ATTACHMENT 5 – PROJECT INFO

5A. APPRAISAL

**REMOVED DUE TO FILE SIZE
CONSTRAINTS WITH WEB VIEWING**

ATTACHMENT 5 – PROJECT INFO

5B. PROPERTY MAPS



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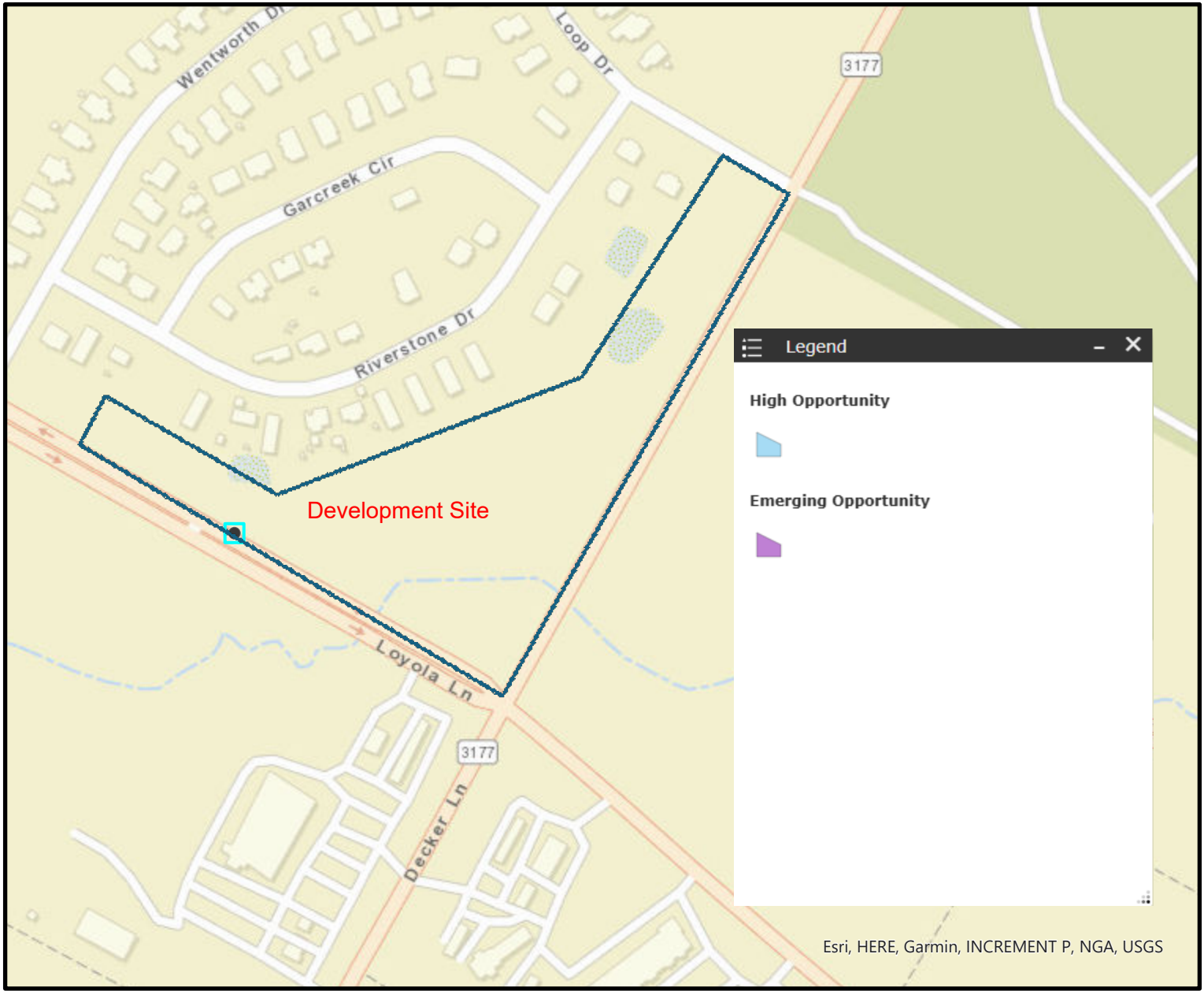
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- Restrictions & Protection Comments: Comments Label

- Land Classification: Classification Label
- Land Category: Land Category Label
- Approximate Acreage: Acreage Label
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Property Label

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Managing Agency: Managing Label

Address: Address Label

Land Attributes: Land Label

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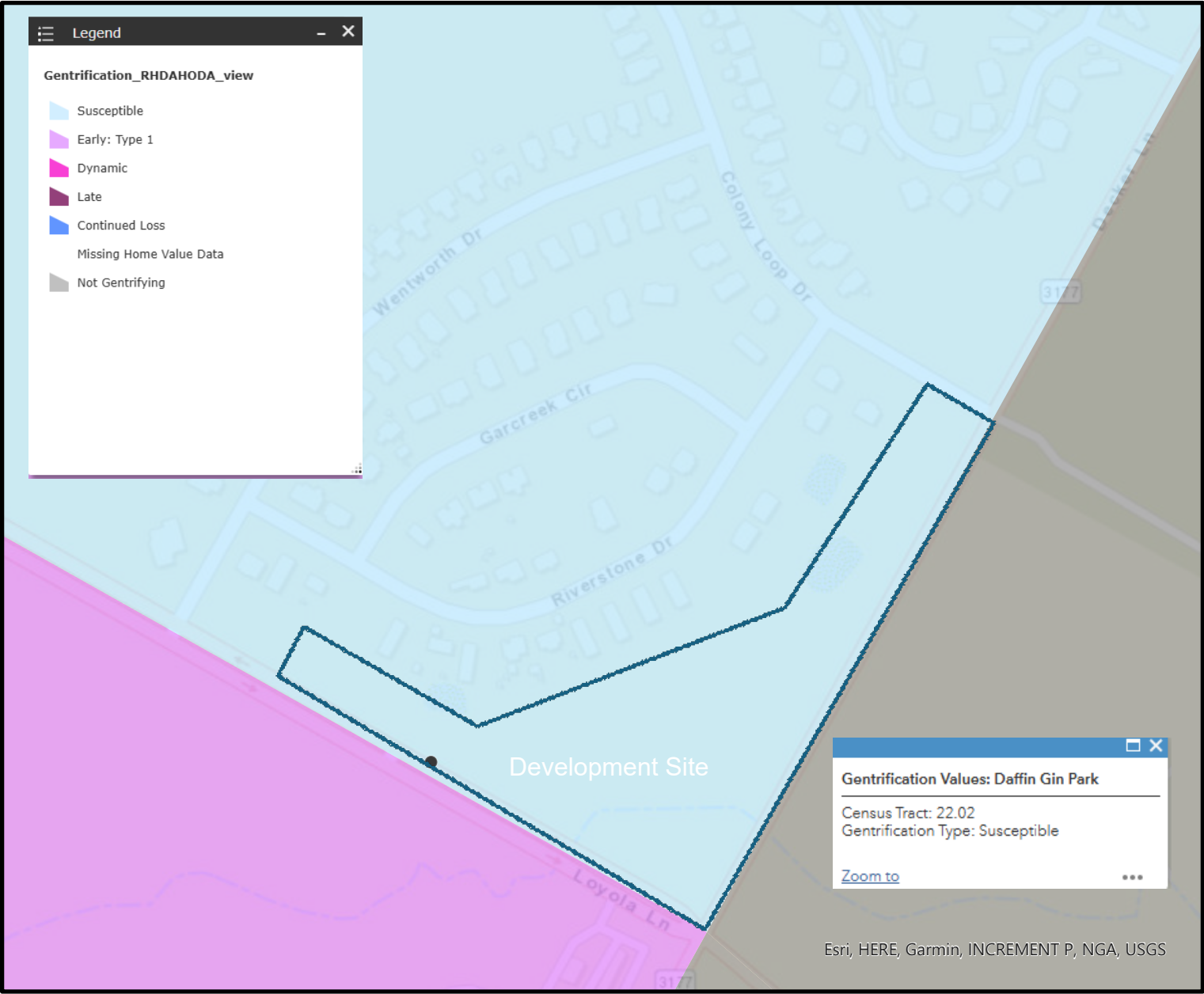
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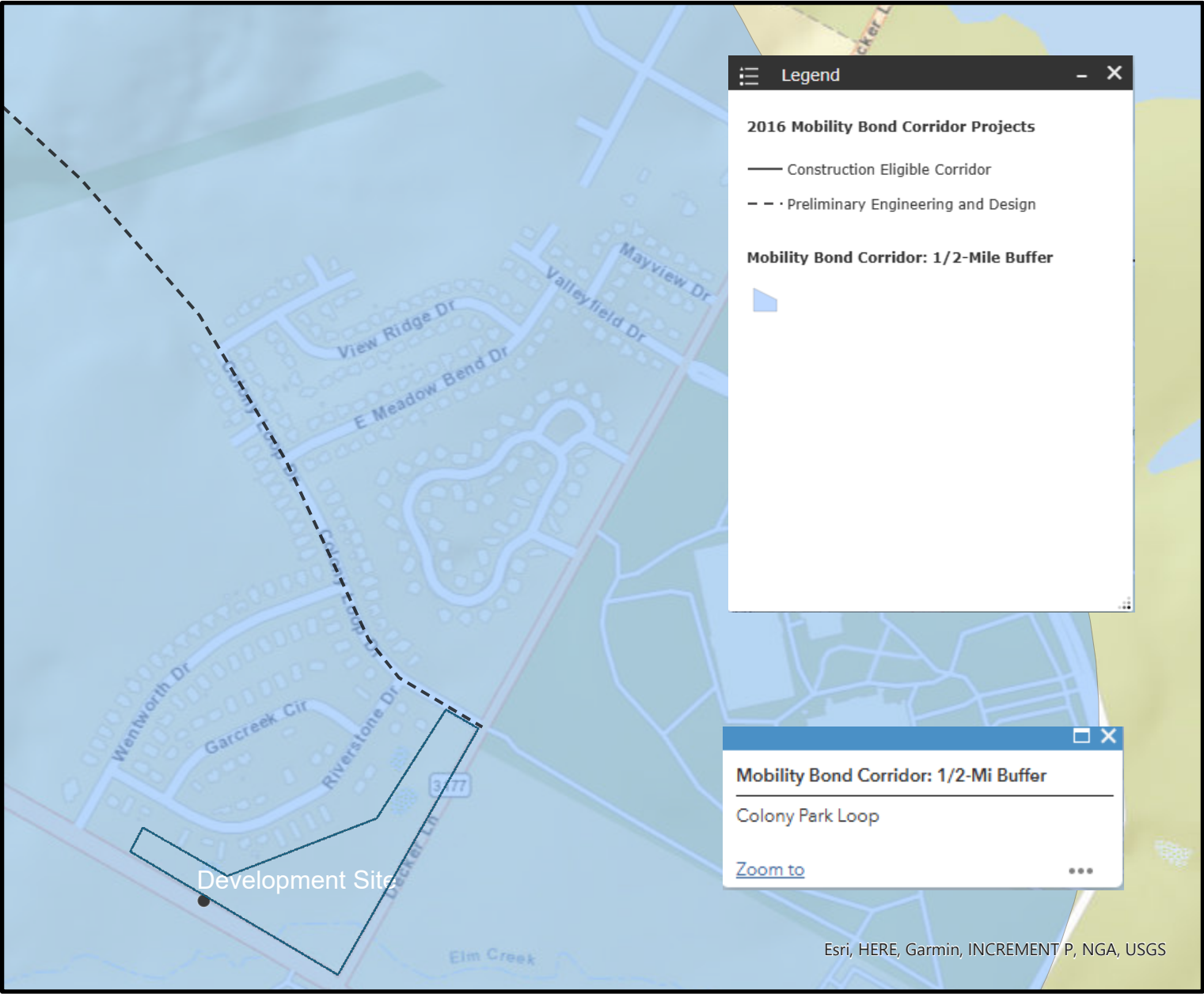
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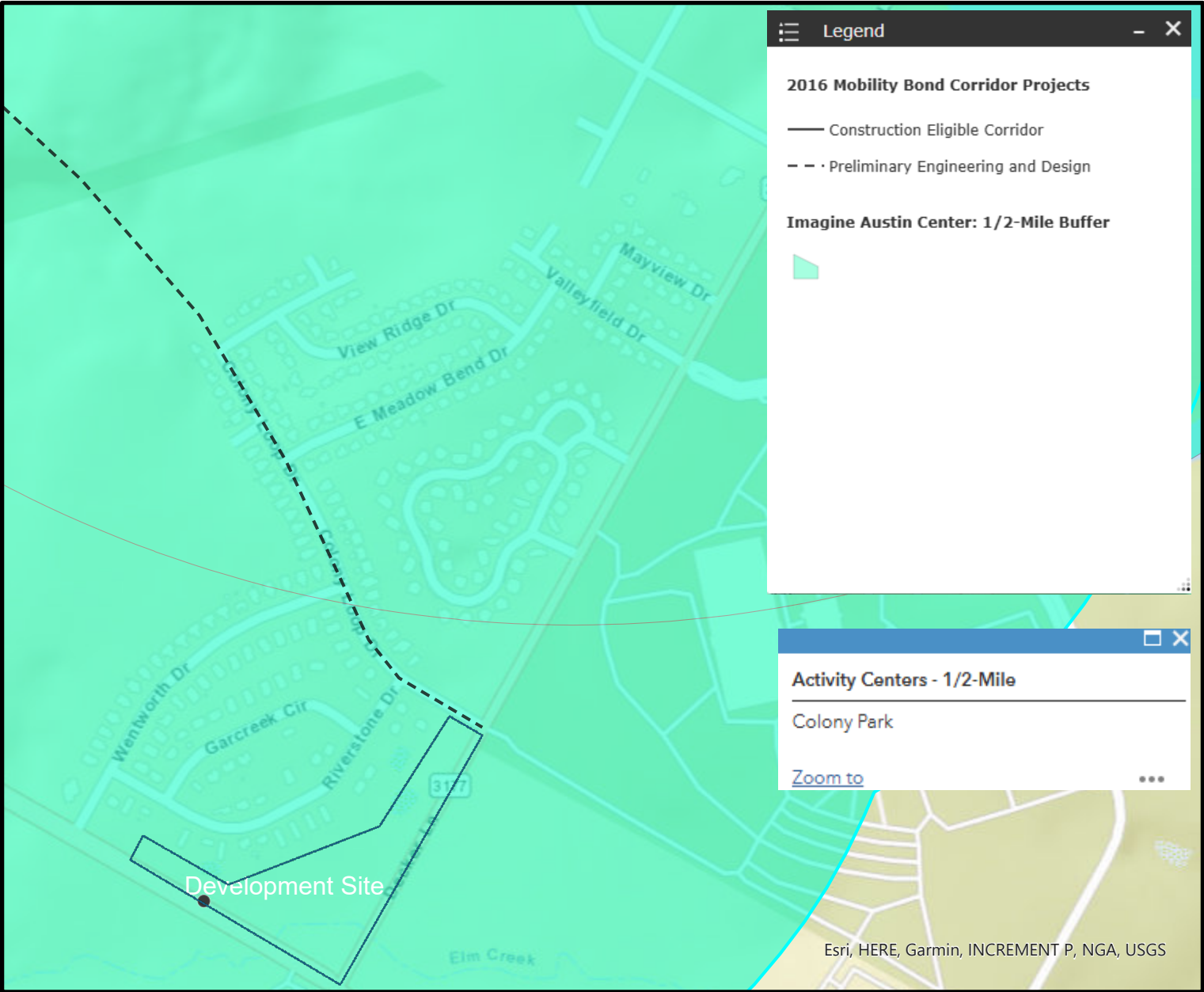
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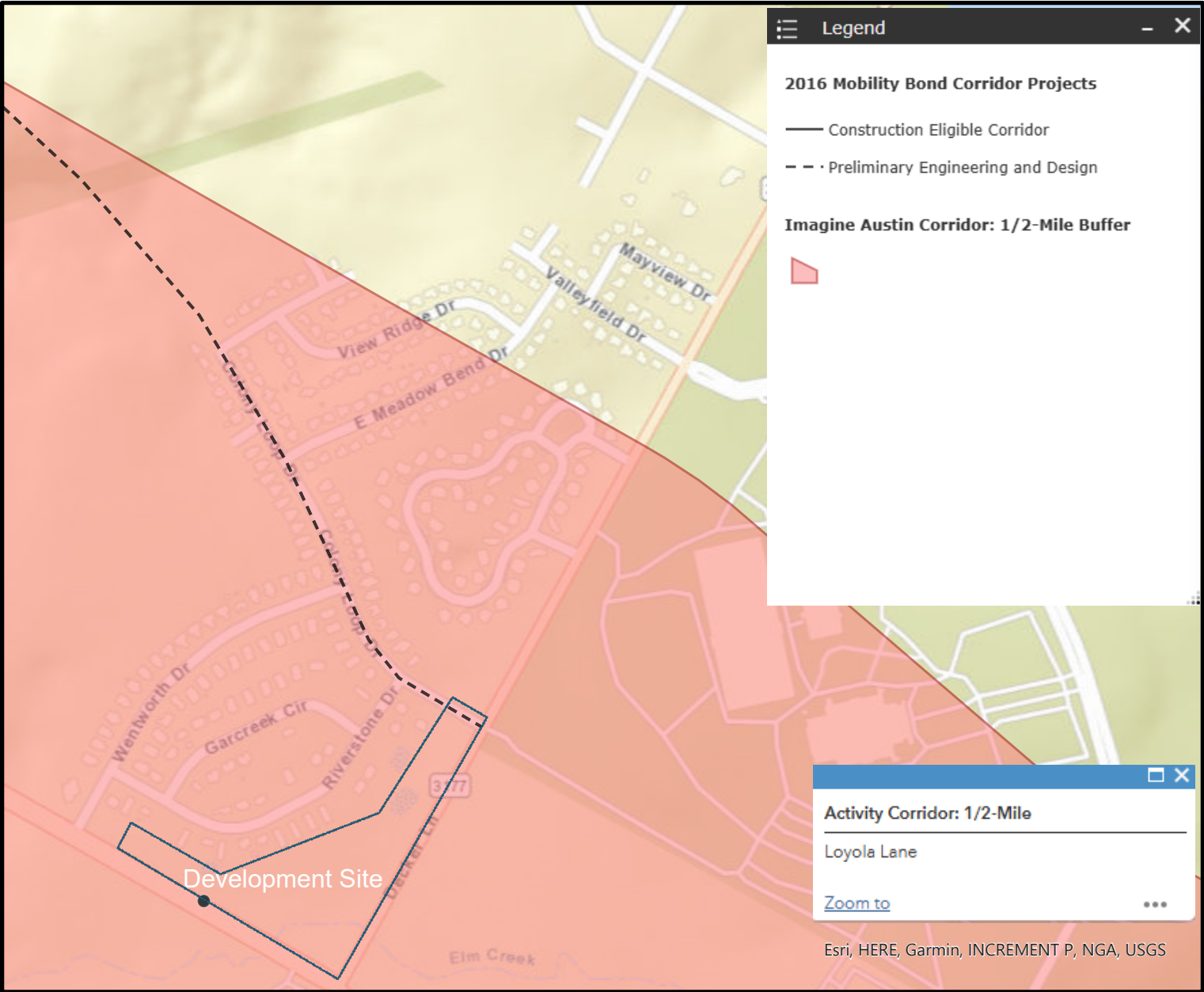
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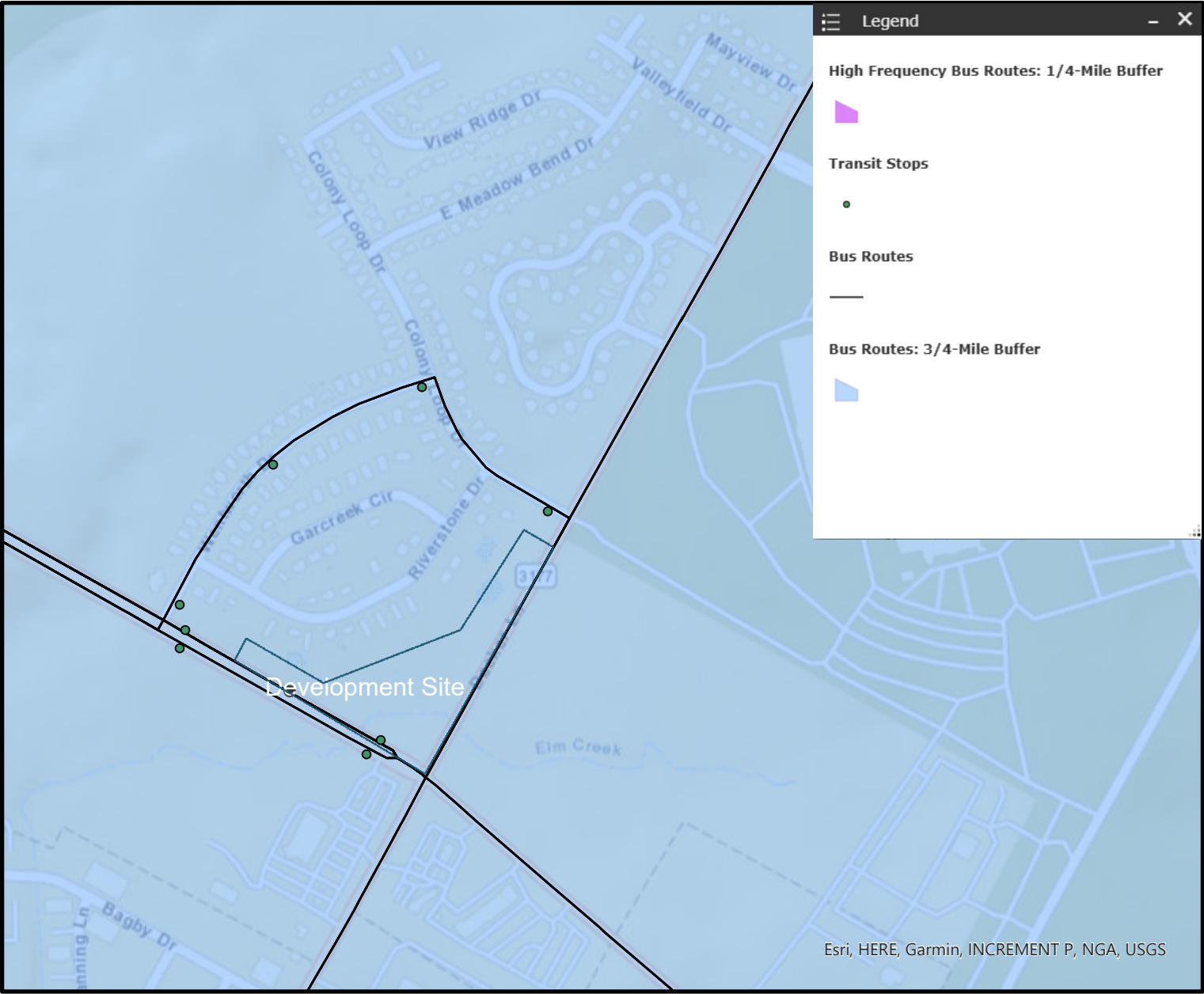
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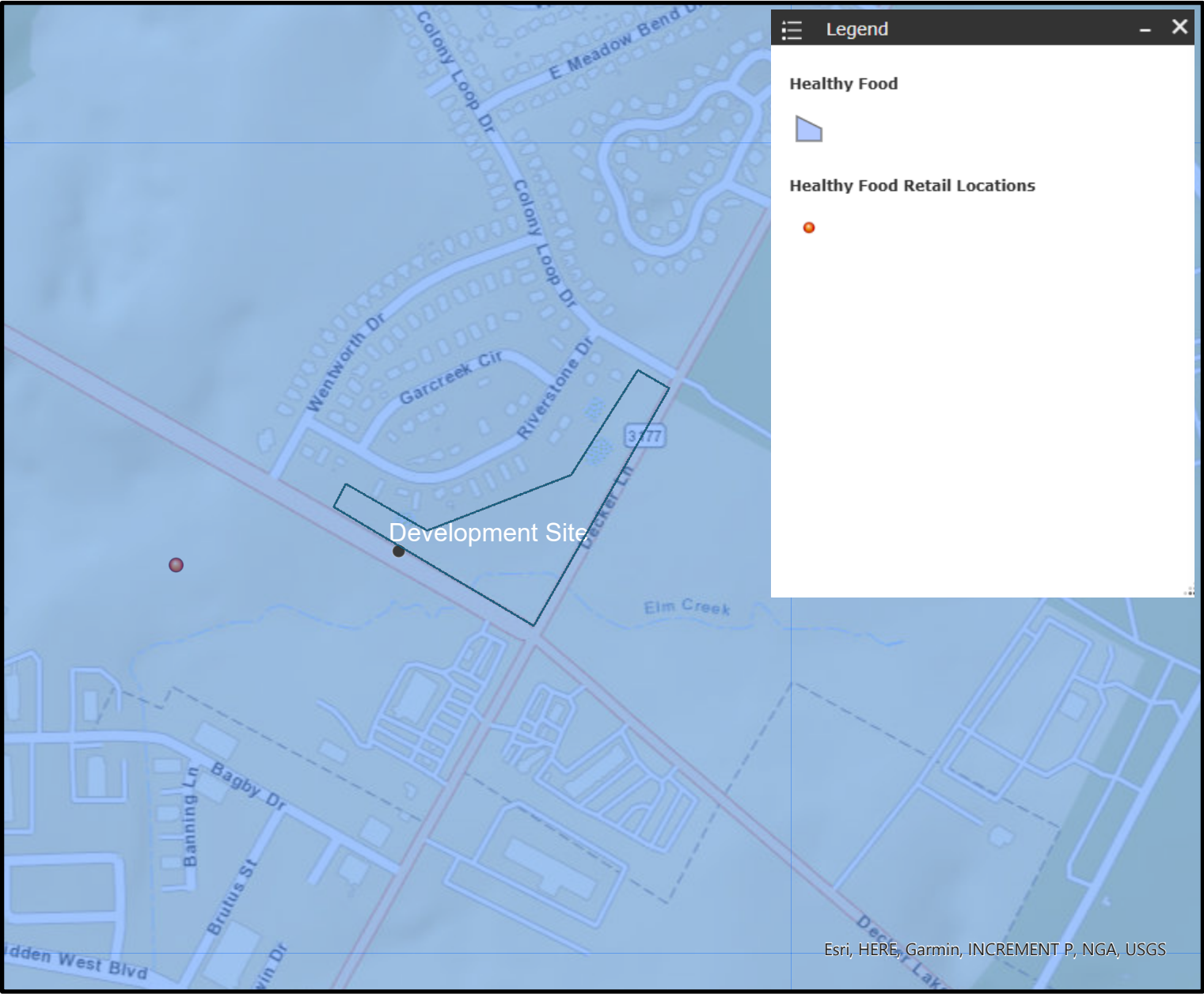
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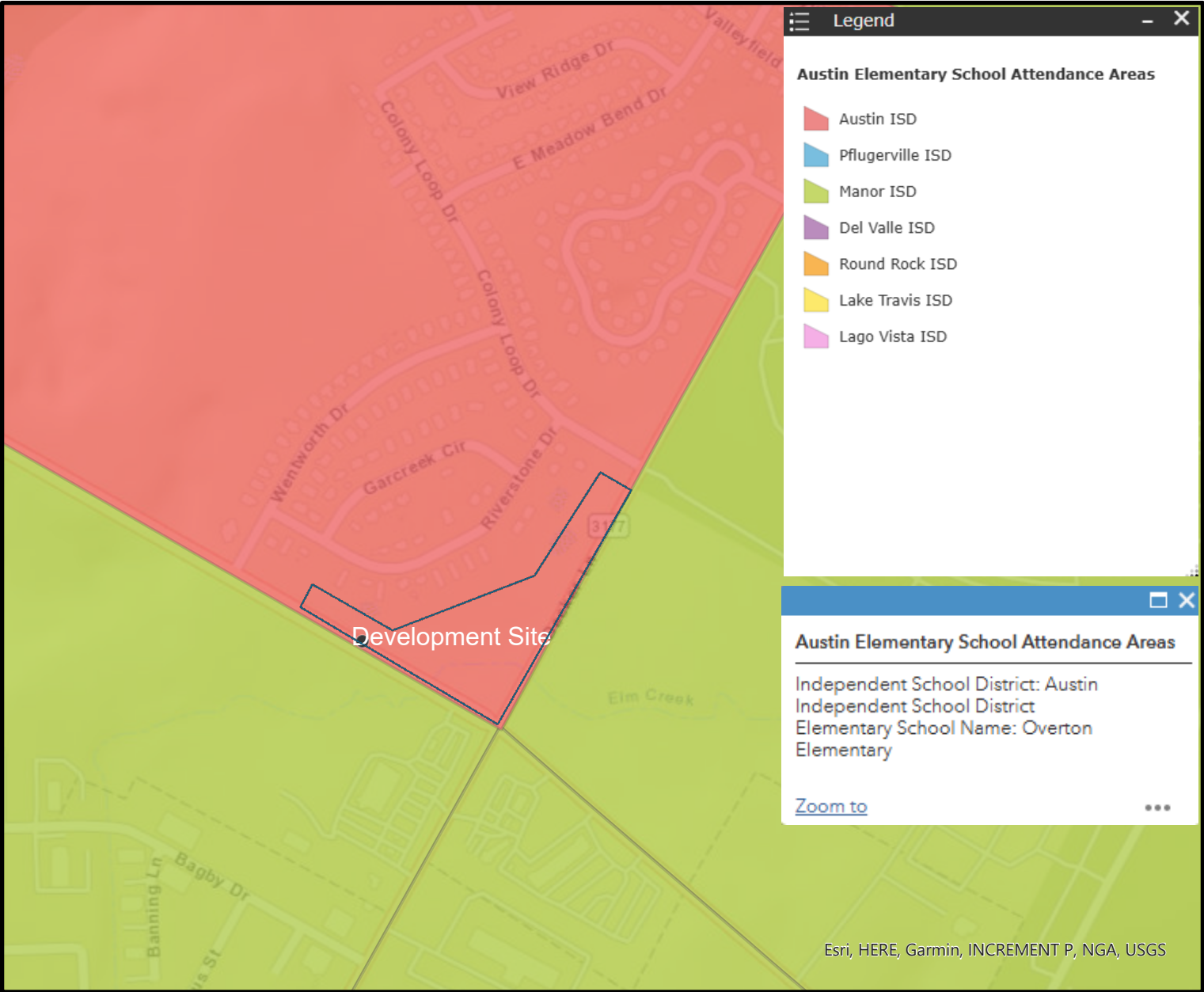
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- Appraisal District Property ID: Property ID Label
- Maximo Asset Tracking Number: Maximo Label



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

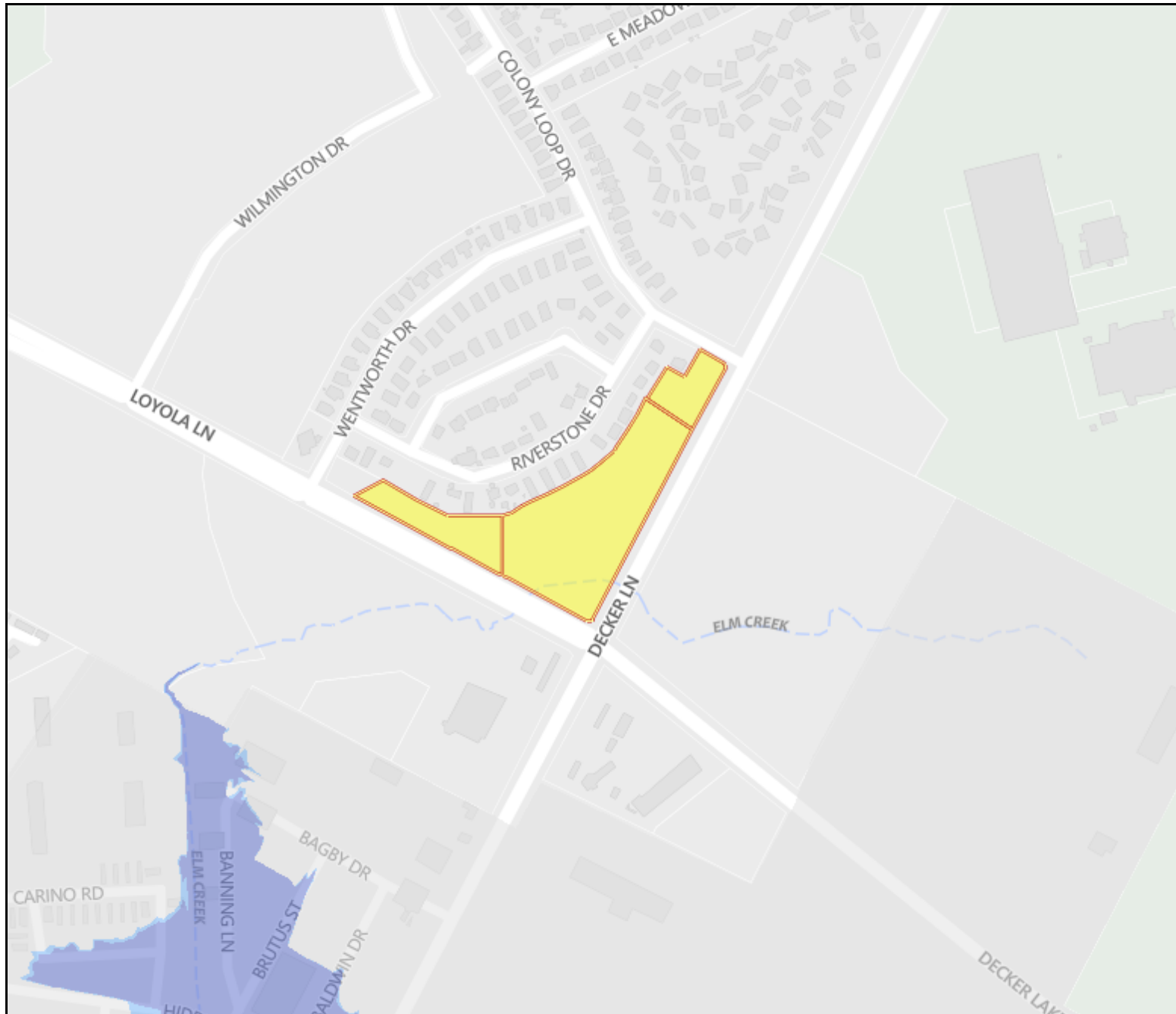


City of Austin Regulatory Floodplains

Legend

FloodPro

- Fully Developed Floodplain
- COA Fully Developed 25-Year
 - COA Fully Developed 100-Year



0 1000 2000 ft

Tuesday, October 29, 2024



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.

ATTACHMENT 5 – PROJECT INFO

5C. ZONING VERIFICATION LETTER



HOUSING DEPARTMENT

P.O. Box 1088, Austin, TX 78767 -1088
(512) 974-3100 • Fax (512) 974-3112
www.austintexas.gov/housing

September 4, 2024

ECG Loyola, LP
701 Brazos Street, Suite 720
Austin, TX 78701

**Re: Zoning Verification for the Property located at 6700 and 6900 ½ Decker Lane
and 8404 Loyola Lane, 78724, Austin, Travis County, Texas**

Dear ECG Loyola:

This letter is to confirm that the property located at 6700 and 6900 ½ Decker Lane and 8404 Loyola Lane, 78724, Austin, Travis County, Texas is zoned Community Commercial (GR) and Community Commercial, Conditional Overlay (GR-CO).

Under the GR and GR-CO classifications applicable to this property, the proposed use or density of the proposed multi-family residential development is not permitted; however, the applicant is **certified** for the City's Affordability Unlocked Program (AU Program), which is a residential affordable housing development bonus program. See Division 4 (Affordability Unlocked Bonus Program) in Article 15 of City Code Chapter 25-1. The AU Program makes a qualifying development a permitted use in a commercial base zoning district and increases density entitlements.

Because the proposed development has been certified as a qualifying development under the AU Program, the site can be developed as multifamily housing.

Sincerely,

Ashlin Gray, Project Coordinator
Housing Department



AFFORDABILITY UNLOCKED LAND USE AND RESTRICTIONS AGREEMENT

This agreement is made this 19th day of April, 2024, by and between the City of Austin (“City”), a Texas home-rule municipal corporation, acting by and through the Housing Department (the “Department”) and 726 LLC, a Texas limited liability company (the “Owner”).

RECITALS

WHEREAS, the Owner is the record owner of that certain real property located at what will be commonly known as **6700 and 6900 ½ Decker Lane and 8404 Loyola Lane, 78724**, in the City of Austin, County of Travis, State of Texas (the “Property”), and whose legal description is set forth in Exhibit “A”, which is attached hereto and incorporated herein by this reference; and

WHEREAS, the Owner intends to enter into agreements to develop, rehabilitate, or construct approximately **208** units on the Property; and

WHEREAS, in connection therewith, the Owner sought and has or will receive one or more Land Use Incentives from the City’s Affordability Unlocked Bonus Program (“Program”), which was adopted by ordinance and codified in the Land Development Code of the Austin City Code; and

WHEREAS, as a condition to receive the Land Use Incentives provided by the Program, the Owner agrees to set aside a certain percentage of Affordable Unit(s) at the Qualifying Development for rent to income Eligible Households so as to provide affordable housing opportunities to low- and moderate-income households; and

WHEREAS, the Department administers, coordinates, and implements various local, state, and federal public funding sources to promote the production of affordable housing citywide; and

WHEREAS, the Owner agrees that the Land Use Incentives received because of the Program benefit the Property, the Owner, and the future Owners; and

WHEREAS, it is the intent of the parties that the Affordable Unit(s) herein, shall be continuously held, and may only be rented subject to this Agreement for the benefit of Eligible Households; and

WHEREAS, it is the desire of the City and Owner to enter into this Agreement to ensure that such requirement or condition, whereby the Owner agrees to offer units for rental to Eligible Households, is fully complied with and to provide for the terms and conditions for the rental of Affordable Unit(s); and

WHEREAS, these provisions are for the purpose of enabling only Eligible Households to rent the Affordable Unit(s) at the Property.



NOW THEREFORE, in consideration of Land Use Incentives, mutual covenants, and representations herein contained, the parties enter into the following specific agreements and restrictions listed below.

SPECIFIC AGREEMENTS AND RESTRICTIONS

1. DEFINITIONS

- (A) Affordable Unit means a dwelling unit or sleeping unit provided for rent to an Eligible Household.
- (B) Agreement means this “Affordability Unlocked Land Use and Restrictions Agreement” between the City and the Owner.
- (C) Buyer means the entity or person who intends to hold a record ownership interest or receives a record ownership interest in the Property after the Effective Date of this Agreement.
- (D) Compliant Year means a continuous 12-month period where affordability requirements were met.
- (E) Duly Authorized Agent means a property manager, property management entity, and their agents.
- (F) Eligible Household means a household whose annual income does not exceed the applicable Median Family Income.
- (G) Funding Program means a local, state, or federal program with identical or more restrictive affordability requirements or procedures and forms that apply to the Qualifying Development, including the federal low-income housing tax credit program (“LIHTC”).
- (H) Land Use Incentives mean the waivers, bonuses, modifications, or increases authorized by the Program.
- (I) Maximum Rent means the maximum rental rate which may be required to be paid by the tenant from time to time for an Affordable Unit, by bedroom count, published by the Department. If the Qualifying Development is participating in the LIHTC program, the maximum rental rate, by bedroom count, shall be 30% of the annual income limit for an Eligible Household, minus tenant paid utilities.
- (J) Median Family Income (MFI) means the median family income for the Austin statistical metropolitan area as determined by the director of the City's Housing and Planning Department. If the Qualifying Development is participating in the LIHTC program, Median Family Income (MFI) means the median family income for the Austin statistical metropolitan area adjusted for family size, as published from time to time by the United States Department of Housing and Urban Development (“HUD”).
- (K) Minimum Affordability Period means the minimum number of years the Affordable Unit(s) must be available to Eligible Households.
- (L) Property means the land described in **Exhibit A**.



- (M) The Owner means each person or entity holding a record ownership interest in the Property, their successors and assignees, transferees, heirs, executors, administrators, or duly authorized agents. The Owner shall not include persons or entities who/which hold an interest merely as security for the performance of an obligation. Except for Section 2(E)(ii), the Owner shall not include persons or entities after they have ceased to hold a record ownership interest in the Property.
- (N) Qualifying Development means **6700 and 6900 ½ Decker Lane and 8404 Loyola Lane, 78724**, a development accessing waivers and modifications of development regulations granted under a **Type 2** level of affordability.

2. GENERAL REQUIREMENTS

- (A) Recitals. The recitals set forth above are incorporated into this Agreement for all purposes.
- (B) Runs with the Property.
 - (i) This Agreement shall run with the Property for the Minimum Affordability Period.
 - (ii) The Department shall record this Agreement in the official real property records of Travis County, Texas, when the first certificate of occupancy for the Qualifying Development is issued by the City.
 - (iii) If this Agreement is amended or terminated, the Department shall record the amendment or termination.
- (C) Term of the Agreement.
 - (i) Except as provided in (C)(iv), this Agreement shall remain in effect for the Minimum Affordability Period unless the City, its successor or assigns, executes an amendment or a termination to this Agreement.
 - (ii) The Minimum Affordability Period is 40 Compliant Years from the date the last certificate of occupancy is issued for the Qualifying Development.
 - (iii) In addition to the equitable remedies described in Section 4, if the Department is unable to confirm, for any reason, that the affordability requirements were met during any 12-month period, such 12-month period is a noncompliant year and may not be used to satisfy the Minimum Affordability Period.
 - (iv) This Agreement terminates automatically on date **06/30/2025** if: (1) the entity described as the Buyer in Exhibit D fails to acquire an ownership interest in the Property and record a deed in the county real property records, and (2) the Development Services Department (or successor department) has not approved any development applications for the Qualifying Development.
- (D) Binds the Owner's Successors and Assigns.
 - (i) This Agreement shall be binding upon the Owner and the Owner's heirs, successors, and assigns in ownership of the Property or any portion thereof and shall be binding upon and inure to the benefit of the City and its successors and assigns.
 - (ii) The City reserves the right to designate another public agency to perform the City's obligations or to exercise the City's rights under this Agreement.



- (iii) This Agreement is enforceable against a Buyer even if the Owner fails to notify the Buyer of this Agreement.
- (E) Assignment and Assumption & Amended and Restated.
 - (i) In the event of any sale, re-sale, or other transfer of the Property prior to the expiration of the term of this Agreement, as a condition of close of escrow or, if transferred without a closing, at the time of transfer:
 - (a) the Owner shall require the Buyer to execute an Assignment and Assumption Agreement (“Assignment”) or an Amended and Restated Agreement (“Amended and Restated”) on a form approved by the City Attorney; and
 - (b) the Owner shall provide the Department with a copy of the Assignment or Amended and Restated, as applicable, as set forth in Section 5(E).
 - (ii) If the Owner fails to assign or the Buyer fails to assume this Agreement before or at the transfer of the Property, this Agreement:
 - (a) remains binding upon the Owner until the Assignment is signed by both the Owner and the Buyer; and
 - (b) is binding upon the Buyer.
- (F) Affordable Unit(s).
 - (i) The Owner shall set aside a minimum of **50%** of the total units as Affordable Unit(s) in the Qualifying Development.
 - (ii) The Owner shall set aside the following percentage of unit(s) for the following MFI:
 - (a) **20%** of the total units at or below **50% MFI**
 - (b) The remaining Affordable Units must satisfy the income, rent and other requirements imposed by the Affordability Unlocked program
 - (iii) The Owner shall ensure that at least **25%** of the Affordable Units include two or more bedrooms.
 - (iv) The Owner shall ensure that rent levels for the Affordable Units are affordable to households whose incomes average **60% MFI** or below
 - (v) The Affordable Units may be floating or fixed as long as the unit mix continues to meet the requirements under the Affordability Unlocked Program.
- (G) Minimum Set-Aside Requirement. The Owner shall ensure that the minimum percentage of Affordable Unit(s) is maintained throughout the term of this Agreement.
- (H) Rent Limits. The Owner shall not charge more than the Maximum Rent for an Affordable Unit based on the MFI limited stipulated in this Agreement.
- (I) Verification/Income Eligibility.
 - (i) The Owner shall verify household income eligibility at the time of initial application and upon execution of each renewal.
 - (ii) Owner shall collect and maintain the documentation necessary to determine income eligibility of the applicant(s) for a rental unit.
 - (iii) The Owner shall require the applicant to declare all sources of regular continuing income for all adult household members.
 - (iv) Whenever household income must be verified, the Owner shall use the income verification forms made available by the Department.



- (v) The Owner shall provide the Department with income verification forms when requested by the Department or the Department's agent.
- (J) Monitoring. The Owner shall cooperate in the monitoring process and shall comply with requests for information from the Department or the Department's agent.
- (K) Tenant File. The Owner shall maintain a tenant file for each required Affordable Unit. The file, at a minimum, must contain the following and be retained on-site for a period of no less than 4 years after the date the lease has expired:
 - (i) rental application;
 - (ii) current lease and subsequent lease renewals;
 - (iii) income eligibility/verification forms, including source documentation and household income calculation;
 - (iv) annual, lease renewal income recertification, including income eligibility/verification forms, income source documentation and household income calculation;
 - (v) Department-approved Household Income Documentation Forms, which for the purposes of this Agreement shall be deemed to include such forms as are required or permitted to be used under the LIHTC program;
 - (vi) HUD Median Family Income (MFI) Chart for original determination and subsequent renewals; and
 - (vii) chart showing Maximum Rent, which was used for establishing original base rent and subsequent renewals
- (L) Affordable Unit Leases.
 - (i) The Owner shall include the lease addendum and provisions attached to this Agreement as Exhibit "B" in the Owner's lease or rental agreements, unless the development of the Property is also financed with Rental Housing Development Assistance ("RHDA") funds from the Austin Housing Finance Corporation, in which event, Owner shall utilize the lease addendum and/or provisions required by the RHDA program
 - (ii) To comply with the City's affordability requirements, the term of each lease or rental agreements must be a minimum of 12 months.
 - (iii) The Owner shall include the following requirements in each lease or rental agreement:
 - (a) provisions(s) that inform the applicant/tenant that the Owner relied on the income certification and supporting documents provided by the applicant/tenant that establish their eligibility for occupancy in one of the Affordable Unit(s);
 - (b) a statement that informs the applicant/tenant that any material misstatement in such certification (whether intentional or not) may be cause for immediate termination of the lease if the misstatement cannot be corrected and substantiated; and
 - (c) a statement that informs the applicant/tenant that their occupancy in one of the Affordable Unit(s) is subject to annual recertification.
- (M) Compliance with Fair Housing and Equal Opportunity Laws.
 - (i) The Owner shall comply with applicable federal, state, and local fair housing and anti-discrimination laws in the marketing and provision of housing.



- (ii) Occupants of Affordable Unit(s) shall have access to all on-site amenities available to market-rate units, including the same access to common areas and facilities provided to occupants of market-rate units.
- (iii) The Owner may not discriminate on the basis of an individual's source of income, which means lawful, regular, and verifiable income including, but not limited to, housing vouchers and other subsidies provided by government or non-governmental entities, child support, or spousal maintenance, but does not include future gifts.
- (N) Affirmative Marketing of the Property. For purposes of initial rental of each Affordable Unit and for purposes of re-rental each time any Affordable Unit(s) becomes vacant, the Owner shall advertise and market the Property to Eligible Households and encourage their participation in applying for and occupying an Affordable Unit. The Owner complies with this provision if the Owner follows any written guidance provided by the Department.

3. PROCESSES

- (A) Unless the Qualifying Development is also subject to a Funding Program, the Owner shall use the procedures and forms promulgated by the Department to accomplish the following:
 - (i) determine household eligibility;
 - (ii) calculate income;
 - (iii) document and verify income for rental housing; and
 - (iv) comply with monitoring processes.
- (B) If the Qualifying Development is subject to a Funding Program, the Owner shall comply with the Funding Program to accomplish the following:
 - (i) determine household eligibility;
 - (ii) calculate income;
 - (iii) document and verify income for rental housing; and
 - (iv) comply with monitoring processes.
- (C) Remedial Actions.
 - (i) If the Department determines that the Owner has not met the Minimum Set-Aside Requirement or complied with this Section, the Owner will be given an opportunity to demonstrate compliance using facts and data.
 - (ii) If the Owner fails to demonstrate compliance, the Owner shall be required to take any corrective or remedial action within the timeframes specified by the Department. The actions required and timeframes specified will be provided in writing by the Department.

4. EQUITABLE REMEDIES FOR BREACH

- (A) The Owner acknowledges and agrees that:
 - (i) the Affordable Unit(s) provided under this Agreement are of a unique and special character;
 - (ii) the affordability restrictions are reasonable in scope and necessary to protect the City's legitimate interests; and



- (iii) a breach or threatened breach by the Owner of any of its obligations under this Agreement would give rise to irreparable harm to the City for which monetary damages would not be an adequate remedy.
- (B) The Owner acknowledges and agrees that if a breach or a threatened breach by the Owner of any such obligations occurs:
 - (i) the City will, in addition to any and all other rights and remedies that may be available to it at law, at equity or otherwise in respect to such breach, be entitled to equitable relief, including a temporary restraining order, an injunction, specific performance, and any other relief that may be available from a court of competent jurisdiction, without any requirement to post a bond or other security, or prove actual damages or that monetary damages will not afford an adequate remedy; and
 - (ii) the Owner will not oppose or otherwise challenge the appropriateness of equitable relief or the entry by a court of competent jurisdiction of an order granting equitable relief, in each case, consistent with the terms of this Section.
- (C) The Owner acknowledges and agrees:
 - (i) that the failure to enforce any provision of this Agreement at any time does not constitute a waiver of the right thereafter to enforce this Agreement; and
 - (ii) not to oppose or otherwise challenge the City's right to enforce this Agreement even if the City failed to enforce this Agreement previously.

5. GENERAL PROVISIONS

- (A) Land Use Incentives.
 - (i) This Agreement allows the Owner to utilize, for the Qualifying Development, one or more of the Land Use Incentives found in the following City Code sections:
 - (a) 25-2-518 (*Qualifying Development*);
 - (b) 25-2-534 (*Qualifying Development Exceptions*); and
 - (c) 25-6-471(J) (*Off-Street Parking Facility Required*)
 - (ii) A copy of the City Code sections, as they existed on the date of this Agreement, are attached to this Agreement as Exhibit "C" and describe the Land Use Incentives applicable to the Qualifying Development.
- (B) Notice of Duly Authorized Agent. The Owner shall provide notice as set forth in Section 5(E) within three business days from the date the Owner:
 - (i) contracts with a property management entity, and
 - (ii) designates an individual as the property manager.
- (C) Notice and Opportunity to Cure. If the Department determines the Owner is out of compliance this Agreement, the Department will send a Notice of Default and Opportunity to Cure ("Cure Notice") to the Owner as set forth in Section 5(E). The Cure Notice will require the Owner to cure default within a specified period of time beginning from the date on the Cure Notice.
- (D) This Agreement shall not be construed as creating an employer/employee relationship, a partnership, joint enterprise, or joint venture between the parties.
- (E) Notices. All notices required under this Agreement shall be in writing, which include email, sent to the Owner and the City at the address(es) set forth below.



For the Department: Housing Department
Attn: Real Estate Division Manager
P.O. Box 1088
Austin, TX 78767

With Copy to: City of Austin Law Department
P.O. Box 1088
Austin, TX 78767

For the Owner: 726 LLC
P.O. Box 16401
Austin, TX 78761-6401

With Copy to: ECG Acquisitions, LLC
Attn: Mark McCord
1030 16th Ave. S 5th Floor
Nashville, TN 37212

- (F) Authority. Each party to this Agreement hereby represents and warrants that each person executing this Agreement on behalf of a party has the right, power, legal capacity, and authority to enter into and perform under the Agreement, that no approval or consent of any other persons are necessary and that the Agreement constitutes a valid and binding obligation of such party, enforceable against such party.
- (G) Amendments. This Agreement may be modified only by a writing properly executed by each of the parties. Any modification or amendment of this Agreement shall not be binding on the parties unless made in writing and properly executed by each of the parties.
- (H) Governing Law and Venue.
 - (i) This Agreement is made under and shall be governed by the laws of the State of Texas, without regard to conflicts of laws principles which would apply the law of any other jurisdiction.
 - (ii) Venue for any dispute arising out of or concerning this Agreement, either administrative or judicial, shall be proper and lie exclusively in Travis County, Texas.
- (I) Severability. If a court of competent jurisdiction determines that a term or provision of this Agreement is void or unenforceable, the remainder of this Agreement remains effective to the extent permitted by law.
- (J) Effective Date. This Agreement shall commence on the date of execution by the last of the parties to sign this Agreement.
- (K) Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original and when the parties hereto have signed this Agreement shall be one and the same instrument.



{signatures follow}



OWNER:

726 LLC

a Texas limited liability company

By:

A blue ink signature of David Hemmasi.

David Hemmasi

Managing Member

ACKNOWLEDGMENT

THE STATE OF TEXAS

§

§

COUNTY OF TRAVIS

§

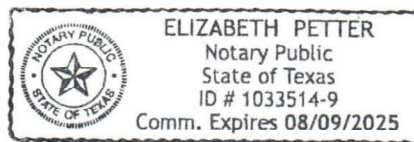
The foregoing instrument was acknowledged before me on this the 1st day of April 2024, by David Hemmasi, Managing Member of 726 LLC, a Texas limited liability company, on behalf of said limited liability company.

Given under my hand and seal of office on April 1, 2024.

A blue ink signature of Elizabeth Petter.

NOTARY PUBLIC, State of Texas

{Additional signatures pages to follow}



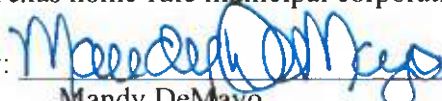
Signature Page 1

6700 & 6900 1/2 Decker Ln. And 8404 Loyola Ln. Austin, TX 78724



THE CITY:


THE CITY OF AUSTIN, TEXAS
a Texas home-rule municipal corporation

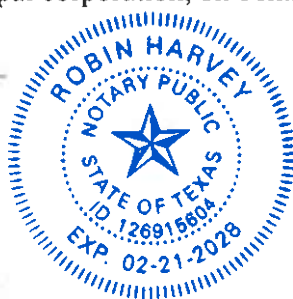
By: 
Mandy DeMayo
Interim Director
Housing Department

ACKNOWLEDGMENT

THE STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

The foregoing instrument was acknowledged before me on this the 19 day of April 2024, by Mandy DeMayo, Interim Director of the Housing Department of the City of Austin, a Texas home-rule municipal corporation, on behalf of the municipal corporation.


NOTARY PUBLIC, State of Texas



APPROVED AS TO FORM:

By: M. Shannon Kackley
M. Shannon Kackley
Assistant City Attorney
City of Austin Law Department

AFTER RECORDING RETURN TO:

Housing Department
1000 East 11th Street, Suite 200
Austin, TX 78702
Attn: Real Estate Division Manager



EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

Tract 1

8404 Loyola Ln, Austin, TX 78724, Travis Central Appraisal District Property ID 499835

BEING a 1.823 acre (79,409 square feet) tract of land situated in the James Burleson Survey No. 19, Abstract No. 4, City of Austin, Travis County, Texas; being all of Lot 22B of Colony Meadows Section III Phase I, plat of which is recorded in Volume 85, Page 151C of the Plat Records of Travis County; said plat being vacated by Document Number 90073702 of the Real Property Records of Travis County; also being all of that certain 1.824 acre tract described in instrument to 726 LLC in Document Number 2021251892 of the Official Public Records of Travis County; and being more particularly described as follows:

BEGINNING at a ½-inch iron rod with a red plastic cap stamped "KHA" set marking the southwest corner of Lot 4, Block C of Colony Meadows, Section 2 Subdivision, plat of which is recorded in Volume 84, Page 57 A of the Plat Records of Travis County, marking the northeast corner of Lot 22A of Colony Meadows Section III Phase I, and the northwest corner of said Lot 22B;

THENCE, South 61 °59'52" East, 294.37 feet along the common line of said Colony Meadows, Section 2, and said 1.823 acre tract to a found ½-inch iron rod for corner;

THENCE, South 89°25'17" East, 221.86 feet along the common line of said Colony Meadows, Section 2, and said 1.823 acre tract, to a found ½-inch iron rod found for corner;

THENCE, South 01°42'01" West, 236.69 feet along the common line of Lot 22C of Colony Meadows Section III, Phase II, plat of which is recorded in Document Number 200300077 of the Official Public Records of Travis County, and said 1.823 acre tract to a found ½-inch iron rod with red plastic cap for corner;

THENCE, North 61 °59'24" West, 672.57 feet along the common line of Loyola Lane (120-foot Public Right-of-Way) and said 1.823 acre tract to a ½-inch iron rod with a red plastic cap stamped "KHA" set for corner;

THENCE, North 62°47'56" East, 133.85 feet along the common line of aforesaid Lot 22A and said 1.823acre tract to the POINT OF BEGINNING, and containing 1.823 acres of land in Travis County, Texas.

Exhibit A

6700 & 6900 ½ Decker Ln. And 8404 Loyola Ln. Austin, TX 78724



Tract 2

6700 Decker Ln, Austin, TX 78724, Travis Central Appraisal District Property ID 567353

8511 Colony Loop Dr, Austin, TX 78724, Travis Central Appraisal District Property ID 567354

Lots 22C, and 22D, COLONY MEADOWS SECTION III, PHASE II, a subdivision in Travis County, Texas, according to the map or plat of record filed under Document No. 200300077, Official Public Records, Travis County, Texas.

ATTACHMENT 5 – PROPERTY INFO

5D. PROOF OF SITE CONTROL

**SITE CONTROL PROVIDED UNDER
SEPARATE COVER**

ATTACHMENT 5 – PROPERTY INFO

5E. PHASE 1 ESA

**REMOVED DUE TO FILE SIZE
CONSTRAINTS WITH WEB VIEWING**