



## HOUSING DEVELOPMENT ASSISTANCE (RHDA/OHDA)

Application for Housing Development Financing

**PLEASE NOTE:** AHFC Reserves the right to fund projects at a lower amount than requested, and the right to deny applications that do not coincide with the [Austin Strategic Housing Blueprint](#) and policy direction from the Austin City Council.

### Applicant Information

(If the developer involves multiple entities, is a partnership or joint venture, please provide the requisite information for each and identify the entity that will serve as the "lead" organization.)

<b>Developer Name</b>	<b>Owner Name</b>	
RGTP Real Estate, LLC (to be formed)	RGTP Real Estate, LLC (to be formed)	
<b>Street Address</b>		
PO Box 201002		
<b>City</b>	<b>State</b>	<b>Zip</b>
Austin	TX	78720
<b>Contact Name</b>	<b>Contact Telephone</b>	
Russell Artman	917-575-2219	
<b>Contact Email</b>		
slevine10@gmail.com		
<b>Federal Tax ID Number</b>	<b>D-U-N-S Number (visit <a href="http://www.dnb.com">www.dnb.com</a> for free DUNS#.)</b>	
to be formed		
<b>The applicant/developer certifies that the data included in this application and the exhibits attached hereto are true and correct. <i>Unsigned/undated submissions will not be considered.</i></b>		
<b>Legal Name of Developer/Entity</b>	<b>Title of Authorized Officer</b>	
RGTP Real Estate, LLC (to be formed)	Manager	

\_\_\_\_\_  
Signature of Authorized Officer

\_\_\_\_\_  
Date

**INSTRUCTIONS:** Applications will be reviewed on a quarterly basis. All applications submitted in the review period that achieve the minimum threshold score will be reviewed by an internal panel of NHCD staff. All awards will be made by the AHFC Board of Directors. To be considered for an award, please complete this application electronically, print, sign, and deliver to:

Department of Neighborhood  
Housing and Community  
1000 East 11th Street  
Austin, Texas 78702  
Attn: James May  
Community Development Manager

## Project Summary Form

1) <b>Project Name</b> Sweeney Lane COC	2) <b>Project Type</b> 100% Affordable	3) <b>New Construction or Rehabilitation?</b> New Construction
4) <b>Location Description</b> (Acreage, side of street, distance from intersection) 2901 Sweeney Lane, 78723, 0.2314 acres, SE corner Manor/Sweeney		5) <b>Mobility Bond Corridor</b>
6) <b>Census Tract</b> 21.07	7) <b>Council District</b> District 1	8) <b>Elementary School</b> PECAN SPRINGS EL
9) <b>Affordability Period</b> 40 years		
10) <b>Type of Structure</b> Multi-family	11) <b>Occupied?</b> Yes	12) <b>How will funds be used?</b> Position, Pre-development, and Constr

### 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		60				60
Up to 60% MFI						0
Up to 80% MFI						0
Up to 120% MFI						0
No Restrictions						0
<b>Total Units</b>	<b>0</b>	<b>60</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>60</b>

### 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
<b>Total Units</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### 15) Initiatives and Priorities (of the Affordable Units)

Initiative	# of Units	Initiative	# of Units
Accessible Units for Mobility Impairments	12	Continuum of Care Units	60
Accessible Units for Sensory Impairments	1		

### 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	850000
Third Party Equity	1061225
Grant	
Deferred Developer Fee	337275
Other	
<b>City of Austin</b>	<b>6176275</b>

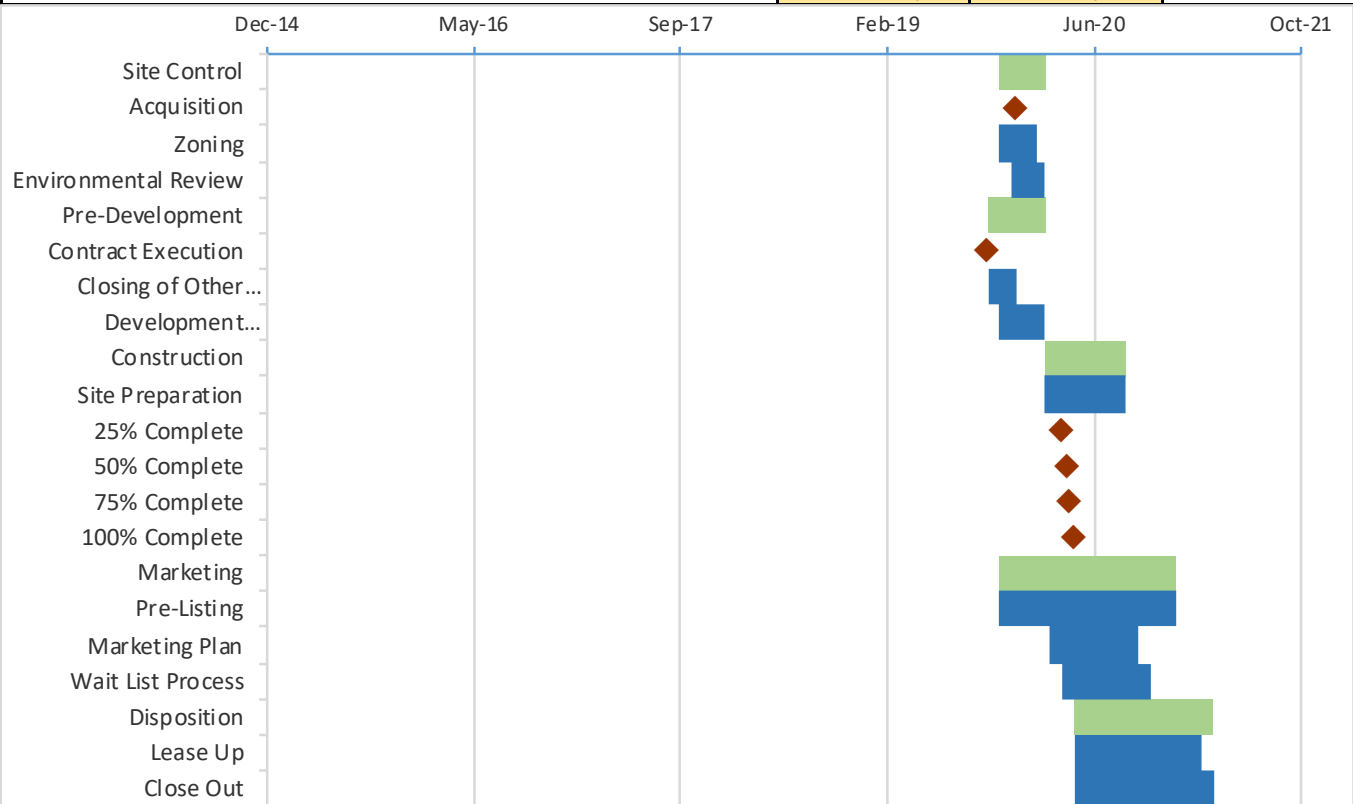
<u>Uses</u>	
Acquisition	945000
Off-Site	
Site Work	400000
Sit Amenities	1340000
Building Costs	3600000
Contractor Fees	310000
Soft Costs	880500
Financing	612000
Developer Fees	337275

**Total \$ 8,424,775**

**Total \$ 8,424,775**

## Development Schedule

	Start Date	End Date
<b>Site Control</b>	Nov-19	Feb-20
Acquisition	Dec-19	
Zoning	Nov-19	Feb-20
Environmental Review	Dec-19	Feb-20
<b>Pre-Development</b>	Oct-19	Feb-20
Contract Execution	Oct-19	
Closing of Other Financing	Oct-19	Dec-19
Development Services Review	Nov-19	Feb-20
<b>Construction</b>	Feb-20	Sep-20
Site Preparation	Feb-20	Sep-20
25% Complete	Apr-20	
50% Complete	Apr-20	
75% Complete	Apr-20	
100% Complete	May-20	
<b>Marketing</b>	Nov-19	Jan-21
Pre-Listing	Nov-19	Jan-21
Marketing Plan	Mar-20	Oct-20
Wait List Process	Apr-20	Nov-20
<b>Disposition</b>	May-20	Apr-21
Lease Up	May-20	Mar-21
Close Out	May-20	Apr-21



## Development Budget

	Total Project Cost	Requested AHFC Funds	Description
<b>Pre-Development</b>			
Appraisal	5,000		
Environmental Review	2,000		
Engineering	80,000	80,000	
Survey	1,000	0	
Architectural	30,000	30,000	
<b>Subtotal Pre-Development Cost</b>	\$118,000	\$110,000	
<b>Acquisition</b>			
Site and/or Land	189,000	189,000	
Structures	756,000		
Other (specify)	10,000		Feasibility and foundation studies
<b>Subtotal Acquisition Cost</b>	\$955,000	\$189,000	
<b>Construction</b>			
Infrastructure			
Site Work	50,000	50,000	
Demolition	200,000	200,000	
Concrete	50,000	50,000	
Masonry	100,000	100,000	
Rough Carpentry			
Finish Carpentry			
Waterproofing and Insulation			
Roofing and Sheet Metal	50,000	50,000	
Plumbing/Hot Water	75,000	75,000	
HVAC/Mechanical	75,000	75,000	
Electrical	50,000	50,000	
Doors/Windows/Glass			
Lath and Plaster/Drywall and Acoustical			
Tiel Work			
Soft and Hard Floor			
Paint/Decorating/Blinds/Shades	180,000	180,000	
Specialties/Special Equipment	3,600,000	3,600,000	Pre-fabricated housing including delivery and stitching
Cabinetry/Appliances			
Carpet			
Other (specify)	610,000	610,000	Circulation (elevators, stairs), Gutter, siding, landscape
Construction Contingency	500,000	500,000	
<b>Subtotal Construction Cost</b>	\$5,540,000	\$5,540,000	
<b>Soft &amp; Carrying Costs</b>			
Legal	25,000		
Audit/Accounting	15,000		
Title/Recordin	5,500		
Architectural (Inspections)	5,000		
Construction Interest	555,000		
Construction Period Insurance	24,000		
Construction Period Taxes	33,000		
Relocation	420,000		
Marketing	0		
Davis-Bacon Monitoring	0		
Other (specify)	392,000		Sales tax on purchases
<b>Subtotal Soft &amp; Carrying Costs</b>	\$1,474,500	\$0	
<b>TOTAL PROJECT BUDGET</b>	\$8,087,500	\$5,839,000	



## 15 Year Rental Housing Operating Pro Forma (RHDA)

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

INCOME	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 10	YEAR 15
POTENTIAL GROSS ANNUAL RENTAL INCOME	\$604,800	\$616,896	\$629,234	\$641,819	\$654,655	\$722,792	\$798,021
Secondary Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0
POTENTIAL GROSS ANNUAL INCOME	\$604,800	\$616,896	\$629,234	\$641,819	\$654,655	\$722,792	\$798,021
Provision for Vacancy & Collection Loss	-\$30,240	-\$30,845	-\$31,462	-\$32,091	-\$32,733	-\$36,140	-\$39,901
Rental Concessions	\$0	\$0	\$0	\$0	\$0	\$0	\$0
EFFECTIVE GROSS ANNUAL INCOME	\$574,560	\$586,051	\$597,772	\$609,728	\$621,922	\$686,652	\$758,120
EXPENSES							
General & Administrative Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Management Fee	\$45,965	\$47,344	\$48,764	\$50,227	\$51,734	\$59,974	\$69,526
Payroll, Payroll Tax & Employee Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Repairs & Maintenance	\$72,000	\$74,160	\$76,385	\$78,676	\$81,037	\$93,944	\$108,906
Electric & Gas Utilities	\$144,000	\$148,320	\$152,770	\$157,353	\$162,073	\$187,887	\$217,813
Water, Sewer & Trash Utilities	\$10,800	\$11,124	\$11,458	\$11,801	\$12,155	\$14,092	\$16,336
Annual Property Insurance Premiums	\$30,000	\$30,900	\$31,827	\$32,782	\$33,765	\$39,143	\$45,378
Property Tax	\$80,640	\$83,059	\$85,551	\$88,118	\$90,761	\$105,217	\$121,975
Reserve for Replacements	\$6,048	\$6,229	\$6,416	\$6,609	\$6,807	\$7,891	\$9,148
Other Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL ANNUAL EXPENSES	\$389,453	\$401,136	\$413,170	\$425,566	\$438,333	\$508,148	\$589,082
NET OPERATING INCOME	\$185,107	\$184,915	\$184,602	\$184,162	\$183,590	\$178,505	\$169,037
DEBT SERVICE							
First Deed of Trust Annual Loan Payment	\$146,352	\$146,352	\$146,352	\$146,352	\$146,352	\$146,352	\$146,352
Second Deed of Trust Annual Loan Payment	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Third Deed of Trust Annual Loan Payment	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Annual Required Payment	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Annual Required Payment	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ANNUAL NET CASH FLOW	\$38,755	\$38,563	\$38,250	\$37,810	\$37,238	\$32,153	\$22,685
CUMULATIVE NET CASH FLOW	\$38,755	\$77,318	\$115,568	\$153,378	\$190,616	\$364,092	\$501,187
Debt Coverage Ratio	1.26	1.26	1.26	1.26	1.25	1.22	1.16

Projected Affordability Data for Home Sales (OHDA)									
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	Unit Model 1	Unit Model 2	Unit Model 3	Unit Model 4	Unit Model 5	Unit Model 6	Unit Model 7
Number of Units	0	0	0	0	0	0	0
Number of Bedrooms	0	0	0	0	0	0	0
Square Footage	0	0	0	0	0	0	0
Anticipated Sale Price	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Borrower Contribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Homebuyer Subsidy	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Principal Amount of Mortgage	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Anticipated Interest Rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Monthly Principal Amount	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Monthly Interest	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Estimated Monthly Taxes	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Estimated Monthly Insurance	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL Estimated PITI	\$0	\$0	\$0	\$0	\$0	\$0	\$0

<b>Project Name</b>	Sweeney Lane COC	
<b>Project Type</b>	100% Affordable	
<b>Council District</b>	District 1	
<b>Census Tract</b>	21.07	
<b>AHFC Funding Request Amount</b>	\$6,176,275	
<b>Estimated Total Project Cost</b>	\$8,424,775	
<b>High Opportunity</b>	No	
<b>High Displacement Risk</b>	YES	
<b>High Frequency Transit</b>	Yes	
<b>Imagine Austin</b>	Yes	
<b>Mobility Bond Corridor</b>	0	
<b>SCORING ELEMENTS</b>		Description
<b>UNITS</b>		
<b>&lt; 20% MFI</b>	0	# of rental units at < 20% MFI
<b>&lt; 30% MFI</b>	0	# of rental units at < 30% MFI
<i>District Goal</i>	0.00%	% of annual goal reached with units
<i>High Opportunity</i>	0.00%	% of annual goal reached with units
<i>Displacement Risk</i>	0.00%	% of annual goal reached with units
<i>High Frequency Transit</i>	0.00%	% of annual goal reached with units
<i>Imagine Austin</i>	0.00%	% of annual goal reached with units
<i>Geographic Dispersion</i>	0.00%	% of annual goal reached with units
<i>Mobility Bond Corridor</i>	0.00%	% of annual goal reached with units
<b>SCORE</b>	<b>0</b>	<b>% of Goals * 20</b>
<b>&lt; 40% MFI</b>	0	# of rental units at < 40% MFI
<b>&lt; 50% MFI</b>	60	# of rental units at < 50% MFI
<i>District Goal</i>	8.47%	% of annual goal reached with units
<i>High Opportunity</i>	0.00%	% of annual goal reached with units
<i>Displacement Risk</i>	14.09%	% of annual goal reached with units
<i>High Frequency Transit</i>	21.88%	% of annual goal reached with units
<i>Imagine Austin</i>	21.88%	% of annual goal reached with units
<i>Geographic Dispersion</i>	0.00%	% of annual goal reached with units
<i>Mobility Bond Corridor</i>	0.00%	% of annual goal reached with units
<b>SCORE</b>	<b>10</b>	<b>% of Goals * 15</b>
<b>&lt; 60% MFI</b>	0	# of units for purchase at < 60% MFI
<b>&lt; 80% MFI</b>	0	# of units for purchase at < 80% MFI
<i>District Goal</i>	0.00%	% of annual goal reached with units
<i>High Opportunity</i>	0.00%	% of annual goal reached with units
<i>Displacement Risk</i>	0.00%	% of annual goal reached with units
<i>High Frequency Transit</i>	0.00%	% of annual goal reached with units
<i>Imagine Austin</i>	0.00%	% of annual goal reached with units
<i>Geographic Dispersion</i>	0.00%	% of annual goal reached with units
<i>Mobility Bond Corridor</i>	0.00%	% of annual goal reached with units
<b>SCORE</b>	<b>0</b>	<b>% of Goals * 15</b>
<b>Unit Score</b>	<b>10</b>	<b>MAXIMUM SCORE = 350</b>
<b>INITIATIVES AND PRIORITIES</b>		
<i>Continuum of Care</i>	60	Total # of units provided up to 100 per year
<b>Continuum of Care Score</b>	20	(total CoC Units/100 + HF Units/50)*20
<b>Access to Healthy Food</b>	No	Within 1 Mile of Healthy Food (City GIS)
<b>Continuum of Care Weighted Score</b>	9	Mobility, Access to Jobs, Community Institutions, Social Cohesion
<i>2 Bedroom Units</i>	0	Total Affordable 2 Bedroom units
<i>3 Bedroom Units</i>	0	Total Affordable 3 Bedroom units
<i>4 Bedroom Units</i>	0	Total Affordable 4+ Bedroom units
<b>Multi-Generational Housing Score</b>	0	Multi-bedroom Unit/Total Units * 20
<b>TEA Grade</b>	80	Elementary School Rating from TEA
<b>Multi-Generational Housing Weighted Score</b>	0	Educational Attainment, Environment, Community Institutions, Social Cohesion, Econ
<i>Accessible Units</i>	13	mobility and sensory units
<i>Non-PSH, Non-Voucher Under 20% MFI</i>	0	Total units under 20% MFI
<b>Accessibility Score</b>	4	Accessible Unit/Total Units * 20
<b>Metro Access Service</b>	Yes	Within 3/4 mile of fixed route transit
<b>Accessibility Weighted Score</b>	1	Housing Stability, Health, Mobility, Community Institutions
<b>Initiatives and Priorities Score</b>	<b>35</b>	<b>MAXIMUM SCORE = 200</b>
<b>UNDERWRITING</b>		
<i>AHFC Leverage</i>	73%	% of total project cost funded through AHFC request
<b>Leverage Score</b>	<b>7</b>	<b>25 - (% leverage * 25)</b>
<i>AHFC Per Unit Subsidy</i>	\$102,937.92	Amount of assistance per unit
<b>Subsidy per unit score</b>	<b>12</b>	<b>(\$200,000 - per unit subsidy)*25/\$200,000</b>
<i>AHFC Per Bedroom Subsidy</i>	\$102,937.92	Amount of assistance per bedroom
<b>Subsidy per Bedroom Score</b>	<b>12</b>	<b>(\$200,000 - per bedroom subsidy)*25/\$200,000</b>
<i>Debt Coverage Ratio (Year 5)</i>	1.25	Measured at the 5 Year mark
<b>Debt Coverage Ratio Score</b>	<b>24.55609464</b>	<b>Minimum = 1.0; Maximum = 1.5; 1.25 = best score</b>
<b>Underwriting Score</b>	<b>55</b>	<b>MAXIMUM SCORE = 100</b>
<b>APPLICANT</b>		
<b>FINAL QUANTITATIVE SCORE</b>	<b>100</b>	<b>THRESHOLD SCORE = 50</b>
<i>Previous Developments</i>		
<i>Compliance Score</i>		
<i>Proposal</i>		
<i>Supportive Services</i>		
<i>Development Team</i>		
<i>Management Team</i>		
<i>Notes</i>		

# About Us

## Developer's Experience

JESE Real Estate ("JESE") and RGTP Real Estate ("RGTP") were borne out of a long-term friendship and shared values. The principals, Russell Artman and Stephen Levine, were friends for almost 30 years. While discussing their careers and plans, they were mutually disturbed about the critical shortage of affordable housing. Using Russell's real estate and Stephen's financial background, they created a novel approach to provide high-quality, affordable housing. They agreed that addressing the affordable housing crisis together, in their small way, was something they can be proud of in their next 40 years of friendship.

*"JESE Real Estate has been a pleasure to work with. They have been super receptive to feedback both from Austin Habitat and from our clients while providing a quality product for hard-working and deserving families in our community. RGTP has been extremely invested in the tenants in the building they are remodeling- going above and beyond with their communication, their willingness to partner with current residents, and even providing seller financing to help make one resident's dream of homeownership a reality! Their heart to voluntarily provide affordable options for families while minimizing the burden on current tenants is exemplary and should serve as a model to other developers looking to do rehabilitation/conversion deals in Austin."*

*Wayne Gerami, VP of Client Services, Austin Habitat for Humanity*

## About the Principals

Russell Artman has purchased and sold more 15 residential properties in Austin over the last 5 years valued at more than \$13MM. In the last year his projects included fix-and-flip properties in high end areas (Mount Bonnell & Cat Mountain) and condo conversion in a C-Class apartment complex (Austin). Throughout his career, he has purchased more than 60 properties in New York, Texas, and California. Russell is a licensed Texas Real Estate Broker and focuses on his investment portfolio and affordable housing.

Stephen Levine has been a professional investor since 1999 having worked in senior asset management positions at Credit Suisse, Deutsche Bank, Barclays Capital, and currently, as Vice President at Goldman Sachs. In his career, Steve has directed >\$10bn in fixed income and equity investments, managed a \$1.3bn commercial paper portfolio, and member of PM team for a \$25bn high-yield / high-grade bond fund. Steve is exceptionally adept at financial management including innovative approaches to affordable housing.

## Affordable Housing

In the first year, JESE Real Estate produced 17 affordable housing units for home ownership in Austin, Texas. Over the next several years, JESE Real Estate will provide additional affordable housing for home ownership, rental, and supportive housing for veterans and people exiting homelessness.

JESE Real Estate's first affordable housing project was a 21-unit apartment complex in Austin, Texas. Within a year, the renovations were completed, 11 affordable units will be closed, and the remaining units will be under contract. This project would not be possible without the financial support of AHFC at a cost of less than \$32,000 per unit.

Below are some before-and-after photos at Croslin Court.

**Before**



**After**



## Key Wins from the First AHFC Partnership – Croslin Court Condominiums

Below are some highlights from the Croslin Court Condominium conversion project:

1. Sold a market rate unit for \$45,000.00 less than market rate. The buyer was an active duty servicemember who earned only ~\$1,000 too much to be income qualified for an affordable unit after including his active duty benefits (80% MFI). To support our military, JESE Real Estate sold a market rate unit for what he could afford.
2. Three existing tenants entered into contract to purchase. Every interested tenant was given support with our partner lender and credit repair program.
3. All commitments to AHFC and the City of Austin were met without asking for additional funds. HESE Real Estate thought that the commitment to deliver affordable housing units on-budget and on-time out-weighed the impact of financing delays, water pipe scaling, and other unforeseen, financially significant problems encountered.
4. The general contractor and three of his employees entered into contract to purchase affordable units because they loved the way the units turned out.

*"The guys on the construction crew love the way the condos are turning out, can we each buy one?"*

*Vernon Hogan, General Contractor, Hogan & Associates*

## Local Partnerships

Austin is an incredible city filled with like-minded people and organizations. JESE Real Estate is proud to have partnered with Austin Habitat for Humanity, local mortgage lender, and local minority-owned businesses to provide quality, affordable housing on a long-term basis.

We are very fortunate to work with ECHO. Their organization has given JESE Real Estate insight into the causes of homelessness and some of the ways we can help address homelessness. RGTP Real Estate looks forward to working closing with ECHO over the months and years to come with supportive housing.

*"You guys are truly amazing, kind hearted souls and it's been an honor working with you both."*

*Robin LaFleur, Prior Senior Program Coordinator, Austin Habitat for Humanity*

## Supportive Home Purchase Experience

JESE Real Estate takes a holistic approach to working with affordable homebuyers. Since many buyers were expected to be first-time homebuyers, a supportive home purchase experience needed to be created. This included:

1. Partnering with a preferred lender due to their extensive experience specifically with affordable mortgage options. Buyers were able to use any mortgage lender they wanted including UFCU and Navy Federal CU.
2. Partnering with HomeBase to help fill out and income qualify buyers for the City of Austin program. HomeBase also provided credit counseling services. JESE Real Estate paid for these HomeBase's services out of pocket.
3. Hosting lunches to learn about home ownership and help with filling out paperwork.
4. Encouraging buyers to use their own real estate agents even though those agents did not procure the property for the buyer. JESE Real Estate chose to pay commissions to empower advocacy of the buyer's interests.

*"It has been a complete pleasure to work with Russ and Steve as I'm buying my first home. They have taken the time and attention to make sure I have a great experience during this big moment in my life and are always available to answer questions, make adjustments, or make sure the process is going smoothly. I would recommend working with this team to anyone, especially for first time home buyers. "*

*Homeowner of two-bedroom condo at Croslin Court*



FIRST AFFORDABLE HOMEBUYER  
CLOSING JULY 2019



FUTURE HOMEOWNERS DOING PAPERWORK WITH  
HOMEBASE AT THE CONDOS. JESE PROVIDED LUNCH.





SOCIAL MEDIA POSTING



GENERAL CONTRACTOR AT CLOSING

## Tenant Engagement

JESE Real Estate takes pride in their properties and wants to improve the local housing whenever possible. We implement our ideals by living up to our commitments and high expectations for ourselves. This means we address tenant issues quickly and correctly. In the case of Croslin Court which was a condo conversion, this also means helping tenants who did not want to purchase to relocate by providing relocation assistance, waiving lease cancelation fees, and extending leases before new leases begin.

*"You guys are very respectful and I truly admire that!"*

*Prior tenant at Croslin Court*

*"Thank you for being as patients as a person can be Steve. I'm going to be overwhelmed with joy once we close out on the unit and all of this is behind us."*

*Prior tenant at Croslin Court*

*"You guys have been awesome with communication and have already made some great changes quickly. And thanks again for being so upfront with us and for caring about all the residents!"*

*Prior tenant at Croslin Court*



*"Thanks for everything you and Steve have done for me and my family. It has been nothing short of a blessing for meeting you guys. Thanks for helping us find a home for me and my family and even offering to give us your commission off the house! I don't know where me and my kids would've been if I didn't meet you and Steve! G-d bless you my brother and your more than welcome to stop by and check on us from time to time. Thanks again for everything Russ, I mean that from the bottom of my heart."*

*Prior tenant at Croslin Court*

# Funding Commitment Letter



HOUSEMAX

## PRE-APPROVAL LETTER

9/27/2019

This Commitment Letter is being issued by HouseMax Funding for the following Purchase transaction:

Prospective Applicant: JESE Real Estate LLC

Address: 2901 Sweeney Lane, Austin, TX 78723

HouseMax Funding has received an Application and reviewed a credit report that included the applicant's credit score. The prospective applicant has provided information on income, cash for down payment, debts, and assets. Based on the information that the Prospective applicant has provided HouseMax Funding, HouseMax Funding has determined that the Prospective Applicant is eligible and qualified to meet the financial requirements of the Loan. We can close within 2 weeks in most cases. The Prospective Applicant has been approved under the following program:

Product Type	Purchase Loan
Product term:	12-Month Term
Property Type:	Multi-Family
Sales Price:	\$945,000

This is not an approval for the Loan. Final approval is subject to the following:

- 1) Satisfactory appraisal
- 2) Subject to final verifications including funds to close with no substantial change in credit or employment status

If you have any questions, please call me directly at (512) 579-RENO

Sincerely,

Dominic Montoya  
HouseMax Funding  
(512) 579-RENO (7366)

**HouseMax Funding • 5901 Old Fredericksburg Rd #D101 • Austin, TX 78749 • (877) 933-3863**

## Market Study

As we discussed, we are evaluating the market without prejudice for any personal demographic information (race, age, gender, LGBTQ status, ethnicity, etc.). So our concern is that any knowledge of these demographic factors could be interpreted that we used these factors in our decision making. Clearly we did not. Our analysis solely focused on the ability for this property to generate a reasonable economic concern. In our shared opinion, renter demographics (outside of senior living) has no bearing on the economic concerns to us. In our analysis we looked at basic factors such as rent rolls, property management, deferred maintenance, zoning, access to mass transit, etc.

Our sole criteria for renter qualification is if the renter meets the ECHO qualifications.

If AHFC specifically asks us for demographic information then we will do the research to address their question. I want it to be clear that we would only look at personal demographic information to answer a specific question from AHFC or related parties. Any research on personal demographic information will be done after our decision to proceed with the project and pursue AHFC funds to help finance this project.

Click follow the link to view the CMA:

<https://matrix.abor.com/Matrix/Public/EmailCMA.aspx?ID=101879182&k=1850804Xb1JI>

Regards,

Russell Artman  
Licensed Texas Real Estate Broker  
Open Book Real Estate  
917.575.2219 (cell)

Information About Brokerage Services and TREC Consumer Protection Notice are located at [www.OpenBookRealEstate.com/downloads](http://www.OpenBookRealEstate.com/downloads)

## Good Neighbor Plan

We view our Good Neighbor Plan as an evolving strategy and look to AHFC staff for suggestions.

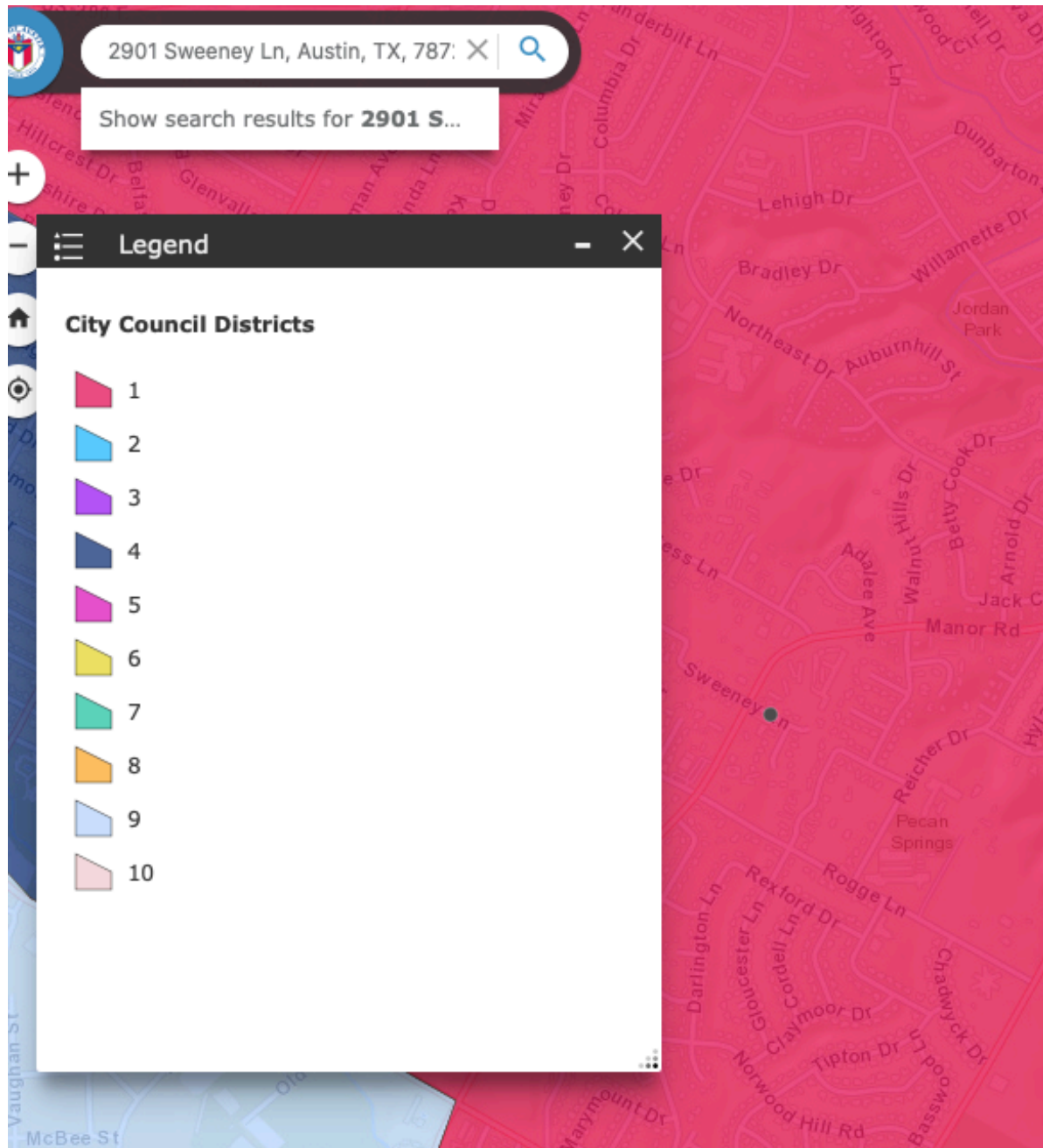
At a minimum, we intend to:

1. Reach out to Windsor Park Neighborhood Association ("WPNA") to discuss the project
2. Make a community announcement in the WPNA newsletter
3. Reach out to neighboring owners if there are shared services to improve the neighborhood

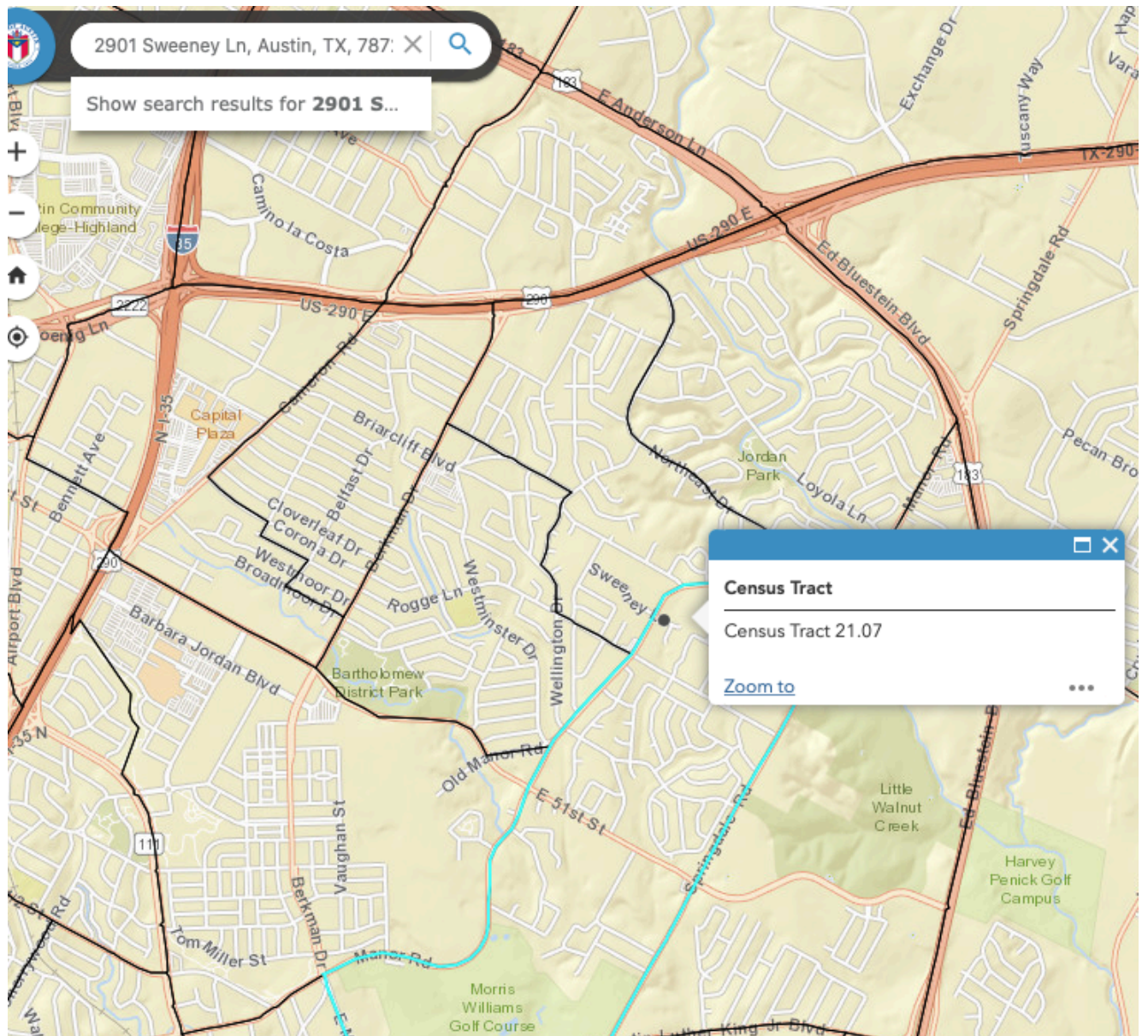
## List of services planned, partners and service providers

1. ECHO is a key partner for tenant placement and related services
2. **Property management.** We intend to hire a property manager hand-selected by ECHO to ensure the company is knowledgeable in serving this community and operates in a manner approved by ECHO
3. **Other service providers.** Majority of service providers would either be selected by ECHO or the property manager after construction is completed
4. **Potential additional services** include: Furnished units, cable/internet (supports job searches), laundry for additional nominal fees approved by ECHO

## Council District – District 1

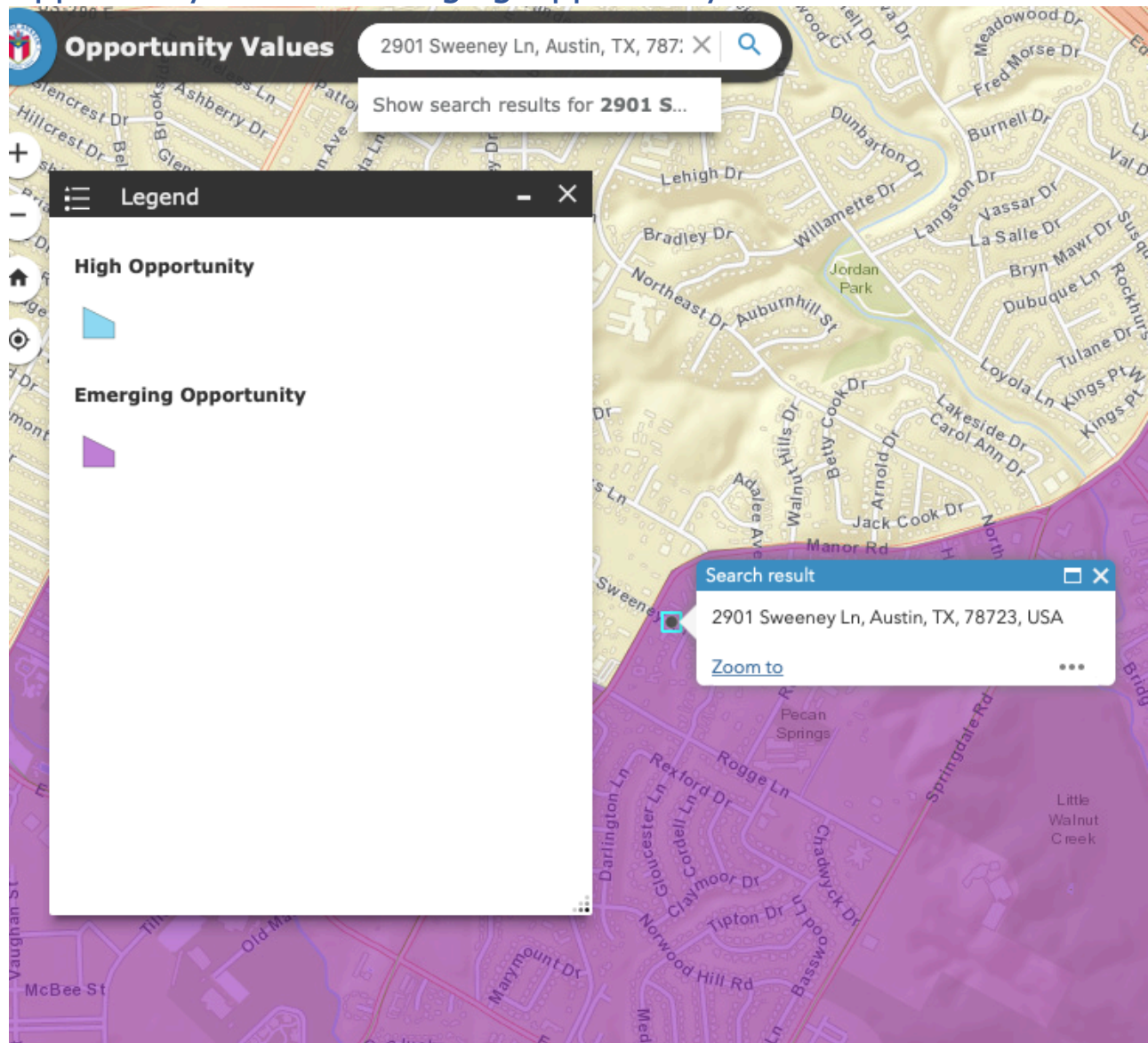


## Census Tract – 21.07

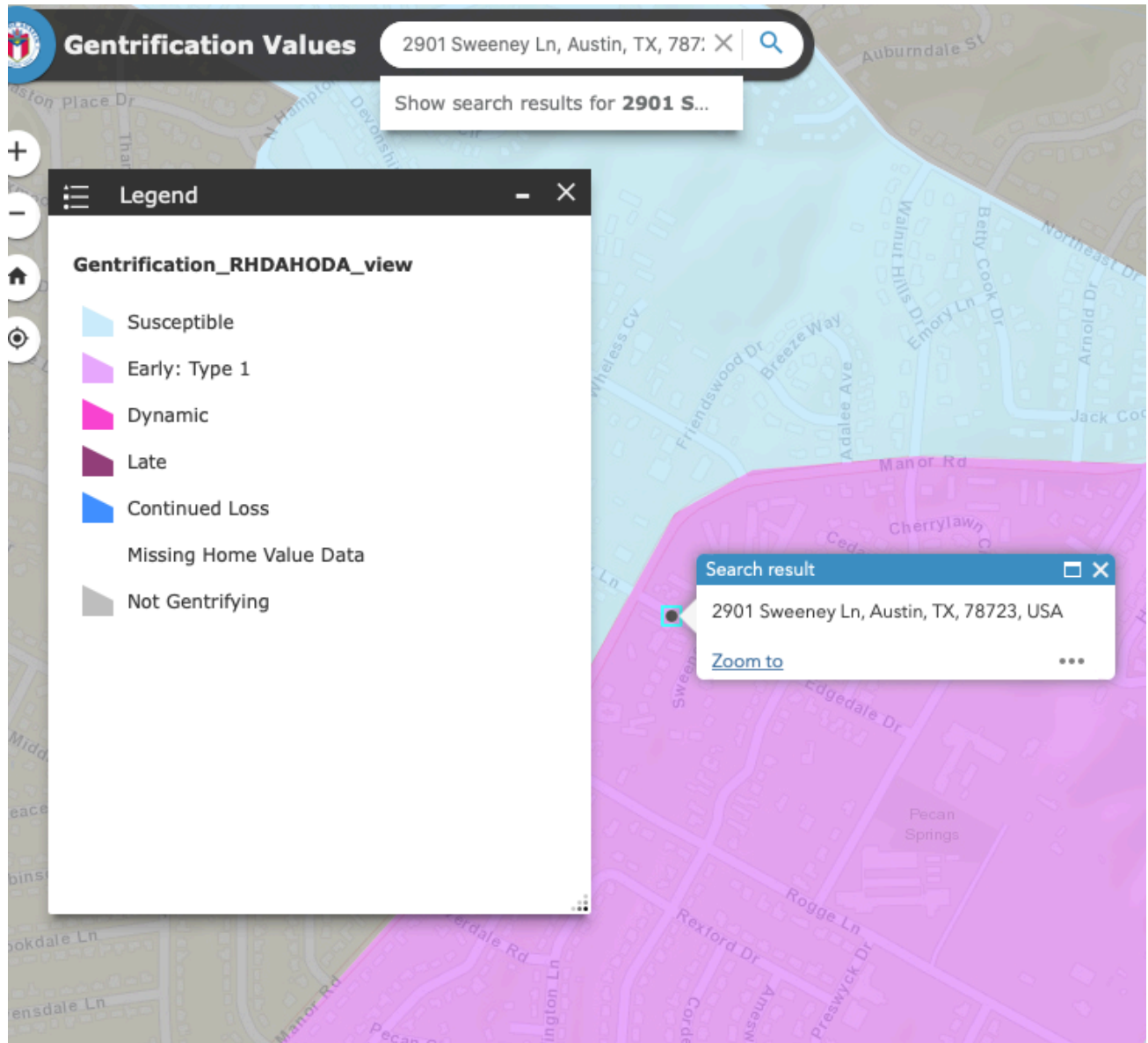




## Opportunity Value – Emerging Opportunity

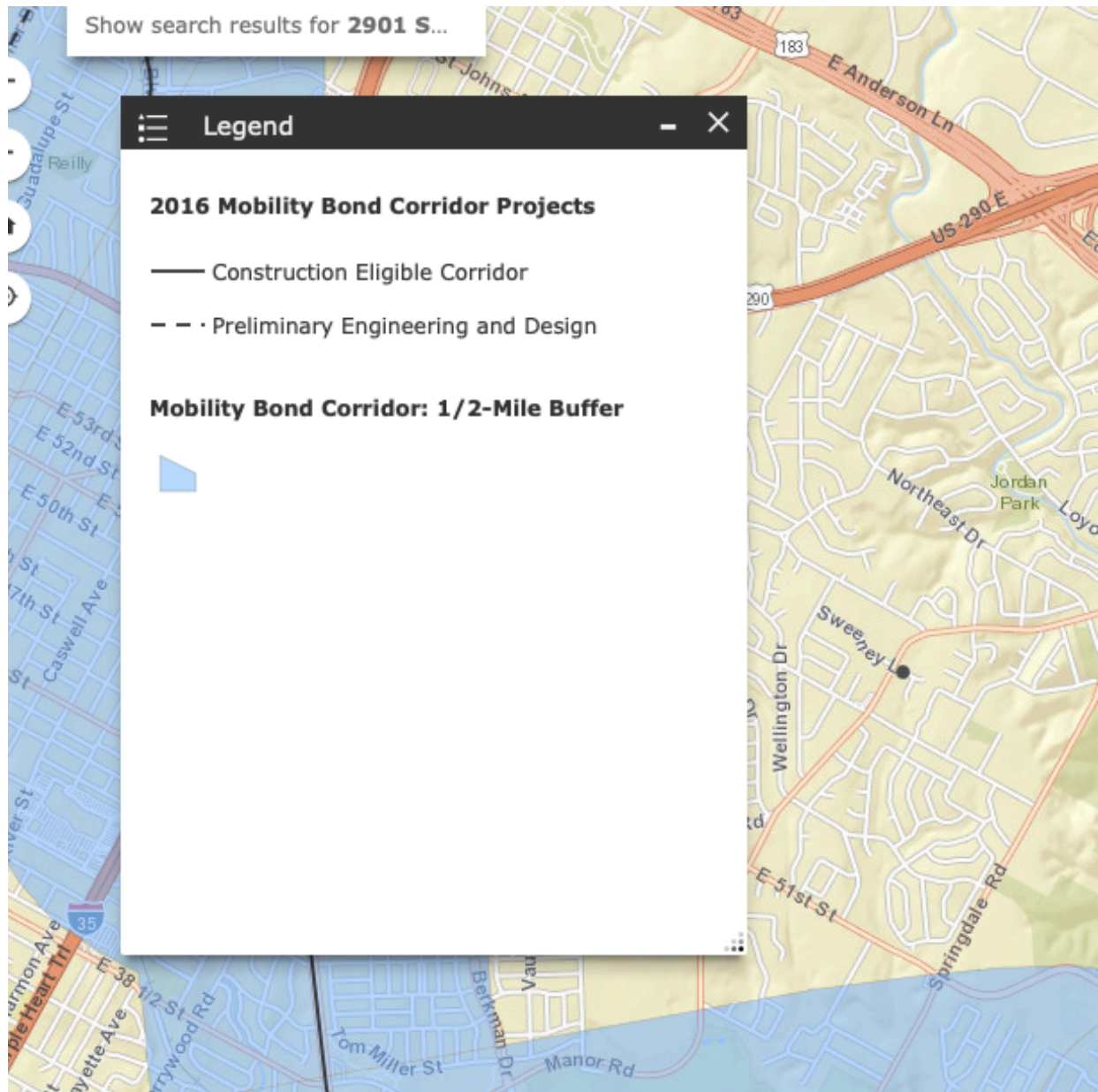


## Gentrification Value – Early: Type 1

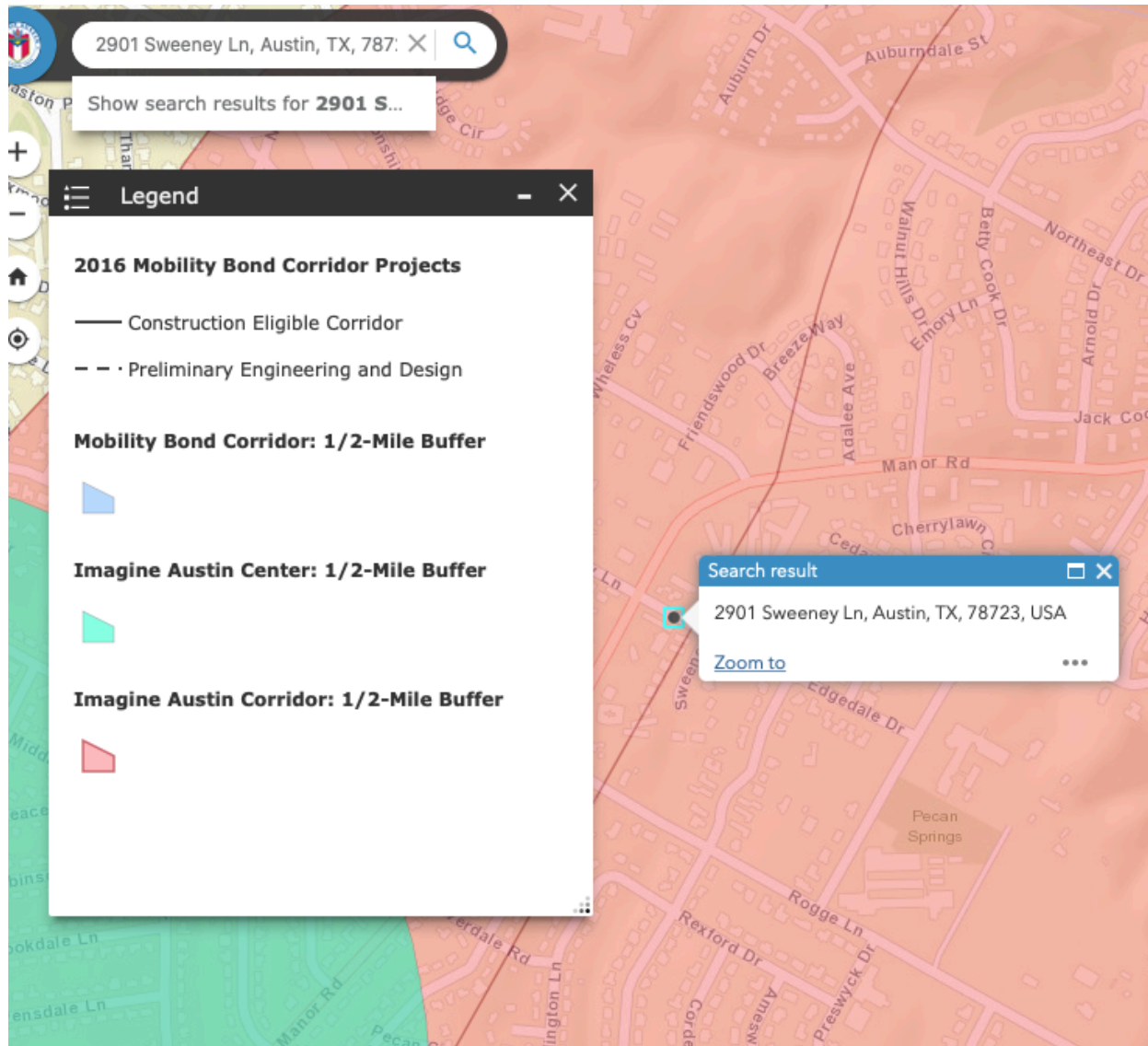




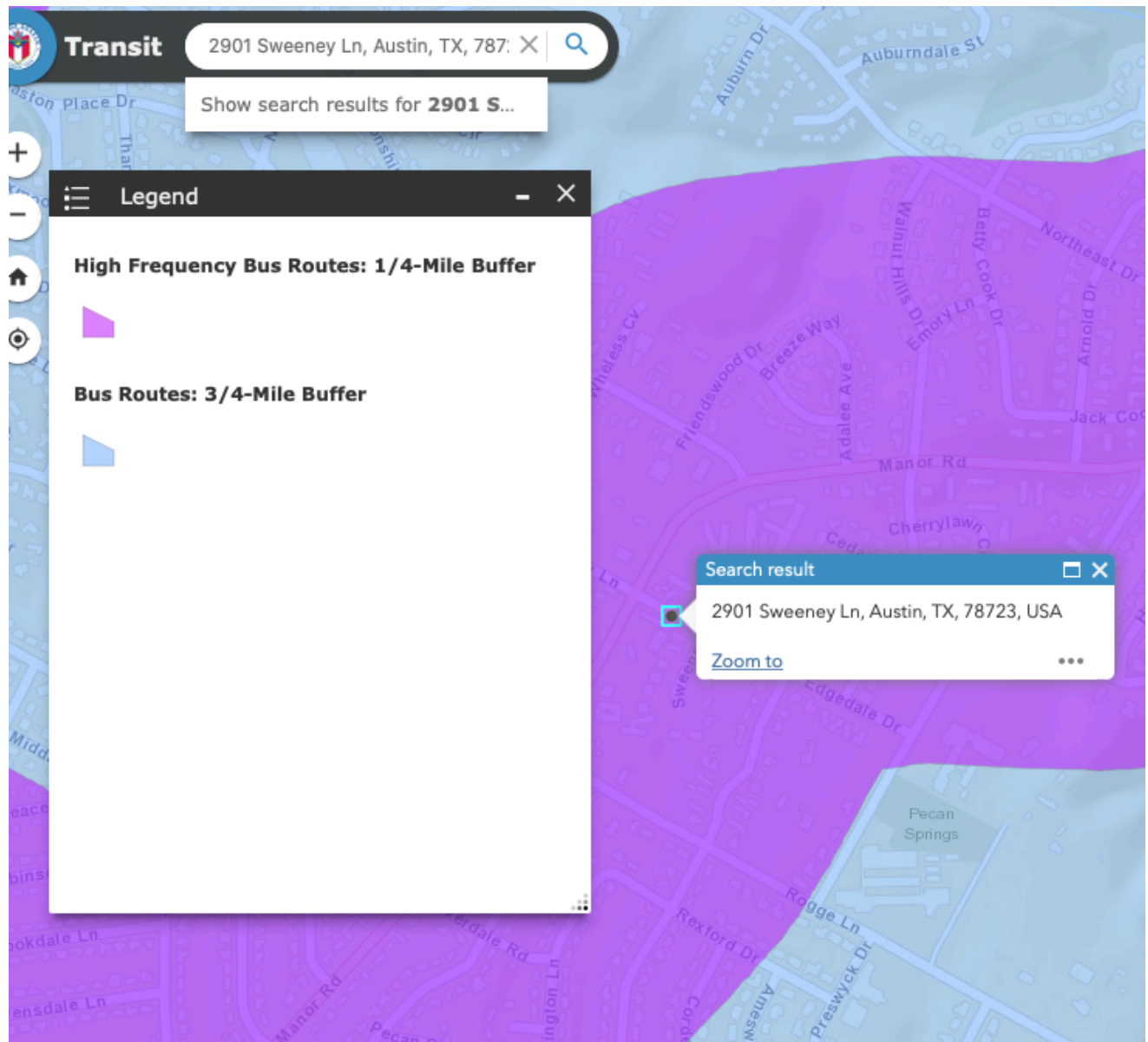
## Mobility Bond Corridor



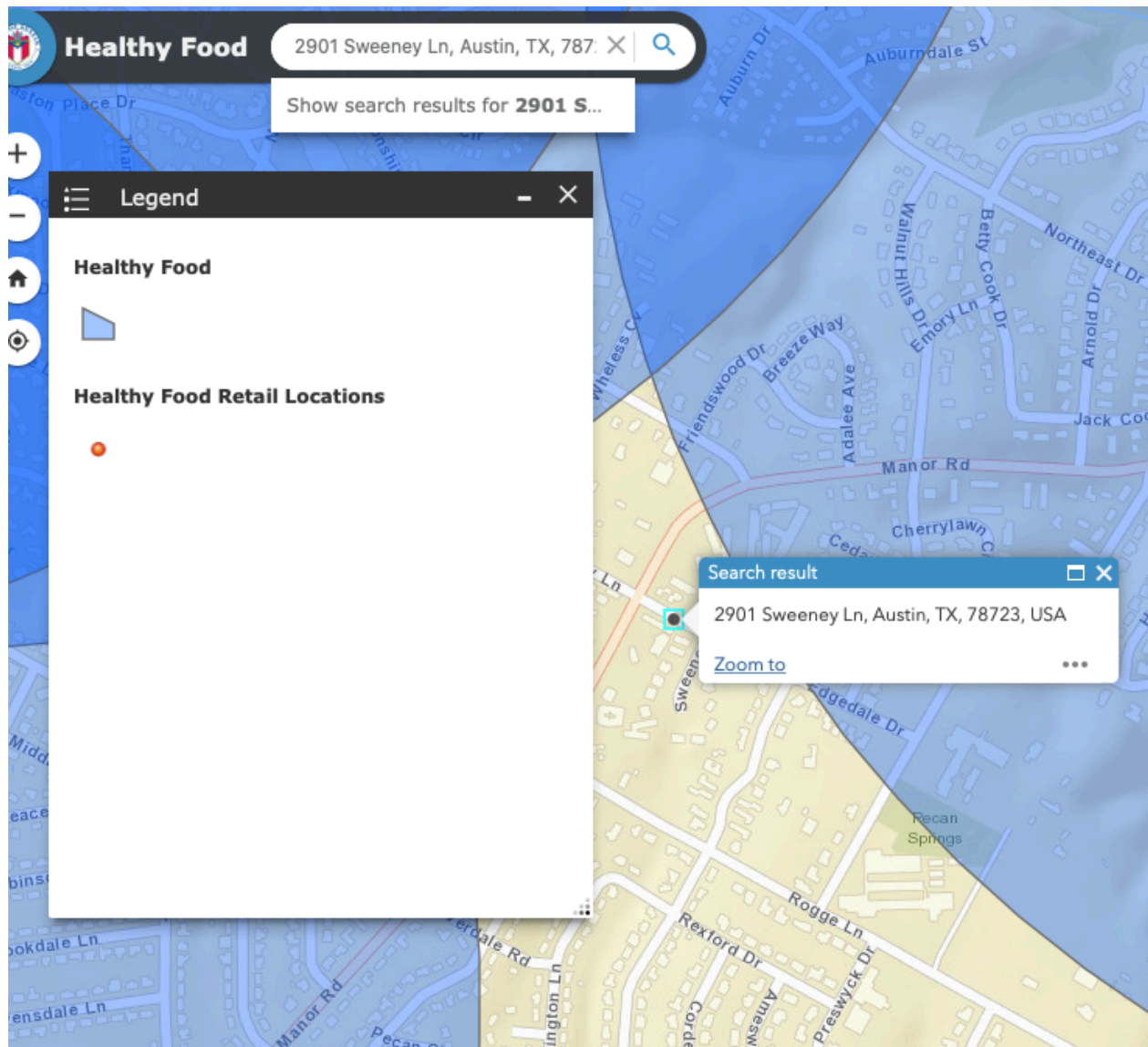
## Imagine Austin Corridor: 1/2-Mile Buffer



## High Frequency Bus Route: 1/4-Mile Buffer

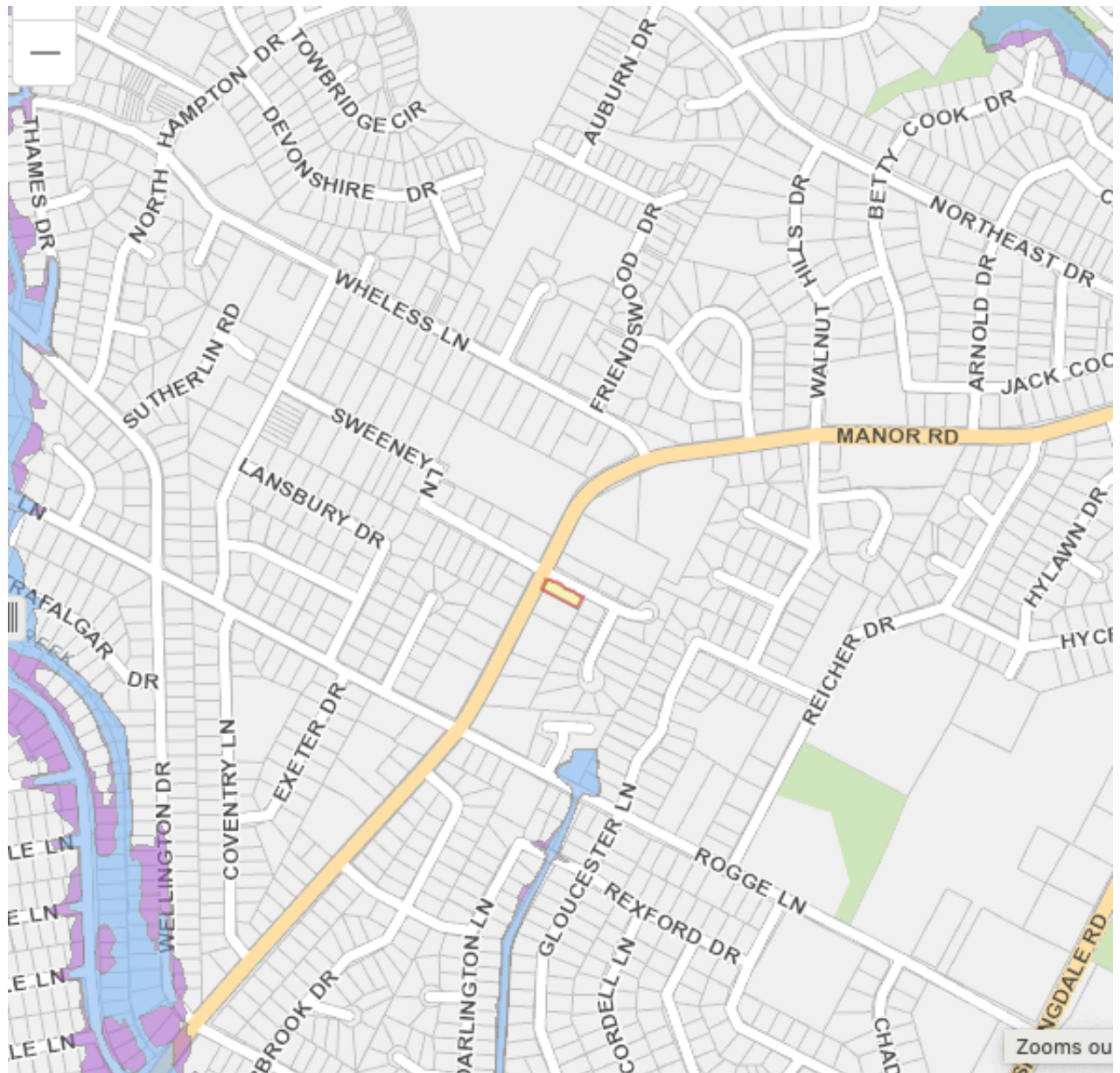


# Healthy Food





## Floodplains



# Proof of Site Control

Authentisign ID: A667F9AF-0F63-4D2C-AF51-C8F526B32051



## TEXAS ASSOCIATION OF REALTORS® COMMERCIAL CONTRACT - IMPROVED PROPERTY

USE OF THIS FORM BY PERSONS WHO ARE NOT MEMBERS OF THE TEXAS ASSOCIATION OF REALTORS® IS NOT AUTHORIZED.  
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1. **PARTIES:** Seller agrees to sell and convey to Buyer the Property described in Paragraph 2. Buyer agrees to buy the Property from Seller for the sales price stated in Paragraph 3. The parties to this contract are:

Seller: 2901 Sweeney Lane Land Trust

Address: 2901 Sweeney Lane, Austin, TX

Phone: \_\_\_\_\_ E-mail: \_\_\_\_\_

Fax: \_\_\_\_\_ Other: \_\_\_\_\_

Buyer: JESE Real Estate LLC

Address: PO Box 201002 Austin, TX 78720

Phone: 917.575.2219 E-mail: russell.artman@gmail.com

Fax: \_\_\_\_\_ Other: \_\_\_\_\_

2. **PROPERTY:**

- A. "Property" means that real property situated in Travis County, Texas  
at 2901 Sweeney Lane Austin TX 78723 (address)  
and that is legally described on the attached Exhibit \_\_\_\_\_ or as follows:  
Lot 22 Manor Estates

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

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

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

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

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

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

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

A. Cash portion payable by Buyer at closing. . . . . \$ 283,500.00

B. Sum of all financing described in Paragraph 4 . . . . . \$ 661,500.00

C. Sales price (sum of 3A and 3B). . . . . \$ 945,000.00

(TAR-1801) 4-1-18 Initialed for Identification by Seller KL and Buyer JR Page 1 of 14

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InstantFORMS

Commercial Contract - Improved Property concerning 2901 Sweeney Lane Austin TX 78723

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

- ☒ A. **Third Party Financing:** One or more third party loans in the total amount of \$ 661,500.00. This contract:
- ☐ (1) is not contingent upon Buyer obtaining third party financing.
- ☒ (2) is contingent upon Buyer obtaining third party financing in accordance with the attached Commercial Contract Financing Addendum (TAR-1931).
- ☐ B. **Assumption:** In accordance with the attached Commercial Contract Financing Addendum (TAR-1931), Buyer will assume the existing promissory note secured by the Property, which balance at closing will be \$ \_\_\_\_\_.
- ☐ C. **Seller Financing:** The delivery of a promissory note and deed of trust from Buyer to Seller under the terms of the attached Commercial Contract Financing Addendum (TAR-1931) in the amount of \$ \_\_\_\_\_.

**5. EARNEST MONEY:**

- A. Not later than 3 days after the effective date, Buyer must deposit \$ 50,000.00 as earnest money with Capital Title (title company) at 6850 Austin Center Blvd #127, Austin, TX 78731 (address) Monica Middleton (closer). If Buyer fails to timely deposit the earnest money, Seller may terminate this contract or exercise any of Seller's other remedies under Paragraph 15 by providing written notice to Buyer before Buyer deposits the earnest money.
- B. Buyer will deposit an additional amount of \$ \_\_\_\_\_ with the title company to be made part of the earnest money on or before:
- ☐ (i) \_\_\_\_\_ days after Buyer's right to terminate under Paragraph 7B expires; or
- ☐ (ii) \_\_\_\_\_.
- Buyer will be in default if Buyer fails to deposit the additional amount required by this Paragraph 5B within 3 days after Seller notifies Buyer that Buyer has not timely deposited the additional amount.
- C. Buyer may instruct the title company to deposit the earnest money in an interest-bearing account at a federally insured financial institution and to credit any interest to Buyer.

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

A. **Title Policy:**

- (1) Seller, at Seller's expense, will furnish Buyer an Owner's Policy of Title Insurance (the title policy) issued by any underwriter of the title company in the amount of the sales price, dated at or after closing, insuring Buyer against loss under the title policy, subject only to:
- (a) those title exceptions permitted by this contract or as may be approved by Buyer in writing; and
- (b) the standard printed exceptions contained in the promulgated form of title policy unless this contract provides otherwise.
- (2) The standard printed exception as to discrepancies, conflicts, or shortages in area and boundary lines, or any encroachments or protrusions, or any overlapping improvements:
- ☒ (a) will not be amended or deleted from the title policy.
- ☐ (b) will be amended to read "shortages in areas" at the expense of ☐ Buyer ☐ Seller.
- (3) Within 7 days after the effective date, Seller will furnish Buyer a commitment for title insurance (the commitment) including legible copies of recorded documents evidencing title exceptions. Seller authorizes the title company to deliver the commitment and related documents to Buyer at Buyer's address.

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B. Survey: Within 30 days after the effective date:

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

C. UCC Search:

- ☒ (1) Within 14 days after the effective date, Seller, at Seller's expense, will furnish Buyer a Uniform Commercial Code (UCC) search prepared by a reporting service and dated after the effective date. The search must identify documents that are on file with the Texas Secretary of State and the county where the Property is located that relate to all personal property on the Property and show, as debtor, Seller and all other owners of the personal property in the last 5 years.
- ☐ (2) Buyer does not require Seller to furnish a UCC search.

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

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

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

**7. PROPERTY CONDITION:**

A. Present Condition: Buyer accepts the Property in its present condition except that Seller, at Seller's expense, will complete the following before closing:

B. Feasibility Period: Buyer may terminate this contract for any reason within 39 days after the effective date (feasibility period) by providing Seller written notice of termination.

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

☒ (a) If Buyer terminates under this Paragraph 7B, the earnest money will be refunded to Buyer less \$ 100.00 that Seller will retain as independent consideration for Buyer's unrestricted right to terminate. Buyer has tendered the independent consideration to Seller upon payment of the amount specified in Paragraph 5A to the title company. The independent consideration is to be credited to the sales price only upon closing of the sale. If no dollar amount is stated in this Paragraph 7B(1) or if Buyer fails to deposit the earnest money, Buyer will not have the right to terminate under this Paragraph 7B.

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

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

C. Inspections, Studies, or Assessments:

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

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

(3) Buyer must:

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

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

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

**D. Property Information:**

- (1) Delivery of Property Information: Within 14 days after the effective date, Seller will deliver to Buyer: *(Check all that apply.)*
- ☒ (a) a current rent roll of all leases affecting the Property certified by Seller as true and correct;
  - ☒ (b) copies of all current leases, including any mineral leases, pertaining to the Property, including any modifications, supplements, or amendments to the leases;
  - ☐ (c) a current inventory of all personal property to be conveyed under this contract and copies of any leases for such personal property;
  - ☐ (d) copies of all notes and deeds of trust against the Property that Buyer will assume or that Seller will not pay in full on or before closing;
  - ☒ (e) copies of all current service, utility, maintenance, and management agreements relating to the ownership and operation of the Property;
  - ☐ (f) copies of current utility capacity letters from the Property's water and sewer service provider;
  - ☒ (g) copies of all current warranties and guaranties relating to all or part of the Property;
  - ☒ (h) copies of fire, hazard, liability, and other insurance policies that currently relate to the Property;
  - ☒ (i) copies of all leasing or commission agreements that currently relate to the tenants of all or part of the Property;
  - ☒ (j) a copy of the "as-built" plans and specifications and plat of the Property;
  - ☒ (k) copies of all invoices for utilities and repairs incurred by Seller for the Property in the 24 months immediately preceding the effective date;
  - ☒ (l) a copy of Seller's income and expense statement for the Property from 9/1/2017 to 8/31/2019;
  - ☒ (m) copies of all previous environmental assessments, geotechnical reports, studies, or analyses made on or relating to the Property;
  - ☒ (n) real and personal property tax statements for the Property for the previous 2 calendar years;
  - ☐ (o) Tenant reconciliation statements including, operating expenses, insurance and taxes for the Property from 9/1/2017 to 8/31/2019; and
  - ☒ (p) All items listed above that are in Seller's possession and such other documents in Seller's possession as may be reasonably requested by Buyer in connection with due diligence.
- (2) Return of Property Information: If this contract terminates for any reason, Buyer will, not later than 10 days after the termination date: *(Check all that apply.)*
- ☒ (a) return to Seller all those items described in Paragraph 7D(1) that Seller delivered to Buyer in other than an electronic format and all copies that Buyer made of those items;
  - ☒ (b) delete or destroy all electronic versions of those items described in Paragraph 7D(1) that Seller delivered to Buyer or Buyer copied in any format; and
  - ☐ (c) deliver to Seller copies of all inspection and assessment reports related to the Property that Buyer completed or caused to be completed.
- This Paragraph 7D(2) survives termination of this contract.

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

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## 8. LEASES:

- A. Each written lease Seller is to assign to Buyer under this contract must be in full force and effect according to its terms. Seller may not enter into any new lease, fail to comply with any existing lease, or make any amendment or modification to any existing lease without Buyer's written consent. Seller must disclose, in writing, if any of the following exist at the time Seller provides the leases to the Buyer or subsequently occur before closing:
- (1) any failure by Seller to comply with Seller's obligations under the leases;
  - (2) any circumstances under any lease that entitle the tenant to terminate the lease or seek any offsets or damages;
  - (3) any non-occupancy of the leased premises by a tenant;
  - (4) any advance sums paid by a tenant under any lease;
  - (5) any concessions, bonuses, free rents, rebates, brokerage commissions, or other matters that affect any lease; and
  - (6) any amounts payable under the leases that have been assigned or encumbered, except as security for loan(s) assumed or taken subject to under this contract.
- B. **Estoppel Certificates:** Within 30 days after the effective date, Seller will deliver to Buyer estoppel certificates signed not earlier than August 1, 2019 by each tenant that leases space in the Property. The estoppel certificates must include the certifications contained in the current version of TAR Form 1938 – Commercial Tenant Estoppel Certificate and any additional information requested by a third party lender providing financing under Paragraph 4 if the third party lender requests such additional information at least 10 days prior to the earliest date that Seller may deliver the signed estoppel certificates.

## 9. BROKERS:

- A. The brokers to this sale are:

Principal Broker: <u>Kevin Lee Realty</u>	Cooperating Broker: <u>Open Book Real Estate</u>
Agent: <u>Kevin Lee</u>	Agent: <u>Russell Artman</u>
Address: _____	Address: _____
Phone & Fax: <u>512-520-7051</u>	Phone & Fax: <u>917-575-2219</u>
E-mail: <u>wleetxt@yahoo.com</u>	E-mail: <u>russell.artman@gmail.com</u>
License No.: <u>550744</u>	License No.: <u>630729</u>

Principal Broker: (Check only one box)  
☒ represents Seller only.  
☐ represents Buyer only.  
☐ is an intermediary between Seller and Buyer.

Cooperating Broker represents Buyer.

- B. **Fees:** (Check only (1) or (2) below.)  
 (Complete the Agreement Between Brokers on page 14 only if (1) is selected.)

- ☐ (1) Seller will pay Principal Broker the fee specified by separate written commission agreement between Principal Broker and Seller. Principal Broker will pay Cooperating Broker the fee specified in the Agreement Between Brokers found below the parties' signatures to this contract.
- ☒ (2) At the closing of this sale, Seller will pay:

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Commercial Contract - Improved Property concerning 2901 Sweeney Lane Austin TX 78723

Principal Broker a total cash fee of:  
☐ \_\_\_\_\_ % of the sales price.  
☐ \_\_\_\_\_

Cooperating Broker a total cash fee of:  
☒ 2 % of the sales price.  
☐ \_\_\_\_\_

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

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

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

#### 10. CLOSING:

- A. The date of the closing of the sale (closing date) will be on or before the later of:
- (1) ☒ 30 days after the expiration of the feasibility period.
  - ☐ \_\_\_\_\_ (specific date).
  - ☐ \_\_\_\_\_
  - (2) 7 days after objections made under Paragraph 6D have been cured or waived.
- B. If either party fails to close by the closing date, the non-defaulting party may exercise the remedies in Paragraph 15.
- C. At closing, Seller will execute and deliver to Buyer, at Seller's expense, a ☒ general ☐ special warranty deed. The deed must include a vendor's lien if any part of the sales price is financed. The deed must convey good and indefeasible title to the Property and show no exceptions other than those permitted under Paragraph 6 or other provisions of this contract. Seller must convey the Property:
- (1) with no liens, assessments, or Uniform Commercial Code or other security interests against the Property which will not be satisfied out of the sales price, unless securing loans Buyer assumes;
  - (2) without any assumed loans in default; and
  - (3) with no persons in possession of any part of the Property as lessees, tenants at sufferance, or trespassers except tenants under the written leases assigned to Buyer under this contract.
- D. At closing, Seller, at Seller's expense, will also deliver to Buyer:
- (1) tax statements showing no delinquent taxes on the Property;
  - (2) a bill of sale with warranties to title conveying title, free and clear of all liens, to any personal property defined as part of the Property in Paragraph 2 or sold under this contract;
  - (3) an assignment of all leases to or on the Property;
  - (4) to the extent that the following items are assignable, an assignment to Buyer of the following items as they relate to the Property or its operations:
    - (a) licenses and permits;
    - (b) service, utility, maintenance, management, and other contracts; and
    - (c) warranties and guaranties;
  - (5) a rent roll current on the day of the closing certified by Seller as true and correct;
  - (6) evidence that the person executing this contract is legally capable and authorized to bind Seller;
  - (7) an affidavit acceptable to the title company stating that Seller is not a foreign person or, if Seller is a foreign person, a written authorization for the title company to: (i) withhold from Seller's proceeds an amount sufficient to comply with applicable tax law; and (ii) deliver the amount to the Internal Revenue Service together with appropriate tax forms; and
  - (8) any notices, statements, certificates, affidavits, releases, and other documents required by this contract, the commitment, or law necessary for the closing of the sale and the issuance of the title policy, all of which must be completed and executed by Seller as necessary.

- E. At closing, Buyer will:

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

(TAR-1801) 4-1-18 Initialed for Identification by Seller KL and Buyer JR

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

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

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

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

1. Buyer may assign contract to another to-be-formed entity with the same principals.
2. Buyer accepts the property As Is
3. Buyer's broker is also a principal in the purchasing entity.
4. Seller/trustee is Texas real estate broker

**13. SALES EXPENSES:**

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

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

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

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

**14. PRORATIONS:**

A. Prorations:

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

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

**15. DEFAULT:**

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

**16. CASUALTY LOSS AND CONDEMNATION:**

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

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

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

**18. ESCROW:**

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

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

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

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

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

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

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

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

**22. AGREEMENT OF THE PARTIES:**

- A. This contract is binding on the parties, their heirs, executors, representatives, successors, and permitted assigns. This contract is to be construed in accordance with the laws of the State of Texas. If any term or condition of this contract shall be held to be invalid or unenforceable, the remainder of this contract shall not be affected thereby.
- B. This contract contains the entire agreement of the parties and may not be changed except in writing.
- C. If this contract is executed in a number of identical counterparts, each counterpart is an original and all counterparts, collectively, constitute one agreement.
- D. Addenda which are part of this contract are: *(Check all that apply.)*
  - ☐ (1) Property Description Exhibit identified in Paragraph 2;
  - ☐ (2) Commercial Contract Condominium Addendum (TAR-1930) or (TAR-1946);
  - ☒ (3) Commercial Contract Financing Addendum (TAR-1931);
  - ☒ (4) Commercial Property Condition Statement (TAR-1408);
  - ☐ (5) Commercial Contract Addendum for Special Provisions (TAR-1940);
  - ☒ (6) Addendum for Seller's Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards (TAR-1906);
  - ☐ (7) Notice to Purchaser of Real Property in a Water District (MUD);
  - ☐ (8) Addendum for Coastal Area Property (TAR-1915);
  - ☐ (9) Addendum for Property Located Seaward of the Gulf Intracoastal Waterway (TAR-1916);
  - ☐ (10) Information About Brokerage Services (TAR-2501);
  - ☐ (11) Information About Mineral Clauses in Contract Forms (TAR-2509); and
  - ☐ (12)

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

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

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

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

**25. ADDITIONAL NOTICES:**

- A. Buyer should have an abstract covering the Property examined by an attorney of Buyer's selection, or Buyer should be furnished with or obtain a title policy.
- B. If the Property is situated in a utility or other statutorily created district providing water, sewer, drainage, or flood control facilities and services, Chapter 49, Texas Water Code, requires Seller to deliver and Buyer to sign the statutory notice relating to the tax rate, bonded indebtedness, or standby fees of the district before final execution of this contract.
- C. Notice Required by §13.257, Water Code: "The real property, described below, that you are about to purchase may be located in a certificated water or sewer service area, which is authorized by law to provide water or sewer service to the properties in the certificated area. If your property is located in a certificated area there may be special costs or charges that you will be required to pay before you can receive water or sewer service. There may be a period required to construct lines or other facilities necessary to provide water or sewer service to your property. You are advised to determine if the property is in a certificated area and contact the utility service provider to determine the cost that you will be required to pay and the period, if any, that is required to provide water or sewer service to your property. The undersigned purchaser hereby acknowledges receipt of the foregoing notice at or before the execution of a binding contract for the purchase of the real property described in the notice or at closing of purchase of the real property." The real property is described in Paragraph 2 of this contract.
- D. If the Property adjoins or shares a common boundary with the tidally influenced submerged lands of the state, §33.135, Texas Natural Resources Code, requires a notice regarding coastal area property to be included as part of this contract (*the Addendum for Coastal Area Property (TAR-1915) may be used*).
- E. If the Property is located seaward of the Gulf Intracoastal Waterway, §61.025, Texas Natural Resources Code, requires a notice regarding the seaward location of the Property to be included as part of this contract (*the Addendum for Property Located Seaward of the Gulf Intracoastal Waterway (TAR-1916) may be used*).
- F. If the Property is located outside the limits of a municipality, the Property may now or later be included in the extra-territorial jurisdiction (ETJ) of a municipality and may now or later be subject to annexation by the municipality. Each municipality maintains a map that depicts its boundaries and ETJ. To determine if the Property is located within a municipality's ETJ, Buyer should contact all municipalities located in the general proximity of the Property for further information.
- G. If apartments or other residential units are on the Property and the units were built before 1978, federal law requires a lead-based paint and hazard disclosure statement to be made part of this contract (*the Addendum for Seller's Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards (TAR-1906) may be used*).

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- H. Section 1958.154, Occupations Code requires Seller to provide Buyer a copy of any mold remediation certificate issued for the Property during the 5 years preceding the date the Seller sells the Property.
- I. Brokers are not qualified to perform property inspections, surveys, engineering studies, environmental assessments, or inspections to determine compliance with zoning, governmental regulations, or laws. Buyer should seek experts to perform such services. Buyer should review local building codes, ordinances and other applicable laws to determine their effect on the Property. Selection of experts, inspectors, and repairmen is the responsibility of Buyer and not the brokers. Brokers are not qualified to determine the credit worthiness of the parties.
- J. NOTICE OF WATER LEVEL FLUCTUATIONS: If the Property adjoins an impoundment of water, including a reservoir or lake, constructed and maintained under Chapter 11, Water Code, that has a storage capacity of at least 5,000 acre-feet at the impoundment's normal operating level, Seller hereby notifies Buyer: "The water level of the impoundment of water adjoining the Property fluctuates for various reasons, including as a result of: (1) an entity lawfully exercising its right to use the water stored in the impoundment; or (2) drought or flood conditions."
- K. LICENSE HOLDER DISCLOSURE: Texas law requires a real estate license holder who is a party to a transaction or acting on behalf of a spouse, parent, child, business entity in which the license holder owns more than 10%, or a trust for which the license holder acts as a trustee or of which the license holder or the license holder's spouse, parent or child is a beneficiary, to notify the other party in writing before entering into a contract of sale. Disclose if applicable: \_\_\_\_\_.
26. **CONTRACT AS OFFER:** The execution of this contract by the first party constitutes an offer to buy or sell the Property. Unless the other party accepts the offer by 5:00 p.m., in the time zone in which the Property is located, on \_\_\_\_\_, the offer will lapse and become null and void.

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

Seller: 2901 Sweeney Lane Land Trust

Buyer: JESE Real Estate LLC

By: Kevin Lee, Trustee

By (signature): Kevin Lee, Trustee  10/04/2019 05:34 PM CDT

Printed Name: 2901 Sweeney Lane Land Trust

Title: \_\_\_\_\_


By: \_\_\_\_\_

By (signature): \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

By: \_\_\_\_\_

By (signature): JESE Real Estate LLC  10/04/2019 5:50:11 AM CDT

Printed Name: Stephen Levine

Title: \_\_\_\_\_

By: \_\_\_\_\_

By (signature): \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

### AGREEMENT BETWEEN BROKERS

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

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

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

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

Principal Broker: \_\_\_\_\_ Cooperating Broker: Open Book Real Estate

By: \_\_\_\_\_ By: \_\_\_\_\_

### ATTORNEYS

Seller's attorney: \_\_\_\_\_ Buyer's attorney: \_\_\_\_\_

Address: \_\_\_\_\_ Address: \_\_\_\_\_

Phone & Fax: \_\_\_\_\_ Phone & Fax: \_\_\_\_\_

E-mail: \_\_\_\_\_ E-mail: \_\_\_\_\_

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

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

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

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

### ESCROW RECEIPT

The title company acknowledges receipt of:

- ☒ A. the contract on this day October 7, 2019 (effective date);  
☐ B. earnest money in the amount of \$ 50,000.00 in the form of \_\_\_\_\_ on \_\_\_\_\_.

Title company: Capital Title Address: 6850 Austin Center Blvd #127, Austin, TX 78731

By: Monica Middleton Phone & Fax: (512) 222-0222

Assigned file number (GF#): 19-446369-AM E-mail: mmiddleton@CTOT.com



## COMMERCIAL CONTRACT FINANCING ADDENDUM

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### ADDENDUM TO COMMERCIAL CONTRACT BETWEEN THE UNDERSIGNED PARTIES CONCERNING THE PROPERTY AT

2901 Sweeney Lane

Austin

TX 78723

The portion of the Sales Price not payable in cash will be paid as follows: (Check all that apply.)

☒ A. THIRD PARTY FINANCING:

- (1) The contract is contingent upon Buyer obtaining a third party loan(s) secured by the Property in the amount of \$ 661,500.00 for not less than 5 years with the initial interest rate not to exceed 5 % per annum and payments calculated on an amortization period of no less than 30 years.
- (2) Buyer will apply for the third party loan(s) described in Paragraph A(1) promptly after the effective date. If Buyer cannot obtain the loan(s), Buyer may give Seller written notice within 30 days after the effective date and the contract will terminate and the earnest money, less any independent consideration under Paragraph 7B(1) of the contract, will be refunded to Buyer. **If Buyer does not give such notice within the time required, this contract will no longer be subject to the contingency described in this Paragraph A.**
- (3) Each note to be executed under this addendum is to be secured by vendor's and deed of trust liens.

☐ B. ASSUMPTION:

- (1) Buyer will assume the unpaid principal balance of the existing promissory note secured by the Property payable to \_\_\_\_\_ dated \_\_\_\_\_ which balance at closing will be \$ \_\_\_\_\_.
- (2) Buyer's initial payment will be the first payment due after closing. Buyer's assumption of the existing note includes all obligations imposed by the deed of trust securing the note, recorded in \_\_\_\_\_ (recording reference) in the real property records of the county where the Property is located.
- (3) If the unpaid principal balance of the assumed loan as of the date of closing varies from the loan balance stated in Paragraph B(1), the cash payable at closing will be adjusted by the net amount of any variance; provided, if the total principal balance of the assumed loan varies in an amount greater than \$ \_\_\_\_\_ at closing, either party may terminate this contract and the earnest money will be refunded to Buyer unless either party elects to eliminate the excess in the variance by an appropriate adjustment at closing.
- (4) Buyer may terminate the contract and the earnest money, less any independent consideration under Paragraph 7B(1) of the contract, will be refunded to Buyer if the note holder on assumption requires:
  - (a) Buyer to pay an assumption fee in excess of \$ \_\_\_\_\_ and Seller declines to pay such excess;
  - (b) an increase in the interest rate to more than \_\_\_\_\_ %; or
  - (c) any other modification of the loan documents.
- (5) Unless Seller is released of liability on any assumed note, Seller requires a vendor's lien and deed of trust to secure assumption, which will be automatically released on execution and delivery of a release by the note holder.

(TXR-1931) 1-26-10

Initialed for Identification by Seller: JR, KL, and Buyer: \_\_\_\_\_

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Commercial Contract Financing Addendum concerning 2901 Sweeney Lane Austin TX 78723

(6) If assumption approval is required by the note holder, Buyer will apply for assumption approval within \_\_\_\_\_ days after the effective date of the contract and will make every reasonable effort to obtain assumption approval. If Buyer cannot obtain assumption approval, Buyer may give Seller written notice within \_\_\_\_\_ days after the effective date and the contract will terminate and the earnest money, less any independent consideration under Paragraph 7B(1) of the contract, will be refunded to Buyer. **If Buyer does not give such notice within the time required and Buyer does not close because Buyer is not able to assume the existing note, Buyer will be in default.**

☐ C. SELLER FINANCING:

- (1) At closing, Buyer will execute and deliver a promissory note (the note) from Buyer to Seller in the amount of \$\_\_\_\_\_, bearing \_\_\_\_\_% interest per annum. Matured, unpaid amounts will bear interest at the maximum rate of interest allowed by law.
- (2) The note will be payable as follows
  - ☐ (a) In one payment, due \_\_\_\_\_ after the date of the note, with interest payable: ☐ (i) monthly ☐ (ii) \_\_\_\_\_.
  - ☐ (b) In installments of \$\_\_\_\_\_ ☐ including interest ☐ plus interest beginning \_\_\_\_\_ after the date of the note and continuing at ☐ monthly ☐ \_\_\_\_\_ intervals thereafter for \_\_\_\_\_ when the entire balance of the note will be due and payable.
  - ☐ (c) Interest only in ☐ monthly ☐ \_\_\_\_\_ installments for the first \_\_\_\_\_ years and thereafter in installments of \$\_\_\_\_\_ ☐ including interest ☐ plus interest beginning \_\_\_\_\_ after the date of the note and continuing at ☐ monthly ☐ \_\_\_\_\_ intervals thereafter for \_\_\_\_\_ when the entire balance of the note will be due and payable.
- (3) The note will be secured by vendor's and deed of trust liens and an assignment of leases payable at the place designated by Seller.
- (4) The note will provide that if Buyer fails to timely pay an installment within 10 days after the installment is due, Buyer will pay a late fee equal to 5% of the installment not paid.
- (5) The note ☐ will ☐ will not provide for liability (personal or corporate) against the maker in the event of default.
- (6) The note may be prepaid in whole or in part at any time without penalty. Any prepayments are to be applied to the payment of the installments of principal last maturing and interest will immediately cease on the prepaid principal.
- (7) The lien securing payment of the note will be inferior to any lien securing any superior note described in this addendum. If an owner's policy of title insurance is furnished, Buyer, at Buyer's expense, will furnish Seller with a mortgagee title policy in the amount of the note at closing.
- (8) If all or any part of the Property is sold or conveyed without Seller's prior written consent, Seller, at Seller's option, may declare the outstanding principal balance of the note, plus accrued interest, immediately due and payable. Any of the following is not a sale or conveyance of the Property:
  - (a) the creation of a subordinate lien;
  - (b) a sale under a subordinate lien;
  - (c) a deed under threat or order of condemnation;
  - (d) a conveyance solely between the parties; or
  - (e) the passage of title by reason of death of a maker or operation of law.

(TXR-1931) 1-26-10

Initialed for Identification by Seller: KL and Buyer: JR

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Commercial Contract Financing Addendum concerning 2901 Sweeney Lane Austin TX 78723

- (9) Deposits for Taxes and Insurance: Together with the principal and interest installments, Buyer ☐ will ☐ will not deposit with Seller a pro rata part of the estimated annual ad valorem taxes on the Property and a pro rata part of the estimated annual insurance premiums for the improvements on the Property.
- (a) If Buyer deposits taxes and insurance deposits with Seller, Buyer agrees that the taxes and insurance deposits are only estimates and may be insufficient to pay total taxes and insurance premiums. Buyer agrees to pay any deficiency within 30 days after Seller notifies Buyer of any deficiency. Buyer's failure to pay the deficiency is a default under the deed of trust.
- (b) If any superior lien holder on the Property collects payments for taxes and insurance, any requirement to deposit taxes and insurance deposits with Seller under this addendum is inoperative so long as payments are being made to the superior lien holder.
- (10) Any event that constitutes a default under any superior lien constitutes a default under the deed of trust securing the note.
- (11) The note will include a provision for reasonable attorney's fees for any collection action.
- (12) Unless the parties agree otherwise, the form of the note and loan documents will be as found in the current edition of the State Bar of Texas Real Estate Forms Manual without any additional clauses.

☐ D. CREDIT APPROVAL ON ASSUMPTION OR SELLER FINANCING:

- (1) To establish Buyer's creditworthiness for assumption approval or seller financing, Buyer will deliver to Seller the following information (Buyer's documentation) within \_\_\_\_\_ days after the effective date of the contract:
- ☐ (a) verification of employment, including salary;
  - ☐ (b) verification of funds on deposit in financial institutions;
  - ☐ (c) current financial statement;
  - ☐ (d) credit report;
  - ☐ (e) tax returns for the following years \_\_\_\_\_;
  - ☐ (f) \_\_\_\_\_
- (2) If Buyer does not timely deliver Buyer's documentation or Seller determines, in Seller's sole discretion, that Buyer's creditworthiness is not acceptable, Seller may terminate the contract by giving written notice to Buyer not later than \_\_\_\_\_ days after the date Buyer must deliver Buyer's documentation under Paragraph D(1) and the earnest money, less any independent consideration under Paragraph 7B(1) of the contract, will be refunded to Buyer. If Seller does not timely terminate the contract under this paragraph, Seller will be deemed to have accepted Buyer's credit.

☐ E. SPECIAL PROVISIONS:

(TXR-1931) 1-26-10

Initialed for Identification by Seller: KL, \_\_\_\_\_, and Buyer: IR, \_\_\_\_\_

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Page 3 of 4

InstantFORMS

Commercial Contract Financing Addendum concerning 2901 Sweeney Lane Austin TX 78723

Seller: 2901 Sweeney Lane Land Trust

By: Kevin Lee, Trustee

By (signature): Kevin Lee, Trustee  10/04/2019 05:34 PM CDT

Printed Name: 2901 Sweeney Lane Land Trust

Title: \_\_\_\_\_

By: \_\_\_\_\_

By (signature): \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Buyer: JESE Real Estate LLC

By: \_\_\_\_\_

By (signature): JESE Real Estate LLC 

Printed Name: Stephenson Levine

Title: \_\_\_\_\_

By: \_\_\_\_\_

By (signature): \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_



(TXR-1931) 1-26-10

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Page 4 of 4

InstanetFORMS



# Tenant Relocation Plan

## Project Background

RGTP Real Estate, LLC (RGTP) is in contract to purchase 2901 Sweeney Lane (Sweeney) on December 12, 2019. By June 2020, the plan is to provide 16 new supportive housing/Continuity of Care (CoC) affordable housing rental units in compliance with AHFC guidelines after the approval and funding of the requested interest-free, forgivable subordinated loan with 40-year affordability. ECHO is planned to fill the units and provide the supportive services for the tenants.

The current site has ten 1-bedroom, garden-style, class C units. Six additional single story 1-bedroom units are planned to be built and ready for occupancy in the first half of 2020.

RGTP's goal with this project is to convert existing units to CoC as tenants choose to leave and not to displace anyone. There will be no 90-Day Notices to Vacate served on any tenant as part of this project.

In its' application for AHFC funds, RGTP has committed to AHFC and the City of Austin to honor all leases and terms as written and agreed to by the prior landlord and tenant. RGTP plans to let tenants know of the new plans by performing the following outreach at minimum:

- Mailing flyers directly to all tenants at least three times.
- Knocking on the door of tenant's units at least twice during reasonable hours when tenants would likely be at home.
- Posting marketing fliers in public spaces
- Any additional methods as suggested by AHFC and Austin's City Council Members.

This document outlines the lack of applicability of relocation statutes, RGTP's outreach to tenants, the impact of the project on the tenants, the most recent rent roll, and additional questions that are typically addressed in a Relocation Plan.

## Previous Affordable Housing Experience

JESE is proud to be completing a Condominium Conversion project at 300 E Croslin St, Austin, TX (Croslin Court) with the support of AHFC and Austin's City Council. This project provided 17 home-ownership condominiums with 99-year affordability to owners who meet the 80% MFI maximum. The project included an extensive renovation of each unit. The project started in December 2018 and the last unit is expected to close within 13 months of the start date.

As part of the Croslin Court project, three existing tenants signed purchase agreements to purchase. One of the residents is over 65 years old and was able to stay in the community because of the single-level studio that was added.

One tenant asked for help moving to a larger home due to an expanding family. One of the principals in JESE is a licensed Real Estate Broker and helped the tenant find a new home.

No tenants were forced to leave as part of the Croslin Court project.

### No Applicability of URA or Section 104(d)

Since no tenants will be displaced as part of this CoC conversion project, a relocation plan may not be necessary. No tenants are expected to qualify under the Uniform Relocation Assistance (URA) or Section 104(d) of the Housing and Community Development Act of 1974 (Section 104(d)) since the tenants' existing written lease will continue until the end date noted. The URA and Section 104(d) apply when a lease is terminated early by a party other than the tenant. For this project, leases will continue in effect unless both an early termination is requested by the tenant and the early termination is granted by RGTP.

Existing tenants will be offered lease renewals starting \$795 per month plus 5% annual rent increases. Limiting the rental increase to 5% and renewing leases should avoid any adverse displacement of tenants.

### Construction Impact

RGTP is cognizant of the impact any construction will have on the existing tenants. Every reasonable effort will be made to minimize the impact on the tenants. A key method RGTP is planning to mitigate construction impact is by using modular construction instead of site-built housing.

Site-built housing typically includes 6+ months of framing, drywall, tiling, flooring, painting, etc. that would add noise, dust, and impediments. Site-built would also cause a larger impact by eliminating parking spaces over the months of construction and require using more public spaces for construction-related activities (e.g., cutting lumber, storing building materials and tools, etc.). Also typical of site-built construction are on-site delays waiting for contractors and weather delays.

Modular construction is a building method which produces a high quality, permanent structure a factory setting. Once completed, the structure is transported to site, placed upon a permanent foundation, and interconnected with other modules to form a complete and unified building. Modular buildings are designed and constructed to all applicable engineering and building codes.

RGTP's expectation is that the delivery and installation may even be the same day with "stitching" (hooking up utilities, etc.) estimated to be 1-2 weeks.

The planned modular building company is a Texas company which is familiar with and complies with the appropriate Austin engineering and building codes. While being built in the Texas factory, units are inspected by the appropriate governing authorities as

appropriate. Austin Development Services will be engaged for the necessary permits and inspections in Austin.

RGTP believes in supporting local and Minority-Owned Business Enterprises (MBE). The General Contractor is a certified MBE in Austin. The Modular Builder is Texas company which plans to fabricate in Texas as close to Austin as possible.

## Rent Roll

Below is the Rent Roll as of October 16, 2019. Income and demographic information on the tenants are not available to RGTP.

Unit	Tenants	Unit Type	End Date	Term	Rent on Lease
<b>1</b>	Devin McMillian	1 Bedroom	7/25/2020	1 Year	\$ 795.00
<b>2</b>	Wayman Kirby	1 Bedroom	7/31/2020	1 Year	\$ 550.00
<b>3</b>	Daniel Garcia Diaz	1 Bedroom	7/31/2020	1 Year	\$ 600.00
<b>4</b>	Renato Guzman	1 Bedroom	7/31/2020	1 Year	\$ 600.00
<b>5</b>	Laura Cruz	1 Bedroom	3/31/2020	1 Year	\$ 500.00
<b>6</b>	Bernardo Garcia	1 Bedroom	7/31/2019	MTM	\$ 600.00
<b>7</b>	Kevin O'Connell	1 Bedroom	2/29/2020	1 Year	\$ 795.00
<b>8</b>	Virginia Harrison	1 Bedroom	11/30/2018	MTM	\$ 500.00
<b>9</b>	Vacant	1 Bedroom			
<b>10</b>	Eric Kubeczka	1 Bedroom	7/31/2020	1 Year	\$ 795.00

## Tenant Choices

All tenants will have the choice to stay during the term of their executed lease, extend their lease indefinitely, or terminate their lease early with no cancellation fees (option to be provided at a future date). No tenants will be given a notice to vacate their lease due to the CoC conversion. Please see the list of scenarios below to best understand the impact of the tenants' choices.

### Scenario 1. Tenant Wants to Stay Until the End of the Lease

1. Lease continues until original expiration date.
2. RGTP will follow lease terms to confirm move-out date.
3. Tenant will move out at the end of the lease.
4. URA relocation does not apply.

### Scenario 2. Tenant Wants to Extend their Lease Indefinitely

1. Lease continues until original expiration date.
2. RGTP will offer lease extension
  - If the expiring lease amount is less than \$795 per month then the extension will be at \$795 per month.
  - If the expiring lease amount is \$795 or greater per month then extension will include a 5% increase.
3. URA relocation does not apply.

### Scenario 3. Tenant Wants to Move Out of Sweeney Prior to the End of their Lease

1. Tenant is offered the option to cancel lease with a 30-day notice. Option to be provided at a date to be determined.
2. Lease continues until a date of the tenant's choosing prior to the lease expiration.
3. No cancellation fees will be assessed.
4. URA relocation does not apply.

## Relocation Plan & Questions

Some additional questions related to relocation issues for a CoC conversion are addressed below:

### 1. Which tenants may be affected and to what degree?

- No tenants are going to be relocated due to the conversion of Sweeney from rental apartments to CoC. All leases will continue to be in effect as written without any modifications. Tenants will be offered lease renewals indefinitely to avoid displacement.
- Renovations will be general maintenance (e.g., replace sections of roof, replace fencing surrounding property, etc.), contained within a single vacant unit, or not interfere with tenant access to their units.

### 2. Who will gather household data, prepare relocation notices, process payments, etc.?

- Household data will be collected from any rental applications or leases that were provided to RGTP as part of the closing. No additional information is planned to be solicited by RGTP.
- No relocation notices need to be issued since no tenants will be displaced. All current leases will continue unless the tenant asks to terminate their lease early.

### 3. What are the income and household characteristics of the occupants?

- Income and household characteristics are only based on the rental applications and leases that transferred with the property. Income and household characteristics are not available to RGTP other than the named parties on the lease. The named parties are listed in the Rent Roll section of this document.
- No additional information has been collected on the tenants to ensure their privacy.

### 4. When do the units need to be vacated, and when will they be ready for re-occupancy?

- Units do not need to be vacated. Tenants do not have to leave until their lease expires or they choose to stop renewing their lease.

### 6. What is the anticipated cost to the tenant?

- There are no additional costs incurred by the tenants. The tenants' costs are limited to what they agreed to in their lease such as rent and utilities.

### 7. Does a business need to be moved?

- No businesses need to move.

RGTP Real Estate, LLC

Sweeney Lane Project

Outstanding Items

Resumes of Principals	2-4
Resume of development team	5-6
Resumes of property management team	6
Financial Statements	Provided under separate cover given confidentiality
Market Study	7-30



# RUSSELL ARTMAN

7606 Bellflower CV  
Austin, TX 78759

917.575.2219  
russell.artman@gmail.com

## PROFESSIONAL EXPERIENCE

---

### **Open Book Real Estate, LLC**

February 2014 – present

*Owner, Broker*

Austin, TX

Real estate investment company focusing on adding value to distressed properties.

- Condo converted a distressed 20 unit residential complex to 17 affordable housing units with 99 year affordability period with AHFC and Habitat for Humanity as key partners.
- Purchased six residential properties worth over \$3.4 million, added value to property by curing issues, and sold properties at market price worth over \$4.8 million (including current property).
- Self-financed and managed properties using private funding sources.
- Managed five construction teams simultaneously in addition to general contractor.
- Spent over \$750,000 annual on material using local sources whenever possible.
- Hired certified minority-owned business enterprises.

### **Lumeris**

July 2013 – April 2017

*Senior Product Manager*

Austin, TX

Population health management company that improves the quality of healthcare at a lower cost.

- Reinvented managed health technology leading to over \$70 million in new revenue.

### **RelayHealth**

April 2012 – November 2012

*Senior Product Manager*

Emeryville, CA

Developed patient identity service leveraging Data as a Service.

- Developed \$20 million product to facilitate medical records transfer to improve patient care.

### **Practice Fusion**

June 2010 – February 2012

*Product Manager*

San Francisco, CA

Electronic Medical Records software supporting 112,000 users and 2 million patient records.

- Led certification projects enabling customers to receive \$96 million in Federal funds.

### **Polaris Solutions**

January 2008 – January 2010

*Product Manager*

New York, NY

Life sciences firm with compliant grants management and consultant payment arrangements software.

- Created new SaaS product and sold existing SaaS products generating \$20 million in new revenue with Genentech, Roche, Abbott, Johnson & Johnson, Cephalon, and Takeda.

### **SkyTech**

November 2001 – December 2007

*Owner, Broker*

San Diego, CA

Mortgage and real estate investment company.

- Purchased more than 30 properties at foreclosure auction, improved properties, and sold within 4-6 months in California.
- Hired and managed 30 employees including sales, operations and finance departments.

- Improved mortgage sales productivity by 60% over industry standards and coordinated separate sources to consolidate pricing information.
- Developed pay and bonus structure to reward productivity, foster loyalty and transfer fixed costs to variable costs.
- Provided wholesale loans with industry leaders such as Wells Fargo, Bank of America and JP Morgan Chase.

## EDUCATION & CERTIFICATION

---

Licensed Real Estate Broker, State of Texas	May 2013
Licensed Real Estate Broker, State of California	May 2002
Cornell University, B.A., Consumer Economics & Housing	May 1998

## STEPHEN LEVINE

516.319.8353

slevine10@gmail.com

## PROFESSIONAL EXPERIENCE

---

<b>JESE Real Estate, LLC</b>	December 2018 – present
<i>Member</i>	Austin, TX

Real estate investment company focusing on adding value to distressed properties.

- Condo converted a distressed 20 unit residential complex to 17 affordable housing units with 99 year affordability period with AHFC and Habitat for Humanity as key partners.
- Self-financed and managed properties using private funding sources.
- Hired certified minority-owned business enterprises.

<b>Goldman Sachs Asset Management</b>	Sept 2010 - present
<i>Vice President – Senior Credit Analyst</i>	New York, NY

- Focused on Energy and Utility & Power sectors
- Eight out of nine years posted positive excess returns
- Member of portfolio management team investing ~\$5bn of HY and IG AUM
- Built strong relationships across global equity, commodity, muni and HY groups
- Trained three IG analysts who took on senior coverage

<b>Deutsche Asset Management</b>	March 2009 – August 2010
<i>Vice President – Senior Credit Analyst</i>	New York, NY

- Focused on Energy, Metals & Mining, Pulp/Paper/Packaging, Diversified Manufacturing sectors
- Pro-actively expanded role into providing fundamental analysis of select commodities
- Project manager and creator of risk management solution impacting global department of 75+ people

<b>Barclays Capital</b>	March 2007 – October 2008
<i>Associate Director – Senior Credit Analyst</i>	New York, NY

- Sell-side analyst focused on Utility & Power sector
- Initiated client events at industry meetings and management led tour of nuclear facility

- Published thematic reports and actionable trade ideas

## **Deutsche Bank**

July 2000 – October 2006

*Deutsche Asset Management*

*New York, NY*

*Vice President – Senior Equity & Credit Analyst (Mar 2006 – Oct 2006)*

- Absolute return hedge fund analyst focused on Utility & Power sector
- Proposed long/short trades, pair trades, fixed income and option trades

*Deutsche Bank Securities*

*New York, NY*

*Vice President – Senior Equity & Credit Analyst*

- Launched senior coverage from combined equity / fixed-income perspective
- Worked directly with 5 traders (IG cash, IG CSD, HY cash, HY CDS and Equity)
- *Starmine* “five-star” ranked analyst
- First sell-side research team to provide simultaneous equity & fixed income coverage
- Worked exclusively on the #1 ranked *Institutional Investors* Utility & Power team
- Trained two analysts in both credit and equity research
- Produced ~\$100,000 of annual cost savings

## **Credit Suisse First Boston**

June 1999 – July 2000

*Investment Banking Analyst*

*New York, NY*

- Managed a \$1.2bn commercial paper program
- Created annual revenues of ~\$250,000 and cost savings of ~\$75,000

## **EDUCATION & CERTIFICATION**

Bucknell University, B.S.B.A., Accounting, Finance, Economics

June 1999

NASD Series 7, 63, 86 and 87

# VERNON HOGAN

300 E Croslin St #105  
Austin, TX 78752

512.247.1429  
hogan2002@gmail.com

## PROFESSIONAL EXPERIENCE

---

August 2015 – Present

**Company Owner**, HOGAN & ASSOCIATES - AUSTIN, TX

Residential remodeling including kitchens, baths, painting, flooring, siding, and supervising trades such as electrical, plumbing, and HVAC. Responsible for remodeling multi-family residential complex and single family residences.

August 2012 – february 2015

**Independent Contractor**, QUADRANGLE HOUSING/ WASHINGTON UNIVERSITY - ST. LOUIS, MO

Painting students apartment, patch and repairs/replacements as necessary. All systems finishes and make apartment ready for semester as when needed.

March 2015 - July 2015

**Mobile Multiskilled Skilled Operative**, WOODARD CLEANING AND RESTORATION - ST. LOUIS, MO

Smart phone via email carry out repairs through out St louis in private homes

Company was happy with all the work I have done did not want me to leave.

Skills Used

Carpentry, Plumbing , tile setter , kitchen Install, Painting , Drywall replace and repair , Tape and plaster , Painting and Decorating

August 2014 – february 2015

**Remodeler**, HAENEL CONTRACTING - ST. LOUIS, MO

Responsibilities

Remodeling Forclosure Homes through out St Louis

Accomplishments

Company expands there work load through out St Louis

Skills Used

Full Demo to house, Plaster board removed and replace, overhaul bathroom, and kitchen , Replace new units and Fuenitures

April 2004 to November 2006

**Multi-skilled Carpenter**, HAYS CONSTRUCTION - KINGDOM, NY

Completed the refurbishment to vacant properties throughout the Sandwell area; completed the installation of kitchens, showers and bathrooms, basic electrics and any additional work.

June 2002 to November 2005

**Independent Contractor**, T.H. KENYONS PLC - EAST LONDON

Subcontractor for HBC Ltd

Subcontracting for a large company responsible for refurbishment of multiple dwellings; completed internal/external repairs to properties in East London.

October 1992 to November 2005

**Contractor Supervisor**, HBC LTD - LONDON, OH

Construction operative

Refurbishment to various homes across London; completed bids for homeowners and companies.

March 1996 to December 2001

**Independent Contractor**, LANGUARD CONSTRUCTION

Subcontractor

Refurbishment of properties throughout the Essex area which included 2nd fix carpentry and plumbing.

October 1993 to December 1995

**Independent Contractor**, T.H. KENYONS PLC - LONDON, OH

Subcontractor

Internal/external repairs to homes throughout Southwest and West London.

## RESUMES OF PROPERTY MANAGEMENT TEAM

RGTP Real Estate, LLC is currently meeting with two property management firms that ECHO has referred for us that specialize in affordable housing. We plan to hire one of these firms to manage the property.

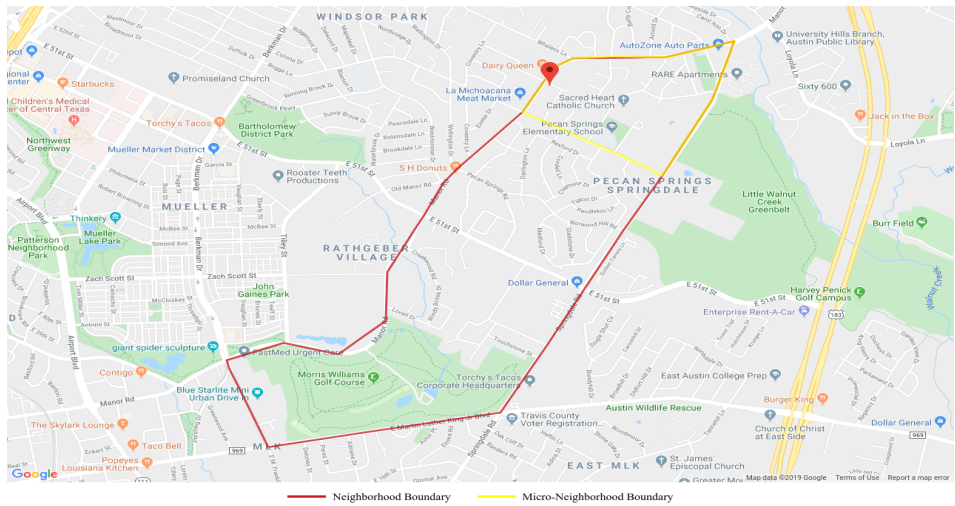
**Prak Property Management, Inc.** - Prak Property primarily specializes in management and consulting services for the affordable housing industry. Our staff are all trained and certified in the areas they are employed. We are fully insured for the protection of our clients and the residents served. We have an outstanding relationship with HUD and expertise in handling HUD compliance issues. We achieve sustainable results for the benefit of the resident class we serve at the property through effective funding increases and efficient control of expenses and marketing outreach for applicants. We take a 'nuts and bolts' approach, providing our clients with transparent financials and pragmatic planning for current and future needs or goals. All sites have satisfactory or higher ratings on HUD or TDHCA or local inspections and REAC or physical inspection scores are passing or higher.

**CSA Management Inc.** - CSA Realty Group is a full service property management company, offering its clients commercial and residential property management as well as HOA management and full brokerage services. Our HOA Management manages a growing numbers of homeowners and condominium owners associations in the Austin area. We offer unique, flexible, and individuality tailored HOA Management Solutions personalized to each client's particular Real Estate Management needs. Our websites brings convenience, savings, and accessibility to information, and management efficiency to community associations and their members.

# MARKET STUDY ANALYSIS



2901 Sweeney Ln, Austin, TX 78723  
Report date Monday, November 11, 2019





2901 Sweeney Ln, Austin, TX 78723  
Report date Monday, November 11, 2019

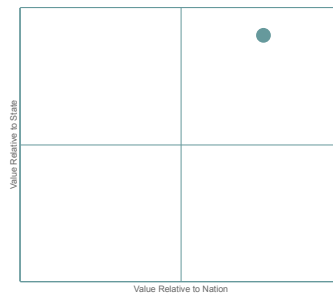
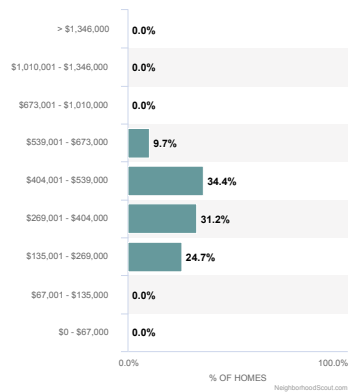
## THE 2901 SWEENEY LN NEIGHBORHOOD REAL ESTATE

### AVERAGE HOME VALUES

MEDIAN HOME VALUE:  
\$386,310

MEDIAN REAL ESTATE TAXES:  
\$6,355 (1.6% effective rate)

### NEIGHBORHOOD HOME PRICES



YEARS OF AVERAGE RENT NEEDED TO BUY AVERAGE HOME IN THIS NEIGHBORHOOD

🕒 21 YEARS AND 1 MONTHS

### AVERAGE MARKET RENT

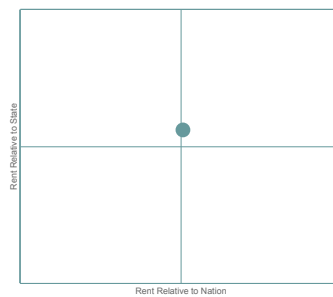
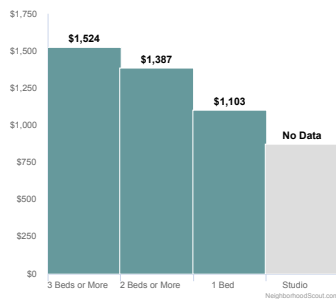


AVERAGE MARKET RENT:  
\$1,275 / per month



GROSS RENTAL YIELD:  
6.24

### MEDIAN MONTHLY RENT BY NUMBER OF BEDROOMS





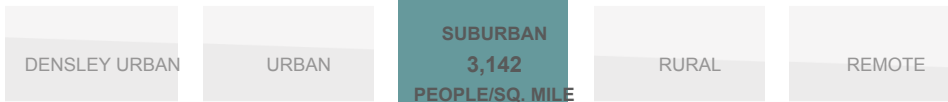
## SETTING

COASTAL

LAKEFRONT

FARMS

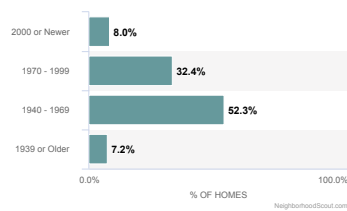
## NEIGHBORHOOD LOOK AND FEEL



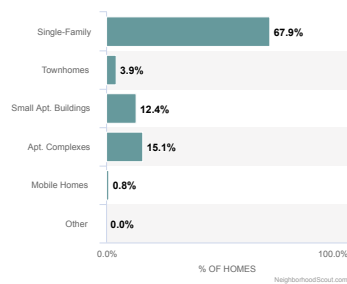
Population Density

## HOUSING MARKET DETAILS

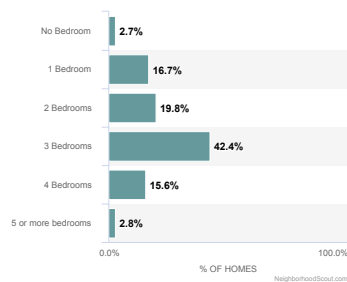
### AGE OF HOMES



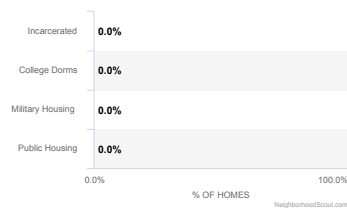
### TYPES OF HOMES



### HOME SIZE



### SPECIAL PURPOSE HOUSING

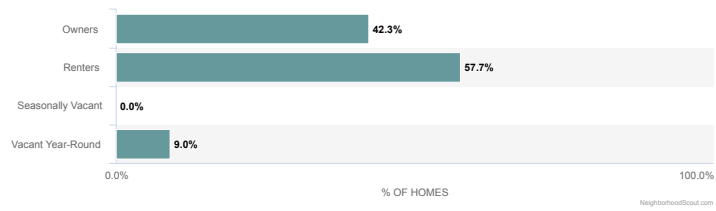




2901 Sweeney Ln, Austin, TX 78723  
Report date Monday, November 11, 2019

## HOMEOWNERSHIP

### HOMEOWNERSHIP RATE












2901 Sweeney Ln, Austin, TX 78723  
Report date Monday, November 11, 2019






## THE 2901 SWEENEY LN NEIGHBORHOOD DEMOGRAPHICS

136 Vital Statistics. 0 Condition Alerts found.

### LIFESTYLE

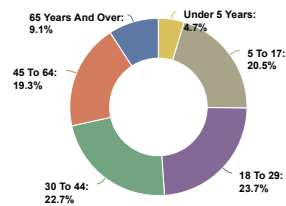
	First Time Homebuyers	90.1%	Excellent
	Young Single Professionals	84.9%	Very Good
	Luxury Communities	41.5%	Poor
	College Student Friendly	39.7%	Poor
	Retirement Dream Areas	26.7%	Poor
	Family Friendly	17.1%	Poor
	Vacation Home Locations		Poor

### SPECIAL CHARACTER

	Hip Trendy	83.1%	Very Good
	Walkable	64.0%	Fair
	Urban Sophisticates	37.3%	Poor
	Quiet	26.2%	Poor
	Nautical		Poor

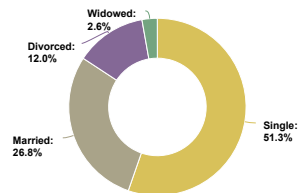
## AGE / MARITAL STATUS

### AGE



NeighborhoodScout.com

### MARITAL STATUS



NeighborhoodScout.com

## GENDER RATIO



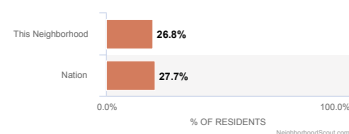
## MILITARY & COLLEGE STATUS



NeighborhoodScout.com

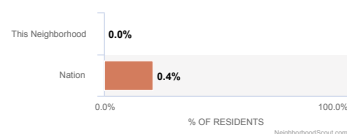
## HOUSEHOLD TYPES

### ONE PERSON HOUSEHOLDS



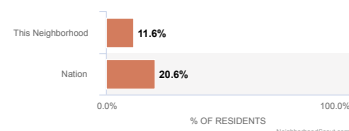
NeighborhoodScout.com

### SAME SEX PARTNERS



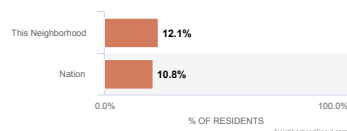
NeighborhoodScout.com

### MARRIED COUPLE WITH CHILD



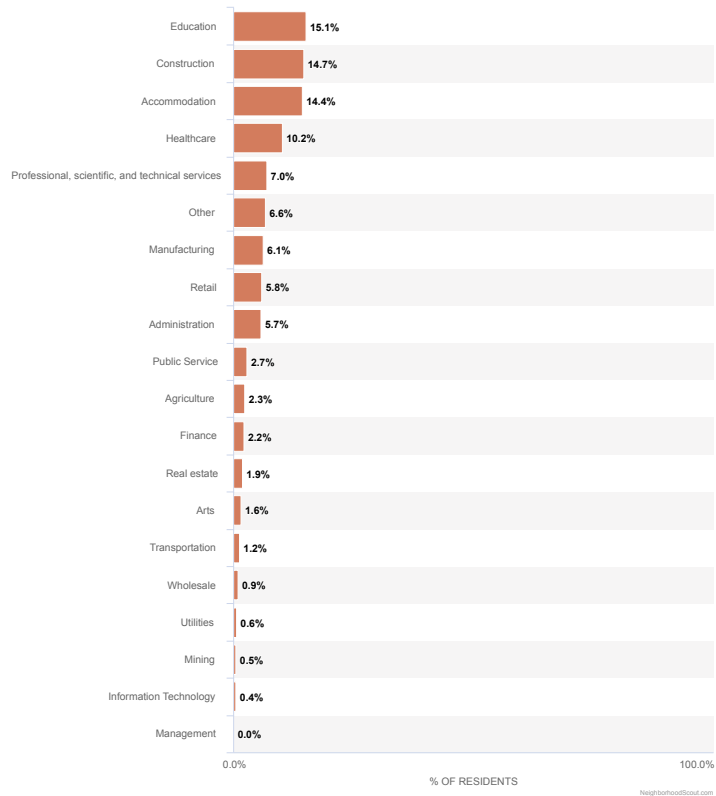
NeighborhoodScout.com

### SINGLE PARENT WITH CHILD



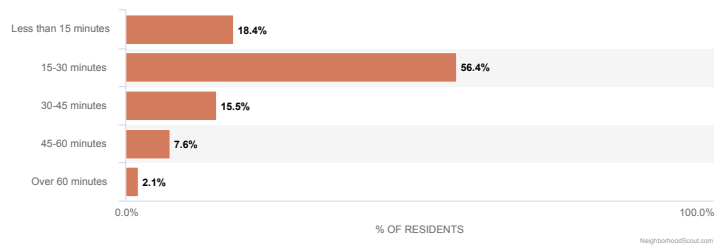
NeighborhoodScout.com

## EMPLOYMENT INDUSTRIES

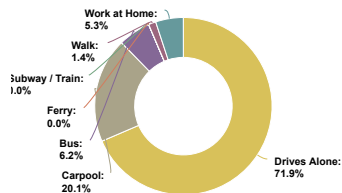


## COMMUTE TO WORK

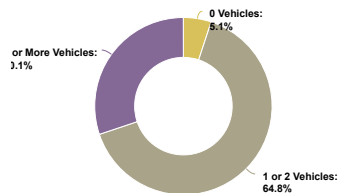
### AVERAGE ONE-WAY COMMUTE TIME



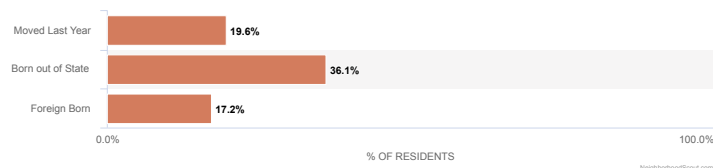
## MEANS OF TRANSPORT



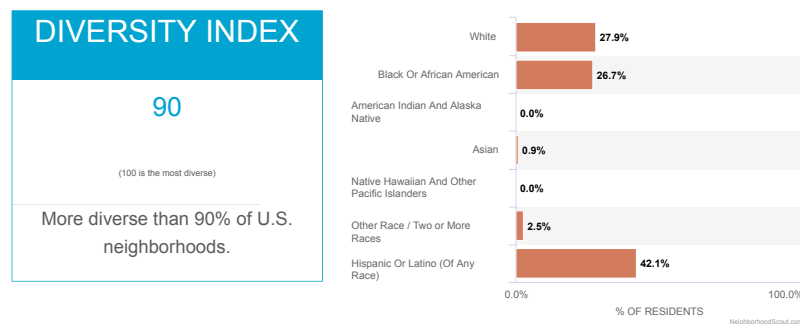
## VEHICLES PER HOUSEHOLD



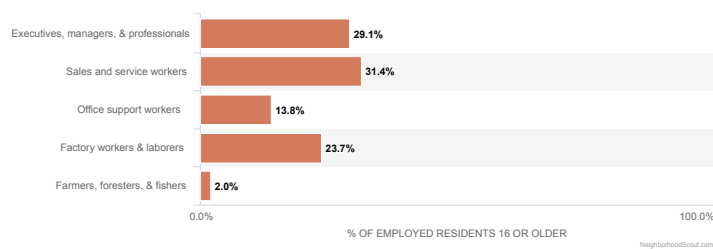
## MIGRATION & MOBILITY



## RACE & ETHNIC DIVERSITY

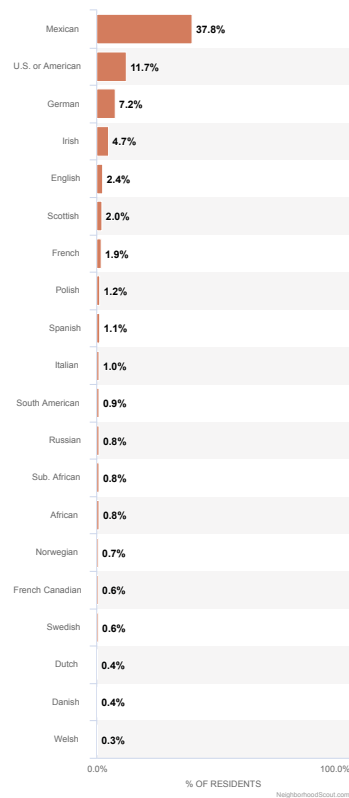


## OCCUPATIONS

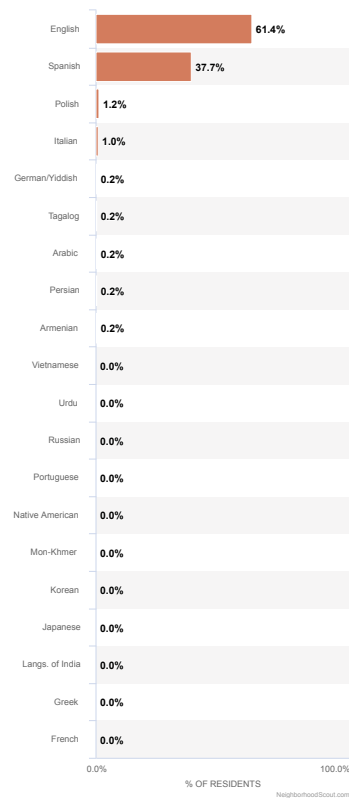


## ANCESTRIES & LANGUAGES SPOKEN

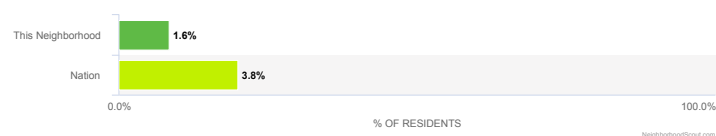
### ANCESTRY (TOP 20)



### LANGUAGES SPOKEN (TOP 20)



### UNEMPLOYMENT RATE



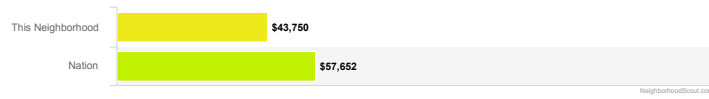
### AVERAGE INCOME

### PER CAPITA INCOME



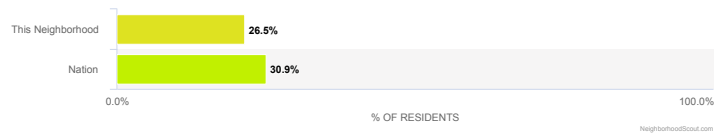


## MEDIAN HOUSEHOLD INCOME

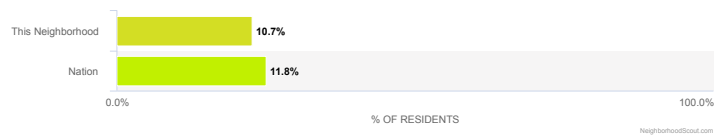


## EDUCATION

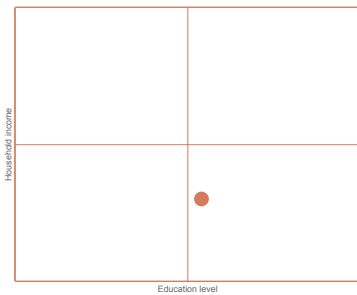
### PERCENT WITH COLLEGE DEGREE



### PERCENT WITH ADVANCE DEGREE



## INCOME AND EDUCATION





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## THE 2901 SWEENEY LN NEIGHBORHOOD CRIME

67 Vital Statistics. 4 Condition Alerts found.

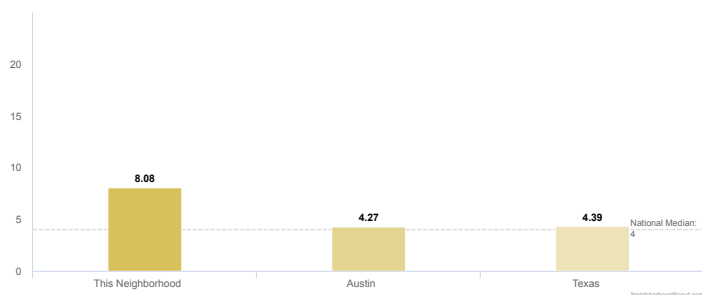
### NEIGHBORHOOD CRIME DATA

TOTAL CRIME INDEX	NEIGHBORHOOD ANNUAL CRIMES			
18		VIOLENT	PROPERTY	TOTAL
(100 is safest) ⚡				
Safer than 18% of U.S. neighborhoods.	Number of Crimes	30	154	184
	Crime Rate (per 1,000 residents)	8.08	41.49	49.57

### NEIGHBORHOOD VIOLENT CRIME

VIOLENT CRIME INDEX	VIOLENT CRIME INDEX BY TYPE			
16	MURDER INDEX	RAPE INDEX	ROBBERY INDEX	ASSAULT INDEX
(100 is safest) ⚡	23	5	15	20
Safer than 16% of U.S. neighborhoods.	100 is safest	100 is safest	100 is safest	100 is safest

### VIOLENT CRIME COMPARISON (PER 1,000 RESIDENTS)



MY CHANCES OF BECOMING A VICTIM OF A VIOLENT CRIME		
1 IN 124 ⚡	1 IN 234	1 IN 228
in this Neighborhood	in Austin	in Texas



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## AUSTIN VIOLENT CRIMES

POPULATION: 950,715

	MURDER	RAPE	ROBBERY	ASSAULT
Report Total	26	840	993	2,199
Rate per 1,000	0.03	0.88	1.04	2.31

## UNITED STATES VIOLENT CRIMES

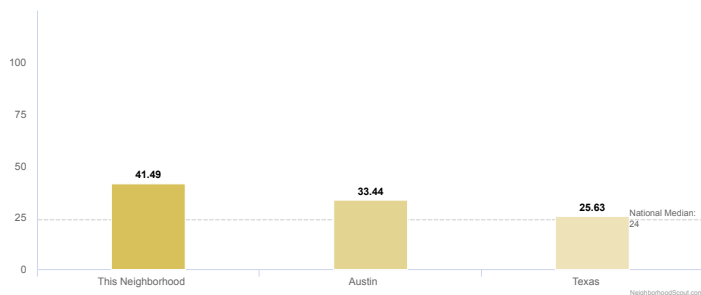
POPULATION: 325,719,178

	MURDER	RAPE	ROBBERY	ASSAULT
Report Total	17,284	135,755	319,356	810,825
Rate per 1,000	0.05	0.42	0.98	2.49

## NEIGHBORHOOD PROPERTY CRIME

PROPERTY CRIME INDEX	PROPERTY CRIME INDEX BY TYPE		
18 <small>(100 is safest)</small>   Safer than 18% of U.S. neighborhoods.	BURGLARY INDEX	THEFT INDEX	MOTOR VEHICLE THEFT
	14 <small>100 is safest</small>	20 <small>100 is safest</small>	60 <small>100 is safest</small>

## PROPERTY CRIME COMPARISON (PER 1,000 RESIDENTS)



MY CHANCES OF BECOMING A VICTIM OF A PROPERTY CRIME		
1 IN 24 <small>In this Neighborhood</small>	1 IN 30 <small>In Austin</small>	1 IN 39 <small>In Texas</small>



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## AUSTIN PROPERTY CRIMES

POPULATION: 950,715

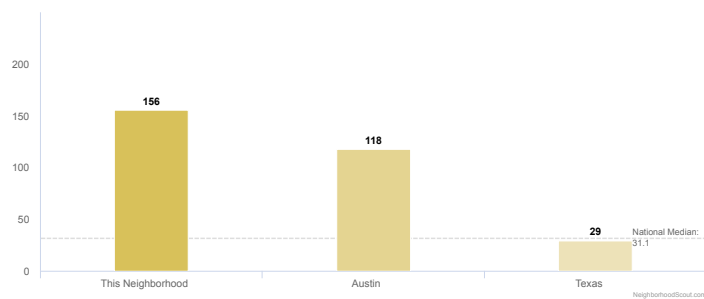
	BURGLARY	THEFT	MOTOR VEHICLE THEFT
Report Total	4,414	25,288	2,090
Rate per 1,000	4.64	26.60	2.20

## UNITED STATES PROPERTY CRIMES

POPULATION: 325,719,178

	BURGLARY	THEFT	MOTOR VEHICLE THEFT
Report Total	1,401,840	5,519,107	773,139
Rate per 1,000	4.30	16.94	2.37

## CRIME PER SQUARE MILE





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## THE 2901 SWEENEY LN NEIGHBORHOOD SCHOOLS

### SCHOOL RATING INFORMATION

SCHOOL QUALITY	ADDRESS SCHOOL QUALITY RATING
23 <small>(100 is best)</small> Better than 23% of U.S. schools.	Address-Specific School Quality Rating. Rates the quality of the K-12 public schools that serve this address. ⓘ

### SCHOOLS THAT SERVE THIS ADDRESS \*

SCHOOL DETAILS	GRADES	QUALITY RATING COMPARED TO TX	QUALITY RATING COMPARED TO NATION
<a href="#">Pecan Springs Elementary School</a>			
3100 Rogge Ln Austin, TX 78723	PK-05	3	3
<a href="#">Reagan H.S. School</a>			
7104 Berkman Dr Austin, TX 78752	09-12	4	2

\* Depending on where you live in the neighborhood, your children may attend certain schools from the above list and not others. In some cases, districts allow students to attend schools anywhere in the district. Always check with your local school department to determine which schools your children may attend based on your specific address and your child's grade-level.

### NEIGHBORHOOD EDUCATIONAL ENVIRONMENT

Adults In Neighborhood With College Degree Or Higher	26.5%
Children In The Neighborhood Living In Poverty	36.1%

### THIS NEIGHBORHOOD IS SERVED BY 1 DISTRICT:

#### AUSTIN ISD

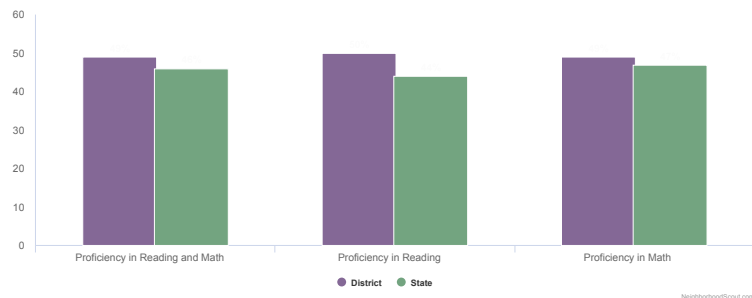
83,067 <small>Students Enrolled in This District</small>	130 <small>Schools in District</small>	14 <small>Students Per Classroom</small>
---	---	---

DISTRICT QUALITY COMPARED TO TEXAS	DISTRICT QUALITY COMPARED TO U.S. ⓘ
8 <small>(10 is best)</small>	6 <small>(10 is best)</small>

Better than 72.3% of TX school districts.

Better than 54.3% of US school districts.

## Public School Test Scores (No Child Left Behind)



## School District Enrollment By Group

ETHNIC/RACIAL GROUPS	THIS DISTRICT	THIS STATE
White (non-hispanic)	28.2%	28.9%
Black	7.8%	12.9%
Hispanic	59.7%	53.3%
Asian Or Pacific Islander	4.1%	4.3%
American Indian Or Native Of Alaska	0.2%	0.5%


ECONOMIC GROUPS	THIS DISTRICT	THIS STATE
ECONOMICALLY DISADVANTAGED	53.2%	58.6%
FREE LUNCH ELIGIBLE	48.0%	52.7%
REDUCED LUNCH ELIGIBLE	5.2%	6.0%

## Educational Expenditures

FOR THIS DISTRICT	PER STUDENT	TOTAL	% OF TOTAL
Instructional Expenditures	\$5,683	\$475,223,826	37.5%
Support Expenditures			
Student	\$445	\$37,211,790	2.9%
Staff	\$573	\$47,915,406	3.8%
General Administration ⚡	\$104	\$8,696,688	0.7%
School Administration	\$615	\$51,427,530	4.1%
Operation	\$815	\$68,151,930	5.4%
Transportation	\$336	\$28,096,992	2.2%
Other	\$470	\$39,302,340	3.1%
Total Support	\$3,358	\$280,802,676	22.2%
Non-instructional Expenditures ⚡	\$6,113	\$511,181,286	40.3%



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FOR THIS DISTRICT	PER STUDENT	TOTAL	% OF TOTAL
Total Expenditures 	\$15,154	\$1,267,207,788	100.0%



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## THE 2901 SWEENEY LN TRENDS AND FORECAST

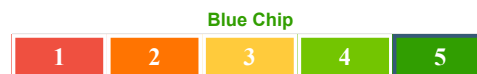
### SCOUT VISION® SUMMARY

#### RIISING STAR INDEX ⓘ



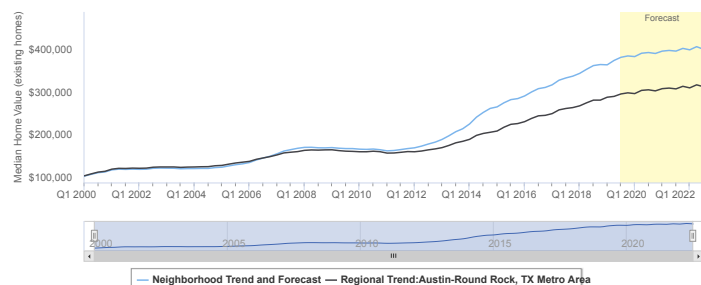
RATINGS: 1=Very Low 2=Low 3=Moderate 4=High 5=Rising Star

#### BLUE CHIP INDEX ⓘ



RATINGS: 1=Very Low 2=Low 3=Moderate 4=High 5=Blue Chip

### SCOUT VISION Neighborhood Home Value Trend and Forecast ⓘ



### SCOUT VISION® HOME VALUE TRENDS AND FORECAST

TIME PERIOD	TOTAL APPRECIATION	AVG. ANNUAL RATE	COMPARED TO METRO*	COMPARED TO AMERICA*
3 Year Forecast: 2019 Q3 - 2022 Q3	6.79% ↑	2.21% ↑	5	2
Latest Quarter: 2019 Q1 - 2019 Q2	2.74% ↑	11.42% ↑	3	10
Last 12 Months: 2018 Q2 - 2019 Q2	5.70% ↑	5.70% ↑	9	8
Last 2 Years: 2017 Q2 - 2019 Q2	13.63% ↑	6.60% ↑	9	8
Last 5 Years: 2014 Q2 - 2019 Q2	52.45% ↑	8.80% ↑	10	9
Last 10 Years: 2009 Q2 - 2019 Q2	113.93% ↑	7.90% ↑	10	10
Since 2000: 2000 Q1 - 2019 Q2	209.13% ↑	6.20% ↑	10	10

\* 10 is highest





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## KEY PRICE DRIVERS AT THIS LOCATION

### Pros

Factors likely to drive home values upward over the next few years or indicators of upward trends already underway.

- + Access to High Paying Jobs

### Cons

Impediments to home value appreciation over the next few years or indicators of negative trends already underway.

- Regional Housing Market Outlook
- Crime
- Income Trend
- Vacancies

## SCOUT VISION® PROXIMITY INDEX

### PRICE ADVANTAGE OVER SURROUNDING NEIGHBORHOODS ①



RATINGS: 1=Strong Disadvantage 2=Disadvantage 3=Similar Price 4=Advantage 5=Strong Advantage

\$146
Neighborhood price per sqft
\$144
Average Nearby Home Price per sqft

### ACCESS TO HIGH PAYING JOBS ①



RATINGS: 1=Limited 2=Below Average 3=Average 4=Very Good 5=Excellent

### JOBS WITHIN AN HOUR

WITHIN	HIGH-PAYING* JOBS
5 minutes	579
10 minutes	21648
15 minutes	106863
20 minutes	242476
30 minutes	354435
45 minutes	398591
60 minutes	420674

\*Annual salary of \$75,000 or more

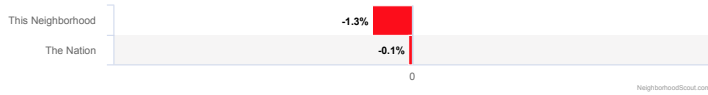


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## SCOUT VISION® REAL ESTATE TRENDS AND FORECAST

### AVG. ANNUAL HOMEOWNERSHIP TREND

Over last 5 years



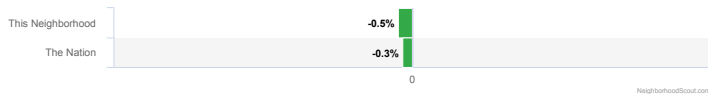
### AVG. ANNUAL RENT PRICE TREND

Over last 5 years

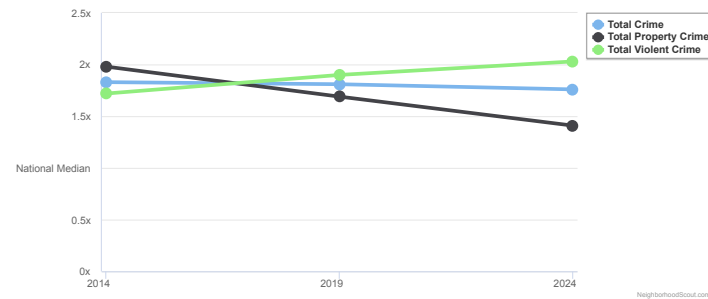


### AVG. ANNUAL VACANCY TRENDS

Over last 5 years



## SCOUT VISION® CRIME TRENDS AND FORECAST



## SCOUT VISION® EDUCATION TRENDS AND FORECAST

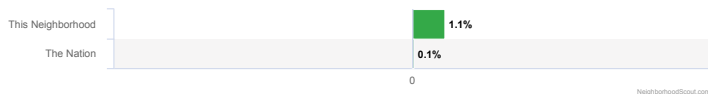
### AVG. ANNUAL CHANGE IN COLLEGE GRADUATES

Over last 5 years



### AVG. ANNUAL CHANGE IN K-12 SCHOOL PERFORMANCE

Over last 5 years





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## SCOUT VISION® ECONOMIC TRENDS AND FORECAST

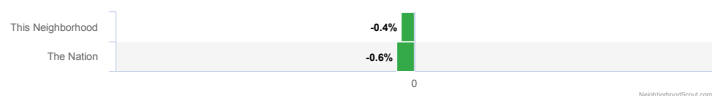
### AVG ANNUAL CHANGE IN PER CAPITA INCOME Over last 5 years
















### AVG ANNUAL CHANGE IN HOUSEHOLD INCOME Over last 5 years



### AVG ANNUAL CHANGE IN UNEMPLOYMENT RATE Over last 5 years



## SCOUT VISION® DEMOGRAPHIC TRENDS

DISTANCE FROM LOCATION	POPULATION 5 YEARS AGO	CURRENT POPULATION	PERCENT CHANGE
Half Mile	3,404	3,608	6.01% 
1 Mile	13,650	13,681	0.23% 
3 Miles	81,025	89,264	10.17% 
5 Miles	237,509	261,199	 9.97% 
10 Miles	644,629	707,546	 9.76% 
15 Miles	1,074,077	1,196,729	 11.42% 
25 Miles	1,569,751	1,803,244	 14.87% 
50 Miles	1,931,797	2,226,596	 15.26% 

## SCOUT VISION® REGIONAL HOUSING MARKET ANALYSIS

### AUSTIN-ROUND ROCK, TX METRO AREA REGIONAL INVESTMENT POTENTIAL <sup>①</sup>

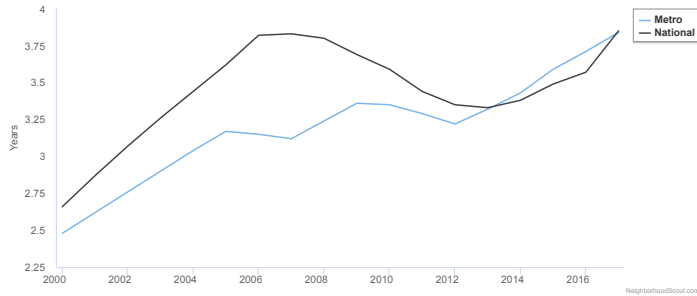


Regional Appreciation Potential (3yr)

RATINGS: 1=Very Low 2=Low 3=Moderate 4=High 5=Very High

## HOUSING AFFORDABILITY TRENDS: AUSTIN-ROUND ROCK, TX METRO AREA ⓘ

Years of average household income needed to buy average home



2.48	3.84	3.84
Region's Historical Low	Region's Historical High	Current ⚡

## REGIONAL 1 AND 2 YEAR GROWTH TRENDS ⓘ

REGIONAL TREND	LAST 2 YEARS	COMPARED TO NATION*	LAST 1 YEAR	COMPARED TO NATION*
Population Growth	5.11% ↑	⚡ 10	2.50% ↑	⚡ 10
Job Growth	6.07% ↑	⚡ 10	1.79% ↑	8
Income Trend (Wages)	16.37% ↑	⚡ 10	8.20% ↑	⚡ 10
Unemployment Trend	-0.71% ↓	5	-0.54% ↓	8
Stock Performance of Region's Industries	11.90% ↑	⚡ 10	-0.28% ↓	⚡ 9
Housing Added	5.88% ↑	⚡ 10	3.17% ↑	⚡ 10
Vacancy Trend	-1.40% ↓	8	0.24% ↑	5

\* 10 is highest

### Disclaimer

Forecasts of potential occurrences or non-occurrences of future conditions and events are inherently uncertain. Actual results may differ materially from what is predicted in any information provided by location inc. Nothing contained in or generated by a Location Inc. Product or services is, or should be relied upon as, a promise or representation as to the future performance or prediction of real estate values. No representation is made as to the accuracy of any forecast, estimate, or projection. Location Inc. Makes no express or implied warranty and all information and content is provided



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## ABOUT THE 2901 SWEENEY LN NEIGHBORHOOD

### Real Estate Prices and Overview

This neighborhood's median real estate price is \$386,310, which is more expensive than 90.0% of the neighborhoods in Texas and 75.8% of the neighborhoods in the U.S.

The average rental price in this neighborhood is currently \$1,275, based on NeighborhoodScout's exclusive analysis. Rents here are currently lower in price than 44.0% of Texas neighborhoods.

This is a suburban neighborhood (based on population density) located in Austin, Texas.

This neighborhood's real estate is primarily made up of medium sized (three or four bedroom) to small (studio to two bedroom) single-family homes and apartment complexes/high-rise apartments. Most of the residential real estate is occupied by a mixture of owners and renters. Many of the residences in this neighborhood are older, well-established, built between 1940 and 1969. A number of residences were also built between 1970 and 1999.

Home and apartment vacancy rates are 9.0% in this neighborhood. NeighborhoodScout analysis shows that this rate is lower than 49.4% of the neighborhoods in the nation, approximately near the middle range for vacancies.

### Notable & Unique Neighborhood Characteristics

When you see a neighborhood for the first time, the most important thing is often the way it looks, like its homes and its setting. Some places look the same, but they only reveal their true character after living in them for a while because they contain a unique mix of occupational or cultural groups. This neighborhood is very unique in some important ways, according to NeighborhoodScout's exclusive exploration and analysis.

#### Notable & Unique: Modes of Transportation

In the Manor Rd / Pecan Springs Rd neighborhood, carpooling is still a popular way to get to and from work. NeighborhoodScout's analysis reveals that 20.1% of commuters carpool here, which is more than in 95.8% of all U.S. neighborhoods.

### The Neighbors

#### The Neighbors: Income

There are two complementary measures for understanding the income of a neighborhood's residents: the average and the extremes. While a neighborhood may be relatively wealthy overall, it is equally important to understand the rate of people - particularly children - who are living at or below the federal poverty line, which is extremely low income. Some neighborhoods with a lower average income may actually have a lower childhood poverty rate than another with a higher average income, and this helps us understand the conditions and character of a neighborhood.

The neighbors in the Manor Rd / Pecan Springs Rd neighborhood in Austin are lower-middle income, making it a below average income neighborhood. NeighborhoodScout's research shows that this neighborhood has an income lower than 69.6% of U.S. neighborhoods. With 36.1% of the children here below the federal poverty line, this neighborhood has a higher rate of childhood poverty than 82.3% of U.S. neighborhoods.

## The Neighbors: Occupations

What we choose to do for a living reflects who we are. Each neighborhood has a different mix of occupations represented, and together these tell you about the neighborhood and help you understand if this neighborhood may fit your lifestyle.

In the Manor Rd / Pecan Springs Rd neighborhood, 31.4% of the working population is employed in sales and service jobs, from major sales accounts, to working in fast food restaurants. The second most important occupational group in this neighborhood is executive, management, and professional occupations, with 29.1% of the residents employed. Other residents here are employed in manufacturing and laborer occupations (23.7%), and 13.8% in clerical, assistant, and tech support occupations.

## The Neighbors: Languages

The most common language spoken in the Manor Rd / Pecan Springs Rd neighborhood is English, spoken by 61.4% of households. Some people also speak Spanish (37.7%).

## The Neighbors: Ethnicity / Ancestry

Culture is shared learned behavior. We learn it from our parents, their parents, our houses of worship, and much of our culture – our learned behavior – comes from our ancestors. That is why ancestry and ethnicity can be so interesting and important to understand: places with concentrations of people of one or more ancestries often express those shared learned behaviors and this gives each neighborhood its own culture. Even different neighborhoods in the same city can have drastically different cultures.

In the Manor Rd / Pecan Springs Rd neighborhood in Austin, TX, residents most commonly identify their ethnicity or ancestry as Mexican (37.8%). There are also a number of people of German ancestry (7.2%), and residents who report Irish roots (4.7%), and some of the residents are also of English ancestry (2.4%), along with some Scottish ancestry residents (2.0%), among others. In addition, 17.2% of the residents of this neighborhood were born in another country.

## Getting to Work

How you get to work – car, bus, train or other means – and how much of your day it takes to do so is a large quality of life and financial issue. Especially with gasoline prices rising and expected to continue doing so, the length and means of one's commute can be a financial burden. Some neighborhoods are physically located so that many residents have to drive in their own car, others are set up so many walk to work, or can take a train, bus, or bike. The greatest number of commuters in Manor Rd / Pecan Springs Rd neighborhood spend between 15 and 30 minutes commuting one-way to work (56.4% of working residents), which is shorter than the time spent commuting to work for most Americans.

Here most residents (71.9%) drive alone in a private automobile to get to work. In addition, quite a number also carpool with coworkers, friends, or neighbors to get to work (20.1%) and 6.2% of residents also ride the bus for their daily commute. In a neighborhood like this, as in most of the nation, many residents find owning a car useful for getting to work.