2018 Multifamily Uniform Application

NOTICE: For Applicants planning to submit an Application on or before January 26, 2018, ANYTHING that would have been due on March 1, 2018 will be due on January 26, 2018. Anything due after March 1, 2018 maintains its original due date.
2018 9% Housing Tax Credit Application

WATERS PARK STUDIOS
AUSTIN, TEXAS

TDHCA #18099

Owner

FC Waters Park Housing, LP

General Partner

FC North Studios Housing, LLC

Developer

Foundation Communities, Inc.

Contact Person

Walter Moreau, Executive Director
Foundation Communities, Inc.
3036 S. 1st Street
Austin, Texas 78704
(512) 610-4016 (phone)
(512) 773-8257 (mobile)
(512) 447-0288 (fax)
walter.moreau@foundcom.org
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WATERS PARK STUDIOS
AUSTIN, TEXAS

TDHCA #18099

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2018 9% Housing Tax Credit Application

WATERS PARK STUDIOS
AUSTIN, TEXAS

TDHCA #18099

Tab 1a – Application Certification
2018 Multifamily Uniform Application Certification
Mailing Address: P.O. Box 13941, Austin, TX 78711-3941
Physical Address: 221 East 11th Street, Austin, TX 78701

Development Name: Waters Park Studios

The undersigned hereby makes an Application to Texas Department of Housing and Community Affairs. The Applicant affirms that they have read and understand the Uniform Multifamily Rules (Title 10, Texas Administrative Code, Chapter 10) and Qualified Allocation Plan (Title 10, Texas Administrative Code, Chapter 11). Specifically, the undersigned understands the requirements under 10 TAC §10.101 of the Uniform Multifamily Rules, Site and Development Requirements and Restrictions, as well as Internal Revenue Code Section 42. By signing this document, Applicant is affirming that all statements and representations made in this certification and application, including all supporting materials, are true and correct under penalty of law, including Chapter 37 of the Texas Penal Code titled Perjury and Other Falsification and subject to criminal penalties as defined by the State of Texas. Applicant is also affirming understanding of §30.24(e) of the Uniform Multifamily Rules, relating to Public Information Requests, specifically that the filing of an Application with Department is deemed as consent to release any and all information contained therein.

The undersigned further certifies that he/she has the authority to execute this certification.

**FC Waters Park Housing, LP**

**Applicant Entity Name**

By: [Signature]

Walter Moreau

**Signature of Authorized Representative**

Walter Moreau

**Printed Name**

**Executive Director**

**Title**

2/26/18

Date

Sworn to and subscribed before me on the 26th day of February, 2018

by Walter Moreau

(Personalized Seal)

SHAWN MARIE WHITE

Notary Public Signature

Texas

Notary Public, State of

Travis

County of

03-01-2021

My Commission Expires:

February 26th, 2018

Date

2/5/2018 12:51 PM
Required for Tax Exempt Bond Developments only

4% Multifamily Housing Tax Credit Program Board Meeting Selection Form
Mailing Address: P.O. Box 13941, Austin, TX 78711-3941
Physical Address: 221 East 11th Street, Austin, TX 78701

Development Name: Waters Park Studios

Based on the expiration date of the bonds as reflected in the Certificate of Reservation issued by the Texas Bond Review Board, the above referenced Development must be scheduled for one of the TDHCA Board meetings noted below for consideration of the issuance of a Determination Notice. Therefore, as required in §10.201(2)(B) of the Uniform Multifamily Rules, all remaining Parts of the Application, including the ESA, the Market Study, Property Condition Assessment and Appraisal, if applicable, must be submitted at least 75 days prior to the Board meeting. It is important to note that submission of the documents 75 days in advance does not ensure that your Application will be placed on the meeting agenda as requested and changes to an Application (e.g. submission of new financing terms sheets) subsequent to submission may delay completion of Department staff’s review or underwriting of the Application and presentation to the Board. Moreover, staff may choose to delay presentation to the Board in instances in which an Applicant is not reasonably expected to close within sixty (60) days of the issuance of a Determination Notice or may recommend the award be conditioned upon closing within a reasonable timeframe after Board approval. Further, the Applicant is encouraged to review §10.201(2)(B), the 2018 4% HTC and Tax Exempt Bond Process Manual and 2018 Multifamily Programs Procedures Manual for any requirements that need to be met prior to submission of the remaining Parts of the Application.

I request to be on the Board agenda selected below and pursuant to §10.201(2)(B) of the Uniform Multifamily Rules I understand that I must provide the remaining parts of the Application by the applicable corresponding deadline:

Board Meeting Date:  
- [ ] January 18, 2018  
- [ ] February 22, 2018  
- [ ] March 22, 2018  
- [ ] April 26, 2018  
- [ ] May 24, 2018  
- [ ] June 28, 2018  
- [ ] July 12, 2018

75 Day Deadline:  
- [ ] November 3, 2017  
- [ ] December 8, 2017  
- [ ] January 5, 2018  
- [ ] February 9, 2018  
- [ ] March 9, 2018  
- [ ] April 13, 2018  
- [ ] April 27, 2018
2018 9% Housing Tax Credit Application

WATERS PARK STUDIOS
AUSTIN, TEXAS

TDHCA #18099

Tab 2 – Development Owner Certification
The Certification, Acknowledgement, and Consent of Development Owner is included behind this tab.

**The form should be executed, notarized, and included in the full application document.**

The form for the certification will be posted to the Department's website at
http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm

Please indicate whether any of the following required disclosure on the Certification, Acknowledgement, and Consent of Development Owner (to be used for data capture for application processing):

- [ ] §10.101(a)(2) - Undesirable Site Features
- [ ] §10.101(a)(3) - Undesirable Neighborhood Characteristics
- [ ] §10.202(1)(M) - Termination of Relationship in an Affordable Housing Transaction
- [ ] §10.901(17) - Unused Credit or Penalty Fee

Note: If any disclosures are indicated regarding §10.101(a)(3), submit the Undesirable Neighborhood Characteristics Report Packet (UNCR) located on the Department's website

http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm
Undesirable Site Features:

(E) Development Sites located within 500 feet of active railroad tracks, measured from the closest rail to the boundary of the Development Site, unless the Applicant provides evidence that the city/community has adopted a Railroad Quiet Zone or the railroad in question is commuter or light rail;

Please note the site IS located within 500 feet of active railroad tracks, but the tracks are for a commuter rail line as evidence in the attached.

The line is for the MetroRail – Cap Metro’s commuter rail line. See attached on info on MetroRail from Cap Metro website.
MetroRail

Why fight traffic on your commute to and from work when you can use the time for something you’d rather be doing instead? Board a MetroRail train and watch the scenery, read, catch up with a friend or surf the web with free onboard Wi-Fi. Visit our Online Marketplace (https://marketplace.bytemark.co/marketplace/cmta) to purchase your fare.

550 MetroRail Red Line (/schedmap/?svc=2&f1=550&s=1&d=N)

Added capacity

In January 2018, we added more capacity to MetroRail’s morning and evening service. Cap Metro will run 2 paired trips 6 times a day, helping to relieve overcrowded trains.

The paired trips are as follows:

From Leander Station In the Morning

- 6:51 a.m. and 6:56 a.m.
- 7:27 a.m. and 7:32 a.m.
- 8:03 a.m. and 8:08 a.m.
From Downtown Station in the Evening

- 4:17 p.m. and 4:22 p.m.
- 4:53 p.m. and 4:58 p.m.
- 5:29 p.m. and 5:34 p.m.

Catch a Rail Connector bus

Take the train to MLK Station and then hop on a Connector bus to take you to the Capitol (Route 464 (/schedmap/?svc=0&f1=464&s=0&d=E)) or the UT campus (the 465 (/schedmap/?svc=0&f1=465&s=0&d=E)). At Kramer Station, the 466 (/schedmap/?svc=0&f1=466&s=0&d=k) will take you to The Domain or the Pickle Research Campus.

Night rail service

MetroRail trains run late on Friday and Saturday nights. Enjoy Austin's downtown, where there's always something going on, or destinations at any stop along the line. On Saturdays, trains begin service at 4 p.m. The last train leaves Downtown Station at 12:30 Friday and midnight Saturday. If you're out later than that, check our Late-Night Service (/latenight/).

A guaranteed ride home

If you're worried about how you'll get home in case of an emergency and thus hesitant to take the train, then we've got you covered. The Guaranteed Ride Home (/guaranteed) program provides registered MetroExpress, MetroFlyer, MetroRail and MetroRideShare customers with a taxi ride home from work in the event of an unexpected emergency. For an annual membership fee of $5, you can register and get reimbursed for up to 4 emergency taxi rides a year.
Development Owner Certification, Acknowledgement and Consent

All defined terms used in this certification and not specifically defined herein have the meanings ascribed to them in Chapter 2306 of the Tex. Gov’t Code, §42 of the Internal Revenue Code, and §10.3 of the Uniform Multifamily Rules.

The undersigned, in each and all of the following capacities in which it may serve or exist -- Applicant, Development Owner, Developer, Guarantor of any obligation of the Applicant, and/or Principal of the Applicant and hereafter referred to as “Applicant” or “Development Owner,” whether serving in one or more such capacities, is hereby submitting its Application to the Department for consideration of Department funding.

Applicant hereby represents, warrants, acknowledges and certifies to the Department and to the State of Texas that:

The Development will adhere to the Texas Property Code relating to security devices and other applicable requirements for residential tenancies, and will adhere to local building codes or, if no local building codes are in place, then to the most recent version of the International Building Code.

This Application and all materials submitted to the Department constitute records of the Department subject to Tex. Gov’t Code, Chapter 552. This includes all Third Party reports, which will be posted in their entirety on the Department’s website, as they constitute a part of the Application. The Application is in compliance with all requirements related to the eligibility of an Applicant, Application and Development as further defined in 10 TAC §§10.101 and 10.202 of the Uniform Multifamily Rules. Any issues of non-compliance have been disclosed.

All representations, undertakings and commitments made by Applicant in the Application process for Development assistance expressly constitute conditions to any Commitment, Determination Notice, Carryover Allocation, or Direct Loan Commitment for such Development which the Department may issue or award, and the violation of any such condition shall be sufficient cause for the cancellation and rescission of such Commitment, Determination Notice, Carryover Allocation, or Direct Loan Award Letter, Commitment or Contract by the Department. To the extent allowed under Tex. Gov’t Code §2306.6720, if any such representations, undertakings and commitments concern or relate to the ongoing features or operation of the Development, they shall each and all be enforceable even if not reflected in the Land Use Restriction Agreement. All such representations, undertakings and commitments are also
enforceable by the Department and the tenants of the Development, including enforcement by administrative penalties for failure to perform, in accordance with the Land Use Restriction Agreement.

When providing a Pre-Application, Application or other materials to a state representative, local governmental body, Neighborhood Organization, or anyone else to secure support or approval that may affect the Applicant's competitive posture, an Applicant must disclose that in accordance with the Department's rules the aspects of the Development may not have been determined or selected or may be subject to change, such as changes in the amenities ultimately selected and provided.

The Development Owner is and will remain in compliance with state and federal laws, including but not limited to, fair housing laws, including Chapter 301, Property Code, Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), the Fair Housing Amendments Act of 1988 (42 U.S.C. §§3601 et seq.), the Civil Rights Act of 1954 (42 U.S.C. §§2000a et seq.), the Americans with Disabilities Act of 1990 (42 U.S.C. §§12101 et seq.), the Rehabilitation Act of 1973 (29 U.S.C. §§701 et seq.), Fair Housing Accessibility, the Texas Fair Housing Act; and the Development is designed consistent with the Fair Housing Act Design Manual produced by HUD, and the Texas Accessibility Standards. (§2306.257; §2306.6705(7))

The Development Owner has read and understands the Department's fair housing educational materials posted on the Department's website as of the beginning of the Application Acceptance Period.

All Applications proposing Rehabilitation (including Reconstruction) will be treated as substantial alteration, in accordance with 10 TAC Chapter 1, Subchapter B.

The Development Owner will establish a reserve account consistent with Tex. Gov't Code §2306.186, and as further described in §10.404 of the Uniform Multifamily Rules, relating to Replacement Reserve Account requirements.

The Development will operate in accordance with the applicable compliance monitoring requirements found in Chapter 10, Subchapter F.

The Development Owner agrees to implement a plan to use Historically Underutilized Businesses (HUB) in the development process consistent with the Historically Underutilized Business Guidelines for contracting with the State of Texas. The Development Owner will be required to submit a report of the success of the plan as part of the cost certification documentation, in order to receive IRS Forms 8609 or, if the Development does not have Housing Tax Credits, release of retainage.
The Applicant will attempt to ensure that at least 30% of the construction and management businesses with which the Applicant contracts in connection with the Development are Minority Owned Businesses as further described in Tex. Gov't Code §2306.6734.

The Development Owner will specifically market to veterans through direct marketing or contracts with veteran's organizations. The Development Owner will be required to identify how they will specifically market to veterans and report to the Department in the annual housing report on the results of the marketing efforts to veterans. Exceptions to this requirement must be approved by the Department.

Accessibility Requirements

The Development Owner understands that in accordance with Section 504 of the Rehabilitation Act of 1973 and implemented at 24 C.F.R. Part 8, if the Development includes the New Construction or substantial rehabilitation of multifamily units (4 or more units per building), at least five percent (5%) of all dwelling units will be designed and built to be accessible for persons with mobility impairments. A unit that is on an accessible route and is adaptable and otherwise compliant with the 2010 ADA Standards with the exceptions listed in “Nondiscrimination on the Basis of Disability in Federally Assisted Programs and Activities” (Federal Register 79 FR 29671) meets this requirement. In addition, at least two percent (2%) of all dwelling units will be designed and built to be accessible for persons with hearing or vision impairments.

The Development Owner understands that regardless of building type, all Units accessed by the ground floor or by elevator (“affected units”) must meet the requirements at 10 TAC §10.101(b)(8)(B).

The Development Owner certifies that all accessible Units under 10 TAC Chapter 1, Subchapter B, will be dispersed throughout the Development.

The Development Owner certifies that representations made in the Architect Certification are true and correct, and understands that the Department evaluation of architectural drawings may not include an assessment of accessibility. The Development Owner is responsible for any modifications necessary to meet accessibility requirements identified at the final construction inspection.
Unused Credit or Penalty Fee (select one box as applicable)

___ The Applicant returned a full credit allocation after the Carryover Allocation deadline required for that allocation and is subject to the Unused Credit or Penalty Fee pursuant to §10.901(17) of the Uniform Multifamily Rules.

___ X ___ The Applicant certifies that no disclosure regarding §10.901(17) of the Uniform Multifamily Rules is necessary.

Termination of Relationship in an Affordable Housing Transaction (select one box as applicable)

___ The Applicant has disclosed, in the Application, any Principal or any entity or Person in the Development ownership structure who was or is involved as a Principal in any other affordable housing transaction that has terminated, voluntarily or involuntarily, within the past 10 years or plans to or is negotiating to terminate their relationship with any other affordable housing development. The disclosure identified the person or persons and development involved, the identity of each other development and contact information for the other Principals of each such development, a narrative description of the facts and circumstances of the termination or proposed termination, and any appropriate supporting documents. The Applicant has read and understands §10.202(1)(M) of the Uniform Multifamily Rules related to such disclosure.

___ X ___ The Applicant certifies that no disclosure regarding §10.202(1)(M) of the Uniform Multifamily Rules is necessary.

The Applicant certifies that, for any Development proposing New Construction or Reconstruction and located within the one-hundred (100) year floodplain as identified by the Federal Emergency Management Agency (FEMA) Flood Insurance Rate Maps, the Development Site will be developed in full compliance with the National Flood Protection Act and all applicable federal and state statutory and regulatory requirements so that all finished ground floor elevations are at least one foot above the floodplain and parking and drive areas are no lower than six inches below the floodplain, subject to more stringent local requirements. The Applicant certifies that, floodplain maps will be used and the Development Site will comply with regulations as they exist at the time of commencement of construction. Applicant further certifies that, for any Development proposing Rehabilitation (excluding Reconstruction) that is not a HUD or TRDO-USDAs assisted property, the Development Site is not located in the one-hundred year floodplain unless the existing structures already meet the requirements for New Construction or Reconstruction, as certified to by a Third Party engineer, or unless the state or
local government has undertaken and can substantiate sufficient mitigation efforts and such
documentation is submitted in the Application.

Undesirable Site Features (select one of the boxes as applicable)

____ X The Development is not located in an area with undesirable site features as
further described in §10.101(a)(2) of the Uniform Multifamily Rules.

___ The proposed Development is Rehabilitation (excluding Reconstruction) with ongoing
and existing federal assistance from HUD, USDA, or Veterans Affairs ("VA") and an
exemption was requested prior to the filing of an Application or is being requested with the
Application in accordance with §10.101(a)(2) of the Uniform Multifamily Rules.

___ The proposed Development is Historic Preservation pursuant to §11.9(e)(6) of the
QAP, is located in an area with an undesirable site feature and an exemption was requested
prior to the filing of an Application or is being requested with the Application.

___ The proposed Development is New Construction, is located in an area with an
undesirable site feature and a copy of the local ordinance that regulates the proximity of
such feature to a multifamily development is included in the Application.

___ The proposed Development is located in an area with an undesirable site feature and
mitigation to be considered by staff and the Board is included in the Application.

Undesirable Neighborhood Characteristics (select one of the main boxes as applicable)

____ X The Development Owner certifies that the Development is not located in an area
with any of the undesirable neighborhood characteristics described in §10.101(a)(3) of the
Uniform Multifamily Rules and that no disclosure is necessary;

___ The Development Owner certifies that the Development is located in an area with
the following undesirable neighborhood characteristic(s) and the Undesirable
Neighborhood Characteristics Report is submitted with the Application (select all that
apply):

_____ in a census tract with a poverty rate above 40% for individuals (or 55% for
Developments in regions 11 and 13);

_____ in a census tract or within 1,000 feet of any census tract in an Urban Area and
the rate of Part I violent crimes is greater than 18 per 1,000 persons (annually) as
reported on neighborhoodscout.com;
_____ is located within 1,000 feet of a blighted or abandoned area as further described in §10.101(a)(3)(B)(iii) of the Uniform Multifamily Rules;

_____ is located in the attendance zones of an elementary, middle, or high school that does not have a 2017 Met Standard rating by the Texas Education Agency, unless the Development Site is subject to an Elderly Limitation.

The Development will include all of the mandatory Development amenities required in §10.101(b)(4) of the Uniform Multifamily Rules at no charge to all tenants (market rate and low-income) and written notice of such amenities will be provided to the tenants.

The Development will satisfy the minimum point threshold for common amenities as further described in §10.101(b)(5) of the Uniform Multifamily Rules. These amenities must be for the benefit of all tenants (market rate and low-income), meet accessibility standards, be sized appropriately to serve the proposed Target Population, be made available throughout normal business hours, and be maintained throughout the Affordability Period. The tenant must be provided written notice of the amenity elections made by the Development Owner.

The Development will meet the minimum size of Units as further described §10.101(b)(6)(A) of the Uniform Multifamily Rules.

The Development (excluding competitive Housing Tax Credit Applications) will include enough unit and development construction features to meet the minimum number of points as further described in §10.101(b)(6)(B) of the Uniform Multifamily Rules.

The Development (excluding competitive Housing Tax Credit Applications) will include enough tenant services, at no charge to the tenants, be accessible to all (market rate and low-income), and maintained throughout the Affordability Period, to meet the required minimum number of points as further described in §10.101(b)(7) of the Uniform Multifamily Rules, and offered in accordance with §10.619 of the Uniform Multifamily Rules. The tenant must be provided written notice of the elections made by the Development Owner.

If the Applicant is applying for Multifamily Direct Loan funds and the Development consists of New Construction, the Applicant further certifies that the Development meets the Construction Site Standards in 24 C.F.R. §983.37(e).

If the Development has an existing LURA with the Department, the Development Owner will comply with the existing restrictions.

The Development Owner will comply with any and all notices required by the Department.
None of the criteria in subparagraphs (A) – (M) of §10.202(1) of the Uniform Multifamily Rules, related to ineligible Applicants, applies to those identified on the organizational chart for the Applicant, Developer and Guarantor.

The individual whose name is subscribed hereto, in his or her individual capacity, on behalf of Applicant, and in all other related capacities described above, as applicable, expressly represents, warrants, and certifies that all information contained in this certification and in the Application, including any and all supplements, additions, clarifications, or other materials or information submitted to the Department in connection therewith as required or deemed necessary by the materials governing the multifamily funding programs are true and correct and the Applicant has undergone sufficient investigation to affirm the validity of the statements made. Further, the Applicant hereby expressly represents, warrants, acknowledges and certifies that the individual whose name is subscribed hereto has read and understands all the information contained in this form of the Application.

By signing this document, the undersigned, in their individual capacity, on behalf of Applicant, whether formed or to be formed, and in all other related capacities described above, is affirming under penalty of Chapter 37 of the Texas Penal Code titled Perjury and Other Falsification, and subject to criminal penalties as defined by Tex. Penal Code §637.01 et seq., and subject to any and all other state or federal laws regarding the making of false statements to governmental bodies or the providing of false information in connection with the procurement of allocations or awards, that the Application and all materials relating thereto constitute government documents and that the Application and all materials relating thereto are true, correct, and complete in all material respects.
By: Walter Moreau

Signature
Walter Moreau

Printed Name
Executive Director

Title

Date 2/21/18

THE STATE OF Texas

COUNTY OF Travis

Before me, a notary public, on this day personally appeared Walter Moreau, known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared and certified that the statements therein contained are true and correct.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 21st day of February 2018

[Notary Public Signature]
Tab 3 – Applicant Eligibility Certification
The Applicant Eligibility Certification(s) is included behind this tab.

§10.202 of the Uniform Multifamily Rules identifies situations in which an Application or Applicant may be ineligible for Department funding. Applicants must provide disclosure of all potential instances of ineligibility, along with evidence of appropriate corrective action taken and accepted by the Department or mitigating factors to be considered. Documentation should be attached behind this tab.

Disclosure of all potential instances of ineligibility, along with evidence of appropriate corrective action is included behind this tab.
Applicant Eligibility Certification

All defined terms used in this certification and not specifically defined herein have the meanings ascribed to them in Chapter 2306 of the Tex. Gov't Code, §42 of the Internal Revenue Code, and §10.3 of the Uniform Multifamily Rules.

The undersigned, in each and all of the following capacities in which it may serve or exist or be contemplated to bring a new entity into existence—Applicant, Development Owner, Developer, Guarantor of any obligation of the Applicant, and/or Principal of the Applicant and hereafter referred to as "Applicant," whether serving in one or more such capacities, is hereby submitting its Application to the Department for consideration of multifamily funding.

Applicant hereby represents, warrants, agrees, acknowledges and certifies to the Department and to the State of Texas that:

It has obtained all necessary consents and approvals, and conducted all necessary diligence to enable it to make these certifications and to perform any all agreements and to give all consents provided for or made herein.

All representations, undertakings and commitments made by Applicant in the Application process for a Development, whether with respect to Threshold Criteria, selection criteria or otherwise, expressly constitute conditions to any Commitment, Determination Notice, Carryover Allocation, or Direct Loan Commitment for such Development which the Department may issue or award, and the violation of any such condition shall be sufficient cause for the cancellation and rescission of such Commitment, Determination Notice, Carryover Allocation, or Direct Loan Commitment by the Department. To the extent allowed under §2306.6720 Tex. Gov't Code, if any such representations, undertakings and commitments concern or relate to the ongoing features or operation of the Development, they shall each and all shall be enforceable even if not reflected in the Land Use Restriction Agreement. All such representations, undertakings and commitments are also enforceable by the Department and/or the tenants of the Development, including but not limited to enforcement by assessment of administrative penalties for failure to perform, in accordance with the Land Use Restriction Agreement, the entry of orders by the Department's Governing Board requiring strict performance, or the obtaining of injunctive relief.

Neither Applicant nor any other member of the Development Team has been or is barred, suspended, or terminated from procurement in a state or Federal program or listed in HUD's System for Award Management (SAM).

Neither Applicant nor any other member of the Development Team has been convicted of a
state or federal felony crime involving fraud, bribery, theft, misrepresentation of material fact, misappropriation of funds, or other similar criminal offenses within fifteen (15) years preceding the Application submission.

Neither Applicant nor any other member of the Development Team is, at the time of Application, subject to an enforcement or disciplinary action under state or federal securities law or by the NASD; is subject to a federal tax lien; and/or is the subject of a proceeding in which a Governmental Entity has issued an order to impose penalties, suspend funding, or take adverse action based on an allegation of financial misconduct or uncured violation of material laws, rules, or other legal requirements governing activities considered relevant by the Governmental Entity.

Neither Applicant nor any other member of the Development Team has breached a contract with a public agency and failed to cure that breach within the timeframe provided or allowed by contract. If such breach is permitted to be cured under the contract, notice of the breach has been given and a reasonable opportunity to cure.

Neither Applicant nor any other member of the Development Team has misrepresented to a subcontractor the extent to which the Developer has benefited from contracts or financial assistance that has been awarded by a public agency, including the scope of the Developer's participation in contracts with the agency and the amount of financial assistance awarded to the Developer by the agency.

Neither Applicant nor any other member of the Development Team has been found by the Board to be ineligible based on a previous participation review performed in accordance with 10 TAC Chapter 1 Subchapter C.

Neither Applicant nor any other member of the Development Team is delinquent in any loan, fee, or escrow payments to the Department in accordance with the terms of the loan, as amended, or is otherwise in default with any provisions of such loans.

Neither Applicant nor any other member of the Development Team has failed to cure any past due fees owed to the Department within the time frame provided by notice from the Department and at least ten (10) days prior to the Board meeting at which the decision for an award is to be made.

Neither Applicant nor any other member of the Development Team is in violation of a state revolving door or other standard of conduct or conflict of interest statute, including §2306.6733 of the Tex. Gov't Code, or a provision of Chapter 572 of the Tex. Gov't Code, that would prohibit the Person from participating in the Application in the manner and capacity they are participating.
Neither Applicant nor any other member of the Development Team has previous Contracts or Commitments that have been partially or fully de-obligated during the twelve (12) months prior to the submission of the Application and through the date of final allocation due to a failure to meet contractual obligations, and the Person is not on notice that such de-obligation results in ineligibility under 10 TAC Chapter 10.

Neither Applicant nor any other member of the Development Team has provided false or misleading documentation or made other intentional or negligent material misrepresentations or omissions in or in connection with an Application (and certifications contained therein), Commitment, or Determination Notice for a Development.

Neither Applicant nor any other member of the Development team has been the owner or Affiliate of the owner of a Department assisted rental development for which the federal affordability requirements were prematurely terminated and the affordability requirements have not re-affirmed or Department funds repaid.

Neither Applicant nor any other member of the Development Team has participated in the dissemination of misinformation about affordable housing and the persons it serves or about a competing Applicant that would likely have the effect of furnishing opposition to an Application where such opposition is not based on substantive and legitimate concerns that do not implicate potential violations of fair housing laws.

The Applicant will not violate §2306.1113 of the Tex. Gov't Code relating to Ex Parte Communication and further explained in §10.202(2)(A) of the Uniform Multifamily Rules.

For any Development utilizing Housing Tax Credit or Tax-Exempt Bonds, at all times during the two-year period preceding the date the Application Round begins (or for Tax-Exempt Bond Developments any time during the two-year period preceding the date the Application is submitted to the Department), the Applicant or a Related Party is not or has not been a member of the Board or employed by the Department as the Executive Director, Chief of Staff, General Counsel, a Deputy Executive Director, the Director of Multifamily Finance, the Chief of Compliance, the Director of Real Estate Analysis, a manager over the program for which an Application has been submitted, or any person exercising such responsibilities regardless of job title; or in violation of §2306.6755 of the Tex. Gov't Code.

For any Development utilizing Housing Tax Credits, the Applicant will not propose to replace in less than fifteen (15) years any private activity bond financing of the Development described by the Application, unless the exceptions in §2306.6703(a)(2) of the Tex. Gov't Code are met.

All the instances in which any Principal or any entity or Person in the Development ownership structure who was or is involved as a Principal in any other affordable housing transaction, that
has terminated voluntarily or involuntarily within the past ten years or is negotiating to terminate their relationship with any other affordable housing development have been fully disclosed pursuant to §10.202(1)(M) of the Uniform Multifamily Rules. Applicant understands that failure to disclose is grounds for termination.

All housing developments with which Applicant, Development Owner, Developer, Guarantor and/or Principal thereof participating, are in compliance with: state and federal fair housing laws, including Chapter 301, Property Code, the Texas Fair Housing Act; Title VIII of the Civil Rights Act of 1968 (42 U.S.C. Section 3601 et seq.); and the Fair Housing Amendments Act of 1988 (42 U.S.C. Section 3601 et seq.); the Civil Rights Act of 1964 (42 U.S.C. Section 2000a et seq.); the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.); and the Rehabilitation Act of 1973 (29 U.S.C. Section 701 et seq.).

The making of an allocation or award by the Department does not constitute a finding or determination that the Development is deemed qualified to receive such allocation or award. Applicant agrees that the Department or any of its directors, officers, employees, and agents will not be held responsible or liable for any representations made to the undersigned or its investors relating to the Housing Tax Credit Program; therefore, Applicant assumes the risk of all damages, losses, costs, and expenses related thereto and agrees to indemnify and hold harmless the Department and any of its officers, employees, and agents against any and all claims, suits, losses, damages, costs, and expenses of any kind and of any nature that the Department may hereinafter suffer, incur, or pay arising out of its decisions and actions concerning this Application for Housing Tax Credits or the use of information concerning the Housing Tax Credit Program.

Applicant, Development Owner, Developer, Guarantor or other Related Party is not subject to any pending criminal proceedings and if any such proceeding or any other charges which would invalidate the certifications are finally adjudicated or otherwise disposed of prior to Carryover, the Applicant will immediately notify the Department. Such notification must be presented to the Board for consideration at the next available Board meeting.

The individual whose name is subscribed hereto, in his or her individual capacity, on behalf of Applicant, and in all other related capacities described above, as applicable, expressly represents, warrants, and certifies that all information contained in this certification and in the Application, including any and all supplements, additions, clarifications, or other materials or information submitted to the Department in connection therewith as required or deemed necessary by the materials governing the multifamily funding programs are true and correct and the Applicant has undergone sufficient investigation to affirm the validity of the statements made. The Applicant agrees that the Department may, at its discretion, request additional information and/or documentation in its evaluation of this Application and is authorized but
not obligated under this document to conduct its own investigation regarding any information required requested and or provided in relation to the Application or the Development. Further, the Applicant hereby expressly represents, warrants, and certifies that the individual whose name is subscribed hereto has read and understands all the information contained in this form of the Application.

By signing this document, the undersigned, in their individual capacity, on behalf of Applicant, whether formed or to be formed, and in all other related capacities described above, is affirming under penalty of Chapter 37 of the Texas Penal Code titled Perjury and Other Falsification and subject to criminal penalties as defined by the State of Texas. TEX. PENAL CODE ANN. §§37.01 et seq. (Vernon 2011) and subject to any and all other state or federal laws regarding the making of false statements to governmental bodies or the false statements or the providing of false information in connection with the procurement of allocations or awards that the Application and all materials relating thereto constitute government documents and that the Application and all materials relating thereto are true, correct, and complete in all material respects.
By: Walter Moreau

Signature of Authorized Representative

Walter Moreau

Printed Name

Executive Director

Title

2/21/18

Date

THE STATE OF Texas

COUNTY OF Travis

Before me, a notary public, on this day personally appeared Walter Moreau, known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared and certified that the statements therein contained are true and correct.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 21st day of February, 2018

(Seal)

SHAWN MARIE WHITE
Notary Public, State of Texas
Comm. Expires 03-01-2021
Notary ID 120762187

Notary Public Signature
2018 Applicant Eligibility Certification

By: ____________________________

Signature of Authorized Representative

Michelle Wallis

Printed Name

Board Chair

Title

2/13/18

Date

THE STATE OF Texas §

COUNTY OF Travis §

Before me, a notary public, on this day personally appeared Michelle Wallis, known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared and certified that the statements therein contained are true and correct.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 13th day of February 2018

(Seal)

Valeria G. Nichols
Notary Public
Notary ID #126636498
My Commission Expires May 16, 2021

Notary Public Signature
2018 Applicant Eligibility Certification

By: Adrianna Cuellar Rojas

Signature of Authorized Representative

Adrianna Cuellar Rojas

Printed Name

Vice Chair

Title

Date

THE STATE OF Texas

COUNTY OF Travis

Before me, a notary public, on this day personally appeared Adrianna Cuellar Rojas, known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared and certified that the statements therein contained are true and correct.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 12th day of February, 2018

(Seal)

Notary Public Signature

Page 5 of 6
By:

Signature of Authorized Representative

David Tandy
Printed Name,

Treasurer
Title

2/13/18
Date

THE STATE OF Texas

COUNTY OF Travis

Before me, a notary public, on this day personally appeared David Tandy, known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared and certified that the statements therein contained are true and correct.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 13 day of February, 2018

(Seal)

VALCIA G NICHOLS
Notary ID #120636498
My Commission Expires May 16, 2021

Notary Public Signature
2018 Applicant Eligibility Certification

By: [Signature]

Signature of Authorized Representative

Alicia Wong

Printed Name

Secretary

Title

2-13-2018

Date

THE STATE OF Texas

COUNTY OF Travis

Before me, a notary public, on this day personally appeared Alicia Wong, known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared and certified that the statements therein contained are true and correct.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 13 day of February, 2018

(Seal)

VALERIA G. NICHOLS
Notary ID #126636498
My Commission Expires May 16, 2021

Notary Public Signature
By: Jewel Arrington

Signature of Authorized Representative

Printed Name: Jewel Arrington

Board Member

Title: 

Date: 2/12/18

THE STATE OF Texas

COUNTY OF Travis

Before me, a notary public, on this day personally appeared Jewel Arrington, known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared and certified that the statements therein contained are true and correct.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 13th day of February, 2018

(Seal)

Valeria G. Nichols
Notary Public Signature

My Commission Expires May 16, 2021

Page 6 of 6
By: [Signature]
Signature of Authorized Representative

[Yvette F. Bootstrap]
Printed Name

[Board Member]
Title

[2/13/18]
Date

THE STATE OF Texas

COUNTY OF Travis

Before me, a notary public, on this day personally appeared [Yvette Bootstrap], known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared and certified that the statements therein contained are true and correct.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 13 day of February 2018

(Seal)

[Notary Public Signature]
2018 Applicant Eligibility Certification

By: __________________________
    Signature of Authorized Representative

Perla Cavazos

Printed Name

Board Member

Title

2/20/18

Date

THE STATE OF Texas

COUNTY OF Travis

Before me, a notary public, on this day personally appeared
Perla Cavazos, known to me to be the person whose name is
subscribed to the foregoing document and, being by me first duly sworn, declared and certified
that the statements therein contained are true and correct.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 20th day of February, 2018

(Seal)

MELISSA CEPEDA
Notary Public, State of Texas
My Commission Expires
June 22, 2019

Notary Public Signature
By: [Signature]
Signature of Authorized Representative

Andrew Clements
Printed Name

[Board member]
Title

02/13/2018
Date

THE STATE OF Texas

COUNTY OF Travis

Before me, a notary public, on this day personally appeared Andrew Clements, known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared and certified that the statements therein contained are true and correct.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 13 day of February, 2018

(Seal)

VALICIA G NICHOLS
Notary ID #126636498
My Commission Expires May 16, 2021

Notary Public Signature
2018 Applicant Eligibility Certification

By: __________________________

Signature of Authorized Representative

Kellie Coleman

Printed Name

Board Member

Title

2/21/18

Date

THE STATE OF Texas

§

COUNTY OF Travis

§

Before me, a notary public, on this day personally appeared Kellie Coleman, known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared and certified that the statements therein contained are true and correct.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 21st day of February, 2018

(Seal)

MARIA DEACON
Notary ID #131227055
My Commission Expires
July 29, 2021

Notary Public Signature
By: Charles DiTullio

Signature of Authorized Representative

Charles DiTullio

Printed Name

Boardmember

Title

2/13/18

Date

THE STATE OF Texas §

COUNTY OF Travis §

Before me, a notary public, on this day personally appeared Charles DiTullio, known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared and certified that the statements therein contained are true and correct.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 13 day of February, 2018

(Seal)

Valeria C. Nichols
NotaryID: 1126636498
My Commission Expires
May 10, 2021

Notary Public Signature
By: [Signature]

Signature of Authorized Representative

[Printed Name]

[Title]

[Date]

THE STATE OF [Texas]

COUNTY OF [Travis]

Before me, a notary public, on this day personally appeared [Dalton Duffie], known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared and certified that the statements therein contained are true and correct.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this [14th] day of [February], 2018

(Seal)

[Notary Public Signature]

[Notary ID: 126536498]
[My Commission Expires: May 16, 2021]
2018 Applicant Eligibility Certification

By: 

Signature of Authorized Representative

David Hart

Printed Name

Boardmember

Title

13 February 2018

Date

THE STATE OF Texas

§

COUNTY OF Travis

§

Before me, a notary public, on this day personally appeared David Paul Hart known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared and certified that the statements therein contained are true and correct.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 13th day of February, 2018

(Seal)

Notary Public Signature
By:  

Signature of Authorized Representative  

Selina Serna  

Printed Name  

Boardmember  

Title  

2/17/18  

Date  

THE STATE OF Texas  

COUNTY OF Travis  

Before me, a notary public, on this day personally appeared Selina Serna, known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared and certified that the statements therein contained are true and correct.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 13 day of February, 2018

(Seal)

VALICIA G NICHOLS  
Notary ID #126636498  
My Commission Expires May 16, 2021

Notary Public Signature
Tab 4 – Multifamily Direct Loan Certification
Multifamily Direct Loan Certification is included behind this tab.

**The form should be executed, notarized, and included in the full application document.**

The form for the certification will be posted to the Department's website at

http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm
Multifamily Direct Loan Certification

I (We) hereby make application to the Texas Department of Housing and Community Affairs (the “Department”) for an award of Multifamily Direct Loan funds, which may be composed of HOME Investment Partnerships Program (“HOME”), Tax Credit Assistance Program Repayment Funds “TCAP RF,” Neighborhood Stabilization Program Round 1 Program Income (“NSP1 PI”), and/or National Housing Trust Fund (“NHTF”). The undersigned hereby acknowledges that an award by the Department does not warrant that the Development is deemed qualified to receive such award. I (We) agree that the Department or any of its directors, officers, employees, and agents will not be held responsible or liable for any representations made to the undersigned or its investors relating to the Multifamily Direct Loan; therefore, I (We) assume the risk of all damages, losses, costs, and expenses related thereto and agree to indemnify and save harmless the Department and any of its officers, employees, and agents against any and all claims, suits, losses, damages, costs, and expenses of any kind and of any nature that the Department may hereinafter suffer, incur, or pay arising out of its decision concerning this application for Multifamily Direct Loan funds or the use of information concerning the Multifamily Direct Loan.

On behalf of the Applicant and all affiliates of the Applicant (hereinafter “Applicant”), I (We) hereby certify that the Applicant is familiar with the state Rules, as published in 10 TAC Chapters 1, 2, 10, and 13, as well as Chapters 11 and 12 as applicable. I (We) hereby acknowledge that this Application is subject to disclosure under Chapter 552, Texas Government Code, the Texas Public Information Act, unless a valid exception exists.

I (We) hereby assert that the information contained in this Application as required or deemed necessary by the materials governing the Multifamily Direct Loan are true and correct and that I (We) have undergone sufficient investigation to affirm the validity of the statements made and the Department may rely on any such statements.

Further, I (We) hereby assert that I (We) have read and understand all the information contained in the application. By signing this document, I (We) affirm that all statements made in this government document are true and correct under penalty of Chapter 37 of the Texas Penal Code titled Perjury and Other Falsification and subject to criminal penalties as defined by the State of Texas. TEX. PENAL CODE ANN. §37.01 et seq. (Vernon 2011).

I (We) understand and agree that if false information is provided in this Application which has the effect of increasing the Applicant’s competitive advantage, the Department will disqualify the Applicant and may hold the Applicant ineligible to apply for Multifamily Direct Loan funds or until any issue of restitution is resolved. If false information is discovered after the award of
Multifamily Direct Loan funds, the Department may terminate the Applicant's written agreement and recapture all Multifamily Direct Loan funds expended.

I (We) shall not, in the provision of services, or in any other manner discriminate against any person on the basis of age, race, color, religion, sex, national origin, familial status, or disability. Verification of any of the information contained in this application may be obtained from any source named herein.

I (We) have written below the name of the individual authorized to execute the Multifamily Direct Loan agreement and any and all future Multifamily Direct Loan commitments and contracts related to this application. If this individual is replaced by the organization, I (We) must inform the Department within 30 days of the person authorized to execute agreements, commitment and/or contracts on behalf of the Applicant.

I (We) certify that no person or entity that would benefit from the award of Multifamily Direct Loan funds has committed to providing a source of match.

I (We) certify that I (We) will meet, Texas Minimum Construction Standards, 2010 ADA Standards for Accessible Design, as well as the Fair Housing Accessibility Standards and Section 504 of the Rehabilitation Act of 1973 as further detailed in 10 TAC Chapter 1, Subchapter B. I (We) certify that the Development will meet all local building codes or standards that may apply as well as the Uniform Physical Conditions Standards in 24 CFR §5.705

I (We) certify that if Department funds have a first lien position in the project for which assistance is being requested, assurance of completion of the development will be provided in the form of payment and performance bonds in the full amount of the construction contract, running to the Department as obligee, or equivalent guarantee in the sole determination of the Department.

I (We) certify that if refinancing is a component of the proposed development the Applicant must confirm that Multifamily Direct Loan funds will not be used to replace loans, grants or other financing by any other Federal program, or in violation of the provisions of 10 TAC §13.3(e).

I (We) certify that if other federal or governmental assistance is used in the financing of this development I (We) will notify the Texas Department of Housing and Community Affairs.

I (We) certify that I (We) do not and will not knowingly employ an undocumented worker, where "undocumented worker" means an individual who, at the time of employment, is not lawfully admitted for permanent residence to the United States or authorized under law to be employed in that manner in the United States.
If, after receiving a public subsidy, I (We), am convicted of a violation under 8 U.S.C Section 1324a (f), I (We) shall repay the amount of the public subsidy with interest, at the rate and according to the other terms provided by an agreement under Texas Government Code Section 2264.053, not later than the 120th day after the date TDHCA notifies Name of Applicant of the violation.

On behalf of the Applicant, I (We) hereby certify that the Applicant is familiar with the provisions of the federal HOME Final Rule, as published in 24 CFR Part 92, and other related administrative rules and regulations and court rulings issued by the Federal government or State of Texas with respect to the HOME Investment Partnerships Program and all Developments eligible to receive HOME funds will comply with such rules during the application process and, in the event of award of HOME funds, for the duration of the proposed Development.

If applying under the Supportive Housing/Soft Repayment set-aside, on behalf of the Applicant, I (We) hereby certify that the Applicant is familiar with the provisions of the interim Housing Trust Fund rule, as published in 24 CFR Part 93, and other related administrative rules and regulations and court rulings issued by the Federal government or State of Texas with respect to the NHTF and all Developments eligible to receive NHTF funds will comply with such rules during the application process and, in the event of award of NHTF funds, for the duration of the proposed Development.

**Lead Based Paint**

I (We) certify that documentation of compliance with the Texas Environmental Lead Reduction Rules in 25 TAC Chapter 295, Subchapter I or 24 CFR Part 35 (Lead Safe Housing Rule), as applicable, will be maintained in project files. I (We) understand that for Developments subject to 24 CFR Part 25, standard forms are available in the Federal Register, as indicated by the sources noted below.

1) Applicability 24 CFR §35.115 – A copy of a statement indicating that the property is covered by or exempt from Lead Safe Housing Rule.
   a) If the property is exempt, the file should include the reason for the exemption and no further documentation is required.
   b) If the property is covered by the Rule, the file should include the appropriate documentation to indicate basic compliance, as listed below:
      i) Summary Paint Testing Report or Presumption Notice 24 CFR §35.930(a) – A copy of any report to indicate the presence of lead-based paint (LBP) for projects receiving up to $5,000 per unit in rehabilitation assistance. If no testing was performed, then LBP is presumed to be on all disturbed surfaces;
ii) Notice of Evaluation 24 CFR §35.125(b) – A copy of a notice demonstrating that an evaluation summary was provided to residents following a lead-based-paint inspection, risk assessment or paint testing;

iii) Clearance Report 24 CFR §35.930(b) (3) – A report indicating a “clearance examination” was performed of the work site upon completion; and

iv) Notice of Hazard Reduction Completion 24 CFR §35.125(b) – Upon completion, a copy of a notice to show that a LBP remediation summary was provided to residents.

Threshold Certification

On behalf of the Applicant and all affiliates of the Applicant (hereinafter “Applicant”), I (We) hereby certify that the Applicant is familiar with the provisions and requirements of the Multifamily Direct Loan Notice of Funding Availability (NOFA) approved by the Department’s Governing Board on December 15, 2016, for which I (We) am applying.

I (We) understand that housing units subsidized by Multifamily Direct Loan funds must be affordable to low, very low or extremely low-income persons. I (We) understand that mixed income rental developments may only receive funds for units that meet the Multifamily Direct Loan affordability standards. I (We) understand that all Applications intended to serve persons with disabilities must adhere to the Department’s Integrated Housing Rule at 10 TAC §1.15.

I (We) understand that, pursuant to 10 TAC §13.11(p), all contractors, consulting firms, Borrowers, Development Owners and Contract Administrators must sign and submit the appropriate documentation with each draw to attest that each request for payment of Multifamily Direct Loan funds is for the actual cost of providing a service and that the service does not violate any conflict of interest provisions in 24 CFR Part 92.

I (We) certify that I (We) am eligible to apply for funds or any other assistance from the Department. I (We) certify that all audits are current at the time of application. I (We) certify that any Audit Certification forms have been submitted to the Department in a satisfactory format on or before the application deadline for funds or other assistance pursuant to 10 TAC §1.3(b). I (We) certify that, the Development will meet the broadband infrastructure requirements of 81 FR 92626, and that these costs are included in the Application.

All applicants applying under the 2018-1 Multifamily Direct Loan Notice of Funding Availability (NOFA) must read and initial after each of the following sections regarding federal cross cutting requirements in the boxes below.
HUD Section 3

I (We) hereby agree that the work to be performed in connection with any award of HOME or NHTF funds is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (“Section 3”). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing. I (We) agree to comply with HUD’s regulations in 24 CFR Part 135, which implement Section 3. For more information about HUD Section 3, please reference the TDHCA website dedicated to Section 3 at: http://www.tdhca.state.tx.us/program-services/hud-section-3/index.htm

![Initial]

Environmental

I (We) understand that the environmental effects of each activity carried out with an award of HOME funds must be assessed in accordance with the provisions of National Environmental Policy Act of 1969 (NEPA) (42 U.S.C. §4321 et seq.) and the related activities listed in HUD’s implementing regulations at 24 C.F.R. parts 50, 51, 55 and 58 (NEPA regulations). Each such activity must have an environmental review completed and support documentation prepared complying with the NEPA and NEPA regulations. No loan may close or funds be committed to an activity before the completion of the environmental review process, including the requirements of 24 CFR Part 58, and the Department has provided written clearance.

The Department as the Responsible Entity must ensure that environmental effects of the property are assessed in accordance with the provisions of the National Environmental Policy Act of 1969 and the related authorities listed in HUD’s implementing regulations at 24 CFR Parts 50 and 58.

I (We) certify that all parties involved in any aspect of the development process began the project with no intention of using federal assistance.

I (We) certify that as of the date of the Multifamily Direct Loan application all project work, other than as allowed in 24 CFR. Part 58, has ceased.

I (We) understand that the environmental effects of each activity carried out with an award of NHTF funds must be assessed in accordance with the provisions of CPD Notice 16-14.
I (We) certify that I (we) have read and understand the requirements in 24 CFR §58.22 or CPD Notice 16-14, and I (we) understand that acquisition of the site, even with non-HUD funds, prior to completion of the environmental review process will jeopardize any federal funding.

I (We) certify that we will not engage in any choice limiting actions until the site has achieved Environmental Clearance as required in CPD Notice 16-14 or 24 CFR, Part 58, as applicable. Choice-limiting activities include but are not limited to these examples:

- Acquisition of land, except through the use of an option agreement, regardless of funding source;
- Closing on loans including loans for interim financing;
- Signing a construction contract.

Relocation and Anti-Displacement

The property proposed for this Application is [ ] is not [ ] occupied. (check one)

If occupied, the occupant(s) are owners [ ] tenants [ ]

Displacement of Existing Tenants

I (We) certify that the work to be performed in connection with any award of federal funds is subject to Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 ("URA"), as amended, and implementing regulations at 49 CFR Part 24. Consistent with the goals and objectives of activities assisted under the Act and HUD Handbook 1378, if the Development is eligible for federal funds the Applicant must prepare and submit the following to TDHCA with the Multifamily Uniform Application:

1) A detailed explanation of the reasons for displacement relocation;
2) A detailed plan of the relocation, including evidence of comparable replacement housing;
3) A copy of the General Information Notice (signed by the tenant or sent Certified Mail, return recipient requested) sent to all tenants on the Rent Roll listed with the Multifamily Direct Loan Application, and
4) Estimated costs and funding sources available to complete the permanent relocation.

Demolition and Conversion

I (We) certify that that the work to be performed in connection with any award of federal funds is subject to 24 CFR Part 42 and Development Owner will replace all occupied and vacant
occupiable low-income housing that is demolished or converted to a use other than low-income housing as a direct result of the project. All replacement housing will be provided within three (3) years after the commencement of the demolition or conversion. Before receiving a commitment of federal funds for a project that will directly result in demolition or conversion, the project owner will make the information public in accordance with 24 CFR Part 42 and submit the information to TDHCA along with the following information in writing at application:

1) The location map, address, and number of dwelling units by bedroom size of lower income housing that will be demolished or converted to use other than as lower income housing as a direct result of the project;
2) A time schedule for the commencement and completion of the demolition and conversion;
3) To the extent known, the location, map, address, and number of dwelling units by bedroom size of the replacement housing that has been or will be provided;
4) The amount and source of funding and a time schedule for the provision of the replacement housing;
5) The basis for concluding that the replacement housing will remain lower income housing beyond the date of initial occupancy;
6) Information demonstrating that any proposed replacement of housing units with similar dwelling units (e.g. a 2-bedroom unit with two 1-bedroom units) or any proposed replacement of efficiency or SRO units with units of a different size is appropriate and consistent with the housing needs of the community; and
7) The name and title of the person or persons responsible for tracking the replacement of lower income housing and the name and title of the person responsible for providing relocation payments and other relocation assistance to any lower-income person displaced by the demolition of any housing or the conversion of lower-income housing to another use.

\[\text{Initial}\]

Page 7 of 8
By: [Signature]
Signature of Authorized Representative

[Printed Name]
Printed Name

[Title]
Title

2/21/16
Date

THE STATE OF TEXAS

COUNTY OF [Travis]

Before me, a notary public, on this day personally appeared [Walter Morgan], known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared and certified that the statements therein contained are true and correct.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this [21st day of February, 2018]

[Notary Public Signature]
Provide the contact information for the Applicant and any staff responsible for Administrative Deficiencies and/or clarifications to the Application.

1. Applicant Contact Information
   - Name: Walter Moreau
   - Phone: (512) 610-4016
   - Email: walter.moreau@foundcom.org
   - Mailing Address: 3036 S. 1st Street
     - Austin, TX 78704

2. Second Contact
   - Name: Sabrina Butler
   - Phone: (512) 610-4025
   - Email: sabrina.butler@foundcom.org

3. Consultant Contact (if applicable)
   - Name: Jennifer Hicks
   - Phone: (512) 203-4417
   - Email: jennifer@truecasa.net
   - Mailing Address: 3000 Skylark Drive
     - Austin, TX 78757
Tab 6 – Self-Score
# Competitive Housing Tax Credit Selection Self-Score

This form will self-populate based on scoring selections made throughout the Application. Applicant should refer to this form to ensure that scoring selections are accurate prior to submitting the Application. Corrections must be made in the applicable section(s) of the Application. Highlighted rows indicate scoring items for both 9% HTC and Direct Loan applications. Additional scoring for Direct Loan applications can be found at 10 TAC §12.6.

## Criteria Promoting Development of High Quality Housing

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## Criteria to Serve and Support Texans Most In Need

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<th>QAP Reference</th>
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<td>Opportunity Index</td>
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<td>Underserved Area</td>
<td>§11.9(c)(5)</td>
<td>5</td>
</tr>
<tr>
<td>Tenant Populations with Special Needs</td>
<td>§11.9(c)(6)</td>
<td>4</td>
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<tr>
<td>Proximity to the Urban Core</td>
<td>§11.9(c)(7)</td>
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<tr>
<td>Readiness to Proceed in Disaster Impacted Counties</td>
<td>§11.9(c)(8)</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Serve and Support Texans Most in Need Total</strong></td>
<td><strong>54</strong></td>
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</tbody>
</table>

## Criteria Promoting Community Support and Engagement

<table>
<thead>
<tr>
<th>Point Item Description</th>
<th>QAP Reference</th>
<th>Points Selected</th>
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<tbody>
<tr>
<td>Local Government Support</td>
<td>§11.9(d)(1)</td>
<td></td>
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<tr>
<td>Commitment of Development Funding by Local Political Subdivision</td>
<td>§11.9(d)(2)</td>
<td>1</td>
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<td>Declared Disaster Area</td>
<td>§11.9(d)(3)</td>
<td>10</td>
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<tr>
<td>Quantifiable Community Participation</td>
<td>§11.9(d)(4)</td>
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<tr>
<td>Community Support from State Representative</td>
<td>§11.9(d)(5)</td>
<td></td>
</tr>
<tr>
<td>Input from Community Organizations</td>
<td>§11.9(d)(6)</td>
<td></td>
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<tr>
<td>Concerted Revitalization Plan</td>
<td>§11.9(d)(7)</td>
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<td></td>
<td><strong>Community Support and Engagement Total</strong></td>
<td><strong>11</strong></td>
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</table>

## Criteria Promoting the Efficient Use of Limited Resources and Applicant Accountability

<table>
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<th>Point Item Description</th>
<th>QAP Reference</th>
<th>Points Selected</th>
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</thead>
<tbody>
<tr>
<td>Financial Feasibility</td>
<td>§11.9(e)(1)</td>
<td>18</td>
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<tr>
<td>Cost of Development per Square Foot</td>
<td>§11.9(e)(2)</td>
<td>12</td>
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<tr>
<td>Pre-application Participation</td>
<td>§11.9(e)(3)</td>
<td>6</td>
</tr>
<tr>
<td>Leveraging of Private, State, and Federal Resources</td>
<td>§11.9(e)(4)</td>
<td>3</td>
</tr>
<tr>
<td>Extended Affordability</td>
<td>§11.9(e)(5)</td>
<td>2</td>
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<tr>
<td>Historic Preservation</td>
<td>§11.9(e)(6)</td>
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<tr>
<td>Right of First Refusal</td>
<td>§11.9(e)(7)</td>
<td>1</td>
</tr>
<tr>
<td>Funding Request Amount</td>
<td>§11.9(e)(8)</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td><strong>Efficient Use of Limited Resources and Applicant Accountability Total</strong></td>
<td><strong>43</strong></td>
</tr>
</tbody>
</table>

| Point Deductions                       | §11.9(f)      |                 |
|                                         | **Total Application Self-Score** | **125**        |
Table of Contents

Part 2 – Development Site

WATERS PARK STUDIOS
AUSTIN, TEXAS

TDHCA #18099

Tab 7 – Site Information Form Part I
Tab 8 – Supporting Documentation for the Site Information Form Part I
Tab 9 – Site Information Form Part II
Tab 10 – Supporting Documentation for the Site Information Form Part II
Tab 11 – Site Information Form Part III
Tab 12 – Supporting Documentation from Site Information Form Part III
Tab 13 – Multiple Site Information Form
Tab 14 – Elected Officials
Tab 15 – Neighborhood Organizations
Tab 16 – Certification of Notifications
Tab 7 – Site Information
Form Part I
Site Information Form Part I

1. Development Address (All Programs)

12207 Waters Park Road (78759) and 12190 N Mo Pac Expwy. (78758)

Address

7   78759   Travis   Urban

City

Region

Zip

County

Urban/Rural

2. Census Tract Information (All Programs)

48453001829   No   Median Household Income: 55980.00   Quartile: 3q   Poverty Rate: 6.9

Census Tract Number (11 digits)

QCT?   The poverty rate for the census tract is above 40% (55% for Regions 11 or 13), and the Undesirable Neighborhood Characteristics Report and required documentation has been submitted.

3. Resolutions (All Programs, if applicable) - §11.3

Check the boxes of true statements below. Resolutions must be provided to demonstrate eligibility for any unchecked item.

☐ Twice the State Average Per Capita. The proposed Development is NOT located in a municipality or a county that has more than twice the state average of units per capita supported by Tax Credits or Private activity Bonds. (QAP §11.3(c))

☒ One Mile Three Year Rule. The proposed Development is located outside an MSA or in a county with a population of less than one million OR is NOT a New Construction or Adaptive Reuse development that will be located one mile or less from a new construction or terminated/withdrawn HTC or Bond development serving the same type of household. (QAP §11.3(d))

☒ Limitations on Developments in Certain Census Tracts. The proposed Development is NOT a New Construction or Adaptive Reuse development that will be located in a census tract that has more than 20% HTC units per total households. (QAP §11.3(e))

4. Zoning [§10.204(11)] and Flood Zone Designation [§10.101(a)(11)] (All Programs)

Development Site is appropriately zoned?   Yes   Zoning Designation: LO and GR

Flood Zone Designation: Zone X   Entire Development Site is outside the 100 year floodplain. Yes

5. School Rating [§2306.6710(a)]; [§10.101(a)(3)(B)(iv)] (All Programs)

Residents of the proposed development will attend:

<table>
<thead>
<tr>
<th>School Name</th>
<th>Grades X through X</th>
<th>Met Standard Rating?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Summit Elementary</td>
<td>PK through 5</td>
<td>Yes  Yes  Yes</td>
</tr>
<tr>
<td>Murchison Middle</td>
<td>6 through 8</td>
<td>Yes  Yes  Yes</td>
</tr>
<tr>
<td>Anderson High</td>
<td>9 through 12</td>
<td>Yes  Yes  Yes</td>
</tr>
</tbody>
</table>

n/a School district has no attendance zones and the closest schools are listed.

n/a The Development Site is located within the attendance zone of an elementary school, a middle school or a high school that does not have a 2017 Met Standard rating by the Texas Education Agency, and the Undesirable Neighborhood Characteristics Report and required documentation has been submitted.

If revised form submitted, date of submission: ____________________
If revised form submitted, date of submission: ________________
Tab 8 – Supporting Documentation for the Site Information Form Part I
Supporting Documentation for the Site Information Form Part I

- x Street Map with Site Drawn and Identified
- x Census Tract Map with Development Site Identified
- x Twice the State Average of Units Per Capita Resolution
- n/a One Mile Three Year Resolution or evidence of other exception
- n/a Housing Tax Credit Units per Total Household Resolution
- x Evidence of Zoning and/or Evidence of Re-Zoning Process
- x Evidence of Flood Zone Designation
- Educational Quality (all Applications)
  - x School Attendance Zone Map with Development labeled
  - x 2017 TEA accountability information for each school and
  - n/a UNCR if a school in the attendance zone has not achieved Met Standard for three consecutive years and has failed by at least one point in the most recent year.
- n/a For Tax-Exempt Bond Applications the resolution of no objection to satisfy requirements of §10.204(4) of the Uniform Multifamily Rules is included
- n/a For Tax-Exempt Bond Applications the resolution of no objection to satisfy requirements of §10.204(4) of the Uniform Multifamily Rules is not included and will be provided under separate cover no later than 14 days prior to the Board meeting selected in Tab 1b

A Resolution must be attached to complete this item if Item 3 on Tab 7 is not checked.
2018 9% Housing Tax Credit Application

WATERS PARK STUDIOS
AUSTIN, TEXAS

TDHCA #18099

Street Map
Census Tract Map
Twice the State Average of Units Per Capita Resolution
RESOLUTION NO. 20180201-028

WHEREAS, Foundation Communities, Inc., ("Applicant"), its successors, assigns or affiliates, has proposed a development for the new construction of affordable multi-family rental housing, consisting of single room occupancy units, located at 12207 Waters Park Road, to be known as Waters Park Studios ("Development") in the City of Austin; and

WHEREAS, Applicant has communicated that it intends to submit an application to the Texas Department of Housing and Community Affairs ("TDHCA") for 2018 Low Income Housing Tax Credits for the Development; NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

In accordance with §11.3(c) of the State of Texas Qualified Allocation Plan, it is expressly acknowledged and confirmed that the City of Austin has more than twice the state average of units per capita supported by Housing Tax Credits or Private Activity Bonds; and

BE IT FURTHER RESOLVED:

The City Council supports the proposed Development and confirms that its governing body has voted specifically to approve the construction and rehabilitation of the Development and to authorize an allocation of Housing Tax Credits for the Development pursuant to Texas Government Code §2306.6703(a)(4); and

BE IT FURTHER RESOLVED:
The City Council authorizes, empowers, and directs Jannette S. Goodall, City Clerk, to certify this resolution to the TDHCA.

ADOPTED: February 1, 2018  ATTEST: Jannette S. Goodall
City Clerk
Hi Jennifer,

We understand that that the Waters Park Studios development is comprised of two parcels of land. The resolutions cover the entire project (both parcels mentioned below).

Thank you,

Ellis Morgan  
Financial Analyst IV  
City of Austin/Austin Housing Finance Corporation  
P.O. Box 1088  
Austin, TX 78767-1088  
(512) 974-3121  
Ellis.Morgan@austintexas.gov  
http://www.austintexas.gov/housing

Hi David and Ellis –

I am writing this email to ask your confirmation of your understanding that the site of Waters Park Studios contains two parcels that will be combined to be the Development Site and the addresses for those two parcels are:

12207 Waters Park Road, Austin, TX 78759  
12190 N Mo Pac Expwy, Austin, TX 78758

Please also confirm that these two parcels are understood to be included with the following resolutions:

20180201-028 – Twice the State Average of Units  
20180201-027 – Support Resolution

THANK YOU!

Jennifer Hicks, Co-Founder  
True Casa Consulting, LLC  
(512) 203-4417
Evidence of Zoning
January 10, 2018

Sabrina Butler  
Director of Housing Finance  
Foundation Communities  
3036 S. 1st Street  
Austin, TX 78704

Re: Zoning Verification for the Properties located at 12207 Waters Park Road, Austin, Texas, further described as 1.45 acres of land, more or less, out the James Rogers Survey, and 12190 North MoPac Expressway, Austin, Texas, described as Lot 2, Garner & Kissman Subdivision

Dear Ms. Butler:

This letter is to confirm that the property located at 12207 Waters Park Road is zoned limited office (LO) district and 12190 North MoPac Expressway, is zoned community commercial (GR) district.

Under the LO zoning classification applicable to 12207 Waters Park Road, a congregate living use is a conditional use, and approval of a Conditional Use Permit site plan by the Zoning and Platting Commission is required prior to establishing the use. Under the GR zoning classification applicable to 12190 North MoPac Expressway, a congregate living use is permitted provided the applicable zoning and land development regulations (height, setback, parking, etc.) and building codes are addressed. The Applicant’s proposed supportive housing Development on these parcels is permitted under the provisions of the zoning ordinances that apply to the location of the Development without a need for rezoning.

Sincerely,

Wendy Rhoades
Planning and Zoning Department
The last line in the letter is the operative line:

“The Applicant’s proposed supportive housing development on these parcels is permitted under the provisions of the zoning ordinances that apply to the location of the development without a need for re-zoning.”

With that wording, the zoning is acceptable according to our rules.

Regards,

Sharon D. Gamble MSW, PMP
Competitive Housing Tax Credit Program Administrator
Texas Department of Housing and Community Affairs
(512) 936-7834

Any person receiving guidance from TDHCA staff should be mindful that, as set forth in 10 TAC Section 11.1(b) there are important limitations and caveats (Also see 10 TAC §10.2(a)).

About TDHCA
The Texas Department of Housing and Community Affairs administers a number of state and federal programs through for-profit, nonprofit, and local government partnerships to strengthen communities through affordable housing development, homeownership opportunities, weatherization, and community-based services for Texans in need. For more information, including current funding opportunities and information on local providers, please visit www.tdhca.state.tx.us
(B) Zoning Ordinance in Effect. The Application must include a letter from a local government official with appropriate jurisdiction stating the Development is permitted under the provisions of the zoning ordinance that applies to the location of the Development.

We appreciate your thoughts on this.

THANK YOU!

Jennifer Hicks, Co-Founder
True Casa Consulting, LLC
(512) 203-4417
jennifer@truecasa.net
www.truecasa.net
Evidence of Flood Zone Designation
only this corner is in the floodplain - bps
2018 9% Housing Tax Credit Application

WATERS PARK STUDIOS
AUSTIN, TEXAS

TDHCA #18099

Educational Quality
TEAS ERUCTION AGENCY
2017 Accountability Summary
SUMMIL EL (227901138) - AUSTIN ISD

Accountability Rating
Met Standard

Met Standards on
- Student Achievement
- Student Progress
- Closing Performance Gaps
- Postsecondary Readiness

Did Not Meet Standards on
- NONE

In 2017, to receive a Met Standard or Met Alternative Standard rating, districts and campuses must meet targets on those indexes: Index 1 or Index 2 and Index 3 and Index 4.

Performance Index Report

<table>
<thead>
<tr>
<th>Index</th>
<th>Points Earned</th>
<th>Maximum Points</th>
<th>Index Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 - Student Achievement</td>
<td>739</td>
<td>898</td>
<td>82</td>
</tr>
<tr>
<td>2 - Student Progress</td>
<td>682</td>
<td>1,400</td>
<td>49</td>
</tr>
<tr>
<td>3 - Closing Performance Gaps</td>
<td>1,018</td>
<td>2,200</td>
<td>46</td>
</tr>
<tr>
<td>4 - Postsecondary Readiness</td>
<td>53.8</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

Performance Index Summary

Campus Demographics

Campus Type: Elementary
Campus Size: 828 students
Grade Span: EE - 05

Percent Economically Disadvantaged: 30.6
Percent English Language Learners: 30.3
Mobility Rate: 12.7
Percent Served by Special Education: 9.2
Percent Enrolled in an Early College High School Program: 0.0

System Safeguards

Number and Percentage of Indicators Met

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Met Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance Rates</td>
<td>23 out of 24 = 96%</td>
</tr>
<tr>
<td>Participation Rates</td>
<td>14 out of 14 = 100%</td>
</tr>
<tr>
<td>Graduation Rates</td>
<td>N/A</td>
</tr>
<tr>
<td>Total</td>
<td>37 out of 38 = 97%</td>
</tr>
</tbody>
</table>

For further information about this report, please see the Performance Reporting website at https://ptsvr1.tea.texas.gov/perfreport/account/2017/index.html

TEA | Academics | Performance Reporting | August 15, 2017
Accountability Rating

Met Standard

Met Standards on
- Student Achievement
- Student Progress
- Closing Performance Gaps
- Postsecondary Readiness

Did Not Meet Standards on
- NONE

In 2016, to receive a Met Standard or Met Alternative Standard rating, districts and campuses must meet targets on three indexes: Index 1 or Index 2 and Index 3 and Index 4.

Performance Index Report

Performance Index Summary

<table>
<thead>
<tr>
<th>Index</th>
<th>Points Earned</th>
<th>Maximum Points</th>
<th>Index Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 - Student Achievement</td>
<td>775</td>
<td>979</td>
<td>79</td>
</tr>
<tr>
<td>2 - Student Progress</td>
<td>587</td>
<td>1,400</td>
<td>42</td>
</tr>
<tr>
<td>3 - Closing Performance Gaps</td>
<td>981</td>
<td>2,200</td>
<td>45</td>
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<td>4 - Postsecondary Readiness</td>
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<td>STAAR Score</td>
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<tr>
<td>Graduation Rate Score</td>
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<td>N/A</td>
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<tr>
<td>Graduation Plan Score</td>
<td>N/A</td>
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</tr>
<tr>
<td>Postsecondary Component Score</td>
<td>N/A</td>
<td>N/A</td>
<td></td>
</tr>
</tbody>
</table>

Distinction Designation

- Academic Achievement in ELA/Reading: NO DISTINCTION EARNED
- Academic Achievement in Mathematics: NO DISTINCTION EARNED
- Academic Achievement in Science: NO DISTINCTION EARNED
- Academic Achievement in Social Studies: NOT ELIGIBLE
- Top 25 Percent Student Progress: NO DISTINCTION EARNED
- Top 25 Percent Closing Performance Gaps: NO DISTINCTION EARNED
- Postsecondary Readiness: NO DISTINCTION EARNED

Campus Demographics

- Campus Type: Elementary
- Campus Size: 811 Students
- Grade Span: EE - 05
- Percent Economically Disadvantaged: 37.1
- Percent English Language Learners: 31.3
- Mobility Rate: 7.7

System Safeguards

Number and Percentage of Indicators Met

- Performance Rates: 23 out of 27 = 85%
- Participation Rates: 16 out of 16 = 100%
- Graduation Rates: N/A

Total: 39 out of 43 = 91%

For further information about this report, please see the Performance Reporting Division website at https://rptsv1.tea.texas.gov/perfreport/account/2016/index.html

TEA Division of Performance Reporting
Page 1
September 2016
Texas Education Agency
2015 Accountability Summary
Summitt EL (227901138) - Austin ISD

Accountability Rating

Met Standard

<table>
<thead>
<tr>
<th>Met Standards on</th>
<th>Did Not Meet Standards on</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Student Achievement</td>
<td>- NONE</td>
</tr>
<tr>
<td>- Student Progress</td>
<td></td>
</tr>
<tr>
<td>- Closing Performance Gaps</td>
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</tr>
<tr>
<td>- Postsecondary Readiness</td>
<td></td>
</tr>
</tbody>
</table>

In 2015, to receive a Met Standard or Met Alternative Standard rating, districts and campuses must meet targets on three indexes: Index 1 or Index 2 and Index 3 and Index 4.

Performance Index Report

<table>
<thead>
<tr>
<th>Index</th>
<th>Points Earned</th>
<th>Maximum Points</th>
<th>Index Score</th>
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</thead>
<tbody>
<tr>
<td>1 - Student Achievement</td>
<td>475</td>
<td>550</td>
<td>86</td>
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<tr>
<td>2 - Student Progress</td>
<td>524</td>
<td>1,000</td>
<td>52</td>
</tr>
<tr>
<td>3 - Closing Performance Gaps</td>
<td>764</td>
<td>1,600</td>
<td>48</td>
</tr>
<tr>
<td>4 - Postsecondary Readiness</td>
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<td></td>
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Performance Index Summary

Distinction Designation

<table>
<thead>
<tr>
<th>Academic Achievement in Reading/ELA</th>
<th>DISTINCTION EARNED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Academic Achievement in Mathematics</td>
<td>NOT ELIGIBLE</td>
</tr>
<tr>
<td>Academic Achievement in Science</td>
<td>NO DISTINCTION EARNED</td>
</tr>
<tr>
<td>Academic Achievement in Social Studies</td>
<td>NOT ELIGIBLE</td>
</tr>
<tr>
<td>Top 25 Percent Student Progress</td>
<td>DISTINCTION EARNED</td>
</tr>
<tr>
<td>Top 25 Percent Closing Performance Gaps</td>
<td>NO DISTINCTION EARNED</td>
</tr>
<tr>
<td>Postsecondary Readiness</td>
<td>NO DISTINCTION EARNED</td>
</tr>
</tbody>
</table>

Campus Demographics

<table>
<thead>
<tr>
<th>Campus Type</th>
<th>774 Students</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grade Span</td>
<td>EE - 05</td>
</tr>
<tr>
<td>Percent Economically Disadvantaged</td>
<td>35.0</td>
</tr>
<tr>
<td>Percent English Language Learners</td>
<td>31.3</td>
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<tr>
<td>Mobility Rate</td>
<td>10.0</td>
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State System Safeguards

<table>
<thead>
<tr>
<th>Number and Percent of Indicators Met</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance Rates</td>
</tr>
<tr>
<td>Participation Rates</td>
</tr>
<tr>
<td>Graduation Rates</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

For further information about this report, please see the Performance Reporting Division website at http://ritter.tea.state.tx.us/perfreport/account/2015/index.html
TEXAS EDUCATION AGENCY
2017 Accountability Summary
MURCHISON MIDDLE (227901052) - AUSTIN ISD

Accountability Rating
Met Standard

Met Standards on
- Student Achievement
- Student Progress
- Closing Performance Gaps
- Postsecondary Readiness

Did Not Meet Standards on
- NONE

Performance Index Report

<table>
<thead>
<tr>
<th>Index</th>
<th>Points Earned</th>
<th>Maximum Points</th>
<th>Index Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 - Student Achievement</td>
<td>3,201</td>
<td>3,744</td>
<td>85</td>
</tr>
<tr>
<td>2 - Student Progress</td>
<td>619</td>
<td>1,600</td>
<td>39</td>
</tr>
<tr>
<td>3 - Closing Performance Gaps</td>
<td>1,063</td>
<td>2,600</td>
<td>41</td>
</tr>
<tr>
<td>4 - Postsecondary Readiness</td>
<td>52.2</td>
<td>N/A</td>
<td>52</td>
</tr>
</tbody>
</table>

STAAR Score
Graduation Rate Score
Graduation Plan Score
Postsecondary Component Score

Distinction Designation

<table>
<thead>
<tr>
<th>Academic Achievement in ELA/Reading</th>
<th>NO DISTINCTION EARNED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Academic Achievement in Mathematics</td>
<td>NO DISTINCTION EARNED</td>
</tr>
<tr>
<td>Academic Achievement in Science</td>
<td>NO DISTINCTION EARNED</td>
</tr>
<tr>
<td>Academic Achievement in Social Studies</td>
<td>NO DISTINCTION EARNED</td>
</tr>
<tr>
<td>Top 25 Percent Student Progress</td>
<td>NO DISTINCTION EARNED</td>
</tr>
<tr>
<td>Top 25 Percent Closing Performance Gaps</td>
<td>NO DISTINCTION EARNED</td>
</tr>
<tr>
<td>Postsecondary Readiness</td>
<td>NO DISTINCTION EARNED</td>
</tr>
</tbody>
</table>

Campus Demographics

<table>
<thead>
<tr>
<th>Campus Type</th>
<th>Middle School</th>
</tr>
</thead>
<tbody>
<tr>
<td>Campus Size</td>
<td>1,328 Students</td>
</tr>
<tr>
<td>Grade Span</td>
<td>06 - 08</td>
</tr>
<tr>
<td>Percent Economically Disadvantaged</td>
<td>22.3</td>
</tr>
<tr>
<td>Percent English Language Learners</td>
<td>9.7</td>
</tr>
<tr>
<td>Mobility Rate</td>
<td>8.7</td>
</tr>
<tr>
<td>Percent Served by Special Education</td>
<td>7.2</td>
</tr>
<tr>
<td>Percent Enrolled in an Early College</td>
<td>0.0</td>
</tr>
<tr>
<td>High School Program</td>
<td>0.0</td>
</tr>
</tbody>
</table>

System Safeguards

<table>
<thead>
<tr>
<th>Number and Percentage of Indicators Met</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance Rates</td>
</tr>
<tr>
<td>Participation Rates</td>
</tr>
<tr>
<td>Graduation Rates</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

For further information about this report, please see the Performance Reporting website at https://ptsrv1.tea.texas.gov/perfreport/account/2017/index.html

TEA | Academics | Performance Reporting | Page 1
August 15, 2017
Accountability Rating

Met Standard

Met Standards on
- Student Achievement
- Student Progress
- Closing Performance Gaps
- Postsecondary Readiness

Did Not Meet Standards on
- NONE

Performance Index Report

Index 1: Student Achievement (Target Score=60)
- Points Earned: 84

Index 2: Student Progress (Target Score=30)
- Points Earned: 36

Index 3: Closing Performance Gaps (Target Score=30)
- Points Earned: 41

Index 4: Postsecondary Readiness (Target Score=11)
- Points Earned: 52

Distinction Designation

Academic Achievement in ELA/Reading: NO DISTINCTION EARNED
Academic Achievement in Mathematics: NO DISTINCTION EARNED
Academic Achievement in Science: NO DISTINCTION EARNED
Academic Achievement in Social Studies: NO DISTINCTION EARNED
Top 25 Percent Student Progress: NO DISTINCTION EARNED
Top 25 Percent Closing Performance Gaps: NO DISTINCTION EARNED
Postsecondary Readiness: NO DISTINCTION EARNED

Campus Demographics

Campus Type: Middle School
Campus Size: 1,365 Students
Grade Span: 06 - 08
Percent Economically Disadvantaged: 25.4
Percent English Language Learners: 9.7
Mobility Rate: 8.2

Performance Index Summary

<table>
<thead>
<tr>
<th>Index</th>
<th>Points Earned</th>
<th>Maximum Points</th>
<th>Index Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 - Student Achievement</td>
<td>3,238</td>
<td>3,854</td>
<td>84</td>
</tr>
<tr>
<td>2 - Student Progress</td>
<td>582</td>
<td>1,600</td>
<td>36</td>
</tr>
<tr>
<td>3 - Closing Performance Gaps</td>
<td>994</td>
<td>2,400</td>
<td>41</td>
</tr>
<tr>
<td>4 - Postsecondary Readiness</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

System Safeguards

Number and Percentage of Indicators Met

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Met Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance Rates</td>
<td>31 out of 40 = 78%</td>
</tr>
<tr>
<td>Participation Rates</td>
<td>18 out of 18 = 100%</td>
</tr>
<tr>
<td>Graduation Rates</td>
<td>N/A</td>
</tr>
</tbody>
</table>

Total: 49 out of 58 = 84%

For further information about this report, please see the Performance Reporting Division website at https://rptsv1.tea.texas.gov/perfreport/account/2016/index.html

TEA Division of Performance Reporting Page 1 September 2016
Accountability Rating
Met Standard

Met Standards on
- Student Achievement
- Student Progress
- Closing Performance Gaps
- Postsecondary Readiness

Did Not Meet Standards on
- NONE

In 2015, to receive a Met Standard or Met Alternative Standard rating, districts and campuses must meet targets on three indexes: Index 1 or Index 2 and Index 3 and Index 4.

Performance Index Report

Index 1
Student Achievement (Target Score=60)
Points Earned: 89

Index 2
Student Progress (Target Score=28)
Points Earned: 38

Index 3
Closing Performance Gaps (Target Score=27)
Points Earned: 43

Index 4
Postsecondary Readiness (Target Score=13)
Points Earned: 50

Distinction Designation

Academic Achievement in Reading/ELA
DISTINCTION EARNED

Academic Achievement in Mathematics
DISTINCTION EARNED

Academic Achievement in Science
NO DISTINCTION EARNED

Academic Achievement in Social Studies
NO DISTINCTION EARNED

Top 25 Percent Student Progress
NO DISTINCTION EARNED

Top 25 Percent Closing Performance Gaps
NO DISTINCTION EARNED

Postsecondary Readiness
NO DISTINCTION EARNED

Campus Demographics

Campus Type
Middle School

Campus Size
1,363 Students

Grade Span
06 - 08

Percent Economically Disadvantaged
27.7

Percent English Language Learners
7.6

Mobility Rate
7.3

Performance Index Summary

Index
Points Earned
Maximum Points
Index Score
1 - Student Achievement
2,304
2,593
89
2 - Student Progress
612
1,600
38
3 - Closing Performance Gaps
772
1,800
43
4 - Postsecondary Readiness

STAAR Score
49.8

Graduation Rate Score
N/A

Graduation Plan Score
N/A

Postsecondary Component Score
N/A

State System Safeguards

Number and Percent of Indicators Met

Performance Rates
27 out of 27 = 100%

Participation Rates
11 out of 11 = 100%

Graduation Rates
N/A

Total
38 out of 38 = 100%

For further information about this report, please see the Performance Reporting Division website at http://ritter.tea.state.tx.us/perfreport/account/2015/index.html
Accountability Rating

Met Standard

Met Standards on
- Student Achievement
- Student Progress
- Closing Performance Gaps
- Postsecondary Readiness

Did Not Meet Standards on
- NONE

In 2017, to receive a Met Standard or Met Alternative Standard rating, districts and campuses must meet targets on three indexes: Index 1 or Index 2 and Index 3 and Index 4.

Performance Index Report

Index 1
Student Achievement (Target Score=60)
- 89

Index 2
Student Progress (Target Score=17)
- 37

Index 3
Closing Performance Gaps (Target Score=10)
- 52

Index 4
Postsecondary Readiness (Target Score=60)
- 87

Distinction Designation

- Academic Achievement in ELA/Reading: DISTINCTION EARNED
- Academic Achievement in Mathematics: DISTINCTION EARNED
- Academic Achievement in Science: DISTINCTION EARNED
- Academic Achievement in Social Studies: DISTINCTION EARNED
- Top 25 Percent Student Progress: DISTINCTION EARNED
- Top 25 Percent Closing Performance Gaps: NO DISTINCTION EARNED
- Postsecondary Readiness: DISTINCTION EARNED

Campus Demographics

Campus Type: High School
Campus Size: 2,212 Students
Grade Span: 09 - 12
Percent Economically Disadvantaged: 22.6
Percent English Language Learners: 4.6
Mobility Rate: 9.9
Percent Served by Special Education: 7.5
Percent Enrolled in an Early College High School Program: 0.0

Performance Index Summary

<table>
<thead>
<tr>
<th>Index</th>
<th>Points Earned</th>
<th>Maximum Points</th>
<th>Index Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 - Student Achievement</td>
<td>2,428</td>
<td>2,736</td>
<td>89</td>
</tr>
<tr>
<td>2 - Student Progress</td>
<td>588</td>
<td>1,600</td>
<td>37</td>
</tr>
<tr>
<td>3 - Closing Performance Gaps</td>
<td>1,131</td>
<td>2,200</td>
<td>52</td>
</tr>
<tr>
<td>4 - Postsecondary Readiness</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>STAAR Score</td>
<td>19.1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Graduation Rate Score</td>
<td>24.7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Graduation Plan Score</td>
<td>23.9</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Postsecondary Component Score</td>
<td>19.6</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

System Safeguards

Number and Percentage of Indicators Met

| Performance Rates | 28 out of 32 = 88% |
| Participation Rates | 17 out of 17 = 100% |
| Graduation Rates | 7 out of 7 = 100% |

Total: 52 out of 56 = 93%

For further information about this report, please see the Performance Reporting website at https://rptsrv1.tea.texas.gov/perfreport/account/2017/index.html

TEA | Academics | Performance Reporting Page 1 August 15, 2017
Accountability Rating

Met Standard

Met Standards on
- Student Achievement
- Student Progress
- Closing Performance Gaps
- Postsecondary Readiness

Did Not Meet Standards on
- NONE

In 2016, to receive a Met Standard or Met Alternative Standard rating, districts and campuses must meet targets on three indexes: Index 1 or Index 2 and Index 3 and Index 4.

Performance Index Report

Performance Index Summary

<table>
<thead>
<tr>
<th>Index</th>
<th>Points Earned</th>
<th>Maximum Points</th>
<th>Index Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 - Student Achievement</td>
<td>2,519</td>
<td>2,802</td>
<td>90</td>
</tr>
<tr>
<td>2 - Student Progress</td>
<td>666</td>
<td>1,600</td>
<td>42</td>
</tr>
<tr>
<td>3 - Closing Performance Gaps</td>
<td>1,108</td>
<td>2,400</td>
<td>50</td>
</tr>
<tr>
<td>4 - Postsecondary Readiness</td>
<td>18.7</td>
<td>18.1</td>
<td>85</td>
</tr>
</tbody>
</table>

System Safeguards

Number and Percentage of Indicators Met

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Number Met</th>
<th>Percentage Met</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance Rates</td>
<td>30 out of 33</td>
<td>91%</td>
</tr>
<tr>
<td>Participation Rates</td>
<td>17 out of 17</td>
<td>100%</td>
</tr>
<tr>
<td>Graduation Rates</td>
<td>8 out of 8</td>
<td>100%</td>
</tr>
<tr>
<td>Total</td>
<td>55 out of 58</td>
<td>95%</td>
</tr>
</tbody>
</table>

For further information about this report, please see the Performance Reporting Division website at https://rptsr1.tea.texas.gov/perreport/account/2016/index.html

TEA Division of Performance Reporting Page 1 September 2016
Texas Education Agency
2015 Accountability Summary
Anderson H S (227901009) - Austin ISD

Accountability Rating
Met Standard

Met Standards on                           Did Not Meet Standards on
- Student Achievement                      - NONE
- Student Progress                         - Closing Performance Gaps
- Closing Performance Gaps                 - Postsecondary Readiness

In 2015, to receive a Met Standard or Met Alternative Standard rating, districts and campuses must meet targets on three indexes: Index 1, Index 2, and Index 3 and Index 4.

Performance Index Report

<table>
<thead>
<tr>
<th>Index</th>
<th>Points Earned</th>
<th>Maximum Points</th>
<th>Index Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 - Student Achievement</td>
<td>2,472</td>
<td>2,701</td>
<td>92</td>
</tr>
<tr>
<td>2 - Student Progress</td>
<td>626</td>
<td>1,600</td>
<td>39</td>
</tr>
<tr>
<td>3 - Closing Performance Gaps</td>
<td>1,098</td>
<td>2,000</td>
<td>55</td>
</tr>
<tr>
<td>4 - Postsecondary Readiness</td>
<td>19.0</td>
<td>24.4</td>
<td>24.0</td>
</tr>
<tr>
<td>STARR Score</td>
<td>24.4</td>
<td>22.4</td>
<td>90</td>
</tr>
<tr>
<td>Graduation Rate Score</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Graduation Plan Score</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Postsecondary Component Score</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Distinction Designation
- Academic Achievement in Reading/ELA  DISTINCTION EARNED
- Academic Achievement in Mathematics  DISTINCTION EARNED
- Academic Achievement in Science      DISTINCTION EARNED
- Academic Achievement in Social Studies DISTINCTION EARNED
- Top 25 Percent Student Progress      DISTINCTION EARNED
- Top 25 Percent Closing Performance Gaps DISTINCTION EARNED
- Postsecondary Readiness              DISTINCTION EARNED

Campus Demographics
- Campus Type: High School
- Campus Size: 2,211 Students
- Grade Span: 09 - 12
- Percent Economically Disadvantaged: 26.8
- Percent English Language Learners: 4.7
- Mobility Rate: 8.4

Performance Index Summary

State System Safeguards

Number and Percent of Indicators Met
- Performance Rates: 22 out of 24 = 92%
- Participation Rates: 14 out of 15 = 93%
- Graduation Rates: 6 out of 6 = 100%
- Total: 42 out of 45 = 93%

For further information about this report, please see the Performance Reporting Division website at http://ritter.tea.state.tx.us/perfreport/account/2015/index.html
Tab 9 – Site Information
Form Part II
### Site Information Form Part II

1. **§11.9(c)(4) - Opportunity Index (Competitive HTC and Direct Loan Applications Only)**

   - Development Site is located entirely within a census tract that has a poverty rate that is less than 20% or that is less than the median poverty rate for the region, whichever is higher.
   - **AND**
     - The census tract has a median household income rate in the two highest quartiles within the region.
   - **OR**
     - The census tract has a median household income in the third quartile within the region, and is contiguous to a census tract in the first or second quartile without physical barriers such as highways or rivers between, and the Development Site is no more than 2 miles from the boundary between the census tracts. A map showing the Development Site, location of the border, scale showing distance, and other applicable evidence is included.

   - **Contiguous Census Tract #** 48453001846
   - **Contiguous Tract Quartile** 1st

   - Development is Urban and Development Site is within the required radius of eligible amenities and/or services, pursuant to §11.9(c)(4)(B)(i) of the QAP. A map showing the Development Site, scale showing radius, location of the amenities, and evidence that the amenity meets all requirements of the rule, as applicable, is included.

   | full service grocery store (1 mile) | health-related facility (3 miles) |
   | pharmacy (1 mile)                  | university or community college (5 miles) |
   | census tract with ≥27% associate degrees adults aged ≥2 | delivered meals service |

   - Development is Rural or USDA and Development Site is within the required distance of eligible amenities and/or services pursuant to §11.9(c)(4)(R)(ii) of the QAP. A map showing the Development Site, scale showing radius, location of the amenities, and evidence that the amenity meets all requirements of the rule, as applicable, is included.

   - No members of the Applicant or Affiliates had an ownership position in a selected amenity or served on the board or staff of a nonprofit that owned or managed a selected amenity within the year preceding the Pre-Application Final Delivery Date.

### Application is seeking points for Opportunity Index.

**Total Points Claimed:** 7

If necessary, provide a brief summary of how the Development Site is justifying the points selected:
2. **§11.9(c)(5) - Underserved Area (Competitive HTC and Direct Loan Applications Only)**

Applications may qualify for up to five (5) points for proposed Developments located in one of the following areas:

- Wholly or partially within a Colonia (Note: Not eligible if application qualifies for Opportunity Index points);
- Entirely within the boundaries of an Economically Distressed Area (Note: Not eligible if application qualifies for Opportunity Index points);
- Entirely within a census tract that does not have a Development that was awarded less than 30 years ago according to the Department’s property inventory tab of the Site Demographic Characteristics Report;
- Entirely within a census tract that does not have a Development that was awarded less than 15 years ago according to the Department’s property inventory tab of the Site Demographic Characteristics Report;
- Yes

   Entirely within a census tract whose boundaries are wholly within an incorporated area and the census tract itself and all of its contiguous census tracts do not have a Development that was awarded less than 15 years ago according to the Department’s property inventory tab of the Site Demographic Characteristics Report. This item will apply in Places with a population of 150,000 or more, and will not apply in the At-Risk Set-Aside.

<table>
<thead>
<tr>
<th>Contiguous Census Tract #</th>
<th>48453001846</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contiguous Census Tract #</td>
<td>48453001849</td>
</tr>
<tr>
<td>Contiguous Census Tract #</td>
<td>48453001848</td>
</tr>
<tr>
<td>Contiguous Census Tract #</td>
<td>48453001828</td>
</tr>
<tr>
<td>Contiguous Census Tract #</td>
<td>48453001850</td>
</tr>
</tbody>
</table>

Application is seeking points for Underserved Area.  
Total Points Claimed: 5

3. **§11.9(c)(7) - Proximity to the Urban Core (Competitive HTC Applications Only)**

- Development Site is located in a Place with a population over 200,000 and is not in the At-Risk Set-Aside.

   AND
   
   - Population of Place is 200,000-499,999 and Development is located w/in 2 miles of the main municipal government administration building.
   
   OR
   
   - Population of Place is 500,000 or more and Development is located w/in 4 miles of the main municipal government administration building.

Application is seeking points for Proximity to the Urban Core.  
Total Points Claimed: U

4. **§11.9(c)(7) - Concerted Revitalization Plan (Competitive HTC Applications Only)**

Region: 7  Urban

- Development is in an Urban Area.
- Application includes a copy of the plan or a link to the online plan and a description of where specific information required can be found in the plan.
- Plan is current at the time of Application and officially continues for a minimum of three years thereafter.
- Plan has been adopted by the municipality or county and resolution or certification is attached.
- Letter from appropriate local official, target area map, and supporting documentation are provided.
- Development is explicitly identified by the municipality or county as contributing more than any other to the concerted revitalization efforts of the municipality, county or district; resolution stating such is provided.
- Evidence of sufficient, documented and committed funding to accomplish the plan’s purposes on its established timetable is provided.
- No points were claimed for Opportunity Index, but location would qualify for at least 4 points under §11.9(c)(4)(D):

- A map showing the Development Site, scale showing radius, location of the amenities, and evidence that the amenity meets all requirements of the rule, as applicable, is included.
- No members of the Applicant or Affiliates had an ownership position in a selected amenity or served on the board or staff of a nonprofit that owned or managed a selected amenity within the year preceding the Pre-Application Final Delivery Date.

OR
Development is in a Rural Area.  Rehabilitation  Demolition/Reconstruction
Development has been leased at 85% or more for the six months preceding Application by low income households (excluding unlivable units identified in CNA):
AND
Development was constructed 25 or more years prior to Application submission as either public housing or as affordable housing with support from USDA, HUD, HOME, or CDBG;
AND, if applicable,
demolition and relocation of units has been determined locally to be necessary to comply with Affirmatively Furthering Fair Housing Rule or to create acceptable distance from Undesirable Neighborhood Characteristics.
Development is explicitly identified in a resolution by the municipality or county as contributing more than any other to the concerted revitalization efforts of the municipality or county; letter from Governing Body stating such is provided behind this tab.
No points were claimed for Opportunity Index, but location would qualify for at least 4 points under §11.9(c)(4)(B):

A map showing the Development Site, scale showing radius, location of the amenities, and evidence that the amenity meets all requirements of the rule, as applicable, is included behind this tab.
No members of the Applicant or Affiliates had an ownership position in a selected amenity or served on the board or staff of a nonprofit that owned or managed a selected amenity within the year preceding the Pre-Application Final Delivery Date.

**Application is seeking points for Concerted Revitalization. Total Points Claimed: 0**

5. §11.9(c)(3) - Declared Disaster Area Scoring (Competitive HTC Applications ONLY)

Development is located in an area that qualifies as a Declared Disaster Area as defined in §11.9(c)(3).

**Application is seeking points for Declared Disaster Area. Total Points Claimed: 10**

6. §11.9(c)(8) - Readiness to Proceed in Disaster Impacted Counties (Competitive HTC Applications ONLY)

Application meets all of the following requirements:

- Application is for a proposed Development located in a county declared by FEMA to be eligible for individual assistance within the year proceeding the Full Application Delivery Date.
- Application includes evidence that the Applicant will close all financing on or before October 31, 2018.
- Application includes evidence that the Applicant will fully execute the construction contract on or before October 31, 2018.
- Application includes evidence that appropriate zoning will be in place at award.
- Application includes a DETAIL FD narrative description of each piece of evidence provided and how that evidence proves that the Applicant will close all financing and fully execute the construction contract on or before October 31, 2018.

**Application is seeking points for Readiness to Proceed. Total Points Claimed: 0**
Tab 10 – Supporting Documentation from Site Information Part II
<table>
<thead>
<tr>
<th>Requirement</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opportunity Index (Competitive HTC and Direct Loan Only)</td>
<td>✔️</td>
</tr>
<tr>
<td>Map with Development Site boundaries indicated, relative to census tract boundaries</td>
<td>✔️</td>
</tr>
<tr>
<td>Map with Development Site boundaries indicated, relative to census tract boundaries; and contiguous census tract with evidence of no physical barriers between the tracts</td>
<td>✔️</td>
</tr>
<tr>
<td>Map(s) of Community Assets with Development, radius, and each asset labeled</td>
<td>✔️</td>
</tr>
<tr>
<td>Distances are measured from the nearest boundary of the Development Site to the nearest boundary of the property or easement containing the facility, unless otherwise noted. All measurements include ingress/egress and any easements</td>
<td>✔️</td>
</tr>
<tr>
<td>For each amenity, supporting documentation to evidence how the amenity meets each requirement for the amenity</td>
<td>✔️</td>
</tr>
<tr>
<td>Print-out from DFPS website confirming daycare licensed to serve relevant age groups</td>
<td>✔️</td>
</tr>
<tr>
<td>(<a href="http://www.dfps.state.tx.us/Child_Care/Search_Texas_Child_Care/ppFacilitySearchDayCare.asp">http://www.dfps.state.tx.us/Child_Care/Search_Texas_Child_Care/ppFacilitySearchDayCare.asp</a>)</td>
<td>✔️</td>
</tr>
<tr>
<td>Crime rate information for census tract from Neighborhood Scout or local data source dated after October 1, 2017, including the computation used to determine the crime rate</td>
<td>✔️</td>
</tr>
<tr>
<td>(<a href="https://www.neighborhoodscout.com">https://www.neighborhoodscout.com</a>)</td>
<td>✔️</td>
</tr>
<tr>
<td>Print-out from THEC8 website confirming accreditation of university or community college</td>
<td>✔️</td>
</tr>
<tr>
<td><a href="http://www.tschpeddata.org/Interactive/Institutions.cfm">http://www.tschpeddata.org/Interactive/Institutions.cfm</a></td>
<td>✔️</td>
</tr>
<tr>
<td>Evidence of regular and recurring substantive services provided by community, civic or service organization, as applicable</td>
<td>✔️</td>
</tr>
<tr>
<td>Evidence amenity is operational or has started site work (for instance: website postings, newspaper ads, etc.); evidence of costs or membership fees, age restrictions, as applicable</td>
<td>✔️</td>
</tr>
<tr>
<td>Evidence of Underserved Area (Competitive HTC and Direct Loan Only)</td>
<td>✔️</td>
</tr>
<tr>
<td>For Colonia:</td>
<td>✔️</td>
</tr>
<tr>
<td>Evidence from Attorney General of Colonia boundaries: and</td>
<td>✔️</td>
</tr>
<tr>
<td><a href="http://www.texasattorneygeneral.gov/cpd/coloniais">http://www.texasattorneygeneral.gov/cpd/coloniais</a></td>
<td>✔️</td>
</tr>
<tr>
<td>Letter from the appropriate local government official or other evidence that the Colonia lacks infrastructure and the development will enable the current dwellings to connect to such infrastructure; and</td>
<td>✔️</td>
</tr>
<tr>
<td>Map showing development site boundaries, relative to Colonia boundaries, and distance from Rio Grande river</td>
<td>✔️</td>
</tr>
<tr>
<td>For Economically Distressed Areas:</td>
<td>✔️</td>
</tr>
<tr>
<td>A letter or correspondence from Texas Water Development Board indicating the boundaries of the EDA; and</td>
<td>✔️</td>
</tr>
<tr>
<td>Map showing development site boundaries, relative to EDA boundaries.</td>
<td>✔️</td>
</tr>
<tr>
<td>For other items:</td>
<td>✔️</td>
</tr>
<tr>
<td>Development must be awarded 2002 or earlier for 15-year threshold and 1987 or earlier for 30-year threshold. The Site Demographic Characteristics Report is posted on the Department's website at</td>
<td>✔️</td>
</tr>
<tr>
<td><a href="http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm">http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm</a></td>
<td>✔️</td>
</tr>
<tr>
<td>Map with Development Site boundaries indicated, relative to census tract boundaries</td>
<td>✔️</td>
</tr>
<tr>
<td>Map with census tract boundaries indicated, relative to boundaries of incorporated area, if applicable</td>
<td>✔️</td>
</tr>
<tr>
<td>Map with all contiguous census tracts, if applicable</td>
<td>✔️</td>
</tr>
<tr>
<td>Proximity to Urban Core (Competitive HTC Only)</td>
<td>✔️</td>
</tr>
<tr>
<td>Map with the appropriate radius, City Hall location, and evidence of meetings regularly scheduled for City Council, City Commission, or similar governing body.</td>
<td>✔️</td>
</tr>
</tbody>
</table>
Concerted Revitalization Plan (Competitive HTC Only)

Urban:
- Copy of the plan, or link to electronic copy. Plan must document that 11.9(d)(7)(A)(ii)(I-V) are met.
- Map of target area(s) with location of Development Site clearly identified.
- Resolution adopting the Concerted Revitalization Plan or resolution of delegation and other documentation.
- Resolution identifying Development as contributing more than any other to revitalization effort
- Letter from appropriate local official providing documentation of measurable improvements.
- Evidence of committed funding
- For each amenity, supporting documentation to evidence that the amenity meets each Opportunity Index requirement for the amenity

Rural:
- Current rent roll
- Evidence Development constructed 25 or more years prior to application (1992 or earlier)
- Evidence Development is public housing or affordable housing supported by USDA, HUD, HOME or CDBG
- Evidence demolition and relocation of units has been determined locally to be necessary to comply with Affirmatively Furthering Fair Housing Rule or to create acceptable distance from Undesirable Neighborhood Characteristics, if applicable.
- Resolution from appropriate Governing Body describing concerted revitalization effort and identifying Development as contributing more than any other to such effort.
- For each amenity, supporting documentation to evidence that the amenity meets each Opportunity Index requirement for the amenity

Declared Disaster Area:
- The county in which the Development Site is located is listed or the 2018 List of Declared Disaster Areas (no further documentation is required).
  The List of Declared Disaster Areas is posted on the Department's website at http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm
- Applicant believes the county in which the Development Site is located was omitted from the list and should be listed.
  Application includes evidence that the Development Site is located in an area declared to be a disaster area under Tex. Gov't Code §418.014 at the time of early Application submission (January 26, 2018), at the Full Application Delivery Date, or at any time within the two-year period preceding the Full Application Delivery Date (as of March 1, 2016).

Readiness to Proceed
- The county in which the Development Site is located is listed or the 2018 List of Declared Disaster Areas eligible for points under 10 TAC §11.9(c)(8) (no further documentation is required).
- Evidence that the Applicant meets the requirements for Readiness to Proceed. Pursuant to 10 TAC 11.9(c)(8), the Application must include evidence that appropriate zoning will be in place at award (July 26, 2018).
- Application includes evidence that appropriate zoning will be in place at award.
  Further, the Application must include evidence that the Applicant will close all financing and fully execute the construction contract on or before the last business day of October 2018. Examples of the kinds of documentation that may be used to evidence those milestones are listed below. Applicants may select any of these items, or use the "Other" selections to describe the evidence presented.
  Each piece of evidence provided must be accompanied by a detailed narrative describing how that piece of evidence will allow the Applicant to meet the requirements. If evidence is not included behind this tab, use the space to describe where in the Application the evidence can be found. Evidence may include, but is not limited to:
  - Loan or equity commitments with evidence of completed due diligence
  - Confirmation from lender that non-refundable application and/or due diligence fee has been paid to lender and/or equity provider
Opportunity Index

- Map with Development Site Boundaries relative to Census Tract Boundaries
- Map with Development Site Boundaries relative to Census Tract Boundaries and Contiguous Tract with no Physical Barriers
- Map of Community Assets
- Supporting Documentation for Community Assets
Map with Development Site Boundaries relative to Census Tract Boundaries

Waters Park Studios is located entirely within Census Tract #48453001829 that has a poverty rate of 6.9% which is less than the greater of 20% or the median poverty rate for the region (10.25%) and a median household income rate in the third quartile within the region.
Development Site is located in Census Tract #48453001829 which is 3rd Quartile and is Contiguous to Census Tract #48453001846 which is 1st Quartile.

Tab 10 - Census Tract Opportunity Index Boundary Map
WATERS PARK STUDIOS - AUSTIN, TEXAS
#18099

Opportunity index Data (§11.9(c)(4) of the 2013 Qualified Allocation Plan)
The median household income data is from table B19013 and the poverty data is from table S1701 of the 2011-2013 5-year American Community Survey (ACS) This data corresponds with the opportunity index scoring items at §11.9(c)(4) of the 2018 Qualified Allocation Plan (QAP). The QAP can be found at http://www.tfhca.state.tx.us/multifamily/income-rules.htm Please contact jason.burr@dfhca.state.tx.us with any questions.
Waters Park Studios is located no more than 2 miles from the boundary of Census Tract #48453001846 without a physical barrier such as a highway or river.
Located within 1 mile of a full-service grocery store
H-E-B Grocery
12407 N Mopac Expy, Austin, TX 78758
Located within 1 mile of a full-service grocery store  
HEB Grocery  
12407 N Mopac Expy, Austin, TX 78758

Evidence Amenity Meets All Requirements of Rule:

(III) The Development Site is located within 1 mile of a full-service grocery store. A full service grocery store is a store of sufficient size and volume to provide for the needs of the surrounding neighborhood including the proposed Development; and the space of the store is dedicated primarily to offering a wide variety of fresh, frozen, canned and prepared foods, including but not limited to a variety of fresh meats, poultry, and seafood; a wide selection of fresh produce including a selection of different fruits and vegetables; a selection of baked goods and a wide array of dairy products including cheeses, and a wide variety of household goods, paper goods and toiletry items.

Please find attached information documenting scale of grocery store with required offerings hi-lighted.
NOTE: Website evidence store is operational.

Parmer and Mopac H-E-B
12407 N. MOPAC EXPWY
AUSTIN, TX 78758-2475
Corporate #218

Get directions to this Store

Store Hours & Phone Numbers

Main
(512) 339 - 1181

Store Hours
Mon-Fri 06:00 AM - 01:00 AM
Sat 06:00 AM - 06:00 AM
Sun 01:00 AM - 01:00 AM

Pharmacy
(512) 339 - 6644

Pharmacy Hours
Mon-Fri 09:00 AM - 09:00 PM
Sat 09:00 AM - 06:00 PM
Sun 10:00 AM - 05:00 PM

Here Everything’s Better

Available Departments and Services
No Store Does More™ to bring Texas Families the very best locally grown produce, products made around the world - all at great low prices. Learn More

Store Features

Pharmacy
Compounding
Delivery
Immunizations
Pharmacy

Bakery
Bakery
Scratch Bakery
Tortilleria

Deli
Deli

Flower Shop
Floral

Produce
Fresh Guacamole
Juicing

Seafood
Fish Market
Sushi

Store Services
Bissell Green Carpet Cleaner
Business Center
Coin Star
Located within 1 mile of a pharmacy
Walgreens Pharmacy
3921 W Parmer Ln, Austin, TX 78727
Located within 1 mile of a Pharmacy
Walgreens Pharmacy
3921 W Parmer Ln, Austin, TX 78727

Evidence Amenity Meets All Requirements of Rule:

(IV) The Development Site is located within 1 mile of a pharmacy. For the purposes of this menu item only, the pharmacy may be claimed if it is within the same building as a grocery store.

Please find attached information documenting that Walgreen's is Pharmacy meeting requirement.
Located within 3 miles of a health-related facility
St. David’s North Austin Medical Center
12221 N Mopac Expwy, Austin, TX 78758
Evidence Amenity Meets All Requirements of Rule:

(V) The Development Site is located within 3 miles of a health-related facility, such as a full service hospital, community health center, minor emergency center, emergency room or urgent care facility. Physician offices and physician specialty offices are not considered in this category. (1 point)
Located within 5 miles of a community college
Austin Community College: Northridge Campus
11928 Stonehollow Dr, Austin, TX 78758
Evidence Amenity Meets All Requirements of Rule:

- (IX) The Development Site is located within 5 miles of an accredited university or community college, as confirmed by the Texas Higher Education Coordination Board (“THECB”).

Please see attached print-out from Texas Higher Education Coordination Board confirming that Austin Community College is a public community college.

- To be considered a university for these purposes, the provider of higher education must have the authority to confer bachelor’s degrees. Two-year colleges are considered community colleges, and to be considered for these purposes must confer at least associate’s degrees.
Located within 5 miles of a community college

Evidence Amenity Meets All Requirements of Rule (CONT.)

- The university or community college must have a physical campus, where classes are regularly held for students pursuing their degrees, within the required distance; online-only institutions do not qualify under this item. (1 point)
# Public Community Colleges

Download the Excel Version

<table>
<thead>
<tr>
<th>Institution</th>
<th>Administrative Officer</th>
<th>Main Telephone</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Alamo Community College - Northeast Lakeview College</strong>&lt;br&gt;1201 Kitty Hawk Rd&lt;br&gt;Universal City, TX 78148</td>
<td>Veronica Garcia&lt;br&gt;President</td>
<td>(210) 485-0000</td>
</tr>
<tr>
<td><strong>Alamo Community College - Northwest Vista College</strong>&lt;br&gt;3535 North Ellison Drive&lt;br&gt;San Antonio, TX 78251</td>
<td>Rio Reagan&lt;br&gt;President</td>
<td>(210) 489-4900</td>
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<tr>
<td><strong>Alamo Community College - Palo Alto College</strong>&lt;br&gt;1400 West Villaret Boulevard&lt;br&gt;San Antonio, TX 78224</td>
<td>Ruben Michael &quot;Mike&quot; Flores&lt;br&gt;President</td>
<td>(210) 486-3800</td>
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<tr>
<td><strong>Alamo Community College - San Antonio College</strong>&lt;br&gt;1300 San Pedro Avenue&lt;br&gt;San Antonio, TX 78212</td>
<td>Robert Vela&lt;br&gt;President</td>
<td>(210) 486-0959</td>
</tr>
<tr>
<td><strong>Alamo Community College - St. Philomena's College</strong>&lt;br&gt;1801 Martin Luther King Boulevard&lt;br&gt;San Antonio, TX 78203</td>
<td>Adena Loston&lt;br&gt;President</td>
<td>(210) 486-2900</td>
</tr>
<tr>
<td><strong>Alamo Community College District</strong>&lt;br&gt;201 West Sheridan&lt;br&gt;San Antonio, TX 78207&lt;br&gt;18304-1429</td>
<td>Bruce Leslie&lt;br&gt;President</td>
<td>(210) 485-0020</td>
</tr>
<tr>
<td><strong>Alvin Community College</strong>&lt;br&gt;3110 Mustang Road&lt;br&gt;Alvin, TX 77511</td>
<td>Cristal Albrecht&lt;br&gt;President</td>
<td>(281) 756-3500</td>
</tr>
<tr>
<td><strong>Amari College</strong>&lt;br&gt;P.O. Box 4344&lt;br&gt;Amarillo, TX 79118</td>
<td>Russell Lawrence&lt;br&gt;President</td>
<td>(806) 271-0000</td>
</tr>
<tr>
<td><strong>Angleton College</strong>&lt;br&gt;3500 South Frio&lt;br&gt;Lufton, TX 77564</td>
<td>Michael Simon&lt;br&gt;President</td>
<td>(936) 639-1301</td>
</tr>
<tr>
<td><strong>Austin Community College</strong>&lt;br&gt;5600 Middle Fiskville Road&lt;br&gt;Austin, TX 78752</td>
<td>Richard Rhodes&lt;br&gt;President/CEO</td>
<td>(512) 223-7000</td>
</tr>
<tr>
<td><strong>Blinn College</strong>&lt;br&gt;902 College Avenue&lt;br&gt;Brenham, TX 77833</td>
<td>Mary Hershey&lt;br&gt;Chancellor</td>
<td>(979) 830-0000</td>
</tr>
<tr>
<td><strong>Brazosport College</strong>&lt;br&gt;500 College Drive&lt;br&gt;Lake Jackson, TX 77566</td>
<td>Millicent Valek&lt;br&gt;President</td>
<td>(979) 230-3000</td>
</tr>
<tr>
<td><strong>Central Texas College</strong>&lt;br&gt;6200 West Central Texas Expwy&lt;br&gt;Georgetown, TX 78626</td>
<td>Jim Yeonopulos&lt;br&gt;Chancellor</td>
<td>(512) 526-7161</td>
</tr>
<tr>
<td><strong>Cisco College</strong>&lt;br&gt;101 College Heights&lt;br&gt;Cisco, TX 77537</td>
<td>Thad Anglin&lt;br&gt;President</td>
<td>(281) 442-5000</td>
</tr>
<tr>
<td><strong>Claremore College</strong>&lt;br&gt;1122 College Drive&lt;br&gt;Claredon, TX 79226</td>
<td>Robert Keith Rizzo&lt;br&gt;President/CEO</td>
<td>(806) 874-3571</td>
</tr>
<tr>
<td><strong>Coral College</strong>&lt;br&gt;3800 Charco Road&lt;br&gt;Beaumont, TX 77702</td>
<td></td>
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<tr>
<td><strong>College of the Mainland Community College District</strong>&lt;br&gt;1200 Ambler Boulevard&lt;br&gt;League City, TX 77575</td>
<td>Warren Nichols&lt;br&gt;President</td>
<td>(409) 938-1211</td>
</tr>
<tr>
<td><strong>Collin County Community College District</strong>&lt;br&gt;2800 East Spring Creek Parkway&lt;br&gt;Plano, TX 75074</td>
<td>H. Neil Matkin&lt;br&gt;President</td>
<td>(972) 758-3801</td>
</tr>
<tr>
<td><strong>Dallas County Community College - Brookhaven College</strong>&lt;br&gt;3600 Valley View Lane&lt;br&gt;Farmers Branch&lt;br&gt;Dallas, TX 75244-4906</td>
<td>Thom Chesney&lt;br&gt;President</td>
<td>(972) 860-4700</td>
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<tr>
<td><strong>Dallas County Community College - Cedar Valley College</strong>&lt;br&gt;3030 North Dallas Avenue&lt;br&gt;Lancaster, TX 75134</td>
<td>Joe Seabrooks&lt;br&gt;President</td>
<td>(972) 600-0200</td>
</tr>
<tr>
<td><strong>Dallas County Community College - Eastfield College</strong>&lt;br&gt;3737 Motley Drive&lt;br&gt;Mesquite, TX 75150</td>
<td>Juan Gonzaga&lt;br&gt;President</td>
<td>(972) 660-7001</td>
</tr>
<tr>
<td><strong>Dallas County Community College - El Centro College</strong>&lt;br&gt;801 Main Street</td>
<td>Jose Adams&lt;br&gt;President</td>
<td>(214) 660-2000</td>
</tr>
</tbody>
</table>
NOTE: Website evidence campus is operational.

Northridge Campus Map and Directions

Address

11020 Stonehollow Dr.
Austin, Texas 78758
Phone: (512) 223-4000

Driving directions

The Northridge Campus is located in north Austin, west of Interstate 35.

To reach the Northridge Campus traveling from:

Interstate 35, from north Austin

1. Take Exit 245 to Parmer Lane/Yager Lane.
2. Continue on I-35 frontage road for 0.7 miles.
3. Bear right and head toward West Parmer Lane, go 10 miles.
4. Turn left at Metric Boulevard, go 1.2 miles.
5. Turn right at Stonehollow Drive to the Northridge Campus.

Interstate 35, from south Austin

1. Merge onto U.S. 183 North, go 1.4 miles.
2. take the FM 1325 Exit to Burnet Road, go 0.1 miles.
3. Turn right on Metric Boulevard, go 2.4 miles.
4. Turn left to Stonehollow Drive to the Northridge Campus.
Located within a census tract where the percentage of adults age 25 and older with an Associate’s Degree or higher is 27% or higher

Educational Attainment Data ($11.9(c)(5)$ of the 2018 Qualified Allocation Plan)

The educational attainment for the population 25 years and over data is from table S1501 2011 - 2015 5-year American Community Survey (ACS). This data corresponds with the Opportunity Index scoring item at §11.9(c)(1) of the 2019 Qualified Allocation Plan (QAP). The QAP can be found at http://www.tdhca.state.tx.us/multifamily/nofas-rules.htm. Please contact jason.burr@tdhca.state.tx.us with any questions.

<table>
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<tr>
<th>Census Tract</th>
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<th>Estimate Total</th>
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<td>Census Tract 18.29, Travis County, Texas</td>
<td>1897</td>
<td>1137</td>
<td>59.94%</td>
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</table>
Located in the current service area of Meals on Wheels

Evidence Amenity Meets All Requirements of Rule:

(XIV) Development Site is in the current service area of Meals on Wheels or similar nonprofit service that provides regular visits and meals to individuals in their homes. (1 point)

Please see attached documentation confirming that Waters Park Studios is located in the current service area of Meals on Wheels through both printout from website and email from staff.
Located in the current service area of Meals on Wheels

MEALS ON WHEELS
Greater Austin Prepared Meal Delivery Service for Seniors and Adults with Disabilities

The Meal Delivery Program is a holistic nutrition program that provides home delivered prepared meals for seniors and other homebound clients throughout the Greater Austin area. This program provides case management services to individuals enrolled in the Meals on Wheels program. Each recipient receives one hot meal per day during the week and may have an option of receiving supplemental frozen meals for the weekend.

ELIGIBILITY

Individuals must be:

1. Primarily homebound
2. Unable to easily prepare nutritious meals
3. Without consistent daytime assistance from another person
4. Able to accept meals during the delivery time frame
5. Must live in the Greater Austin Area

Each applicant will be assessed by a MOWCTX supportive case manager to ensure that eligibility requirements are met. Short-term service is available to those with temporary meal needs.
Yes this address does fall in Meals on Wheels delivery area.

Thank you,

Jeff Koch
Director of Distribution

3227 East 5th Street
Austin, Texas 78702
p. 512.476.6325 x 140 | m. 512.745.0781
www.mealsonwheelscentraltexas.org

CONFIDENTIALITY NOTICE: The contents of this email message and any attachments are intended solely for the addressee(s) and may contain confidential and/or privileged information and may be legally protected from disclosure. If you are not the intended recipient of this message or their agent, or if this message has been addressed to you in error, please immediately alert the sender by reply email and then delete this message and any attachments. If you are not the intended recipient, you are hereby notified that any use, dissemination, copying, or storage of this message or its attachments is strictly prohibited.
As Executive Director of Foundation Communities, Inc., I hereby certify that no members of the Applicant or Affiliates had an ownership position in any of the amenities selected for §11.9(d)(7)(A)(ii)(III) or served on the board or staff of a nonprofit that owned or managed any of the selected amenities within the year preceding the Pre-Application Final Delivery Date.

Walter Moreau  
Executive Director  
Foundation Communities, Inc.

2/21/18  
Date
Underserved Area

- Map with Development Site boundaries relative to census tract boundaries
- Map with census tract boundaries relative to incorporated area
- Map of all contiguous census tracts
- Evidence of print out from demographic report
Tab 10 - Census Tract Boundary Map for Underserved Area
WATERS PARK STUDIOS - AUSTIN, TEXAS TDHCA #18099

Development Site is located entirely within a census tract
Census Tract 48453001829 containing the Development Site is located entirely within a census tract whose boundaries are wholly within an incorporated area and the census tract itself and all contiguous census tracts do not have a Development that was awarded less than 15 years ago according to the Department’s property inventory tab of the Site Demographics Characteristics Report.
Tab 10 – Evidence of Underserved Area
WATERS PARK STUDIOS - AUSTIN, TEXAS
TDHCA #18099

“Entirely within a census tract whose boundaries are wholly within an incorporated area and the census tract itself and all of its contiguous census tracts do not have a Development that was awarded less than 15 years ago according to the Department’s property inventory tab of the Site Demographic Characteristics Report. This item will apply in Places with a population of 150,000 or more, and will not apply in the At-Risk Set-Aside.”

48453001846

48453001848

48453001850
Tab 10 – Evidence of Underserved Area
CONTINUED

48453001849

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2018 9% Housing Tax Credit Application

WATERS PARK STUDIOS
AUSTIN, TEXAS

TDHCA #18099

Declared Disaster Area
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<td>DeWitt</td>
<td>Jim Wells</td>
<td>Refugio</td>
<td></td>
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Tab 11 – Site Information
Form Part III
Site Information Form Part III

1. Site Acreage

Please identify site acreage as listed in each of the following exhibits/documents.

| Site Control: | 2.45 | Site Plan: | 2.45 | Appraisal: | n/a | ESA: | 2.45 |

(*) Should equal acreage indicated in site control documents less acreage intended to be dedicated, sold or used for public purpose and not to be encumbered by LURA (net acreage). The net acreage will be used for calculating density for all purposes.

Please provide an explanation of any discrepancies in site acreage below:

Please note the acreage is the combination of both parcels - 1290 N MoPac Expwy and 12207 Waters Park Road.

2. Site Control - §10.204(10)

The current owner of the Development Site is (If scattered site & more than one owner refer to Tab 13):

<table>
<thead>
<tr>
<th>Entity Name</th>
<th>Contact Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Daniel K and Cathy J Baird</td>
<td>Daniel K and Cathy J Baird</td>
</tr>
</tbody>
</table>

Address

<table>
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<th>Address</th>
<th>City</th>
<th>State</th>
<th>Zip</th>
<th>Date of Last Sale</th>
</tr>
</thead>
<tbody>
<tr>
<td>12207 Waters Park Road</td>
<td>Austin</td>
<td>TX</td>
<td>78759</td>
<td>1/10/2003</td>
</tr>
</tbody>
</table>

Is the seller affiliated with the Applicant, Principal sponsor, or any Development Team member?  No

Did the seller acquire the property through foreclosure or deed in lieu of foreclosure?  No

Identify all of the sellers of the proposed property for the 30 months prior to the first day of the Application Acceptance Period and their relationship, if any, to members of the Development Team:

<table>
<thead>
<tr>
<th>Name</th>
<th>Relationship</th>
</tr>
</thead>
<tbody>
<tr>
<td>Daniel K and Cathy J Baird</td>
<td>No Relationship</td>
</tr>
</tbody>
</table>

Site Control is in the form of:

- [x] Contract for sale.
- [ ] Recorded Warranty Deed with corresponding executed closing/settlement statement.
- [ ] Contract for lease.
- [x] Title Commitment or Title Policy is included behind this tab (per §10.204(12)).

Expiration of Contract or Option: 8/31/2018  Anticipated Closing Date: 8/31/2018

3. Site Control - §10.204(10)

Ingress/Egress and Easements (9% and 4% HTC Only) - §11.7

Is land for ingress and/or egress and any easements held separate from the property described in the site control documents?  No

If yes, describe how any such land is held. Identify the land owner and describe any agreements the Applicant has or will enter into with the land owner.

Not applicable.
4. 30% increase in Eligible Basis "Boost" (9% and 4% HTC Only) - §11.4(c)

Development qualifies for the boost for:

- Qualified Census tract that has less than 20% HTC Units per household
- Development is located in a Small Area Difficult Development Area (SADDA)
- Rural Development (Competitive HTC only)
- Development is entirely Supportive Housing (Competitive HTC Only)
- Development meets the criteria for the Opportunity Index as identified in §11.9(c)(4) of the Qualified Allocation Plan (Competitive HTC only)
- Development is in an area covered by a concerted revitalization plan and elects and is eligible for points under §11.9(d)(7), is not Elderly, and is not located in a QCT. (Competitive HTC only)
- Development includes an additional 10% of units at 30% AMI. Must be in addition to the number of units needed for any scoring item or any other funding source from MF Direct Loan requirements. (Competitive HTC only)

- Development is in a QCT with 20% or greater Housing Tax Credit Units per household, and a resolution from the Governing Body of the appropriate municipality or county allowing the construction of the Development is included behind Tab B**

  ** Resolution not due until Resolutions Delivery Date for Tax-Exempt Bond Developments

If a revised form is submitted, date of submission: ____________________
Tab 12 – Supporting Documentation from Site Information Part III
Support Documentation from Site Information Part III Should be Included Behind this Tab.

- Site Control Documentation
- Title Commitment or Policy
- Each of the Direct Loan exhibits identified below (as applicable)

Increase in Eligible Basis (20% Boost)

- n/a Resolution from the Governing Body of the appropriate municipality or county allowing the construction of the Development, if applicable.
- n/a Census tract map that includes the 11-digit census tract number and clearly shows that the proposed Development is located within a QCT, if applicable.
- n/a SADDA map clearly showing the Development is located within the boundaries of a SADDA, if applicable.

Site & Neighborhood Standards (New Construction Direct Loan only)
Confirm the following supporting documents are provided behind this tab.

- Letters on company letterhead from local utility providers confirming the site has access to the following services: water and wastewater/sewer, electricity, garbage disposal and natural gas, if applicable.
- Statement explaining how the Development will promote greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons.
- DP-1 Profile of General Demographic Characteristics (2010) Census data for the census tract and city (and county if proposed site is located in a rural area) where the proposed site will be located. DP-1 Census data can be accessed using the Advanced Search option at www.census.gov.
- A statement confirming that travel time and cost via public transportation or private automobile, from the neighborhood to places of employment providing a range of jobs for lower-income workers, is not excessive. This is not applicable for Developments proposing to serve Elderly.
Site Control Documentation
Please find attached the site control for the two separate parcels with two separate contracts for the Waters Park Studios site.

Please note that on 2/8/2018, Foundation Communities, Inc. was able to negotiate a price reduction on both sites due to the presence of utility easements, topography, heritage trees, and impervious cover limits that were previously undisclosed about the sites.

The amendments reflecting the sales price reduction were made effective to match the contract effective date. However, we want to make note that these amendments were not approved, executed or deposited with the title company until 2/8/2018.

Please find attached the purchase contracts with amendments and documentation of receipt by title company of the price reduction amendments.
TEXAS ASSOCIATION OF REALTORS®
COMMERCIAL CONTRACT - IMPROVED PROPERTY

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: Daniel K & Cathy D Baier
Address: 12807 Waters Park Rd, Austin, TX 78732
Phone: (512) 373-8196 Fax: (512) 373-8197
E-mail: dac@нскаярикса.р
D.K. &
Baier

Buyer: Enamoration Communications (a Texas Non-Profit Corporation)
Address: 10514 Route 66, Austin, TX 78732
Phone: (512) 410-4083 Fax: (512) 410-4084
E-mail: walder.moray@foundcist.com

2. PROPERTY:

A. "Property" means that real property situated in Travis County, Texas at 12807 Waters Park Rd and is legally described on the attached Exhibit A or as follows:

Abb 899 SUR 19 ROGERS J ACR 1.45

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, gorges, 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 guarantees, 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.)

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 $2,075,000
B. Sum of all financing described in Paragraph 4 $2,075,000
C. Sales price (sum of 3A and 3B) $2,075,000

(DK &) D.K. & Buyer

Page 1 of 14

01/05/2018 FRI 15:06 [JOB NO. 6021] 2002
4. FINANCING: Buyer will finance the portion of the sales price under Paragraph 3B as follows:

☐ A. Third-Party Financing: One or more third-party loans in the total amount of $ _______________ — This contract:
☐ (4) 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 $ $20,000.00 as earnest money with Steward Title 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) _______ days after Buyer's right to terminate under Paragraph 7B expires.

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) _______ days after Buyer's right to terminate under Paragraph 7B expires.

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 30 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.

(TAR-1801) 1-1-15
Initialed for identification by Seller ☒ Buyer ☐

Page 2 of 14
B. Survey: Within 60 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/ACSM 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/ACSM 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, at Seller’s expense, will obtain a new or updated survey acceptable to the title company and deliver the acceptable survey to Buyer and the title company within 20 days after Seller receives notice that the existing survey is not acceptable to the title company. The closing date will be extended daily up to 20 days if necessary for Seller to deliver an acceptable survey within the time required. Buyer will reimburse Seller __________________________ (insert amount) of the cost of the new or updated survey at closing, if closing occurs.

C. UCC Search:

(1) Within ______ days after the effective date, Seller, at Seller’s expense, will furnish Buyer a Uniform Commercial Code (UCC) search prepared by a reporting service and dated after the effective date. The search must identify documents that are on file with the Texas Secretary of State and the county where the Property is located that relate to all personal property on the Property and show as debtor, Seller and all other owners of the personal property in the last 5 years.

(2) Buyer does not require Seller to furnish a UCC search.

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

(1) Within 30 days after Buyer receives 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 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 7E(1), will be refunded to Buyer.

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

(TAR-1801) 1-1-16

Initiated for Identification by Seller: DKB, CB, and Buyer: WMA

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12207 Watern Park Rd
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 30 days after the effective date (feasibility period) by providing Seller written notice of termination. (Check only one box.)

☒ (1) 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.

☐ (2) 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.

C. Inspections, Studies, or Assessments:

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

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

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

(4) Except for those matters that arise from the negligence of Seller or Seller’s agents, Buyer is responsible for any claim, liability, encumbrance, cause of action, and expense resulting from Buyer’s inspections, studies, or assessments, including any property damage or personal injury. Buyer will indemnify, hold harmless, and defend Seller and Seller’s agents against any claim involving a matter for which Buyer is responsible under this paragraph. This paragraph survives termination of this contract.

D. Property Information:

(1) Delivery of Property Information: Within 30 days after the effective date, Seller will deliver to Buyer: (Check all that apply.)

(TAR-1801) 1-1-16

Initiated for Identification by Seller and Buyer.

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Document was approved by: John and Jennifer Most<br>12201 Waters

www.kellogb.com
(a) a current rent roll of all leases affecting the Property certified by Seller as true and correct;

X (b) copies of all current 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, maintenance, and management agreements relating to the ownership and operation of the Property;

(f) copies of current utility capacity letters from the Property's water and sewer service provider;

(g) copies of all current warranties and guaranties relating to all or part of the Property;

(h) copies of fire, hazard, liability, and other insurance policies that currently relate to the Property;

(i) copies of all leasing or commission agreements that currently relate to the tenants of all or part of the Property;

(j) a copy of the "as-built" plans and specifications and plat of the Property;

(k) copies of all invoices for utilities and repairs incurred by Seller for the Property in the 24 months immediately preceding the effective date;

(l) a copy of Seller's income and expense statement for the Property from _______________ to _______________; and

(m) copies of all previous environmental assessments, geotechnical reports, studies, or analyses made on or relating to the Property;

(n) real & personal property tax statements for the Property for the previous 2 calendar years; and

(p) Tenant reconciliation statements including operating expenses, insurance and taxes for the Property from _______________ to _______________; and

X (p) Phase 1 Environmental Study (if available)

(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)

X (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;

X (b) delete or destroy all electronic versions of those items described in Paragraph 7D(1) that Seller delivered to Buyer or Buyer copied; and

X (c) deliver copies of all inspection and assessment reports related to the Property that Buyer completed or caused to be completed.

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

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

8. LEASES:

A. Each written lease Seller is to assign to Buyer under this contract must be in full force and effect according to its terms. Seller may not enter into any new lease, fail to comply with any existing lease, or make any amendment or modification to any existing lease without Buyer's written consent. Seller must disclose, in writing, if any of the following exist at the time Seller provides the leases to the Buyer or subsequently occur before closing:

(1) any failure by Seller to comply with Seller's obligations under the leases;

(2) any circumstances under any lease that entitle the tenant to terminate the lease or seek any offsets or damages;

(TAR-1801) 1-1-16

Initiated for identification by Seller: [Signature]

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12207 Waters
Commercial Contract - Improved Property concerning 12207 Waters Park Rd

(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 onseumered, except as security for loan(s) assumed or taken subject to under this contract.

B. Estoppel Certificates: Within 90 days after the effective date, Seller will deliver to Buyer estoppel certificates signed not earlier than January 1, 2018 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: Gall Whitfield dba The Whitfield Company
Agent: Gall Whitfield
Address: 1101 S Capital of Texas Hwy Ste A101
Phone & Fax: (512)476-9900
E-mail: gwhitfieldco.com
License No: 0348233

Cooperating Broker:
Agent:
Address:
Phone & Fax:
E-mail:
License No:

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:

Principal Broker a total cash fee of: ☒ 3.000 % of the sales price.

Cooperating Broker a total cash fee of: 

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.

(TAR-180) 1-1-16
Initiated for Identification by Seller and Buyer. Page 6 of 14

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12207 Waters
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) August 31, 2018
   (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 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 6F 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) licences and permits;
      (b) maintenance, management, and other contracts; and
      (c) warranties and guarantees;
   (5) a rent roll current on the day of the closing certified by Seller as true and correct;
   (6) evidence that the person executing this contract is legally capable and authorized to bind Seller;
   (7) an affidavit acceptable to the title company stating that Seller is not a foreign person or, if Seller is a foreign person, a written authorization for the title company to: (i) withhold from Seller's proceeds an amount sufficient to comply with applicable tax law, and (ii) deliver the amount to the Internal Revenue Service together with appropriate tax forms; and
   (8) any notices, statements, certificates, affidavits, releases, and other documents required by this contract, the commitment, or law necessary for the closing of the sale and the issuance of the title policy, all of which must be completed and executed by Seller as necessary.

E. At closing, Buyer will:
   (1) pay the sales price in good funds acceptable to the title company;
   (2) deliver evidence that the person executing this contract is legally capable and authorized to bind Buyer;
   (3) sign and send to each tenant in the Property a written statement that:
      (a) acknowledges Buyer has received and is responsible for the tenant's security deposit; and
      (b) specifies the exact dollar amount of the security deposit;
   (4) sign an assumption of all leases then in effect; and
   (5) execute and deliver any notices, statements, certificates, or other documents required by this contract or law necessary to close the sale.
F. Unless the parties agree otherwise, the closing documents will be as found in the basic forms in the current edition of the State Bar of Texas Real Estate Forms Manual without any additional clauses.

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

Buyer at Buyer's expense may obtain a Phase One Environmental Report. Seller will cooperate with Buyer to fill out reports and allow access to the Property. Seller shall be allowed to lease back the Property for six (6) months after closing for $500 per month.

Project Entitlements. Seller hereby authorizes Buyer to, upon or after the Effective Date of the Contract, make application to any and all applicable governmental entities and authorities regulating development of the Property (the "Governmental Authorities") for approval of all permits necessary to construct and develop a multifamily housing project and related roadways, parking, drainage/water quality facilities, utilities, infrastructure and amenities on the Property (the "Project"), including without limitation: (a) all approvals which are required for development of the Project; and (b) all site development permits, building permits and other approvals which are required for the Project (collectively the "Project Entitlements"). However, Buyer shall have the right to contact all governmental authorities to assure its satisfaction with all review matters, however no change of any kind will be made without the express written consent of Seller. Buyer shall bear all costs associated with obtaining the Project Entitlements from the Governmental Authorities. Seller agrees to reasonably cooperate with Buyer in obtaining the Project Entitlements (at no cost to Seller and with no obligation to appear or otherwise participate in any hearings, meetings or proceedings) and to sign any applications or other documents which may be required.

13. SALES EXPENSES:

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

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

A. Prorations:

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

(2) If the amount of ad valorem taxes for the year in which the sale closes is not available on the closing date, taxes will be prorated on the basis of taxes assessed in the previous year. If the taxes for the year in which the sale closes vary from the amount prorated at closing, the parties will adjust the prorations when the tax statements for the year in which the sale closes become available. This Paragraph 14A(2) survives closing.

(3) If Buyer assumes a loan or is taking the Property subject to an existing lien, Seller will transfer all reserve deposits held by the lender for the payment of taxes, insurance premiums, and other charges to Buyer at closing and Buyer will reimburse such amounts to Seller by an appropriate adjustment at closing.

B. Rollback Taxes: If Seller's use or change in use of the Property before closing results in the assessment of additional taxes, penalties, or interest (assessments) for periods before closing, the assessments will be the obligation of Seller. If this sale or Buyer's use of the Property after closing results in additional assessments for periods before closing, the assessments will be the obligation of Buyer. This Paragraph 14B survives closing.

C. Rent and Security Deposits: At closing, Seller will tender to Buyer all security deposits and the following advance payments received by Seller for periods after closing: prepaid expenses, advance rental payments, and other advance payments paid by tenants. Rents prorated to one party but received by the other party will be remitted by the recipient to the party to whom it was prorated within 5 days after the rent is received. This Paragraph 14C survives closing.

15. DEFAULT:

A. If Buyer fails to comply with this contract, Buyer is in default and Seller, as Seller's sole remedy(ies), may terminate this contract and receive the earnest money, as liquidated damages for Buyer's failure except for any damages resulting from Buyer's inspections, studies or assessments in accordance with Paragraph 7C(4) which Seller may pursue, or (check if applicable)

☐ enforce specific performance, or seek such other relief as may be provided by law.

B. If, without fault, Seller is unable within the time allowed to deliver the estoppel certificates, survey or the commitment, Buyer may:

(1) terminate this contract and receive the earnest money, less any independent consideration under Paragraph 7B(1), as liquidated damages and as Buyer's sole remedy; or

(2) extend the time for performance up to 15 days and the closing will be extended as necessary.

C. Except as provided in Paragraph 15B, if Seller fails to comply with this contract, Seller is in default and Buyer may:

(1) terminate this contract and receive the earnest money, less any independent consideration under Paragraph 7B(1), as liquidated damages and as Buyer's sole remedy; or

(2) enforce specific performance, or seek such other relief as may be provided by law, or both.

16. CASUALTY LOSS AND CONDEMNATION:

A. If any part of the Property is damaged or destroyed by fire or other casualty after the effective date, Seller must restore the Property to its previous condition as soon as reasonably possible and not later than the closing date. If, without fault, Seller is unable to do so, Buyer may:

(1) terminate this contract and the earnest money, less any independent consideration under Paragraph 7B(1), will be refunded to Buyer.
(2) extend the time for performance up to 15 days and closing will be extended as necessary; or
(3) accept at closing: (i) the Property in its damaged condition; (ii) an assignment of any insurance
proceeds Seller is entitled to receive along with the insurer's consent to the assignment; and (iii) a
credit to the sales price in the amount of any unpaid deductible under the policy for the loss.

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

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

18. ESCROW:

A. At closing, the earnest money will be applied first to any cash down payment, then to Buyer's closing,
costs, and any excess will be refunded to Buyer. If no closing occurs, the title company may require
payment of unpaid expenses incurred on behalf of the parties and a written release of liability of the
title company from all parties.

B. If one party makes written demand for the earnest money, the title company will give notice of the
demand by providing to the other party a copy of the demand. If the title company does not receive
written objection to the demand from the other party within 15 days after the date the title company
sent the demand to the other party, the title company may disburse the earnest money to the party
making demand, reduced by the amount of unpaid expenses incurred on behalf of the party receiving
the earnest money and the title company may pay the same to the creditors.

C. The title company will deduct any independent consideration under Paragraph 7B(1) before disbursing
any earnest money to Buyer and will pay the independent consideration to Seller.

D. If the title company complies with this Paragraph 18, each party hereby releases the title company from
all claims related to the disbursal 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 and 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.

☐ B. Except as otherwise provided in this contract, Seller is not aware of:

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

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

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

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

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

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

22. AGREEMENT OF THE PARTIES:

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

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

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

☐ 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);
☐ (3) Commercial Contract Financing Addendum (TAR-1931);
☐ (4) Commercial Property Condition Statement (TAR-1408);
☐ (5) Commercial Contract Addendum for Special Provisions (TAR-1940);
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 receipt 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.

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.

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.
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.

H. Section 195R 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."

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 October 26, 2017, 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:  Daniel K & Cathy J Baird

By:  Daniel K. Baird
   By (signature): [signature]
   Printed Name: DANIEL K. BAIRD
   Title:  

By:  Cathy J Baird
   By (signature): [signature]
   Printed Name: CATHY J BAIRD
   Title:  

Foundation Communities, Inc. (a Texas Non-Profit Corporation)

By: Walter May
   By (signature): [signature]
   Printed Name: WALTER MAY
   Title: EXECUTIVE DIRECTOR

By:  
   By (signature): [signature]
   Printed Name:  
   Title:  

(TAR-1801) 1-1-16
AGREEMENT BETWEEN BROKERS
(use only if Paragraph 9A(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: ________________________

By: ________________________ By: ________________________

ATTORNEYS

Seller's attorney: ________________________
Buyer's attorney: A. Rick Hightower

Address: ________________________
Address: 3006 Bee Caves Rd Ste D-200

Phone & Fax: ________________________
Phone & Fax: (512)472-9231 (office)

E-mail: ________________________
E-mail: rick@arhtexas.com

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 November 1, 2017 (effective date);
☐ B. earnest money in the amount of $20,000 on November 2, 2017 in the form of CK # 452 97

Title company: Stewart Title

By:__________________________

Assigned file number (G#): 149428

STEWART TITLE OF AUSTIN, LLC

Address: 901 SOUTH MOPAC

Building III, Suite 100

AUSTIN, TX 78746

Phone: (512) 472-9231 (office)

Fax: (512) 472-301 (fax)

E-mail: shaunafite@stewart.com

(TAR-1801) 1-1-16
ADDENDUM

PROPERTY:

1) Special Provisions

In connection therewith, subject to Seller's prior approval, which shall not be unreasonably conditioned, withheld or delayed.

Date: October 31, 2017
Signature: [Signature]

Date: November 1, 2017
Signature: [Signature]

Date: October 31, 2017
Signature: [Signature]
AMENDMENT TO COMMERCIAL CONTRACT BETWEEN THE UNDERSIGNED BUYER AND SELLER CONCERNING THE PROPERTY AT

12207 Waters Park Rd

Effective 11-01-2017, Seller and Buyer amend the contract as follows: (Check all applicable boxes.)

☐ A. Sales Price: The sales price in Paragraph 3 of the contract is changed to:

- Cash portion payable by Buyer at closing: $________
- Sum of all financing described in the contract: $________
- Sales price (sum of cash portion and sum of all financing): $________

☐ B. Property Description: The Property's legal description in Paragraph 2A of the contract is changed to:

☐ C. Repairs: Buyer accepts the Property in its present condition except that Seller, at Seller's expense, will complete the following before closing:

(TAR-1932) 1-28-10 Initiated for Identification by Seller. By: [Signature] and Buyer: [Signature]
D. Extension of Feasibility Period: For nominal consideration, the receipt of which Seller acknowledges, and the consideration described under (1) or (2) below, if any, Buyer's right to terminate under Paragraph 7B of the contract is extended until 11:59 p.m. on ____________________________.

   (1) The independent consideration for Buyer's right to terminate that will be deducted from the earnest money if Buyer terminates the contract under Paragraph 7B(1) is increased to a total amount of $___________________. (Insert an amount greater than the amount in Paragraph 7B(1) of the contract.)

   (2) Buyer has paid Seller additional consideration of $___________________. This additional consideration will not be credited to the sales price upon the closing of the sale.

E. Closing: The closing date in Paragraph 10A of the contract is changed to ____________________________.

F. Expenses: At closing Seller will pay the first $___________________. of Buyer’s expenses under Paragraph 13 of the contract.

G. Waiver of Right to Terminate: Upon final acceptance of this Amendment, Buyer waives the right to terminate under Paragraph 7B of the contract.

X. Other Modifications:

   6. B. Survey- Buyer shall have 150 days from the effective date of the contract to obtain a new survey. Notwithstanding any other provision of this Contract, Buyer shall have no obligation to purchase the Property, and no transfer of title to the Buyer may occur, unless and until the Texas Department of Housing and Community Affairs (the "Department") has provided Buyer and/or Seller with a written notification that: (A) it has completed a federally required environmental review and its request for release of federal funds has been approved and, subject to any other Contingencies in this Contract, (i) the purchase may proceed, or (ii) the purchase may proceed only if certain conditions to address issues in the environmental review shall be satisfied before or after the purchase of the property; or (B) it has determined that the purchase is exempt from federal environmental review and a request for release of funds is not required. The Department shall use its best efforts to conclude the environmental review of the property expeditiously.

Seller: Daniel K & Cathy J Baird

By: __________________________
   Printed Name: Daniel K. Baird
   Title: N/A

Buyer: FOUNDATION COMMUNITIES

By: __________________________
   Printed Name: Waller Ayers
   Title: EXECUTIVE DIRECTOR

By: __________________________
   Printed Name: Cathy J. Baird
   Title: N/A
AMENDMENT TO COMMERCIAL CONTRACT BETWEEN THE UNDERSIGNED BUYER AND SELLER CONCERNING THE PROPERTY AT

12207 Waters Park Rd

Effective November 1, 2017, Seller and Buyer amend the contract as follows: (Check all applicable boxes.)

☐ A. **Sales Price:** The sales price in Paragraph 3 of the contract is changed to:

   Cash portion payable by Buyer at closing: $ 1,660,000.00
   Sum of all financing described in the contract: $
   Sales price (sum of cash portion and sum of all financing): $ 1,660,000.00

☐ B. **Property Description:** The Property's legal description in Paragraph 2A of the contract is changed to:

☐ C. **Repairs:** Buyer accepts the Property in its present condition except that Seller, at Seller's expense, will complete the following before closing:

---

(TAR-1932) 1-26-10

Initiated for Identification by Seller: [Signature], and Buyer: [Signature].

Page 1 of 2

The Whitfield Company, 100 E. Capital of Texas Hwy. SW 1-181 Austin, TX 78746

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Amendment to Commercial Contract concerning 12207 Wahna Park Rd

D. Extension of Feasibility Period: For nominal consideration, the receipt of which Seller acknowledges, and the consideration described under (1) or (2) below, if any, Buyer's right to terminate under Paragraph 7B of the contract is extended until 11:59 p.m. on ______________.

(1) The independent consideration for Buyer's right to terminate that will be deducted from the earnest money if Buyer terminates the contract under Paragraph 7B(1) is increased to a total amount of $__________. (Insert an amount greater than the amount in Paragraph 7B(1) of the contract.)

(2) Buyer has paid Seller additional consideration of $____________ for the extension. This additional consideration will not be credited to the sales price upon the closing of the sale.

E. Closing: The closing date in Paragraph 10A of the contract is changed to ______________.

F. Expenses: At closing Seller will pay the first $____________ of Buyer's expenses under Paragraph 13 of the contract.

G. Waiver of Right to Terminate: Upon final acceptance of this Amendment, Buyer waives the right to terminate under Paragraph 7B of the contract.

H. Other Modifications:

Seller: [Signature]
By: [Signature]
Printed Name: Daniel R. Baird
Title: Seller

Buyer: Foundation Communities, Inc.
By: [Signature]
Printed Name: [Signature]
Title: Executive Director

(TAP-1832) 1-20-10

Page 2 of 2
Received: thank you.

Shawna D. Fletcher
Stewart Title of Austin, LLC

On Feb 8, 2018, at 9:51 PM, Sabrina Butler <sabrina.butler@foundcom.org> wrote:

Shawna –

Attached for your records please find amendment to this purchase contract, **revising purchase price to $1,660,000**

Please confirm receipt.

Thank you!
Sabrina

Sabrina Butler
Director of Housing Finance | Foundation Communities
3036 S. 1st Street
Austin, TX 78704
Direct: 512.610.4025
sabrina.butler@foundcom.org

www.foundcom.org

https://urldefense.proofpoint.com/v2/url?u=http-3A___www.foundcom.org&d=DwMFag&c=A2I0cd0yeEJKQwC3mv-g-KzQAX7YMnpExKRKh8neX0&G-d_bPgnNp51HbOx5JL6alw3OW-jkXN0XcK8_gfcg&O=5lRmndQ8Y7E7pqGThYOifQkuxCB_p8Mm-vwhR1VJOA&f=XLWXX12EsetiyZDFT-o1V10R8sHbOpzyU91qbs8WGl10&f=image002.png

<image001.png>
This email message is for the sole use of the intended recipient(s) and may contain confidential information. Any unauthorized review, use, disclosure or distribution is prohibited. If you are not the intended recipient, please contact the sender by reply email and destroy all copies of the original message.
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: Robert A & Vickie Chaffee
Address: 12190 N Mo Pac Expy, Austin, TX 78758-2906
Phone: ____________________________ E-mail: ____________________________
Fax: ____________________________ Other: ____________________________

Buyer: Foundation Communities, Inc. (a Texas Non-Profit Corporation) or Affiliates __________
Address: 3836 S 1st St, Austin, TX 78704-6352
Phone: (512)610-6633 E-mail: writer.moresu@foundcom.org
Fax: (512)447-0288 Other: ____________________________

2. PROPERTY:
A. "Property" means that real property situated in Travis County, Texas at 12190 N Mo Pac (address) and that is legally described on the attached Exhibit A or as follows: LOT 2 (1.00 AC) GARNER & KISMMAN SUBD

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-1919))

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: $3,000,000.00
B. Sum of all financing described in Paragraph 4: $3,000,000.00
C. Sales price (sum of 3A and 3B): $3,000,000.00

(TAR-1901) 1-1-15 Initialed for Identification by Seller and Buyer
Page 1 of 14
4. **FINANCING**: Buyer will finance the portion of the sales price under Paragraph 3B as follows:

- **A. Third Party Financing**: One or more third party loans in the total amount of $______________. This contract:
  - (i) is not contingent upon Buyer obtaining third party financing.
  - (ii) 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 $20,000.00 as earnest money with **Stewart Title**
  - 901 S Mopac Ste 3-100, Austin, TX 78746 (address)
  - Shawna Fletcher (closser)

  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.

- D. Buyer will deposit an additional amount of $10,000.00 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) June 1, 2018

  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 exceptions 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

  (3) Within 30 days after the effective date, Seller will furnish Buyer a commitment for title insurance (the commitment) including legible copies of recorded documents evidencing title exceptions. Seller authorizes the title company to deliver the commitment and related documents to Buyer at Buyer's address.
B. Survey: Within 60 days after the effective date:

X (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/ACSM 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/ACSM 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, at Seller’s expense, will obtain a new or updated survey acceptable to the title company and deliver the acceptable survey to Buyer and the title company within 20 days after Seller receives notice that the existing survey is not acceptable to the title company. The closing date will be extended daily up to 20 days if necessary for Seller to deliver an acceptable survey within the time required. Buyer will reimburse Seller ________________ (insert amount) of the cost of the new or updated survey at closing, if closing occurs.

C. UCC Search:

☐ (1) Within ___________ days after the effective date, Seller, at Seller’s expense, will furnish Buyer a Uniform Commercial Code (UCC) search prepared by a reporting service and dated after the effective date. The search must identify documents that are on file with the Texas Secretary of State and the county where the Property is located that relate to all personal property on the Property and shown 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 30 days after Buyer receives 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 Paragraph 6B(1) applies, Buyer is deemed to receive the survey on the earlier of: (i) the date Buyer actually receives the survey; or (ii) the deadline specified in Paragraph 6B.

(2) Seller may, but is not obligated to, cure Buyer’s timely objections within 15 days after Seller receives the objections. The closing date will be extended as necessary to provide such time to cure the objections. If Seller fails to cure the objections by the time required, Buyer may terminate this contract by providing written notice to Seller within 5 days after the time by which Seller must cure the objections. If Buyer terminates, the earnest money, less any independent consideration under Paragraph 7B(1), will be refunded to Buyer.

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

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

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

(1) 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.

☐ (2) 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.

C. **Inspections, Studies, or Assessments:**

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

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

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

(4) Except for those matters that arise from the negligence of Seller or Seller's agents, Buyer is responsible for any claim, liability, encumbrance, cause of action, and expense resulting from Buyer's inspections, studies, or assessments, including any property damage or personal injury. Buyer will indemnify, hold harmless, and defend Seller and Seller's agents against any claim involving a matter for which Buyer is responsible under this paragraph. This paragraph survives termination of this contract.

D. **Property Information:**

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

____ 30 _____

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Initialed for Identification by Seller: ___ and Buyer: ___.

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(a) a current rent roll of all leases affecting the Property certified by Seller as true and correct;
X (b) copies of all current 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, 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;
(l) 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
(m) copies of all previous environmental assessments, geotechnical reports, studies, or analyses made on or relating to the Property;
(n) real & personal property tax statements for the Property for the previous 2 calendar years; and
(e) Tenant reconciliation statements including operating expenses, insurance and taxes for the Property from
X (p) Phase 1 Environmental Study (if available)

(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.)
X (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; and
(c) deliver copies of all inspection and assessment reports related to the Property that Buyer completed or caused to be completed.

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

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

8. LEASES:

A. Each written lease Seller is to assign to Buyer under this contract must be in full force and effect according to its terms. Seller may not enter into any new lease, fail to comply with any existing lease, or make any amendment or modification to any existing lease without Buyer’s written consent. Seller must disclose, in writing, if any of the following exist at the time Seller provides the leases to the Buyer or subsequently occur before closing:
(1) any failure by Seller to comply with Seller’s obligations under the leases;
(2) any circumstances under any lease that entitle the tenant to terminate the lease or seek any offsets or damages;
Commercial Contract - Improved Property concerning 12150 N No Pac

(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 90 days after the effective date, Seller will deliver to Buyer estoppel certificates signed not earlier than January 1, 2018, 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: Gail Whitfield dba The Whitfield Company
Agent: Gail Whitfield
Address: 1101 S Capital of Texas Hwy Ste A101
Phone & Fax: (512)476-9990
E-mail: gail@thewhitfieldco.com
License No.: 0318233

Cooperating Broker:

Agent: 
Address: 
Phone & Fax: 
E-mail: 
License No.: 

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:

Principal Broker a total cash fee of: 
☒ 3.000% of the sales price.

Cooperating Broker a total cash fee of: 
☐ % 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.

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

10. CLOSING:

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

(1) __ days after the expiration of the feasibility period.
(2) August 31, 2018 (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) maintenance, management, and other contracts; and
   (c) warranties and guaranties;
(5) a rent roll current on the date of 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 applicable tax laws, and (ii) deliver the amount to the Internal Revenue Service together with appropriate tax forms; and
(8) any notices, statements, certificates, affidavits, releases, and other documents required by this contract, the commitment, or law necessary for the closing of the sale and the issuance of the title policy, all of which must be completed and executed by Seller as necessary.

E. At closing, Buyer will:

(1) pay the sales price in good funds acceptable to the title company;
(2) deliver evidence that the person executing this contract is legally capable and authorized to bind Buyer;
(3) sign and send to each tenant in the Property a written statement that:
   (a) acknowledges Buyer has received and is responsible for the tenant’s security deposit; and
   (b) specifies the exact dollar amount of the security deposit;
(4) sign an assumption of all leases then in effect; and
(5) execute and deliver any notices, statements, certificates, or other documents required by this contract or law necessary to close the sale.
F. Unless the parties agree otherwise, the closing documents will be as found in the basic forms in the current edition of the State Bar of Texas Real Estate Forms Manual without any additional clauses.

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

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

Buyer at Buyers expense may obtain a Phase One Environmental Report. Seller will cooperate with Buyer to fill out reports and allow access to the Property. Seller shall be allowed to Lease back the Property for six (6) months after closing for $500 per month.

Project Entitlements. Seller hereby authorizes Buyer to, upon or after the Effective Date of the Contract, make application to any and all applicable governmental entities and authorities regulating development of the Property (the “Governmental Authorities”) for approval of all permits necessary to construct and develop a multifamily housing project and related roadways, parking, drainage/water quality facilities, utilities, infrastructure and amenities on the Property (the “Project”), including without limitation: (a) all approvals which are required for development of the Project; and (b) all site development permits, building permits and other approvals which are required for the Project (collectively the “Project Entitlements”). However, Buyer shall have the right to contact all governmental authorities to assure its satisfaction with all review matters, however any change of any kind will be made without the express written consent of Seller. Buyer shall bear all costs associated with obtaining the Project Entitlements from the Governmental Authorities. Seller agrees to reasonably cooperate with Buyer in obtaining the Project Entitlements (at no cost to Seller and with no obligation to appear or otherwise participate in any hearings, meetings or proceedings) and to sign any applications or other documents which may be required.

Continued... See Addendum Special Provisions 1

13. SALES EXPENSES:

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

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

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

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

A. Prorations:

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

(2) If the amount of ad valorem taxes for the year in which the sale closes is not available on the closing date, taxes will be prorated on the basis of taxes assessed in the previous year. If the taxes for the year in which the sale closes vary from the amount prorated at closing, the parties will adjust the prorations when the tax statements for the year in which the sale closes become available. This Paragraph 14A(2) survives closing.

(3) If Buyer assumes a loan or is taking the Property subject to an existing lien, Seller will transfer all reserve deposits held by the lender for the payment of taxes, insurance premiums, and other charges to Buyer at closing and Buyer will reimburse such amounts to Seller by an appropriate adjustment at closing.

B. Rollback Taxes: If Seller’s use or change in use of the Property before closing results in the assessment of additional taxes, penalties, or interest (assessments) for periods before closing, the assessments will be the obligation of Seller. If this sale or Buyer’s use of the Property after closing results in additional assessments for periods before closing, the assessments will be the obligation of Buyer. This Paragraph 14B survives closing.

C. Rent and Security Deposits: At closing, Seller will tender to Buyer all security deposits and the following advance payments received by Seller for periods after closing: prepaid expenses, advance rental payments, and other advance payments paid by tenants. Rents prorated to the 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

☐ 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 escrow certificates, survey or the commitment, Buyer may:

(1) terminate this contract and receive the earnest money, less any independent consideration under Paragraph 7B(1), as liquidated damages and as Buyer’s sole remedy; or

(2) extend the time for performance up to 15 days and the closing will be extended as necessary.

C. Except as provided in Paragraph 15B, if Seller fails to comply with this contract, Seller is in default and Buyer may:

(1) terminate this contract and receive the earnest money, less any independent consideration under Paragraph 7B(1), as liquidated damages and as Buyer’s sole remedy; or

(2) enforce specific performance, or seek such other relief as may be provided by law, or both.

16. CASUALTY LOSS AND CONDEMNATION:

A. If any part of the Property is damaged or destroyed by fire or other casualty after the effective date, Seller must restore the Property to its previous condition as soon as reasonably possible and not later than the closing date. If, without fault, Seller is unable to do so, Buyer may:

(1) terminate this contract and the earnest money, less any independent consideration under Paragraph 7B(1), will be refunded to Buyer;
(2) extend the time for performance up to 15 days and closing will be extended as necessary; or
(3) accept at closing: (i) the Property in its damaged condition; (ii) an assignment of any insurance
proceeds Seller is entitled to receive along with the insurer's consent to the assignment; and (iii) a
credit to the sales price in the amount of any unpaid deductible under the policy for the loss.

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

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

18. ESCROW:

A. At closing, the earnest money will be applied first to any cash down payment, then to Buyer's closing
costs, and any excess will be refunded to Buyer. If no closing occurs, the title company may require
payment of unpaid expenses incurred on behalf of the parties and a written release of liability of the
title company from all parties.

B. If one party makes written demand for the earnest money, the title company will give notice of the
demand by providing to the other party a copy of the demand. If the title company does not receive
written objection to the demand from the other party within 15 days after the date the title company
sent the demand to the other party, the title company may disburse the earnest money to the party
making demand, reduced by the amount of unpaid expenses incurred on behalf of the party receiving
the earnest money and the title company may pay the same to the creditors.

C. The title company will deduct any independent consideration under Paragraph 7B(1) before disbursing
any earnest money to Buyer and will pay the independent consideration to Seller.

D. If the title company complies with this Paragraph 18, each party hereby releases the title company from
all claims related to the disbursal 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;
   (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 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);
☐ (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-1909);

(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); and

(11) 

(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 [X] 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 receives 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 certificate water or sewer service area, which is authorized by law to provide water or sewer service to the properties in the certificate area. If your property is located in a certificate 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 certificate 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.

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.

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
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.

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."

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 December 11, 2017, 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: Robert A. & Viola Chaffee

By: [Signature]
Printed Name: Robert A. Chaffee
Title: 

By: [Signature]
Printed Name: Viola Chaffee
Title: Owner

Buyer: Foundation Communities, Inc. (a Texas Non-Profit Corporation)

By: [Signature]
Printed Name: Walter Magee
Title: Executive Director

By: [Signature]
Printed Name: 
Title: 

By: [Signature]
Printed Name: 
Title: 

[TAR-1801] 1-1-15
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: __________________________

By: __________________________  By: __________________________

ATTOREYS

Seller's attorney: Dirk Jordan

Address: 702 Bio Grande Street
          Austin, Texas 78701

Phone & Fax: 512-746-9180

E-mail: dirk@dirkjordan.com

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

☐ the title company sends to Seller.

☐ Buyer sends to Seller.

Buyer's attorney: A. Rick Hightower

Address: 3206 Bee Caves Rd, Ste A-200
          Austin, TX 78746

Phone & Fax: (512) 440-9882

E-mail: rick@ahltexas.com

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 December 12, 2017 (effective date);

☒ B. earnest money in the amount of $20,000.00 in the form of wire on December 12, 2017.

Title company: Stewart Title of Austin, LLC

Address: 901 S. Mopac Expwy
          Westlake, TX 78746

Phone & Fax: 512-478-5283; 512-472-8100

By: Shauna Fletcher

E-mail: shauna.fletcher@stewart.com

Assigned file number (GF#):
ADDENDUM

PROPERTY:

1) Special Provisions

In connection therewith, subject to Seller's prior approval, which shall not be unreasonably conditioned, withheld or delayed, Notwithstanding any other provision of this Contract, Buyer shall have no obligation to purchase the Property, and no transfer of title to the Buyer may occur, unless and until the Texas Department of Housing and Community Affairs (the "Department") has provided Buyer and/or Seller with a written notification that:

(A) it has completed a federally required environmental review and its request for release of federal funds has been approved and, subject to any other Contingencies in this Contract,

(i) the purchase may proceed, or

(ii) the purchase may proceed only if certain conditions to address issues in the environmental review shall be satisfied before or after the purchase of the property; or

(B) it has determined that the purchase is exempt from federal environmental review and a request for release of funds is not required. The Department shall use its best efforts to conclude the environmental review of the property expeditiously.

Date: 12/16/17
Signature

Date: 12/17/17
Signature

Date: 2/11/2017
Signature

Date: 
Signature

Addendum
COMMERCIAL LEASE ADDENDUM FOR CONTINGENT TERMINATION

ADDENDUM TO THE COMMERCIAL LEASE
BETWEEN THE UNDERSIGNED PARTIES
CONCERNING THE LEASE PREMISES AT 12190 N.
MOPAC EXPW, AUSTIN, TEXAS 78757

Landlord: Robert Chaffee & Vickie Chaffee
Tenant: Late European, LLC

A. Tenant Agrees to the following:

(1). Tenant agrees that Landlord can Terminate the Lease upon
30 days written notice without compensation or payment to
Tenant.

(2). Tenant agrees that the consideration for this agreement is
the release from the obligations under the lease for any rents due
after the date of the termination of this lease.

(3). Tenant agrees that this Agreement does not release it from
any of the payments and obligations under the lease. These will
continue until fully paid, including interest and penalties.

Landlord: Robert A. and Vickie Chaffee
Tenant: Late European, LLC

By: Robert Chaffee
Signature: ______________________
Printed Name: Robert Chaffee
Title: Owner

By: Vickie Chaffee
Signature: ______________________
Printed Name: Vickie Chaffee
Title: Owner

By: Steve Late
Signature: ______________________
Printed Name: Steve Late
Title: President
AMENDMENT TO COMMERCIAL CONTRACT BETWEEN THE UNDERSIGNED BUYER AND SELLER CONCERNING THE PROPERTY AT

12190 N Mo Pac

Effective December 12, 2017., Seller and Buyer amend the contract as follows: (Check all applicable boxes.)

☐ A. Sales Price: The sales price in Paragraph 3 of the contract is changed to:

Cash portion payable by Buyer at closing. ................................................. $ 2,600,000.00

Sum of all financing described in the contract. ........................................... $

Sales price (sum of cash portion and sum of all financing) ......................... $ 2,600,000.00

☐ B. Property Description: The Property's legal description in Paragraph 2A of the contract is changed to:

☐ C. Repairs: Buyer accepts the Property in its present condition except that Seller, at Seller's expense, will complete the following before closing:

(TAR-1332) 1-26-10

Initiated for Identification by Seller: VC and Buyer: MM

The Whitley Company, 1101 S Capital of Texas Hwy, Ste A-181, Austin, TX 78746
Gail Whitley

FAX: 512-462-2727  Phone: 512-462-9908  Printed with ZipForm® by zipLogix, 18070 Fifteen Mile Road, Fraser, Michigan 48026  www.ziplogix.com

Page 1 of 2

12190 N Mo Pac
D. Extension of Feasibility Period: For nominal consideration, the receipt of which Seller acknowledges, and the consideration described under (1) or (2) below, if any, Buyer's right to terminate under Paragraph 7B of the contract is extended until 11:59 p.m. on ________________________.

(1) The independent consideration for Buyer's right to terminate that will be deducted from the earnest money if Buyer terminates the contract under Paragraph 7B(1) is increased to a total amount of $_________________. (Insert an amount greater than the amount in Paragraph 7B(1) of the contract.)

(2) Buyer has paid Seller additional consideration of $_________________ for the extension. This additional consideration will not be credited to the sales price upon the closing of the sale.

E. Closing: The closing date in Paragraph 10A of the contract is changed to ________________________.

F. Expenses: At closing Seller will pay the first $_________________ of Buyer's expenses under Paragraph 13 of the contract.

G. Waiver of Right to Terminate: Upon final acceptance of this Amendment, Buyer waives the right to terminate under Paragraph 7B of the contract.

H. Other Modifications:

---

Seller:

By: ____________________________

By (signature): ____________________________

Printed Name: Robert A. Chase

Title: Owner

Buyer: Foundation Communities, Inc.

By: ____________________________

By (signature): Walter Morgan

Printed Name: Walter Morgan

Title: Executive Director

By: ____________________________

By (signature): Vikkie Chase

Printed Name: Vikkie Chase

Title: Owner

(TAR-1932) 1-26-10
Received: thank you.

Shawna D. Fletcher
Stewart Title of Austin, LLC

On Feb 8, 2018, at 9:50 PM, Sabrina Butler <sabrina.butler@foundcom.org@mailto:sabrina.butler@foundcom.org>> wrote:

Shawna –

Attached for your records find amendment to this purchase contract. **Revising purchase price to $2,600,000**

Please confirm receipt.

Thank you!
Sabrina

Sabrina Butler
Director of Housing Finance | Foundation Communities
3036 S. 1st Street
Austin, TX 78704
Direct: 512.610.4025
sabrina.butler@foundcom.org@mailto:sabrina.butler@foundcom.org>
www.foundcom.org<https://urldefense.proofpoint.com/v2/url?u=http-3A__www.foundcom.org&d=DwMFAg&c=A2l0cdo0yeEKQCN3mv-g-KzOAX7YMnpExrKRXr8neX0&r=G-d_bPgnNppS1H8oX5JL6a.w1OW-jlcXN0xK8_gfcg&m=7v5b3ioGClhWjzpXgHVxxXk-MGPKk-09yUfsvFBUuDY&s=34vrMPqmL4j_ATIhYr1uFfUSDSW8WGBmy8e9ifCGK9s&e=>

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This email message is for the sole use of the intended recipient(s) and may contain confidential information. Any unauthorized review, use, disclosure or distribution is prohibited. If you are not the intended recipient, please contact the sender by reply email and destroy all copies of the original message.
June 13, 2018

Andrew Sinnott  
Texas Department of Housing and Community Affairs  
221 East 11th Street  
Austin, Texas 78701

RE: 9% Application Administration Deficiency Notice Response  
TDHCA #18099 – Waters Park Studios

Dear Andrew:

Please find attached documentation in response to the Deficiency Notice issued on June 8, 2018.

1. Tab 12: Site Control documentation – The purchase contracts for the two parcels of land that will make up the development site indicate that closing must occur on or before August 31, 2018. However, should this application receive an award of Direct Loan funds (NHITF, for example) that requires environmental clearance, the closing date may have to be extended to accommodate the environmental clearance process. Please provide an amendment to the purchase contract that extends the closing date or explain how environmental clearance will be obtained prior to 8/31/18.

Per the attached emails, Foundation Communities is in communication with Cynthia Zbranak and is beginning the environmental review process for the Waters Park Studios sites. FC is hopeful the process will be complete before acquisition of the sites, however it is understood that acquisition of the sites can move forward without environmental clearance granted as long as NHITF funds are being utilized.

Please do not hesitate to contact me with any further questions regarding this matter – (512) 610-4016.

Sincerely,

[Signature]

Walter Moreau  
Executive Director  
Foundation Communities
Sabrina,

In looking at the various funds you may access including NHTF, 811 and possibly HOME or NSP. All have environmental requirements but they are not all the same environmental requirements.

You can close on the land with NHTF and 811 reviews pending review but you CANNOT close prior to clearance with HOME and/or NSP. It is essential that we chat as soon as possible because you need to engage someone immediately if you have not already to ensure you meet your closing deadline.

The first item on the list of environmental factors your Environmental Professional should begin immediately is the historic review which WILL take 30 days at a minimum because of the required waiting period for response for Tribal as well as the submission to the SHPO which sometimes triggers an archeological review...hopefully not but it's always a possibility so I would rather plan for worst case scenario and hope for best case.

Please have your environmental professional contact me to coordinate this as the submission must be on TDHCA letter head and signed by our Certifying Officer, however the EP will create and forward the documents to the appropriate tribes. This is a step that has tripped up several people of late.

You all are welcome to e-mail and set up a phone call or simply call me at 512-475-0430. I will be out of the office this Thursday and Friday so if we could schedule this tomorrow we can get you all rolling quickly. You have several challenges on this property and I would like to remind you that publication of the required notices will take a minimum of 33 days alone to obtain clearance.

After looking at the Calendar, here is what we need to look at for a timeline:

- Closing 8/31/18
  - Obtain Environmental Clearance by 8/24/18 to provide some wiggle room prior to land closing just in case someone at HUD or our office is on vacation.

- Publication of required notices should take place no later than July 22nd to ensure this timeline (publication cannot take place until the environmental review is complete and approved by TDHCA.

- Tribal submissions should happen no later than the 18th/19th of June (next week) to allow for the 30 days required by regulation for reply from the following tribes:
  - Alabama-Coushatta Tribe of Texas
  - Apache Tribe of Oklahoma
  - Comanche Nation, Oklahoma
  - Coushatta Tribe of Louisiana
  - Tonkawa Tribe of Indians of Oklahoma
Wichita and Affiliated Tribes (Wichita, Keechi, Waco & Tawakoni), Oklahoma

- Submission to SHPO

This is just a quick suggestion to keep you on-track, let’s chat soon.

Cynthia

Cynthia Zbranak, CFM
Senior Environmental Specialist
Texas Department of Housing and Community Affairs
221 E. 11th Street | Austin, TX 78701

Any person receiving guidance from TDHCA staff should be mindful that, as set forth in 10 TAC Section 11.1(b) there are important limitations and caveats (Also see 10 TAC §10.2(b)).

About TDHCA
The Texas Department of Housing and Community Affairs is committed to expanding fair housing choice and opportunities for Texans through the administration and funding of affordable housing and homeownership opportunities, weatherization, and community-based services with the help of for-profits, nonprofits, and local governments. For more information about fair housing, funding opportunities, or services in your area, please visit www.tdhca.state.tx.us or the Learn about Fair Housing in Texas page.

-----Original Message-----
From: Andrew Sinnott
Sent: Monday, June 11, 2018 3:02 PM
To: Sabrina Butler; Walter Moreau; jennifer@truecasa.net
Cc: Environmental
Subject: RE: 18099 - 9% HTC Application Deficiency Notice - TIME SENSITIVE - Please reply immediately acknowledging receipt.

Hi Sabrina,

I spoke with Cynthia Zbranak, who I have copied on this email, and she informed me that closing on the land (8/31/18 - if the seller will not allow any extensions) prior to obtaining environmental clearance may be possible if this development is ultimately awarded NHTF. Obtaining environmental clearance prior to closing on the land on 8/31/18 may also still be possible if the process is started fairly soon. Regardless of which route you choose, please contact Cynthia in order to more fully understand the environmental clearance process.

Thanks,

Andrew Sinnott
Multifamily Loan Programs Administrator
512.475.0538

Any person receiving guidance from TDHCA staff should be mindful that, as set forth in 10 TAC Section 11.1(b), there are important limitations and caveats (Also see 10 TAC §10.2(b)).

-----Original Message-----
From: Sabrina Butler [mailto:sabrina.butler@Foundcom.org]
Sent: Friday, June 08, 2018 6:45 PM
To: Walter Moreau; Andrew Sinnott; jennifer@truecasa.net
Subject: Re: 18099 - 9% HTC Application Deficiency Notice - TTMF SENSITIVE - Please reply immediately acknowledging receipt.
Thank you Andrew. Per our conversation this afternoon, can you please connect Jennifer and myself to your environmental specialist (Cynthia?) so we can talk through timeframe? Sounds like if we get started right away there is a good chance we can complete review before August 31.

Thank you!

Sabrina

-------- Original message -------
From: Walter Moreau <Walter.Moreau@Foundcom.org>
Date: 6/8/18 3:12 PM (GMT-08:00)
To: Andrew Sinnott <andrew.sinnott@tdhca.state.tx.us>, Sabrina Butler <sabrina.butler@Foundcom.org>, Jennifer@truecasa.net
Subject: RE: 18099 - 9% HTC Application Deficiency Notice - TIME SENSITIVE - Please reply immediately acknowledging receipt.

Hi Andrew - confirming receipt.

Walter

From: Andrew Sinnott [mailto:andrew.sinnott@tdhca.state.tx.us]
Sent: Friday, June 8, 2018 3:30 PM
To: Walter Moreau <Walter.Moreau@Foundcom.org>; Sabrina Butler <sabrina.butler@Foundcom.org>; Jennifer@truecasa.net
Subject: 18099 - 9% HTC Application Deficiency Notice - TIME SENSITIVE - Please reply immediately acknowledging receipt.
Importance: High

In the course of the Department’s Housing Tax Credit Eligibility/Selection/Threshold and/or Direct Loan review of the above referenced application, a possible Administrative Deficiency as defined in §10.3(a)(2) and described in §10.201(7)(A) and/or §10.201(7)(B) of the 2018 Uniform Multifamily Rules was identified. By this notice, the Department is requesting documentation to correct the following deficiency or deficiencies. Any issue initially identified as an Administrative Deficiency may ultimately be determined to be beyond the scope of an Administrative Deficiency, and the distinction between material and non-material missing information is reserved for the Director of Multifamily Finance, Executive Director, and Board.

- Tab 12: Site Control documentation – The purchase contracts for the two parcels of land that will make up the development site indicate that closing must occur on or before August 31, 2018. However, should this application receive an award of Direct Loan funds (NHTF, for example) that requires environmental clearance, the closing date may have to be extended to accommodate the environmental clearance process. Please provide an amendment to the purchase contract that extends the closing date or explain how environmental clearance will be obtained prior to 8/31/18.

The above list may not include all Administrative Deficiencies such as those that may be identified upon a supervisory review of the application. Notice of additional Administrative Deficiencies may appear in a separate notification.

All deficiencies must be corrected or otherwise resolved by 5 pm Austin local time on the fifth business day following the date of this deficiency notice. Deficiencies resolved after
5 pm Austin local time on the fifth business day will have 5 points deducted from the final score. For each additional day beyond the fifth day that any deficiency remains unresolved, the application will be treated in accordance with §10.281(7)(B) of the 2018 Uniform Multifamily Rules. Applications with unresolved deficiencies after 5pm Austin local time on the seventh business day may be terminated.

All deficiencies related to the Direct Loan portion of the Application must be resolved to the satisfaction of the Department by 5pm Austin local time on the fifth business day following the date of this deficiency notice. Applications with unresolved deficiencies after 5pm Austin local time on the seventh business day will be suspended from further processing, and the Applicant will be notified to that effect, until the deficiencies are resolved. If, during the period of time when the Application is suspended from review, Direct Loan funds become oversubscribed, the Applicant will be informed that unless the outstanding item(s) are resolved within one business day the Application will be terminated. For purposes of priority under the Direct Loan set-asides, if the outstanding item(s) are resolved within one business day, the date by which the item is submitted shall be the new received date pursuant to §13.5(c) of the 2018 Multifamily Direct Loan Rule. Applicants should be prepared for additional time needed for completion of staff reviews.

Unless the person that issued this deficiency notice, named below, specifies otherwise, submit all documentation at the same time and in only one file using the Department’s Serv-U HTTPS System. Once the documents are submitted to the Serv-U HTTPS system, please email the staff member issuing this notice. If you have questions regarding the Serv-U HTTPS submission process, contact Liz Cline at liz.cline@tdhca.state.tx.us or by phone at (512)475-3227. You may also contact Jason Burr at jason.burr@tdhca.state.tx.us or by phone at (512)475-3586.

All applicants should review §§11.1(b) and 10.2(b) of the 2018 QAP and Uniform Multifamily Rules as they apply to due diligence, applicant responsibility, and the competitive nature of the program for which they are applying.

**All deficiencies must be corrected or clarified by 5 pm Austin local time on June 15, 2018. Please respond to this email as confirmation of receipt.**

Andrew Sinnott  
Multifamily Loan Programs Administrator  
Texas Department of Housing and Community Affairs  
221 E. 11th Street | Austin, TX 78701  
Office: 512.475.0538  
Fax: 512.475.0764  

About TDHCA  
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Cynthia Zbranak, CFM  
Senior Environmental Specialist  
Texas Department of Housing and Community Affairs  
221 E. 11th Street | Austin, TX 78701

Any person receiving guidance from TDHCA staff should be mindful that, as set forth in 10 TAC Section 11.1(b) there are important limitations and caveats (Also see 10 TAC 810.2(d)).

About TDHCA  
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Hi Don:

Attached is the Tribal Contact information and the template letter on our letterhead, it just needs a few things added to it including the project description.

Here is the link to the environmental provisions for National Housing Trust Fund found on HUD’s Exchange, you don’t have to use the forms, I didn’t think they were that great honestly but do ensure you look over the requirements in the CPD 16-14 Notice found at the bottom of the page for this link.

https://www.hudexchange.info/programs/environmental-review/htf/

Let me know if you have any questions, my direct number is 512-475-0430. I’m out of town Thursday and Friday but can turn the letters around for you within the same day so Monday is fine for submission and it will be to the environmental@tdhca.state.tx.us inbox.

Thanks again,

Cynthia
221 E. 11th Street | Austin, TX 78701

Any person receiving guidance from TDHCA staff should be mindful that, as set forth in 10 TAC Section 11.1(b) there are important limitations and caveats (Also see 10 TAC§10.2(b)).

ABOUT TDHCA
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Title Commitment
COMMITMENT FOR TITLE INSURANCE

ISSUED BY
STEWART TITLE GUARANTY COMPANY

THE FOLLOWING COMMITMENT FOR TITLE INSURANCE IS NOT VALID UNLESS YOUR NAME AND THE POLICY AMOUNT ARE SHOWN IN SCHEDULE A, AND OUR AUTHORIZED REPRESENTATIVE HAS COUNTERSIGNED BELOW.

We, STEWART TITLE GUARANTY COMPANY, will issue our title insurance policy or policies (the Policy) to You (the proposed insured) upon payment of the premium and other charges due, and compliance with the requirements in Schedule C. Our Policy will be in the form approved by the Texas Department of insurance at the date of issuance, and will insure your interest in the land described in Schedule A. The estimated premium for our Policy and applicable endorsements is shown on Schedule D. There may be additional charges such as recording fees, and expedited delivery expenses.

This Commitment ends ninety (90) days from the effective date, unless the Policy is issued sooner, or failure to issue the Policy is our fault. Our liability and obligations to you are under the express terms of this Commitment and end when this Commitment expires.

In Witness Whereof, the Company has caused this commitment to be signed and sealed as of the effective date of commitment as shown in Schedule A, the commitment to become valid and binding only when countersigned by an authorized signatory.

Authorized Countersignature

Stewart Title of Austin, LLC
901 S Mopac, Building III, Suite 100
Austin, TX 78746

Matt Morris
President and CEO

Denise Carraux
Secretary

For purposes of this form the "Stewart Title" logo featured above is the represented logo for the underwriter, Stewart Title Guaranty Company.
CONDITIONS AND STIPULATIONS

1. If you have actual knowledge of any matter which may affect the title or mortgage covered by this Commitment, that is not shown in Schedule D, you must notify us in writing. If you do not notify us in writing, our liability to you is ended or reduced to the extent that your failure to notify us affects our liability. If you do notify us, or we learn of such matter, we may amend Schedule B, but we will not be relieved of liability already incurred.

2. Our liability is only to you, and others who are included in the definition of Insured in the Policy to be issued. Our liability is only for actual loss incurred in your reliance on this Commitment to comply with its requirements or to acquire the interest in the land. Our liability is limited to the amount shown in Schedule A of this Commitment and will be subject to the following terms of the Policy: Insuring Provisions, Conditions and Stipulations, and Exclusions.

All notices required to be given the Company and any statement in writing required to be furnished the Company shall be addressed to it at P.O. Box 2020, Houston, Texas 77252-2020.
IMPORTANT INFORMATION

FOR INFORMATION, OR TO MAKE A COMPLAINT, CALL OUR TOLL-FREE TELEPHONE NUMBER

1-800-729-1902

ALSO, YOU MAY CONTACT THE TEXAS DEPARTMENT OF INSURANCE AT

1-800-252-3439

to obtain information on:
1. filing a complaint against an insurance company or agent,
2. whether an insurance company or agent is licensed,
3. complaints received against an insurance company or agent.
4. policyholder rights, and
5. a list of consumer publications and services available through the Department.

YOU MAY ALSO WRITE TO
THE TEXAS DEPARTMENT OF INSURANCE
P.O. BOX 140104
AUSTIN, TEXAS 78714-9104
FAX NO. (512) 490-1007

AVISO IMPORTANTE

PARA INFORMACION, O PARA SOMETER UNA QUEJA, LLAME AL NUMERO GRATIS

1-800-729-1902

TAMBIEN, PUEDE COMUNICARSE CON EL DEPARTAMENTO DE SEGUROS DE TEXAS AL

1-800-252-3439

para obtener información sobre:
1. como someter una queja en contra de una compañía de seguros o agente de seguros,
2. si una compañía de seguros o agente de seguros tiene licencia,
3. quejas recibidas en contra de una compañía de seguros o agente de seguros,
4. los derechos del asegurado, y
5. una lista de publicaciones y servicios para consumidores disponibles a través del Departamento.

TAMBIEN PUEDE ESCRIBIR AL DEPARTAMENTO DE SEGUROS DE TEXAS
P.O. BOX 140104
AUSTIN, TEXAS 78714-9104
FAX NO. (512) 490-1007
TExAS TITLE INSURANCE INFORMATION

Title insurance insures you against loss resulting from certain risks to your title.
The commitment for Title Insurance is the title insurance company's promise to issue the title insurance policy. The commitment is a legal document. You should review it carefully to completely understand it before your closing date.

El seguro de título le asegura en relación a pérdidas resultantes de ciertos riesgos que pueden afectar el título de su propiedad.

El Compromiso para Seguro de Título es la promesa de la compañía aseguradora de emitir la poliza de seguro de título. El Compromiso es un documento legal. Usted debe leerlo cuidadosamente y entenderlo completamente antes de la fecha para finalizar su transacción.

Your commitment for Title Insurance is a legal contract between you and us. The Commitment is not an opinion or report of your title. It is a contract to issue you a policy subject to the Commitment's terms and requirements.

Before issuing a Commitment for Title Insurance (the Commitment) or a Title Insurance Policy (the Policy), the title insurance Company (the Company) determines whether the title is insurable. This determination has already been made. Part of that determination involves the Company's decision to issue the title except for certain risks that will not be covered by the Policy. Some of these risks are stated in the Policy as Exclusions. These risks will not be covered by the Policy. The Policy is not an abstract of title nor does a Company have an obligation to determine the ownership of any mineral interest.

MINERALS AND MINERAL RIGHTS may not be covered by the Policy. The Company may be unwilling to insure title unless there is an exclusion or an exception as to Minerals and Mineral Rights in the Policy. Optional endorsements insuring certain risks involving minerals, and the use of improvements (excluding lawns, shrubbery and trees) and permanent buildings may be available for purchase. If the title insurer issues the title policy with an exclusion or exception to the minerals and mineral rights, neither this Policy, nor the optional endorsements, ensure that the purchaser has title to the mineral rights related to the surface estate.

Another part of the determination involves whether the promise to insure is conditioned upon certain requirements being met. Schedule C of the Commitment lists these requirements that must be satisfied or the Company will refuse to cover them. You may want to discuss any matters shown in Schedules B and C of the Commitment with an attorney. These matters will affect your title and your use of the land.

When your Policy is issued, the coverage will be limited by the Policy's Exceptions, Exclusions and Conditions, defined below.

- EXCEPTIONS are risks that a Policy generally covers but does not cover in a particular instance. Exceptions are shown on Schedule B and are discussed in Schedule C of the Commitment. They can also be added if you do not comply with the Conditions section of the Commitment. When the Policy is issued, all Exceptions will be on Schedule B of the Policy.

- EXCLUSIONS are risks that a Policy generally does not cover. Exclusions are contained in the Policy but not shown or discussed in the Commitment.

- CONDITIONS are additional provisions that qualify or limit your coverage. Conditions include your responsibilities and those of the Company. They are contained in the Policy but not shown or discussed in the Commitment. The Policy Conditions are not the same as the Commitment Conditions.

You can get a copy of the policy form approved by the Texas Department of Insurance by calling the Title Insurance Company at 1-800-729-1902 or by calling the title insurance agent that issued the Commitment. The Texas Department of Insurance may revise the policy form from time to time. You can also get a brochure that explains the policy from the Texas Department of Insurance by calling 1-800-252-3439.

Before the Policy is issued, you may request changes in the Policy. Some of the changes to consider are:

- Request amendment of the "area and boundary" exception (Schedule B, paragraph 2). To get this amendment, you must furnish a survey and comply with other requirements of the Company. On the Owner's Policy, you must pay an additional premium for the amendment. If the survey is acceptable to the Company and if the Company's other requirements are met, your Policy will insure you against loss because of discrepancies or conflicts in boundary lines, encroachments or protrusions, or overlapping of improvements. The Company may then decide not to insure against specific boundary or survey problems by making special exceptions in the Policy. Whether or not you request amendment of the "area and boundary" exception, you should determine whether you want to purchase and review a survey if a survey is not being provided to you.

- Allow the Company to add an exception to "rights of parties in possession". If you refuse this exception, the Company or the title insurance agent may inspect the property. The Company may except to and not insure against the rights of specific persons, such as tenants, adverse owners or easement holders who occupy the land. The Company may charge you for the inspection. If you want to make your own inspection, you must sign a Waiver of Inspection form and allow the Company to add this exception to your Policy.

The entire premium for a Policy must be paid when the Policy is issued. You will not owe any additional premiums unless you want to increase your coverage at a later date and the Company agrees to add an Increased Value Endorsement.
COMMITMENT FOR TITLE INSURANCE
SCHEDULE A

ISSUED BY
STEWART TITLE GUARANTY COMPANY

File No.: 149428

Effective Date:
February 1, 2018

CLOSER:: Shawna Fletcher

issued:
February 9, 2018, 1:02PM

1. The policy or policies to be issued are:

   a. OWNER’S POLICY OF TITLE INSURANCE (Form T-1)
      (Not applicable for improved one-to-four family residential real estate)
      Policy Amount: $1,660,000.00
      PROPOSED INSURED: FG Waters Park Housing, LP

   b. TEXAS RESIDENTIAL OWNER’S POLICY OF TITLE INSURANCE
      -ONE-TO-FOUR FAMILY RESIDENCES (Form T-1R)
      Policy Amount: $
      PROPOSED INSURED:

   c. LOAN POLICY OF TITLE INSURANCE (Form T-2)
      Policy Amount: $
      PROPOSED INSURED:
      Proposed Borrower:

   d. TEXAS SHORT FORM RESIDENTIAL LOAN POLICY OF TITLE INSURANCE (Form T-2R)
      Policy Amount: $
      PROPOSED INSURED:
      Proposed Borrower:

   e. LOAN TITLE POLICY BINDER ON INTERIM CONSTRUCTION LOAN (Form T 13)
      Binder Amount: $
      PROPOSED INSURED:
      Proposed Borrower:

   f. OTHER:
      Policy Amount: $
      PROPOSED INSURED:

2. The interest in the land covered by this Commitment is:

   FEE SIMPLE

3. Record title to the land on the Effective Date appears to be vested in:

   Daniel K. Baird and Cathy J. Baird

4. Legal description of land:

   See Exhibit “A” Attached Hereo
COMMITMENT FOR TITLE INSURANCE
EXHIBIT "A"
LEGAL DESCRIPTION

ISSUED BY
STEWARD TITLE GUARANTY COMPANY

File No.: 149428

Being 1.45 acres of land, more or less, out of the JAMES ROGERS SURVEY in Travis County, Texas, being the same tract described in Warranty Deed recorded in Document Number 2003011408 of the Official Public Records of Travis County, Texas. Said 1.45 acre tract being more particularly described by metes and bounds in Exhibit "A" attached hereto and made a part hereof.

NOTE: The Company does not represent that the above acreage or square footage calculations are correct.

EXHIBIT "A"
EXCEPTIONS FROM COVERAGE

In addition to the Exclusions and Conditions and Stipulations, your policy will not cover loss, costs, attorney’s fees and expenses resulting from:

1. The following restrictive covenants of record itemized below (We must either insert specific recording date or delete this exception):

2. Any discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments or protrusions, or any overlapping of improvements. Upon receipt of an approved survey, Schedule B, Item 2 may be modified to read in its entirety, “Shortages in area” (Loan Policy only or Owner’s Title Policy with prescribed premium).

3. Homestead or community property or survivorship rights, if any, of any spouse of any insured. (Applies to the Owner’s Policy only.)

4. Any titles or rights asserted by anyone, including, but not limited to, persons, the public, corporations, governments or other entities,
   a. to tidelands, or lands comprising the shores or beds of navigable or perennial rivers and streams, lakes, bays, gulfs, or oceans, or
   b. to land beyond the line of the harbor or bulkhead line as established or changed by any government, or
   c. to filled-in lands, or artificial islands, or
   d. to statutory water rights, including riparian rights, or
   e. to the area extending from the line of mean low tide to the line of vegetation, or the rights of access to that area or easement along and across that area.
   (Applies to the Owner’s Policy only.)

5. Standby fees, taxes and assessments by any taxing authority for the year 2017 and subsequent years; and subsequent taxes and assessments by any taxing authority for prior years due to change in land usage or ownership, but not those taxes or assessments for prior years because of an exemption granted to a previous owner of the property under Section 11.13, Texas Tax Code, or because of improvements not assessed for a previous tax year. (If Texas Short Form Residential Loan Policy of Title Insurance (T-2R) is issued, that policy will substitute “which become due and payable subsequent to Date of Policy” in lieu of “for the year 2017 and subsequent years.”)

6. The terms and conditions of the documents creating your interest in the land.

7. Materials furnished or labor performed in connection with planned construction before signing and delivering the lien document described in Schedule A, if the land is part of the homestead of the owner. (Applies to the Loan Policy Binder on Interim Construction Loan only, and may be deleted if satisfactory evidence is furnished to us before a binder is issued.)

8. Liens and leases that affect the title to the land, but that are subordinate to the lien of the insured mortgage. (Applies to Loan Policy T-2 only.)

9. The Exceptions from Coverage and Express Insurance in Schedule B of the Texas Short Form Residential Loan Policy of Title Insurance (T-2R). (Applies to Texas Short Form Residential Loan Policy of Title Insurance (T-2R) only.) Separate exceptions 1 through 8 of this Schedule B do not apply to the Texas Short Form Residential Loan Policy of Title Insurance. (T-2R)
10. The following matters and all terms of the documents creating or offering evidence of the matters (We must insert matters or delete this exception.):

a) Rights of parties in possession (Owner Title Policy only)

b) Electric Transmission Lines Easement, Right of Way and/or Agreement granted to the City of Austin, by instrument dated November 2, 1940, recorded in under Volume 659, Page 564 of the Deed Records, Travis County, Texas.

c) Rights of tenants, and assigns, as tenants only, under currently effective lease agreements.
COMMITMENT FOR TITLE INSURANCE  
SCHEDULE C  

ISSUED BY  
STEWART TITLE GUARANTY COMPANY  

Your Policy will not cover loss, costs, attorneys’ fees, and expenses resulting from the following requirements that will appear as Exceptions in Schedule B of the Policy, unless you dispose of these matters to our satisfaction, before the date the Policy is issued:

1. Documents creating your title or interest must be approved by us and must be signed, notarized and filed for record.

2. Satisfactory evidence must be provided that:
   - no person occupying the land claims any interest in that land against the persons named in paragraph 3 of Schedule A,
   - all standby fees, taxes, assessments and charges against the property have been paid,
   - all improvements or repairs to the property are completed and accepted by the owner, and that all contractors, sub-contractors, laborers and suppliers have been fully paid, and that no mechanic’s, laborer’s or materialman’s liens have attached to the property,
   - there is legal right of access to and from the land,
   - (on a Loan Policy only) restrictions have not been and will not be violated that affect the validity and priority of the insured mortgage.

3. You must pay the seller or borrower the agreed amount for your property or interest.

4. Any defect, lien or other matter that may affect title to the land or interest insured, that arises or is filed after the effective date of this Commitment.

5. Note: Procedural Rule P-27 as provided for in Section 2561.202, Texas Insurance Code requires that “Good Funds” be received and deposited before a Title Agent may disburse from its Trust Fund Account. Procedural Rule P-27 provides a list of the types of financial documents and instruments which satisfy this requirement. Please be advised that we reserve the right to determine on a case-by-case basis what form of good funds is acceptable.

6. Deed of Trust dated January 10, 2003, recorded in/under Document Number 2003011409 of the Official Public Records of Travis County, Texas, executed by Daniel K. Baird and Cathy J. Baird, securing the payment of one note in the principal amount of $280,000.00, bearing interest and payable as therein provided to the order of Bank One, N.A.,

7. We must be furnished the marital status of the record owner, from the date of acquisition to the present time. If the record owner is married, we require either (i) the joinder of the spouse; or (ii) an affidavit from the spouse of the owner disclaiming the property as part of any homestead and stating that the property is under the sole management and control of the record owner.

8. If this property is located within the boundaries of a district providing water, sewer, drainage or flood control facilities or services, notice must be given to the proposed purchasers in accordance with the provisions of the Texas Water Code.

9. If the Proposed Insured executes a Waiver of Inspection in the approved form, an exception to “Rights of parties in possession” will be contained in the Owner’s Policy when issued; however, the Proposed Insured may refuse to execute the Waiver, in which case the Company will require that an inspection be conducted by its agent, for which an inspection fee may be charged, and the Company reserves the right to make additional, particular exceptions in the Policy to matters revealed by the inspection.
10. We must be furnished with a satisfactory Affidavit as to Debts and Liens, executed by the seller/borrower or his/her/their authorized representative at the time of closing. We reserve the right to make additional requirements on the basis of this Affidavit.

11. You may request amendment of the Area and Boundary Exception to read "Shortages in Area". The Texas Title Insurance Information portion of the Commitment for Title Insurance advises you that your Policy will insure you against loss because of non-excepted discrepancies or conflicts in boundary lines, encroachments, or protrusions, or overlapping of improvements if you pay an additional five percent (5%) premium of the Basic Rate for T-1R Residential Owner Policy coverage, or fifteen percent (15%) premium of the Basic Rate for T-1 Non-Residential Owner Policy coverage, and if we are provided with a satisfactory survey, pursuant to Procedural Rule P2.

12. Your Owner’s Title Policy will contain this coverage and you will be charged the appropriate additional premium unless, on or before the date of closing, you advise the company in writing that you wish to decline this additional coverage.

13. The Texas Department of Insurance has approved a new Restrictions, Encroachments, Minerals Endorsement, T-19.1, to be available on Owner’s Title Policies. This coverage was previously only available on Loan Policies. The T-19.1 Endorsement affords insurance against any previous violation of restrictions affecting the subject property, all rights of first refusal, all reversionary rights and any damage to the property due to future damages to the improvements because of an existing right to extract or develop minerals.

14. We will require a Premium of $5.00 be collected for the Standard Tax Exception “Company insures that standby fees, taxes, and assessments by any taxing authority for the year 2017 are not yet due and payable.” (Loan Policy Only).

15. At its meeting on January 27, 2016, the Board of Directors of the Texas Title Insurance Guaranty Association (TTIGA) voted to increase the policy guaranty fee from zero to $3.00 effective April 1, 2016. The guaranty fee will be $3 for each owner's title policy and $3 for each loan title policy sold, and title agents will be required to remit this quarterly to the TTIGA. We will require that a Premium of $3.00 per policy be collected at closing and remitted to the Title Company.

16. FOR INFORMATIONAL PURPOSES ONLY: The following conveyances involving the subject property were recorded within the last 24 months: None.
COMMITMENT FOR TITLE INSURANCE
SCHEDULE D

ISSUED BY
STEWART TITLE GUARANTY COMPANY

Policy Commitment No.: 149428

The information contained in this Schedule (D) does not affect title to or the lien upon the land described in Schedule A hereof, to be issued in any policy(ies) of title insurance to be issued in accordance with this Commitment.

As to Stewart Title Guaranty Company, the Underwriter herein, the following disclosures are made as of December 31, 2016:

A-1. Shareholders owning or controlling, or holding, directly or indirectly, ten percent (10%) or more of the shares of Stewart Title Guaranty Company as of the last day of the year preceding the date hereinafore set forth are as follows:
   Stewart Information Services Corporation -100%

A-2. The members of the Board of Directors of Stewart Title Guaranty Company as of the last day of the year preceding the date hereinafore set forth are as follows: Malcolm S. Morris, Charles F. Howard, Matthew Morris, Stewart Morris, Stewart Morris, Jr., John Killea and Allen Berryman.

A-3. The designated officers of Stewart Title Guaranty Company as of the date hereinafore set forth are as follows: Matthew Morris, Chief Executive Officer & President; Allen Berryman, Chief Financial Officer & Assistant Secretary-Treasurer; Timothy Okrie, Chief Operations Officer; Brad Rable, Chief Information Officer; Genady Vishnevetsky, Chief Information Security Officer; Jay Milligan, Chief Revenue Officer; Ann Manal, Chief Human Resources Officer; Dave Fauth, Group President – Direct Operations; Steven M. Lessack, Group President – International Operations; Patrick Beall, Group President; John Killea, General Counsel & Chief Compliance Officer; Bruce Hawley, Executive Vice President – Commercial Services; Richard Black, Senior Vice President – Associate Senior Underwriting Counsel; James Gosdin, Senior Vice President – Chief Underwriting Counsel & Associate General Counsel; John Rothermel, Senior Vice President – Regional Underwriting Counsel.

As to Stewart Title of Austin, LLC (Title Insurance Agent), the following disclosures are made:

B-1 Shareholders, owners, partners or other persons having, owning or controlling one percent (1%) or more of Title Insurance Agent are as follows:
   Stewart Title Company

B-2 Shareholders, owners, partners, or other persons having, owning or controlling ten percent (10%) or more of an entity that has, owns or controls one percent (1%) or more of Title Insurance Agent are as follows:
   Stewart Title Guaranty

B-3 If Title Insurance Agent is a corporation, the following is a list of the members of the Board of Directors:
   Paul E. Gammill Jr. - Manager and President; John M. McCann - Manager and Chairman; Larry Molinare - Executive Vice President; Gaye Pierce - Executive Vice President and Secretary.

B-4 If Title Insurance Agent is a corporation, the following is a list of its officers:
   Paul E. Gammill Jr. - Manager and President; John M. McCann - Manager and Chairman; Larry Molinare - Executive Vice President; Gaye Pierce - Executive Vice President and Secretary.

C-1. You are entitled to receive advance disclosure of settlement charges in connection with the proposed transaction to which this commitment relates. Upon your request, such disclosure will be made to you. Additionally, the name of any person, firm or corporation receiving a portion of the premium from the settlement of this transaction will be disclosed on the closing or settlement statement.

You are further advised that the estimated title premium* is:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owner's Policy</td>
<td>$8,871.00</td>
</tr>
<tr>
<td>Loan Policy</td>
<td></td>
</tr>
<tr>
<td>Endorsement Charges</td>
<td>$2,217.75</td>
</tr>
<tr>
<td>Total</td>
<td>$11,088.75</td>
</tr>
</tbody>
</table>

Of this total amount 15% will be paid to Stewart Title Guaranty Company; 85% will be retained by the issuing Title Insurance Agent; and the remainder of the estimated premium will be paid to other parties as follows:

File No.: 149428
T-7 Commitment Schedule D Revised 12-31-2016
Page 7 of 8
COMMITMENT FOR TITLE INSURANCE
SCHEDULE D

ISSUED BY
STEWART TITLE GUARANTY COMPANY

<table>
<thead>
<tr>
<th>Amount</th>
<th>To Whom</th>
<th>For Service</th>
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<tbody>
<tr>
<td>$</td>
<td>(or %)</td>
<td></td>
</tr>
<tr>
<td>$</td>
<td>(or %)</td>
<td></td>
</tr>
<tr>
<td>$</td>
<td>(or %)</td>
<td></td>
</tr>
</tbody>
</table>

"The estimated premium is based upon information furnished to us as of the date of this Commitment for Title Insurance. Final determination of the amount of the premium will be made at closing in accordance with the Rules and Regulations adopted by the Commissioner of Insurance."
ARBITRATION is a common form of alternative dispute resolution. It can be a quicker and cheaper means to settle a dispute with your Title Insurance Company. However, if you agree to arbitrate, you give up your right to take the Title Insurance Company to court and your rights to discovery of evidence may be limited in the arbitration proceeding. In addition, you cannot usually appeal an arbitrator’s award.

Your policy contains an arbitration provision (shown below). It allows you or the Company to require arbitration if the amount of insurance is $2,000,000 or less. If you want to retain your right to sue the Company in case of a dispute over a claim, you must request deletion of the arbitration provision before the policy is issued. You can do this by signing this form and returning it to the Company at or before the closing of your real estate transaction or by writing to the Company.

The arbitration provision in the Policy is as follows:

“Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association (“Rules”). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, any service in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of Insurance is $2,000,000 or less shall be arbitrated at the option of either the Company or the Insured, unless the Insured is an individual person (as distinguished from an Entity). All arbitrable matters when the Amount of Insurance is in excess of $2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction.”

______________________________  __________________________
SIGNATURE                                                                 DATE
Stewart Title Guaranty Company Privacy Notice
Stewart Title Companies

WHAT DO THE STEWART TITLE COMPANIES DO WITH YOUR PERSONAL INFORMATION?

Federal and applicable state law and regulations give consumers the right to limit some but not all sharing. Federal and applicable state law regulations also require us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand how we use your personal information. This privacy notice is distributed on behalf of the Stewart Title Guaranty Company and its title affiliates (the Stewart Title Companies), pursuant to Title V of the Gramm-Leach-Bliley Act (GLBA).

The types of personal information we collect and share depend on the product or service that you have sought through us. This information can include social security numbers and driver’s license number.

All financial companies, such as the Stewart Title Companies, need to share customers' personal information to run their everyday business—to process transactions and maintain customer accounts. In the section below, we list the reasons that we can share customers' personal information, the reasons that we choose to share, and whether you can limit this sharing.

<table>
<thead>
<tr>
<th>Reasons we can share your personal information</th>
<th>Do we share</th>
<th>Can you limit this sharing</th>
</tr>
</thead>
<tbody>
<tr>
<td>For our everyday business purposes—to process your transactions and maintain your account. This may include running the business and managing customer accounts, such as processing transactions, mailing, and auditing services, and responding to court orders and legal investigations.</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>For our marketing purposes—to offer our products and services to you.</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>For joint marketing with other financial companies</td>
<td>No</td>
<td>We don't share</td>
</tr>
<tr>
<td>For our affiliates' everyday business purposes—information about your transactions and experiences. Affiliates are companies related by common ownership or control. They can be financial and non-financial companies. Our affiliates may include companies with a Stewart name; financial companies, such as Stewart Title Company</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>For our affiliates' everyday business purposes—information about your creditworthiness.</td>
<td>No</td>
<td>We don't share</td>
</tr>
<tr>
<td>For our affiliates to market to you—For your convenience, Stewart has developed a means for you to opt out from its affiliates marketing even through such mechanism is not legally required.</td>
<td>Yes</td>
<td>Yes, send your first and last name, the email address used in your transaction, your Stewart file number and the Stewart office location that is handling your transaction by email to <a href="mailto:optout@stewart.com">optout@stewart.com</a> or fax to 1-800-335-8591.</td>
</tr>
<tr>
<td>For non-affiliates to market to you. Non-affiliates are companies not related by common ownership or control. They can be financial and non-financial companies.</td>
<td>No</td>
<td>We don't share</td>
</tr>
</tbody>
</table>

We may disclose your personal information to our affiliates or to non-affiliates as permitted by law. If you request a transaction with a non-affiliate, such as a third party insurance company, we will disclose your personal information to that non-affiliate. (We do not control their subsequent use of information, and suggest you refer to their privacy notices.)

SHARING PRACTICES

<table>
<thead>
<tr>
<th>How often do the Stewart Title Companies notify me about their practices?</th>
<th>We must notify you about our sharing practices when you request a transaction.</th>
</tr>
</thead>
<tbody>
<tr>
<td>How do the Stewart Title Companies protect my personal information?</td>
<td>To protect your personal information from unauthorized access and use we use security measures that comply with federal law. These measures include computer, file, and building safeguards.</td>
</tr>
<tr>
<td>How do the Stewart Title Companies collect my personal information?</td>
<td>We collect your personal information, for example, when you request insurance-related services provide such information to us. We also collect your personal information from others, such as the real estate agent or lender involved in your transaction, credit reporting agencies, affiliates or other companies.</td>
</tr>
<tr>
<td>What sharing can I limit?</td>
<td>Although federal and state law give you the right to limit sharing (e.g., opt out) in certain instances, we do not share your personal information in those instances.</td>
</tr>
</tbody>
</table>

Contact us: If you have any questions about this privacy notice, please contact us at: Stewart Title Guaranty Company, 1980 Post Oak Blvd., Privacy Officer, Houston, Texas 77056
COMMITMENT FOR TITLE INSURANCE

ISSUED BY
STEWART TITLE GUARANTY COMPANY

THE FOLLOWING COMMITMENT FOR TITLE INSURANCE IS NOT VALID UNLESS YOUR NAME AND THE POLICY AMOUNT ARE SHOWN IN SCHEDULE A, AND OUR AUTHORIZED REPRESENTATIVE HAS COUNTERSIGNED BELOW.

We, STEWART TITLE GUARANTY COMPANY, will issue our title insurance policy or policies (the Policy) to You (the proposed insured) upon payment of the premium and other charges due, and compliance with the requirements in Schedule C. Our Policy will be in the form approved by the Texas Department of insurance at the date of issuance, and will insure your interest in the land described in Schedule A. The estimated premium for our Policy and applicable endorsements is shown on Schedule D. There may be additional charges such as recording fees, and expedited delivery expenses.

This Commitment ends ninety (90) days from the effective date, unless the Policy is issued sooner, or failure to issue the Policy is our fault. Our liability and obligations to you are under the express terms of this Commitment and end when this Commitment expires.

In Witness Whereof, the Company has caused this commitment to be signed and sealed as of the effective date of commitment as shown in Schedule A, the commitment to become valid and binding only when countersigned by an authorized signatory.

[Signatures]

Authorized Countersignature
Stewart Title of Austin, LLC
901 S Mopac, Building III, Suite 100
Austin, TX 78746

[Signatures]
Matt Morris
President and CEO
Denise Carraux
Secretary

For purposes of this form the "Stewart Title" logo featured above is the represented logo for the underwriter, Stewart Title Guaranty Company.
CONDITIONS AND STIPULATIONS

1. If you have actual knowledge of any matter which may affect the title or mortgage covered by this Commitment, that is not shown in Schedule D, you must notify us in writing. If you do not notify us in writing, our liability to you is ended or reduced to the extent that your failure to notify us affects our liability. If you do notify us, or we learn of such matter, we may amend Schedule B, but we will not be relieved of liability already incurred.

2. Our liability is only to you, and others who are included in the definition of Insured in the Policy to be issued. Our liability is only for actual loss incurred in your reliance on this Commitment to comply with its requirements or to acquire the interest in the land. Our liability is limited to the amount shown in Schedule A of this Commitment and will be subject to the following terms of the Policy: Insuring Provisions, Conditions and Stipulations, and Exclusions.

All notices required to be given the Company and any statement in writing required to be furnished the Company shall be addressed to it at P.O. Box 2020, Houston, Texas 77252-2020.
IMPORTANT INFORMATION

FOR INFORMATION, OR
TO MAKE A COMPLAINT
CALL OUR TOLL-FREE TELE-
PHONE NUMBER

1-800-729-1902

ALSO
YOU MAY CONTACT
THE TEXAS DEPARTMENT
OF INSURANCE AT

1-800-252-3439

to obtain information on:
1. filing a complaint against an insurance
   company or agent,
2. whether an insurance company or agent
   is licensed,
3. complaints received against an insurance
   company or agent.
4. policyholder rights, and
5. a list of consumer publications and
   services available through the
   Department.

YOU MAY ALSO WRITE TO
THE TEXAS DEPARTMENT OF
INSURANCE
P.O. BOX 140104
AUSTIN, TEXAS 78714-9104
FAX NO. (512) 490-1007

AVISO IMPORTANTE

PARA INFORMACION, O
PARA SOMETER UNA QUEJA
LLAME AL NUMERO GRATIS

1-800-729-1902

TAMBIEN
PUDE COMUNICARSE CON
EL DEPARTAMENTO DE SEGUROS
DE TEXAS AL

1-800-252-3439

para obtener información sobre:
1. cómo someter una queja en contra de
   una compañía de seguros o agente de
   seguros,
2. si una compañía de seguros o agente de
   seguros tiene licencia,
3. quejas recibidas en contra de una
   compañía de seguros o agente de
   seguros,
4. los derechos del asegurado, y
5. una lista de publicaciones y servicios
   para consumidores disponibles a través
   del Departamento.
TExAS TIte INsurance INFORMATION

Title insurance insures you against loss resulting from certain risks to your title. The commitment for Title Insurance is the title insurance company’s promise to issue the title insurance policy. The commitment is a legal document. You should review it carefully to completely understand it before your closing date.

El seguro de título le asegura en relación a pérdidas resultantes de ciertos riesgos que pueden afectar el título de su propiedad.

El Compromiso para Seguro de Titulo es la promesa de la compañía aseguradora de emitir la poliza de seguro de título. El Compromiso es un documento legal. Usted debe leerlo cuidadosamente y entenderlo completamente antes de la fecha para finalizar su transacción.

Your commitment for Title Insurance is a legal contract between you and us. The Commitment is not an opinion or report of your title. It is a contract to issue you a policy subject to the Commitment's terms and requirements.

Before issuing a Commitment for Title Insurance (the Commitment) or a Title Insurance Policy (the Policy), the title insurance Company (the Company) determines whether the title is insurable. This determination has already been made. Part of that determination involves the Company's decision to issue the title except for certain risks that will not be covered by the Policy. Some of these risks are listed in Schedule B of the attached Commitment as Exceptions. Other risks are stated in the Policy as Exclusions. These risks will not be covered by the Policy. The Policy is not an abstract of title nor does a Company have an obligation to determine the ownership of any mineral interest.

MINERALS AND MINERAL RIGHTS may not be covered by the Policy. The Company may be unwilling to insure title unless there is an exclusion or an exception as to Minerals and Mineral Rights in the Policy. Optional endorsements insuring certain risks involving minerals, and the use of improvements (excluding lawns, shrubbery and trees) and permanent buildings may be available for purchase. If the title insurer issues the title policy with an exclusion or exception to the minerals and mineral rights, neither this Policy, nor the optional endorsements, ensure that the purchaser has title to the mineral rights related to the surface estate.

Another part of the determination involves whether the promise to insure is conditioned upon certain requirements being met. Schedule C of the Commitment lists these requirements that must be satisfied or the Company will refuse to cover them. You may want to discuss any matters shown in Schedules B and C of the Commitment with an attorney. These matters will affect your title and your use of the land.

When your Policy is issued, the coverage will be limited by the Policy's Exceptions, Exclusions and Conditions, defined below.

- EXCEPTIONS are title risks that a Policy generally covers but does not cover in a particular instance. Exceptions are shown on Schedule B or discussed in Schedule C of the Commitment. They can also be added if you do not comply with the Conditions section of the Commitment. When the Policy is issued, all Exceptions will be on Schedule B of the Policy.

- EXCLUSIONS are title risks that a Policy generally does not cover. Exclusions are contained in the Policy but not shown or discussed in the Commitment.

- CONDITIONS are additional provisions that qualify or limit your coverage. Conditions include your responsibilities and those of the Company. They are contained in the Policy but not shown or discussed in the Commitment. The Policy Conditions are not the same as the Commitment Conditions.

You can get a copy of the policy form approved by the Texas Department of Insurance by calling the Title Insurance Company at 1-800-729-1902 or by calling the title insurance agent that issued the Commitment. The Texas Department of Insurance may revise the policy form from time to time.

You can also get a brochure that explains the policy from the Texas Department of Insurance by calling 1-800-252-3439.

Before the Policy is issued, you may request changes in the Policy. Some of the changes to consider are:

- Request amendment of the "area and boundary" exception (Schedule B, paragraph 2). To get this amendment, you must furnish a survey and comply with other requirements of the Company. On the Owner’s Policy, you must pay an additional premium for the amendment. If the survey is acceptable to the Company and if the Company’s other requirements are met, your Policy will insure you against loss because of discrepancies or conflicts in boundary lines, encroachments or protrusions, or overlapping of improvements. The Company may then decide not to insure against specific boundary or survey problems by making special exceptions in the Policy. Whether or not you request amendment of the "area and boundary" exception, you should determine whether you want to purchase and review a survey if a survey is not being provided to you.

- Allow the Company to add an exception to "rights of parties in possession". If you refuse this exception, the Company or the title insurance agent may inspect the property. The Company may except to and not insure you against the rights of specific persons, such as tenants, adverse owners or easement holders who occupy the land. The Company may charge you for the inspection. If you want to make your own inspection, you must sign a Waiver of Inspection form and allow the Company to add this exception to your Policy.

The entire premium for a Policy must be paid when the Policy is issued. You will not owe any additional premiums unless you want to increase your coverage at a later date and the Company agrees to add an Increased Value Endorsement.
COMMITMENT FOR TITLE INSURANCE
SCHEDULE A

ISSUED BY
STEWARD TITLE GUARANTY COMPANY

<table>
<thead>
<tr>
<th>File No.: 156091</th>
<th>Effective Date:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>February 1, 2018</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CLOSER: Shawna Fletcher</th>
<th>Issued:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>February 9, 2018, 3:20PM</td>
</tr>
</tbody>
</table>

1. The policy or policies to be issued are:

   a. OWNER'S POLICY OF TITLE INSURANCE (Form T-1)
      (Not applicable for improved one-to-four family residential real estate)
      Policy Amount: $2,600,000.00
      PROPOSED INSURED: FC Waters Park Housing, LP

   b. TEXAS RESIDENTIAL OWNER'S POLICY OF TITLE INSURANCE
      -ONE-TO-FOUR FAMILY RESIDENCES (Form T-1R)
      Policy Amount: $
      PROPOSED INSURED: FC Waters Park Housing, LP

   c. LOAN POLICY OF TITLE INSURANCE (Form T-2)
      Policy Amount: $
      PROPOSED INSURED: FC Waters Park Housing, LP
      Proposed Borrower: FC Waters Park Housing, LP

   d. TEXAS SHORT FORM RESIDENTIAL LOAN POLICY OF TITLE INSURANCE (Form T-2R)
      Policy Amount: $
      PROPOSED INSURED: FC Waters Park Housing, LP
      Proposed Borrower: FC Waters Park Housing, LP

   o. LOAN TITLE POLICY BINDER ON INTERIM CONSTRUCTION LOAN (Form T 13)
      Binder Amount: $
      PROPOSED INSURED: FC Waters Park Housing, LP
      Proposed Borrower: FC Waters Park Housing, LP

   f. OTHER:
      Policy Amount: $
      PROPOSED INSURED: FC Waters Park Housing, LP

2. The interest in the land covered by this Commitment is:

   FEE SIMPLE

3. Record title to the land on the Effective Date appears to be vested in:

   Robert A. Chaffee and Vickie Chaffee

4. Legal description of land:

   See Exhibit “A” Attached Hereto
Commitment for Title Insurance
Exhibit "A"

Legal Description

Issued By
Stewart Title Guaranty Company

File No.: 156091

Lot 2, of Garner & Kissman Subdivision, a subdivision in Travis County, Texas, according to the map or plat thereof, recorded in Volume 24, Page 43, Plat Records of Travis County, Texas.
EXCEPTIONS FROM COVERAGE

In addition to the Exclusions and Conditions and Stipulations, your policy will not cover loss, costs, attorney’s fees and expenses resulting from:

1. The following restrictive covenants of record itemized below (We must either insert specific recording date or delete this exception.):

   This section is hereby deleted in its entirety.

2. Any discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments or protrusions, or any overlapping of improvements. Upon receipt of an approved survey, Schedule B, Item 2 may be modified to read in its entirety. *Shortages in area* (Loan Policy only or Owner’s Title Policy with prescribed premium.)

3. Homestead or community property or survivorship rights, if any, of any spouse of any insured. (Applies to the Owner’s Policy only.)

4. Any titles or rights asserted by anyone, including, but not limited to, persons, the public, corporations, governments or other entities,
   a. to tidelands, or lands comprising the shore or bed of navigable or perennial rivers and streams, lakes, bays, gulfs, or oceans, or
   b. to lands beyond the line of the harbor or bulkhead lines as established or changed by any government, or
   c. to filled-in lands, or artificial islands, or
   d. to statutory water rights, including riparian rights, or
   e. to the area extending from the line of mean low tide to the line of vegetation, or the rights of access to that area or easement along and across that area. (Applies to the Owner’s Policy only.)

5. Special taxes, assessments, or special assessments by any taxing authority for the year 2017 and subsequent years, and subsequent taxes and assessments by any taxing authority for prior years due to change in land usage or ownership, but not those taxes or assessments for prior years because of an exemption granted to a previous owner of the property under Section 11.13, Texas Tax Code, or because of improvements not assessed for a previous tax year. (If Texas Short Form Residential Loan Policy of Title Insurance (T-2R) is issued, that policy will substitute “which become due and payable subsequent to Date of Policy” in lieu of “for the year 2017 and subsequent years.”)

6. The terms and conditions of the documents creating your interest in the land.

7. Materials furnished or labor performed in connection with planned construction before signing and delivering the lien document described in Schedule A, if the land is part of the homestead of the owner. (Applies to the Loan Title Policy Binder on Interim Construction Loan only, and may be deleted if satisfactory evidence is furnished to us before a binder is issued.)

8. Liens and leases that affect the title to the land, but that are subordinate to the lien of the insured mortgage. (Applies to Loan Policy T-2 only.)

9. The Exceptions from Coverage and Express Insurance in Schedule B of the Texas Short Form Residential Loan Policy of Title Insurance (T-2R). (Applies to Texas Short Form Residential Loan Policy of Title Insurance (T-2R) only.)
10. The following matters and all terms of the documents creating or offering evidence of the matters (We must insert matters or delete this exception):

a) Rights of parties in possession. (Owner Title Policy only)

b) Building setback line, 25 feet in width, along the front property line, as recorded in/under Volume 24, Page 43 of the Plat Records of Travis County, Texas.

c) 10’ electric easement, across (middle) subject property, as recorded in/under Volume 24, Page 43, Map/Plat Records, Travis County, Texas.

d) Easement, Right of Way and/or Agreement granted to LCRA, by instrument recorded in/under Volume 645, Page 250 of the Deed Records, Travis County, Texas. (If located so as to affect subject property)

e) Easement, Right of Way and/or Agreement granted to City of Austin, by instrument recorded in/under Volume 2410, Page 147 of the Real Property Records, Travis County, Texas. (If located so as to affect subject property)

f) Easement, Right of Way and/or Agreement granted to City of Austin, by instrument recorded in/under Volume 659, Page 564 of the Deed Records, Travis County, Texas. (If located so as to affect subject property)

g) Easement, Right of Way and/or Agreement granted to City of Austin, by instrument recorded in/under Volume 2000, Page 473 of the Real Property Records, Travis County, Texas.

h) Rights of tenants, and assigns, as tenants only, under currently effective lease agreements.

i) Unrecorded lease executed by Robert Chaffee and Vickie Chaffee (Lessor) and Late European, LLC (Lessee), as set out in that certain Sales Contract dated December 11, 2017, by and between Robert A. & Vickie Chaffee and Foundation Communities, Inc.

j) Intentionally deleted.
COMMITMENT FOR TITLE INSURANCE
SCHEDULE C

ISSUED BY
STEWARD TITLE GUARANTY COMPANY

Your Policy will not cover loss, costs, attorneys' fees, and expenses resulting from the following requirements that will appear as Exceptions in Schedule B of the Policy, unless you dispose of these matters to our satisfaction, before the date the Policy is issued:

1. Documents creating your title or interest must be approved by us and must be signed, notarized and filed for record.

2. Satisfactory evidence must be provided that:
   - no person occupying the land claims any interest in that land against the persons named in paragraph 3 of Schedule A,
   - all standby fees, taxes, assessments and charges against the property have been paid,
   - all improvements or repairs to the property are completed and accepted by the owner, and that all contractors, sub-contractors, laborers and suppliers have been fully paid, and that no mechanic's, laborer's or materialman's liens have attached to the property,
   - there is legal right of access to and from the land,
   - (on a Loan Policy only) restrictions have not been and will not be violated that affect the validity and priority of the insured mortgage.

3. You must pay the seller or borrower the agreed amount for your property or interest.

4. Any defect, lien or other matter that may affect title to the land or interest insured, that arises or is filed after the effective date of this Commitment.

5. Note: Procedural Rule P-27 as provided for in Section 2561.202, Texas Insurance Code requires that "Good Funds" be received and deposited before a Title Agent may disburse from its Trust Fund Account. Procedural Rule P-27 provide a list of the types of financial documents and instruments which satisfy this requirement. Please be advised that we reserve the right to determine on a case-by-case basis what form of good funds is acceptable.

6. NOTE: We find no outstanding liens of record affecting the subject property. Inquiry should be made concerning the existence of any unrecorded lien or other indebtedness which could give rise to any security interest claim in the subject property.

7. The Company requires for its review a copy of the articles of incorporation for Foundation Communities, Inc., a satisfactory corporate resolution of the Board of Directors authorizing the proposed transaction, Shareholders Resolution where applicable, and satisfactory evidence that the corporation is in good standing in the state of its incorporation. At the time the Company is furnished these items, the Company may make additional requirement or exceptions.

8. Company requires that a final/signed survey be submitted for examination prior to closing. Additionally, Company requires that the preliminary survey be returned with the final version, for comparison.

9. If this property is located within the boundaries of a district providing water, sewer, drainage or flood control facilities or services, notice must be given to the proposed purchasers in accordance with the provisions of the Texas Water Code.

10. If the Proposed Insured executes a Waiver of Inspection in the approved form, an exception to "Rights of parties in possession" will be contained in the Owner's Policy when issued; however, the Proposed Insured may refuse to execute the Waiver, in which case the Company will require that an inspection be conducted by its agent, for which an inspection fee may be charged, and the Company reserves the right to make additional, particular exceptions in the Policy to matters revealed by the inspection.
11. We must be furnished with a satisfactory Affidavit as to Debts and Liens, executed by the seller/borrower or his/her/their authorized representative at the time of closing. We reserve the right to make additional requirements on the basis of this Affidavit.

12. You may request amendment of the Area and Boundary Exception to read “Shortages in Area”. The Texas Title Insurance Information portion of the Commitment for Title Insurance advises you that your Policy will insure you against loss because of non-expected discrepancies or conflicts in boundary lines, encroachments, or protrusions, or overlapping of improvements if you pay an additional five percent (5%) premium of the Basic Rate for T-1R Residential Owner Policy coverage, or fifteen percent (15%) premium of the Basic Rate for T-1 Non-Residential Owner Policy coverage, and if we are provided with a satisfactory survey, pursuant to Procedural Rule P2.

13. Your Owner’s Title Policy will contain this coverage and you will be charged the appropriate additional premium unless, on or before the date of closing, you advise the company in writing that you wish to decline this additional coverage.

14. The Texas Department of Insurance has approved a new Restrictions, Encroachments, Minerals Endorsement, T-19.1, to be available on Owner’s Title Policies. This coverage was previously only available on Loan Policies. The T-19.1 Endorsement affords insurance against any previous violation of restrictions affecting the subject property, all rights of first refusal, all reversionary rights and any damage to the property due to future damages to the improvements because of an existing right to extract or develop minerals.

15. We will require a Premium of $5.00 be collected for the Standard Tax Exception “Company insures that standby fees, taxes, and assessments by any taxing authority for the year 2017 are not yet due and payable.” (Loan Policy Only).

16. At its meeting on January 27, 2016, the Board of Directors of the Texas Title Insurance Guaranty Association (TTIGA) voted to increase the policy guaranty fee from zero to $3.00 effective April 1, 2016. The guaranty fee will be $3 for each owner’s title policy and $3 for each loan title policy sold, and title agents will be required to remit and report this quarterly to the TTIGA. We will require that a Premium of $3.00 per policy be collected at closing and remitted to the Title Company.

17. FOR INFORMATIONAL PURPOSES ONLY: The following conveyances involving the subject property were recorded within the last 24 months: NONE
COMMITMENT FOR TITLE INSURANCE
SCHEDULE D

ISSUED BY
STEWARD TITLE GUARANTY COMPANY

Policy Commitment No.: 156091

The information contained in this Schedule (D) does not affect title to or the lien upon the land described in Schedule A hereof, to be insured in any policy(ies) of title insurance to be issued in accordance with this Commitment.

As to Stewart Title Guaranty Company, the Underwriter herein, the following disclosures are made as of December 31, 2016:

A-1. Shareholders owning or controlling, or holding, directly or indirectly, ten percent (10%) or more of the shares of Stewart Title Guaranty Company as of the last day of the year preceding the date hereinafter set forth are as follows:
   Stewart Information Services Corporation -100%

A-2. The members of the Board of Directors of Stewart Title Guaranty Company as of the last day of the year preceding the date hereinafter set forth are as follows: Malcolm S. Morris, Charles F. Howard, Matthew Morris, Stewart Morris, Stewart Morris, Jr., John Killea and Allen Berryman.

A-3. The designated officers of Stewart Title Guaranty Company as of the date hereinafter set forth are as follows: Matthew Morris, Chief Executive Officer & President; Allen Berryman, Chief Financial Officer & Assistant Secretary-Treasurer; Timothy Okrie, Chief Operations Officer; Brad Rable, Chief Information Officer; Genady Yishnevsky, Chief Information Security Officer; Jay Milligan, Chief Revenue Officer; Ann Manal, Chief Human Resources Officer; Dave FAth, Group President – Direct Operations; Steven M. Lessack, Group President – International Operations; Patrick Beall, Group President; John Killea, General Counsel & Chief Compliance Officer; Bruce Hawley, Executive Vice President – Commercial Services; Richard Black, Senior Vice President – Associate Senior Underwriting Counsel; James Gosdin, Senior Vice President – Chief Underwriting Counsel & Associate General Counsel; John Rothermel, Senior Vice President – Regional Underwriting Counsel.

As to Stewart Title of Austin, LLC (Title Insurance Agent), the following disclosures are made:

B-1 Shareholders, owners, partners or other persons having, owning or controlling one percent (1%) or more of Title Insurance Agent are as follows:
   Stewart Title Company

B-2 Shareholders, owners, partners, or other persons having, owning or controlling ten percent (10%) or more of an entity that has, owns or controls one percent (1%) or more of Title Insurance Agent are as follows:
   Stewart Title Guaranty

B-3 If Title Insurance Agent is a corporation, the following is a list of the members of the Board of Directors:
   Paul E. Gammill Jr. - Manager and President; John M. McCan - Manager and Chairman, Larry Molinare - Executive Vice President; Gaye Pierce - Executive Vice President and Secretary.

B-4 If Title Insurance Agent is a corporation, the following is a list of its officers:
   Paul E. Gammill Jr. - Manager and President; John M. McCan - Manager and Chairman; Larry Molinare - Executive Vice President; Gaye Pierce - Executive Vice President and Secretary.

C-1. You are entitled to receive advance disclosure of settlement charges in connection with the proposed transaction to which this commitment relates. Upon your request, such disclosure will be made to you. Additionally, the name of any person, firm or corporation receiving a portion of the premium from the settlement of this transaction will be disclosed on the closing or settlement statement.

You are further advised that the estimated title premium* is:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>Owner's Policy</td>
<td>$13,157.00</td>
</tr>
<tr>
<td>Loan Policy</td>
<td>$0.00</td>
</tr>
<tr>
<td>Endorsement Charges</td>
<td>$3,389.25</td>
</tr>
<tr>
<td>Other</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$16,546.25</td>
</tr>
</tbody>
</table>

Of this total amount 15 % will be paid to Stewart Title Guaranty Company; 85 % will be retained by the issuing Title Insurance Agent; and the remainder of the estimated premium will be paid to other parties as follows:
**COMMITMENT FOR TITLE INSURANCE**  
**SCHEDULE D**  

**ISSUED BY**  
STEWART TITLE GUARANTY COMPANY

<table>
<thead>
<tr>
<th>Amount</th>
<th>To Whom</th>
<th>For Service</th>
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<tbody>
<tr>
<td>$</td>
<td>(or %)</td>
<td></td>
</tr>
<tr>
<td>$</td>
<td>(or %)</td>
<td></td>
</tr>
<tr>
<td>$</td>
<td>(or %)</td>
<td></td>
</tr>
</tbody>
</table>

*The estimated premium is based upon information furnished to us as of the date of this Commitment for Title Insurance. Final determination of the amount of the premium will be made at closing in accordance with the Rules and Regulations adopted by the Commissioner of Insurance.*
ARBITRATION is a common form of alternative dispute resolution. It can be a quicker and cheaper means to settle a dispute with your Title Insurance Company. However, if you agree to arbitrate, you give up your right to take the Title Insurance Company to court and your rights to discovery of evidence may be limited in the arbitration process. In addition, you cannot usually appeal an arbitrator’s award.

Your policy contains an arbitration provision (shown below). It allows you or the Company to require arbitration if the amount of insurance is $2,000,000 or less. If you want to retain your right to sue the Company in case of a dispute over a claim, you must request deletion of the arbitration provision before the policy is issued. You can do this by signing this form and returning it to the Company at or before the closing of your real estate transaction or by writing to the Company.

The arbitration provision in the Policy is as follows:

“Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, any service in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of Insurance is $2,000,000 or less shall be arbitrated at the option of either the Company or the Insured, unless the Insured is an individual person (as distinguished from an Entity). All arbitrable matters when the Amount of Insurance is in excess of $2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction.”

_________________________  _________________________
SIGNATURE  DATE
Stewart Title Guaranty Company Privacy Notice
Stewart Title Companies

WHAT DO THE STEWART TITLE COMPANIES DO WITH YOUR PERSONAL INFORMATION?

Federal and applicable state law and regulations give consumers the right to limit some but not all sharing. Federal and applicable state law regulations also require us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand how we use your personal information. This privacy notice is distributed on behalf of the Stewart Title Guaranty Company and its title affiliates (the Stewart Title Companies), pursuant to Title V of the Gramm-Leach-Bliley Act (GLBA).

The types of personal information we collect and share depend on the product or service that you have sought through us. This information can include social security numbers and driver’s license number.

All financial companies, such as the Stewart Title Companies, need to share customers’ personal information to run their everyday business—to process transactions and maintain customer accounts. In the section below, we list the reasons that we can share customers’ personal information, the reasons that we choose to share; and whether you can limit this sharing.

<table>
<thead>
<tr>
<th>Reasons we can share your personal information.</th>
<th>Do we share</th>
<th>Can you limit this sharing?</th>
</tr>
</thead>
<tbody>
<tr>
<td>For our everyday business purposes—to process your transactions and maintain your account. This may include running the business and managing customer accounts, such as processing transactions, mailing, and auditing services, and responding to court orders and legal investigations.</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>For our marketing purposes—to offer our products and services to you.</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>For joint marketing with other financial companies.</td>
<td>No</td>
<td>We don’t share</td>
</tr>
<tr>
<td>For our affiliates’ everyday business purposes—information about your transactions and experiences. Affiliates are companies related by common ownership or control. They can be financial and non-financial companies. Our affiliates may include companies with a Stewart name; financial companies, such as Stewart Title Company.</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>For our affiliates’ everyday business purposes—information about your creditworthiness.</td>
<td>No</td>
<td>We don’t share</td>
</tr>
<tr>
<td>For our affiliates to market to you—For your convenience, Stewart has developed a means for you to opt out from its affiliates marketing even though such mechanism is not legally required.</td>
<td>Yes</td>
<td>Yes, send your first and last name, the email address used in your transaction, your Stewart file number and the Stewart office location that is handling your transaction by email to <a href="mailto:optout@stewart.com">optout@stewart.com</a> or fax to 1-800-335-9591.</td>
</tr>
<tr>
<td>For non-affiliates to market to you. Non-affiliates are companies not related by common ownership or control. They can be financial and non-financial companies.</td>
<td>No</td>
<td>We don’t share</td>
</tr>
</tbody>
</table>

We may disclose your personal information to our affiliates or to non-affiliates as permitted by law. If you request a transaction with a non-affiliate, such as a third party insurance company, we will disclose your personal information to that non-affiliate. [We do not control their subsequent use of information, and suggest you refer to their privacy notices.]

SHARING PRACTICES

<table>
<thead>
<tr>
<th>How often do the Stewart Title Companies notify me about their practices?</th>
<th>We must notify you about our sharing practices when you request a transaction.</th>
</tr>
</thead>
<tbody>
<tr>
<td>How do the Stewart Title Companies protect my personal information?</td>
<td>To protect your personal information from unauthorized access and use we use security measures that comply with federal law. These measures include computer, file, and building safeguards.</td>
</tr>
<tr>
<td>How do the Stewart Title Companies collect my personal information?</td>
<td>We collect your personal information, for example, when you request insurance-related services provide such information to us. We also collect your personal information from others, such as the real estate agent or lender involved in your transaction, credit reporting agencies, affiliates or other companies.</td>
</tr>
<tr>
<td>What sharing can I limit?</td>
<td>Although federal and state law give you the right to limit sharing (e.g., opt out) in certain instances, we do not share your personal information in those instances.</td>
</tr>
</tbody>
</table>

Contact us:  If you have any questions about this privacy notice, please contact us at: Stewart Title Guaranty Company, 1980 Post Oak Blvd., Privacy Officer, Houston, Texas 77056
Site and Neighborhood Standards
February 21, 2018

Fayez Kazi
1210 Rosewood Ave.
Austin, TX 78702
Fayez@civilityde.com

Subject: Service Availability to:

Owner: Foundation Communities
Address: 12207 Waters Park Rd. & 12190 N. Mopac Expwy
TCAD: 478625
Legal Description: 2.5 acres – ABS 659 SUR 19 ROGERS J ACR 1.45

Dear Mr. Kazi,

The above described property is located within the Austin Energy’s (AE) electric service territory. This letter will confirm that AE can provide electric service.

This confirmation of availability of electric service is conditional upon the obligation of the customer to comply with the technical and regulatory requirements pertaining to the provision of electric service to the above-described property. Please refer to the AE Design Criteria Manual (www.austinenergy.com/go/designmanual). In some instances it might be necessary for service to be extended to the property.

Austin Energy Distribution Design Group Northwest will prepare the design of service for the facility. When you are ready to proceed with the design, you will need to contact the Design Supervisor, Ron Solbach at 512-505-7145. He will assign a designer to your project that will be able to provide you information concerning any additional costs, which may be required.

Once the design is completed, there may be a need for additional easements, which must be provided prior to the project being released to construction. For assistance regarding easements, or any other questions concerning the process, please feel free to call David Lambert at 512-322-6109.

Sincerely,

Melody Giambruno
Public Involvement/Real Estate
Austin Energy
721 Barton Springs Road
Austin, TX 78704
01-28-2018

Blanca Badillo

RE: 12207 Waters Park Rd

Blanca Badillo,

This is to document your request for “Letter of Availability”, concerning the above referenced project.

1. This project is located within AT&T serving territory and will be served per the General Exchange Tariff as approved by the Texas Public Utilities Commission.

2. The telephone services are proposed as buried or aerial and will be extended as needed to serve your development.

3. An Easement or piping will be required on the owner’s private property for our facilities.

It is a pleasure to work with you on this project and if I may be of further assistance, please do not hesitate to contact me.

Thank you,

David A Williams
Lead OSP PLNG & ENGRG Design – AT&T
Excellent. I have attached the gas availability map for this with the ROW stamp. If you need anything else let me know!
February 8, 2018

Civilitude Engineers & Planners
Mr Fayez Kazi, PE LEED
1210 Rosewood Ave
Austin, TX 78702

Mr. Kazi,

On behalf of Central Texas Refuse, I confirm 12207 Waters Park is in our service area.

Please advise if you need additional assistance with enclosure specs or site inspections.

Best regards,

Karen Johnson
KSJOHNSON@CENTRALTEXASREFUSE.COM  512-552-5442
February 5, 2018

Blanca Badillo  
Civilitude  
1210 Rosewood Avenue  
Austin, Texas 78702  

Re: Water and Wastewater Service Availability to 12207 Waters Park Road  
TCAD ID# 0262100102  

Dear Ms. Badillo:  

The above described property is located within the service area of Austin Water. Water and wastewater service for this property will be provided in accordance with all applicable policies, ordinances and regulatory requirements. Please refer to the Austin City Code and the Utilities Criteria Manual (https://www.municode.com/library/texas/austin).  

The property owner and/or developer of this property is responsible for design and construction of water and wastewater infrastructure required to accommodate proposed development of this property. Service Extension Requests may be required for future water and wastewater service (http://www.austintexas.gov/ser). Actual service delivery will be contingent upon available system capacity at the time an application for Tap and/or Service Extension Request is made and will be subject to all fees, charges, ordinances and policies in effect at that time.  

If we can provide additional information, please call me at (512) 972-0211 or email me at alberto.ramirez@austintexas.gov.  

Sincerely,  

Alberto Ramirez  
Utility Development Services Division  
Austin Water
Statement Regarding Promotion of Greater Choice of Housing Opportunities

Waters Park Studios will promote a greater choice of housing opportunities and avoid undue concentrations of assisted persons in areas containing a high-proportion of low-income persons. Waters Park Studios is the new construction of 132 units of Supportive Housing that will build on Foundation Communities’ successful housing-plus-services model, proven so effective for single adults with high needs, low incomes, and housing instability.

The development site will allow low-income adults greater housing opportunities. Waters Park Studios, in Census Tract 48453001829, is located in a high opportunity area of North West Austin. The area provides unparalleled employment opportunities, access to medical care and proximity to amenities. Residents of Waters Park Studios will be able to access the ample amenities provided by the neighborhood while paying rents that are a fraction of the surrounding market.

The census tract has a minority population of 32%, which is dramatically lower than the city’s minority population of 51%. In addition, the tract has a lower poverty rate, of 6.9%, which is lower than the surrounding Travis County of 10.25%. These factors will provide an opportunity in the City of Austin to deconcentrate poverty and increase housing choice.

The location of Waters Park Studios is ideal for Supportive Housing, with easy walk and bike access to medical care and employment. For Supportive Housing residents, many whom are living with severe and chronic medical conditions, easy access to medical care is of primary importance. Residents will benefit from extraordinary access to medical care in close proximity to St. David’s North Austin Medical Center, Austin Diagnostic Clinic, and Austin Medical Group, all offering the full breadth of medical services performed by hundreds of qualified doctors. The Waters Park site is located in the shadow of The Domain—a retail, restaurant and employment mecca—and within minutes of some of Austin’s other top tech and retail employers. According to the U.S. Census Bureau’s OnTheMap 2015 data, there are over 45,000 total jobs within two miles of the project.

Affordable housing in the Waters Park neighborhood is virtually nonexistent. With Waters Park Studios offering affordable housing paired with supportive services, the target population has the very real opportunity to stabilize, succeed, and maintain this progress, fully supported by on-site health initiatives, case management, education, and financial services, plus access to medical and employment opportunities nearby.
### Profile of General Population and Housing Characteristics: 2010

#### 2010 Census Summary File 1


**Geography:** Census Tract 18.29, Travis County, Texas

<table>
<thead>
<tr>
<th>Subject</th>
<th>Number</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total population</td>
<td>2,443</td>
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</tr>
<tr>
<td>1 Under 5 years</td>
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<tr>
<td>5 to 9 years</td>
<td>71</td>
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<tr>
<td>10 to 14 years</td>
<td>78</td>
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<td>15 to 19 years</td>
<td>102</td>
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<tr>
<td>20 to 24 years</td>
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<td>30 to 34 years</td>
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<td>35 to 39 years</td>
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<td>60 to 64 years</td>
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<td>65 to 69 years</td>
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<td>70 to 74 years</td>
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<tr>
<td>80 to 84 years</td>
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<tr>
<td>85 years and over</td>
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<td>0.5</td>
</tr>
<tr>
<td><strong>Median age (years)</strong></td>
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<td>(X)</td>
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<tr>
<td>65 years and over</td>
<td>101</td>
<td>4.1</td>
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</table>

<p>| Male population              | 1,273  | 52.1    |
| Under 5 years                | 50     | 2.0     |
| 5 to 9 years                 | 32     | 1.3     |
| 10 to 14 years               | 40     | 1.6     |
| 15 to 19 years               | 62     | 2.5     |
| 20 to 24 years               | 102    | 6.0     |
| 25 to 29 years               | 235    | 9.6     |
| 30 to 34 years               | 180    | 7.4     |
| 35 to 39 years               | 113    | 4.6     |
| 40 to 44 years               | 100    | 4.1     |
| 45 to 49 years               | 90     | 3.7     |
| 50 to 54 years               | 76     | 3.1     |
| 55 to 59 years               | 47     | 1.9     |
| 60 to 64 years               | 34     | 1.4     |</p>
<table>
<thead>
<tr>
<th>Subject</th>
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<th>Percent</th>
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<tr>
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<tr>
<td>75 to 79 years</td>
<td>2</td>
<td>0.1</td>
</tr>
<tr>
<td>80 to 84 years</td>
<td>8</td>
<td>0.3</td>
</tr>
<tr>
<td>85 years and over</td>
<td>7</td>
<td>0.3</td>
</tr>
<tr>
<td>Median age (years)</td>
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<td>(X)</td>
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<td>16 years and over</td>
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<tr>
<td>Female population</td>
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<td>2.0</td>
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<tr>
<td>5 to 9 years</td>
<td>39</td>
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<tr>
<td>10 to 14 years</td>
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<td>15 to 19 years</td>
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<td>50 to 54 years</td>
<td>71</td>
<td>2.9</td>
</tr>
<tr>
<td>55 to 59 years</td>
<td>67</td>
<td>2.7</td>
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<tr>
<td>60 to 64 years</td>
<td>60</td>
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<tr>
<td>65 to 69 years</td>
<td>18</td>
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<tr>
<td>70 to 74 years</td>
<td>17</td>
<td>0.7</td>
</tr>
<tr>
<td>75 to 79 years</td>
<td>6</td>
<td>0.2</td>
</tr>
<tr>
<td>80 to 84 years</td>
<td>4</td>
<td>0.2</td>
</tr>
<tr>
<td>85 years and over</td>
<td>4</td>
<td>0.2</td>
</tr>
<tr>
<td>Median age (years)</td>
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<td>(X)</td>
</tr>
<tr>
<td>16 years and over</td>
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<tr>
<td>65 years and over</td>
<td>49</td>
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</tr>
</tbody>
</table>

**RACE**

<p>| Total population               | 2,443  | 100.0   |
| One Race                       | 2,364  | 96.8    |
| White                          | 1,999  | 81.8    |
| Black or African American      | 142    | 5.8     |
| American Indian and Alaska Native | 12   | 0.5     |
| Asian                          | 118    | 4.8     |
| Asian Indian                   | 28     | 1.1     |
| Chinese                        | 20     | 0.8     |
| Filipino                       | 20     | 0.8     |
| Japanese                       | 8      | 0.3     |
| Korean                         | 14     | 0.6     |
| Vietnamese                     | 16     | 0.7     |
| Other Asian [1]                | 12     | 0.5     |
| Native Hawaiian and Other Pacific Islander | 0 | 0.0 |
| Native Hawaiian                | 0      | 0.0     |
| Guamarian or Chamorro           | 0      | 0.0     |
| Samcan                         | 0      | 0.0     |</p>
<table>
<thead>
<tr>
<th>Subject</th>
<th>Number</th>
<th>Percent</th>
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<tbody>
<tr>
<td>Other Pacific Islander [2]</td>
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<tr>
<td>Two or More Races</td>
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</tr>
<tr>
<td>White; American Indian and Alaska Native [3]</td>
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<tr>
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<td>0.7</td>
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<tr>
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Race alone or in combination with one or more other races: [4]

<table>
<thead>
<tr>
<th>Race</th>
<th>Number</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td>2,064</td>
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<tr>
<td>Black or African American</td>
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<tr>
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HISPANIC OR LATINO

<table>
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<th>Number</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total population</td>
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</tr>
<tr>
<td>Hispanic or Latino (of any race)</td>
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<td>Mexican</td>
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<td>Cuban</td>
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<tr>
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HISPANIC OR LATINO AND RACE

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<th>Number</th>
<th>Percent</th>
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<td>Total population</td>
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<tr>
<td>Asian alone</td>
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<td>0.2</td>
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<tr>
<td>Native Hawaiian and Other Pacific Islander alone</td>
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<tr>
<td>Some Other Race alone</td>
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<tr>
<td>Two or More Races</td>
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RELATIONSHIP

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<tr>
<td>In households</td>
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<td>Spouse [6]</td>
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<td>Nonrelatives</td>
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<td>0.0</td>
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<td>Unmarried partner</td>
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<td>In group quarters</td>
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<tr>
<td>Subject</td>
<td>Number</td>
<td>Percent</td>
</tr>
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<td>----------------------------------------------</td>
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<tr>
<td>Female</td>
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<tr>
<td>Noninstitutionalized population</td>
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<td>Female</td>
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<td>With own children under 18 years</td>
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<td>1.4</td>
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<td>Female householder, no husband present</td>
<td>97</td>
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<td>48</td>
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<td>Average family size [7]</td>
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<td><strong>HOUSING OCCUPANCY</strong></td>
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<tr>
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<td>For sale only</td>
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<td>For seasonal, recreational, or occasional use</td>
<td>9</td>
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<tr>
<td>All other vacant</td>
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<td>Homeowner vacancy rate (percent) [8]</td>
<td>1.4</td>
<td>(X)</td>
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<td>Rental vacancy rate (percent) [9]</td>
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<td>(X)</td>
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<td><strong>HOUSING TENURE</strong></td>
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<td></td>
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<tr>
<td>Occupied housing units</td>
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<td>100.0</td>
</tr>
<tr>
<td>Owner-occupied housing units</td>
<td>342</td>
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<td>Population in owner-occupied housing units</td>
<td>782</td>
<td>(X)</td>
</tr>
<tr>
<td>Average household size of owner-occupied units</td>
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<td>(X)</td>
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<td>Renter-occupied housing units</td>
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<td>(X)</td>
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<tr>
<td>Average household size of renter-occupied units</td>
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<td>(X)</td>
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</table>

X Not applicable.

[1] Other Asian alone, or two or more Asian categories.
[2] Other Pacific Islander alone, or two or more Native Hawaiian and Other Pacific Islander categories.
[3] Other is the sum of more detailed categories not shown here. Percentages may not add to 100 percent because of rounding.
[4] In combination with one or more of the other races listed. The six numbers may add to more than the total population, and the six percentages may add to more than 100 percent because individuals may report more than one race.
[5] This category is composed of people whose origins are from the Dominican Republic, Spain, and Spanish-speaking Central or South American countries. It also includes general origin responses such as "Latino" or "Hispanic."

[6] "Spouse" represents spouse of the householder. It does not reflect all spouses in a household. Responses of "same-sex spouse" were edited during processing to "unmarried partner."

[7] "Family households" consist of a householder and one or more other people related to the householder by birth, marriage, or adoption. They do not include same-sex married couples even if the marriage was performed in a state issuing marriage certificates for same-sex couples. Same-sex couple households are included in the family households category if there is at least one additional person related to the householder by birth or adoption. Same-sex couple households with no relatives of the householder present are tabulated in nonfamily households. "Nonfamily households" consist of people living alone and households which do not have any members related to the householder.

[8] The homeowner vacancy rate is the proportion of the homeowner inventory that is vacant "for sale." It is computed by dividing the total number of vacant units "for sale only" by the sum of owner-occupied units, vacant units that are "for sale only," and vacant units that have been sold but not yet occupied; and then multiplying by 100.

[9] The rental vacancy rate is the proportion of the rental inventory that is vacant "for rent." It is computed by dividing the total number of vacant units "for rent" by the sum of the renter-occupied units, vacant units that are "for rent," and vacant units that have been rented but not yet occupied; and then multiplying by 100.

Source: U.S. Census Bureau, Census 2010 Summary File 1, Tables P5, P6, P8, P12, P13, P17, P19, P20, P25, P29, P31, P34, P37, P43, PCT5, PCT8, PCT11, PCT12, PCT19, PCT23, PCT24, H3, H4, H5, H11, H12, and H16.

Source: U.S. Census Bureau, 2010 Census.
Geography: Austin city, Texas

<table>
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<tr>
<th>Subject</th>
<th>Number</th>
<th>Percent</th>
</tr>
</thead>
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<tr>
<td>Total population</td>
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<tr>
<td>Under 5 years</td>
<td>57,082</td>
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<td>5 to 9 years</td>
<td>50,407</td>
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<td>10 to 14 years</td>
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<td>15 to 19 years</td>
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<td>20 to 24 years</td>
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<td>25 to 29 years</td>
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<td>30 to 34 years</td>
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<td>85 years and over</td>
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<td>(X)</td>
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<td>65 years and over</td>
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**RACE**

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<th>Race</th>
<th>Number</th>
<th>Percent</th>
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<tr>
<td>One Race</td>
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<tr>
<td>White</td>
<td>539,760</td>
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<tr>
<td>Black or African American</td>
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<td>American Indian and Alaska Native</td>
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<td>Filipino</td>
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<td>Vietnamese</td>
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<tr>
<td>Other Asian [1]</td>
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<td>Native Hawaiian and Other Pacific Islander</td>
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<td>Samcan</td>
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<td>0.0</td>
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<tr>
<td>Subject</td>
<td>Number</td>
<td>Percent</td>
</tr>
<tr>
<td>----------------------------------------------</td>
<td>--------</td>
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<tr>
<td>Other Pacific Islander [2]</td>
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<td>White; Asian [3]</td>
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<tr>
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<tr>
<td>White; Some Other Race [3]</td>
<td>7,922</td>
<td>1.0</td>
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</tbody>
</table>

Race alone or in combination with one or more other races: [4]
| White                                        | 552,451| 71.2  |
| Black or African American                    | 71,130 | 9.0   |
| American Indian and Alaska Native           | 12,725 | 1.6   |
| Asian                                        | 57,993 | 7.3   |
| Native Hawaiian and Other Pacific Islander   | 1,506  | 0.2   |
| Some Other Race                              | 113,272| 14.3  |

**HISPANIC OR LATINO**

| Total population                             | 790,390| 100.0 |
| Hispanic or Latino (of any race)             | 277,707| 35.1  |
| Mexican                                      | 220,865| 28.1  |
| Puerto Rican                                 | 4,055  | 0.5   |
| Cuban                                        | 3,163  | 0.4   |
| Other Hispanic or Latino [5]                 | 40,524 | 5.1   |
| Not Hispanic or Latino                       | 519,883| 66.4  |

**HISPANIC OR LATINO AND RACE**

| Total population                             | 790,390| 100.0 |
| Hispanic or Latino                           | 277,707| 35.1  |
| White alone                                   | 154,489| 19.5  |
| Black or African American alone               | 3,646  | 0.5   |
| American Indian and Alaska Native alone      | 4,934  | 0.6   |
| Asian alone                                   | 705    | 0.1   |
| Native Hawaiian and Other Pacific Islander   | 1,506  | 0.2   |
| Some Other Race alone                         | 100,756| 12.7  |
| Two or More Races                             | 13,049 | 1.7   |
| Not Hispanic or Latino                        | 512,883| 64.9  |
| White alone                                   | 385,271| 48.7  |
| Black or African American alone               | 80,760 | 7.7   |
| American Indian and Alaska Native alone      | 1,967  | 0.2   |
| Asian alone                                   | 49,159 | 6.2   |
| Native Hawaiian and Other Pacific Islander   | 401    | 0.1   |
| Some Other Race alone                         | 1,449  | 0.2   |
| Two or More Races                             | 13,577 | 1.7   |

**RELATIONSHIP**

<p>| Total population                             | 790,390| 100.0 |
| In households                                 | 770,125| 97.4  |
| Householder                                   | 324,392| 41.1  |
| Child                                         | 195,592| 24.7  |
| Own child under 18 years                      | 154,990| 19.6  |
| Other relatives                               | 50,795 | 6.4   |
| Under 18 years                                | 17,320 | 2.2   |
| 65 years and over                             | 4,769  | 0.6   |
| Nonrelatives                                  | 81,082 | 10.3  |
| Under 18 years                                | 2,505  | 0.3   |
| 65 years and over                             | 1,119  | 0.1   |
| Unmarried partner                             | 26,513 | 3.4   |
| In group quarters                             | 20,261 | 2.6   |</p>
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<thead>
<tr>
<th>Subject</th>
<th>Number</th>
<th>Percent</th>
</tr>
</thead>
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<td>Institutionalized population</td>
<td>4,100</td>
<td>0.5</td>
</tr>
<tr>
<td>Male</td>
<td>2,682</td>
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<td>Female</td>
<td>1,517</td>
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<tr>
<td>Noninstitutionalized population</td>
<td>16,062</td>
<td>2.0</td>
</tr>
<tr>
<td>Male</td>
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<td>1.0</td>
</tr>
<tr>
<td>Female</td>
<td>7,989</td>
<td>1.0</td>
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**HOUSEHOLDS BY TYPE**

<table>
<thead>
<tr>
<th>Subtype</th>
<th>Number</th>
<th>Percent</th>
</tr>
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<tbody>
<tr>
<td>Total households</td>
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<td>100.0</td>
</tr>
<tr>
<td>Family households (families) [7]</td>
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<td>With own children under 10 years</td>
<td>94,342</td>
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<td>Husband-wife family</td>
<td>117,768</td>
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<tr>
<td>With own children under 18 years</td>
<td>56,909</td>
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<td>Male householder, no wife present</td>
<td>15,100</td>
<td>4.6</td>
</tr>
<tr>
<td>With own children under 18 years</td>
<td>6,637</td>
<td>2.0</td>
</tr>
<tr>
<td>Female householder, no husband present</td>
<td>35,714</td>
<td>11.0</td>
</tr>
<tr>
<td>With own children under 18 years</td>
<td>20,896</td>
<td>6.4</td>
</tr>
<tr>
<td>Nonfamily households [7]</td>
<td>156,310</td>
<td>48.1</td>
</tr>
<tr>
<td>Householder living alone</td>
<td>110,481</td>
<td>34.0</td>
</tr>
<tr>
<td>Male</td>
<td>55,043</td>
<td>16.9</td>
</tr>
<tr>
<td>65 years and over</td>
<td>4,856</td>
<td>1.5</td>
</tr>
<tr>
<td>Female</td>
<td>55,438</td>
<td>17.1</td>
</tr>
<tr>
<td>65 years and over</td>
<td>11,401</td>
<td>3.5</td>
</tr>
<tr>
<td>Households with individuals under 18 years</td>
<td>92,682</td>
<td>28.5</td>
</tr>
<tr>
<td>Households with individuals 65 years and over</td>
<td>41,545</td>
<td>12.8</td>
</tr>
<tr>
<td>Average household size</td>
<td>2.3/</td>
<td>(X)</td>
</tr>
<tr>
<td>Average family size [7]</td>
<td>3.16</td>
<td>(X)</td>
</tr>
</tbody>
</table>

**HOUSING OCCUPANCY**

<table>
<thead>
<tr>
<th>Subtype</th>
<th>Number</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total housing units</td>
<td>354,247</td>
<td>100.0</td>
</tr>
<tr>
<td>Occupied housing units</td>
<td>324,892</td>
<td>91.7</td>
</tr>
<tr>
<td>Vacant housing units</td>
<td>29,355</td>
<td>8.3</td>
</tr>
<tr>
<td>For rent</td>
<td>17,061</td>
<td>4.8</td>
</tr>
<tr>
<td>Rented, not occupied</td>
<td>7,097</td>
<td>0.2</td>
</tr>
<tr>
<td>For sale only</td>
<td>3,591</td>
<td>1.0</td>
</tr>
<tr>
<td>Sold, not occupied</td>
<td>997</td>
<td>0.3</td>
</tr>
<tr>
<td>For seasonal, recreational, or occasional use</td>
<td>2,391</td>
<td>0.7</td>
</tr>
<tr>
<td>All other vacant</td>
<td>4,040</td>
<td>1.0</td>
</tr>
<tr>
<td>Homeowner vacancy rate (percent) [8]</td>
<td>2.4</td>
<td>(X)</td>
</tr>
<tr>
<td>Rental vacancy rate (percent) [9]</td>
<td>8.7</td>
<td>(X)</td>
</tr>
</tbody>
</table>

**HOUSING TENURE**

<table>
<thead>
<tr>
<th>Subtype</th>
<th>Number</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Occupied housing units</td>
<td>324,892</td>
<td>100.0</td>
</tr>
<tr>
<td>Owner-occupied housing units</td>
<td>146,566</td>
<td>45.1</td>
</tr>
<tr>
<td>Population in owner-occupied housing units</td>
<td>378,840</td>
<td>(X)</td>
</tr>
<tr>
<td>Average household size of owner-occupied units</td>
<td>2.58</td>
<td>(X)</td>
</tr>
<tr>
<td>Renter-occupied housing units</td>
<td>178,226</td>
<td>54.9</td>
</tr>
<tr>
<td>Population in renter-occupied housing units</td>
<td>391,486</td>
<td>(X)</td>
</tr>
<tr>
<td>Average household size of renter-occupied units</td>
<td>2.20</td>
<td>(X)</td>
</tr>
</tbody>
</table>

(49462) This count has been revised.
Revised count: 790,491
Revision date: 05-01-2012
For more information, see 2010 Census Count Question Resolution.
(75700) This count has been revised.
Revised count: 770,230
Revision date: 05-01-2012
For more information, see 2010 Census Count Question Resolution.

This count has been revised.
Revised count: 324,954
Revision date: 05-01-2012
For more information, see 2010 Census Count Question Resolution.

This count has been revised.
Revised count: 354,308
Revision date: 05-01-2012
For more information, see 2010 Census Count Question Resolution.

This count has been revised.
Revised count: 29,365
Revision date: 05-01-2012
For more information, see 2010 Census Count Question Resolution.

[1] Other Asian alone, or two or more Asian categories.

[2] Other Pacific Islander alone, or two or more Native Hawaiian and Other Pacific Islander categories.


[4] In combination with one or more of the other races listed. The six numbers may add to more than the total population, and the six percentages may add to more than 100 percent because individuals may report more than one race.

[5] This category is composed of people whose origins are from the Dominican Republic, Spain, and Spanish-speaking Central or South American countries. It also includes general origin responses such as "Latino" or "Hispanic."

[6] "Spouse" represents spouse of the householder. It does not reflect all spouses in a household. Responses of "same-sex spouse" were edited during processing to "unmarried partner."

[7] "Family households" consist of a householder and one or more other people related to the householder by birth, marriage, or adoption. They do not include same-sex married couples even if the marriage was performed in a state issuing marriage certificates for same-sex couples. Same-sex couple households are included in the family households category if there is at least one additional person related to the householder by birth or adoption. Same-sex couple households with no relatives of the householder present are tabulated in nonfamily households. "Nonfamily households" consist of people living alone and households which do not have any members related to the householder.

[8] The homeowner vacancy rate is the proportion of the homeowner inventory that is vacant "for sale." It is computed by dividing the total number of vacant units "for sale only" by the sum of owner-occupied units, vacant units that are "for sale only," and vacant units that have been sold but not yet occupied; and then multiplying by 100.

[9] The rental vacancy rate is the proportion of the rental inventory that is vacant "for rent." It is computed by dividing the total number of vacant units "for rent" by the sum of renter-occupied units, vacant units that are "for rent," and vacant units that have been rented but not yet occupied; and then multiplying by 100.

Source: U.S. Census Bureau. 2010 Census.
Travel time and cost via public transportation or private automobile, from Waters Park Studios to places of employment providing a range of jobs for lower-income workers, is not excessive.

There is a bus line less than ½ mile from the site which provides access to the Domain, the UT Pickle Center, the North Austin Medical Center, grocery stores, and the North Lamar Transit Center, a hub for public transit transfers. Routes are expected to change in 2018, and the bus line will move slightly to be 0.7 miles away, but will actually provide direct access to a larger portion of the city including Austin Community College Northridge, University of Texas at Austin, and Downtown Austin. A single fare ranges from $1.25 to $3.50. Capital Metro (Austin’s regional public transportation provider) offers reduced rates ranging from $0.60 to $1.75 for seniors 65 and over, Medicare card holders and riders with disabilities. A majority of the residents living at Waters Park Studios, as supportive housing, will qualify for the reduced fare.

Waters Park Studios is located in close to numerous employers including IRM, the Domain, St. David’s Medical Center, and HEB Grocery Store. There are an abundance of restaurants that also provide employment as well as recreational access. Convenience markets, public parks, medical offices, and health facilities are located in close proximity to the development site. Most of these locations are located within walking distance as well as less than 2 mile driving distance of Waters Park Studios.
Tab 13 – Multi-Site Info
# Multiple Site Information Form

This exhibit is required if a development site is assembled by aggregating noncontiguous tracts conveyed by one contract, or tracts conveyed by more than one contract whether contiguous or not. For each contract, list the address, legal description and acreage of each tract. The sum of the acreages must equal or exceed the acreage of the corresponding site plan(s) before dedications and other foreseeable reductions. Provide a reconciliation of any discrepancy (dedications, takings, reserves for other uses, etc.).

Behind this form, provide a plat of the acquisitions that correspond to each distinct development site. The plat should state the dimensions of each tract and identity the address, legal description and acreage. If the development site boundaries do not match the boundaries of the plotted acquisitions, provide an overlay plat of the development site.

<table>
<thead>
<tr>
<th>Contract Number</th>
<th>Census Tract</th>
<th>Acreage</th>
<th>Date of Sale</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>48453001829</td>
<td>1.45</td>
<td>1/10/2003</td>
</tr>
</tbody>
</table>

**Street Address**

12207 Waters Park Road

**Seller Address**

Daniel K and Cathy J Baird

**Contact Name for Seller**

Daniel K and Cathy J Baird

**Name of Seller Entity**

Only list if owner has owned <36 mos.

**Name of Previous Seller**

Austin

**City**

**State**

78759

**Zip**

Did the seller acquire the property through foreclosure or deed in lieu of foreclosure? No

Is the seller affiliated with the Applicant, Principal, sponsor, or Development Team? No

If yes above, describe relationship: n/a

**Contract includes more than one tract/lot. Address, legal description, and acreage are below.**

<table>
<thead>
<tr>
<th>Address</th>
<th>Abbreviated Legal</th>
<th>Acres</th>
</tr>
</thead>
<tbody>
<tr>
<td>a.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>b.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>c.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Contract Number</th>
<th>Census Tract</th>
<th>Acreage</th>
<th>Date of Sale</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>48453001829</td>
<td>1</td>
<td>8/21/1986</td>
</tr>
</tbody>
</table>

**Street Address**

12190 N Mo Pac

**Seller Address**

Robert L & Vickie Chaffee

**Contact Name for Seller**

Robert L & Vickie Chaffee

**Name of Seller Entity**

Only list if owner has owned <36 mos.

**Name of Previous Seller**

Austin

**City**

**State**

78758

Did the seller acquire the property through foreclosure or deed in lieu of foreclosure? No

Is the seller affiliated with the Applicant, Principal, sponsor, or Development Team? No

If yes above, describe relationship: n/a

**Contract includes more than one tract/lot. Address, legal description, and acreage are below.**

<table>
<thead>
<tr>
<th>Address</th>
<th>Abbreviated Legal</th>
<th>Acres</th>
</tr>
</thead>
<tbody>
<tr>
<td>a.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>b.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>c.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
If a revised form is submitted, date of submission: [ ]
Tab 13 – Multiple Site Information Form

Contract #1

Address: 12207 Waters Park Road, Austin, TX 78759
Legal Description: ABS 659 SUR 19 ROGERS J ACR 1.45
Acreage: 1.45

Contract #2

Address: 12190 N Mo Pac, Austin, TX 78758
Legal Description: Lot 2 *(1.00AC) GARNER & KISSMAN SUBD
Acreage: 1.00

Please find attached an updated survey that shows both of the tracts referenced above that combine to form the Development Site of Waters Park Studios.
Property Identification #: 476025

Geo ID: 0262100102
Situs Address:
Property Type: Heal
Slate Code: F5

Property Information: 2018
Legal: ABS659 SUR 19
Description: ROGERS J ACR 1.45
Abstract:
Neighborhood:
Appraised Value:
Jurisdictions: 0A, 2J, 01, 02, 03, 68

Owner Identification #: 443520
Name: BAIRD DANIEL K & CATHY J
Exemptions:
DBA: STATE FARM INSURANCE

Travis CAD Map Search

This product is for informational purposes only and may not have been prepared for or be suitable for legal, engineering or surveying purposes. It does not represent an on-theground survey and represents only the approximate relative location of property boundaries. The Travis County Appraisal District expressly disclaims any and all liability in connection herewith.
Property Identification #: 476243
Geo ID: 0260100502
Situs Address:
Property Type: Heal
State Code: F1

Property Information: 2018
Legal Description:
LOT 2 **(1.00AC) GARNER & KISSMAN SUBD
Neighborhood: VEHICLE SHOWROOM
Appraised Value: N/A
Jurisdictions: 0A, 2J, 02, 68, 01, 03

Owner Identification #: 239914
Name: CHAFFEE ROBERT A & VICKIE
DBA: EMOTION MOTOR SPORTS

This product is for informational purposes only and may not have been prepared for use in all legal, engineering, or surveying purposes. It does not represent an onthe-ground survey and represents only the approximate relative location of property boundaries. The Travis County Appraisal District expressly disclaims any and all liability in connection herewith.
Tab 14 – Elected Officials
Elected Officials

Elected officials were identified in the Pre-Application, and there have been no changes.
(If box above is checked, these forms may be left BLANK.)

Please identify all elected officials which represent the Development Site:

<table>
<thead>
<tr>
<th><strong>US Representative</strong></th>
<th>District</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>State Senator</th>
<th>District</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Support Letter</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>City Mayor</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>State Representative</th>
<th>District</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Support Letter</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>County Judge</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>School Superintendent</th>
<th>District Name</th>
<th>Email</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Address</th>
<th>City</th>
<th>Zip</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Presiding officer of Board of Trustees</th>
<th>Email</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Address</th>
<th>City</th>
<th>Zip</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

** While Applicants are not required to notify US Representatives, the Department is required to notify them. Therefore, Applicant must identify the appropriate US Representative of the district containing the Development.
Tab 15 – Neighborhood Organizations
Identify all Neighborhood Organizations on record with the county or Texas Secretary of State as of the beginning of the Application Acceptance Period whose boundaries include the Development Site.

**X** Organizations were identified in the pre-application, and there have been no changes.

(If above is checked, these forms may be left BLANK)

<table>
<thead>
<tr>
<th></th>
<th>Name of Organization</th>
<th>Contact Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Zip</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Phone</td>
<td>Fax or Email</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Name of Organization</th>
<th>Contact Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Zip</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Phone</td>
<td>Fax or Email</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Name of Organization</th>
<th>Contact Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Zip</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Phone</td>
<td>Fax or Email</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Name of Organization</th>
<th>Contact Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Zip</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Phone</td>
<td>Fax or Email</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Name of Organization</th>
<th>Contact Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Zip</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Phone</td>
<td>Fax or Email</td>
</tr>
</tbody>
</table>
Tab 16 – Certification of Notifications
CERTIFICATION OF NOTIFICATIONS (ALL PROGRAMS)

Pursuant to §10.203 of the Uniform Multifamily Rules, evidence of notifications includes this sworn affidavit, and the Elected Officials and Neighborhood Organizations Forms. All Applicants, or persons with signing authority, must complete Part 1 or Part 2 below:

Part 1. Notifications made at Pre-Application (Competitive HTC only):

☐ I (We) certify that the pre-application included evidence of these notifications pursuant to §10.203 of the Uniform Multifamily Rules, the pre-application met all threshold requirements, and no additional notifications were required with this full application.

☐ Re-notifications made at Application (Competitive HTC only):

The pre application for this full Application met all threshold requirements, but all required entities were re-notified as required by §10.203 of the Uniform Multifamily Rules. As applicable, all changes in the Application have been made on the Elected Officials and/or Neighborhood Organizations Form(s).

☐ Notifications made at Application:

No pre application was submitted, and all required entities were notified as required by §10.203 of the Uniform Multifamily Rules.

Part 2. Notifications - Form and Content:

☐ I (we) certify that the notifications are not older than 3 months from the first day of the Application Acceptance Period for Competitive HTC Applications and not older than three (3) months prior to the date Parts 5 and 6 of the Application are submitted for Tax Exempt Bond Developments, and not older than three (3) months prior to the date the Application is submitted for all other Applications.

☐ I (We) certify that the notifications do not contain any false or misleading statements. Without limiting the generality of the foregoing, the notification does not create the impression that the proposed Development will serve a Target Population exclusively or as a preference without such targeting or preference being documented in the Application and is or will be in full compliance with all applicable state and federal laws, including state and federal fair housing laws.

☐ I (we) certify that the notifications or any other communications do not contain any statement that violates Department rules, statute, code, or federal requirements.

☐ I (We) certify that, in addition to all of the required neighborhood organizations, the following entities were notified in accordance with §10.203 of the Multifamily Uniform Rules. The notifications were in the format provided in the Application Notification Template. All of the following entities were notified and are correctly listed on the Elected Officials Form and Neighborhood Organizations Form:

- Superintendent of the school district containing the Development;
- Presiding officer of the board of trustees of the school district containing the Development;
- Mayor of any municipality containing the Development;
- All elected members of the Governing Body of any municipality containing the Development;
- Presiding officer of the Governing Body of the county containing the Development;
- All elected members of the Governing Body of the county containing the Development;
- State senator of the district containing the Development; and
- State representative of the district containing the Development.

☐ While not required to be submitted in this Application, I have kept evidence of all notifications made and this evidence may be requested by the Department at any time during the Application review.

Part 3. No Neighborhood Organizations exist (competitive HTC only):

☒ I (We) certify that no Neighborhood Organizations exist for which this Application would be eligible to receive points under §11.9(d)(4) of the QAP or for which notification is required.

Part 4. Certification

By: [Signature]

Walter Moreau

Date: 2/21/18

Printed Name
I, the undersigned, a Notary Public in and for said County and State, do hereby certify that name is signed to the foregoing statement, and who is known to be one in the same, has acknowledged before me on this date, that being informed of the contents of this statement, executed the same voluntarily on the date same foregoing statement bears.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 21st day of February, 2018

Notary Public Signature
Table of Contents

Part 3 – Development Activities

WATERS PARK STUDIOS
AUSTIN, TEXAS

TDHCA #18099

---

Tab 17 – Development Narrative
Tab 18 – Development Activities Part I
Tab 19 – Development Activities Part II
Tab 20 – Existing Development Information - N/A
Tab 21 – Occupied Rehabilitation Docs
Tab 22 – Architectural Drawings
Tab 23 – Specification and Building/Unit Configuration
Tab 23a – Accessible Mobility Units Calculation
Tab 23b – Accessible Hearing/Visual Units Calculation
Tab 23c – Accessible Parking Calculation
Tab 17 – Development Narrative
Development Narrative

1. The proposed Development is: (Check all that apply)

   New Construction
   and/or:
   (adaptive reuse select New Construction here and adaptive reuse in next box)

   Previous TDHCA #   n/a
   If Acquisition/Rehab or Rehab, original construction year: n/a

   If Reconstruction, 
   Units Demolished   n/a
   Units Reconstructed   n/a

   If Adaptive Reuse, Additional Phase, or Scattered Site, include detailed information in the Narrative (4.) below.

2. The Target Population will be:

   Supportive Housing

   Applicants seeking to be scored as Supportive Housing must select Supportive Housing as the population.

   §10.3(46) If Elderly Preference is selected, complete the statement below and submit supporting documentation behind this tab.

   Elderly Preference is based on funding from:

3. Staff Determinations regarding definitions of development activity obtained?

   n/a
   If a determination under §10.3(b) of the Uniform Multifamily Rules was made prior to Application submission, provide a copy of such determination behind this tab.

4. Narrative

   Briefly describe the proposed Development, including any relevant information not already identified above.

   Waters Park Studios is the new construction of 132 units of Supportive Housing that will build on Foundation Communities’ successful housing-plus-services model, proven so effective for single adults with high needs, low incomes, and housing instability. Waters Park Studios will provide affordable, attractive homes with 24-hour staffing and wraparound services that include case management, supported employment, education, counseling, and emergency financial assistance. The property will serve individuals transitioning from homelessness, people with mental and/or physical disabilities, veterans, older adults who live on fixed incomes, youth aging out of foster care, and people with chronic diseases.

   The location of Waters Park Studios is ideal for Supportive Housing, with easy walk and bike access to medical care and employment. For Supportive Housing residents, many whom are living with severe and chronic medical conditions, easy access to medical care is of primary importance. Residents will benefit from extraordinary access to medical care in close proximity to St. David’s North Austin Medical Center, Austin Diagnostic Clinic, and Austin Medical Group, all offering the full breadth of medical services performed by hundreds of qualified doctors. The Waters Park site is located in the shadow of The Domain—a retail, restaurant and employment venue—and within minutes of some of Austin’s other tech and retail employers. According to the U.S. Census Bureau’s OnTheMap employment data from 2015, there are over 45,000 jobs within two miles of the project.

   With Waters Park Studios, FC continues its commitment to meeting the demand for Supportive Housing. FC had just 88 units of Supportive Housing in 2003; upon completion, Waters Park Studios’ 132 units will grow FC’s Supportive Housing portfolio to 859 units, demonstrating FC’s commitment to this community. The need for Supportive Housing is so high that FC maintains waiting lists, closed at 30 names, at all Supportive Housing properties. Affordable housing in the Waters Park neighborhood is virtually nonexistent. With Waters Park Studios offering affordable housing paired with supportive services, the target population has the very real opportunity to stabilize, succeed, and maintain this progress, fully supported by on-site health initiatives, case management, education, and financial services, plus access to medical and employment opportunities nearby.

   If a revised form is submitted, date of submission:
5. **Funding Request:**

Complete the table below to describe this Application’s funding request. If applying for Multifamily Direct Loan funds, please select only one type of loan.

<table>
<thead>
<tr>
<th>Department Funds applying for with this Application</th>
<th>Requested Amount</th>
<th>If funds will be in the form of a Direct Loan by the Department or for Private Activity Bonds, the terms will be:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Multifamily Direct Loan: Const. to Perm. (Repayable)</td>
<td>$1,000,000</td>
<td>Interest Rate (%)</td>
</tr>
<tr>
<td>Multifamily Direct Loan: Construction Only (Repayable)</td>
<td>$1,500,000</td>
<td>0.00%</td>
</tr>
</tbody>
</table>

6. **§11.5 - Set-Aside (For Competitive HTC & Multifamily Direct Loan Applications Only)**

Identify any and all set-asides the application will be applying under with an "x".

Set-Asides can not be added or dropped from pre-application to full Application for Competitive HTC Applications.

<table>
<thead>
<tr>
<th>Competitive HTC Only</th>
<th>Multifamily Direct Loan Only</th>
</tr>
</thead>
<tbody>
<tr>
<td>At-Risk</td>
<td>CHDO</td>
</tr>
<tr>
<td>x</td>
<td>x</td>
</tr>
</tbody>
</table>

By selecting the set-aside above, I, individually or as the general partner(s) or officers of the Applicant entity, confirm that I (we) are applying for the above-stated Set-Aside(s) and Allocations. To the best of my (our) knowledge and belief, the Applicant entity has met the requirements that make this Application eligible for this (these) Set-Aside(s) and Allocations and will adhere to all requirements and eligibility standards for the selected Set-Aside(s) and Allocations.

7. **Previously Awarded State and Federal Funding**

Has this site/activity previously applied for TDHCA funds? No

Has this site/activity previously received TDHCA funds? No

If "Yes" Enter Project Number: and TDHCA funding source:

Has this site/activity previously received non-TDHCA federal funding? No

If yes, source:

Will this site/activity receive non-TDHCA federal funding for costs described in this Application? No

8. **Qualified Low Income Housing Development Election (HTC Applications only)**

Pursuant to §42(g)(1)(A) & (B), the term “qualified low income housing development” means any project or residential rental property, if the Development meets one of the requirements below, whichever is elected by the taxpayer.” Once an election is made, it is irrevocable. Select only one:

- [ ] At least 20% or more of the residential units in such development are both rent restricted and occupied by individuals whose income is 50% or less of the area median gross income, adjusted for family size.
- [x] At least 40% or more of the residential units in such development are both rent restricted and occupied by individuals whose income is 60% or less of the median gross income, adjusted for family size.

If a revised form is submitted, date of submission:
Tab 18 – Development Activities Part I
Development Activities

1. Common Amenities (ALL Multifamily Applications §10.101(b)(5))

<table>
<thead>
<tr>
<th># of Units</th>
<th>must qualify for</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>132</td>
<td></td>
<td>14</td>
</tr>
</tbody>
</table>

Development will provide sufficient common amenities to qualify for the number of points indicated above, pursuant to §10.101(b)(5) of the Uniform Multifamily Rules. Applications for scattered site developments should refer to §10.101(b)(5)(B) of the Uniform Multifamily Rules.

2. Unit Requirements (ALL Multifamily Applications §10.101(b)(6)(A) and (B))

A. Unit Sizes

- ✔ Development is New Construction or Reconstruction and will meet the minimum Unit Size requirements:
  - Bedroom Size
    - 0
    - 1
    - 2
    - 3
    - 4
  - Square Footage
    - 500
    - 600
    - 800
    - 1,000
    - 1,200

**UNF:**

- ✔ Development is proposing Rehabilitation (excluding Reconstruction) or Supportive Housing, and does not adhere to the size requirements above.

B. Unit Amenities (For Competitive HTC Applications, see Tab 19 for Unit and Development Features)

- ✔ Application is a Tax Exempt Bond Development and will meet a minimum of seven (7) points as outlined in §10.101(b)(6)(B) of the Uniform Multifamily Rules.

- ✔ Application is HOME only or other Department Direct Loan and will meet a minimum of four (4) points as outlined in §10.101(b)(6)(B) of the Uniform Multifamily Rules.

** Rehabilitation Developments will start with a base score of three (3) points and Supportive Housing Developments will start with a base score of five (5) points.**

3. Tenant Supportive Services (For Competitive HTC Applications and Direct Loan Applications seeking to qualify for points under §13.6, see Tab 19 for Tenant Services elections)

- ✔ Application is a Tax Exempt Bond Development and will meet a minimum of eight (8) points as outlined in §10.101(b)(7) of the Uniform Multifamily Rules.

- ✔ Application is only requesting Direct Loan funds and will meet a minimum four (4) points as outlined in §10.101(b)(7) of the Uniform Multifamily Rules.

4. Development Accessibility Requirements (ALL Multifamily Applications)

- ✔ Development will meet all specifications and accessibility requirements reflected in the Certification of Development Owner form pursuant to §10.101(b)(8) of the Uniform Multifamily Rules.

  - Yes

  All Units accessed by the ground floor or by elevator (“affected units”) comply with the visitability requirements in clauses (i) – (iii) of 10 TAC §10.101(b)(8)(B).

  and

- ✔ Development will meet all specifications and accessibility requirements reflected in 10 TAC Chapter 1, Subchapter B, §1.207.

  - Yes

  Development has a minimum of 5% of all units in the development set aside for the mobility impaired and an additional 2% set aside for the hearing and/or visually impaired.

Regardless of building type, all Units accessed by the ground floor or by elevator (“affected units”) must comply with the visitability requirements in clauses (i) – (iii) of 10 TAC §10.101(b)(8)(B).
Tab 19 – Development Activities Part II
1. Size and Quality of Units (Competitive HTC Applications only) [§11.9(b)]

- Development is Rehabilitation and either Supportive Housing or USDA financed OR meets the minimum size requirements identified below:
  - Points claimed: 8

- Specific amenities and quality features will be provided in every Unit at no extra charge to the tenant;
  - Points claimed: 7

*Direct Loan applicants proposing new construction or rehabilitation should be prepared to comply with requirements of the newly published Federal rule at 81 FR 92626, which requires installation of broadband infrastructure at the time of new construction or substantial rehabilitation of multifamily rental housing that is funded or supported by HUD.*

2. Rent Levels of Tenants and Tiebreaker (Direct Loan Applications only) [§13.6(e) and (f)]

- At least 20 percent of all low-income Units at 30% or less of AMGI
  - Direct Loan Points: 0

- At least 10 percent of all low-income Units at 30% or less of AMGI or, for a Development located in a Rural Area, 7.5 percent of all low-income Units at 30% or less of AMGI
  - Direct Loan Points: 0

- At least 5 percent of all low-income Units at 30% or less of AMGI
  - Direct Loan Points: 0

In the event of a tie with another application or applications, this percentage of 30% AMGI MFDL units within the Development would be converted to be available to households at 15% AMGI.

*Applicants electing to restrict units at 30% AMGI for Competitive HTC purposes may not count those units for point scoring under §13.6(e). However, 50% AMGI and 60% AMGI units that are layered with 30% AMGI units for Direct Loan purposes may count for point scoring under §13.6(e). Points claimed here will not appear on the Self Score tab.

3. Income Levels of Tenants (Competitive HTC Applications only) [§11.9(c)(1)]

- Total Number of Units at 50% or less of AMGI: 132
- Number of 30% Units used to score points under §11.9(c)(2): 27
- Number of 30% Units used under §11.4(c)(3)(D) regarding an increase in Eligible Basis (30% boost): 0
- Number of Units at 50% or less of AMGI available to use for points under §11.9(c)(1): 105
- Percentage used for calculation of eligible points under §11.9(c)(1): 79.55%

Mark only one box below:

- Development is located in a non-rural area of the Dallas, Fort Worth, Houston, San Antonio or Austin MSA; or
- Developments proposed in all other areas.

*Applicants electing the 30% boost for additional 30% units are advised to ensure the units used to support the boost are not included in the units needed to achieve the Application’s scoring elections.

Points Claimed: 16

4. Point Levels of Tenants (Competitive HTC Applications only) [§11.0(c)(2)]

Mark only one box below:

- At least 20% (less Units used for eligibility for boost) of all low-income Units are restricted at 30% or less of AMGI; development is Supportive Housing proposed by a Qualified Nonprofit Organization.
- Development is urban and at least 10% (less Units used for eligibility for boost) of all low-income Units are restricted at 30% or less of AMGI; or
- Development is located in a Rural Area and 7.5% (less Units used for eligibility for boost) of all low-income Units are restricted at 30% or less of AMGI; or
- At least 5% of all low-income Units at 30% or less of AMGI

Points Claimed: 13

5. Tenant Services (Competitive HTC Applications and Direct Loan Applications) [§11.0(c)(2) and §11.6(c)]

Development will provide a combination of supportive services as identified in §10.101(b)(7) and those services will be recorded in the Development’s LURA.
Supportive Housing Development proposed by a Qualified Nonprofit

All other Developments.
6. Tenant Populations with Special Housing Needs (Competitive HTC, MFDL, and Section 811 Applications) [§11.9(c)(7); §13.6(6)]

Applicants scoring points under the Section 811 PRA program should pay close attention to the URA requirements included in Tab 21, Davis Bacon requirements under TAB 44 and the environmental clearance requirements included in Tab 47.

If pursuing these points, Applicants must try to score first with subparagraph (A) and then subparagraph (B). Only if an Applicant or Affiliate cannot meet the requirements of subparagraphs (A) or (B) may an Application qualify for points under subparagraph (C). Select only one scoring scenario below:

A. Applicant or Affiliate Owns or Controls an Existing Development that is included on the List of Eligible Existing Developments for Participation in the Section 811 PRA Program (See 10 TAC §8.3 and 10 TAC 8.4)

| Existing Development Name: | Live Oak Trails | TDHCA #: | 14069 |

B. If not scoring under A above, Applicant or Affiliate is committing at least 10 Units in the proposed Development for participation in the Section 811 PRA Program

- Applicant or Affiliate has attached behind this tab an explanation and documentation regarding the Applicant's or Affiliate's lack of Ownership interest or Control of any Existing Development that is included on the List of Qualified Existing Developments for Multifamily Programs;

- Attached behind this tab is the executed Certification for Section 811 PRA Program Participation.

C. If cannot score under A or B above, Applicant elects to set-aside at least 5 percent of the total Units for Persons with Special Needs. MFDL Applications that are not layered with 2018 9% HTC cannot elect to score points under this item. The Department will require an initial minimum twelve-month period during which Units must either be occupied by Persons with Special Needs or held vacant, unless the units receive HOME funds from any source.

- Applicant or Affiliate has attached behind this tab an explanation and documentation regarding the Applicant's or Affiliate's lack of Ownership interest or Control of any Existing Development that is included on the List of Qualified Existing Developments for Multifamily Programs; and the Development applying for funding has a disqualifying factor described below:

Mark any of the following factors that disqualify the development applying for funding from participating in the Section 811 PRA Program and provide documentation supporting the selection:

- The Development is not proposing to use and previously did not use federal funding (such as HOME or CDBG funds), and the Development was originally constructed before 1978;

- Development only has units available that have existing or proposed project-based rental or long-term operating assistance that will be in effect when the property is operating or within six months of receiving Section 811 PRA Program assistance;

- Development only has units available that are restricted for persons with disabilities.

- A Development having a preference for Persons with Disabilities or a use restriction for Special Needs Populations is not a disqualifying factor for purposes of this scoring item.

- Development only has units with an existing or proposed 61 or more age restriction.

- Development is not located in Austin-Round Rock MSA, Brownsville-Harlingen MSA, Corpus Christi MSA, Dallas-Fort Worth-Arlington MSA, El Paso MSA, Houston-The Woodlands-Sugar Land MSA, McAllen-Edinburg-Mission MSA, or San Antonio-New Braunfels MSA.

- The Development is a new construction project and located in the mapped 500-year floodplain or in the 100-year floodplain according to FEMA’s most current Flood Insurance Rate Maps.

- The Development is located in a coastal high hazard area (V-Zone) or regulatory floodway.

- Other disqualifying factor: (please explain)
7. **Pre-Application Participation (Competitive HTC Applications only) [§11.9(e)(3)]**
   - Development is requesting Pre-Application Points.

8. **Extended Affordability (Competitive HTC Applications only) [§11.9(e)(5)]**
   - Development will maintain a 35 year Affordability Period.

9. **Historic Preservation (Competitive HTC Applications only) [§11.9(e)(6)]**
   - Application requests points for Historic Preservation.
   - Application contains a letter from the Texas Historical Commission (THC) determining preliminary eligibility for federal or state historic (rehabilitation) tax credits.
   - Application includes documentation from the Texas Historical Commission that the property is currently a Certified Historic Structure or determining preliminary eligibility for status as a Certified Historic Structure.
   - Development will be able to document receipt of historic tax credits by the time Forms 8609 are issued.
   - At least 75% of the residential units will be within the Certified Historic Structure.
   - Attached behind this tab are the THC letter and other documentation described above.

10. **Right of First Refusal (Competitive HTC Applications only) [§11.9(e)(7)]**
    - Development Owner agrees to provide a Right of First Refusal to purchase the Development upon or following the end of the Compliance Period.

11. **Funding Request Amount (Competitive HTC Applications only) [§11.9(e)(8)]**
    - Application reflects funding request for no more than 100% of the amount available in the subregion or set-aside as of 12/5/2017.
Section 811 Project Rental Assistance Program "PRA" Certification

On behalf of the Applicant and all affiliates of the Applicant ("Applicant"), I (We) hereby certify that the Applicant is familiar with the provisions of HUD's Section 811 Project Rental Assistance ("PRA") program, enacted by Section 811 of the Cranston Gonzalez National Affordable Housing Act (Pub L. 111-374) and the Frank Melville Supportive Housing Investment Act of 2010, the Texas Department of Housing and Community Affairs ("TDHCA") Rules as published in Title 10 of the Texas Administrative Code, HUD Handbook 4350.3 REV-1 (Occupancy Requirements of Multifamily Housing Programs), and the Section 811 Project Rental Assistance Program Cooperative Agreement, including the Rental Assistance Contract ("RAC") and the Use Agreement. I (We) hereby certify that the Applicant will comply with future guidance regarding the Section 811 PRA Program provided by HUD and/or TDHCA, including Rules, FAQs, and program manuals.

I (We) hereby certify that Applicant will execute a Section 811 PRA Owner Participation Agreement, in a form to be provided by TDHCA, a TDHCA approved Existing Development, or if allowed by TDHCA, for an awarded Development included in this Application. Once an Owner Participation Agreement has been executed, I (We) hereby certify that I (We) understand that TDHCA will market the property under the Owner Participation Agreement to potential Section 811 PRA tenants at any time during the term of the Owner Participation Agreement, and I (We) hereby certify that I (We) will furnish to TDHCA, any requested materials, including pictures, to do such marketing. If requested by TDHCA, I (We) hereby certify that I (We) will execute a RAC and record the required Use Agreement in the county deed records.

I (We) hereby certify that I (We) will comply with all HUD regulations, court rulings, related administrative rules, and eligibility guidelines and restrictions during the application process and in the event of award, for the duration of the Section 811 Owner Participation Agreement or the Use Agreement, whichever has a longer term.

I (We) hereby make application to the TDHCA to participate in the Section 811 PRA Program. The undersigned hereby acknowledges that an award by the TDHCA does not warrant that the Existing Property or the Development is deemed qualified to participate in the Section 811 PRA Program. I (We) agree that the TDHCA or any of its directors, officers, employees, and agents will not be held responsible or liable for any representations made by the undersigned or its investors relating to the Section 811 PRA Program; therefore, I (We) assume the risk of all damages, losses, costs, expenses, and liabilities of any nature directly or indirectly, related thereto and agree to indemnify and save harmless the TDHCA and any of its officers, employees, and agents against any and all claims, suits, losses, damages, costs, and expenses of any kind and of any nature that the TDHCA may hereinafter suffer, incur, or pay arising out of or relating to the TDHCA's acceptance, consideration, approval or disapproval of this request and the issuance or non-issuance of a RAC or 811 PRA funds herewith.

I (We) hereby acknowledge that this Application is subject to disclosure under Chapter 552, Texas Government Code, the Texas Public Information Act, unless a valid exception exists.

I (We) acknowledge all representations, undertakings, and commitments made by Applicant in the application process for a Development, whether with respect to eligibility criteria, selection criteria or otherwise, shall be deemed to be a condition to any Commitment or Contract for such

2018 Uniform Multifamily Application Section 811 PRA Certification
Development, the violation of which shall be cause for cancellation of such Commitment or Contract by the TDHCA and if concerning the ongoing features or operation of the Development, shall be enforceable by the TDHCA and the tenants of the Development, including enforcement by administrative penalties for failure to perform, in accordance with the LURA. The obligation to sign an Owner Participation Agreement is binding. I (We) must sign an Owner Participation Agreement if the Development receives an award and is requested to do so by the Department.

I (We) agree the TDHCA may, at its discretion, request additional information and/or documentation in its evaluation of this Application to garner required information relating to the qualification of the Development for the 811 Program. I (We) hereby assert that the information contained in this Application as required or deemed necessary by the materials governing the 811 PRA program are true and correct and that I (We) have undergone sufficient investigation to affirm the validity of the statements made.

Further, I (We) hereby assert that I (We) have read and understand all the information contained in the Application. By signing this document, I (We) affirm that all statements made in this government document are true and correct under penalty of Chapter 37 of the Texas Penal Code titled Perjury and Other Falsification and subject to criminal penalties as defined by the State of Texas. TEX. PENAL CODE ANN. §37.01 et seq. (Vernon 2011).

I (We) understand and agree that if false information is provided in this Application which has the effect of increasing the Applicant’s competitive advantage, the TDHCA will disqualify the Applicant and may hold the Applicant ineligible to apply for 811 PRA funds or seek other additional administrative penalties.

If, at any time, including after the signing a Section 811 PRA Program Owner Participation Agreement, it is discovered that I (We) provided false or misleading information to TDHCA, TDHCA may terminate the Applicant’s HUD RAC and/or the Section 811 PRA Program Owner Participation Agreement and recapture all Section 811 PRA funds expended.

I (We) hereby certify that I (We) will comply with applicable fair housing and civil rights requirements in 24 C.F.R. §5.105(a), including, but not limited to, the Fair Housing Act; Title VI of the Civil Rights Act of 1964; Section 504 of the Rehabilitation Act of 1973; and Title II of the Americans with Disabilities Act. Further, I (We) certify that I (We) shall not, in the provision of services, or in any other manner, discriminate against any person on the basis of race, color, religion, sex, national origin, familial status, or disability. I (We) certify that I (We) will comply with HUD’s Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity requirements. Sec 24 C.F.R. §§ 5.100, 5.105(a)(2), 5.403. I (We) hereby certify that I (We) understand that the Development must prominently display HUD’s Fair Housing Poster (HUD Form 928.1) in all offices in which rental activity takes place. This includes property management leasing offices located at their projects with Section 811 PRA units, and any designated place where information or other business regarding the Section 811 PRA program is conducted with potential tenants. I (We) will comply with any requirements of the Section 811 PRA Program that require changes to the Development’s tenant selection plans, house rules, marketing materials, or application.

I (We) have written below the name of the individual authorized to execute the TDHCA Owner Participation Agreement, the HUD RAC, the HUD Use Agreement, and any and all future commitments and contracts related to this Application. I (We) hereby certify that this individual has
the full authority and has been authorized by all of the Parties, Affiliates, or Associates with interest in the Development in this Application. If this individual is replaced by the organization, I (We) must inform the TDHCA within 30 days of the person authorized to execute agreements, commitments and/or contracts on behalf of the Applicant.

I (We) certify that I (We) do not and will not knowingly employ an undocumented worker, where "undocumented worker" means an individual who, at the time of employment, is not lawfully admitted for permanent residence to the United States or authorized under law to be employed in that manner in the United States.

If, after receiving a public subsidy (including Section 811 PRA Program funds), I (We) are convicted of a violation under 8 U.S.C Section 1324a(f), I (We) shall repay the amount of the public subsidy with interest, at the rate and according to the other terms provided by an agreement under Tex. Government Code §2264.053, not later than the 120th day after the date TDHCA notifies the Applicant of the violation.

I (We) certify that I (We) am eligible to apply for funds or any other assistance from the TDHCA. I (We) certify that all audits are current at the time of application. I (We) certify that any Audit Certification Forms have been submitted to the TDHCA in a satisfactory format on or before the Application deadline for funds or other assistance pursuant to 10 TAC §1.3(b).

Property Condition Standards Certification

I (We) certify that I (We) will meet local and state housing code, ordinances, and zoning requirements, Texas Minimum Construction Standards, Uniform Physical Construction Standards and Inspection Requirements under 24 CFR Section 5 Subpart G, including any changes in the regulation and related directives and will comply with HUD's Physical Condition Standards of Multifamily Properties of 24 CFR Part 200, Subpart P, including any changes in the regulation and related directives.

I (We) certify that a TDHCA approved Existing Development, or if allowed by TDHCA in writing, the Development referenced in this Application is in compliance and that during the term of the Section 811 Participation Agreement and/or RAC the Applicant will respond to all requests for deficiency resolution within the timeframes mandated by the Uniform Multifamily Rules at 10 TAC Chapter 10 or other requirements associated with the satisfactory provision of a unit as required by the 811 PRA program.

Federal Cross-Cutting Certifications

Lead Based Paint

I (We) certify that documentation of compliance with 24 CFR Part 35 (Lead Safe Housing Rule), including but not limited to the documentation reflected in the following clauses, will be maintained in project files. I (We) understand that standard forms are available in the Federal Register, as indicated by the sources noted below.

Applicability Form 24 CFR §35.115 – A copy of a statement indicating that the property is covered by or exempt from the Lead Safe Housing Rule.
a. If the property is exempt, the file should include the reason for the exemption and no further documentation is required.

b. If the property is subject to the Rule, the file should include the appropriate documentation to indicate basic compliance, as listed below:

i. Summary Paint Testing Report or Presumption Notice 24 CFR §35.930(a) – A copy of any report to indicate the presence of lead-based paint (LBP) for projects receiving up to $5,000 per unit in rehabilitation assistance. If no testing was performed, then LBP is presumed to be on all disturbed surfaces.

ii. Notice of Evaluation 24 CFR §35.125(a) – A copy of a notice demonstrating that an evaluation summary was provided to residents following a lead-based paint inspection, risk assessment or paint testing.

iii. Clearance Report 24 CFR §35.930(b)(3) – A report indicating a “clearance examination” was performed of the work-site upon completion, and

iv. Notice of Hazard Reduction Completion 24 CFR §35.125(b) – Upon completion, a copy of a notice to show that a LBP remediation summary was provided to residents.

Environmental

I (We) understand that the environmental effects of each activity carried out with funds provided under this Application must be assessed in accordance with the provisions of the Section 811 PRA Cooperative Agreement, § PRA.215 and § PRA.216. Each activity must have an environmental review completed and support documentation prepared complying with HUD regulations. NO Section 811 Owner Participation Agreement may be signed and no Section 811 PRA funds can be provided for a unit before the completion of the environmental review process and the provision of written clearance by TDHCA.

I (We) certify that I (We) have read and understand the requirements of the HUD Section 811 PRA Cooperative Agreement, § PRA.215 and § PRA.216.

Displacement of Existing Tenants

I (We) certify that the work to be performed in connection with the award of Section 811 PRA funds is subject to Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 ("URA"), as amended, and regulations at 49 CFR Part 24. Hence, I(We) commit to minimize the direct and indirect displacement of persons from their homes and assure full compliance with URA federal relocation assistance mandates including adherence to TDHCA established procedure relocation requirements.

Davis Bacon

I (We) certify that if Davis Bacon is applicable to this award, I (We) will fully comply with contract Federal labor law mandates and TDHCA established labor standards procedural requirements.
Energy and Water Conservation

I (We) certify to comply with Energy and Water Conservation standards and requirements as outlined in § PRA.214.

Procurement of Recovered Materials

I (We) certify to comply with the Procurement of Recovered Materials requirements as outlined in § PRA.219.

Housing Standards for Assisted Units

I (We) certify to comply with Housing Standards for Assisted Units as outlined in § PRA.307 for Section 811 PRA units and as outlined in 10 TAC Chapter 1 Subchapter B and Chapter 10 "Uniform Multifamily Rules."

Eligibility and Threshold Certification

On behalf of the Applicant and all affiliates of the Applicant, I (We) hereby certify that the Applicant is familiar with the provisions and requirements of the Section 811 PRA Program for which I (We) am applying.

I (We) understand that housing units occupied by eligible tenants participating in the program must be affordable to Extremely Low-Income persons. I (We) understand that mixed income rental Developments may only apply PRA to units that meet 811 program affordability standards. I (We) understand that all Applications must adhere to the TDHCA’s Integrated Housing Rule at 10 TAC §1.15 and Exhibit 5 of the Section 811 PRA Cooperative Agreement § PRA.305. Additionally, I (We) certify that the units identified for 811 PRA assistance will be dispersed throughout the property and must not be segregated to one area of a building or Development.

I (We) certify to follow the requirements of § PRA 403 regarding the Selection and Admission of Eligible Tenants. In addition, I (We) understand that prior to receiving referrals for Section 811 tenants, I (We) must submit and receive approval by the TDHCA for the Development’s Tenant Selection Plan. I (We) understand that the Applicant or their designated property management staff will accept referrals of Section 811 applicants from the TDHCA and determine eligibility based on the TDHCA-approved Tenant Selection Plan. I (We) understand that upon the request of TDHCA or HUD, the Applicant must furnish copies of all applications to HUD and/or TDHCA.

I (We) understand that the Applicant or their designated property management staff will be responsible for:

1. obtaining and verifying information related to Social Security Numbers of Eligible Family members in accordance with 24 CFR Part 5, subpart B. Applicant or their designated property management staff shall refer to HUD Handbook 4350.3 REV-1, Chapters 3-3, B. and C., 3-9, and 3-11, and 3-31 for further guidance;

2. obtaining and verifying income through the use of Enterprise Income Verification (EIV), pursuant to 24 C.F.R. 5.233(a)(2). Applicant or their designated property management staff shall refer to HUD Handbook 4350.3 REV-1, Chapter 3-30 for further guidance;
(3) obtaining and verifying information related to income eligibility of Eligible Families in Assisted Units in accordance with 24 CFR Part 5, subpart F. Applicant or their designated property management staff shall refer to HUD Handbook 4350.3 REV-1, Chapter 3-30 for further guidance;

(4) preventing crime in the Assisted Units, including the denial of admission to persons engaged in criminal activity or has certain criminal histories, in accordance with 24 CFR Part 5, Subpart H. Applicant or its designated property management staff shall refer to HUD Handbook 4350.3 REV-1, Chapter 4-27, E. for further guidance.

(5) complying with protections for victims of domestic violence, dating violence, sexual assault, or stalking, pursuant to 24 CFR Part 5, Subpart I; and

(6) complying with all other applicable requirements, including but not limited to the RAC, Project Rental Assistance Program Guidelines, and any other HUD administrative requirements.

I (We) understand that the Section 811 tenants participation in supportive services is voluntary and cannot be required as a condition of admission or occupancy.

I (We) understand that if the Applicant or their designated property management staff determines that an applicant is ineligible on the basis of income or Household composition, or because of failure to meet the disclosure and verification requirements for Social Security Numbers (as provided by 24 CFR Part 5), or because of failure by an Section 811 applicant to sign and submit consent forms for the obtaining of wage and claim information from State Wage Information Collection Agencies, or that the Applicant or their designated property management staff is not selecting the Section 811 applicant for other reasons, the Applicant or their designated property management staff will promptly notify the Section 811 applicant in writing of the determination and its reasons, and that the applicant has the right to meet with the Applicant or their designated property management staff and has the right to request a reasonable accommodation. I (We) understand that the Section 811 applicant may also exercise other rights if the applicant believes that he or she is being discriminated against on the basis of race, color, national origin, religion, sex, disability or familial status. I (We) understand that records on Section 811 applicants and Section 811 tenants, which provide racial, ethnic, gender and place of previous residency data required by HUD, must be maintained and retained for three (3) years. I (We) shall refer to HUD Handbook 4350.3 REV-1, Chapter 4-9 for further guidance on rejecting Section 811 applicants and denial of rental assistance.

I (We) certify that no Section 811 PRA Program funds will be attached to units receiving any other form of federal or state housing operating assistance or units that have received any form of long-term operating housing subsidy within a six-month period prior to receiving PRA funds. I (We) additionally certify that 811 PRA subsidy funds will not be attached to any unit that is currently a 30% AMI rent and income restricted unit or any unit that is currently operating with an existing use restriction or contractual obligation to serve persons with disabilities or persons 62 and older.
I (We) understand that funding through the full, initial 20 year term of a RAC contract to provide 811 PRA assistance will be conditional based upon available appropriations during each 5 year renewal cycle and may be moved or dissolved by TDHCA at anytime. Additionally, I (We) understand that the total number of assisted units, and their number of bedrooms maybe adjusted at anytime by TDHCA for a maximum number of units committed in the Section 811 PRA Owner Participation Agreement.

Management Practices Certification

I (We) certify that the Applicant or their designated property management staff will immediately notify TDHCA of Section 811 PRA unit vacancies if requested by TDHCA. I (We) certify that, once a RAC is executed, that the available unit will be held vacant for an 811 PRA tenant referred by TDHCA, if a tenant has been referred to the property by TDHCA, for up to 60 days before the unit will be re-rented to a non-811 PRA applicant.

I (We) certify that the Applicant or their designated property management staff will comply with any current or future requirement for marketing or outreach of the units and I (We) certify that I (we) will follow all HUD Fair Housing and Equal Opportunity requirements.

I (We) certify that I (we) will furnish all required documentation, reports, and forms as necessary to assist TDHCA in entering necessary eligibility and income information in HUD systems as required; information requested for reporting on performance measures to HUD will be furnished within the timelines as specified by TDHCA.

I (We) certify that we understand that all Applicants who are States, Territories, Urban Counties, and Metropolitan cities shall be subject to the requirements of 24 CFR Part 85, and further that all Applicants who are Nonprofits shall be subject to the requirements of 24 CFR Part 84.

I (We) certify that the initial lease between the Development and any 811 PRA assisted tenant will be a minimum of one year; I (we) further certify that the HUD model lease form HUD-92236-PRA will be used as required by the Cooperative Agreement, Section XII. GRANTEE PROGRAM ADMINISTRATION.

In addition, I (We) certify that we understand that all lease addendums must be sent to TDHCA. TDHCA will consider lease addendums on a case by case basis and may decide to send to HUD for approval. Owners may only modify the lease terms with a tenant at the end of the initial term or a successive term by serving an appropriate notice to the tenant, together with the provision of a revised TDHCA approved agreement or addendum.

I (We) certify to follow requirements of § PRA.406. I (We) understand that prior to occupancy of a Section 811 unit, that an Eligible Section 811 Household must be given the opportunity to be present for the move-in unit inspection. I (we) understand that the inspection of the Section 811 Unit will be completed by both the Applicant or the designated Property Management staff and the Eligible Section 811 Household and both shall certify, on a form prescribed or approved by TDHCA that they have inspected the Section 811 Unit and have determined it to be Decent, Safe, and Sanitary condition in accordance with the criteria provided in the form. The Applicant or the designated Property Management staff shall keep a copy of this inspection and make part of the lease as an attachment to the lease. If the Eligible Section 811 Household waives the right to this
inspection, a form prescribed or approved by the TDHCA would be signed by the Eligible Household indicating they have waived this right.

In addition, I (We) certify that the Applicant or the designated Property Management staff shall perform unit inspections of the Section 811 Units on at least an annual basis to determine whether the appliances and equipment in the unit are functioning properly and to assess whether a component needs to be repaired or replaced. This will ensure that the Applicant is meeting its obligation to maintain the Assisted Units in Decent, Safe, and Sanitary condition.

In addition, I (We) understand that the TDHCA and/or HUD may ask, must be permitted, to review the records related to the RAC at least annually to determine compliance. I (We) understand that HUD may independently inspect projects operations and Section 811 Units at any time with reasonable notice prior to inspection; and Equal Opportunity reviews may be conducted by HUD at any time.

I (We) certify that the Applicant or the designated Property Management staff shall comply with the Overcrowded and Under Occupied Unit requirements set by TDHCA in the Participant Selection Plan. TDHCA maintains for HUD (and which is available on the TDHCA website) and will ensure that Section 811 tenants are not over or under housed according to those requirements.

I (We) certify that the Applicant or the designated Property Management staff shall comply and participate with any dispute resolution processes as required by TDHCA.

I (We) certify, as referenced in § PRA.409, that the Applicant shall not impede the reasonable efforts of tenants of the Assisted Units to organize pursuant to 24 CFR Part 245, or any successor regulations of 24 CFR Part 245, or unreasonably withhold the use of any community room or other available space appropriate for meetings which is part of the mortgaged property when requested by: (i) a resident tenant organization in connection with the representational purposes of the organization; or (ii) tenants seeking to organize or to consider collectively any matter pertaining to the operation of the mortgaged property.

I (We) certify that the Development site referenced in this Application will take reasonable steps to ensure meaningful access to its programs and activities to Limited English Proficiency tenants. Additionally, I (We) certify that all communications provided to Eligible Applicants and Eligible Households at the Development referenced in this Application are provided in a manner that is effective for persons with hearing, visual, and other communications-related disabilities consistent with Section 504 of the Rehabilitation Act of 1973 and, as applicable, the Americans with Disabilities Act.

I (We) certify that Development staff will assist 811 PRA tenants with annual recertification of income and program requirements as required by HUD; property staff are familiar with HUD income verification requirements and tenant recertification policies as published in the HUD Handbook 4350.3 REV-1.

I (We) certify that Development staff has the capacity and agrees to participate in the Tenant Rental Assistance Certification System for Section 811 PRA tenants. I (We) certify that if TDHCA procures a third party for one or more duties of the 811 PRA program, the Development will respond and comply with that third party in all ways as required of their obligations to TDHCA.

2018 Uniform Multifamily Application Section 811 PRA Certification
I (We) certify that the Development will obtain and maintain any information technology systems required of the PRA Program will be utilized at the Development at no expense to the TDHCA.

I (We) certify that any updated screening, eligibility, lease addenda or fee criteria established for tenants of the identified Development in this Application will be provided to TDHCA 30 days prior to property implementation; additionally, upon request TDHCA will receive copies of tenant recertifications completed by property staff.

I (We) certify that TDHCA will receive upon request any notices advising of property or resident rental increases.

I (We) certify that a copy of the Development's property management plan, tenant selection criteria (or plan) and Affirmative Fair Housing Marketing plan will be provided to and discussed with onsite Development staff.

By: 

[Signature]

Signature of Authorized Representative

[Printed Name]

Printed Name

[Title]

Executive Director

[Date]

2/14/18

The State of Texas

County of

Before me, a notary public, on this day personally appeared Walter Moreau, known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared and certified that the statements therein contained are true and correct. Given under my hand and seal of office this 21st day of February, 2018.

[Seal]

[Notary Public Signature]

2018 Uniform Multifamily Application Section 811 PRA Certification
Tab 20 – Existing Development Information
NOT APPLICABLE
At-Risk Set-Aside (continued)

The new Development Site qualifies for points under §11.9(c)(4) related to Opportunity Index: **OR**

The local Governing Body of the applicable municipality or county (if completely outside of a municipality) in which that Development is located must submit a resolution confirming that the proposed Development is supported by the municipality or county in order to carry out a previously adopted plan that meets the requirements of §11.9(d)(7) related to Concerted Revitalization Plans.

PART D: REGULATORY BARRIERS NECESSITATE ELIMINATION OF ALL OR A PORTION OF THE FINANCIAL BENEFIT FOR THE DEVELOPMENT, AND.

- Evidence of the legal requirements that will unambiguously cause the loss of affordability is included.

- Development qualifies under §2306.6702(a)(4); **AND**

- No less than 10 percent of the Proposed Units are publicly supported by public housing operating subsidy; **AND**

- Less than 100 percent of the public housing benefits are being transferred to the proposed Development and the application includes an explanation of the disposition of the remaining public housing benefits along with a copy of the HUD-approved plan for demolition and disposition.

PART E: THE PROPOSED DEVELOPMENT IS ELIGIBLE TO REQUEST A QUALIFIED CONTRACT UNDER §42, AND THE APPLICATION INCLUDES:

- A copy of the recorded LURA and the first years’ IRS Forms 8609 for all buildings showing Part II of the form completed; **AND**

- If applicable, documentation from the original application regarding the right of first refusal.

Applications proposing the demolition and Reconstruction of Units will be considered New Construction.

2. Existing Development Assistance On Housing Rehabilitation Activities*

Part A.

The existing Property is expected to have or continue the following benefit: ____________________________

Provide a brief description of the restrictions or subsidies the existing Property will have or continue in the space below:

______________________________

A copy of the contract or agreement securing the funds identified above is provided behind this form.

The source of funds is:

- The actual amount of funds

- The number of units receiving assistance:

  The term of the contract or agreement is (date):

  The expiration of the contract or agreement is (date):

Part B. Acquisition Of Existing Buildings (applicable only to HTC applications with Acquisition credits requested)

Date of the most recent sale or transfer of the building(s):

In the last ten years, did the previous owner perform rehabilitation work greater than 25% of the building’s adjusted basis?

Was the building occupied at any time during the last ten years?

Was the building occupied or suitable for occupancy at the time of purchase?

Will the acquisition meet the requirements of §42(d)(2)(B)(ii) relating to the 10-year placed in service rule?

If “Yes”, provide a copy of a title commitment that the Development meets the requirements of §42(d)(2)(B)(ii) as to the 10 year period.

If “No”, does the property qualify for a waiver under §42(d)(6)?

  If “Yes”, provide the waiver and/or other documentation.

How many buildings will be acquired for the Development?
### Existing Development Assistance (continued)

Are all the buildings currently under control by the Development Owner?

- [ ] Yes
- [ ] No

If "No", how many buildings are under control by the Development Owner?

- [ ] 0
- [ ] 1
- [ ] 2
- [ ] 3
- [ ] 4
- [ ] 5
- [ ] 6
- [ ] 7
- [ ] 8
- [ ] 9
- [ ] 10

When will the remaining buildings be under control?

- [ ] Immediate
- [ ] 1 month
- [ ] 2 months
- [ ] 3 months
- [ ] 4 months
- [ ] 5 months
- [ ] 6 months
- [ ] 7 months
- [ ] 8 months
- [ ] 9 months
- [ ] 10 months

Per §2306.008, TDHCA shall support the preservation of affordable housing for individuals with special needs and individuals and families of low income at any location considered necessary by TDHCA.

<table>
<thead>
<tr>
<th>Identification or Address(es) of Building(s) under Owner’s Control</th>
<th>Type of Control (Ownership, Option, Purchase Contract)</th>
<th>Expiration Date</th>
<th># of Units</th>
<th>Acquisition Cost of Building</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</tbody>
</table>

List below by building address, the date the building was placed in service (PIS), the date the building was or is planned for acquisition, and the number of years between the date the building was placed in service and acquisition. Attach separate sheet(s) with additional information if necessary.

<table>
<thead>
<tr>
<th>Building Address(es)</th>
<th>PIS Date of Building by Most Recent Owner</th>
<th>Proposed Acquisition Date by the Applicant</th>
<th>Years between PIS &amp; Acquisition</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</tbody>
</table>

3. **Lead Based Paint (Direct Loan Applications Only)**

Development constructed before January 1, 1978

- [ ] Yes
- [ ] No

Check each of the following that applies [24 CFR 35.115]:

- [ ] Emergency repairs to the property are being performed to safeguard against imminent danger to human life, health or safety, or to protect the property from further structural damage due to natural disaster, fire or structural collapse. The exemption applies only to repairs necessary to respond to the emergency.
- [ ] The property will not be used for human residential habitation. This does not apply to common areas such as hallways and stairways of residential and mixed-use properties.
- [ ] Housing "exclusively" for the elderly or persons with disabilities, with the provision that children less than six years of age will not reside in the dwelling unit.
- [ ] An inspection performed according to HUD standards found the property contained no lead-based paint.
- [ ] According to documented methodologies, lead-based paint has been identified and removed; and the property has achieved clearance.
- [ ] The rehabilitation will not disturb any painted surface.
- [ ] The property has no bedrooms.
- [ ] The property is currently vacant and will remain vacant until demolition.
Tab 21 – Occupied Rehabilitation Developments
May 30, 2018

Ben Sheppard  
Texas Department of Housing and Community Affairs  
221 East 11th Street  
Austin, Texas 78701

RE: 9% Application Administration Deficiency Notice Response  
TDHCA #18099 – Waters Park Studios

Dear Ben:

Please find attached documentation in response to the Deficiency Notice issued on May 25, 2018.

1. Regarding the lease of 12190 MoPac to the unrelated entity, does a tenant reside on the site?

   Per the clarification issued on May 25, 2018 by Ben Sheppard in the attached email, this question is asking if there is someone living on the site. No, there is not someone living at the site of 12190 MoPac. The lease in effect is for use of the commercial building contained on the site.

2. Direct Loan requires using the HUB Model Utility Allowances or other utility allowances as TDHCA Compliance finds acceptable. A letter from TDHCA approving the utility allowances is required. Please submit utility documentation to UA-Application@tdhca.state.tx.us for approval.

   Per the email communication between Jennifer Hicks and Ben Sheppard on May 25, 2018, Waters Park Studios is a Supportive Housing community with all bills paid by the property; therefore, utility allowances are not applicable. As indicated by Ben, we can disregard this question.

Please do not hesitate to contact me with any further questions regarding this matter – (512) 610-4025.

Sincerely,

Sabrina Butler  
Foundation Communities, Inc.
The subject property is not residential. It is commercial and no one dwells on the site. - bps

**Occupied Developments**

Pursuant to §10.204(8)(G) of the Uniform Multifamily Rules, for any Application where any structure on the Development Site is occupied at any time after the beginning of the Application Acceptance Period, even if demolition is proposed, the following items must be provided:

- Historical monthly operating statements of the Development for twelve (12) consecutive months ending no more than three (3) months from the first day of the Application Acceptance Period; or
- The two (2) most recent consecutive annual operating statement summaries; or
- The most recent consecutive six (6) months of operating statements and the most recent available annual operating summary; or
- All monthly or annual operating summaries available.

AND

- A rent roll not more than six (6) months old as of the first day of the Application Acceptance Period that discloses the terms and rate of the lease, rental rates offered at the date of the rent roll, unit mix, and tenant names or vacancy; and
- A written explanation of the process used to notify and consult with the tenants in preparing the Application; (§2306.6705(6)); and
- If applicable, evidence that the relocation plan has been submitted to the appropriate legal or governmental agency. (§2306.6705(6)); and
- A relocation plan outlining relocation requirements and a budget with an identified funding source that clearly describes relocation process, actions, and costs to the displaced and those not (§2306.6705(6)).

n/a Optional, but only available to developments with no Section 811 PRA or Direct Loan funds. The current property owner is unwilling to provide one or more of the required documents above, and a signed statement from the Applicant attesting to that fact is submitted behind this tab.

**Uniform Relocation Act (URA): Applicability for Section 811 PRA and Direct Loan Applications**

- Participation in the Section 811 PRA program is by way of the occupied Rehabilitation (including reconstruction or Adaptive Reuse) Development proposed in the Application.
- Participation in the Section 811 PRA program is by way of the New Construction Development proposed in the Application, and includes the demolition of an occupied structure (e.g., single family house or mobile home).
- Application includes a request for Direct Loan funding (except for Supportive Housing and Soft Repayment TCAP-RF only).

(If none of the three boxes above is checked, you may skip the remainder of this section)

Each of the following items, as applicable, is provided behind this tab:

- Identification of any business, nonprofit organization, or farm on the site (that is not owned or controlled by the Seller);
- Dated General Information Notice(s) given to current occupants (other than owner occupied structures) including verification of tenant receipt;
- Dated Voluntary Acquisition Notification to Owner; and
- HUD Relocation Brochure issued to tenants that will be displaced (if known)

**Relocation Certification for Section 811 PRA and Direct Loan Applications**

The New Construction, Rehabilitation (including Adaptive Reuse), or demolition and Reconstruction of the proposed Development must be carried out in accordance with policies and procedures governing implementation of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 ("URA"), as amended, for the Section 811 PRA program under (49 CFR Part 24); and for Direct Loans under the Section 104(d) of the Housing and Community Development Act of 1974 ("Section 104(d)"), and the optional relocation policies adopted pursuant to 24 CFR 92.253(d).

A displaced person, business, farm, or nonprofit is covered under URA, regardless of income, if they are displaced by acquisition, rehabilitation, or demolition.

Signature of Applicant

[Signature]

Printed Name

Walter Moreau
Relocation Certification for Direct Loan Applications

For Direct Loan Applications (except for Supportive Housing and Soft Rehabilitation Funds, which do not have to complete the rest of this section): A displaced person is covered under Section 104(d) if they are a low-income person displaced by demolition (including acquisition involving demolition) OR conversion (if market rent of the dwelling did not exceed the fair market rent before conversion).

Check all that apply:

- [x] The activity involves demolition of existing occupied structures.
- [x] The activity involves conversion of occupied rental property occupied by any tenant.

Applicants for Direct Loan funds that plan to rehabilitate, demolish and/or reconstruct occupied housing units must comply with the Section 104(d). By signing below, the Applicant certifies that they will comply with the Residential Anti-Displacement and Relocation Assistance Plan (RARAP) approved by the Department on June 1, 2012.

The RARAP, as approved follows the Housing and Community Development Act of 1974, and HUD regulations at 24 CFR §42.325. The Department, through its subgrantees, will offer relocation assistance for lower-income tenants who, in connection with an activity assisted under a Direct Loan move permanently or move personal property from real property as a direct result of the demolition of any dwelling unit or the conversion of a lower-income dwelling unit in accordance with the requirements of 24 CFR §42.350.

The purpose and goals of the RARAP is to:

1. Provide (through its subgrantees) Relocation Assistance
2. Minimize Displacement
3. Ensure a One-for-One Replacement of Lower-Income Dwelling Units

I (we) certify that I (we) have read and understand the Department's approved Residential Anti-Displacement and Relocation Assistance Plan (RARAP), and I (we) will comply with all parts of the plan as they apply to this Application.

Signature of Applicant:

Walter Moreau

Printed Name:

Walter Moreau

Date:

2/23/18
Tab 21 – Occupied Developments
WATERS PARK STUDIOS - AUSTIN, TEXAS
TDHCA #18099

The Development Site of Waters Park Studios consists of two parcels of land each being sold separately as follows:

12207 Waters Park Road, Austin, TX 78759: This site is currently occupied by a business owned by the seller of the parcel and the sale is voluntary; therefore, Tab 21 is not applicable.

12190 N Mo Pac Expwy, Austin, TX 78758: The seller of this site currently has a lease with an unrelated business and therefore Tab 21 has been filled out for only this parcel.

Waters Park Studios is concurrently applying for $1,000,000 in Multifamily Direct Loan Funding through the Supportive Housing/Soft Repayment Set-Aside. At this time, the only funding available in the current MFDL NOFA in the Supportive Housing/Soft Repayment Set-Aside is TCAP-RF which does not trigger URA. As informed by TDHCA staff, the NOFA will soon be amended to add National Housing Trust Fund (NHTF) funding to the Supportive Housing/Soft Repayment Set-Aside. Tab 21 in the application does not contemplate NHTF and suggests that if a project is applying under the Supportive Housing/Soft Repayment Set-Aside that several attachments are not required. However, we chose to provide the documentation as suggested by TDHCA staff, in the case that TCAP-RF funds are not available and NHTF funding (available in the upcoming NOFA amendment) is available for the project. As understood, URA does apply to NHTF and therefore we wanted to make sure the application complies with both the requirements for MFDL and specifically for NHTF.

The lease in effect at the 12190 N Mo Pac Expwy has the tenant paying all expenses (including taxes and insurance) with a base rent and expense reimbursement, therefore the owner’s operating cost is zero. Please see attached expense reimbursement and rent exhibits from lease. In order to comply with the requirements of Tab 21, both a current rent roll and 2016 and 2017 summary operating statement have been created and are attached.

Please note that we have been informed by the seller that the tenant is past due on rent and is in default of lease.

The following documents are attached per Tab 21 and guidance from TDHCA and HUD staff:

- Expense Reimbursement and Rent Roll Information from lease
- Operating Statement summary based on information provided – 2016 and 2017
- Current Rent Roll based on information provided
- Written Explanation of process used to notify and consult with tenants in preparing Application
- A relocation plan and budget
- Identification of Site
- General Information Notice as reviewed by our relocation attorney and Relocation Brochure, Mail Verification and Verification of Tenant Receipt
- Dated and Fully Executed Voluntary Acquisition Notification to Owner for both parcels
Lease Info
Expense Reimbursement Addendum concerning 12190 N Mopac Expwy, Austin, Tx 78758

Notice: The applicable projected expenses at the time which the above-referenced expense reimbursements is $9290 rentable square feet (including any add-on factor for common areas).

<table>
<thead>
<tr>
<th>Projected Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ Monthly Rate</td>
</tr>
<tr>
<td>2,500.00 / rsf / month</td>
</tr>
</tbody>
</table>

D. Reconciliation: Within a reasonable time after the end of each calendar year, Landlord will notify Tenant of the actual costs of the applicable expenses (those that Tenant is to pay under this addendum) for the previous year. If the actual costs of the applicable expenses exceed the amounts paid or owed by Tenant for the previous year, Tenant must pay the deficient amount to Landlord within 30 days after Landlord notifies Tenant of the deficient amount. If the actual costs of the applicable expenses are less than the amounts paid by Tenant for the previous year, Landlord will refund the excess to Tenant or will credit the excess to Tenant's next rent payment. Tenant may audit or examine those items in Landlord's records that relate to Tenant's obligations under this addendum. Landlord will promptly refund to Tenant any overpayment revealed by an audit or examination. If the audit or examination reveals an error of more than 5% over the amounts Landlord collected in a calendar year from Tenant under this addendum, Landlord will pay the reasonable cost of the audit or examination. Landlord may not seek a deficiency from Tenant under this paragraph if Landlord fails to timely provide the required notice.

E. Special Provisions:

Landlord: Robert A. and Vickie Chaffee
By: Robert A. Chaffee
By (signature): [Signature]
Printed Name: Robert A. Chaffee
Title: 

Tenant: Late European, LLC
By: Steve Late
By (signature): [Signature]
Printed Name: Steve Late
Title: 

(TAR-2103) 1-26-10

Page 2 of 2

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12190 N
EXHIBIT

A

TO COMMERCIAL LEASE BETWEEN THE UNDERSIGNED PARTIES CONCERNING THE LEASED PREMISES AT

12190 N Mopac Expwy, Austin, Tx 78758

On or before the first day of each month during this lease, Tenant will pay Landlord base monthly rent as described:

<table>
<thead>
<tr>
<th>Year</th>
<th>From</th>
<th>To</th>
<th>Monthly Base Rent</th>
<th>Annual Base Rent</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>February 1, 2016</td>
<td>January 31, 2017</td>
<td>$12,000.00</td>
<td>$144,000.00</td>
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<tr>
<td>2</td>
<td>February 1, 2017</td>
<td>January 31, 2018</td>
<td>$12,360.00</td>
<td>$148,320.00</td>
</tr>
<tr>
<td>3</td>
<td>February 1, 2018</td>
<td>January 31, 2018</td>
<td>$12,730.80</td>
<td>$152,769.60</td>
</tr>
<tr>
<td>4</td>
<td>February 1, 2019</td>
<td>January 31, 2020</td>
<td>$13,112.72</td>
<td>$157,352.69</td>
</tr>
<tr>
<td>5</td>
<td>February 1, 2020</td>
<td>January 31, 2021</td>
<td>$13,506.11</td>
<td>$162,073.27</td>
</tr>
<tr>
<td>6</td>
<td>February 1, 2021</td>
<td>January 31, 2022</td>
<td>$13,911.29</td>
<td>$166,935.47</td>
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<td>February 1, 2022</td>
<td>January 31, 2023</td>
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<td>January 31, 2024</td>
<td>$14,758.49</td>
<td>$177,101.84</td>
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<td>January 31, 2025</td>
<td>$15,201.24</td>
<td>$182,414.89</td>
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<tr>
<td>10</td>
<td>February 1, 2025</td>
<td>January 31, 2026</td>
<td>$15,657.28</td>
<td>$187,887.34</td>
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</table>

Landlord: Robert A. and Vickie Chaffee

By: Robert A. Chaffee

By (signature): [Signature]

Printed Name: Robert A. Chaffee

Title:

By: Vickie Chaffee

By (signature): [Signature]

Printed Name: Vickie Chaffee

Title:

Tenant: Late European, LLC

By: Steve Late

By (signature): [Signature]

Printed Name: Steve Late

Title:
Operating Statement
## Operating Statement
### 12190 W Mo Pac Expy.
#### For the Year End 20:6

<table>
<thead>
<tr>
<th></th>
<th>Total 2017</th>
<th>Jan</th>
<th>Feb</th>
<th>March</th>
<th>April</th>
<th>May</th>
<th>June</th>
<th>July</th>
<th>Aug</th>
<th>Sept</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>INCOME</strong></td>
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</tr>
<tr>
<td>Total Rent</td>
<td>132,000</td>
<td>0</td>
<td>12,000</td>
<td>12,000</td>
<td>12,000</td>
<td>12,000</td>
<td>12,000</td>
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<td>12,000</td>
<td>12,000</td>
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</tr>
<tr>
<td>Tenant Expense Reimbursement</td>
<td>27,000</td>
<td>0</td>
<td>2,500</td>
<td>2,500</td>
<td>2,500</td>
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<tr>
<td><strong>EFFECTIVE GROSS INCOME</strong></td>
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<td>14,500</td>
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</tr>
<tr>
<td><strong>TOTAL EXPENSES</strong></td>
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<tr>
<td><strong>NET OPERATING INCOME</strong></td>
<td>132,000</td>
<td>0</td>
<td>12,000</td>
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</tbody>
</table>
## Operating Statement
**12190 N Mo Pac Expwy.**
**For the Year End 2017**

<table>
<thead>
<tr>
<th></th>
<th>Total Rent</th>
<th>Jan</th>
<th>Feb</th>
<th>March</th>
<th>April</th>
<th>May</th>
<th>June</th>
<th>July</th>
<th>Aug</th>
<th>Sept</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Income</strong></td>
<td></td>
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<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Rent</td>
<td>147,960</td>
<td>12,000</td>
<td>12,360</td>
<td>12,360</td>
<td>12,360</td>
<td>12,360</td>
<td>12,360</td>
<td>12,360</td>
<td>12,360</td>
<td>12,360</td>
<td>12,360</td>
<td>12,360</td>
<td>12,360</td>
</tr>
<tr>
<td>Tenant Expense Reimbursement</td>
<td>30,000</td>
<td>2,500</td>
<td>2,500</td>
<td>2,500</td>
<td>2,500</td>
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<tr>
<td><strong>Effective Gross Income</strong></td>
<td>177,960</td>
<td>14,500</td>
<td>14,860</td>
<td>14,860</td>
<td>14,860</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Total Expenses</th>
<th>Jan</th>
<th>Feb</th>
<th>March</th>
<th>April</th>
<th>May</th>
<th>June</th>
<th>July</th>
<th>Aug</th>
<th>Sept</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Expenses</strong></td>
<td>30,000</td>
<td>2,500</td>
<td>2,500</td>
<td>2,500</td>
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</table>

<table>
<thead>
<tr>
<th></th>
<th>Net Operating Income</th>
<th>Jan</th>
<th>Feb</th>
<th>March</th>
<th>April</th>
<th>May</th>
<th>June</th>
<th>July</th>
<th>Aug</th>
<th>Sept</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Operating Income</strong></td>
<td>147,960</td>
<td>12,000</td>
<td>12,360</td>
<td>12,360</td>
<td>12,360</td>
<td>12,360</td>
<td>12,360</td>
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<td>12,360</td>
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<td>12,360</td>
<td>12,360</td>
</tr>
</tbody>
</table>
Rent Roll
## RENT ROLL
### February 2018

**Property Address:** 12190 N. Mo Pac Expwy., Austin, TX 78758

<table>
<thead>
<tr>
<th>Tenant’s Name</th>
<th>Monthly Base Rent</th>
<th>Term</th>
<th>Lease Expiration Date</th>
<th>Options (monthly expenses)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Late European, LLC</td>
<td>$12,730.80</td>
<td>8 years</td>
<td>1/31/2025</td>
<td>$2,500 projected expense reimbursement</td>
</tr>
</tbody>
</table>

**Total Monthly Rent:** $12,730.80  
**Total Annual Rent:** $152,769.60

**Expense reimbursement:** Each month tenant will pay tenant's pro rata share of the projected monthly expenses for the property for taxes, insurance, CAM, structural and all other expenses regarding the maintenance and operation of the property.
Process to Inform
Process to Notify and Consult with Tenants

A Relocation General Information Notice was delivered to the lessee of the structure located at 12190 N. MoPac Expwy., Austin, TX, 78758 on February 21, 2018 via both Lone Star Overnight and USPS Certified mail delivery. Please find attached a copy of the GIN, HUD relocation brochure and verification of receipt by tenant.
Relocation Plan and Budget
Tab 21 - Occupied Developments
WATERS PARK STUDIOS - AUSTIN, TEXAS
TDHCA #18099
Relocation Plan

1) Which tenants may be affected and to what degree?
Late European, LLC is the current non-residential tenant of the site. There is an existing lease in place with the seller of the property. The current tenant is past due on rent and is currently in default on their lease. The tenant has been issued a General Information Notice and informed of their potential relocation rights. If Federal funds are awarded, then full compliance with the Uniform Relocation Act will be ensured.

2) Who will gather household data; prepare relocation notices, process payments, etc.?
As there is only one non-residential tenant located on-site, we do not anticipate there needing to be any excessive administrative work to comply with Uniform Relocation Act requirements. If Federal funds are awarded, then payments would be processed by Foundation Communities, Inc. (the Developer and Guarantor) for the Development.

3) What are the income and household characteristics of the occupants?
The only lease in place on this Development parcel is with a non-residential occupant. Income and household characteristics are not applicable.

4) When do the units need to be vacated, and when will they be ready for re-occupancy?
The structure housing the tenant’s business will need to be vacated prior to April 2019 when site clearing (including demolition of the business structure) will commence. The Development will be the new construction of 132 units of Supportive Housing and therefore will not provide an opportunity for re-occupancy by the non-residential tenant.

6) How much will this cost?
As a conservative approach, relocation costs have been included in the Development Cost Schedule at the maximum levels published in CPD 1409 as $25,000 for Re-establishment Expense Payment and $40,000 estimated for Actual, Reasonable Moving and Related Expenses Payment for a total of $65,000.
### Total Relocation Budget Worksheet

*for Uniform Relocation Act and 104(d)*

Use this form to calculate total relocation budget for rehabilitation projects, reconstruction, demolition, or conversion of housing with Uniform Relocation or 104(d) requirements.

<table>
<thead>
<tr>
<th>Development Name:</th>
<th>Waters Park Studios</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Section 1 - Moving Expenses</strong></td>
<td></td>
</tr>
<tr>
<td>Moving Expenses</td>
<td>1.1 $</td>
</tr>
<tr>
<td>Storage</td>
<td>1.2 $</td>
</tr>
<tr>
<td>Telephone Re-connection</td>
<td>1.3 $</td>
</tr>
<tr>
<td>Cable/Internet Re-connection</td>
<td>1.4 $</td>
</tr>
<tr>
<td>Other (describe):</td>
<td>1.5 $</td>
</tr>
<tr>
<td><strong>Total Moving Expenses</strong></td>
<td>1.6 $</td>
</tr>
<tr>
<td><strong>Section 2 - Temporary Relocation Expenses</strong></td>
<td></td>
</tr>
<tr>
<td>Rent/Hotel</td>
<td>2.1 $</td>
</tr>
<tr>
<td>Electricity</td>
<td>2.2 $</td>
</tr>
<tr>
<td>Gas</td>
<td>2.3 $</td>
</tr>
<tr>
<td>Water/Sewer</td>
<td>2.4 $</td>
</tr>
<tr>
<td>Sanitation</td>
<td>2.5 $</td>
</tr>
<tr>
<td>Per-Diem Meal Allowance</td>
<td>2.6 $</td>
</tr>
<tr>
<td>Reasonable Accommodations</td>
<td>2.7 $</td>
</tr>
<tr>
<td>Other (describe):</td>
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<tr>
<td><strong>Total Temporary Relocation Expenses</strong></td>
<td>2.9 $</td>
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<tr>
<td><strong>Section 3 - Permanent Relocation Expenses</strong></td>
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</tr>
<tr>
<td>Non-refundable Deposits</td>
<td>3.1 $</td>
</tr>
<tr>
<td>Down Payment Assistance</td>
<td>3.2 $</td>
</tr>
<tr>
<td>Rental Assistance</td>
<td>3.3 $</td>
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<tr>
<td>Reasonable Accommodations</td>
<td>3.4 $</td>
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<tr>
<td>Re-Establishment Expense Payment</td>
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<tr>
<td><strong>Total Permanent Relocation Expenses</strong></td>
<td>3.6 $</td>
</tr>
<tr>
<td><strong>Section 4 - Total Relocation Budget</strong></td>
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</tr>
<tr>
<td><strong>TOTAL RELOCATION BUDGET</strong></td>
<td>4.1 $</td>
</tr>
</tbody>
</table>
Special Attention of:

Headquarters CPD, PIH and MF Housing Directors;
Regional Office Administrators and Field Office Directors;
Field Office CPD Directors and Deputy Directors;
MF HUB Directors;
MF Program Center Directors;
Regional and Field Office Public Housing Directors;
ONAP Directors;
FHEO Regional and Field Office Directors
HUD Grantees and Funding Recipients

Notice: CPD-14-09
Issued: June 10, 2014

This notice remains effective until amended, superseded, or rescinded.

Cross References: P.L 112-141, § 1521; 42

SUBJECT: Effective Date of Moving Ahead for Progress in the 21st Century Act (MAP-21) Changes to Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA) Payment Limits and Replacement Housing Payment Eligibility Criteria

PURPOSE:

The purpose of this Notice is to provide guidance concerning the October 1, 2014 effective date of several provisions of Section 1521 of the Moving Ahead for Progress in the 21st Century Act (MAP-21) that will change payment limits and replacement housing payment eligibility criteria in the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA).

Interagency efforts to craft a Notice of Proposed Rulemaking that will revise regulations at 49 CFR part 24 consistent with MAP-21 and propose other changes are currently underway. However, the changes discussed in this Notice will become effective before the interagency rulemaking efforts are complete.

The following changes to the URA become effective on October 1, 2014.

Residential Relocation:

- Length of occupancy requirement to receive Replacement Housing Payment for homeowner-occupants is reduced from 180 days to 90 days [42 U.S.C. 4623(a)(1) and 42 U.S.C. 4624(b)];
- Maximum Replacement Housing Payment for displaced 90 day (formerly 180 day) homeowner-occupant increased from $22,500 to $31,000 [42 U.S.C. 4623(a)(1)]; and
- Maximum Replacement Housing Payment for displaced 90 day residential tenant increased from $5,250 to $7,200 [42 U.S.C. 4624(a)].
Nonresidential Relocation:

- Maximum Reestablishment Expense Payment increased from $10,000 to $25,000 [42 U.S.C. 4622(a)(4)] and
- Maximum Fixed Moving Expense Payment increased from $20,000 to $40,000 [42 U.S.C. 4622(c)].

On March 25, 2014, FHWA issued guidance for its programs to explain the changes that will come into effect on October 1, 2014. This Notice is consistent with FHWA’s guidance.

The new 90-day length-of-occupancy requirement for homeowner-occupants to receive a Replacement Housing Payment applies whenever the initiation of negotiations (ION), for a homeowner-occupant occurs on or after October 1, 2014.

The application of the new maximum payment amounts presents a more complex question. HUD anticipates there will be some projects where the action that establishes relocation eligibility, such as ION, may occur before October 1, 2014, but relocation assistance activities may not be completed until after October 1, 2014. For those situations, HUD has determined that on or after October 1, 2014, the increased payment limits apply to a person who qualifies as displaced under 49 CFR 24.2(a)(9)(i) if:

- For all increased relocation payments noted above, with the exception of replacement housing payments for homeowner-occupants: the displaced person is not required to move before October 1, 2014, and has not moved before that date.
- For increased replacement housing payments for homeowner-occupants: the displaced homeowner still holds title to the real property to be acquired on or after October 1, 2014.

If you have questions pertaining to this guidance, please contact your local HUD Regional Relocation Specialist for further assistance. Contact information for HUD’s Regional Relocation Specialists is available on HUD’s Real Estate Acquisition and Relocation website at:

www.hud.gov/relocation
Identification of Site

Site address: 12190 N Mo Pac Expy., Austin, TX 78758

The site is currently occupied by a business tenant. No residential tenants are located on the site.
General Information Notice
GENERAL INFORMATION NOTICE
NONRESIDENTIAL TENANT TO BE DISPLACED

February 20, 2018

Steve Late
Late European, LLC
12989 Research Blvd
Austin, TX 78750

Dear Mr. Steve Late:

Foundation Communities, Inc. is interested in acquiring and redeveloping the property you occupy at 12190 N Mopac Expy. Austin, Texas 78758 for a proposed project which may receive funding assistance from the U.S. Department of Housing and Urban Development (HUD) under the Housing Trust Fund program.

The purpose of this notice is to inform you that your business may be displaced as a result of the proposed project. This notice also serves to inform you of your potential rights as a displaced person under a federal law known as the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA). You may be eligible for relocation assistance and payments under the URA if the proposed project receives HUD funding assistance and if you are displaced as a result of acquisition, rehabilitation or demolition for the project.

• This is not a notice to vacate the premises.

• This is not a notice of relocation eligibility.

If you are determined to be eligible for relocation assistance in the future, you may be eligible for: 1) Relocation advisory services including help to find you a replacement location; 2) At least 90 days advance written notice of the date you will be required to move; 3) Payment for your moving and reestablishment expenses. You also have the right to appeal the agency’s determination, if you feel that your application for assistance was not properly considered. The enclosed HUD brochure, “Relocation Assistance To Displaced Businesses, Nonprofit Organizations, and Farms” provides an explanation of this assistance and other helpful information.

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

Please be advised that you should continue to pay your rent and meet any other obligations as specified in your lease agreement. Failure to do so may be cause for eviction. If you choose to move or if you are evicted prior to receiving a formal notice of relocation eligibility you will not be eligible to receive relocation assistance. It is important for you to contact us before making any moving plans.

Again, this is not a notice to vacate the premises and does not establish your eligibility for relocation payments or assistance at this time. If you are determined to be displaced and are required to vacate the premises in the future, you will be informed in writing. In the event the proposed project does not proceed or if you are determined not to be displaced, you will also be notified in writing.

Please note: this notice does not change any terms of your lease. Your landlord remains unchanged, and nothing in this letter should be construed to modify any prior or future correspondence you may receive from your landlord. We understand from your landlord that you are past due on rent. Please be advised that if you do not cure past due rent or otherwise do not cure any current or future deficiencies under the terms of your lease and are evicted for cause, this may affect your eligibility for relocation assistance that may otherwise have been applicable.

If you have any questions about this notice or the proposed project, please contact Sabrina Butler, Director of Housing Finance, 3036 S. 1st Street, Austin, TX 78704, 512-610-4025 or sabrina.butler@foundcom.org.

Sincerely,

Walter Moreau
Executive Director

Enclosure
RELOCATION ASSISTANCE TO DISPLACED BUSINESSES, NONPROFIT ORGANIZATIONS AND FARMS

U.S. Department of Housing and Urban Development
Office of Community Planning and Development

(Form has been revised. See last page.)

Introduction

This booklet describes the relocation assistance and payments provided to displaced businesses, nonprofit organizations and farms under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA). This includes any such occupant that moves from real property, or moves personal property from real property, as a direct result of acquisition, rehabilitation or demolition for a Federal project or a project in which Federal funds are used. If you are notified that you will be displaced, it is important that you do not move before you learn what you must do to receive the relocation payments and other assistance to which you are entitled.

Pursuant to Public Law 105-177, aliens not lawfully present in the United States are not eligible for relocation assistance, unless such ineligibility would result in exceptional and extremely unusual hardship to a qualifying spouse, parent, or child as defined at 49 CFR 24.208(h). All persons seeking relocation assistance will be required to certify that they are a United States citizen or national, or an alien lawfully present in the United States.

This booklet may not answer all of your questions. If you have more questions about your relocation, contact the Agency responsible for the project. (Check the back of this booklet for the name of the person to contact at the Agency.) Ask your questions before you move. Afterwards, it may be too late.

Summary of Relocation Assistance

As an eligible displaced person, you will be offered the following advisory and financial assistance:

- **Advisory Services** includes referrals to suitable replacement locations, help in preparing claim forms for relocation payments and other assistance to minimize the impact of the move.
- **Payment for Moving and Reestablishment Expenses** falls into two general categories:
  * **Payment for Actual, Reasonable Moving and Related Expenses.** If you choose this payment, you may also be eligible for a Payment for Reestablishment Expenses, up to $1,000.
  * **Fixed Payment** (“In Lieu Of” Payment). As an alternative to receiving payment for your actual, reasonable and related moving and reestablishment expenses, certain persons are eligible to choose a Fixed Payment in the amount of $1,000 - $3,000.
General Questions

How Will I Know I Am Eligible For Relocation Assistance?

You should receive a written notice explaining your eligibility for relocation assistance. You should not move before receiving that notice. If you do, you may not be eligible for relocation assistance.

How Will The Agency Know How Much Help I Need?

You will be contacted at an early date and personally interviewed by a representative of the Agency to determine your relocation needs and preferences.

How Soon Will I Have To Move?

Every reasonable effort will be made to provide you with sufficient time to find and reestablish your business in a suitable replacement location. If possible, a mutually agreeable date for the move will be worked out. You will be given enough time to make plans for moving. Unless there is a health or safety emergency, you will not be required to move without at least 90 days advance written notice.

How Will I Find A Replacement Location?

The Agency will provide you with current information on available replacement locations that meet your needs. The Agency may also provide you with the names of real estate agents and brokers who can assist you in finding the type of replacement location you need.

While the Agency will assist you in obtaining a suitable replacement location, you should take an active role in finding and relocating to a location of your choice; no one knows your needs better than you. When searching for a replacement location for your business, you should ensure that there are no zoning or other requirements which will unduly restrict your planned operations.

What Other Assistance Will Be Available To Help Me?

In addition to help in finding a suitable replacement location, other assistance, as necessary, will be provided by the Agency. This includes providing information on Federal, State, and local programs that may be of help in reestablishing a business. For example, the Small Business Administration (SBA) provides managerial and technical assistance to some businesses.

You should ask the Agency representative to tell you about the specific services that may be available to help you.
I Have A Replacement Location And Want To Move. What Should I Do?

Before you make any arrangements to move, notify the Agency as soon as possible. The Agency will discuss the move with you and advise you of the relocation payment(s) for which you may be eligible, the requirements to be met, and how to obtain a payment.

I Plan To Discontinue My Business Rather Than Move. What Should I Do?

If you have decided to discontinue your business rather than reestablish, you may still be eligible to receive a payment. Contact the Agency and discuss your decision to discontinue your business. You will be informed of the payment, if any, for which you may be eligible and the requirements that must be met to obtain the payment.

I Own This Property. Will I Be Paid For It Before I Have To Move?

If you reach a negotiated agreement to sell your property to a public agency, you will not be required to move before you receive the agreed purchase price. If the property is acquired through an eminent domain proceeding, you cannot be required to move before the estimated fair market value of the property has been deposited with the court. (You should be able to withdraw this amount immediately, less any amounts necessary to pay off any mortgage or other liens on the property and to resolve any special ownership problems. Withdrawal of your share of the money will not affect your right to seek additional compensation for your property.)

Ask the Agency to provide you a copy of the HUD information brochure, When a Public Agency Acquires Your Property (HUD-1041-CPD). If you have any questions about the acquisition of your property, please contact the Agency.

What Moving Expenses Are Eligible For Payment?

If you choose a Payment For Actual, Reasonable Moving and Related Expenses, you may include in your claim the reasonable and necessary cost of:

- Transportation of the displaced person and personal property. Transportation costs beyond 50 miles are ineligible, unless the Agency determines that relocation beyond 50 miles is justified.
- Packing, crating, unpacking, and uncrating personal property.
- Disconnecting, dismantling, removing, reassembling, and reinstalling relocated personal property including machinery, equipment, substitute personal property, and connections to utilities available within the building; it also includes modifications to the personal property, including those mandated by Federal, State or local law, code or ordinance, necessary to adapt it to the replacement structure, the replacement site, or the utilities at the replacement site, and modifications necessary to adapt the utilities at the replacement site to the personal property.
• Storage of the personal property for a period not to exceed 12 months, unless the Agency determines that a longer period is necessary.
• Insurance for the replacement value of the property in connection with the move and necessary storage.
• The replacement value of property lost, stolen, or damaged in the process of moving where insurance covering such loss, theft, or damage is not reasonably available.
• Any license, permit, fees or certification required at the replacement location. However, the payment may be based on the remaining useful life of the existing license, permit, fees or certification. Professional services as the Agency determines to be actual, reasonable and necessary for: Planning the move of the personal property; Moving the personal property; and installing the relocated personal property at the replacement location.
• Relettering signs and replacing stationery on hand at the time of displacement that are made obsolete as a result of the move.
• Actual direct loss of tangible personal property incurred as a result of moving or discontinuing the business or farm operation. The payment shall consist of the lesser of:
  (1) The fair market value in place of the item, as is for continued use, less the proceeds from its sale; or
  (2) The estimated cost of moving the item as is, but not including any allowance for storage or for reconnecting a piece of equipment, if the equipment is in storage or not being used at the acquired site. If the business or farm operation is discontinued, the estimated cost of moving the item shall be based on a moving distance of 50 miles.
• The reasonable cost incurred in attempting to sell an item that is not to be relocated.
• Purchase of substitute personal property. If an item of personal property, (which is used as part of a business or farm operation) is not moved but is promptly replaced with a substitute item that performs a comparable function at the replacement site, the displaced person is entitled to payment of the lesser of:
  (1) The cost of the substitute item, including installation costs at the replacement site, minus any proceeds from the sale or trade-in of the replaced item; or
  (2) The estimated cost of moving and reinstalling the replaced item but with no allowance for storage.
• Searching for a replacement location. A business or farm operation is entitled to reimbursement for actual, reasonable expenses, not to exceed $2,500, which are incurred in searching for a replacement location, including: Transportation; meals and lodging away from home; time spent searching, obtaining permits, attending zoning hearings and negotiating the purchase or lease of a replacement site (based on reasonable salary or earnings); fees paid to a real estate agent or broker to locate a replacement site (exclusive of any fees or commissions related to the purchase of such sites).
• Low value/high bulk. When the personal property to be moved is of low value and high bulk, and the cost of moving the property would be disproportionate to its value in the judgment of the displacing Agency, the allowable moving cost
payment shall not exceed the lesser of: (1) the amount which would be received if the property were sold at the site or (2) the replacement cost of a comparable quantity delivered to the new business location. Examples include, but are not limited to, stockpiled sand, gravel, minerals, metals and other similar items of personal property as determined by the Agency.

In addition to the eligible expenses for moving personal property listed above, the following items are also eligible moving expenses if the Agency determines they are actual, reasonable and necessary:

- Connection to available nearby utilities from the right-of-way to improvements at the replacement site.
- Professional services (based on a reasonable Agency pre-approved hourly rate) performed prior to the purchase or lease of a replacement site to determine its suitability for the displaced person’s business operation including but not limited to, soil testing, feasibility and marketing studies (excluding any fees or commissions directly related to the purchase or lease of such site).
- Impact fees or one time assessments for anticipated heavy utility usage.

The Agency will explain all eligible moving and related costs, as well as those which are not eligible. You must be able to account for all costs that you incur; so keep all your receipts. The Agency will inform you of the documentation needed to support your claim.

You may elect to pay your moving costs yourself and be repaid by the Agency or, if you prefer, you may have the Agency pay the mover. In either case, select your mover with care. The Agency can help you select a reliable and reputable mover.

Also, keep the Agency informed about your moving plans. You must provide the Agency reasonable advance written notice of the approximate date of the start of your move or disposition of your personal property and an inventory of the items to be moved. The Agency may agree to waive this requirement. You must permit the Agency to make reasonable and timely inspections of the personal property at the old and new locations and to monitor the move.

**What Is A Payment For Reestablishment Expenses?**

If you choose to receive a payment for your actual moving and related expenses, you may also be eligible to receive a payment for reestablishment expenses, not to exceed $14,777. Such expenses must be reasonable and necessary, as determined by the Agency. They include, but are not limited to the following:

- Repairs or improvements to the replacement real property as required by Federal, State or local law, code or ordinance.
- Modifications to the replacement property to accommodate the business operation or make replacement structures suitable for conducting the business.
- Construction and installation costs for exterior signage to advertise the business.
• Redecoration or replacement of soiled or worn surfaces at the replacement site, such as paint, paneling, or carpeting.
• Advertisement of replacement location.
• Estimated increased costs of operation during the first 2 years at the replacement site for such items as: Lease or rental charges; Personal or real property taxes; insurance premiums; and utility charges, excluding impact fees.
• Other items that the Agency considers essential to the reestablishment of the business.

What Is A Fixed Moving Payment (“In Lieu Of” Payment)?

Certain businesses, nonprofit organizations and farms are eligible to obtain a Fixed Moving Payment, “in lieu of” receiving a payment for Actual, Reasonable Moving and Related Expenses and a Payment for Reestablishment Expenses. The Fixed Payment for a business or farm operation is based on the average annual net earnings of the business or farm operation; the Fixed Payment for a nonprofit organization is based on average annual gross revenues less administrative expenses. A Fixed Payment will not be less than $1,000, nor more than $3/ + / - Check with the Agency to see if you are eligible for this payment option.

The Agency will inform you as to your eligibility for this payment and the documentation you must submit to support your claim.

Remember, when you elect to take this payment you are not entitled to reimbursement for any other moving or reestablishment expenses.

Must I File A Claim For A Relocation Payment?

Yes. You must file a claim for a relocation payment. The Agency will, however, provide you with the required claim form, help you to complete it, and explain the type of documentation that you must submit in order to receive the payment.

All claims for relocation payments must be filed no later than 18 months after: For tenants, the date of your move. For owners, the later of (1) the date of your move; or (2) the date of final payment for the acquisition of your property. However, it is to your advantage to file as soon as possible after you move. The sooner you submit your claim, the sooner it can be processed and paid. If you are unable to file your claim within 18 months, ask the Agency to consider extending this period.

You will be paid promptly after you file an acceptable claim. If there is any question regarding your right to a relocation payment or the amount of the payment, you will be notified of the problem in writing and the action you must take to resolve the matter.

If you must pay any relocation expenses before you move, discuss your needs with the Agency. You should be able to obtain an advance payment. An advance payment may be placed in “escrow” to ensure that the move will be completed on a timely basis.
Will I Have To Pay Rent To The Agency Before I Move?

If the Agency acquires your property, you may be required to pay a fair rent to the Agency for the period between the acquisition of the property and the date that you move. Such rent will not exceed the market rent for comparable properties in the area.

Do I Have To Pay Federal Income Taxes On My Relocation Payments?

No. Section 216 of the URA states that you need not report relocation payments as part of your gross income for Federal tax purposes. For information on State or local income taxes, you should check with the State or local income tax office in your area or with your personal tax advisor.

If I Don't Receive The Required Assistance, Can I Appeal?

Yes. If you disagree with the Agency’s decision as to your right to relocation assistance or the amount of a payment, you may appeal the decision to the Agency. The Agency will inform you of its appeal procedures. At a minimum, you will have 60 days to file your appeal with the Agency after you receive written notification of the Agency’s determination on your claim. Your appeal must be in writing. However, if you need help, the Agency will assist you in preparing your appeal.

If you are not satisfied with the Agency’s final decision on your appeal, you may seek review of the matter by the courts.

I Have More Questions. Who Will Answer Them?

If you have further questions after reading this booklet, contact the Agency and discuss your concerns with the Agency representative.

Agency:

Address:

Office Hours:

Telephone Number:

Person to Contact:

(NOTE. Updated to incorporate MAP-21 statutory changes to the URA effective on 10/01/2014. Please note the current URA regulations of 49 CFR 24 will be revised in a future rule making to reflect MAP-21 changes. For additional information on MAP-21 changes to the URA for HUD programs and projects, refer to HUD Notice CPD-14-09 at the following website: http://portal.hud.gov/hudportal/documents/huddoc?id=14-09cpdn.pdf.)
<table>
<thead>
<tr>
<th>Name</th>
<th>Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>Steve Lake</td>
<td>1289 Research Blvd, Austin, TX 78750</td>
</tr>
</tbody>
</table>
Tracking Result

For more than 20 years, LSO™ has earned the best on-time record and lowest damage rate in the industry. See where your package is in its journey by using our easy tracker below.

YOUR TRACKING INFORMATION IS BELOW

<table>
<thead>
<tr>
<th>Status</th>
<th>Date/Time</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
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<td>AUSTIN</td>
</tr>
<tr>
<td>Inbound</td>
<td>2/20/2018 9:32:00 PM</td>
<td>AUSTIN</td>
</tr>
<tr>
<td>On Truck</td>
<td>2/21/2018 7:13:00 AM</td>
<td>AUSTIN</td>
</tr>
<tr>
<td>Delivered</td>
<td>2/21/2018 9:32:00 AM</td>
<td>AUSTIN</td>
</tr>
</tbody>
</table>

Airbill No  LSO061JN
Tracking Status Delivered
Delivery Date 2/21/2018 9:32:00 AM
Signed By STEWART
Delivered To 12989 RESEARCH BLVD AUSTIN, TX 78750

Click for details

Track Another
Voluntary Acquisition Notification
Relocation and Acquisition Disclosure
to the Seller with a Voluntary Arm’s Length Purchase Agreement

Buyer: Foundation Communities, Inc. or Affiliates

Buyer: ________________________________

Seller: Daniel K & Cathy J Baird

Seller: ________________________________

Property Address: 12207 Waters Park Road

City, State, Zip: Austin, TX 78759

This notification, related to acquisition of the above-referenced property, complies with Federal relocation and acquisition disclosure requirements pursuant to 49 CFR §24.101.

1. The Buyer offers $1,660,000 for clear title to the Property, under the conditions described in the contract of sale.

2. Before appraisal, the Buyer estimates the fair market value of the Property at $1,660,000.

3. The Buyer does not have the power of eminent domain relating to the purchase and acquisition of the Property.

4. The Buyer will use federal funds from the U.S. Department of Housing and Urban Development (HUD) to complete this purchase. HUD will not use eminent domain authority to condemn the Property.

5. All parties entered this transaction voluntarily. Voluntary arm’s length transaction avoids the requirement for relocation payments or other relocation assistance under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 or any related law or regulation.

6. If negotiations between both parties fail, Buyer will not take further action to acquire the Property. Requirements imposed on the seller by this document will become moot.

Buyer’s Signature ___________________________ Date 2/14/18

Buyer’s Signature ___________________________ Date ___________________________

Seller’s Signature ___________________________ Date 2/16/18

Seller’s Signature ___________________________ Date ___________________________
Relocation and Acquisition Disclosure
to the Seller with a Voluntary Arm's Length Purchase Agreement

Buyer:  Foundation Communities, Inc. or Affiliates

Buyer:

Seller:  Robert A & Vickie Chaffee

Seller:

Property Address:  12190 N Mopac Expwy.

City, State, Zip:  Austin, TX 78758

This notification, related to acquisition of the above-referenced property, complies with Federal relocation and acquisition disclosure requirements pursuant to 49 CFR §24.101.

1. The Buyer offers $2,600,000 for clear title to the Property, under the conditions described in the contract of sale.

2. Before appraisal, the Buyer estimates the fair market value of the Property at $2,600,000.

3. The Buyer does not have the power of eminent domain relating to the purchase and acquisition of the Property.

4. The Buyer will use federal funds from the U.S. Department of Housing and Urban Development (HUD) to complete this purchase. HUD will not use eminent domain authority to condemn the Property.

5. All parties entered this transaction voluntarily. Voluntary arm's length transaction avoids the requirement for relocation payments or other relocation assistance under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 or any related law or regulation.

6. If negotiations between both parties fail, Buyer will not take further action to acquire the Property. Requirements imposed on the seller by this document will become moot.

Buyer's Signature  2/14/18  Buyer's Signature  Date

Seller's Signature  2/15/18  Seller's Signature  2-15-18

Date  Date
Tab 22 – Architectural Drawings
Site Plan which:

- states the size of the site on its face
- includes a unit and building type table matrix that is consistent with the Rent Schedule and Building and Unit Configuration forms in labeling the buildings, stating sizes, etc.
- identifies all residential and common buildings and labels them consistently with the Building/Unit Type Configuration form
- clearly delineates the flood plain boundary lines or states there is no floodplain
- identifies all easements, regardless of how they are hed
- indicates placement of detention/retention pond(s) or states there are no detention ponds
- indicates the location and number of parking spaces, garages and carports
- indicates the location and number of accessible parking spaces (review application webinar)
- includes information regarding local parking requirements
- indicates compliant accessible routes
- includes a unit and building type table matrix that indicates the distribution of accessible Units
- n/a describes if applicable how flood mitigation or other required mitigation will be accomplished.

Residential Building floor plans should include the following, building by building:

- separate tabulation of the square footage of each of these areas: breezeways, corridors, utility closets, porches and patios, and any other square footage not included in NRA
- location of accessible units

Common Building floor plans should include the following, building by building:

- tabulation of the square footage of conditioned (heated and cooled) spaces that are accessible to tenants, e.g., offices for tenant/management contact, clubrooms, kitchens, exercise rooms, laundries, etc. (state each area separately)
- tabulation of the square footage of conditioned areas that are restricted to employees, only, e.g., administrative offices, maintenance areas, etc. (state each area separately)
- tabulation of the square footage of unconditioned areas that are accessible to tenants, e.g., porches, patios, mailbox areas, etc. (state each area separately)
- tabulation of the square footage of unconditioned areas that are restricted to employees, only, e.g., maintenance areas, equipment rooms, storage, etc. (state each area separately)

For Supportive Housing only, specification of space to be used for 50 sq ft/unit common space

Unit floor plans for each type of Unit

- 5% of each Unit type are accessible to tenants with a mobility impairment, and 2% are accessible to tenants with a vision or hearing impairment
- All Units accessed by the ground floor or by elevator comply with the visitability requirements of 10.101(b)(8)(B)(iii)

Elevations for each side of each building type and must include:

- a percentage estimate of the exterior composition of each elevation
- roof pitch

n/a Photos of building elevations (Rehab and Adaptive Reuse not altering the unit configuration)
July 2, 2018

Nicole Fisher
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, Texas 78701

RE: 9% Application Deficiency Notice
TDHCA #18099 – Waters Park Studios

Dear Nicole:

Please find attached documentation in response to the Application Deficiency Notice issued on June 29, 2018.

1. Parking: Please provide evidence to support the lower number of parking spaces provided than required per unit.

Waters Park Studios (#18099) has been approved for development by the City of Austin under the Congregate Living Unit land use category which allows for a reduced parking ratio of 1:04 (one parking space for every four units.) As Supportive Housing, the parking needs of the property are greatly reduced. Less than 10% of all residents own or drive a car. With a reduced parking requirement as a Congregate Living land use, the development is able to maximize the land and add more units versus building parking that will go unutilized. Bluebonnet Studios (#14068), as Supportive Housing, utilized the Congregate Living land use to allow for a reduced parking requirement.

Please see below snip from the Site Plan submitted as part of the Site Design and Development Feasibility Report documenting the Congregate Living Unit land use and the reduced parking ratio. As you can see, with the reduced parking ratio only 33 spaces are required, but the development will actually provide 59 spaces which exceeds the requirement. This table is also shown on the Architectural Drawings.

<table>
<thead>
<tr>
<th>Land Use</th>
<th>Quantity</th>
<th>Parking Ratio</th>
<th>Required Spaces</th>
</tr>
</thead>
<tbody>
<tr>
<td>Congregate Living Unit</td>
<td>132</td>
<td>1:04</td>
<td>33</td>
</tr>
<tr>
<td>Base Parking Requirement</td>
<td></td>
<td></td>
<td>33.0</td>
</tr>
<tr>
<td>Total Parking Provided</td>
<td></td>
<td></td>
<td>59</td>
</tr>
<tr>
<td>ADA Accessible Parking</td>
<td></td>
<td></td>
<td>7</td>
</tr>
<tr>
<td>Standard Parking</td>
<td></td>
<td></td>
<td>52</td>
</tr>
<tr>
<td>Compact Parking (±30%)</td>
<td></td>
<td></td>
<td>0</td>
</tr>
<tr>
<td>Total Bike Parking Provided (5% of total)</td>
<td></td>
<td>5</td>
<td></td>
</tr>
</tbody>
</table>

Jennifer Hicks and Kate Moore – Co-Founders
www.truecasa.net
Also, please find attached Section 25-3-83 of the City of Austin Land Development Code which documents the stated parking ratio of one parking space for every four units for Congregate Living uses.

Please do not hesitate to contact me with any further questions regarding this matter – (512) 203-4417.

Sincerely,

[Signature]

Jennifer Hicks
True Casa Consulting, LLC
§ 25-3-83 - PARKING.

(A) The following parking regulations apply in a traditional neighborhood district:

(1) A parking lot or garage may not be adjacent to a square or adjacent to or opposite a street intersection.

(2) A parking lot shall be located at the rear or side of a building. If located at the side, screening shall be provided at the lot line by landscaping or decorative walls or fences.

(3) Compact parking spaces are prohibited.

(4) There is no off-street loading requirement for a building with less than 10,000 square feet of gross building area. The director shall determine the location, number, and dimensions of the off-street loading for a larger building.

(5) Except as approved by the director, parking in alleys is prohibited.

(6) Minimum parking requirements are as follows:

(a) Except as otherwise provided in this subsection, a commercial use must provide one parking space for every 500 square feet of gross building area.

(b) A commercial use parking lot or garage must provide not less than one bicycle parking space for every 10 motor vehicle parking spaces.

(c) A condominium, multi-family, group residential, or retirement housing use must provide one parking space for the first bedroom of a dwelling unit and 0.5 parking space for each additional bedroom.

(d) A townhouse, single-family residential, duplex, group home, or family home use must provide two parking spaces for each dwelling unit.

(e) A convalescent services or congregate living use must provide one parking space for every four beds.

(f) A daycare services, primary educational facilities, or secondary educational facilities use must provide one parking space for each employee.

(g) The director shall determine the parking requirement for any use not listed in this subsection.

(B) The following parking regulations apply in a Neighborhood Center Area:

(1) The required parking for a use may be located anywhere in the Neighborhood Center Area. Community parking facilities are encouraged.
(2) Not more than 125 percent of the required parking for a use may be provided on-site.

(3) A commercial or a multi-family use may apply adjacent on-street parking toward the minimum parking requirements.

(C) In a Mixed Residential Area or Neighborhood Edge Area, the required parking for a use must be provided on-site.

(D) The director shall determine the parking requirements for a Workshop Area or Employment Center Area.

Source: Section 13-9-53; Ord. 990225-70; Ord. 031211-11.
### Zero Floor Analysis Table

<table>
<thead>
<tr>
<th>Area Type</th>
<th>Unit Area</th>
<th>Quantity</th>
<th>Total Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unit A</td>
<td>518 SF</td>
<td>8</td>
<td>4,144 SF</td>
</tr>
<tr>
<td>Unit AI</td>
<td>518 SF</td>
<td>7</td>
<td>3,426 SF</td>
</tr>
<tr>
<td>Utility Closets</td>
<td>5/9</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exterior Walkways</td>
<td>2,148</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vertical Circ.</td>
<td>79</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td></td>
<td></td>
<td><strong>11,321 SF</strong></td>
</tr>
</tbody>
</table>

### General Floor Plan Notes:

1. All accessible units have been shaded gray.
   - HVI = Hearing & Visually Impaired Unit
   - ADA = Mobility Impaired Unit

---

**Scale:** 1" = 1'-0"
FIRST FLOOR ANALYSIS TABLE

<table>
<thead>
<tr>
<th>AREA TYPE</th>
<th>UNIT AREA</th>
<th>QUANTITY</th>
<th>TOTAL AREA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unit A</td>
<td>518 SF</td>
<td>20</td>
<td>10,360 SF</td>
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<tr>
<td>Unit A1</td>
<td>518 SF</td>
<td>18</td>
<td>9,240 SF</td>
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<td>Common Space</td>
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<td>Utility Closet</td>
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<td>1,031</td>
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<td>Exterior Walkways</td>
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<td></td>
<td>4,394</td>
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<td>Vertical Circ.</td>
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<td></td>
<td>779</td>
</tr>
<tr>
<td>TOTALS</td>
<td></td>
<td></td>
<td>33,711</td>
</tr>
</tbody>
</table>

GENERAL FLOOR PLAN NOTES:

1. ALL ACCESSIBLE UNITS HAVE BEEN SHADED GRAY
2. HVI = HEARING & VISUALLY IMPAIRED UNIT
3. ADA = MOBILITY IMPAIRED UNIT
MATERIALS DATA - NORTH ELEVATION

<table>
<thead>
<tr>
<th>MATERIAL TYPE</th>
<th>PERCENTAGE</th>
<th>TOTAL AREA</th>
</tr>
</thead>
<tbody>
<tr>
<td>CEMENT BOARD</td>
<td>41%</td>
<td>1.863</td>
</tr>
<tr>
<td>MASONRY</td>
<td>33%</td>
<td>1.455</td>
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<tr>
<td>GLASS</td>
<td>23%</td>
<td>0.782</td>
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<tr>
<td><strong>TOTALS</strong></td>
<td></td>
<td><strong>14600 SF</strong></td>
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MATERIALS DATA - ALL ELEVATIONS "TOTAL"

<table>
<thead>
<tr>
<th>MATERIAL TYPE</th>
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<th>TOTAL AREA</th>
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</thead>
<tbody>
<tr>
<td>CEMENT BOARD</td>
<td>61%</td>
<td>31.298</td>
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<tr>
<td>MASONRY</td>
<td>79%</td>
<td>18.018</td>
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<tr>
<td>GLASS</td>
<td>12%</td>
<td>6.976</td>
</tr>
<tr>
<td><strong>TOTALS</strong></td>
<td></td>
<td><strong>56692 SF</strong></td>
</tr>
</tbody>
</table>

ALL ROOF SLOPES ON ALL ELEVATIONS ARE 1/4" PER FOOT, "YP.

Elevator serves 4 levels - bps

 Scale 1" = 40'
**MATERIALS DATA - WEST ELEVATION**

<table>
<thead>
<tr>
<th>MATERIAL TYPE</th>
<th>PERCENTAGE</th>
<th>TOTAL AREA</th>
</tr>
</thead>
<tbody>
<tr>
<td>CEMENT BOARD</td>
<td>32%</td>
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<tr>
<td>MASONRY</td>
<td>33%</td>
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<tr>
<td>GLASS</td>
<td>10%</td>
<td>576</td>
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</table>

**TOTALS: 5,842 SF**

ALL ROOF SLOPES ON ALL ELEVATIONS ARE "1/4" PER FOOT, "YP."

---

**MATERIALS DATA - EAST ELEVATION**

<table>
<thead>
<tr>
<th>MATERIAL TYPE</th>
<th>PERCENTAGE</th>
<th>TOTAL AREA</th>
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</thead>
<tbody>
<tr>
<td>CEMENT BOARD</td>
<td>45%</td>
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<tr>
<td>MASONRY</td>
<td>25%</td>
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<tr>
<td>GLASS</td>
<td>27%</td>
<td>682</td>
</tr>
</tbody>
</table>

**TOTALS: 1,907 SF**

---

**WEST ELEVATION**

Scale: 1" = 10'

---

**EAST ELEVATION**

Scale: 1" = 40'

---

**Waters Park Studios**

Foundation Communities

4515 South 1st Street

©2019 Forges Architecture, Inc.
### MATERIALS DATA - ELEVATION

<table>
<thead>
<tr>
<th>Material Type</th>
<th>Percentage</th>
<th>Total Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cement Board</td>
<td>180%</td>
<td>14,850</td>
</tr>
<tr>
<td>Masonry</td>
<td>0%</td>
<td></td>
</tr>
<tr>
<td>Glass</td>
<td>0%</td>
<td></td>
</tr>
</tbody>
</table>

**Totals:** 12,452 SF

---

**ALL ROOF SLOPES ON ALL ELEVATIONS ARE 1/4" PER FOOT, "YP.**

### INTERIOR ELEVATION/SECTION LOOKING NORTH

**SCALE: 1" = 40'**

---

### MATERIALS DATA - ELEVATION

<table>
<thead>
<tr>
<th>Material Type</th>
<th>Percentage</th>
<th>Total Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cement Board</td>
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<tr>
<td>Masonry</td>
<td>0%</td>
<td></td>
</tr>
<tr>
<td>Glass</td>
<td>0%</td>
<td></td>
</tr>
</tbody>
</table>

**Totals:** 8,503 SF

---

### INTERIOR ELEVATION/SECTION LOOKING SOUTH

**SCALE: 1" = 40'**
**WATERS PARK STUDIOS**  
**AUSTIN, TEXAS**  
**TDHCA #18099**

---

**Specification of Space to Be Used for the 50 SF/unit Common Space:**

<table>
<thead>
<tr>
<th>Name</th>
<th>SF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Break Room Area</td>
<td>442</td>
</tr>
<tr>
<td>Food Pantry</td>
<td>274</td>
</tr>
<tr>
<td>Lounge</td>
<td>359</td>
</tr>
<tr>
<td>Laundry</td>
<td>221</td>
</tr>
<tr>
<td>Computer Lounge</td>
<td>343</td>
</tr>
<tr>
<td>Lobby</td>
<td>356</td>
</tr>
<tr>
<td>Community Room</td>
<td>2,775</td>
</tr>
<tr>
<td>Fitness</td>
<td>423</td>
</tr>
<tr>
<td>Supportive Service Large Meeting Room</td>
<td>291</td>
</tr>
<tr>
<td>Supportive Service Engagement Space #1</td>
<td>133</td>
</tr>
<tr>
<td>Supportive Service Engagement Space #2</td>
<td>133</td>
</tr>
<tr>
<td>Supportive Service Engagement Space #3</td>
<td>133</td>
</tr>
<tr>
<td>Supportive Service Engagement Space #4</td>
<td>133</td>
</tr>
<tr>
<td>Front Desk (Secure Entry Unique to Supportive Housing)</td>
<td>137</td>
</tr>
<tr>
<td>Outdoor Covered Patio</td>
<td>447</td>
</tr>
</tbody>
</table>

**TOTAL SPACE FOR 50 SF/Unit Calc:** 6,600 SF
Tab 23 – Specifications and Building/Unit Configuration
## Specifications and Building/Unit Type Configuration

Unit types should be entered from smallest to largest based on "# of Bedrooms" and "Sq. Ft. Per Unit." "Unit Label" should correspond to the unit label or name used on the unit floor plan. "Building Label" should conform to the building label or name on the building floor plan. The total number of units per unit type and totals for "Total # of Units" and "Total Sq Ft for Unit Type" should match the rent schedule and site plan. If additional building types are needed, they are available by un-hiding columns Q through AA, and rows S1 through 79.

### Specifications and Amenities (check all that apply)

<table>
<thead>
<tr>
<th>Building Configuration (Check all that apply):</th>
<th>Single Family Construction</th>
<th>SRO</th>
<th>Transitional (per §423(3)(B))</th>
<th>Duplex</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development will have:</td>
<td>Fire Sprinklers</td>
<td>Elevators</td>
<td>2</td>
<td>5000 WT. Capacity</td>
</tr>
<tr>
<td>Number of Parking Spaces (consistent with Architectural Drawings):</td>
<td>Free</td>
<td>Paid</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shed or Flat Roof Carport Spaces</td>
<td>Detached Garage Spaces</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Attached Garage Spaces</td>
<td>Uncovered Spaces</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Structured Parking Garage Spaces</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Floor Composition / Wall Height:

<table>
<thead>
<tr>
<th>% Larper/Vinyl/resistant Flooring</th>
<th>% Ceramic Tile</th>
</tr>
</thead>
<tbody>
<tr>
<td>100</td>
<td>Upper floor(s) Ceiling Height (Townhouse Only)</td>
</tr>
<tr>
<td>% Other</td>
<td>Describe:</td>
</tr>
</tbody>
</table>

### Building Label

<table>
<thead>
<tr>
<th>Number of Stories</th>
<th>Number of Buildings</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>1</td>
</tr>
</tbody>
</table>

### Unit Type

<table>
<thead>
<tr>
<th>Unit Label</th>
<th># of Bedrooms</th>
<th># of Baths</th>
<th>Sq. Ft. Per Unit</th>
<th>Number of Units Per Building</th>
<th>Total # of Units</th>
<th>Total Sq Ft for Unit Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>0</td>
<td>1</td>
<td>518</td>
<td>58</td>
<td>58</td>
<td>30,048</td>
</tr>
<tr>
<td>A1</td>
<td>0</td>
<td>1</td>
<td>518</td>
<td>64</td>
<td>64</td>
<td>33,163</td>
</tr>
<tr>
<td>A-HY</td>
<td>0</td>
<td>1</td>
<td>518</td>
<td>3</td>
<td>3</td>
<td>1,594</td>
</tr>
<tr>
<td>A-ADA</td>
<td>0</td>
<td>1</td>
<td>518</td>
<td>7</td>
<td>7</td>
<td>3,626</td>
</tr>
<tr>
<td>Totals</td>
<td>132</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>132</td>
<td>68,375</td>
</tr>
</tbody>
</table>

### Net Rentaible Square Footage from Rent Schedule

68,375

---

**Supportive Housing Applicants Only**

- Enter the total development common area from the architect's plans:

  Ensure that this number matches your architectural drawings.

- The additional square footage allowed for Supportive Housing per 11.9(e)(2) is:

- The lesser of these two numbers added to NRA:

  Use this number to figure points under 11.9(e)(2)
Tab 23a – Accessible Mobility Units Calculation
Accessible Mobility Units Calculation

Include this worksheet in the Application (or a signed and certified worksheet provided by your accessibility professional that shows the calculations).

To the maximum extent feasible and subject to reasonable health and safety requirements, accessible units must be: (1) Distributed throughout the Unit types AND the Development; and (2) made available in a sufficient range of sizes and amenities so that the choice of living arrangements of qualified persons with Disabilities is, as a whole, comparable to that of other persons eligible for housing assistance under the same program.

Multifamily Housing Developments covered by 10 TAC 10.101(b)(8)(A) must have a minimum of 5% of all units in the development set aside for the mobility impaired and an additional 2% must be set aside for the hearing and/or visually impaired.

<table>
<thead>
<tr>
<th>Mobility</th>
<th>Total Units</th>
<th>Required %</th>
<th>Calculated Units</th>
<th>Units Required</th>
<th>Units Proposed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unit Description</td>
<td>132</td>
<td>5%</td>
<td>6.6</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>0/1 (518 sf)</td>
<td>132</td>
<td>5%</td>
<td>6.6</td>
<td>6.6</td>
<td>7</td>
</tr>
<tr>
<td>B</td>
<td></td>
<td></td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>C</td>
<td></td>
<td></td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>D</td>
<td></td>
<td></td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>E</td>
<td></td>
<td></td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>132</td>
<td>6.6</td>
<td>6.6</td>
<td>7</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*NOTE: If total is more than what is required, Applicant will select which Unit(s) not to include Under "Units Proposed"*

**EXAMPLE:**

<table>
<thead>
<tr>
<th>Unit Description</th>
<th>Total Units</th>
<th>Required %</th>
<th>Calculated Units</th>
<th>Units Required</th>
<th>Units Proposed</th>
</tr>
</thead>
<tbody>
<tr>
<td>1/1 (874sqft &amp; 806)</td>
<td>28</td>
<td>5%</td>
<td>1.4</td>
<td>1.4</td>
<td>1</td>
</tr>
<tr>
<td>2/2 (950 sqft &amp; 100</td>
<td>36</td>
<td>5%</td>
<td>1.8</td>
<td>1.8</td>
<td>2</td>
</tr>
<tr>
<td>3/2 (1120 sqft &amp; 11</td>
<td>4</td>
<td>5%</td>
<td>0.2</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>D</td>
<td></td>
<td></td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>E</td>
<td></td>
<td></td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>68</td>
<td>3.4</td>
<td>4</td>
<td>4</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*NOTE: Required is 4, but calculation yields 4.2. Applicant selected which to round down Under "Units Proposed"*

By signing below, I (WE) certify that the information above meets the requirements in Section 504 of the Rehabilitation Act of 1973 and implemented at 24 C.F.R. Part 8 as described in 10 TAC Chapter 1, Subchapter B. At least five percent (5%) of all dwelling units will be designed and built to be accessible for persons with mobility impairments.

By: __________________________
Signature

______________________________
Scott Ginder
Printed Name

______________________________
Forge Craft Architecture + Design
Firm Name (if applicable)

2/23/18
Date
Tab 23b – Accessible Hearing/Visual Units Calculation
# Accessible Hearing/Visual Units Calculation

Include this worksheet in the Application (or a signed and certified worksheet provided by your accessibility professional that shows the calculations).

To the maximum extent feasible and subject to reasonable health and safety requirements, accessible units must be:

1. Distributed throughout the Unit types AND the Development; and
2. Made available in a sufficient range of sizes and amenities so that the choice of living arrangements of qualified persons with Disabilities is, as a whole, comparable to that of other persons eligible for housing assistance under the same program.

Multifamily Housing Developments covered by 10 TAC 10.101(b)(8)(A) must have a minimum of 5% of all units in the development set aside for the mobility impaired and an additional 2% must be set aside for the hearing and/or visually impaired.

<table>
<thead>
<tr>
<th>Hearing/Visual</th>
<th>Total Units</th>
<th>Required %</th>
<th>Calculated Units</th>
<th>Units Required (Rounded)</th>
<th>Units Proposed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unit Description</td>
<td>132</td>
<td>2%</td>
<td>2.64</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>0/1 (518 st)</td>
<td>132</td>
<td>2%</td>
<td>2.64</td>
<td>2.64</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>0%</td>
<td>0%</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>2%</td>
<td>0%</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>2%</td>
<td>0%</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>2%</td>
<td>0%</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>2%</td>
<td>0%</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>132</td>
<td>2.64</td>
<td>2.64</td>
<td>3</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*NOTE: If total is more than what is required, Applicant will select which to include under "Units Proposed"

<table>
<thead>
<tr>
<th>Hearing/Visual</th>
<th>Total Units</th>
<th>Required %</th>
<th>Calculated Units</th>
<th>Units Required (Rounded)</th>
<th>Units Proposed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unit Description</td>
<td>68</td>
<td>2%</td>
<td>1.36</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>1/1</td>
<td>28</td>
<td>2%</td>
<td>0.56</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>2/2</td>
<td>36</td>
<td>2%</td>
<td>0.72</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>3/3</td>
<td>4</td>
<td>2%</td>
<td>0.08</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>D</td>
<td>2%</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>E</td>
<td>2%</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>68</td>
<td>1.36</td>
<td>3</td>
<td>2</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*NOTE: Required is 2, but calculation yields 3. Applicant selected which Unit(s) to include under "Units Proposed"

By signing below, I (WE) certify that the information above meets the requirements in Section 504 of the Rehabilitation Act of 1973 and implemented at 24 C.F.R. Part 8 as described in 10TAC Chapter 1, Subchapter B. At least two percent (2%) of all dwelling units will be designed and built to be accessible for persons with hearing and/or visual impairment.

By: ____________________________
Signature

2/23/18
Date

Scott Ginder, Principal
Printed Name

Forge Craft Architecture + Design
Firm Name (if applicable)
Tab 23c – Accessible Parking Calculation
Accessible Parking Calculation

Include this worksheet in the Application (or a signed and certified worksheet provided by your accessibility professional that shows the calculations).

Parking requirements based on:

There must be one accessible space per accessible Unit located on the closest route to the Unit (ADA).

When parking is provided for leasing office and amenities, use ADA Table 208.2 to calculate.
When calculating additional spaces needed, use whichever yields the larger number of spaces.
If you have different kinds of parking, e.g. lot, carport, and garages, each has to meet the standards individually.
If there is a separate amenity (e.g. a pavilion in the back corner of property) that provides non-accessible spaces, at least one space would need to be an accessible.

Use this chart to indicate number of parking spaces provided.

<table>
<thead>
<tr>
<th>Total # of Spaces:</th>
<th>59</th>
<th>Percentage of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surface lot</td>
<td>59</td>
<td>1</td>
</tr>
<tr>
<td>Carports</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Garages</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Facility 4</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Facility 5</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>59</td>
<td>100</td>
</tr>
</tbody>
</table>

Use this chart to figure out accessible parking requirements.

chart above must be completed first

In C32, enter the total number of accessible spaces required
(see Application Webinar, Part 3, from 0.00 - 14:20, or webinar slides starting at slide 136)

In D33, enter the number of units required per accessible Unit in the surface lot
In column F, distribute required van spaces among the different parking facilities

<table>
<thead>
<tr>
<th># Accessible Spaces:</th>
<th>7</th>
<th>Distribution</th>
<th>Van Spaces</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surface lot</td>
<td>7</td>
<td>7</td>
<td>2</td>
</tr>
<tr>
<td>Carports</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Garages</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Facility 4</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Facility 5</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>7</td>
<td>7</td>
<td>2</td>
</tr>
</tbody>
</table>

EXAMPLE*

<table>
<thead>
<tr>
<th># Accessible Spaces:</th>
<th>16</th>
<th>Distribution</th>
<th>Van Spaces</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surface lot</td>
<td>10.6666667</td>
<td>10</td>
<td>1</td>
</tr>
<tr>
<td>Carports</td>
<td>3.5555556</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>Garages</td>
<td>1.7777778</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Facility 4</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Facility 5</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>16</td>
<td>16</td>
<td>3</td>
</tr>
</tbody>
</table>

By signing below, I (WE) certify that the information above meets the requirements in the 2010 ADA Standards for Accessible Design Title III regulations at 28 CFR part 36, subpart D, and the 2004 ADA Accessibility Guidelines at 36 CFR part 1191, appendices B and D. There will be at least one accessible spot per accessible unit located on the closest route to the accessible unit. For every 6 or fraction of 6 accessible spaces required, at least one will be van accessible. Accessible spaces will be dispersed amongst the parking types provided.

By: __________________________
Signature

Date: 02/21/2018

SCOTT GINDER
Printed Name

FORGE CRAFT ARCHITECTURE + DESIGN
Firm Name (If applicable)
Table of Contents

Part 4 – Development Financing

WATERS PARK STUDIOS
AUSTIN, TEXAS

TDHCA #18099

Tab 24 – Rent Schedule
Tab 25 – Utility Allowances
Tab 26 – Annual Operating Expenses
Tab 27 – 15 Year Pro Forma
Tab 28 – Offsite Costs Breakdown – N/A
Tab 29 – Site Work Costs Breakdown
Tab 30 – Development Cost Schedule
Tab 31 – Financing Narrative and Summary of Sources and Uses
Tab 32 – Financial Capacity and Construction Oversight
Tab 33 – Matching Funds
Tab 34 – Finance Scoring
Tab 35 – Supporting Documentation
Tab 24- Rent Schedule
### Rent Schedule

Unit types must be entered from smallest to largest based on "# of Bedrooms" and "Unit Size", then within the same "# of Bedrooms" and "Unit Size" from lowest to highest "Rent Collected/Unit".

#### Private Activity Bond Priority (For Tax Exempt Bond Developments ONLY):

<table>
<thead>
<tr>
<th>HTC Units</th>
<th>MF/ERLI Loan Units (HOME, Rent/inc)</th>
<th>National HTF Units</th>
<th>TDHCA MRB Units</th>
<th>Other/ Subsidy</th>
<th># of Units</th>
<th># of Bedrooms</th>
<th># of Baths</th>
<th>Unit Size (Net Rentable Sq. Ft.)</th>
<th>Total Net Rentable Sq. Ft.</th>
<th>Program Rent Limit</th>
<th>Tenant Paid Utility Allow.</th>
<th>Rent Collected /Unit</th>
<th>Total Monthly Rent</th>
</tr>
</thead>
<tbody>
<tr>
<td>TC 30% 30%</td>
<td>6</td>
<td>0</td>
<td>1.0</td>
<td>518</td>
<td>3,108</td>
<td>0</td>
<td>427</td>
<td>427</td>
<td>2,362</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TC 40%</td>
<td>21</td>
<td>0</td>
<td>1.0</td>
<td>518</td>
<td>10,678</td>
<td>0</td>
<td>427</td>
<td>0</td>
<td>8,967</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TC 50% 50%</td>
<td>74</td>
<td>0</td>
<td>1.0</td>
<td>518</td>
<td>18,317</td>
<td>0</td>
<td>713</td>
<td>0</td>
<td>13,688</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Rent Designations (select from Drop down menu)

- TC 30%
- TC 40%
- TC 50%
- LHI/50%

**TOTAL**

- HTC Units: 132
- Total Rent: 68,376
- Total Monthly Rent: 82,455

- **Non Rental Income:**
  - Per unit/month: $8.67
  - Total: 1,111

- **Non Rental Income:**
  - Per unit/month: 2.41
  - Total: 321

- **Non Rental Income:**
  - Per unit/month: 0.00
  - Total: 0

- **TOTAL NONRENTAL INCOME:**
  - Per unit/month: 11.10
  - Total: 1,465

- **POTENTIAL GROSS MONTHLY INCOME:**
  - Per unit/month: 83.20
  - Total: 83,920

- **Provision for Vacancy & Collection Loss:**
  - % of Potential Gross Income: 10%
  - Total: 8,392

- **Effective Gross Monthly Income:**
  - Per unit/month: 77,626
  - Total: 77,626

- **Effective Gross Annual Income:**
  - Per unit/month: 931,512
  - Total: 931,512
If a revised form is submitted, date of submission
<table>
<thead>
<tr>
<th>HOUSING TAX CREDITS</th>
<th>% of LI</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>TC30%</td>
<td>20%</td>
<td>20%</td>
</tr>
<tr>
<td>TC40%</td>
<td>20%</td>
<td>20%</td>
</tr>
<tr>
<td>TC50%</td>
<td>59%</td>
<td>59%</td>
</tr>
<tr>
<td>TC60%</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>HTC Li Total</td>
<td>133</td>
<td></td>
</tr>
<tr>
<td>UO</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>MR</td>
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<tr>
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<table>
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<tr>
<th>MORTGAGE REVENUE BOND</th>
<th>% of LI</th>
<th>% of Total</th>
</tr>
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<tbody>
<tr>
<td>MRB30%</td>
<td>0</td>
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<tr>
<td>MRB40%</td>
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</tr>
<tr>
<td>MRB50%</td>
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</tr>
<tr>
<td>MRB60%</td>
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</tr>
<tr>
<td>MRB Li Total</td>
<td>0</td>
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</tr>
<tr>
<td>MRBM</td>
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</tr>
<tr>
<td>MRBM Total</td>
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<td>MRB Total</td>
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<table>
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<tr>
<th>NATIONAL HOUSING TRUST FUND</th>
<th>% of LI</th>
<th>% of Total</th>
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<tbody>
<tr>
<td>HTF30%</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>HTF40%</td>
<td>0</td>
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</tr>
<tr>
<td>HTF50%</td>
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<tr>
<td>HTF80%</td>
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<tr>
<td>HTF Li Total</td>
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<tr>
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<td>MR Total</td>
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<td>Direct Loan Total</td>
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<table>
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<tr>
<td>BUILDING</td>
<td>Cost Per Sq Ft</td>
<td>$65.73</td>
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DO NOT USE THIS CALCULATION TO SCORE POINTS UNDER 11.0(a)(2). At the end of the Development Cost Schedule, you will have the ability to adjust your eligible costs to qualify. Points will be entered there.
### Rent Schedule

#### Private Activity Bond Priority (For Tax-Exempt Bond Developments ONLY):

<table>
<thead>
<tr>
<th>HTC Units</th>
<th>MT Direct Loan Units (HOME Units)</th>
<th>National HTF Units</th>
<th>TDHCA MRB Units</th>
<th>Other/Subsidy</th>
<th># of Units</th>
<th># of Bedrooms</th>
<th># of Baths</th>
<th>Unit Size (Net Rentable Sq. Ft.)</th>
<th>Total Rentable Sq. Ft.</th>
<th>Program Rent Limit</th>
<th>Tenant Paid Utility Allow.</th>
<th>Rent Collected /Unit</th>
<th>Total Monthly Rent</th>
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<td>TC 30%</td>
<td>60% / 40%</td>
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<td></td>
<td></td>
<td>(A)</td>
<td>(B)</td>
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<td>(C) x (B)</td>
<td>427</td>
<td>427</td>
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<td>(A)</td>
<td>(B)</td>
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<td>(A)</td>
<td>(B)</td>
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<td>(C) x (B)</td>
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<td>(C) x (B)</td>
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#### RENT LIMITS

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<td>$570</td>
<td>$611</td>
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<td>50</td>
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<tr>
<td>80</td>
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### Rent Schedule (Continued)

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<td>TC40%</td>
<td>20%</td>
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<td>TC50%</td>
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<tr>
<td>HTC LI Total</td>
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<td>MR</td>
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<tr>
<td>MR Total</td>
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<tr>
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### National Housing Trust Fund

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<td>HTF50%</td>
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<tr>
<td>HTF60%</td>
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<td>HTF80%</td>
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<tr>
<td>MR Total</td>
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<tr>
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### Mortgage Revenue Bond

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<tr>
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<tr>
<td>MRB40%</td>
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<td>MRB60%</td>
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<tr>
<td>MRB Total</td>
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</table>

### Direct Loan

<table>
<thead>
<tr>
<th>% of LI</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Loan LI Total</td>
<td>10</td>
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<tr>
<td>EO</td>
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<tr>
<td>MR</td>
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</tr>
<tr>
<td>MR Total</td>
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</tr>
<tr>
<td>Direct Loan Total</td>
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</table>

### Other

| Total OT Units | 0 |

### Bedroses

<table>
<thead>
<tr>
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<th>132</th>
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</thead>
<tbody>
<tr>
<td>1</td>
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</tr>
<tr>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>4</td>
<td>0</td>
</tr>
<tr>
<td>5</td>
<td>0</td>
</tr>
</tbody>
</table>

### Acquisition + HARD

- Cost Per Sq Ft: **$136.85**
- HARD
  - Cost Per Sq Ft: **$136.85**
- BUILDING
  - Cost Per Sq Ft: **$166.73**

Notes:
- DO NOT USE THIS CALCULATION TO SCORE POINTS UNDER 11 b(6)(7). At the end of the Development Cost Schedule, you will have the ability to adjust your eligible costs to qualify. Points will be entered there.
2018 9% Housing Tax Credit Application

WATERS PARK STUDIOS
AUSTIN, TEXAS

TDHCA #18099

Tab 25 – Utility Allowances
# Utility Allowances [§10.614]

Applicant must attach to this form as documentation to support the “Utility Allowance” estimate used in completing the Rent Schedule provided in the Application. Where the Applicant uses any method that requires Department review, such review must have been requested prior to submission of the Application. Please see 10 TAC §10.614. This exhibit must clearly indicate which utility costs are included in the estimate.

If tenants will be required to pay any other mandatory fees (e.g., renter’s insurance) please provide an estimate, description and documentation of those as well.

All bills will be paid by the development owner

<table>
<thead>
<tr>
<th>Utility</th>
<th>Who Pays</th>
<th>Energy Source</th>
<th>0BR</th>
<th>1BR</th>
<th>2BR</th>
<th>3BR</th>
<th>4BR</th>
<th>Source of Utility Allowance &amp; Effective Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Heating</td>
<td>Landlord</td>
<td>Electric</td>
<td>$5</td>
<td>$6</td>
<td>$8</td>
<td>$9</td>
<td>$10</td>
<td>HACA - 06/01/2016</td>
</tr>
<tr>
<td>Cooking</td>
<td>Landlord</td>
<td>Electric</td>
<td>$4</td>
<td>$5</td>
<td>$6</td>
<td>$7</td>
<td>$8</td>
<td>HACA - 06/01/2016</td>
</tr>
<tr>
<td>Other Electric</td>
<td>Landlord</td>
<td>Electric</td>
<td>$24</td>
<td>$26</td>
<td>$32</td>
<td>$37</td>
<td>$42</td>
<td>HACA - 06/01/2016</td>
</tr>
<tr>
<td>Air Conditioning</td>
<td>Landlord</td>
<td>Electric</td>
<td>$8</td>
<td>$10</td>
<td>$15</td>
<td>$21</td>
<td>$27</td>
<td>HACA - 06/01/2016</td>
</tr>
<tr>
<td>Water Heater</td>
<td>Landlord</td>
<td>Electric</td>
<td>$8</td>
<td>$10</td>
<td>$14</td>
<td>$18</td>
<td>$20</td>
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</tr>
<tr>
<td>Water</td>
<td>Landlord</td>
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<td>$45</td>
<td>$45</td>
<td>$53</td>
<td>$61</td>
<td>$69</td>
<td>HACA - 06/01/2016</td>
</tr>
<tr>
<td>Sewer</td>
<td>Landlord</td>
<td></td>
<td>$78</td>
<td>$80</td>
<td>$98</td>
<td>$117</td>
<td>$135</td>
<td>HACA - 06/01/2016</td>
</tr>
<tr>
<td>Trash</td>
<td>Landlord</td>
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<td>$25</td>
<td>$25</td>
<td>$25</td>
<td>$26</td>
<td>$31</td>
<td>HACA - 06/01/2016</td>
</tr>
<tr>
<td>Flat Fee</td>
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<td></td>
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<td></td>
<td></td>
<td></td>
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</tr>
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<td>Other</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Total Paid by Tenant | $ - | $ - | $ - | $ - | $ - |

2. Direct Loan requires using the HUB Model Utility Allowances or other utility allowances as TDHCA Compliance finds acceptable. A letter from TDHCA approving the utility allowances is required. Please submit utility documentation to UA-Application@tdhca.state.tx.us for approval.

Per the email communication between Jennifer Hicks and Ben Sheppard on May 25, 2018. Waters Park Studios is a Supportive Housing community with all bills paid by the property; therefore, utility allowances are not applicable. As indicated by Ben, we can disregard this question.

Please do not hesitate to contact me with any further questions regarding this matter — (512) 610-4025.

Sincerely,

[Signature]

Sabrina Butler
Foundation Communities, Inc.
<table>
<thead>
<tr>
<th>Utility or Service</th>
<th>Multi-Family Elevator</th>
<th>Date (06/01/2016)</th>
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<th>1 BR</th>
<th>2 BR</th>
<th>3 BR</th>
<th>4 BR</th>
<th>5 BR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Heating</td>
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<td></td>
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</tr>
<tr>
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<td></td>
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</tr>
<tr>
<td>b. Bottle Gas/Propane</td>
<td>$2.00</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>c. Electric</td>
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<td>d. Oil / Other</td>
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</tr>
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<td></td>
</tr>
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</tr>
<tr>
<td>b. Bottle Gas/Propane</td>
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<td>d. Oil / Other</td>
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<td>Monthly Gas Fee $15.61</td>
<td>$16.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Actual Family Allowances</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>To be used by the family to compute allowance.</td>
<td>Complete below for the actual unit rented.</td>
<td>$16.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

```
Waters Park Studios
```

```
Number of Bedrooms: 0
```

```
The Nelrod Company December 2015 - Revised 1/2016
```
Tab 26 – Annual Operating Expenses
# ANNUAL OPERATING EXPENSES

**General & Administrative Expenses**
- Accounting $15,915
- Advertising $2,850
- Legal fees $3,598
- Leased equipment $0
- Postage & office supplies $3,849
- Telephone $13,470
  - Other Dues, fees, license, credit check, bank charges $14,232
  - Other Employee ad, training, mileage and uniforms $5,773

Total General & Administrative Expenses: $61,187

**Management Fee:** Percent of Effective Gross income: 5.00% $46,576

**Payroll, Payroll Tax & Employee Benefits**
- Management $115,000
- Maintenance $80,724
- Other describe $0

Total Payroll, Payroll Tax & Employee Benefits: $245,040

**Repairs & Maintenance**
- Elevator $4,960
- Exterminating $7,402
- Grounds $10,449
- Make-ready $3,491
- Repairs $23,017
- Pool $0

- Other Alarm, Security System $401

Other Janitorial Contract $35,529

Total Repairs & Maintenance: $85,249

**Utilities (Enter Only Property Paid Expense)**
- Electric Existing Comps $65,860
- Natural gas Not Applicable $0
- Trash Existing Comps $11,843
- Water/Sewer Existing Comps $30,234
- Other Drainage Fee $3,827

Other describe $0

Total Utilities: $111,764

**Annual Property Insurance:** Rate per net rentable square foot: 0.57% $38,949

**Property Taxes:**
- Published Capitalization Rate: 8.50% Source: Travis CAD
- Annual Property Taxes $46,525
- Payments In Lieu of Taxes $0

Total Property Taxes: $46,525

Reserve for replacements: Annual reserves per unit: $250 $33,000

**Other Expenses**
- Cable TV $0
- Supportive Services (Staffing/Contracted Services) $125,000
- TDHCA Compliance fees $9,768
- TDHCA Bond Administration Fees (TDHCA as Bond Issuer Only) $0
- Security $500

Other describe $0

Total Other Expenses: $135,268

**TOTAL ANNUAL EXPENSES** Expense per unit: $6087 $803,549

**NET OPERATING INCOME (before debt service)** $127,963

**Annual Debt Service**

**Supportive Housing - No Hard Debt** $1

**TOTAL ANNUAL DEBT SERVICE** Debt Coverage Ratio: $1

**NET CASH FLOW** $127,962

---

If a revised form is submitted, date of submission: 

---
## Electric Comparison Chart

### Waters Park Studios

<table>
<thead>
<tr>
<th>Most Similar in Operation/Systerr Design</th>
<th>Waters Park Studios</th>
<th>132 Units</th>
<th>Bluebonnet Studios</th>
<th>107 Units</th>
<th>Capital Studios</th>
<th>135 Units</th>
<th>Skyline Terrace</th>
<th>Total</th>
<th>100 Units</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electric</td>
<td>$65,860.06</td>
<td>$98.94</td>
<td>$54,210.10</td>
<td>$567.01</td>
<td>$97,725.91</td>
<td>$723.93</td>
<td>$57,948.69</td>
<td>$579.49</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Size of Solar Array</td>
<td>90kW Solar Array</td>
<td>90kW Solar Array</td>
<td>no solar electric</td>
<td>13.7 kW Solar Array, but rehab w/ PTACs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Totals</td>
<td>$65,860.06</td>
<td>$98.94</td>
<td>$54,210.10</td>
<td>$567.01</td>
<td>$97,725.91</td>
<td>$723.93</td>
<td>$57,948.69</td>
<td>$579.49</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**NOTES:**

**Electric:** Waters Park Studios will have a solar array that will help offset the electrical costs for the building. Also, it will have an extremely efficient centralized YRF (no PTACs), pre-conditioned fresh air, and centralized heat pump water heaters all similar to Bluebonnet Studios. Capital Studios does not have solar electric. While Skyline Terrace does have a small PV array, the building is a rehabilitation with PTAC units and therefore not as energy efficient.
**Staffing Plan**  
**Waters Park Studios**

<table>
<thead>
<tr>
<th>Position</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Manager Salary (1 FTE)</td>
<td>$58,000</td>
</tr>
<tr>
<td>Ass. Manager Salary (1 FTE)</td>
<td>$42,000</td>
</tr>
<tr>
<td>Temporary Service/Bonuses</td>
<td>$15,000</td>
</tr>
<tr>
<td>Lead Maintenance (1 FTE)</td>
<td>$45,500</td>
</tr>
<tr>
<td>Assistant Maintenance (1 FTE)</td>
<td>$35,224</td>
</tr>
<tr>
<td>Payroll Taxes</td>
<td>$19,772</td>
</tr>
<tr>
<td>Workers Comp</td>
<td>$3,314</td>
</tr>
<tr>
<td>Retirement</td>
<td>$7,329</td>
</tr>
<tr>
<td>Group insurance</td>
<td>$18,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$245,040</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Bluebonnet Studios</th>
<th>Capital Studios</th>
<th>Skyline Terrace</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>107 Units</td>
<td>135 Units</td>
<td>100 Units</td>
</tr>
<tr>
<td>Management</td>
<td>$113,760</td>
<td>$101,724</td>
<td>$90,395</td>
</tr>
<tr>
<td></td>
<td>$1,053</td>
<td>$753.51</td>
<td>$399.95</td>
</tr>
<tr>
<td>Maintenance</td>
<td>$73,769</td>
<td>$59,620</td>
<td>$86,423</td>
</tr>
<tr>
<td></td>
<td>$689</td>
<td>$441.63</td>
<td>$864.23</td>
</tr>
<tr>
<td>Temporary Service</td>
<td>$7,115</td>
<td>$27,547</td>
<td>$1,007</td>
</tr>
<tr>
<td></td>
<td>$66.50</td>
<td>$204.05</td>
<td>$10.07</td>
</tr>
<tr>
<td>Payroll and Benefits</td>
<td>$35,291</td>
<td>$33,108</td>
<td>$39,983</td>
</tr>
<tr>
<td></td>
<td>$329.83</td>
<td>$245.24</td>
<td>$399.83</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$229,976</strong></td>
<td><strong>$211,999</strong></td>
<td><strong>$218,407</strong></td>
</tr>
<tr>
<td>AVG</td>
<td><strong>$1,514</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**NOTE:** Management - The management salaries at Waters Park Studios reflect the market that we have experienced in hiring for our properties. In order to attract skilled and qualified managers, we are having to pay more.
May 30, 2018

Jeanna Rolsing
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, Texas 78701

RE: Waters Park Studios
12207 Waters Park Road, Austin, TX 78759
12100 N Mo Pac, Austin, TX 78758
TDHCA #18099

Dear Jeanna:

As the Director of Foundation Communities, Inc., the developer and guarantor of Waters Park Studios, I hereby certify that the Board of Directors of Foundation Communities has given irrevocable commitments to provide sufficient subsidy to cover any operating deficits on Waters Park Studios. Deficit funding would come from FC’s internally generated funds, net cash flow from their existing real estate portfolio and outside fundraising.

Please let me know if you have any questions or need any additional information.

Sincerely,

Walter Moreau
Director, Foundation Communities, Inc.
Tab 27 – 15 Year Pro Forma
# 15 Year Rental Housing Operating Pro Forma (All Programs)

The pro forma should be based on the operating income and expense information for the base year (first year of stabilized occupancy and 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 1% for expenses. Written explanation for any deviations from these growth rates or for assumptions other than straight-line growth made during the pro forma period should be attached to this exhibit.

## Income

<table>
<thead>
<tr>
<th>Year</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
<th>Year 6</th>
<th>Year 7</th>
<th>Year 8</th>
<th>Year 9</th>
<th>Year 10</th>
<th>Year 11</th>
</tr>
</thead>
<tbody>
<tr>
<td>POTENTIAL GROSS ANNUAL INCOME</td>
<td>$989,460</td>
<td>$1,029,249</td>
<td>$1,029,414</td>
<td>$1,050,023</td>
<td>$1,071,023</td>
<td>$1,182,896</td>
<td>$1,335,571</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Secondary Income</td>
<td>$17,580</td>
<td>$17,932</td>
<td>$18,290</td>
<td>$18,656</td>
<td>$18,029</td>
<td>$20,010</td>
<td>$21,156</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>POTENTIAL GROSS ANNUAL INCOME</td>
<td>$1,007,040</td>
<td>$1,047,181</td>
<td>$1,047,494</td>
<td>$1,068,719</td>
<td>$1,090,052</td>
<td>$1,203,906</td>
<td>$1,336,728</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provision for Vacancy &amp; Collection Loss</td>
<td>($5,519)</td>
<td>($7,039)</td>
<td>($7,959)</td>
<td>($8,801)</td>
<td>($9,754)</td>
<td>($10,763)</td>
<td>($11,858)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rental Concessions</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EFFECTIVE GROSS ANNUAL INCOME</td>
<td>$901,521</td>
<td>$900,142</td>
<td>$900,135</td>
<td>$900,135</td>
<td>$900,135</td>
<td>$900,135</td>
<td>$900,135</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

## Expenses

### General & Administrative Expenses
- Management Fee
  - Year 1: $41,187
  - Year 2: $43,023
  - Year 3: $44,913
  - Year 4: $46,861
  - Year 5: $48,867
- Payroll, Payroll Tax & Employee Benefits
  - Year 1: $26,040
  - Year 2: $25,319
  - Year 3: $24,963
  - Year 4: $26,762
  - Year 5: $27,394
- Property Tax
  - Year 1: $12,294
  - Year 2: $11,904
  - Year 3: $11,614
  - Year 4: $11,324
  - Year 5: $11,034

### Total Annual Expenses
- Year 1: $83,549
- Year 2: $87,190
- Year 3: $85,130
- Year 4: $87,551
- Year 5: $90,395
- Year 6: $93,430
- Year 7: $96,465

## Debt Service

<table>
<thead>
<tr>
<th>Year</th>
<th>First Deed of Trust Annual Loan Payment</th>
<th>Second Deed of Trust Annual Loan Payment</th>
<th>Third Deed of Trust Annual Loan Payment</th>
<th>Other Annual Required Payment</th>
<th>Other Annual Required Payment</th>
<th>Annual Net Cash Flow</th>
<th>Cumulative Net Cash Flow</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$1</td>
<td>$1</td>
<td>$1</td>
<td>$1</td>
<td>$1</td>
<td>$1</td>
<td>$1</td>
</tr>
<tr>
<td></td>
<td>$1,279,621</td>
<td>$1,229,521</td>
<td>$1,176,614</td>
<td>$1,123,707</td>
<td>$1,070,800</td>
<td>$1,017,903</td>
<td>$965,006</td>
</tr>
<tr>
<td></td>
<td>$1,279,621</td>
<td>$1,229,521</td>
<td>$1,176,614</td>
<td>$1,123,707</td>
<td>$1,070,800</td>
<td>$1,017,903</td>
<td>$965,006</td>
</tr>
<tr>
<td></td>
<td>$1,279,621</td>
<td>$1,229,521</td>
<td>$1,176,614</td>
<td>$1,123,707</td>
<td>$1,070,800</td>
<td>$1,017,903</td>
<td>$965,006</td>
</tr>
<tr>
<td></td>
<td>$1,279,621</td>
<td>$1,229,521</td>
<td>$1,176,614</td>
<td>$1,123,707</td>
<td>$1,070,800</td>
<td>$1,017,903</td>
<td>$965,006</td>
</tr>
<tr>
<td></td>
<td>$1,279,621</td>
<td>$1,229,521</td>
<td>$1,176,614</td>
<td>$1,123,707</td>
<td>$1,070,800</td>
<td>$1,017,903</td>
<td>$965,006</td>
</tr>
<tr>
<td></td>
<td>$1,279,621</td>
<td>$1,229,521</td>
<td>$1,176,614</td>
<td>$1,123,707</td>
<td>$1,070,800</td>
<td>$1,017,903</td>
<td>$965,006</td>
</tr>
<tr>
<td></td>
<td>$1,279,621</td>
<td>$1,229,521</td>
<td>$1,176,614</td>
<td>$1,123,707</td>
<td>$1,070,800</td>
<td>$1,017,903</td>
<td>$965,006</td>
</tr>
<tr>
<td></td>
<td>$1,279,621</td>
<td>$1,229,521</td>
<td>$1,176,614</td>
<td>$1,123,707</td>
<td>$1,070,800</td>
<td>$1,017,903</td>
<td>$965,006</td>
</tr>
</tbody>
</table>

## Debt Coverage Ratio

- Debt Coverage Ratio: 2.25

## Signature

Valerie A. Williams, SVP, Permanent Lender

Joanna Yi Lun Lee, Permanent Lender

By signing below, we are certifying that the above 15 Year pro forma is consistent with the unit rental rate assumptions, total operating expenses, net operating income, and debt service coverage based on the bank's current underwriting parameters and consistent with the loan terms indicated in the term sheet and preliminarily considered feasible pending further diligence review. The debt service for each year maintains no less than a 1.50 debt coverage ratio. (Signature only required if using this pro forma for points under §119(e)(1) relating to financial feasibility.)
Tab 28 – Offsite Costs
Breakdown – N/A
Off-Site Cost Breakdown

This form must be submitted with the Development Cost Schedule if the development has offsite costs, whether those costs are included in the budget as a line item, embedded in the acquisition costs, or referenced in utility provider letters. Therefore, the total costs listed on this worksheet may or may not exactly correspond with those off-site costs indicated on the Development Costs Schedule. However, all costs listed here should be able to be justified in another place in the application.

Column A: The offsite activity reflected here should correspond to the offsite activity reflected in the Development Cost Schedule or other supporting documentation.

Columns B and C: In determining actual construction cost, two different methods may be used:

Column D: To arrive at total construction costs in Column D:

Column E: Any proposed activity involving the acquisition of real property, easements, rights-of-way, etc. must have the projected costs of this acquisition for the activity.

Column F: Engineering/architectural costs must be broken out by the offsite work activity.

Column G: Figures for Column G, Total Activity Cost, are obtained by adding together Columns D, E, and F to get the total costs.

**ALL contingency must be included in the Contingency line item on the Development Cost Schedule and NOT on this form**

**This form must be completed by a professional engineer licensed to practice in the State of Texas. His or her signature and registration seal must be on the form.**

<table>
<thead>
<tr>
<th>A. Activity</th>
<th>B. Labor or Unit Price</th>
<th>C. Materials or # of Units</th>
<th>D. Total Construction Cost</th>
<th>E. Acquisition Costs</th>
<th>F. Engineering/Architectural Costs</th>
<th>G. Total Activity Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

NOT APPLICABLE

lines 35-37 Hidden

Total

Signature of Registered Engineer responsible for Budget Justification

Printed Name

Seal
Tab 29 – Site Work Costs
### Site Work Cost Breakdown

This form must be submitted with the Development Cost Schedule as justification of Site Work costs.

- **Column A**: The Site Work activity reflected here must match the Site Work activity reflected in the Development Cost Schedule.
- **Columns B and C**: In determining actual construction cost, two different methods may be used:
  - The construction costs may be broken into labor (Column B) and materials (Column C) for the activity; OR
  - The use of unit price (Column B) and the number of units (Column C) data for the activity.
- **Column D**: To arrive at total construction costs in Column D:
  - If based on labor and materials, add Column B and Column C together to arrive at total construction costs.
  - If based on unit price measures, Column B is multiplied by Column C to arrive at total construction costs.
- **Column E**: Any proposed activity involving the acquisition of real property, easements, rights-of-way, etc., must have the projected costs of this acquisition for the activity.
- **Column F**: Engineering/architectural costs must be broken out by the Site Work activity.
- **Column G**: Figures for Column G, Total Activity Cost, are obtained by adding together Columns D, E, and F to get the total costs.

**This form must be completed by a Third-Party engineer licensed to practice in the State of Texas. His or her signature and registration seal must be on the form.**

For Site Work costs that exceed $15,000 per Unit and are included in Eligible Basis, a CPA letter allocating which portions of those site costs should be included in Eligible Basis and which ones may be ineligible must be submitted behind this tab.

<table>
<thead>
<tr>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D.</th>
<th>E.</th>
<th>F</th>
<th>G.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Activity</strong></td>
<td><strong>Labor or Unit Price</strong></td>
<td><strong>Materials or # of Units</strong></td>
<td><strong>Total Construction Costs</strong></td>
<td><strong>Acquisition Costs</strong></td>
<td><strong>Engineering / Architectural Costs</strong></td>
<td><strong>Total Activity Costs</strong></td>
</tr>
<tr>
<td>Demolition &amp; Cleaning</td>
<td>$50,163.27</td>
<td>2.45</td>
<td>$122,900.00</td>
<td></td>
<td></td>
<td>$122,900</td>
</tr>
<tr>
<td>Rough grading</td>
<td>$160.66</td>
<td>2,000</td>
<td>$321,200.00</td>
<td></td>
<td></td>
<td>$321,200</td>
</tr>
<tr>
<td>Fine grading</td>
<td>$155,000.00</td>
<td>1</td>
<td>$155,000.00</td>
<td></td>
<td></td>
<td>$155,000</td>
</tr>
<tr>
<td>On-site concrete</td>
<td>$14.06</td>
<td>4,785</td>
<td>$67,300.00</td>
<td></td>
<td></td>
<td>$67,300</td>
</tr>
<tr>
<td>On-site paving</td>
<td>$5,783</td>
<td>2,817</td>
<td>$160,300.00</td>
<td></td>
<td></td>
<td>$160,300</td>
</tr>
<tr>
<td>On-site utilities</td>
<td>$11,797.76</td>
<td>50</td>
<td>$1,058,200.00</td>
<td></td>
<td></td>
<td>$1,058,200</td>
</tr>
<tr>
<td>Bumper stops, striping &amp; signs</td>
<td>$40,000.00</td>
<td>1</td>
<td>$40,000.00</td>
<td></td>
<td></td>
<td>$40,000</td>
</tr>
<tr>
<td>Environmental</td>
<td>$75,000.00</td>
<td>1</td>
<td>$75,000.00</td>
<td></td>
<td></td>
<td>$75,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td><strong>$1,979,901.00</strong></td>
<td></td>
<td></td>
<td><strong>$1,979,900</strong></td>
</tr>
</tbody>
</table>

---

**Signature of Registered Engineer**

Fayez Kazi

Printed Name: Fayez Kazi

Date: 2/1/2018

Seal

STATE OF TEXAS

PROFESSIONAL ENGINEER

License No. 96489
2018 9% Housing Tax Credit Application

WATERS PARK STUDIOS
AUSTIN, TEXAS

TDHCA #18099

Tab 30 – Development Cost Schedule
# Development Cost Schedule

This Development Cost Schedule must be consistent with the Summary Sources and Uses of Funds Statement. All Applications must complete the total development cost column and the Tax Payer Identification column. Only HTC applications must complete the Eligible Basis columns and the Requested Credit calculation below:

## Total Development Summary

<table>
<thead>
<tr>
<th></th>
<th>Total Cost</th>
<th>Eligible Basis (if Applicable)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Acquisition</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Site acquisition cost</td>
<td>4,260,000</td>
<td></td>
</tr>
<tr>
<td>Existing building acquisition cost</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Closing costs &amp; acq. legal fees</td>
<td>1,000</td>
<td></td>
</tr>
<tr>
<td>Other (specify) - see footnote 1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other (specify) - see footnote 1</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal Acquisition Cost</strong></td>
<td>$4,261,000</td>
<td>$0 $0</td>
</tr>
</tbody>
</table>

## Off-Sites

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Off-site concrete</td>
<td></td>
</tr>
<tr>
<td>Storm drains &amp; devices</td>
<td></td>
</tr>
<tr>
<td>Water &amp; fire hydrants</td>
<td></td>
</tr>
<tr>
<td>Off-site utilities</td>
<td></td>
</tr>
<tr>
<td>Sewer laterals</td>
<td></td>
</tr>
<tr>
<td>Off-site paving</td>
<td></td>
</tr>
<tr>
<td>Off-site electrical</td>
<td></td>
</tr>
<tr>
<td>Other (specify) - see footnote 1</td>
<td></td>
</tr>
<tr>
<td>Other (specify) - see footnote 1</td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal Off-Sites Cost</strong></td>
<td>$0 $0  $0</td>
</tr>
</tbody>
</table>

## Site Work

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Demolition</td>
<td>122,900</td>
</tr>
<tr>
<td>Asbestos Abatement (Demolition Only)</td>
<td></td>
</tr>
<tr>
<td>Detention</td>
<td></td>
</tr>
<tr>
<td>Rough grading</td>
<td>321,200</td>
</tr>
<tr>
<td>Fine grading</td>
<td>135,000</td>
</tr>
<tr>
<td>On-site concrete</td>
<td>67,300</td>
</tr>
<tr>
<td>On-site electrical</td>
<td></td>
</tr>
<tr>
<td>On-site paving</td>
<td>160,300</td>
</tr>
<tr>
<td>On-site utilities</td>
<td>1,058,200</td>
</tr>
<tr>
<td>Decorative masonry</td>
<td></td>
</tr>
<tr>
<td>Bumper stops, striping &amp; signs</td>
<td>40,000</td>
</tr>
<tr>
<td>Environmental</td>
<td>75,000</td>
</tr>
<tr>
<td><strong>Subtotal Site Work Cost</strong></td>
<td>$1,979,900</td>
</tr>
</tbody>
</table>

## Site Amenities

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Landscaping</td>
<td>175,000</td>
</tr>
<tr>
<td>Pool and decking</td>
<td></td>
</tr>
<tr>
<td>Athletic court(s), playground(s)</td>
<td></td>
</tr>
<tr>
<td>Fencing</td>
<td>55,178</td>
</tr>
<tr>
<td>Other (specify) - see footnote 1</td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal Site Amenities Cost</strong></td>
<td>$230,178</td>
</tr>
</tbody>
</table>

### Notes
- Off-Sites: 2
- Site Work: 3
### BUILDING COSTS*

<table>
<thead>
<tr>
<th>Category</th>
<th>Before 11.9(e)(4)</th>
<th>After 11.9(e)(4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Concrete</td>
<td>647,025</td>
<td>647,025</td>
</tr>
<tr>
<td>Masonry</td>
<td>260,510</td>
<td>260,510</td>
</tr>
<tr>
<td>Metals</td>
<td>405,827</td>
<td>405,827</td>
</tr>
<tr>
<td>Woods and Plastics</td>
<td>2,634,821</td>
<td>2,634,821</td>
</tr>
<tr>
<td>Thermal and Moisture Protection</td>
<td>226,565</td>
<td>226,565</td>
</tr>
<tr>
<td>Roof Covering</td>
<td>225,476</td>
<td>225,476</td>
</tr>
<tr>
<td>Doors and Windows</td>
<td>420,648</td>
<td>420,648</td>
</tr>
<tr>
<td>Finishes</td>
<td>1,659,356</td>
<td>1,659,356</td>
</tr>
<tr>
<td>Specialties</td>
<td>163,242</td>
<td>163,242</td>
</tr>
<tr>
<td>Equipment</td>
<td>214,806</td>
<td>214,806</td>
</tr>
<tr>
<td>Furnishings</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Special Construction</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Conveying Systems (Elevators)</td>
<td>174,313</td>
<td>174,313</td>
</tr>
<tr>
<td>Mechanical (HVAC, Plumbing)</td>
<td>2,747,907</td>
<td>2,747,907</td>
</tr>
<tr>
<td>Electrical</td>
<td>1,619,406</td>
<td>1,619,406</td>
</tr>
</tbody>
</table>

**Individually itemize costs below:**

- Detached Community Facilities/Building
- Carports and/or Garages
- Lead Based Paint Abatement
- Asbestos Abatement (Rehabilitation Only)
- Structured Parking
- Commercial Space Costs

**Other (specify) - see footnote 1**

**Subtotal Building Costs before 11.9(e)(4)**

- $11,400,002
- $0
- $11,400,002

**Voluntary Eligible Building Costs (After 11.9(e)(2))**

- Enter amount to be used to achieve desired score
  - $77.98 psf
  - $5,846,628

**TOTAL BUILDING COSTS & SITE WORK**

- (including site amenities)

| Contingency                      | 5.00% | $680,504 | 396,690 |

**TOTAL HARD COSTS**

- $14,290,384
- $0
- $8,330,497

**OTHER CONSTRUCTION COSTS**

<table>
<thead>
<tr>
<th>Category</th>
<th>% THC</th>
<th>% EHC</th>
<th>% THC</th>
<th>% EHC</th>
</tr>
</thead>
<tbody>
<tr>
<td>General requirements (&lt;6%)</td>
<td>5.99%</td>
<td>856,006</td>
<td>498,997</td>
<td>5.99%</td>
</tr>
<tr>
<td>Field supervision (within GR limit)</td>
<td>1.99%</td>
<td>264,303</td>
<td>105,777</td>
<td>1.99%</td>
</tr>
<tr>
<td>Contractor overhead (&lt;2%)</td>
<td>5.99%</td>
<td>856,006</td>
<td>498,997</td>
<td>5.99%</td>
</tr>
<tr>
<td>G &amp; A Field (within overhead limit)</td>
<td>1.99%</td>
<td>264,303</td>
<td>105,777</td>
<td>1.99%</td>
</tr>
<tr>
<td>Contractor profit (&lt;6%)</td>
<td>5.99%</td>
<td>856,006</td>
<td>498,997</td>
<td>5.99%</td>
</tr>
</tbody>
</table>

**TOTAL CONTRACTOR FEES**

- $1,996,395
- $0
- $1,163,770

**TOTAL CONSTRUCTION CONTRACT**

- Before 11.9(e)(2)

| Voluntary Eligible "Hard Costs" (After 11.9(e)(2)) * | $0.00 psf |

| Before 11.9(e)(2) | $16,286,979 | $0 | $9,494,267 |

---

*To score points under §11.9(e)(2) related to Cost of Development per Square Foot, the Voluntary Eligible Building Costs OR the Voluntary Eligible Hard Costs indicated above must fall within the required thresholds. If voluntary costs are not entered, staff will consider the Subtotal Building Cost or the Total Construction Contract costs, as applicable. Enter score for Building OR Hard Costs at end of form.*
### SOFT COSTS

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount 1</th>
<th>Amount 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Architectural - Design fees</td>
<td>515,235</td>
<td>515,235</td>
</tr>
<tr>
<td>Architectural - Supervision fees</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Engineering fees</td>
<td>69,773</td>
<td>69,773</td>
</tr>
<tr>
<td>Real estate attorney/other legal fees</td>
<td>85,000</td>
<td>85,000</td>
</tr>
<tr>
<td>Accounting fees</td>
<td>30,000</td>
<td>30,000</td>
</tr>
<tr>
<td>Impact Fees</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Building permits &amp; related costs</td>
<td>365,807</td>
<td>365,807</td>
</tr>
<tr>
<td>Appraisal</td>
<td>6,500</td>
<td>6,500</td>
</tr>
<tr>
<td>Marketing</td>
<td>20,000</td>
<td>20,000</td>
</tr>
<tr>
<td>Hazard &amp; liability insurance</td>
<td>48,000</td>
<td>48,000</td>
</tr>
<tr>
<td>Real property taxes</td>
<td>75,000</td>
<td>75,000</td>
</tr>
<tr>
<td>Personnel property taxes</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>FFE</td>
<td>150,000</td>
<td>150,000</td>
</tr>
<tr>
<td>Relocation of Existing Business</td>
<td>65,000</td>
<td>65,000</td>
</tr>
<tr>
<td>Other (specify) - see footnote 1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Subtotal Soft Cost</strong></td>
<td>$1,464,314</td>
<td>$0</td>
</tr>
</tbody>
</table>

### FINANCING

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount 1</th>
<th>Amount 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest</td>
<td>593,250</td>
<td>593,250</td>
</tr>
<tr>
<td>Loan origination fees</td>
<td>113,000</td>
<td>113,000</td>
</tr>
<tr>
<td>Title &amp; recording fees</td>
<td>90,000</td>
<td>90,000</td>
</tr>
<tr>
<td>Closing costs &amp; legal fees</td>
<td>50,000</td>
<td>50,000</td>
</tr>
<tr>
<td>Inspection fees</td>
<td>19,500</td>
<td>19,500</td>
</tr>
<tr>
<td>Credit Report</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Discount Points</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other (specify) - see footnote 1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other (specify) - see footnote 1</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### PERMANENT LOAN(S)

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount 1</th>
<th>Amount 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan origination fees</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Title &amp; recording fees</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Closing costs &amp; legal fees</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bond premium</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Credit report</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Discount points</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Credit enhancement fees</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prepaid MIP</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other (specify) - see footnote 1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other (specify) - see footnote 1</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### BRIDGE LOAN(S)

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount 1</th>
<th>Amount 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loan origination fees</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Title &amp; recording fees</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Closing costs &amp; legal fees</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other (specify) - see footnote 1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other (specify) - see footnote 1</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### OTHER FINANCING COSTS

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax credit fees</td>
<td>64,044</td>
</tr>
<tr>
<td>Tax and/or bond counsel</td>
<td>0</td>
</tr>
<tr>
<td>Payment bonds</td>
<td>0</td>
</tr>
<tr>
<td>Performance bonds</td>
<td>0</td>
</tr>
<tr>
<td>Credit enhancement fees</td>
<td>0</td>
</tr>
<tr>
<td>Mortgage insurance premiums</td>
<td>0</td>
</tr>
<tr>
<td>Cost of underwriting &amp; issuance</td>
<td>0</td>
</tr>
<tr>
<td>Syndication organizational cost</td>
<td>0</td>
</tr>
<tr>
<td>Tax opinion</td>
<td>0</td>
</tr>
<tr>
<td>Other (specify) - see footnote 1</td>
<td>0</td>
</tr>
<tr>
<td>Other (specify) - see footnote 1</td>
<td>0</td>
</tr>
<tr>
<td><strong>Subtotal Financing Cost</strong></td>
<td>$929,794</td>
</tr>
</tbody>
</table>

### DEVELOPER FEES

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing consultant fees</td>
<td>100,000</td>
</tr>
<tr>
<td>General &amp; administrative</td>
<td>100,000</td>
</tr>
<tr>
<td>Profit &amp; fee</td>
<td>1,672,467</td>
</tr>
<tr>
<td><strong>Subtotal Developer Fees</strong></td>
<td>9.97%</td>
</tr>
<tr>
<td></td>
<td>172,467</td>
</tr>
<tr>
<td></td>
<td>172,467</td>
</tr>
<tr>
<td><strong>Subtotal Reserve</strong></td>
<td>$278,000</td>
</tr>
<tr>
<td>Operating</td>
<td>0</td>
</tr>
<tr>
<td>Replacement</td>
<td>0</td>
</tr>
<tr>
<td>Escrows</td>
<td>0</td>
</tr>
</tbody>
</table>

### RESERVES

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating</td>
<td>0</td>
</tr>
<tr>
<td>Replacement</td>
<td>0</td>
</tr>
<tr>
<td>Escrows</td>
<td>0</td>
</tr>
<tr>
<td><strong>Subtotal Reserves</strong></td>
<td>$278,000</td>
</tr>
</tbody>
</table>

### TOTAL HOUSING DEVELOPMENT COSTS

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$24,992,554</td>
</tr>
</tbody>
</table>

### Deduct From Basis:

- Federal grants used to finance costs in Eligible Basis: 0
- Non-qualified non-recourse financing: 0
- Non-qualified portion of higher quality units 82(d)(5): 0
- Historic Credits: 0
- **Total Eligible Basis**: 0
- **High Cost Area Adjustment (100% or 130%)**: 130%
- **Total Adjusted Basis**: 17,675,030
- **Applicable Fraction**: 100%
- **Total Qualified Basis**: 17,675,030
- **Applicable Percentage**: 9.00%
- **Credits Supported by Eligible Basis**: 1,590,825
- (May be greater than actual request)

*11.9(c)(2) Cost Per Square Foot: DO NOT ROUND! Applicants are advised to ensure that figure is not rounding down to the maximum dollar figure to support the elected points.*

### Requested Score for 11.9(e)(2)

<table>
<thead>
<tr>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>12</td>
</tr>
</tbody>
</table>

### Contact Information

- **Name of contact for Cost Estimate**: Scott Wilson
- **Phone Number for Contact**: 512-610-4171

If a revised form is submitted, date of submission:
### Green Feature

<table>
<thead>
<tr>
<th>Description</th>
<th>Reason</th>
<th>Additional Cost to Implement</th>
</tr>
</thead>
<tbody>
<tr>
<td>High efficiency water fixtures</td>
<td>Toilets: 0.8 gpf, Bathroom faucet: 1.0 gpm; Kitchen faucet: 1.8 gpm; Shower: 20 gpm</td>
<td>required by AEGB and EGC - huge operational savings for landlord as all bills paid community</td>
</tr>
<tr>
<td>Bike parking</td>
<td>Bike parking for 15% of occupants</td>
<td>required by AEGB</td>
</tr>
<tr>
<td>High efficiency 15 SEER (min.) HVAC</td>
<td>All split mechanical systems shall be rated 15 SEER cooling efficiency and be heat pumps where the heating source is electric.</td>
<td>required by AEGB and EGC - huge operational savings for landlord as all bills paid community</td>
</tr>
<tr>
<td>100% ENERGY STAR Lighting</td>
<td>100% of all indoor lamps to be ENERGY STAR compliant (LED).</td>
<td>required by AEGB and EGC - huge operational savings for landlord as all bills paid community</td>
</tr>
<tr>
<td>Submeter for water usage</td>
<td>All apartments must be submetered and residents billed accordingly.</td>
<td>required by AEGB points for EGC - helps in future LA Adjustments</td>
</tr>
<tr>
<td>High efficiency appliances</td>
<td>All dishwasher, refrigerators, and clothes washers to be ENERGY STAR.</td>
<td>required by TGC and AEGB</td>
</tr>
<tr>
<td>High efficiency windows</td>
<td>SHGC: 0.35 max; U-factor: 0.25 max</td>
<td>required by EGC and AEGB - operational savings for landlord as all bills paid community</td>
</tr>
<tr>
<td>Submeter for electricity usage</td>
<td>All apartments must be submetered and residents billed accordingly.</td>
<td>required by AEGB</td>
</tr>
<tr>
<td>Humidity control</td>
<td>All hood vents in kitchens and fans in bathrooms must be vented to the exterior.</td>
<td>required by EGC</td>
</tr>
<tr>
<td>Solar PV array</td>
<td>90kW Solar Electric Array</td>
<td>required by EGC and AEGB - huge operational savings for landlord as all bills paid community</td>
</tr>
<tr>
<td>Concrete paving in lieu of asphalt</td>
<td>Pervious concrete is lieu of asphalt</td>
<td>points for EGC and AEGB</td>
</tr>
<tr>
<td>Continuous exterior insulation</td>
<td>Must provide continuous exterior insulation</td>
<td>required by AEGG</td>
</tr>
<tr>
<td>Minimum ventilation requirements</td>
<td>Must provide fresh air per ASHRAE62.2. Tight construction requires the addition of mechanical ventilation (no just infiltration).</td>
<td>required by EGC</td>
</tr>
</tbody>
</table>

**Total Cost:** $658,085

---

**AGGB** - Austin Energy Green Building Program - Waters Park Studios qualifies under the City of Austin’s SMART Housing program. This provides expedited permit review, as well as waiver on most fees.

**E2C** - Enterprise Green Communities - Enterprise Community Partners is an integral partner in our organization’s green work. They have invested many dollars into both the new construction and green rehabilitation of our properties. All developments since 2003 have been certified Enterprise Green Communities.
Tab 31 – Financing Narrative and Summary of Sources and Uses
## Financing Narrative and Summary of Sources and Uses

Describe all sources of funds. Information must be consistent with the information provided throughout the Application (i.e. Financing Narrative, Term Sheets and Development Cost Schedule).

<table>
<thead>
<tr>
<th>Financing Participants</th>
<th>Funding Description</th>
<th>Construction Period</th>
<th>Lien Position</th>
<th>Permanent Period</th>
<th>Lien Position</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Loan/Equity Amount</td>
<td>Interest Rate (%)</td>
<td>Loan/Equity Amount</td>
<td>Interest Rate (%)</td>
</tr>
<tr>
<td>Debt</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TDHCA</td>
<td>MF Direct Loan Const. to Perm. (Repayable)</td>
<td>$0 0.00%</td>
<td>$ - 0.00% 30 0</td>
<td>$ - 30 0 0</td>
<td>$ - 30 0 0</td>
</tr>
<tr>
<td>TDHCA</td>
<td>MF Direct Loan Const. Only (Repayable)</td>
<td>$0 0.00%</td>
<td>$ - 0.00% 40 1</td>
<td>$ - 40 1 1</td>
<td>$ - 40 1 1</td>
</tr>
<tr>
<td>TDHCA</td>
<td>Multifamily Direct Loan (Soft Repayable)</td>
<td>$1,000,000 0.00% 2</td>
<td>$ 1,000,000 0.00% 40</td>
<td>$ 1,000,000 0.00% 40</td>
<td>$ 1,000,000 0.00% 40</td>
</tr>
<tr>
<td>TDHCA</td>
<td>Mortgage Revenue Bond</td>
<td>$0 0.00%</td>
<td>$ - 0.00% 0 0</td>
<td>$ - 0 0 0</td>
<td>$ - 0 0 0</td>
</tr>
<tr>
<td>City of Austin</td>
<td>Local Government Loan</td>
<td>$4,000,000 0.00% 3</td>
<td>$ 4,000,000 0.00% 40</td>
<td>$ 4,000,000 0.00% 40</td>
<td>$ 4,000,000 0.00% 40</td>
</tr>
<tr>
<td>Bank of America</td>
<td>Conventional Loan</td>
<td>$11,300,000 5.25% 1</td>
<td>$ - 5.25% 0 0</td>
<td>$ - 5.25% 0 0</td>
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<td>Bank of America</td>
<td>HTC</td>
<td>$1,500,000</td>
<td>$ 6,479,352</td>
<td>$ 4,398,560</td>
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<td>$819,509</td>
<td>$ 819,509</td>
<td>$ 819,509</td>
<td>$ 819,509</td>
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<td>Other</td>
<td>City of Austin Fee Waivers</td>
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<td>$363,827</td>
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<td>$1,029,866</td>
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<td>$24,992,554</td>
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<tr>
<td>Total Uses of Funds</td>
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<td></td>
<td>$24,992,554</td>
<td>$24,992,554</td>
<td>$24,992,554</td>
</tr>
</tbody>
</table>
**Instrucitons:** Describe the sources of funds that will finance Development. The description must include construction, permanent, and bridge loans, and all other types of funds to be used for development. The information must be consistent with all other documentation in this section. Provide sufficient detail to identify the source and explain the use (in terms of the timing and any specific uses) of each type of funds to be contributed. In addition, describe/define replacement reserves. Finally, describe/explain operating items. The narrative must include rent, operating subsidies, project based assistance, and all other sources of funds for operations. In the foregoing discussion of both development and operating funds, specify the status (dates and deadlines for applications, approvals and closings, etc.) associated with the commitments.

Describe the sources and uses of funds (specify the status (dates and deadlines) for applications, approvals and closings, etc., associated with the commitments). For Direct Loan or Tax-Exempt Bond Applications that contemplate an FHA-insured loan, this includes the anticipated date that FHA application will be submitted to HUD (if not already submitted).

See attached Financing Narrative.

### Describe the replacement reserves:

Replacement reserves of $250 per unit are included in the operating budget.

### Describe the operating items (rents, operating subsidies, project based assistance, etc., and specify the status (dates and deadlines) for applications, approvals and closings, etc., associated with the commitments:)

No operating subsidies.

By signing below I acknowledge that the amounts and terms of all anticipated sources of funds as stated above are consistent with the assumptions of my institution as one of the providers of funds.

Valerie A. Williams, SVP Bank of America

Valerie A. Williams

Signed, Authorized Representative, Construction or Permanent Lender

Printed Name

Date

2/26/2018

Telephone: 214-209-3219

Email address: Valerie A. Williams@BAML.com

If a revised form is submitted, date of submission:
**INSTRUCTIONS:** Describe the sources of funds that will finance Development. The description must include construction, permanent, and bridge loans, and all other types of funds to be used for development. The information must be consistent with all other documentation in this section. Provide sufficient detail to identify the source and explain the use (in terms of the timing and any specific uses) of each type of funds to be contributed. In addition, describe/explain replacement reserves. Finally, describe/explain operating items. The narrative must include rents, operating subsidies, project based assistance, and all other sources of funds for operations. In the foregoing discussion of both development and operating funds, specify the status (dates and deadlines) for applications, approvals and closings, etc., associated with the commitments.

Describe the sources and uses of funds (specify the status (dates and deadlines) for applications, approvals and closings, etc., associated with the commitments). For Direct Loan or Tax-Exempt Bond Applications that contemplate an FHA-insured loan, this includes the anticipated date that FHA application will be submitted to HUD (if not already submitted).

See attached Financing Narrative.

**Describe the replacement reserves:**

Replacement reserves of $250 per unit are included in the operating budget.

**Describe the operating items (rents, operating subsidies, project based assistance, etc., and specify the status (dates and deadlines) for applications, approvals and closings, etc., associated with the commitments):**

No operating subsidies.

By signing below I acknowledge that the amounts and terms of all anticipated sources of funds as stated above are consistent with the assumptions of my institution as one of the providers of funds.

---

**Signature, Authorized Representative, Construction or Permanent Lender:** Valerie A. Williams

**Printed Name:** Valerie A. Williams

**Telephone:** 214-209-3219

**Email address:** Valerie.A.Williams@BAML.com

**Date:** 2/20/2018

If a revised form is submitted, date of submission: ______________
Construction Sources and Uses
The construction funding sources include a construction loan from Bank of America, N.A. in the amount of $11,300,000, a Multifamily Direct Loan (Soft Repayable) in the amount of $1,000,000, investor equity in the amount of $6,479,352, a loan from the Austin Housing Finance Corporation (City of Austin) in the amount of $4,000,000, City of Austin fee waivers in the amount of $363,827, owner cash equity in the amount of $1,029,866 and a pledged deferred developer fee in the amount of $819,509.

The construction loan from Bank of America, N.A. will carry an interest rate of 30-Day LIBOR plus 275 bps, floating with a floor of 5.25% and will require interest-only payments during the construction period. Construction loan interest, assuming the loan is fully drawn for in one year, will be approximately $593,250. The letter confirming the rates and terms of the construction loan is included in the application.

Equity will be advanced from Bank of America, N.A. in the estimated amount of $14,358,560 with 43% of this amount disbursed during the construction phase. The exact amount may be adjusted based on adjusters to be defined in the partnership agreement. The syndication proceeds are to be based on $0.96 per dollar of tax credits and a projected tax credit allocation of $1,500,000. This equity letter of intent is enclosed in the application.

The developer has applied for $4,000,000 in funding from the Austin Housing Finance Corporation (City of Austin). The source of the funds is general obligation bond funding administered through the City’s Rental Housing Developer Assistance program that is not Federal. Please find attached proof of application. Terms of the loan will be for a minimum of 40 years at zero percent interest. Repayment of the loan will be deferred on a yearly basis and forgiven at the end of the loan period contingent upon compliance with the loan agreement.

The developer is simultaneously applying for $1,000,000 in TDHCA Multifamily Direct Loan funding under the Supportive Housing/Soft Repayment Set-Aside as part of this HTC application. Term of the loan will be for 40 years at zero percent interest. Repayment of the loan will be deferred on a yearly basis and forgiven at the end of the loan period contingent upon compliance with the loan agreement.

The City of Austin is making a commitment of Development Funding by a Local Political Subdivision in the form of reduced permit fees. The total amount of City fees estimated for the project is $365,807. Of those fees, $363,827 are eligible to be waived by the City. Please see attached commitment letter from the City of Austin detailing their commitment to the fee waivers.

Foundation Communities, Inc. is making a permanent commitment of $4,410,658 as an Owner's Cash Contribution to Waters Park Studios. Of this amount, $1,029,866 will be available during construction. Please see attached commitment letter, bank letter and Third Party CPA letter documenting the ability of Foundation Communities, Inc. to make this commitment. As a mission based nonprofit, it is very customary for Foundation Communities, Inc. to close our tax credit partnership with a sponsor loan to bridge fundraising. During construction, Foundation Communities uses our internal funds to cover draws on the sponsor loan while fundraising continues. As private funds are raised, Foundation Communities is reimbursed. Foundation
Communities, Inc. is guarantor, so if the funds aren’t raised by third party sources, Foundation Communities is on the hook to contribute the funds.

In addition, the developer will defer approximately $819,509 of the developer fee during the construction period.

**Permanent Sources and Uses**
The total equity available from Bank of America, N.A. as a permanent source of funding will be $14,398,560.

The Austin Housing Finance Corporation loan (City of Austin) in the amount of $4,000,000 will be a source of permanent financing, with no payments of principal or interest required as long as the property continues to satisfy the affordability restrictions.

The developer is simultaneously applying for $1,000,000 in TDHCA Multifamily Direct Loan funding under the Supportive Housing/Soft Repayment Set-Aside as part of this HTC application. Term of the loan will be for 40 years at zero percent interest. Repayment of the loan will be deferred on a yearly basis and forgiven at the end of the loan period contingent upon compliance with the loan agreement.

The City of Austin is making a commitment of Development Funding by a Local Political Subdivision in the form of reduced permit fees. The total amount of City fees estimated for the project is $365,807. Of those fees, $363,827 are eligible to be waived by the City. Please see attached commitment letter from the City of Austin detailing their commitment to the fee waivers.

Foundation Communities, Inc. is making a permanent commitment of $4,410,058 as an Owner’s Cash Contribution to Waters Park Studios. Please see attached commitment letter, bank letter and Third Party CPA letter documenting the ability of Foundation Communities, Inc. to make this commitment. As a mission based nonprofit, it is very customary for Foundation Communities, Inc. to close our tax credit partnership with a sponsor loan to bridge fundraising. During construction, Foundation Communities use our internal funds to cover draw on the sponsor loan while fundraising continues. As private funds are raised, Foundation Communities is reimbursed. Foundation Communities, Inc. is guarantor, so if the funds aren’t raised by third party sources, Foundation Communities is on the hook to contribute the funds.

Finally, the developer is prepared to make up any gap in sources and uses by deferring the developer fee. Currently, the permanently deferred developer fee is projected at $819,509 and can be paid back from cash flow prior to year fifteen of operations.
Tab 32 – Financial Capacity and Construction Oversight
INDEPENDENT ACCOUNTANTS’ REPORT
ON APPLYING AGREED-UPON PROCEDURES

Foundation Communities, Inc. and the
Texas Department of Housing and Community Affairs (the “Agency”):

RE: 2018 Application for 9% tax credits

Proposed Name of Project: Waters Park Studios Apartments
Name of Proposed Project Owner: FC Waters Park Housing, LP

We have performed the procedures enumerated below, which were agreed to by Foundation Communities, Inc. (the “Proposed Member”), and specified by the Texas Department of Housing and Community Affairs (the “Agency”) (together the “Specified Users”), solely to assist you with respect to verify that the Proposed Member has the capacity to provide capital from funds that are not otherwise committed or pledged, as of February 22, 2018, with respect to the 2018 Application for 9% low-income housing tax credits of Waters Park Studios Apartments (the “Proposed Development”), to be submitted to the Agency. The Proposed Member is the sole member of FC North Studios Housing, LLC, a to-be-formed entity which will serve as the general partner of FC Waters Park Housing, LP (the “Development Owner”), which is proposed to be the owner of the Proposed Development. The Proposed Member’s management is responsible for determining that the Proposed Member has the capacity to provide capital from funds that are not otherwise committed or pledged, as of February 22, 2018, with respect to the 2018 Application for 9% low-income housing tax credits of the Proposed Development. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

- We read the 2018 Housing Tax Credit Program Qualified Allocation Plan and Rules for the 2018 Housing Tax Credit Program Application, and determined that the Development Owner is required to submit a letter verifying the capacity of the Proposed Member to provide capital from funds that are not otherwise committed or pledged;
• We obtained the Summary of Sources and Uses of Funds (the “Sources & Uses”). The Sources & Uses indicate the intention of the Proposed Member to provide owner contributions to the Development Owner for the Proposed Development in the amount of $4,410,658 (the “Owner Cash Equity”);

• We obtained a verification of deposit (the “Statement”) from Merrill Lynch Wealth Management for an investment account in the name of the Proposed Member as of February 22, 2018. The balance as of February 22, 2018 (the “Deposit Balance”) was $4,500,000;

• We compared the Deposit Balance to the amount of the Owner Cash Equity. The Deposit Balance as of February 22, 2018 was greater than the amount of the Owner Cash Equity;

• We obtained a letter from Merrill Lynch Wealth Management (the “Merrill Lynch Letter”) regarding the potential uses of funds included on the Statement. The Merrill Lynch Letter confirmed that the Development Owner has the ultimate power in how the Deposit Balance may be used;

• We obtained an organization chart (the “Organization Chart”) for the Development Owner, which identifies the partners of the Development owner, and the composition of the board of directors of the Proposed Member. From the organization chart, we determined that Walter Moreau is the Executive Director of the Proposed Member; and

• We obtained representations from Walter Moreau, in his capacity as the Executive Director of the Proposed Member, regarding the Proposed Member’s intention to provide capital to fund the Proposed Development. Based on those representations we determined that the Proposed Member intends to provide $4,410,658 of Owner Cash Equity to the Development Owner, to be used for the construction and development of the Proposed Development.

Based on the Deposit Balance in the Statement, the Merrill Lynch Letter, the Organization Chart, and representations from the Proposed Member as to its intended actions, we determined that, as of February 22, 2018, the Proposed Member has the capacity to provide the anticipated Owner Cash Equity of $4,410,658 to the Development Owner for the Proposed Development.

In making the above determinations we relied on the representations made by the Proposed Member as to its intended course of action for the Proposed Development and the sources of funds therein. The final determination of the actual amount of Owner Cash Equity to be provided by the Proposed Member to the Development Owner cannot be made until the Proposed Development has been completed and the sources of funds can be properly evaluated, during the final cost certification process and the application for a final award of IRS Forms 8609.
We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on whether the Proposed Member has the capacity to provide capital from funds that are not otherwise committed or pledged, as of February 22, 2018, related to the 2018 Application for 9% low-income housing tax credits of the Proposed Development. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of by the Proposed Member and the Agency and is not intended to be and should not be used by anyone other than those specified parties.

Novogradac & Company LLP

Austin, Texas
February 26, 2018

Contact person for questions about this report: Susan G. Wilson
Phone#: (512) 349-3232
Facsimile#: (512) 340-0421
E-Mail: susan.wilson@novoco.com
February 22, 2018

Marni Holloway
Texas Department of Housing and Community Affairs
Competitive Tax Credit Program Manager
221 East 11th Street
Austin, TX 78701

Re: TDHCA #18099, Waters Park Studios Application for LIHTC 9% funding

Dear Ms. Holloway:

Foundation Communities has asked us to respond to a request for an updated letter from the bank where they hold funds available for development projects. The information is provided as a service to you. The client has the ultimate power in how their funds may be used. Merrill Lynch considers trade confirmations and monthly statements to be the official documentation of all transactions.

Please see the enclosed Verification of Deposit from Merrill Lynch.

Sincerely,

Tim Shirley  
Vice President  
Client Relationship Manager

This information is furnished to you in strict confidence in response to your request and is solely for your use for the purposes described in the Verification of Deposit Request. If you have any questions, please contact the person whose signature appears on this form. This information is provided as a courtesy and Merrill Lynch is not liable or responsible for any decisions made, in whole or in part, on reliance upon this information.

*Please be advised, our CMA program permits account holders to access the assets in the account by Visa card and checks, which are drawn and processed against a Merrill Lynch account maintained for the customer at Bank of America, N.A. However, the account holder does not maintain a depository balance at that bank. The information provided above may change daily due to activity in the account and/or changes in market value of assets held in the account. This information is provided as a courtesy and Merrill Lynch is not liable or responsible for any decisions made, in whole or in part, on reliance upon this information.
This information is furnished to you in strict confidence in response to your request and is solely for your use for the purposes described in the Verification of Deposit Request. If you have any questions, please contact the person whose signature appears above at 512.397.1803. This information is provided as a courtesy and Merrill Lynch is not liable or responsible for any decisions made, in whole or part, on reliance upon this information.

Merrill Lynch is the marketing name for Merrill Lynch Wealth Management, and Merrill Edge™, both of which are made available through Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S"). Merrill Edge consists of the Merrill Edge Advisory Center (investment guidance) and self-directed online investing.

Merrill Lynch makes available products and services offered by MLPF&S and other subsidiaries of Bank of America Corporation ("BAC").

Banking products are provided by Bank of America, N.A., and affiliated banks, Members FDIC and wholly owned subsidiaries of BAC.

Merrill Lynch Wealth Management makes available certain investment products sponsored, managed, distributed or provided by companies that are affiliates of Bank of America Corporation or in which Bank of America Corporation has a substantial economic interest, including BAC’s Global Capital Management.

Investment products:

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<tr>
<th>Are Not FDIC Insured</th>
<th>Are Not Bank Guaranteed</th>
<th>May Lose Value</th>
</tr>
</thead>
</table>

MLPF&S is a registered broker-dealer, registered investment adviser and member SIPC.

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RE: Verification of Deposit

Important Notice

This is in response to the Verification of Deposit (VOD) request for the Merrill Lynch account of Foundation Communities, Inc. Details appear below.

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<th>Endowment</th>
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<td>Account Number</td>
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<tr>
<td>Value as of Date</td>
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<tr>
<td>Total Portfolio Value*</td>
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☐ If checked, the portfolio value provided represents an average balance.

*This total is as of COB on the listed date. However, the balance provided is monthly/quarterly as Merrill Lynch does not maintain daily balance records. It includes Money Fund shares/balances, marginable/non-marginable securities, and outstanding loans. If an average balance is requested, it is calculated based upon the monthly/quarterly balance.

Comments

______________________________

Signature of Merrill Lynch Branch Office Management Team (OMT)

Tim Shirley
Printed Name

__2/22/18__
Date

(512) 397-1803
Phone Number
Please be advised our cash management account program permits account holders to access the assets in the account by Visa card and checks, which are drawn and processed against a Merrill Lynch account maintained for the customer at Bank of America, N.A. However, the account holder does not maintain a depository balance at that bank. The information provided above may change daily due to activity in the account and/or changes in market value of assets held in the account. This information is provided as a courtesy and Merrill Lynch is not liable or responsible for any decisions made, in whole or in part, on reliance upon this information.

This information is furnished to you in strict confidence in response to your request and is solely for your use for the purposes described in the Verification of Deposit request. If you have any questions, please contact the person whose signature appears above at the phone number provided. This information is provided as a courtesy and Merrill Lynch is not liable or responsible for any decisions made, in whole or part, on reliance upon this information.

1-06-17

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Banking products are provided by Bank of America, N.A., and affiliated banks, Members FDIC and wholly owned subsidiaries of BofA Corp.

Investment products:

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<th>Are Not Bank Guaranteed</th>
<th>May Lose Value</th>
</tr>
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February 21, 2018

Marni Holloway
Director of Multifamily Finance Production
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, Texas 78701

RE: Waters Park Studios
12207 Waters Park Road, Austin, TX 78759
12190 N Mo Pac, Austin, TX 78758
TDHCA #18099

Dear Marni:

Foundation Communities, a mission driven charitable nonprofit, is committed and fully prepared to provide a permanent owner’s contribution to the Waters Park Studios development in the amount of $4,410,658. Foundation Communities certifies that these funds are and will remain readily available at Commitment and until the required investment is completed. Waters Park Studios has 100% of its units targeted to incomes below 50% Median Family Income with 20% targeted to incomes below 30% Median Family Income. As Supportive Housing, cannot support any third-party permanent debt. It is very customary for mission-based, service-enriched housing developed by non-profits to have their own funding paired with private fundraising as a substantial piece of their permanent funding stack.

Foundation Communities has committed and provided the necessary gap financing required for many of its past projects including the following owner’s contributions:

Bluebonnet Studios – TDHCA #14068 - $4,043,004 at Cost Certification
Live Oak Trails – TDHCA #14069 - $1,420,000 at Cost Certification
Homestead Oaks – TDHCA #13109 - $1,205,857 at Cost Certification
Capital Studios – TDHCA #12300 - $1,113,539 at Cost Certification
M Station – TDHCA #09130 - $2,000,000 at Cost Certification
Sierra Vista – TDHCA #10152 - $1,550,000 at Cost Certification

Foundation Communities is able to make these owner’s contributions due to its strong history of fundraising and fiscal responsibility. In 2017, Foundation Communities raised over $11 million in grants from foundations. In addition, over $1.5 million was raised individual donations this past year. Over the past 10 years Foundation Communities has received grants from the Federal Home Loan Bank Affordable Housing Program and NeighborWorks America totaling over $10,000,000.
In addition to Foundations Communities consistent ability to fundraise, it took advantage of the historically low interest rates in 2013 and refinanced two of the properties in its portfolio to create a Growth Fund to support future development projects. This opportunity paired with $5 million from a private investor has provided Foundation Communities a funding reserve in excess of $14 million, which can be used in tandem with housing tax credits to further its mission of providing first class affordable homes and supportive services. In September 2016, Foundation Communities was awarded a $4,000,000 grant from the Capital Magnet Fund to support our real estate pipeline.

Finally, Foundation Communities' maintains a healthy cash reserve funded from 20 plus years of conservative financial management and opportunity-based development decisions to support the development of new properties.

Per §10.204(7)(C) of the Uniform Multifamily Rules, please find attached a letter from Novogradac and Company, LLP verifying the capacity of Foundation Communities to provide the proposed financing with funds that are not otherwise committed. Additionally, please find attached a letter from Merrill Lynch Wealth Management confirming sufficient funds available to Foundation Communities to make an owner’s contribution of $4,410,658 to Waters Park Studios.

Please feel free to contact me with any questions at (512) 610-4016.

Sincerely,

Walter Moreau

Executive Director, Foundation Communities, Inc.
Tab 33 – Matching Funds
Match Funds (Multifamily Direct Loan Applications Only) [§10.204(7)(E)]

Match in the amount of at least 5% of the Multifamily Direct Loan funds requested must be documented with a letter from the anticipated provider of Match indicating the provider’s willingness and ability to make a financial commitment should the Development receive an award of Multifamily Direct Loan funds. The information provided must be consistent with all other documentation in the Application.

Indicate the amount and source of Match funds in the appropriate spaces in the table below.

Generally, a Related Party contribution to the Development is not considered eligible Match. Please see 10 TAC §13.2(8) as well as the Match Guidance below.

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<thead>
<tr>
<th>Type of Match Pledged</th>
<th>Pledged Amount</th>
<th>Source of Funds</th>
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<tbody>
<tr>
<td>Non-Federal Grants</td>
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</tr>
<tr>
<td>Waived, foregone or deferred fees and charges (ex: debris removal and container fees, tap fees, building permits, other mandatory fees charged by the local municipality) <strong>CANNOT INCLUDE DEVELOPER FEES</strong></td>
<td>$50,000</td>
<td>City of Austin SMART Housing Waived Fees ($50,000 out of total $363,827)</td>
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<tr>
<td>Below Market Interest Rate Loan</td>
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<td></td>
</tr>
<tr>
<td>Property Tax Abatement</td>
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<td></td>
</tr>
<tr>
<td>Donated Non-Professional Labor</td>
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</tr>
<tr>
<td>Non-Federally Funded Infrastructure</td>
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<td></td>
</tr>
<tr>
<td>Rental Value of Donated Use of Site Preparation or Construction Equipment</td>
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<td></td>
</tr>
<tr>
<td>Donated Construction Materials</td>
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<td></td>
</tr>
<tr>
<td>Donated Site Preparation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Donated Demolition Services</td>
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<td></td>
</tr>
<tr>
<td>Donated Real Property</td>
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</tr>
<tr>
<td>Total Value of Match Pledged</td>
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<tr>
<td>Total Amount of MF Direct Loan funds Requested</td>
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<tr>
<td>Percentage of MF Direct Loan Funds to be Matched (Total Value of Match /MF Direct Loan Funds Requested)</td>
<td>5.00%</td>
<td></td>
</tr>
</tbody>
</table>
February 6, 2018

Mr. Tim Irvine
Executive Director
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin TX 78701

RE: TDHCA Application No 18099 (Waters Park Studios)

Dear Mr. Irvine:

I am writing to confirm the de minimis contribution of development funding by the City of Austin (the “City”) for the Foundation Communities – Waters Park Studios.

This project is eligible to have certain development fees waived through the City’s S.M.A.R.T. Housing Ordinance. The ordinance allows full or partial fee waivers in developments in which a portion of the units are affordable for households who earn no more than 80% of the median family income.

Contingent upon the developments compliance with the City’s S.M.A.R.T. Housing Ordinance, the fee waivers the City will provide are for a direct benefit of the project by reducing development costs approximately $363,826.80.

Please contact Sandra Harkins by phone 512.974.3128 or by email at Sandra.harkins@austintexas.gov if you need additional information.

Sincerely,

[Signature]

Regina M. Copic, Real Estate and Development Manager
Neighborhood Housing and Community Development
February 5, 2018

S.M.A.R.T. Housing Certification -
Foundation Communities, Inc. – Waters Park Studios – (Project ID 422)

TO WHOM IT MAY CONCERN:

Foundation Communities, Inc. (development contact Walter Moreau: 512-610-4016; walter.moreau@foundcom.org) is planning to develop the Waters Park Studios, a 132 unit multi-family development at 12207 Waters Park Road, 78759 and 12190 N Mopac Expwy, Austin TX 78758. The project is subject to a 5 year minimum affordability period, unless project funding requirements are longer.

Since 100% of the units will serve households at or below 50% MFI, the development will be eligible for 100% waiver of all fees listed in the S.M.A.R.T. Housing Ordinance adopted by the City Council. The unit mix is as follows: 20% of the units (27 units) will serve households at or below 30% Median Family Income (MFI); 20% of the units (27 units) will serve households at or below 40% Median Family Income (MFI); and 60% of the units (78 units) will serve households at or below 50% Median Family Income (MFI). The expected fee waivers include, but are not limited to, the following fees:

- Capital Recovery Fees
- Site Plan Review
- Building Permit
- Misc. Site Plan Fee
- Concrete Permit
- Construction Inspection
- Electrical Permit
- Subdivision Plan Review
- Mechanical Permit
- Misc. Subdivision Fee
- Plumbing Permit
- Zoning Verification
- Land Status Determination
- Building Plan Review
- Parkland Dedication (by separate ordinance)

Prior to issuance of building permits and starting construction, the developer must:
- Obtain a signed Conditional Approval from the Austin Energy Green Building Program stating that the plans and specifications for the proposed development meet the criteria for a Green Building Rating. (Contact Austin Energy Green Building: 512-482-5300 or greenbuilding@austinenergy.com).
- Submit plans demonstrating compliance with the required accessibility or visitability standards.

Before a Certificate of Occupancy will be granted, the development must:
- Pass a final inspection and obtain a signed Final Approval from the Green Building Program. (Separate from any other inspections required by the City of Austin or Austin Energy).
- Pass a final inspection to certify that the required accessibility or visitibility standards have been met.
- Enter into a Restrictive Covenant securing the affordability requirements.

The applicant must demonstrate compliance with S.M.A.R.T. Housing standards after the completion of the units, or repay the City of Austin in full the fees waived for this S.M.A.R.T. Housing certification.
Please contact me by phone 512.974.3128 or by email at Sandra.harkins@austintexas.gov if you need additional information.

Sincerely,

[Signed]
Sandra Harkins, Project Coordinator
Neighborhood Housing and Community Development

Cc: Laurie Shaw, Capital Metro
    Maureen Meredith, PZD
    Marilyn Lamensdorf, PARD
    Heidi Kasper, AEGB
    Carl Wren, DSD
    Catherine Dear, AE
    Gina Copic, IHCD
    Stephen Castleberry, DSD
    Elizabeth Robinson, DSD
    Zulema Flores, DSD
    Alma Moliari, DSD
    Ellis Morgan, NHCD
    Katherine Murray, Austin Energy
    Alice Flora, AWU
Tab 34 – Finance Scoring
### Finance Scoring (for Competitive HTC Applications ONLY)

<table>
<thead>
<tr>
<th>Section</th>
<th>Points Claimed</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Commitment of Development Funding by Local Political Subdivision</strong></td>
<td>1</td>
</tr>
<tr>
<td>Name of the Local Political Subdivision providing the funding:</td>
<td></td>
</tr>
<tr>
<td>City of Austin</td>
<td></td>
</tr>
<tr>
<td><strong>x</strong> A letter from an official of the political subdivision stating that the political subdivision will provide a loan, grant, reduced fees or contribution of other value type, and the terms under which it will be provided is in the application.</td>
<td></td>
</tr>
<tr>
<td><strong>x</strong> The dollar value of the contribution must be in the letter and must equal $500 or more if Urban and $250 or more if Rural or USDA.</td>
<td></td>
</tr>
<tr>
<td><strong>x</strong> The commitment of development funding is reflected in the Application as a financial benefit to the Development, i.e. reported as a source of funds on the Sources and Uses Form and/or reflected in a lower cost in the Development Cost Schedule, such as notation of a reduction in building permits and related costs.</td>
<td></td>
</tr>
<tr>
<td><strong>Total Points Claimed:</strong></td>
<td><strong>1</strong></td>
</tr>
</tbody>
</table>

| **2. Financial Feasibility (§11.9(e)(1))**                             |                |
| Eligible Pro-Forma and letter stating the Development is financially feasible. | 0              |
| **x** Eligible Pro-Forma and letter stating Development and Principals are acceptable. | **18**         |
| **Total Points Claimed:**                                               | **18**         |

| **3. Leveraging of Private, State, and Federal Resources (§2306.6725(a)(3); §11.9(e)(4))** |                |
| Percent of Units restricted to serve households at or below 30% of AMGI | 20.45%         |
| HTC funding request as a percent of Total Housing Development Cost      | 6.00%          |
| **Eligibility for points:**                                            |                |
| Development Leverages CDBG Disaster Recovery, HOPE VI, RAD or Choice Neighborhood Funding | 0              |
| Housing Tax Credit Request                                             | 2              |
| Housing Tax Credit Request                                             | 2              |
| Housing Tax Credit Request                                             | 1              |
| * Be sure no more than 50% of Developer fees are deferred.              |                |
| **Total Points Claimed:**                                               | **3**          |
Tab 35 – Supporting Documentation
ALL SUPPORTING DOCUMENTS MUST BE CONSISTENT WITH THE SOURCES AND USES

- [x] Executed Pro Forma from Permanent or Construction Lender
- [x] Letter from lender regarding approval of Principals (consistent with Template)
- [x] Evidence of all Permanent and Construction Financing (term sheets, loan agreements)
- [x] Evidence of any Gap Financing, terms included
- [x] Evidence of any Owner Contributions, with financial support if required
- [x] Evidence of Equity Financing (HTC applications only)
- [n/a] Letter from Texas Historical Commission (THC) indicating preliminary eligibility for historic (rehabilitation) tax credits and documentation of Certified Historic Structure status as detailed in QAP §11.9(e)(6) was submitted behind TAB 19.
- [x] Letter from Local Political Subdivision evidencing a loan, grant, reduced fees or contribution of other value to benefit the Development. [QAP §11.9(d)(2)]
- [n/a] Evidence of Rental Assistance/Subsidy
Proforma
# 15 Year Rental Housing Operating Pro Forma (All Programs)

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 1% for expenses. Written explanation for any deviations from these growth rates or for assumptions other than straight-line growth made during the pro forma period should be attached to this exhibit.

<table>
<thead>
<tr>
<th>Income</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
<th>Year 10</th>
<th>Year 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Potential Gross Annual Rental Income</td>
<td>$990,450</td>
<td>$1,029,249</td>
<td>$1,029,444</td>
<td>$1,050,023</td>
<td>$1,071,023</td>
<td>$1,182,496</td>
<td>$1,335,571</td>
</tr>
<tr>
<td>Secondary Income</td>
<td>$17,950</td>
<td>$17,950</td>
<td>$18,290</td>
<td>$18,656</td>
<td>$19,029</td>
<td>$21,010</td>
<td>$13,196</td>
</tr>
<tr>
<td>Potential Gross Annual Income</td>
<td>$1,008,400</td>
<td>$1,047,218</td>
<td>$1,047,742</td>
<td>$1,058,729</td>
<td>$1,080,052</td>
<td>$1,183,406</td>
<td>$1,308,768</td>
</tr>
<tr>
<td>Rental Concessions</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Effective Gross Annual Income</td>
<td>$950,881</td>
<td>$970,179</td>
<td>$968,163</td>
<td>$957,614</td>
<td>$958,937</td>
<td>$1,087,143</td>
<td>$1,309,110</td>
</tr>
</tbody>
</table>

**Expenses**

<table>
<thead>
<tr>
<th>Expense</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
<th>Year 10</th>
<th>Year 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>General &amp; Administrative Expenses</td>
<td>$61,187</td>
<td>$63,023</td>
<td>$64,913</td>
<td>$65,861</td>
<td>$66,817</td>
<td>$70,135</td>
<td>$72,551</td>
</tr>
<tr>
<td>Management Fee</td>
<td>$46,516</td>
<td>$46,516</td>
<td>$47,408</td>
<td>$48,348</td>
<td>$49,278</td>
<td>$54,015</td>
<td>$58,663</td>
</tr>
<tr>
<td>Payroll, Payroll Tax &amp; Employee Benefits</td>
<td>$256,040</td>
<td>$252,701</td>
<td>$250,963</td>
<td>$247,703</td>
<td>$244,794</td>
<td>$271,521</td>
<td>$319,645</td>
</tr>
<tr>
<td>Repairs &amp; Maintenance</td>
<td>$5,249</td>
<td>$5,249</td>
<td>$5,249</td>
<td>$5,249</td>
<td>$5,249</td>
<td>$5,249</td>
<td>$5,249</td>
</tr>
<tr>
<td>Electric &amp; Gas Utilities</td>
<td>$5,100</td>
<td>$5,100</td>
<td>$5,100</td>
<td>$5,100</td>
<td>$5,100</td>
<td>$5,100</td>
<td>$5,100</td>
</tr>
<tr>
<td>Water, Sewer &amp; Trash Utilities</td>
<td>$2,777</td>
<td>$2,777</td>
<td>$2,777</td>
<td>$2,777</td>
<td>$2,777</td>
<td>$2,777</td>
<td>$2,777</td>
</tr>
<tr>
<td>Annual Property Insurance Premiums</td>
<td>$5,940</td>
<td>$5,940</td>
<td>$5,940</td>
<td>$5,940</td>
<td>$5,940</td>
<td>$5,940</td>
<td>$5,940</td>
</tr>
<tr>
<td>Property Tax</td>
<td>$1,000</td>
<td>$1,000</td>
<td>$1,000</td>
<td>$1,000</td>
<td>$1,000</td>
<td>$1,000</td>
<td>$1,000</td>
</tr>
<tr>
<td>Reserve for Replacements</td>
<td>$3,000</td>
<td>$3,000</td>
<td>$3,000</td>
<td>$3,000</td>
<td>$3,000</td>
<td>$3,000</td>
<td>$3,000</td>
</tr>
<tr>
<td>Total Annual Expenses</td>
<td>139,055</td>
<td>143,368</td>
<td>147,566</td>
<td>151,933</td>
<td>154,553</td>
<td>181,487</td>
<td>2,039,349</td>
</tr>
<tr>
<td>Total Operating Income</td>
<td>$1,129,535</td>
<td>$1,177,651</td>
<td>$1,177,614</td>
<td>$1,177,614</td>
<td>$1,177,614</td>
<td>$1,177,614</td>
<td>$1,177,614</td>
</tr>
</tbody>
</table>

**Debt Service**

<table>
<thead>
<tr>
<th>Debt Service</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
<th>Year 10</th>
<th>Year 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Deed of Trust Annual Loan Payment</td>
<td>$1</td>
<td>$1</td>
<td>$1</td>
<td>$1</td>
<td>$1</td>
<td>$1</td>
<td>$1</td>
</tr>
<tr>
<td>Second Deed of Trust Annual Loan Payment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Third Deed of Trust Annual Loan Payment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Annual Required Payment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Annual Required Payment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Annual Net Cash Flow**

<table>
<thead>
<tr>
<th>Annual Net Cash Flow</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
<th>Year 10</th>
<th>Year 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1,127,692</td>
<td>$1,127,925</td>
<td>$1,177,614</td>
<td>$1,177,614</td>
<td>$1,177,614</td>
<td>$1,177,614</td>
<td>$1,177,614</td>
<td>$1,177,614</td>
</tr>
</tbody>
</table>

**Cumulative Net Cash Flow**

<table>
<thead>
<tr>
<th>Cumulative Net Cash Flow</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
<th>Year 10</th>
<th>Year 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1,127,692</td>
<td>$1,127,925</td>
<td>$1,177,614</td>
<td>$1,177,614</td>
<td>$1,177,614</td>
<td>$1,177,614</td>
<td>$1,177,614</td>
<td>$1,177,614</td>
</tr>
</tbody>
</table>

**Debt Coverage Ratio**

| Debt Coverage Ratio     | 127,643.56 | 127,643.56 | 127,643.56 | 127,643.56 | 127,643.56 | 127,643.56 | 127,643.56 |

**Deferred Developer Fee**

| Deferred Developer Fee   | $1,127,692 | $1,127,925 | $1,177,614 | $1,177,614 | $1,177,614 | $1,177,614 | $1,177,614 |

By signing below (we) are certifying that the above 15 Year pro forma is consistent with the unit rental rate assumptions, total operating expenses, net operating income, and debt service coverage based on the current underwriting parameters and consistent with the loan terms indicated in the term sheet and preliminarily considered feasible pending further diligence review. If the debt service each year maintains no less than a 1.15 debt coverage ratio. (Signature only if using this pro forma for points under §11.9(e)(3) relating to financial feasibility.)

Valerie A. Williams, SVP
Signature, Authorized Representative, Construction or Permanent Lender

Valerie A. Williams
Printed Name
Phone: 214-209-8319
Email: Valerie.A.Williams@BAML.com
Date: 02/16/2018

Joanna Yi Lun Lee
Printed Name
Date: 02/16/2018

If a revised form is submitted, date of submission:
Letter from Lender
Regarding Approval of Owner and Principals
TERM SHEET
(Construction Only)

February 21, 2018

VIA EMAIL

FC Waters Park Housing, L.P.
C/O
Mr. Walter Moreau, Executive Director &
Ms. Sabrina Butler, Director of Housing Finance
3036 S. 1st Street
Austin, TX 78704

Re: Construction Loan for Waters Park Studios, located in Austin, Texas (the "Project")

Dear Mr. Moreau and Ms. Butler:

This letter will serve as a preliminary outline of the terms under which Bank of America, N.A. (the "Bank") would consider a loan request on the above referenced project. This letter does not represent an offer or commitment by the Bank for the proposed financing, nor does it define all the terms and conditions of a loan commitment, but is a framework upon which a loan request may be submitted. Issuance of a commitment by the Bank is subject to, among other things, the completion of the following items, and approval of the loan request under the Bank's internal approval process. The Bank may decline to approve the loan request. Upon your response to this letter and after providing any additional information which may be necessary, the Bank will proceed with the necessary due diligence to submit the loan request. The proposed terms and conditions are as follows:

Project: To be constructed 132-unit apartment complex in Austin, Texas.

Borrower: FC Waters Park Housing, L.P. - a SPE - form and substance of Borrower must be acceptable to the Bank.

Reporting Requirements: Borrower and Guarantors' financial statements, covenant compliance certificates, property operating statements, leasing summaries and any other reports required by Bank shall be provided in detail and frequency as determined by the Bank in its sole discretion.

Other Requirements: All of the following to be acceptable to the Bank: documentation and submissions that are standard for loans of this type including, but not limited to, appraisal, ESA, physical needs assessment, standard flood hazard determination forms, legal documentation, insurance, title/survey, proposed standard lease form, front-end cost and document reviews and acceptance of final budget (includes adequate contingency, interest carry/operating deficit reserve, etc.), review of plans/specs, condition of markets/submarkets, revenue/expenses pro-formas, financial review of Borrower, Guarantor, and general contractor, management agreement and subordination; and (as applicable), proof of tax credit
award, equity investor and pay-in schedule, information regarding real estate taxes (including proof of any tax-exempt status if applicable) and other terms and conditions as may be required.

Confidentiality: This term sheet is strictly confidential and may not be shared with anyone else other than the owners of Borrower.

CONSTRUCTION LOAN

Construction Loan Amount: Information obtained by the Bank is so far insufficient to establish a loan amount. Based on our general underwriting parameters for what we believe to be similar transactions, the construction loan amount in this transaction would be the least of:

1) $11,300,000;
2) 75% LTC based on final Bank approved construction budget; or
3) 80% LTV based on the sum of the “as completed and stabilized” appraised value, including rent restrictions, plus the value of the Low Income Housing Tax Credits (the “LIHTC”) at the lesser of the value determined within Bank analysis of market pricing for the proposed market, or the gross amount being paid for the LIHTC’s by the syndicator/investor.

Construction Interest Rate: 30 Day LIBOR + 2.75%, floating; with a floor of 5.25%. An interest rate protection product from a financial provider acceptable to the Bank may be required prior to funding of a loan. As of the date of this term sheet and based on current market conditions, this transaction could be swapped to a fixed rate of 4.48%. Borrower and any person or entity that at any time provides a guaranty of Borrower’s obligations in respect of such interest rate protection (including but not limited to any general partner of any thereof) will be required to be an “eligible contract participant” as such term is defined in the Commodity Exchange Act (7 U.S.C. § 1 et seq.), as amended from time to time, and any successor statute. The budget for the project will contain an interest reserve acceptable to Bank.

Construction Loan Term: 24 months from the loan closing.

Take Out Financing: N/A

Amortization: N/A

Construction Loan Fee: 1.00% of the total Loan Commitment, payable at closing.

Construction Renewal Options:
One, six-month extension option subject to the following:
1) No less than 30 but no more than 90 day written notice of intention to exercise the option;
2) No event of default having occurred or potential default occurring;
3) Performance hurdles have been met, including but not limited to, lien-free construction completion and lease up hurdles;
4) The loan is in balance, including sufficient interest reserve;
5) Project must demonstrate the ability to be able to convert/payoff Bank’s loan within the 6-month extension period;
6) All co-construction loans mature or are extended concurrent or past the Bank’s extension date;
7) All takeout commitments expire or are extended concurrent or past the Bank’s extension date;
8) All investor commitments include terms or are modified to be consistent with the extension of the Bank’s loan;
9) No material adverse change in the financial condition of the Project, Borrower, and Guarantor;
10) Payment of 0.30% renewal fee based on the committed Loan amount; and
11) Rate adjustment or fee payment, as appropriate, to cover the cost of revising the forward rate lock, if any.

Payment and Performance Guaranty: 100% guarantee of completion, performance and repayment to be provided by Foundation Communities, Inc. For borrowers that are single-asset entities, principal(s) with general liability or guarantor(s) acceptable to the Bank must be jointly and severally liable for completion of the project and repayment of the financing, including interest and costs. Guarantors to have financial covenants including but not limited to minimum net worth and liquidity – TO BE DETERMINED.

Collateral:
1) First Lien Deed of Trust on land and improvements constructed thereon.
2) UCC filing on furniture, fixtures and equipment.
3) Assignment of rents/leases and management/construction/architectural contracts, etc.
4) Assignment of partnership interest, including capital contributions (collateral for Construction Loan only)
5) Assignment of interest rate hedge agreement, if any.

General Contractor: To be named. Entity subject to Bank’s full due diligence and approval. Guaranteed maximum price contract required. Contract must require 10% retainage. Payment and performance bond or acceptable Letter of Credit required in an amount and issuer acceptable to the Bank.

Loan Advances: Construction loan advances will be made no more frequently than monthly and will be based on the percentage of completion method for actual work in place less retainage as confirmed and approved by the Bank and its third party construction consultant. All funds will be advanced into a construction account at and pledged to Bank.

Project Budget: Project budget must be approved by the Bank and include:
1) Minimum 5% construction contingency (if new construction), or 10% contingency (if rehabilitation of existing improvements);
2) Minimum 3% soft cost contingency;
3) Sufficient interest reserve to support the Project until it achieves the breakeven. Excess cash flow shall be used first to apply to accrued interest or Interest then due with the remainder advanced from Interest reserve; and
4) Bank may also require other reserves to be established with the Project budget.

GENERAL PROVISIONS:

Syndicator/Investor: Bank of America, N.A. will be the tax credit purchaser. Syndicator and investor are subject to Bank approval. Investor(s) must be admitted into the partnership (or as member of a limited liability corporation) no later than closing of the Construction Loan.

LIHTC Equity:
1) Borrower must provide evidence satisfactory to Bank that it is entitled to an allocation of state and/or federal LIHTC’s and agree to perform all actions necessary to maintain the allocation of those tax credits.
2) Bank must review and approve the commitment letter, partnership agreement, and any other documentation evidencing purchase of the LIHTC’s.
3) Proceeds from the sale of syndication of the LIHTC’s must be in an acceptable amount and according to a pay-in schedule and funding conditions acceptable to the Bank.
4) Upfront investor limited partner equity shall be at least 10% of the total investor limited partner equity.
5) Bank of America, acting as Syndicator/Investor for the project, may elect a different equity pay-in schedule.
6) Assignment of tax credits required.
7) Initial capital contributions in excess of closing draw or subsequent capital contributions in excess of a concurrent draw request shall be deposited into an account at and pledged to Bank from which pending and subsequent draws shall be funded completely prior to advancing funds from the Construction Loan. In the event Bank and Borrower enter into a Construction Loan Disbursement Escrow Agreement, Bank will allow initial capital contribution in excess of closing draw may remain in escrow from which pending and subsequent draws are funded.

Secondary Financing: Secondary Financing is permitted, subject to Bank approval. Secondary Financing shall be subordinated to the Bank’s lien and secondary creditors who have not funded all proceeds prior to Bank proceeds shall execute an intercreditor agreement satisfactory in substance and form to the Bank, which limits and restricts the secondary creditor’s rights and remedies without the prior written consent of the Bank. Secondary Financing subordination terms and conditions shall be consistent with provisions contained in Bank’s form of subordination agreement and allow the potential refinancing of the facilities contemplated herein. All Secondary Financing loan documents, including the subordination agreement, shall be acceptable to the Bank. The loan documents shall provide for traditional restrictions on Borrower encumbrances of the property. It is the Bank’s assumption that all Secondary Financing for the Project will be funded prior to or simultaneous with Construction Loan Closing. Sources of Secondary Financing not paid in their entirety at closing and to be provided by governmental agencies (Federal, State, or Local) shall be evidenced by a commitment at closing which shall indicate that the allocation has been approved and funds allocated have been raised, reserved and available, and are not subject to clawback for other governmental priorities and, further, that the commitment does not obligate funds in excess of funds reserved. Any required “must pay” subordinate debt service shall be underwritten and factored into the minimum DSCR with a combined minimum of 1.15:1 DSCR and a maximum combined LTV of 90%.

Bank of America, N. A. acknowledges the following potential sources:

<table>
<thead>
<tr>
<th>Type</th>
<th>Provider</th>
<th>Amount</th>
<th>Interest rate</th>
<th>Loan Term</th>
<th>Amortization Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction Loan</td>
<td>Bank of America Merrill Lynch</td>
<td>$11,300,000</td>
<td>LIBOR + 2.75%, floor of 5.25%</td>
<td>24 months</td>
<td>N/A</td>
</tr>
<tr>
<td>Low Income Housing Tax Credits</td>
<td>Bank of America, N.A.</td>
<td>$14,398,560</td>
<td>N/A</td>
<td>15 years</td>
<td>N/A</td>
</tr>
<tr>
<td>First Mortgage Loan</td>
<td>N/A</td>
<td>$0</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Subordinate Loan</td>
<td>TDHCA</td>
<td>$1,000,000</td>
<td>0%</td>
<td>40 years</td>
<td>40 years</td>
</tr>
<tr>
<td>Subordinate Loan</td>
<td>City of Austin</td>
<td>$4,000,000</td>
<td>0%</td>
<td>40 years</td>
<td>40 years</td>
</tr>
<tr>
<td>GP Equity</td>
<td>Foundation Communities</td>
<td>$4,419,658</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Fee Waivers</td>
<td>City of Austin</td>
<td>$363,827</td>
<td>0%</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>
Deferred Developer Fee | N/A | $19,509 | 0% | N/A | N/A

**Upfront Funding Sources:** Total upfront funding, which may include LIHTC equity, developer equity, and/or subordinate debt shall equal a minimum of 15% of total development costs and will be advanced prior to the Bank’s Construction Loan.

**Developer Fee Payout Schedule:** Developer fee payout schedule is subject to Bank review and approval. Bank approved pay-in schedule will not necessarily defer to the partnership agreement but shall follow terms finalized for the loan agreement.

**Market Analysis:** Terms herein are subject to Bank’s satisfactory review and acceptance of overall market condition, demand/capture rate, absorption estimates, and subject property’s rent differential to market.

**Fees and Expenses:** Borrower will pay all reasonable costs incurred by the Bank in connection with the loans including, but not limited to, legal, environmental, front end costs and document review/inspections, physical needs assessment (for existing projects only) and appraisal. In the event that the proposed facility does not close, the undersigned will pay all such costs. Payment by Borrower/the undersigned of these expenses will not be contingent upon closing of the facility. Borrower acknowledges that Bank may receive a benefit, including, without limitation, a discount, credit or other accommodation, from outside counsel based on the fees such counsel may receive on account of their relationship with Bank including, without limitation, fees paid pursuant hereto.

**Restrictions:** Subject to review and underwriting of any rent or other restrictions that may survive a foreclosure. Confirmation that unit rents post a foreclosure can adequately support the property based on current market conditions at that time, to be determined at Bank’s discretion.

**Deposits:** The Bank may require that the replacement reserve, any operating deficit reserve, operating account, and any other reserves required by other funding parties to the project be maintained at the Bank.

**Regulatory Requirements:** Subject to the review and approval of all regulatory agreements and/or land use restrictions as required for ad valorem tax abatement, Section 8 (HAP), subordinate debt, ground lease, or other sources of funding, as applicable. Evidence that ad valorem tax abatement coincides with the real estate collateral required. Attorney opinion of real estate tax abatement applicability may be required.

**Credit Verification:** Each legal entity and individual signing the pro forma agrees to provide recent credit reports, court searches, verification of deposits, and verification of Borrower’s owners or principals, including any to-be-formed entity or entities. Each individual signing below further authorizes Bank to check any credit references, verify his/her employment and obtain credit reports from credit reporting agencies of Bank’s choice in connection with the facility.

**Financial Feasibility:** The attached 15-year pro forma was prepared by FC Waters Housing, LP and reviewed by Bank of America, N.A. for Waters Park Studios located in Austin, Texas. The pro forma is consistent with the unit rental rate assumptions, total operating expenses, net operating income, and debt service coverage based on Bank of America’s current underwriting parameters and consistent with the loan terms indicated in the term sheet and is preliminarily considered feasible, pending further diligence review. The debt service for each year maintains no less than a 1.15 debt coverage ratio.
Additionally, we have performed a preliminary review of the credit worthiness of Foundation Communities, Inc., and its Principals. At this time, Bank of America, N.A. has no reservations with the Development Owner or any of the Principals. We anticipate no additional guarantors or financial strength will be needed to facilitate a loan to this borrower, other than those requirements disclosed herein.

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Material Adverse Change: Bank of America's obligations hereunder shall terminate if, prior to closing, Bank of America determines, in its sole judgment, that there shall exist any conditions regarding the property, or the operations, business, assets, liabilities or condition (financial or otherwise, including credit rating) of Borrower or Guarantor, or there shall have occurred a material adverse change in, or there shall exist any material adverse conditions in, the market for syndicated bank credit facilities or the financial banking, credit or debt capital markets generally, that could be expected to cause the loan to become delinquent or prevent any guarantor from performing its obligations under any guaranty or to materially and adversely affect the value or marketability of the loan or the property or Bank of America's ability to syndicate the loan or the viability of obtaining permanent financing for the Project.

Assumptions made: The terms discussed herein are presented, based on the credit conditions in the potential transaction as known by Bank of America. Should additional facts come to light that positively or negatively impact the situation, prices or other requirements quoted here may be adjusted.

Expiration: Expiration: The subject terms are presented for the purpose of making application for a tax credit award from the Texas Department of Housing and Community Affairs with decisions on awards expected by July 31, 2018 (decision date). This term sheet will expire at 5:00 p.m. CT, within five (5) business days from decision date unless you execute this term sheet and return it to us prior to that time, along with a good-faith deposit of $15,000. Upon receipt of the signed letter and the good-faith deposit, the Bank will proceed with the necessary due diligence to prepare and submit your loan request. Your deposit is refundable, less the Bank's out of pocket expenses incurred, should the Bank decline the financing opportunity discussed herein.

Please understand that this Term Sheet does not represent an offer or commitment by Bank of America, or any of its affiliated entities, for the proposed new financing, nor does it define all of the terms and conditions of a loan commitment, but is a framework upon which a loan request may be submitted. Issuance of a commitment by Bank of America is subject to, among other things, the approval of your loan request under the Bank's approval process. If Bank of America issues a financing commitment in this transaction, it will in all respects supersede this letter.

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Any facility, as contemplated by this Term Sheet, will be subject to applicable flood insurance regulations at all times during the life of such facility. Compliance with flood insurance regulations will be tested prior to making, increasing, renewing or extending any such facility.

Bank of America and Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPFS") hereby notify you that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Patriot Act") and recent regulations implemented by the US Treasury’s Financial Crimes Enforcement Network ("FinCEN") under the Bank Secrecy Act ("Additional KYC Regulations"), each of them is required to obtain, verify and record information that identifies you, which information includes, but is not limited to, your name, your address, a list of individuals, if any, who own directly or indirectly 25% or more equity interests of Borrower, the identification of one controlling person, organizational information on the ultimate parent of Borrower, and such other information that will allow Bank of America or MLPFS, as applicable, to identify you and comply with the Patriot Act and the Additional KYC Regulations prior to closing the Loan.

The undersigned acknowledges and agrees that: (i) the transaction contemplated by this Term Sheet is an arm’s length, commercial transaction between you and Bank in which Bank is acting solely as a principal and for its own interest; (ii) Bank is not acting as a municipal advisor or financial advisor to you; (iii) Bank has no fiduciary duty pursuant to Section 15B of the Securities Exchange Act of 1934 to you with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether Bank has provided other services or is currently providing other services to you on other matters); (iv) the only obligations Bank has to you with respect to the transaction contemplated hereby expressly are set forth in this Term Sheet; and (v) Bank is not recommending that you take an action with respect to the transaction contemplated by this Term Sheet, and before taking any action with respect to the contemplated transaction, you should discuss the information contained herein with its own legal, accounting, tax, financial and other advisors, as it deems appropriate. If you would like a municipal advisor in this transaction that has legal fiduciary duties to you, you are free to engage a municipal advisor to serve in that capacity. This Term Sheet is provided to you pursuant to and in reliance upon the "bank exemption" provided under the municipal advisor rules of the Securities and Exchange Commission, Rule 15B1a-1 et seq.

Sincerely,

Bank of America, N.A.

[Signature]

Valerie A. Williams

By:
Name: Valerie A. Williams
Title: Senior Vice President
Telephone: 214-209-3219
Facsimile: 214-416-0740
Email: valerie.a.williams@baml.com
Please submit a loan application as outlined above:

Name: [Signature]
Title: Executive Director
Date: 2/23/18
Debt Term Sheet
February 21, 2018

VIA EMAIL

FC Waters Park Housing, L.P.
C/O
Mr. Walter Moreau, Executive Director &
Ms. Sabrina Butler, Director of Housing Finance
3036 S. 1st Street
Austin, TX 78704

Re: Construction Loan for Waters Park Studios, located in Austin, Texas (the “Project”)

Dear Mr. Moreau and Ms. Butler:

This letter will serve as a preliminary outline of the terms under which Bank of America, N.A. (the “Bank”) would consider a loan request on the above referenced project. This letter does not represent an offer or commitment by the Bank for the proposed financing, nor does it define all the terms and conditions of a loan commitment, but is a framework upon which a loan request may be submitted. Issuance of a commitment by the Bank is subject to, among other things, the completion of the following items, and approval of the loan request under the Bank’s internal approval process. The Bank may decline to approve the loan request. Upon your response to this letter and after providing any additional information which may be necessary, the Bank will proceed with the necessary due diligence to submit the loan request. The proposed terms and conditions are as follows:

Project: To be constructed 132-unit apartment complex in Austin, Texas.

Borrower: FC Waters Park Housing, L.P. - a SPE - form and substance of Borrower must be acceptable to the Bank.

Reporting Requirements: Borrower and Guarantors’ financial statements, covenant compliance certificates, property operating statements, leasing summaries and any other reports required by Bank shall be provided in detail and frequency as determined by the Bank in its sole discretion.

Other Requirements: All of the following to be acceptable to the Bank: documentation and submissions that are standard for loans of this type including, but not limited to, appraisal, ESA, physical needs assessment, standard flood hazard determination forms, legal documentation, insurance, title/survey, proposed standard lease form, front-end cost and document reviews and acceptance of final budget (includes: adequate contingency, interest carry/operating deficit reserve, etc.), review of plans/specs, condition of markets/submarkets, revenue/expenses pro-formas, financial review of Borrower, Guarantor, and general contractor, management agreement and subordination; and (as applicable), proof of tax credit

Construction Loan – Term Sheet
award, equity investor and pay-in schedule, information regarding real estate taxes (including proof of any tax-exempt status if applicable) and other terms and conditions as may be required.

Confidentiality: This term sheet is strictly confidential and may not be shared with anyone else other than the owners of Borrower.

CONSTRUCTION LOAN

Construction Loan Amount: Information obtained by the Bank is so far insufficient to establish a loan amount. Based on our general underwriting parameters for what we believe to be similar transactions, the construction loan amount in this transaction would be the least of:
1) $11,300,000;
2) 75% LTB based on final Bank approved construction budget; or
3) 80% LTV based on the sum of the "as completed and stabilized" appraised value, including rent restrictions, plus the value of the Low Income Housing Tax Credits ("LIHTC") at the lesser of the value determined within Bank analysis of market pricing for the proposed market, or the gross amount being paid for the LIHTC's by the syndicator/investor.

Construction Interest Rate: 30 Day LIBOR + 2.75%, floating; with a floor of 5.25%. An interest rate protection product from a financial provider acceptable to the Bank may be required prior to funding of a loan. As of the date of this term letter and based on current market conditions, this transaction could be swapped to a fixed rate of 4.48%. Borrower and any person or entity that at any time provides a guaranty of Borrower's obligations in respect of such interest rate protection (including but not limited to any general partner of any thereof) will be required to be an "eligible contract participant" as such term is defined in the Commodity Exchange Act (7 U.S.C. § 1 et seq.), as amended from time to time, and any successor statute. The budget for the project will contain an interest reserve acceptable to Bank.

Construction Loan Term: 24 months from the loan closing.

Take Out Financing: N/A

Amortization: N/A

Construction Loan Fee: 1.00% of the total Loan Commitment, payable at closing.

Construction Renewal Options:
One, six-month extension option subject to the following:
1) No less than 30 but no more than 90 days' written notice of intention to exercise the option;
2) No event of default having occurred or potential default occurring;
3) Performance hurdles have been met, including but not limited to, lien-free construction completion and lease up hurdles;
4) The loan is in balance, including sufficient interest reserve;
5) Project must demonstrate the ability to be able to convert/payoff Bank's loan within the 6-month extension period;
6) All co-construction loans mature or are extended concurrent or past the Bank's extension date;
7) All takeout commitments expire or are extended concurrent or past the Bank's extension date;
8) All investor commitments include terms or are modified to be consistent with the extension of the Bank's loan;
9) No material adverse change in the financial condition of the Project, Borrower, and Guarantor;
10) Payment of 0.50% renewal fee based on the committed Loan amount; and
DUPLICATE SUBMISSION - BPS

11) Rate adjustment or fee payment, as appropriate, to cover the cost of revising the forward rate look, if any.

Payment and Performance Guaranty: 100% guarantee of completion, performance and repayment to be provided by Foundation Communities, Inc. For borrowers that are single-asset entities, principal(s) with general liability or guarantor(s) acceptable to the Bank must be jointly and severally liable for completion of the project and repayment of the financing, including interest and costs. Guarantors to have financial covenants including but not limited to minimum net worth and liquidity – TO BE DETERMINED.

Collateral:
1) First Lien Deed of Trust on land and improvements constructed thereon.
2) UCC filing on furniture, fixtures and equipment.
3) Assignment of rents/leases and management/construction/architectural contracts, etc.
4) Assignment of partnership interest, including capital contributions (collateral for Construction Loan only)
5) Assignment of interest rate hedge agreement, if any.

General Contractor: To be named. Entity subject to Bank’s full due diligence and approval. Guaranteed maximum price contract required. Contract must require 10% retainage. Payment and performance bond or acceptable Letter of Credit required in an amount and issuer acceptable to the Bank.

Loan Advances: Construction loan advances will be made no more frequently than monthly and will be based on the percentage of completion method for actual work in place less retainage as confirmed and approved by the Bank and its third party construction consultant. All funds will be advanced into a construction account at and pledged to Bank.

Project Budget: Project budget must be approved by the Bank and include:
1) Minimum 5% construction contingency (if new construction), or 10% contingency (if rehabilitation of existing improvements);
2) Minimum 3% soft cost contingency;
3) Sufficient interest reserve to support the Project until it achieves the breakeven. Excess cash flow shall be used first to apply to accrued interest or interest then due with the remainder advanced from Interest reserve; and
4) Bank may also require other reserves to be established with the Project budget.

GENERAL PROVISIONS:

Syndicator/Investor: Bank of America, N.A. will be the tax credit purchaser. Syndicator and investor are subject to Bank approval. Investor(s) must be admitted into the partnership (or as member of a limited liability corporation) no later than closing of the Construction Loan.

LIHTC Equity:
1) Borrower must provide evidence satisfactory to Bank that it is entitled to an allocation of state and/or federal LIHTC’s and agree to perform all actions necessary to maintain the allocation of those tax credits;
2) Bank must review and approve the commitment letter, partnership agreement, and any other documentation evidencing purchase of the LIHTC’s.
3) Proceeds from the sale or syndication of the LIHTC’s must be in an acceptable amount and according to a pay-in schedule and funding conditions acceptable to the Bank.
4) Upfront investor limited partner equity shall be at least 10% of the total investor limited partner equity.
5) Bank of America, acting as Syndicator/Investor for the project, may elect a different equity pay-in-schedule.
6) Assignment of tax credits required.
7) Initial capital contributions in excess of closing draw or subsequent capital contributions in excess of a concurrent draw request shall be deposited into an account at and pledged to Bank from which pending and subsequent draws shall be funded completely prior to advancing funds from the Construction Loan. In the event Bank and Borrower enter into a Construction Loan Disbursement Escrow Agreement, Bank will allow initial capital contribution in excess of closing draw may remain in escrow from which pending and subsequent draws are funded.

Secondary Financing: Secondary Financing is permitted, subject to Bank approval. Secondary Financing shall be subordinated to the Bank’s lien and secondary creditors who have not funded all proceeds prior to Bank proceeds shall execute an intercreditor agreement satisfactory in substance and form to the Bank, which limits and restricts the secondary creditor’s rights and remedies without the prior written consent of the Bank. Secondary Financing subordination terms and conditions shall be consistent with provisions contained in Bank’s form of subordination agreement and allow the potential refinancing of the facilities contemplated herein. All Secondary Financing loan documents, including the subordination agreement, shall be acceptable to the Bank. The loan documents shall provide for traditional restrictions on Borrower encumbrances of the property. It is the Bank’s assumption that all Secondary Financing for the Project will be funded prior to or simultaneous with Construction Loan Closing. Sources of Secondary Financing not paid in their entirety at closing and to be provided by governmental agencies (Federal, State, or Local) shall be evidenced by a commitment at closing which shall indicate that the allocation has been approved and funds allocated have been raised, reserved and available and are not subject to clawback for other governmental priorities and, further, that the commitment does not obligate funds in excess of funds reserved. Any required “must pay” subordinate debt service shall be underwritten and factored into the minimum DSCR with a combined minimum of 1.15:1 DSCR and a maximum combined LTV of 90%.

Bank of America, N.A. acknowledges the following potential sources:

<table>
<thead>
<tr>
<th>Type</th>
<th>Provider</th>
<th>Amount</th>
<th>Interest rate</th>
<th>Loan Term</th>
<th>Amortization Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction Loan</td>
<td>Bank of America, Merrill Lynch</td>
<td>$11,300,000</td>
<td>LIBOR + 2.75%, floor of 5.25%</td>
<td>24 months</td>
<td>N/A</td>
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<tr>
<td>Low Income Housing Tax Credits</td>
<td>Bank of America, N.A.</td>
<td>$14,398,560</td>
<td>NA</td>
<td>15 years</td>
<td>N/A</td>
</tr>
<tr>
<td>First Mortgage Loan</td>
<td>N/A</td>
<td>$0</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Subordinate Loan</td>
<td>TDHCA</td>
<td>$1,000,000</td>
<td>0%</td>
<td>40 years</td>
<td>40 years</td>
</tr>
<tr>
<td>Subordinate Loan</td>
<td>City of Austin</td>
<td>$4,000,000</td>
<td>0%</td>
<td>40 years</td>
<td>40 years</td>
</tr>
<tr>
<td>GP Equity</td>
<td>Foundation Communities</td>
<td>$4,419,658</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Fee Waivers</td>
<td>City of Austin</td>
<td>$363,827</td>
<td>0%</td>
<td>N/A</td>
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**Table:**

| Deferred Developer Fee | N/A | $119,509 | 0% | N/A | N/A |

**Upfront Funding Sources:** Total upfront funding, which may include LIHTC equity, developer equity, and/or subordinate debt shall equal a minimum of 15% of total development costs and will be advanced prior to the Bank’s Construction Loan.

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The undersigned acknowledges and agrees that: (i) the transaction contemplated by this Term Sheet is an arm’s length, commercial transaction between you and Bank in which Bank is acting solely as a principal and for its own interest; (ii) Bank has no fiduciary duty pursuant to Section 15B of the Securities Exchange Act of 1934 to you with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether Bank has provided other services or is currently providing other services to you on other matters); (iv) the only obligations Bank has to you with respect to the transaction contemplated hereby expressly are set forth in this Term Sheet; and (v) Bank is not recommending that you take an action with respect to the transaction contemplated by this Term Sheet, and before taking any action with respect to the contemplated transaction, you should discuss the information contained herein with its own legal, accounting, tax, financial and other advisors, as it deems appropriate. If you would like a municipal advisor in this transaction that has legal fiduciary duties to you, you are free to engage a municipal advisor to serve in that capacity. This Term Sheet is provided to you pursuant to and in reliance upon the “bank exemption” provided under the municipal advisor rules of the Securities and Exchange Commission, Rule 15Ba1-1 et seq.

Sincerely,

Bank of America, N.A.

[Signature]

By:
Name: Valerie A. Williams
Title: Senior Vice President
Telephone: 214-269-3219
Facsimile: 214-416-0740
Email: valerie.a.williams@baml.com
DUPLICATE SUBMISSION - BPS

Please submit a loan application as outlined above:

Name: Walter Manor
Title: Executive Director
Date: 2/23/18
Gap Financing
City of Austin
Acknowledging Application for $4,000,000
February 23, 2018

Walter Moreau
Foundation Communities, Inc.
3036 South 1st Street
Austin, TX 78704

Re: Application for Gap Funding for Waters Park Studios (TDHCA #18099)

Dear Mr. Moreau,

The Austin Housing Finance Corporation (AHFC) has received your request for a below-market interest rate loan in the amount of $4,000,000 for the development of Waters Park Studios to be located at 12207 Waters Park Road and 12190 N. Mo Pac Expy. in Austin.

Terms of the loan will be for a minimum of 40 years at zero percent interest. Repayment of the loan will be deferred on a yearly basis and forgiven at the end of the loan period contingent upon compliance with the loan agreement. There are no fees or basis points associated with this loan.

We anticipate the $4,000,000 from the Austin Housing Finance Corporation (an instrumentality of the City of Austin) to be sourced from General Obligation Bond proceeds approved by Austin voters in 2013 to be used for affordable housing development. The bond proceeds are awarded to eligible developments as a loan, and are non-Federal funds.

Provided the application meets all the necessary criteria for funding and staff recommendation for approval, AHFC’s Board of Directors, whose members are the Austin Mayor and Austin City Council Members, would consider this request and make a decision prior to September 1, 2018.

Sincerely,

[Signature]
David W. Potter
Neighborhood Development Program Manager

cc: Rosie Truelove, AHFC Treasurer

Board of Directors: Steve Adler, President + Kathie Lott, Vice President
Ori Houston, Director + Delia Garza, Director + St. Blox Renten, Director + Gregorino Casar, Director
Ann Ketcham, Director + James Flannagan, Director + Leslie Pool, Director + Ellen Troxclair, Director + Alison Alonzo, Director
Elaine Hart, General Manager + Rosie Truelove, Treasurer + Jannette Goodall, Secretary
Anne L. Morgan, General Counsel

The Austin Housing Finance Corporation is committed to compliance with the Americans with Disabilities Act and will provide reasonable modifications and equal access to communications upon request.
Owner Contribution
Documentation
INDEPENDENT ACCOUNTANTS’ REPORT
ON APPLYING AGREED-UPON PROCEDURES

Foundation Communities, Inc. and the
Texas Department of Housing and Community Affairs (the “Agency”):

RE: 2018 Application for 9% tax credits

Proposed Name of Project: Waters Park Studios Apartments
Name of Proposed Project Owner: FC Waters Park Housing, LP

We have performed the procedures enumerated below, which were agreed to by Foundation Communities, Inc. (the “Proposed Member”), and specified by the Texas Department of Housing and Community Affairs (the “Agency”) (together the “Specified Users”), solely to assist you with respect to verify that the Proposed Member has the capacity to provide capital from funds that are not otherwise committed or pledged, as of February 22, 2018, with respect to the 2018 Application for 9% low-income housing tax credits of Waters Park Studios Apartments (the “Proposed Development”), to be submitted to the Agency. The Proposed Member is the sole member of FC North Studios Housing, LLC, a to-be-formed entity which will serve as the general partner of FC Waters Park Housing, LP (the “Development Owner”), which is proposed to be the owner of the Proposed Development. The Proposed Member’s management is responsible for determining that the Proposed Member has the capacity to provide capital from funds that are not otherwise committed or pledged, as of February 22, 2018, with respect to the 2018 Application for 9% low-income housing tax credits of the Proposed Development. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

- We read the 2018 Housing Tax Credit Program Qualified Allocation Plan and Rules for the 2018 Housing Tax Credit Program Application, and determined that the Development Owner is required to submit a letter verifying the capacity of the Proposed Member to provide capital from funds that are not otherwise committed or pledged;
We obtained the Summary of Sources and Uses of Funds (the “Sources & Uses”). The Sources & Uses indicate the intention of the Proposed Member to provide owner contributions to the Development Owner for the Proposed Development in the amount of $4,410,658 (the “Owner Cash Equity”);

We obtained a verification of deposit (the “Statement”) from Merrill Lynch Wealth Management for an investment account in the name of the Proposed Member as of February 22, 2018. The balance as of February 22, 2018 (the “Deposit Balance”) was $4,500,000;

We compared the Deposit Balance to the amount of the Owner Cash Equity. The Deposit Balance as of February 22, 2018 was greater than the amount of the Owner Cash Equity;

We obtained a letter from Merrill Lynch Wealth Management (the “Merrill Lynch Letter”) regarding the potential uses of funds included on the Statement. The Merrill Lynch Letter confirmed that the Development Owner has the ultimate power in how the Deposit Balance may be used;

We obtained an organization chart (the “Organization Chart”) for the Development Owner, which identifies the partners of the Development owner, and the composition of the board of directors of the Proposed Member. From the organization chart, we determined that Walter Moreau is the Executive Director of the Proposed Member; and

We obtained representations from Walter Moreau, in his capacity as the Executive Director of the Proposed Member, regarding the Proposed Member’s intention to provide capital to fund the Proposed Development. Based on those representations we determined that the Proposed Member intends to provide $4,410,658 of Owner Cash Equity to the Development Owner, to be used for the construction and development of the Proposed Development.

Based on the Deposit Balance in the Statement, the Merrill Lynch Letter, the Organization Chart, and representations from the Proposed Member as to its intended actions, we determined that, as of February 22, 2018, the Proposed Member has the capacity to provide the anticipated Owner Cash Equity of $4,410,658 to the Development Owner for the Proposed Development.

In making the above determinations we relied on the representations made by the Proposed Member as to its intended course of action for the Proposed Development and the sources of funds therein. The final determination of the actual amount of Owner Cash Equity to be provided by the Proposed Member to the Development Owner cannot be made until the Proposed Development has been completed and the sources of funds can be properly evaluated, during the final cost certification process and the application for a final award of IRS Forms 8609.
We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on whether the Proposed Member has the capacity to provide capital from funds that are not otherwise committed or pledged, as of February 22, 2018, related to the 2018 Application for 9% low-income housing tax credits of the Proposed Development. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of by the Proposed Member and the Agency and is not intended to be and should not be used by anyone other than those specified parties.

Novogradac & Company LLP

Austin, Texas
February 26, 2018

Contact person for questions about this report:  

Susan G. Wilson
Phone# (512) 349-3232
Facsimile# (512) 340-0421
E-Mail: susan.wilson@novoco.com
February 22, 2018

Marni Holloway
Texas Department of Housing and Community Affairs
Competitive Tax Credit Program Manager
221 East 11th Street
Austin, TX 78701

Re: TDHCA #18099, Waters Park Studios Application for LIHTC 9% funding

Dear Ms. Holloway:

Foundation Communities has asked us to respond to a request for an updated letter from the bank where they hold funds available for development projects. The information is provided as a service to you. The client has the ultimate power in how their funds may be used. Merrill Lynch considers trade confirmations and monthly statements to be the official documentation of all transactions.

Please see the enclosed Verification of Deposit from Merrill Lynch.

Sincerely,

Tim Shirley
Vice President
Client Relationship Manager

This information is furnished to you in strict confidence in response to your request and is solely for your use for the purposes described in the Verification of Deposit Request. If you have any questions, please contact the person whose signature appears on this form. This information is provided as a courtesy and Merrill Lynch is not liable or responsible for any decisions made, in whole or in part, on reliance upon this information.

Please be advised our CMA program permits account holders to access the assets in the account by Visa card and checks, which are drawn and processed against a Merrill Lynch account maintained for the customer at Bank of America, N.A. However, the account holder does not maintain a depository balance at that bank. The information provided above may change daily due to activity in the account and/or changes in market value of assets held in the account. This information is provided as a courtesy and Merrill Lynch is not liable or responsible for any decisions made, in whole or in part, on reliance upon this information.
This information is furnished to you in strict confidence in response to your request and is solely for your use for the purposes described in the Verification of Deposit request. If you have any questions, please contact the person whose signature appears above at 512.397.1803. This information is provided as a courtesy and Merrill Lynch is not liable or responsible for any decisions made, in whole or part, on reliance upon this information.

Merrill Lynch
Bank of America Corporation

L-03-11
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Investment products:

<table>
<thead>
<tr>
<th>Are Not FDIC Insured</th>
<th>Are Not Bank Guaranteed</th>
<th>May Lose Value</th>
</tr>
</thead>
</table>

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RE: Verification of Deposit

Important Notice

This is in response to the Verification of Deposit (VOD) request for the Merrill Lynch account of Foundation Communities, Inc. Details appear below.

<table>
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<tr>
<th>Account Type</th>
<th>Endowment</th>
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<tbody>
<tr>
<td>Account Number</td>
<td>XXX-XX513</td>
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<tr>
<td>Value as of Date (Close of Business (COB))</td>
<td>02/21/2018</td>
</tr>
<tr>
<td>Total Portfolio Value*</td>
<td>$4,500,000</td>
</tr>
</tbody>
</table>

☐ If checked, the portfolio value provided represents an average balance.

*This total is as of COB on the listed date. However, the balance provided is monthly/quarterly as Merrill Lynch does not maintain daily balance records. It includes Money Fund shares/balances, marginable/non-marginable securities, and outstanding loans. If an average balance is requested, it is calculated based upon the monthly/quarterly balance.

Comments

________________________________________
Signature of Merrill Lynch Branch Office Management Team (OMT)

Tim Shirley
Printed Name

(512) 394-1803
Phone Number

02/22/2018
Date
Please be advised our cash management account program permits account holders to access the assets in the account by Visa card and checks, which are drawn and processed against a Merrill Lynch account maintained for the customer at Bank of America, N.A. However, the account holder does not maintain a depository balance at that bank. The information provided above may change daily due to activity in the account and/or changes in market value of assets held in the account. This information is provided as a courtesy and Merrill Lynch is not liable or responsible for any decisions made, in whole or in part, on reliance upon this information.

This information is furnished to you in strict confidence in response to your request and is solely for your use for the purposes described in the Verification of Deposit request. If you have any questions, please contact the person whose signature appears above at the phone number provided. This information is provided as a courtesy and Merrill Lynch is not liable or responsible for any decisions made, in whole or part, on reliance upon this information.

1-06-17

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Banking products are provided by Bank of America, N.A., and affiliated banks, Members FDIC and wholly owned subsidiaries of BoA Corp.

Investment products:

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</tr>
</thead>
</table>

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February 21, 2018

Marni Holloway
Director of Multifamily Finance Production
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, Texas 78701

RE: Waters Park Studios
12207 Waters Park Road, Austin, TX 78759
12190 N Mo Pac, Austin, TX 78758
TDHCA #18099

Dear Marni:

Foundation Communities, a mission driven charitable nonprofit, is committed and fully prepared to provide a permanent owner’s contribution to the Waters Park Studios development in the amount of $4,410,558. Foundation Communities certifies that these funds are and will remain readily available at Commitment and until the required investment is completed. Waters Park Studios has 100% of its units targeted to incomes below 50% Median Family Income with 20% targeted to incomes below 30% Median Family Income. As Supportive Housing, cannot support any third-party permanent debt. It is very customary for mission-based, service-enriched housing developed by non-profits to have their own funding paired with private fundraising as a substantial piece of their permanent funding stack.

Foundation Communities has committed and provided the necessary gap financing required for many of its past projects including the following owner’s contributions:

- Bluebonnet Studios – TDHCA #14068 - $4,043,004 at Cost Certification
- Live Oak Trails – TDHCA #14069 - $1,420,000 at Cost Certification
- Homestead Oaks – TDHCA #13109 - $1,205,857 at Cost Certification
- Capital Studios – TDHCA #12300 - $1,113,539 at Cost Certification
- M Station – TDHCA #09130 - $2,000,000 at Cost Certification
- Sierra Vista – TDHCA #10152 - $1,550,000 at Cost Certification

Foundation Communities is able to make these owner’s contributions due to its strong history of fundraising and fiscal responsibility. In 2017, Foundation Communities raised over $11 million in grants from foundations. In addition, over $1.5 million was raised individual donations this past year. Over the past 10 years Foundation Communities has received grants from the Federal Home Loan Bank Affordable Housing Program and NeighborWorks America totaling over $10,000,000.
In addition to Foundations Communities consistent ability to fundraise, it took advantage of the historically low interest rates in 2013 and refinanced two of the properties in its portfolio to create a Growth Fund to support future development projects. This opportunity paired with $5 million from a private investor has provided Foundation Communities a funding reserve in excess of $14 million, which can be used in tandem with housing tax credits to further its mission of providing first class affordable homes and supportive services. In September 2016, Foundation Communities was awarded a $4,000,000 grant from the Capital Magnet Fund to support our real estate pipeline.

Finally, Foundation Communities’ maintains a healthy cash reserve funded from 20 plus years of conservative financial management and opportunity-based development decisions to support the development of new properties.

Per §10.204(7)(C) of the Uniform Multifamily Rules, please find attached a letter from Novogradac and Company, LLP verifying the capacity of Foundation Communities to provide the proposed financing with funds that are not otherwise committed. Additionally, please find attached a letter from Merrill Lynch Wealth Management confirming sufficient funds available to Foundation Communities to make an owner’s contribution of $4,410,658 to Waters Park Studios.

Please feel free to contact me with any questions at (512) 610-4016.

Sincerely,

Walter Moreau

Executive Director, Foundation Communities, Inc.
Equity Letter
February 21, 2018

Walter Moreau
FC Waters Park Housing, LP
3036 South 1st Street
Austin, Texas 78704

Re: TDHCA #18099 - Waters Park Studios
    Austin, Texas

Dear Walter:

We have had the opportunity to review the Waters Park Studios project and wanted to let you know of our interest in being the equity investor for the transaction. This letter of interest is submitted on behalf of FC Waters Park Housing, LP, as applicant, in support of applicant’s application. Please note that this is neither a commitment nor a letter of intent to invest, but simply an indication of our interest in pursuing this opportunity.

We understand that this partnership is not anticipated to close until 2Q2019, and is subject to allocation and provision of Low Income Housing Tax Credits. We understand that the project is projected to support 9% annual Federal credits totaling $1,500,000. Accordingly, we estimate that we will be able to provide $0.96 in equity for every dollar of federal Low Income Housing Tax Credit to be provided. Based on our projections and assuming an acquisition of a 99.99% limited partner interest, this will yield gross equity totaling $14,398,560. It is estimated at this time that 5% of capital ($719,928) would be paid in at closing, 40% of capital ($5,759,424) upon 90% of completion, 51.5% ($7,415,258) upon conversion to permanent financing, and 3.5% ($503,950) upon receipt of 8609’s. Additionally, the Bank does not charge syndication, consulting, or other legal fees, resulting in 100% of the aforementioned equity invested into the partnership.

The following potential financing sources are acknowledged:
<table>
<thead>
<tr>
<th>Type</th>
<th>Provider</th>
<th>Amount</th>
<th>Interest rate</th>
<th>Loan Term</th>
<th>Amortization Term</th>
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<td>Construction Loan</td>
<td>Bank of America Merrill Lynch</td>
<td>$11,300,000</td>
<td>LIBOR + 2.75%, floor of 5.25%</td>
<td>24 months</td>
<td>N/A</td>
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<tr>
<td>Low Income Housing Tax Credits</td>
<td>Bank of America, N.A.</td>
<td>$14,398,560</td>
<td>N/A</td>
<td>15 years</td>
<td>N/A</td>
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<td>First Mortgage Loan</td>
<td>N/A</td>
<td>$0</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
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<tr>
<td>Subordinate Loan</td>
<td>TDHCA</td>
<td>$1,000,000</td>
<td>0%</td>
<td>40 years</td>
<td>40 years</td>
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<tr>
<td>Subordinate Loan</td>
<td>City of Austin</td>
<td>$4,000,000</td>
<td>0%</td>
<td>40 years</td>
<td>40 years</td>
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<tr>
<td>GP Equity</td>
<td>Foundation Communities</td>
<td>$4,410,658</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Fee Waivers</td>
<td>City of Austin</td>
<td>$363,827</td>
<td>0%</td>
<td>N/A</td>
<td>N/A</td>
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<tr>
<td>Deferred Developer Fee</td>
<td>N/A</td>
<td>$819,509</td>
<td>0%</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

Please note that we will re-evaluate our pricing 30 to 60 days before a commitment could be provided, and our pricing will reflect our yield and shareholder requirements at that point in time. In addition, please note that this equity investment is subject to acceptance of a Bank of America proposal for construction debt, verification of projection information, and completion of our underwriting, due diligence and documentation. Specific terms of both the equity and debt will be provided upon completion of our normal due diligence process.

The terms of the equity commitment will include the following:
- Project rents underwritten at a level no greater than 90% of market rents.
- Income/Expense Ratio, inclusive of reserves, greater than 1.05.
- Vacancy/collection loss of 7.5% has been estimated.
- Replacement Reserves of $250 per unit per year or greater.
- Operating Reserves in an amount equal to $226,000, subject to change upon completion of Bank’s normal due diligence process.
- A Lien Free Completion and Development Deficit Guaranty.
- An Operating Deficit Guaranty, capped at an amount representing a minimum of 6 months of operating expenses plus must pay debt service, for a term of 5 years following conversion.
- A Tax Credit and Recapture Guaranty and Repurchase Agreement from the sponsor entity.
- Adjuster clauses for delayed/accelerated delivery or any reduction in credits.

I believe Bank of America’s LIHTC equity and affordable housing debt products will provide you with the strength of Bank of America’s franchise, as well as competitive pricing, and expedited underwriting and closing.
I look forward to working with you.

Best regards,
Joanna Yi Lun Lee
Vice President
Bank of America

cc: Valerie Williams, Bank of America Merrill Lynch
    Brian Jarvis, Bank of America Merrill Lynch
LPS Fee Waiver Letter
February 6, 2018

Mr. Tim Irvine
Executive Director
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin TX 78701

RE: TDHCA Application No 18099 (Waters Park Studios)

Dear Mr. Irvine:

I am writing to confirm the de minimis contribution of development funding by the City of Austin (the "City") for the Foundation Communities – Waters Park Studios.

This project is eligible to have certain development fees waived through the City's S.M.A.R.T. Housing Ordinance. The ordinance allows full or partial fee waivers in developments in which a portion of the units are affordable for households who earn no more than 80% of the median family income.

Contingent upon the developments compliance with the City's S.M.A.R.T. Housing Ordinance, the fee waivers the City will provide are for a direct benefit of the project by reducing development costs approximately $363,826.80.

Please contact Sandra Harkins by phone 512.974.3128 or by email at Sandra.harkins@austintexas.gov if you need additional information.

Sincerely,

Regina M. Copic, Real Estate and Development Manager
Neighborhood Housing and Community Development
February 5, 2018

S.M.A.R.T. Housing Certification - Foundation Communities, Inc. - Waters Park Studios - (Project ID 422)

TO WHOM IT MAY CONCERN:

Foundation Communities, Inc. (development contact Walter Moreau: 512-610-4016; walter.moreau@foundcom.org) is planning to develop the Waters Park Studios, a 132 unit multi-family development at 12207 Waters Park Road, 78759 and 12190 N MoPac Expy, Austin TX 78758. The project is subject to a 5 year minimum affordability period, unless project funding requirements are longer.

Since 100% of the units will serve households at or below 50% MFI, the development will be eligible for 100% waiver of all fees listed in the S.M.A.R.T. Housing Ordinance adopted by the City Council. The unit mix is as follows: 20% of the units (27 units) will serve households at or below 30% Median Family Income (MFI); 20% of the units (27 units) will serve households at or below 40% Median Family Income (MFI); and 60% of the units (78 units) will serve households at or below 50% Median Family Income (MFI). The expected fee waivers include, but are not limited to, the following fees:

- Capital Recovery Fees
- Site Plan Review
- Building Permit
- Misc. Site Plan Fee
- Concrete Permit
- Construction Inspection
- Electrical Permit
- Subdivision Plan Review
- Mechanical Permit
- Misc. Subdivision Fee
- Plumbing Permit
- Zoning Verification
- Land Status Determination
- Building Plan Review
- Parkland Dedication (by separate ordinance)

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

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

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

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

The applicant must demonstrate compliance with S.M.A.R.T. Housing standards after the completion of the units, or repay the City of Austin in full the fees waived for this S.M.A.R.T. Housing certification.
Please contact me by phone 512.974.3128 or by email at Sandra.harkins@austintexas.gov if you need additional information.

Sincerely,

Sandra Harkins, Project Coordinator
Neighborhood Housing and Community Development

Cc: Laurie Shaw, Capital Metro
    Maureen Meredith, PZD
    Marilyn Lamensdorf, PARD
    Heidi Kasper, AEGB
    Carl Wren, DSD
    Catherine Dear, AE
    Gina Copic, IHCD
    Stephen Castileberry, DSD
    Elizabeth Robinson, DSD
    Zulema Flores, DSD
    Alma Moliere, DSD
    Ellis Morgan, NHCD
    Katherine Murray, Austin Energy
    Alice Flora, AUU
Deferred Developer Fee
February 20, 2018

Marni Holloway  
Director of Multifamily Finance Production  
Texas Department of Housing and Community Affairs  
221 East 11th Street  
Austin, Texas 78701

RE: Waters Park Studios  
12207 Waters Park Road, Austin, TX 78739  
12190 N Mo Pac, Austin, TX 78758  
TDHCA #18099

Dear Marni:

As the Director of Foundation Communities, Inc., the developer of Waters Park Studios, I hereby certify that the developer will defer up to $819,509, of its total developer's fee for the project during the construction period and up to $819,509 in developer fee permanently.

Sincerely,

Walter Moreau  
Director, Foundation Communities, Inc.
Table of Contents

Part 5 – Development Organization

WATERS PARK STUDIOS
AUSTIN, TEXAS

TDHCA #18099

Tab 36 – Sponsor Characteristics
Tab 37 – Applicant and Ownership Charts
Tab 38 – List of Organizations and Principals
Tab 39 – Previous Participation Form
Tab 40 – Nonprofit Participation
Tab 41 – Nonprofit Supporting Documentation
Tab 42 – Development Team Members
Tab 43 – Architect Certification
Tab 44 – Experience Certificate
Tab 45 – 9% Applicant Credit Limit Documentation and Certification
Tab 36 – Sponsor Characteristics
Pursuant to §11.9(b)(2) of the Qualified Allocation Plan, an Application may qualify to receive up to two (2) points provided the ownership structure meets one of the following requirements in parts 1 OR 2 below:

1. **Application is attempting to score as a Qualified Nonprofit or certified HUB with ownership interest and material participation and meets the criteria below:**
   
   - **Yes** If attempting to score as a Qualified Nonprofit, Application is applying under the Nonprofit Set-Aside
   - **Yes** The Qualified Nonprofit or certified HUB has some combination of ownership interest, cash flow from operations, and developer fee which taken together equal at least 50% and no less than 5% for any category.
     
     | Ownership Interest | Cash flow from operations | Developer Fee |
     |---------------------|---------------------------|--------------|
     | 100.00%             | 100.00%                   | 100.00%      |
     | Total: 300.00%      |                           |              |
   
   - **Yes** The Qualified Nonprofit or certified HUB will materially participate in the Development and the operation of the Development throughout the Compliance Period. A detailed narrative describing how that material participation will be achieved is included.
   
   - **Yes** The Qualified Nonprofit or certified HUB has experience directly related to the housing industry. Mark all that apply and provide a detailed narrative describing experience in each category:
     
     - Property Management
     - Construction
     - Development
     - Financing
     - Compliance

   - **X** No principals of the qualified nonprofit or HUB are related parties to any other principals of the Applicant or Developer.

   - **X** Evidence of experience in the housing industry and a statement regarding material participation are provided behind this tab.

   **Points Claimed:** 2

2. **Application is attempting to score as a participating Nonprofit or certified HUB and meets the criteria below:**

   - **X** A certified HUB will participate in Development Services or provide onsite tenant services, and evidence of the HUB’s existence from the Texas Comptroller of Accounts is provided behind this Tab.

   - **X** A Nonprofit will participate in Development Services or provide onsite tenant services, and evidence from a state or federal source of the organization’s nonprofit status is provided behind this Tab.

   - **X** No Principals of the HUB or Nonprofit are related Parties to any other Principal of the Applicant or Developer.

   - **X** Evidence of experience in the provision of Development Services or in the provision of on-site tenant services as well as a detailed narrative describing how the HUB or Nonprofit will provide such services must be included behind this tab.

   **Points Claimed:** 0

   **Total Points Claimed:** 2
February 20, 2018

Marni Holloway  
Texas Department of Housing Community Affairs  
221 East 11th Street  
Austin, Texas 78701

RE: Statement of Material Participation and Certification of No Principal Relationships

Dear Marni,

Foundation Communities, Inc. will be the sole member and manager of the General Partner throughout the compliance period. Foundation Communities, Inc. will also manage the property and coordinate supportive services. As developer, Foundation Communities, Inc. will receive all of the developer fee with the exception of any amount deferred. As property manager, Foundation Communities, Inc. will receive all the management fee.

Additionally, no Principals of the Qualified Nonprofit are related Parties to any other Principals of the Applicant or Developer.

Sincerely,

Walter Moreau  
Executive Director  
Foundation Communities  
3036 S. 1st Street  
Austin, TX 78704  
Office: 512.610.4016  
Email: walter.moreau@foundcom.org
Financing/ Acquiring Affordable Housing

Foundation Communities, Inc. has experience utilizing all funding tools available for the development of affordable multifamily housing. We have an excellent track record of securing funding in competitive allocations such as the 9% LIHTC and the Federal Home Loan Bank Affordable Housing Program. We also have solid relationships with multiple lenders. Waters Park Studios will draw heavily on the design of Bluebonnet Studios and Capital Studios, both newly constructed Supportive Housing communities designed by the same architect. Our most recently completed projects utilize the following five layers of funding: 9% LIHTCs, City of Austin RHDA funding, FHLB AHP program, construction loan, perm loan (not Supportive Housing) and private fundraising.

LIHTCs and BONDS

Foundation Communities has applied for and been awarded 9% LIHTCs for 11 developments. Two of these awards were forward commitments by the Texas Department of Housing Board of Directors giving testament to Foundation Communities track record of high-quality developments with compelling missions. FC’s development team is well-versed in the LIHTC program and application process. Tax credit applications are completed through a combination of in-house staff and affordable housing consulting firm True Casa. Staff also closely follows the drafting of the Qualified Allocation Plan and is aware of changes to threshold and scoring items that impact a high-scoring application. FC has a staff team that has over 15 years of tax credit compliance with a record of no significant findings. FC also has relationships with multiple tax credit investors and syndicators including Enterprise Community Investment, Bank of America, Wells Fargo, Raymond James, NEF, BBVA Compass and Capital One Bank. Foundation Communities built and financed the Southwest Trails Apartments utilizing 4% LIHTC and private activity bonds. Bonds were issued by Austin Housing Finance Corporation.

City of Austin RHDA

The City of Austin has been a major contributor on every project completed by Foundation Communities in the past 15 years. The FC Development team follows the release of the City’s application rules and NOFA and has a solid working relationship with City of Austin NHCD/AHFC staff.

FHLB AHP Program

Foundation Communities has applied for and received eleven awards through the FHLB Affordable Housing Program and received the highest funding amount awarded for our M Station property of $1,500,000.

Private Mortgages

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

Private Fundraising

Unlike most affordable housing developers, Foundation Communities has a very strong track record of private fundraising and individual donations. Past large foundation donors include Meadows, Topfer, Kendeda, Enterprise, Home Depot, St. David’s, and the Michael & Susan Dell Foundations. In the last two years FC secured two large private foundation grants, $2.4 million from the St. David’s Health Foundation and $2 million from the Michael and Susan Dell Foundation, to help with construction of health and education amenities.
onsite at new affordable housing developments. FC hosts an annual Welcome Home lunch which raises approximately $1 million from individual donors to fund support services.

In 2017, Foundation Communities has been successful in raising over $11 million in grants from foundations and $1.5 million from individual donations.

**Property Management**

Foundation Communities performs all leasing, maintenance, accounting, compliance and other property management functions for its 20 Austin properties. Foundation Communities earns property management and asset management fees that help support the overall nonprofit mission. The success of Foundation Communities’ property management is demonstrated through its high occupancy (usually averaging more than 95 percent), low turnover (under 32 percent), ability to keep all properties performing within their operating budgets, completion of capital repairs of over $535/unit, and a relatively high percentage of move outs going to homeownership (20 percent).

A majority of Foundation Communities’ 23 properties feature a federal source of funding. Specifically, Foundation Communities’ staff has experience with the compliance and reporting requirements of the Low Income Housing Tax Credit program, HOME program, and HUD Continuum of Care Funding Programs.

**Development Housing Experience**

Foundation Communities has over 20 plus years of experience contracting for and overseeing the construction and rehabilitation of affordable housing. As the owner and manager of more than 3,200 units in 23 affordable housing properties, 20 in Austin and three properties in North Texas, Foundation Communities has built a strong development and consultant team. Nine of our communities are new construction projects financed with tax credits with one additional community currently under construction. Fourteen of our communities were purchased as existing properties and rehabilitated. Each has greatly improved with renovations, green spaces and playgrounds, learning centers, landscaping, signage, lighting and green building features (solar panels and rain water harvesting). Five properties are single room occupancy permanent supportive housing, two properties are duplexes and the remaining 11 properties are multifamily properties.

**Material Participation**

Foundation Communities, Inc. will be the sole member and manager of the General Partner throughout the compliance period. Foundation Communities, Inc. will also manage the property and coordinate supportive services. As developer, Foundation Communities, Inc. will receive all of the developer fee with the exception of any amount deferred. As property manager, Foundation Communities, Inc. will receive all the management fee.

**Key Staff**

**Walter Moreau, Executive Director** - During his 20-year career he has secured subsidy financing of more than $100 million to create more than 2,400 units of service-enriched, nonprofit-owned affordable housing. Moreau was recognized as a 2007 James A. Johnson Community Fellow by the Fannie Mae Foundation. He was also awarded the 2005 Social Entrepreneur of the Year Award and the 2004 Texas Houser Award. He holds a Master’s degree from UT’s LBJ School of Public Affairs. He has been with Foundation Communities for over 20 years.

**Vicki McDonald, Asset Manager**, oversees the financial and physical assets of the organization’s portfolio. McDonald has 30 years of experience in owning and managing multifamily, office and retail developments. For 25 years, she owned and operated Vista Properties, a real estate firm specializing in the management, leasing
and brokerage of income producing assets. Vicki is the link between the development team and property management as well as filling in on project management as the pipeline demands.

**Ann Clift, Chief Financial Officer**, is a CPA and oversees the administrative arm of our work. During the last ten years her accounting expertise has been essential in keeping track of the complex layering of housing and program funds that make our work possible. She is largely responsible for there being no material issues in the organization’s audit or compliance.

**Sabrina Butler, Director of Housing Finance**, pursues new development opportunities and identifies and packages subsidy and conventional financing for multi-family housing. Packaging includes running project pro formas, applying for the funding, bidding out equity/mortgages, coordinating closings, and ensuring compliance with construction-related funding provisions. Sabrina also coordinates due diligence reports such as the Phase I ESA, appraisal, market studies, property condition reports, and surveys. Sabrina joined Foundation Communities in 2017 with nearly 15 years of experience in the nonprofit affordable housing and community development finance.

**Tillie Croxdale, Real Estate Project Manager**, underwrites all new development proposals and manages initial site analysis and due diligence. Tillie also assists the Director of Housing Finance with all phases of each capital funding stack including preparation of funding applications (including LIHTC applications), solicitation of mortgage and equity financing and coordination of financing closings. Tillie has extensive experience in property management, asset management, and affordable housing finance.

**Megan Matthews, Development Project Manager**, and licensed Architect, oversees the programming, design, and construction management of all development projects. She focuses on green building and sustainability issues (such as energy and water conservation) while seeking out the best design solutions for the end users. Before joining the Foundation Communities team, Megan worked for the architectural firm responsible for the design of M Station, Homestead Oaks, Lakeline Station, Cardinal Point, and The Jordan at Mueller and was on the design team for four of those communities. Megan coordinates the RFQ and bid processes for the architect, engineers, and general contractor and is the direct link between the third-party design and construction professionals and FC’s Development team. FC has been privileged to work with a number of quality general contractors and invites those firms to bid on all projects developed by Foundation Communities (in addition to other firms who might be interested).

**Julian Huerta, Deputy Director**, develops and directs educational and asset building programs that assist families residing in affordable housing communities. Since Huerta joined the organization, on-site learning centers have expanded from three to eleven on-site Learning Centers, with two more under construction, that serve 2,000 children and adults each year with educational programming.
<table>
<thead>
<tr>
<th>Name of Property</th>
<th>Location</th>
<th>Units</th>
<th>Ownership/Management</th>
<th>New or Rehab</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arbor Terrace</td>
<td>2501 S. IH 35, Austin</td>
<td>120</td>
<td>Own and Manage Supportive Housing</td>
<td>Rehab</td>
</tr>
<tr>
<td>Buckingham Place</td>
<td>743 Yarsa Blvd, Austin</td>
<td>166</td>
<td>Own and Manage</td>
<td>Rehab</td>
</tr>
<tr>
<td>Bluebonnet Studios</td>
<td>2301 South Lamar Blvd., Austin</td>
<td>107</td>
<td>Own and Manage Supportive Housing 2014 9% HTC</td>
<td>New Construction</td>
</tr>
<tr>
<td>Capital Studios</td>
<td>309 E. 11th St, Austin</td>
<td>135</td>
<td>Own and Manage Supportive Housing 2012 9% HTC</td>
<td>New Construction</td>
</tr>
<tr>
<td>Cardinal Point</td>
<td>11015 % 11017 Four Points Drive</td>
<td>120</td>
<td>Own and Manage 2015 9% HTC</td>
<td>Under Construction</td>
</tr>
<tr>
<td>Cherry Creek</td>
<td>5510 Fernview, Austin</td>
<td>122</td>
<td>Own and Manage</td>
<td>Rehab</td>
</tr>
<tr>
<td>Crossroads Apartments</td>
<td>8801 McCann, Austin</td>
<td>92</td>
<td>Own and Manage</td>
<td>Rehab</td>
</tr>
<tr>
<td>Daffodil Apartments</td>
<td>6009 Daffodil Drive, Austin</td>
<td>40</td>
<td>Own and Manage</td>
<td>Rehab</td>
</tr>
<tr>
<td>Garden Terrace</td>
<td>1015 W. William Cannon, Austin</td>
<td>103</td>
<td>Own and Manage Supportive Housing</td>
<td>Rehab</td>
</tr>
<tr>
<td>Homestead Oaks</td>
<td>3226 W. Slaughter Ln., Austin</td>
<td>140</td>
<td>Own and Manage 2013 9% HTC</td>
<td>New Construction</td>
</tr>
<tr>
<td>Lakeline Station</td>
<td>13635 Rutledge Spur, Austin</td>
<td>128</td>
<td>Own and Manage 2014 9% HTC</td>
<td>New Construction</td>
</tr>
<tr>
<td>Live Oak Trails</td>
<td>8500 Highway 71, Austin</td>
<td>58</td>
<td>Own and Manage Supportive Housing 2014 9% HTC</td>
<td>New Construction</td>
</tr>
<tr>
<td>M Station</td>
<td>2906 E. MLK, Austin</td>
<td>150</td>
<td>Own and Manage 2009 9% HTC</td>
<td>New Construction</td>
</tr>
<tr>
<td>Peters Colony</td>
<td>1810 Peters Colony Road, Carrolton</td>
<td>160</td>
<td>Own</td>
<td>Rehab</td>
</tr>
<tr>
<td>Shadow Brook</td>
<td>2020 S. Cooper, Arlington</td>
<td>403</td>
<td>Own</td>
<td>Rehab</td>
</tr>
<tr>
<td>Sierra Ridge</td>
<td>201 W. St. Elmo, Austin</td>
<td>149</td>
<td>Own and Manage</td>
<td>Rehab</td>
</tr>
<tr>
<td>Sierra Vista</td>
<td>4320 S. Congress Ave., Austin</td>
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<td>Own and Manage 2010 9% HTC</td>
<td>Rehab</td>
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<tr>
<td>Sleepy Hollow</td>
<td>3903 Ichabod Circle, Arlington</td>
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<td>Own</td>
<td>Rehab</td>
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<tr>
<td>Southwest Trails</td>
<td>8405 Old Bee Caves Road, Austin</td>
<td>160</td>
<td>Own and Manage 4% HTC</td>
<td>New Construction</td>
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<tr>
<td>Spring Terrace</td>
<td>7101 N. I-35, Austin</td>
<td>142</td>
<td>Own and Manage Supportive Housing</td>
<td>Rehab</td>
</tr>
<tr>
<td>Skyline Terrace</td>
<td>1212 W. Ben White Blvd, Austin</td>
<td>160</td>
<td>Own and Manage Supportive Housing 2006 9% HTC</td>
<td>Rehab</td>
</tr>
<tr>
<td>Trails at the Park</td>
<td>815 Slaughter Lane, Austin</td>
<td>200</td>
<td>Own and Manage 1999 9% HTC</td>
<td>Rehab</td>
</tr>
<tr>
<td>Trails at Vintage Creek</td>
<td>7224 Northeast Drive, Austin</td>
<td>200</td>
<td>Own and Manage</td>
<td>Rehab</td>
</tr>
</tbody>
</table>
FOUNDATION COMMUNITIES
RESUME
FOUNDATION COMMUNITIES
At Foundation Communities, we create housing where individuals and families succeed. By combining affordable housing and social services, we empower low-income residents by teaching them the tools and providing the support they need to stabilize and improve their economic standing. Free, on-site programs within our communities eliminate barriers like cost and transportation. **We work in four focus areas:**

1. **OPENING DOORS TO HOMES**
   We own and manage more than 3,200 apartments across 22 properties—19 in Austin and three in the Dallas/Fort Worth area—providing quality homes for both families and individuals. We are committed to having the greenest properties possible, from construction to remodeling to educating residents.

2. **HEALTHY COMMUNITIES**
   All FC residents have access to health amenities, resources, and food pantries. We have 707 supportive housing apartments where single adults who have been homeless, are on fixed incomes, or who have chronic health problems and disabilities can reach their maximum level of self-sufficiency. To support families coming out of homelessness, we created the Children's HOME Initiative. These 135 apartments, integrated throughout our affordable housing communities, provide reduced rents and case management support to help vulnerable families move from crisis and instability to long-term self-sufficiency.

3. **LEARNING IN A COMMUNITY**
   This year, our on-site Learning Centers will give 1,000 children of working parents considerable academic support and a safe place to go when school is out. 85% of these students maintain or improve their grades. Adult education is a priority as well. At these same Learning Centers, adult classes offered include computer skills, English as a Second Language, and financial literacy.

4. **SAVING FOR THE FUTURE**
   We provide free tax preparation in Austin for more than 20,000 low-income workers and retirees each year, with the help of 700 IRS-certified volunteers. Refunds amount to more than $32 million per year, and can equal 25 percent of a family's annual income. More than 600 families annually become smart consumers through financial education and one-on-one financial coaching; at least 50% of them reduce their debt. Matched savings plans assist families in saving to purchase a home, attend college, or start a business. The Cash for College programs assist over 1,000 students annually with federal student aid forms and potential scholarships; most of these students are the first in their families to attend college.
BUILDING/PROPERTIES:

Foundation Communities builds and manages award-winning affordable housing in Austin. FC now has 22 properties and has developed seven new affordable housing communities in the past five years, with another to open in 2017.

**Under construction, opening in 2017:**

**CARDINAL POINT:** 120 units of family housing at 11011½ Four Points Drive, new learning center.

**BLUEBONNET STUDIOS:**
107 units of service-enriched permanent supportive housing at 2301 South Lamar Blvd, opening December 2016

**LAKELINE STATION:**
128 units of family housing at 13665 Rutledge Spur, new learning center, opening December 2016

**LIVE OAK TRAILS:**
68 units of family housing at 8500 Highway 71; children will use the learning center at Southwest Trails, FC’s property right next door, opening December 2016.
HOMESTEAD OAKS:
140 units of family housing at 3226 W. Slaughter Lane, new learning center. Opened 2015; full occupancy 2016.

CAPITAL STUDIOS:
135 units of permanent supportive housing at 309 East 11th St; new construction, opened 2014. The first affordable housing to be built in downtown Austin in more than 40 years. Austin Business Journal's Commercial Real Estate Award for Multi-Family Development (rental).

ARBOR TERRACE:
120 units of permanent supportive housing; opened 2012. Rehab of former extended-stay hotel. ABJ Commercial Real Estate Award/Multi-Family Development (rental).

M STATION:
150 units of family housing; opened 2011. New construction, LEED Platinum certification, Enterprise Green Communities certification, and Austin Energy Green Building 5-Star rated community. Numerous awards, including Austin Green Award; Reader’s Choice Award/Affordable Housing Finance Magazine; Affordable Property of the Year/Austin Apartment Association; Social Impact Award/ABJ Commercial Real Estate Awards.
Foundation Communities has 11 on-site Learning Centers, with two more under construction, that serve 1000 children each year with educational programming. Offerings range from pre-literacy for 3-and 4-year-olds to teen programs. 800 elementary school kids who live in our housing and the surrounding communities attend our year-round afterschool and summer program, where we work with local elementary schools to identify students’ needs. This academically-focused program (3 hours each school day; 5.6 hours in the summer) includes reading, homework help, physical activity, and enrichment.

We also serve adults and entire families in our education programs. Free Minds is a yearlong cooperative program with UT and ACC, designed for adults who have never attended college or are returning after a long absence; they receive six college humanities credits upon completion. Other adult classes include computer skills, English as a Second Language, exercise classes, and healthy cooking.
Foundation Communities’ Financial Stability programs help more than 25,000 people each year across our community.

- The Community Tax Centers prepare more than 20,000 tax returns each year in Central Texas, totaling more than $32 million in refunds.
- Incentivized savings allow families to save for emergencies, higher education, home purchase, or starting a business.
- Financial education and financial coaching give individuals and families the resources they need for economic stability and success, including credit repair and budgeting.
- Cash for College helps students with FAFSA forms and figuring out how to apply for college and for scholarships. We work with the Mexican Consulate to administer scholarships to immigrant families.
Health Initiatives are fundamental to family success and bring healthy living education, activities, and resources to our residents and the community.

- We connect residents to local health resources, in addition to on-site programming: free health fairs, exercise classes (Zumba to yoga), healthy food pantries, gardens, support groups for substance abuse and recovery, and bilingual nutrition and cooking classes.

- Insure Central Texas has enrolled more than 15,000 people in marketplace insurance enrollment under the Affordable Care Act. Community Health Workers and Navigators help patients with complicated medical conditions (cancer, AIDS) find plans that work with their medical providers.

- Green Initiatives are engaged from construction through instruction: whole families benefit from healthier products and cost savings. As lifetime owners of our properties, we create the greenest homes possible, using solar panels and other features to save money in the long run.
We have an active board made up of residents and community leaders. Staff members are drawn from a wide variety of cultures and skills. The common thread: commitment to Foundation Communities’ mission and to serving the community.

Community volunteers tutor students, serve as scholarship mentors, prepare taxes, work as financial coaches, and prepare “Welcome Home” baskets and supper club meals for Foundation Communities’ residents.

Financing is fully diversified and, as much as possible, sustainable. 80% of our $35 million budget comes from apartment rentals. The rest is grants and individual donations. We receive grants from governmental sources (federal, state, county, city), foundations, and corporations. Individual donors include “Homebuilders,” who make multi-year pledges.
### Learning Centers:
- Creative Action
- Oak Hill Rotary Club
- City Square
- Any Baby Can
- Literacy Coalition of Central Texas
- Breakthrough Austin
- College Forward
- Boy Scouts & Girl Scouts of Central Texas
- Inner City Outings
- Texas Civil Rights Project

### CHI Partners:
- Assistance League of Austin
- Capital Area Counseling
- Capital Area Food Bank
- Goodwill Industries of Central Texas
- Travis County Child Protective Services
- Housing Authority of the City of Austin
- The University of Texas School of Social Work
- Ending Community Homeless Coalition
- City of Austin Health and Human Services Department
- St. David’s Foundation
- Religious Coalition to End Homelessness

### Financial Programs:
- LifeWorks
- Round Rock Public Library
- Workforce Commission
- Housing Authority of Austin
- United Way
- Financial Literacy Coalition of Central Texas
- IRS
- UT McCombs School of Business

### Health Initiatives:
- WeViva
- Keep Austin Fed
- Sustainable Food Center
- Planned Parenthood
- University of Texas School of Public Health
- Texas A&M Agrilife Extension
- Capital Area Food Bank
- Phoenix House
- LiveStrong
- Kids Vision for Life
- Lifeworks
- National Alliance on Mental Illness
- Seton Healthcare
- Mobile Mammography
- Gilbert’s Gazelles

### Permanent Supportive Housing:
- Passages
- Easter Seals
- Casey Foundation
- Austin Energy
- Lone Star Circle of Care
- Caritas of Austin
- Salvation Army
- Austin Recovery
- Communities for Recovery
- Austin Clubhouse
- Family Eldercare
- The University of Texas at Austin School of Nursing
- Integral Care (formerly Austin/Travis Co. MH/IMR)
- YMCA of Austin
- Austin Area Mental Health Consumers
- Self Help and Advocacy Center
- Downtown Austin Community Court
- Project Transitions
- Veterans Affairs
- Supportive Housing program
FOUNDATION COMMUNITIES STAFF RESUMES - Walter Moreau

Walter Moreau
walter.moreau@foundcom.org | 512-610-4016

AREAS OF EXPERTISE

Nonprofit leadership, asset building, asset management, strategic planning, green construction, program design

EXPERIENCE

Executive Director
Foundation Communities
Austin, TX
1997-Present

• Leads the development and growth of Foundation Communities in pursuit of our mission to create housing where families succeed.
• Ensures that FC is a financially self-reliant organization with low debt. 80% of our operating budget is covered by rental income and the balance is raised from a diverse base of institutional investors and individual donors. Oversees annual fundraising of over $6 million.
• Provides leadership of our growing portfolio of 3,000 units with a market value of over $200 million. We have a staff of more than 350, an annual operating budget of over $30 million, and current real estate development projects of over $100 million.
• Led the creation and funding of 15 new affordable housing communities, overcoming numerous “not in my backyard” opposition efforts.
• Developed our supportive housing model for extremely low income and homeless single adults. We provide a home and wraparound services for 600 SRO residents.
• Maintains green building as a top priority—FC is the largest private producer of solar power in the region.
• Launched our first learning center in 2004, which today has grown to ten centers and over 700 students in free afterschool academic programs. Learning centers have become the heart of each community and offer pre-k, elementary, teen and adult programming.
• Created an array of health programs for residents and surrounding neighborhoods, ranging from Zumba to psychiatric nurse teams and everything in between.
• Created our “Community Financial Centers,” which offer free tax prep (over 30,000 returns and $45 million in refunds), IDA savings accounts, college financial aid, financial coaching, and health insurance enrollment (over 11,000 clients enrolled in the last two years).

Private Consultant
Austin, TX
1992-1994

• Worked with fifteen nonprofit and public affordable housing clients on a variety of projects. Raised over $9.5 million in subsidy funds for the development of 446 units in both urban and rural settings.
• Facilitated the sale and financing of four communities (871 units / $9.2 million in value) from the Resolution Trust Corporation to non-profit owners.
• Designed a Neighborhood Energy Conservation Program for Dallas Habitat for Humanity.
• Wrote three technical reports for the U.S. Department of Health and Human Services on financial management issues for grantees of the Ryan White Care Act.
Megan Emma Matthews

Work Experience

Foundation Communities | Austin, Texas
Development Project Manager
June 2017 - current

- Determines the feasibility of land for new developments through zoning and entitlement research, site planning, and code compliance.
- Facilitates the design and construction of sustainable and beautiful affordable housing by acting as the pivot point between architects, contractors, consultants, City officials, and granting agencies to ensure compliance with all project requirements, timelines, and budgets.
- Ensures new construction projects comply with high level ratings from Leadership in Energy and Environmental Design (LEED), Austin Energy Green Building (AEGB) program, and Enterprise Green Communities (EGC).

hatch|ulland owen architects | Austin, Texas
Architect + Project Manager
June 2011 - June 2017

- Initially hired as an Intern and quickly promoted to Project Manager by demonstrating my ability to handle multiple projects at a time. Later promoted to Architect through the national licensure process.
- Collaborated with teammates on a wide variety of project types ranging from small single-family residential to large commercial projects.
- Managed the design and construction administration for over 700 multi-family housing units in the Austin area with a focus on affordable housing.
- Involved with several AEGB certified projects, as well as projects pursuing LEED and Living Building Challenge certification.

Foundation Communities | Austin, Texas
Capital Audit Intern
May 2010 - around September 2012

- Created a database for each Foundation Communities property to help others assess the replacement value of aging building components in order to better inform future budgets.
- Populated the aforementioned database through site visits and meetings with each property manager and maintenance staff member to gather quantitative and qualitative information about each building component.

Skills
- Conceptual Site and Building Design
- Project Management
- Green Building Design
- Client/Staff Relations
- Code Compliance (Building, Energy, and Accessibility)
- Cost Summaries/Schedules
- Materials Research
- Construction Administration and Observation

Education & License
- 2007 - 2012
  The University of Texas at Austin
  - Bachelor of Architecture
  - Business Foundations Program Certificate
- 2014
  Texas Architect #24488

Technology
- AutoCAD Architecture 2017
- Adobe Photoshop
- Adobe InDesign
- SketchUp
- Microsoft Office Suite
Vicki Beal McDonald
ann.clift@foundcom.org | 512-610-4032

**AREA OF EXPERTISE**
Asset management, supervision of property construction and remodeling

**EXPERIENCE**

**Director of Asset Management**
Foundation Communities
Austin, TX

- Oversees FC’s real estate portfolio, valued at over $100 million.
- Key member of FC’s development team, assisting in renovation of existing properties and acquisition and construction of new properties.

  **Activities in this role:**
  - Provided oversight on renovation of Spring Terrace, Skyline Terrace, Sierra Vista and Arbor Terrace—a total of 482 units.
  - Provided oversight on construction of M Station, Capital Studios, Homestead, Bluebonnet Studios, Lakeline Station and Live Oak Trails—a total of 718 units.
  - Currently working with development team on expansion of Cardinal Point Apartments and Garden Terrace.

**Owner**
Vista Properties
Austin, TX

- Owned and operated Vista properties, a real estate firm that specialized in the management, leasing and brokerage of income-producing assets including multifamily, office and retail portfolios.
- Performed property and asset management services for a variety of institutional and individual real estate owners across six-state service area.
- Brokered over fifty million dollars’ worth of commercial real estate.

**ACCReditations**
- Licensed Texas Real Estate Broker
- Member, Certified Commercial Investment Institute
- Member, Texas Apartment Association
WORK EXPERIENCE

Foundation Communities (Austin, TX)

Director of Housing Finance 2017 – Present

Oversee the financing of Foundation Communities’ current and future affordable residential communities. Play a lead role with other senior and development staff from initial feasibility analysis to ongoing coordination of each phase of development, including:

- Evaluate potential sites to determine feasibility for use as affordable housing and negotiate purchase agreements. Establish financing plans for new developments and monitor project finances throughout the development process, including oversight of monthly draws.
- Apply for and report on pre-development, construction, and permanent financing from conventional and public funding sources. Solicit proposals for and secure equity investments and private debt placement. Oversee loan closings and coordination of initial reporting.
- Monitor and evaluate impact of changing state and federal regulations on existing and pipeline projects, review applicability of potential new funding sources, engage with local and national peer networks.
- Apply for and, with Asset Management, ensure ongoing compliance with property tax exemption.

BRIDGE Housing (San Francisco, CA)

Director of Portfolio 2014 – 2017

Responsible for long-term strategic planning and short-term financing transactions for affordable housing portfolio of one of the largest and most well-known non-profit affordable housing developers on the West Coast. Responsible for coordination and implantation of organization’s energy/water conservation and renewable energy initiatives.

- Internal Leadership: Joined BRIDGE Housing when its Portfolio department was undergoing transformation. Worked closely with the Vice President of Portfolio to build a new team from the ground up, including development of the short- and long-term staffing structure and refinement of department goals. Ongoing role included advising on annual business strategy for team, collaboration on development of new procedures, supervision of small staff, leading energy/water and renewable energy efforts for existing portfolio of over 10,000 housing units.
- Industry Leadership: Frequent and ongoing collaboration with industry leaders on housing and sustainability related policies, including advising on new policy proposals and responding to proposed regulations; participation in peer networks to facilitate sharing of best practices to advance industry; regular presenter at housing conferences.
- Programmatic: Identified and implemented short- and long-term strategies for assigned portfolio of over 50 real estate assets, balancing sustainability of individual assets with corporate revenue targets; negotiated and executed on exit strategies for original project investors; evaluated energy and water retrofit and renewable energy opportunities and oversaw implementation/installation; coordinated data management and evaluation of energy conservation efforts against company targets.

Resources for Community Development (Berkeley, CA)

Director of Asset Management 2011 – 2014

Asset Manager 2009 – 2011

Oversaw the housing and commercial portfolio of a highly regarded regional affordable housing developer & operator. Ensured the long-term financial, physical, and operational sustainability of the properties while balancing RCD’s economic objectives, social mission, and sustainability goals.

- Internal Leadership: Developed & implemented annual business plan; met annual income targets for department; supervised small internal team as well as contracted property management company; reported on
portfolio performance to upper management and board of directors; worked collaboratively with other departments on a variety of projects to improve efficiency and communication within and between teams

♦ Industry Leadership: Frequent presenter at industry conferences; participated in advocacy groups and initiatives; coordinated working group of local asset managers for networking and information sharing; participated in respected industry training and certification program

♦ Financial: Evaluated new deal structure and feasibility, including projects with complex financing; prepared and reviewed of financial budgets and projections for 50+ individual real estate holding entities annually; monitored, reviewed, and analyzed financial performance of individual entities and full portfolio; anticipated future trends based on historical experience and external factors

**Low Income Investment Fund (San Francisco, CA)**

*Loan Officer* 2007 – 2009

*Credit Associate* 2006 – 2007

♦ Loan underwriting of affordable housing, charter school, child care, and other nonprofit borrowers: analysis of borrower financial strengths and weaknesses; organizational analysis; project feasibility; and evaluation of real estate or other collateral

♦ Client relationship management and customer service, including marketing and new client development

♦ Deal negotiation, from initial inquiry through loan approval and loan document execution

♦ Oversight of loan closing processes, construction and predevelopment loan disbursements, ongoing asset management of portfolio, and loan restructurings/work outs

**Self-Help Credit Union/Ventures Fund (Durham, NC)**

*Commercial Lending Consultant; Intern* 2005 – 2006

♦ Evaluation of energy efficiency financing opportunities in small businesses, charter schools, & homes

♦ Development of new loan monitoring system for commercial real estate and community facilities loans

♦ Assisted with borrowers’ financial analysis and debt service capacity

**First Step Fund/Americorps*VISTA (Kansas City, MO)**

*Community Resources Developer* 2003 – 2004

♦ Recruited and managed volunteer speakers and mentors for the microenterprise training program

♦ Coordinated outreach to potential clients, volunteers, and agency partners via public presentations, networking, and creation of new marketing materials

♦ Grantwriting, including successful proposal for organization’s first Spanish-language training

**Internships (Oakland, CA)** 2002 – 2003

♦ Variety of internships in transit advocacy, environmental justice, and homeless services

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**EDUCATION**

University of North Carolina at Chapel Hill: Master of Regional Planning *May 2006*

University of California at Berkeley: Bachelor of Arts with Honors in American Studies *Spring 2003*

---

**PROFESSIONAL CERTIFICATIONS**

NeighborWorks: *Certified Housing Asset Manager (CHAM)* *November 2015*

Duke University: *Nonprofit Management Certificate* *May 2006*
SKILLS
Soft Skills: Negotiating; presentations & public speaking; strategic planning; troubleshooting & problem solving; relationship building; collaboration; group coordination; policy development & implementation

Technical Skills: Advanced experience in Microsoft Office Suite (Excel, Word, PowerPoint, Outlook) and various data management systems; financial analysis and projections; data analysis; financial underwriting/risk analysis; writing; editing/proof reading

VOLUNTEER WORK
♦ California Housing Partnership Corporation GREEN Advisory Board Member
♦ Alameda County AIDS Housing Needs Assessment Work Group
♦ Elementary School PTAs/Committees: Communications; Equity Committee; Grant Writing
♦ Oakland Committee, East Bay Housing Organizations (EBHO)
♦ Oakland Indie Awards Judge
♦ Orange County (N.C.) Affordable Housing Advisory Board Member
♦ UNC Urban Planning Dept.: Diversity Committee; Alumni/Career Services Committee
Tillie Croxdale
tillie.croxdale@foundcom.org | 512-610-0829

AREAS OF EXPERTISE
Affordable housing finance and development, property management, asset management, energy management and capital planning

EXPERIENCE

Real Estate Project Manager
Foundation Communities
Austin, TX

- Assists with securing financing, preparing loan and grant applications, following public agency and lender compliance requirements and conducting feasibility analyses for new development opportunities.

Facilities Administrator
Holsten Management Corporation
Chicago, IL

- Assisted with capital planning.
- Maintained productive relationships with vendors.
- Responded to building violations issues.
- Monitored new construction and inspected units and common areas.
- Prepared properties for external agency inspections.

Property Manager
Heartland Alliance/Heartland Housing
Chicago, IL

- Managed a 137 unit tax credit development with a target population of individuals that were formerly homeless and struggled with mental illness, substance abuse and/or physical disabilities.
- Supervised a staff of eight and was responsible for collections, occupancy, operations, maintenance, tax credit compliance and resident relations.

ACCREDITATIONS
- Building Operator Certification from Midwest Energy Alliance
- Green Property Management Certification from Enterprise Community Partners
- Tax Credit Specialist from National Council for Housing Management

PROJECTS LIST
- Cardinal Point – 120 units, 1101 ½ Four Points Drive. Opening 2017.
Ann Elise Clift, CPA
ann.clift@foundcom.org | 512-610-4032

AREAS OF EXPERTISE
Real estate and nonprofit accounting and management

EXPERIENCE

Chief Financial Officer
Foundation Communities
Austin, TX
- Manages accounting and finance for construction and operations of FC properties.
- Produces monthly consolidated financial statements.
- Creates budgets for all FC programs and properties.
- Established FC’s Central Reserve funds in 1997 and Growth Fund in 2013
- 25 years of audits for FC with no findings.

Staff Accountant
Foundation Communities
Austin, TX
- Prepared monthly and annual financial reports and records.
- Prepared and analyzed budgets for each of FC’s new and existing properties and programs to ensure our growth was financially sound.

Independent CPA
Austin, TX
1994-2001
- Provided bookkeeping services to various small businesses.
- Clients encompassed a multitude of different industries including construction, homeowner associations, restaurants, media production services, retail establishments and nonprofit organizations.
- Compiled monthly combined financial reports for Foundation Communities.

ACCREDITATIONS
- Licensed Certified Public Accountant
- Member, Texas Society of Certified Public Accountants
February 5, 2014

Mr. Walter Moreau
c/o Jennifer Hicks
3036 S. 1st Street
Austin, Texas 78704

RE: REQUEST FOR EXPERIENCE CERTIFICATE UNDER 2014 UNIFORM MULTIFAMILY RULES

Dear Mr. Moreau:

We have reviewed your request for an experience certificate, which is provided to individuals that meet the requirements of §10.204(6) of the Uniform Multifamily Rules. In order to meet the experience requirements an individual must establish that they have experience in the development and placement in service of at least 150 residential units. We find that the documentation you have provided is sufficient to establish this required experience. Additionally, you have certified to compliance with the requirements of §10.204(6)(B), including the following requirements:

(ii) Experience may not be established for a Person who at any time within the preceding three years has been involved with affordable housing in another state, in which the Person or Affiliate has been the subject of issued IRS Form 8823 citing non-compliance that has not been or is not being corrected with reasonable due diligence. ...

(iv) Notwithstanding the foregoing, no person may be used to establish such required experience if that Person or an Affiliate of that Person would not be eligible to be an Applicant themselves.

Should you choose to participate as a member of the Development Team or an individual providing experience for any Application submitted for funding, a Previous Participation Review (10 TAC §1.5) may be conducted prior to any award of funds. Additionally, should it be determined at any point in time that the information provided in your request for experience is fraudulent, knowingly falsified, intentionally or negligibly materially misrepresented, or omits relevant information, this certificate of experience is null and void and you may be subject to other sanctions under the Texas Department of Housing and Community Affairs’ rules and requirements.
If you have any questions or concerns regarding this certificate or the experience requirements, please contact Jean Latsha at jean.latsha@tdhca.state.tx.us.

Sincerely,

[Signature]

Cameron F. Dorsey
Director of Multifamily Finance
2018 9% Housing Tax Credit Application

WATERS PARK STUDIOS
AUSTIN, TEXAS

TDHCA #18099

Tab 37 – Applicant and Developer Ownership Charts
Applicants should note that subsequent changes to the Development Ownership structure presented in this section will require the written consent of the Department.

Pursuant to §10.204(13)(A) of the Uniform Multifamily Rules, submit three separate charts. One showing the complete organizational structure of each of the following entities: Development Owner, Developer, and Guarantor.

The organization charts must include:

- The names and ownership percentages of all Persons having an ownership interest in the Development Owner, Developer, and/or Guarantor.
- Nonprofit entities, public housing authorities, publicly traded corporations, individual board members and executive directors must be included in Organization charts.
- Any and all trusts must list all beneficiaries that have the legal ability to control or direct activities of the trust and are not just financial beneficiaries.

In the case of:

(A) Partnerships - Principals include all general Partners and Special LPs (any LP that is not the Syndicator is a “Special LP”):

(B) Corporations - Principals include the executive director and all members of the board (shown with “0%” ownership as applicable). For to-be formed instrumentalities of PHAs, where the executive director and board remain to be determined, include the PHA, itself, and its members;

(L) Limited liability companies - Principals include all the managing members and all other members.

Org. Chart Example:

Information about Organizations that will own or control the Applicant or other related organizations will be provided in the list of Organizations with an Ownership Special Interest in the Applicant form.

Note that the percentage refers to the entity to which the Person is directly connected, not to the whole Development Owner.

If a revised chart is submitted, include date of submission!
WATERS PARK STUDIOS - AUSTIN, TEXAS

Developer Chart

Guarantor:
Foundation Communities, Inc.
100%

Executive Director:
Walter Moreau, 0%

Chair:
Michelle Wallis, 0%

Vice-Chair:
Adrianna Cuellar Rojas, 0%

Treasurer
David Tandy, 0%

Secretary:
Alicia Wong, 0%

Board Member:
Andrew Clements, 0%

Board Member:
Kellee Coleman, 0%

Board Member:
Charlee DiTullio, 0%

Board Member:
Dalton Duffie, 0%

Board Member:
David Hart, 0%

Board Member:
Selina Serna, 0%

Board Member:
Jewel Arrington, 0%

Board Member:
Yvette Boatwright, 0%

Board Member:
Perla Cavazos, 0%
WATERS PARK STUDIOS - AUSTIN, TEXAS

Guarantor Chart

Guarantor:
Foundation Communities, Inc. 100%

Executive Director:
Walter Moreau, 0%

Chair:
Michelle Wallis, 0%

Vice-Chair:
Adrianna Cuellar Rojas, 0%

Treasurer:
David Tandy, 0%

Secretary:
Alicia Wong, 0%

Board Member:
Jewel Arrington, 0%

Board Member:
Yvette Boatwright, 0%

Board Member:
Perla Cavazos, 0%

Board Member:
Andrew Clements, 0%

Board Member:
Kellee Coleman, 0%

Board Member:
Charlee DiTullio, 0%

Board Member:
Dalton Duffie, 0%

Board Member:
David Hart, 0%

Board Member:
Selina Serna, 0%
WATERS PARK STUDIOS - AUSTIN, TEXAS

List of Persons Who Exercise Control Over or Within the Owner, Developer and Guarantor

Owner – FC Waters Park Housing, LP

The following persons have control over FC Waters Park Housing, LP:

- Walter Moreau, Executive Director of Foundation Communities, Inc. (sole member and manager of the General Partner)
- Michelle Wallis, Chair of Board of Foundation Communities, Inc.
- Adrianna Cuellar Rojas Vice-Chair of Board of Foundation Communities, Inc.
- David Tandy, Treasurer of Board of Foundation Communities, Inc.
- Alicia Wong, Secretary of Board of Foundation Communities, Inc.
- Jewel Arrington, Board Member of Foundation Communities, Inc.
- Yvette Boatwright, Board Member of Foundation Communities, Inc.
- Andrew Clements, Board Member of Foundation Communities, Inc.
- Kellie Coleman, Board Member of Foundation Communities, Inc.
- Charles DiTullio, Board Member of Foundation Communities, Inc.
- Dalton Duffie, Board Member of Foundation Communities, Inc.
- David Hart, Board Member of Foundation Communities, Inc.
- Perla Cavazos, Board Member of Foundation Communities, Inc.
- Selina Serna, Board Member of Foundation Communities, Inc.

Developer – Foundation Communities, Inc.

The following persons have control over Foundation Communities, Inc.:

- Walter Moreau, Executive Director of Foundation Communities, Inc.
- Michelle Wallis, Chair of Board of Foundation Communities, Inc.
- Adrianna Cuellar Rojas Vice-Chair of Board of Foundation Communities, Inc.
- David Tandy, Treasurer of Board of Foundation Communities, Inc.
- Alicia Wong, Secretary of Board of Foundation Communities, Inc.
- Jewel Arrington, Board Member of Foundation Communities, Inc.
- Yvette Boatwright, Board Member of Foundation Communities, Inc.
- Andrew Clements, Board Member of Foundation Communities, Inc.
- Kellie Coleman, Board Member of Foundation Communities, Inc.
- Charles DiTullio, Board Member of Foundation Communities, Inc.
- Dalton Duffie, Board Member of Foundation Communities, Inc.
- David Hart, Board Member of Foundation Communities, Inc.
- Perla Cavazos, Board Member of Foundation Communities, Inc.
- Selina Serna, Board Member of Foundation Communities, Inc.

Guarantor – Foundation Communities, Inc.

The following persons have control over Foundation Communities, Inc.:

- Walter Moreau, Executive Director of Foundation Communities, Inc.
- Michelle Wallis, Chair of Board of Foundation Communities, Inc.
- Adrianna Cuellar Rojas Vice-Chair of Board of Foundation Communities, Inc.
- David Tandy, Treasurer of Board of Foundation Communities, Inc.
- Alicia Wong, Secretary of Board of Foundation Communities, Inc.
- Jewel Arrington, Board Member of Foundation Communities, Inc.
- Yvette Boatwright, Board Member of Foundation Communities, Inc.
- Andrew Clements, Board Member of Foundation Communities, Inc.
- Kellie Coleman, Board Member of Foundation Communities, Inc.
- Charles DiTullio, Board Member of Foundation Communities, Inc.
- Dalton Duffie, Board Member of Foundation Communities, Inc.
- David Hart, Board Member of Foundation Communities, Inc.
- Perla Cavazos, Board Member of Foundation Communities, Inc.
- Selina Serna, Board Member of Foundation Communities, Inc.
Tab 38 – List of Organizations and Principals
List of Organizations and Principals

Provide the requested information for all partnerships, corporations, limited liability companies, trusts, or any other public or private entity and their affiliates identified on the Owner and Developer Organization Charts. Organizations that own or control other organizations should also be identified until the only remaining sub-entity would be natural persons. Organizations that are Developers and/or Guarantors must also be listed on this form as must any organization (and natural person whose ownership interest in an applicable entity is direct instead of via membership in an organization) that will receive more than 10% of the developer fee. (Note: Entity Names, Principals, and ownership percentage should coincide with the Owner and Developer Organization Charts)

### Org. 1

**Organizational Legal Name:** FC North Studios Housing, LLC  
**Address:** 3036 S. 1st Street  
**City:** Austin  
**State:** TX  
**Zip:** 78704  
**Role/Title:** General Partner

**Name(s) of Entities the Organization Owns or Controls:**  
FC North Studios Housing, LLC will own 0.00% of FC Waters Park Housing, LP

**Organization legally formed?** No  
**Date formed:** n/a  
**Legal Org is or will be:** Limited Liability Company

**Previous TDHCA Experience?** No

**Phone:** (512) 610-4016  
**Email:** walter.moreau@foundcom.org

**Organization is identified on Org. Chart:** Yes

**Ability to exercise Control over the Development?** Yes

#### List of Sub-Entities or Principals:

1. Foundation Communities, Inc.  
   **TDHCA Experience:** Yes
2. Foundation Communities, Inc.  
   **TDHCA Experience:**
3. Foundation Communities, Inc.  
   **TDHCA Experience:**
4. Foundation Communities, Inc.  
   **TDHCA Experience:**
5. Foundation Communities, Inc.  
   **TDHCA Experience:**
6. Foundation Communities, Inc.  
   **TDHCA Experience:**

**Organization Legal Name:** Foundation Communities, Inc.  
**Role/Title:** Manager of GP, Guarantor

**Address:** 3036 S. 1st Street  
**City:** Austin  
**State:** TX  
**Zip:** 78704

**Name(s) of Entities the Organization Owns or Controls:**  
Foundation Communities, Inc. will own 100% of the GP and is the manager of the GP. Foundation Communities, Inc. is the 100% developer and guarantor of Waters Park Studios.

**Organization legally formed?** Yes  
**Date formed:** 3/5/1990  
**Legal Org is or will be:** Non-Profit

**Previous TDHCA Experience?** Yes

**Phone:** (512) 610-4016  
**Email:** walter.moreau@foundcom.org

**Organization is identified on Org. Chart:** Yes

**Ability to exercise Control over the Development?** Yes

#### List of Sub-Entities or Principals:

1. Walter Moreau, Executive Director  
   **TDHCA Experience:** Yes
2. Michelle Wallis, Chair  
   **TDHCA Experience:** Yes
3. Adrianna Cuellar Rojas, Vice-Chair  
   **TDHCA Experience:** Yes
4. David Tandy, Treasurer  
   **TDHCA Experience:** Yes
5. Alicia Moberg, Secretary  
   **TDHCA Experience:** Yes
6. Joel Arristo, Board Member  
   **TDHCA Experience:** Yes
7. Yvette Boatwright, Board Member  
   **TDHCA Experience:**
8. Feria Cava, Board Member  
   **TDHCA Experience:**
9. Andrew Clements, Board Member  
   **TDHCA Experience:**
10. Kellee Coleman, Board Member  
    **TDHCA Experience:** Yes
11. Charles DiTullio, Board Member  
    **TDHCA Experience:** Yes
12. Dalton Duffie, Board Member  
    **TDHCA Experience:** Yes
13. David Hart, Board Member  
    **TDHCA Experience:**
14. Selina Serna, Board Member  
    **TDHCA Experience:**
15.  
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Tab 39 – Previous Participation Form
Previous Participation Form

Form must be completed separately for each entity (i.e. person, organization, etc.) that has or will have a controlling interest or oversight in the contract, award, agreement, or ownership transfer being considered. This form should also be completed for each board member, individual with signature authority, executive director, or elected official that represents the person/entity (as applicable).

Person/Role: FC Waters Park Housing, LP/Owner
Email Address: walter.moreau@foundcom.org
City & State of Home Addr: Austin, TX
Applicant Legal Name: FC Waters Park Housing, LP

1. List experience with all TDHCA rental development programs (including HIC, HIC Exchange, Direct Loan (HOME, I-CAp, RUS), and RUMU) that you have controlled at any time.

   By selecting this box I certify that I have no prior experience with any TDHCA administered affordable rental program.

<table>
<thead>
<tr>
<th>TDHCA ID#</th>
<th>Property Name</th>
<th>Property City</th>
<th>Program</th>
<th>Control began (mm/yy)</th>
<th>Control End (mm/yy)</th>
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</table>

2. Identify all Community Affairs and Single Family department programs that you have participated in within the last three(3) years by placing an “X” next to the program name.

   By selecting this box I certify that I have no prior experience with any TDHCA Single Family or Community Affairs Programs.

<table>
<thead>
<tr>
<th>Community Affairs:</th>
<th>CEAP</th>
<th>DOE</th>
<th>HHSP</th>
<th>WAP</th>
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<tbody>
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<td>CSBG</td>
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<tr>
<th>HOME:</th>
<th>CFDC</th>
<th>HBA</th>
<th>PWD</th>
<th>TBRA</th>
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<tr>
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<tr>
<td>HRA</td>
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<tr>
<th>HTF/OCI:</th>
<th>AYBR</th>
<th>Bootstrap</th>
<th>CFDC</th>
<th>Self-Help</th>
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<tbody>
<tr>
<td>Other:</td>
<td></td>
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<td></td>
<td>NSP</td>
</tr>
</tbody>
</table>
**Previous Participation Form**

Form must be completed separately for each entity (i.e. person, organization, etc.) that has or will have a controlling interest or oversight in the contract, award, agreement, or ownership transfer being considered. This form should also be completed for each board member, individual with signature authority, executive director, or elected official that represents the person/entity (as applicable).

<table>
<thead>
<tr>
<th>Person/Role:</th>
<th>FC North Studios Housing, LLC/General Partner</th>
</tr>
</thead>
<tbody>
<tr>
<td>Email Address:</td>
<td><a href="mailto:walter.moreau@foundcom.org">walter.moreau@foundcom.org</a></td>
</tr>
<tr>
<td>City &amp; State of Home Addr:</td>
<td>Austin, TX</td>
</tr>
<tr>
<td>Applicant Legal Name:</td>
<td>FC Waters Park Housing, LP</td>
</tr>
</tbody>
</table>

1. List experience with all TDHCA rental development programs (including HH, HTF, Exchange, Direct Loan (HOME, I-CAP, KHU), and RENTU) that you have controlled at any time.

   ![Check box]

   By selecting this box I certify that I have no prior experience with any TDHCA administered affordable rental program.

<table>
<thead>
<tr>
<th>TDHCA ID#</th>
<th>Property Name</th>
<th>Property City</th>
<th>Program</th>
<th>Control began (mm/yy)</th>
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</table>

2. Identify all Community Affairs and Single Family department programs that you have participated in within the last three(3) years by placing an "X" next to the program name.

   ![Check box]

   By selecting this box I certify that I have no prior experience with any TDHCA Single Family or Community Affairs Programs.

<table>
<thead>
<tr>
<th>Community Affairs:</th>
<th>CEAP</th>
<th>DOE</th>
<th>HHSP</th>
<th>WAP</th>
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Form must be completed separately for each entity (i.e., person, organization, etc.) that has or will have a controlling interest or oversight in the contract, award, agreement, or ownership transfer being considered. This form should also be completed for each board member, individual with signature authority, executive director, or elected official that represents the person/entity (as applicable).

Person/Role: Foundation Communities, Inc./Manager of General Partner, Developer and Guarantor

Email Address: walter.morea@foundcom.org

City & State of Home Addr: Austin, TX

Applicant Legal Name: FC Waters Park Housing, LP

1. List experience with all TDHCA rental development programs (including 811, 813, Exchange, Direct Loan (HOME, LTAP, KHI), and BUNU) that you have controlled at any time.

   By selecting this box I certify that I have no prior experience with any TDHCA administered affordable rental program.

<table>
<thead>
<tr>
<th>TDHCA ID#</th>
<th>Property Name</th>
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<th>Program</th>
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<tr>
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<td>The Jordan at Mueller</td>
<td>Austin</td>
<td>HTC</td>
<td>Nov-17</td>
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<tr>
<td>17501</td>
<td>Live Oak Trails</td>
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<td>TCAP</td>
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<td>16500</td>
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<td>HTC</td>
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<td>HTC</td>
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<tr>
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<td>Homestead Oaks</td>
<td>Austin</td>
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<td>HTC</td>
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<tr>
<td>10152</td>
<td>Sierra Vista</td>
<td>Austin</td>
<td>HTC</td>
<td>Oct-10</td>
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<tr>
<td>09130</td>
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2. Identify all Community Affairs and Single family department programs that you have participated in within the last three(3) years by placing an "X" next to the program name.

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<th>Walter Moreau/Executive Director of Foundation Communities, Inc.</th>
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#### 1. List experience with all TDHCA rental development programs (including MTC, MTC Exchange, Direct Loan (HOME, HCAP, KHU), and BUNU) that you have controlled at any time.

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#### 2. Identify all Community Affairs and Single Family department programs that you have participated in within the last three (3) years by placing an "x" next to the program name.

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Person/Role: Michelle Wallis/Board Chair of Foundation Communities, Inc.

Email Address: michelle.wallis@austinisd.org

City & State of Home Addr: Austin, TX

Applicant Legal Name: FC Waters Park Housing, LP

1. List experience with all TDHCA rental development programs (including HTC, TCAP, Exchange, Direct Loan (HOME, ICAP, KMU), and RTH) that you have controlled at any time.

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Person/Role: Adrianna Cuellar Rojas/Board Vice-Chair of Foundation Communities, Inc.
Email Address: Adrianna.cuellar@uwtejas.org
City & State of Home Addr: Austin, TX
Applicant Legal Name: FC Waters Park Housing, LP

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**Person/Role:** David Tandy/Board Treasurer of Foundation Communities, Inc.  
**Email Address:** david.tandy101@gmail.com  
**City & State of Home Addr:** Georgetown, TX  
**Applicant Legal Name:** FC Waters Park Housing, LP

1. List experience with all TDHCA rental development programs (including HTC, HIC, Exchange, Direct Loan (HOME, I-LAP, KHU), and BUNU) that you have controlled at any time.

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2. Identify all Community Affairs and Single Family department programs that you have participated in within the last three (3) years by placing an “x” next to the program name.

- By selecting this box I certify that I have no prior experience with any TDHCA Single Family or Community Affairs Programs.

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Previous Participation Form

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Person/Role: Alicia Wong/Board Secretary of Foundation Communities, Inc.
Email Address: sawongmom@yahoo.com
City & State of Home Addr: Austin, TX
Applicant Legal Name: FC Waters Park Housing, LP

1. List experience with all TDHCA rental development programs (including HTC, HTC Exchange, Direct Loan [HOME, HCAP, KHU], and BUNU) that you have controlled at any time.

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Person/Role: Jewel Arrington/Board Member of Foundation Communities, Inc.

Email Address: jewel@austin.rr.com

City & State of Home Addr: Austin, TX

Applicant Legal Name: FC Waters Park Housing, LP

1. List experience with all TDHCA rental development programs (including HIC, HTC, Exchange, Direct Loan (HOME, I-1CAP, KHU), and BUNU) that you have controlled at any time.

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Other:

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Person/Role: Yvette Boatwright/Board Member of Foundation Communities, Inc.
Email Address: boatwrights@realtyaustin.com
City & State of Home Addr: Austin, TX
Applicant Legal Name: FC Waters Park Housing, LP

1. List experience with all TDHCA rental development programs (including HTL, HTL Exchange, Direct Loan (HOME, I-CAP, KHJ), and BUNU) that you have controlled at any time.

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2. Identify all Community Affairs and Single Family department programs that you have participated in within the last three (3) years by placing an “x” next to the program name.

   [ ] By selecting this box I certify that I have no prior experience with any TDHCA Single Family or Community Affairs Programs.

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<th>Community Affairs:</th>
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Form must be completed separately for each entity (i.e. person, organization, etc.) that has or will have a controlling interest or oversight in the contract, award, agreement, or ownership transfer being considered. This form should also be completed for each board member, individual with signature authority, executive director, or elected official that represents the person/entity (as applicable).

Person/Role: Perla Cavazos/Board Member of Foundation Communities, Inc.
Email Address: perlax@gmail.com
City & State of Home Addr: Austin, TX
Applicant Legal Name: FC Waters Park Housing, LP

1. List experience with all TDHCA rental development programs (including HCL, HTC Exchange, Direct Loan (HOME, ICAP, KHU), and BONU) that you have controlled at any time.

- By selecting this box I certify that I have no prior experience with any TDHCA administered affordable rental program.

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2. Identify all Community Affairs and Single Family department programs that you have participated in within the last three(3) years by placing an "x" next to the program name.

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Person/Role: Andrew Clements/Board Member of Foundation Communities, Inc.

Email Address: andrewnclements@gmail.com

City & State of Home Addr: Austin, TX

Applicant Legal Name: FC Waters Park Housing, LP

1. List experience with all TDHCA rental development programs (including MIC, HTC, Exchange, Direct Loan (HOME, TCAP, KHU), and BKHU) that you have controlled at any time.

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| Person/Role: | Kellee Coleman/Board Member of Foundation Communities, Inc. |
| Email Address: | kelleecol@gmail.com |
| City & State of Home Addr: | Austin, TX |
| Applicant Legal Name: | FC Waters Park Housing, LP |

1. List experience with all TDHCA rental development programs (including HIC, HTC, HCBC, DIRECT LOAN (HOME, I-CAP, KHU), and BUNU) that you have controlled at any time.

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Person/Role: Charles DiTullio/Board Member of Foundation Communities, Inc.
Email Address: caitullio@hotmail.com
City & State of Home Addr: Austin, TX
Applicant Legal Name: FC Waters Park Housing, LP

1. List experience with all TDHCA rental development programs (including TLC, HTC, Exchange, Direct Loan (HOME, HCAP, KHU), and BUNU) that you have controlled at any time.

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Person/Role: Dalton Duffie/Board Member of Foundation Communities, Inc.

Email Address: duffiellymail.com

City & State of Home Addr: Austin, TX

Applicant Legal Name: FC Waters Park Housing, LP

1. List experience with all TDHCA rental development programs (including HIC, HTC, EXCHANGE, DIRECT LOAN (HOME, HCAP, KHU), and BHNJ) that you have controlled at any time.

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Person/Role: David Hart/Board Member of Foundation Communities, Inc.
Email Address: transplantedintexas@gmail.com
City & State of Home Addr: Austin, TX
Applicant Legal Name: FC Waters Park Housing, LP

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Person/Role: Selina Serna/Board Member of Foundation Communities, Inc.
Email Address: sas.texas@gmail.com
City & State of Home Addr: Austin, TX
Applicant Legal Name: FC Waters Park Housing, LP

1. List experience with all TDHCA rental development programs (including HIC, HTC Exchange, Direct Loan (HOME, I-CAP, KHU), and BUNU) that you have controlled at any time.

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2. Identify all Community Affairs and Single Family department programs that you have participated in within the last three (3) years by placing an “x” next to the program name.

   By selecting this box I certify that I have no prior experience with any TDHCA Single Family or Community Affairs Programs.

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Tab 40 – Nonprofit Participation
Nonprofit Participation

Qualification: Must meet the definition of a Qualified Nonprofit Development pursuant to §10.3(a)(102) of the Uniform Multifamily Rules, §42(h)(5) of the code, and the requirements of §11.5(1) of the Qualified Allocation Plan.

Documentation: Eligibility will be confirmed based upon completion of the Nonprofit Participation and Additional Nonprofit Documentation requirements in this section.

☑ By selecting this box the Applicant affirms the election to be included in the Nonprofit Set-Aside and certifies that they expect to receive a benefit in the allocation of tax credits as a result of being affiliated with a nonprofit.

☐ By selecting this box the Applicant affirms the election to be excluded from the Nonprofit Set-Aside and certifies that they do not expect to receive a benefit in the allocation of tax credits as a result of being affiliated with a nonprofit.

Nonprofit Information (ALL Applications)

Only nonprofit organizations will complete this section. All nonprofit Applicants or Principals must complete this form without regard to their level of ownership or the set-aside under which the Application was made.

Organization Name: Foundation Communities, Inc.

Is the Organization a 501(c)(3) or (4) as of the beginning of the Application Acceptance Period? Yes

If no to the question above, what is its current legal status? n/a

If "Other" please specify: n/a

Date of legal formation of Nonprofit Organization: 3/5/1960

1) Is Applicant comprised of a joint venture between a Nonprofit and for-profit entity? No

If "Yes", will this nonprofit organization Control the Applicant? 

What is the ownership percentage of this nonprofit organization?

2) Describe the nonprofit's participation: Manager of GP, Developer and Guarantor

3) Describe the nonprofit’s participation in the operation of the Development throughout the Compliance and/or extended use period:

Foundation Communities, Inc. will continue to be the Manager and Sole Member of the GP throughout the compliance period. Foundation Communities, Inc. will also manage the property and coordinate supportive services.

4) Will the nonprofit receive part of the development fees paid in connection with the development? Yes

If "Yes," explain: As Developer, Foundation Communities, Inc. will receive 100% of the developer fee not deferred.
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<th>Title</th>
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<th>State</th>
<th>Zip</th>
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<td>Walter Moreau</td>
<td>Executive Director</td>
<td>1400 Spring Garden Road</td>
<td>Austin</td>
<td>TX</td>
<td>78746</td>
<td>(512) 773-8257</td>
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<td><a href="mailto:walter.moreau@foundcom.org">walter.moreau@foundcom.org</a></td>
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<tr>
<td>Michelle Wallis</td>
<td>Chair</td>
<td>1132 Salina Street</td>
<td>Austin</td>
<td>TX</td>
<td>78702</td>
<td>(512) 414-4850</td>
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<td><a href="mailto:michelle.wallis@austinisd.org">michelle.wallis@austinisd.org</a></td>
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<tr>
<td>Adrianna Cuellar Rojas</td>
<td>Vice-Chair</td>
<td>2506 Vassal</td>
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<td>David Tandy</td>
<td>Treasurer</td>
<td>101 Mariposa Bonita Cove</td>
<td>Georgetown</td>
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<td>Alicia Wong</td>
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<td>135 W Elmoo Apt. A-108</td>
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<td>78745</td>
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Applications involving a Qualified Nonprofit Organization pursuant to Texas Government Code, §2306.6706 that have a 501(c)(3) or 501(c)(4) designation at the time of Application and competitive 9% HTC Applications electing to compete under the Nonprofit Set-aside must provide the following documentation behind this tab:

- IRS determination letter
- Third Party legal opinion (not applicable to Tax Exempt Bond Developments)
- The Nonprofit's most recent financial statement as prepared by a Certified Public Accountant (not applicable to Tax-Exempt Bond Developments)
- Certification regarding Board member residence (not applicable to Tax-Exempt Bond Developments)
Dear Sir or Madam:

This is in response to your request of July 6, 2004, regarding your organization's tax-exempt status.

In May 1990 we issued a determination letter that recognized your organization as exempt from federal income tax. Our records indicate that your organization is currently exempt under section 501(c)(3) of the Internal Revenue Code.

Our records indicate that your organization is also classified as a public charity under section 509(a)(2) of the Internal Revenue Code.

Based on the information supplied, we recognized the subordinates named on the list your organization submitted as exempt from federal income tax under section 501(c)(3) of the Code.

Our records indicate that contributions to your organization are deductible under section 170 of the Code, and that you are qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Internal Revenue Code.

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

Sincerely,

Janna K. Skufca, Director, TE/GE
Customer Account Services
Date: JUN 06 1995

CENTRAL TEXAS MUTUAL HOUSING
ASSOCIATION
C/O CINDY CHRISTIANSEN
2512 S IH 35 STE 350
AUSTIN, TX 78704-5751

Dear Applicant:

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

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

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

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

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

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

Sincerely yours,

[Signature]

Bobby E. Scott
District Director
To: Texas Department of Housing and Community Affairs  
P.O. Box 13941  
221 East 11th Street  
Austin, TX 78711-3941  

Re: Waters Park Studios  
19297 Waters Park Road, Austin, TX 78750  
12190 N MoPac Expy., Austin, TX 78758  
FC Waters Park Housing, LP  

Ladies and Gentlemen:  

FC Waters Park Housing, LP, a limited partnership, is the Applicant. Foundation Communities, Inc., a nonprofit corporation, is or will be the managing member of the general partner of Applicant. We have been asked to render our legal opinion to meet the requirements of Tex. Gov’t Code, §2306.6706 and 10 TAC §10.204(14)(A)(iii). This opinion is issued to the Texas Department of Housing and Community Affairs (the “Department”) so that the Department, its governing board, and its staff may rely on it in making any determinations that the Applicant is eligible under Tex. Gov’t Code, §2306.6706(b) for a housing tax credit allocation from the nonprofit set-aside.  

In rendering our opinion, we have reviewed the Certificate of Formation and Bylaws of Foundation Communities, Inc., the managing member of the general partner of Applicant and the Letter of Determination dated May 1990 from the Internal Revenue Service regarding the managing member’s status as an organization exempt from taxes under the Internal Revenue Code. We have also examined the records of Foundation Communities, Inc. to determine whether or not there exists any identity of interest between Foundation Communities, Inc. and any for-profit sponsors of the above-referenced development, (the “Development”). We have reviewed such documents, instruments, and writings as we deemed necessary or advisable to
enable us to render this opinion. We have assumed and relied upon the genuineness of all certifications and have no reason to question them. The review of all such documents, individually and collectively, forms the basis for our opinion.

Based upon the foregoing, it is our opinion that:

(1) Foundation Communities, Inc. is not affiliated with or Controlled (within the meaning of 10 TAC §10.3(a)(29)) by a for-profit organization with respect to the Development.

(2) Foundation Communities, Inc. is a “Qualified Nonprofit Organization” within the meaning of §2306.6706 and §42(h)(5) of the Internal Revenue Code.

(3) Foundation Communities, Inc. is an organization described in paragraph (3) or (4) of §501(c), is exempt from taxation under §501(a) of the Internal Revenue Code, and is an organization that has its Internal Revenue Service documentation of designation as a Section 501(c)(3) or 501(c)(4) organization as of the beginning of the Application Acceptance Period. Foundation Communities, Inc. is the sole managing member of the general partner of Applicant.

(4) Foundation Communities, Inc. is an organization which specifically has the providing of low-income housing as one of its tax exempt purposes and the development and operation of the Development as low income housing is a legal purpose of the Applicant.

(5) FC Waters Park Housing, LP is eligible for a housing credit allocation from a set-aside reserved for the use of qualified nonprofit organizations. Foundation Communities, Inc., the nonprofit participant, is chartered as and has been operated solely as a non-profit entity, has no owners or shareholder, has an independent board of directors, is prohibited by its constituent documents from creating profit of any individual or entity except for its stated purposes, and commits its resources to its stated charitable work of providing affordable housing. Foundation Communities, Inc. is or will be the Sole Member and Manager of the General Partner of the FC Waters Park Housing, LP, and will have an ownership interest in FC Waters Park Housing, LP through the general partner throughout the compliance period, will materially participate in the project as defined in IRS Code Section 469(h) and otherwise meets the requirements of §2306.6706 and §2306.6729 of the Texas Government Code and §42(h)(5) of the Internal Revenue Code.

(6) FC Waters Park Housing, LP will have the managing general partner or an affiliate or subsidiary that is also a nonprofit entity or its nonprofit affiliate or subsidiary meeting the requirements of §2306.6706 and §2306.6729 of the Texas Government Code and §42(h)(5) of the Internal Revenue Code be the Developer or co-Developer.
(7) Foundation Communities, Inc. prohibits any member of its board of directors, other than a chief staff member, serving concurrently as a member of the board, from receiving material compensation for service on the Board.

(8) Foundation Communities, Inc. has the ability to do business as a nonprofit in Texas.

Sincerely,

[Signature]

A. Rick Hightower
FOUNDATION COMMUNITIES, INC.

Consolidated Financial Statements
as of and for the Years Ended
December 31, 2016 and 2015 with
Supplementary Information and
Independent Auditors’ Report
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</tr>
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INDEPENDENT AUDITORS’ REPORT

To the Board of Directors of
Foundation Communities, Inc.:

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Foundation Communities, Inc. (a nonprofit organization) and its affiliates, (collectively, “Foundation Communities”), which comprise the consolidated statements of financial position as of December 31, 2016 and 2015, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management’s Responsibility for the Financial Statements

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

Auditors’ Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.
Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Foundation Communities as of December 31, 2016 and 2015, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplemental schedule of Community Housing Development Organization property tax reinvestment public expenditure test is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. The accompanying schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the State of Texas Uniform Grant Management Standards, which includes the State of Texas Single Audit Circular, and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

The supplemental schedules of financial position by entity and activity by entity have not been subjected to the auditing procedures applied in the audit of the consolidated financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated May 15, 2017, on our consideration of Foundation Communities’ internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing on internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Foundation Communities’ internal control over financial reporting and compliance.

Change in Accounting Principle

As discussed in Note 2 to the consolidated financial statements, Foundation Communities changed its method of accounting for debt issuance costs in 2016 as required by the provisions of Financial Accounting Standards Board Accounting Standards Update No. 2015-03. Our opinion is not modified with respect to this matter.

Maxwell Locke & Ritter LLP

Austin, Texas

May 15, 2017
FOUNDATION COMMUNITIES, INC.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2016 AND 2015

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$ 16,505,021</td>
<td>$ 15,270,179</td>
</tr>
<tr>
<td>Accounts and notes receivable:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade</td>
<td>2,887,643</td>
<td>6,510,090</td>
</tr>
<tr>
<td>Grants and pledges</td>
<td>8,110,208</td>
<td>7,659,625</td>
</tr>
<tr>
<td>Interest</td>
<td>2,369,680</td>
<td>1,727,434</td>
</tr>
<tr>
<td>Notes receivable</td>
<td>52,845,550</td>
<td>43,992,009</td>
</tr>
<tr>
<td>Development fees</td>
<td>7,456,854</td>
<td>3,064,816</td>
</tr>
<tr>
<td></td>
<td>74,269,935</td>
<td>62,953,974</td>
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<tr>
<td>Escrow and security deposits</td>
<td>787,071</td>
<td>324,616</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>168,551</td>
<td>209,907</td>
</tr>
<tr>
<td>Investment in partnerships</td>
<td>1,366,440</td>
<td>1,366,849</td>
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<tr>
<td>Property and equipment, net</td>
<td>50,016,895</td>
<td>50,378,410</td>
</tr>
<tr>
<td>Intangible assets, net</td>
<td>6,168</td>
<td>13,333</td>
</tr>
<tr>
<td>Goodwill</td>
<td>5,902,524</td>
<td>5,902,524</td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL ASSETS</strong></td>
<td><strong>149,022,605</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td>136,419,792</td>
</tr>
<tr>
<td><strong>LIABILITIES AND NET ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Liabilities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable</td>
<td>4,734,288</td>
<td>8,156,299</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>434,390</td>
<td>203,676</td>
</tr>
<tr>
<td>Resident security deposits</td>
<td>664,520</td>
<td>621,102</td>
</tr>
<tr>
<td>Interest rate swap agreements</td>
<td>552,761</td>
<td>732,181</td>
</tr>
<tr>
<td>Notes payable, net of unamortized debt issuance costs of $630,232 and $699,968</td>
<td>32,579,852</td>
<td>30,344,976</td>
</tr>
<tr>
<td>Forgivable loans payable, net of unamortized debt issuance costs of $71,269 and $75,607</td>
<td>40,581,955</td>
<td>39,522,245</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>79,547,766</td>
<td>79,610,559</td>
</tr>
<tr>
<td>Net assets:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrestricted</td>
<td>48,076,657</td>
<td>36,170,045</td>
</tr>
<tr>
<td>Temporarily restricted</td>
<td>16,165,725</td>
<td>14,856,731</td>
</tr>
<tr>
<td>Permanently restricted</td>
<td>5,232,457</td>
<td>5,782,457</td>
</tr>
<tr>
<td>Total net assets</td>
<td>69,474,839</td>
<td>56,809,233</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES AND NET ASSETS</strong></td>
<td><strong>$ 149,022,605</strong></td>
<td><strong>$ 136,419,792</strong></td>
</tr>
</tbody>
</table>

See notes to consolidated financial statements.
FOUNDATION COMMUNITIES, INC.

CONSOLIDATED STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2016

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Permanently Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rental income</td>
<td>17,348,224</td>
<td>--</td>
<td>--</td>
<td>17,348,224</td>
</tr>
<tr>
<td>Contributions and grants</td>
<td>7,201,583</td>
<td>8,400,470</td>
<td>450,000</td>
<td>16,052,053</td>
</tr>
<tr>
<td>Interest</td>
<td>1,285,438</td>
<td>--</td>
<td>--</td>
<td>1,285,438</td>
</tr>
<tr>
<td>Other property contractual fees</td>
<td>7,210,461</td>
<td>--</td>
<td>--</td>
<td>7,210,461</td>
</tr>
<tr>
<td>Net assets released from restriction</td>
<td>8,091,476</td>
<td>(7,091,476)</td>
<td>(1,000,000)</td>
<td>--</td>
</tr>
<tr>
<td>Total revenue</td>
<td>41,137,182</td>
<td>1,308,994</td>
<td>(550,000)</td>
<td>41,896,176</td>
</tr>
</tbody>
</table>

Expenses:

| Programs:              |               |                        |                        |           |
| Community social services | 8,581,788     | --                     | --                     | 8,581,788 |
| Property operations and maintenance | 6,191,412 | --                     | --                     | 6,191,412 |
| Depreciation and amortization | 5,046,080    | --                     | --                     | 5,046,080 |
| Interest expense       | 2,722,576    | --                     | --                     | 2,722,576 |
| Utilities              | 1,570,968    | --                     | --                     | 1,570,968 |
| Insurance              | 485,991      | --                     | --                     | 485,991   |
| Real estate taxes      | 330,795      | --                     | --                     | 330,795   |
| Management and general:|               |                        |                        |           |
| General and administrative | 3,595,376        | --                     | --                     | 3,595,376 |
| Fundraising            | 705,584      | --                     | --                     | 705,584   |
| Total expenses         | 29,230,570   | --                     | --                     | 29,230,570|

| Change in net assets   | 11,906,612   | 1,308,994              | (550,000)              | 12,665,606|

NET ASSETS, BEGINNING OF YEAR

|               | 36,170,045   | 14,856,731             | 5,782,457              | 56,809,233|

NET ASSETS, END OF YEAR

|               | 48,076,657   | 16,165,725             | 5,232,457              | 69,474,839|

See notes to consolidated financial statements.
FOUNDATION COMMUNITIES, INC.

CONSOLIDATED STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2015

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Permanently Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rental income</td>
<td>16,796,242</td>
<td>--</td>
<td>--</td>
<td>16,796,242</td>
</tr>
<tr>
<td>Contributions and grants</td>
<td>8,197,030</td>
<td>6,645,693</td>
<td>480,000</td>
<td>15,322,723</td>
</tr>
<tr>
<td>Interest</td>
<td>786,902</td>
<td>--</td>
<td>--</td>
<td>786,902</td>
</tr>
<tr>
<td>Other property contractual fees</td>
<td>2,387,837</td>
<td>--</td>
<td>--</td>
<td>2,387,837</td>
</tr>
<tr>
<td>Net assets released from restriction</td>
<td>4,408,590</td>
<td>(3,408,590)</td>
<td>(1,000,000)</td>
<td>--</td>
</tr>
<tr>
<td><strong>Total revenue</strong></td>
<td>32,576,601</td>
<td>3,237,103</td>
<td>(520,000)</td>
<td>35,293,704</td>
</tr>
<tr>
<td><strong>Expenses:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Programs:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community social services</td>
<td>7,972,820</td>
<td>--</td>
<td>--</td>
<td>7,972,820</td>
</tr>
<tr>
<td>Property operations and maintenance</td>
<td>6,061,669</td>
<td>--</td>
<td>--</td>
<td>6,061,669</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>5,150,821</td>
<td>--</td>
<td>--</td>
<td>5,150,821</td>
</tr>
<tr>
<td>Interest expense</td>
<td>3,174,708</td>
<td>--</td>
<td>--</td>
<td>3,174,708</td>
</tr>
<tr>
<td>Utilities</td>
<td>1,538,018</td>
<td>--</td>
<td>--</td>
<td>1,538,018</td>
</tr>
<tr>
<td>Insurance</td>
<td>520,639</td>
<td>--</td>
<td>--</td>
<td>520,639</td>
</tr>
<tr>
<td>Real estate taxes</td>
<td>304,631</td>
<td>--</td>
<td>--</td>
<td>304,631</td>
</tr>
<tr>
<td><strong>Management and general:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General and administrative</td>
<td>3,360,571</td>
<td>--</td>
<td>--</td>
<td>3,360,571</td>
</tr>
<tr>
<td>Fundraising</td>
<td>635,910</td>
<td>--</td>
<td>--</td>
<td>635,910</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>28,719,787</td>
<td>--</td>
<td>--</td>
<td>28,719,787</td>
</tr>
</tbody>
</table>

| Change in net assets before distribution to SWA Housing, Ltd. investor limited partner | 3,856,814 | 3,237,103 | (520,000) | 6,573,917 |

| Distribution to SWA Housing, Ltd. investor limited partner | (425,000) | -- | -- | (425,000) |

| Change in net assets | 3,431,814 | -- | -- | 6,148,917 |

| **NET ASSETS, BEGINNING OF YEAR** | 32,738,231 | 11,619,628 | 6,302,457 | 50,660,316 |

| **NET ASSETS, END OF YEAR** | 36,170,045 | 14,856,731 | 5,782,457 | 56,809,233 |

See notes to consolidated financial statements.
# Foundation Communities, Inc.

## Consolidated Statements of Cash Flows

*Years Ended December 31, 2016 and 2015*

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash Flows from Operating Activities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in net assets</td>
<td>12,665,606</td>
<td>6,148,917</td>
</tr>
<tr>
<td>Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Goodwill</td>
<td>--</td>
<td>(5,204,619)</td>
</tr>
<tr>
<td>Noncash acquisition of operating assets and liabilities of SWA Housing, Ltd</td>
<td>--</td>
<td>(1,709,457)</td>
</tr>
<tr>
<td>Noncash forgiveness on forgivable loans payable</td>
<td>(231,310)</td>
<td>(1,014,930)</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>5,046,080</td>
<td>5,150,821</td>
</tr>
<tr>
<td>Unrealized gain on interest rate swap agreements</td>
<td>(179,420)</td>
<td>(16,092)</td>
</tr>
<tr>
<td>Investment in new partnerships</td>
<td>409</td>
<td>233</td>
</tr>
<tr>
<td><em>(Increase) decrease in assets:</em></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts and notes receivable:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade</td>
<td>3,622,447</td>
<td>(2,129,134)</td>
</tr>
<tr>
<td>Grants and pledges</td>
<td>(1,050,583)</td>
<td>(2,589,370)</td>
</tr>
<tr>
<td>Interest</td>
<td>(642,246)</td>
<td>947,693</td>
</tr>
<tr>
<td>Notes</td>
<td>(8,823,541)</td>
<td>(7,254,399)</td>
</tr>
<tr>
<td>Development fees</td>
<td>(4,392,038)</td>
<td>1,493,478</td>
</tr>
<tr>
<td>Esco as and security deposits</td>
<td>(462,455)</td>
<td>111,811</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>41,356</td>
<td>(117,567)</td>
</tr>
<tr>
<td><em>(Decrease) increase in liabilities:</em></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable</td>
<td>(3,422,011)</td>
<td>3,842,537</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>230,714</td>
<td>(47,112)</td>
</tr>
<tr>
<td>Resident security deposits</td>
<td>13,338</td>
<td>56,179</td>
</tr>
<tr>
<td><strong>Net cash provided by (used in) operating activities</strong></td>
<td>2,386,346</td>
<td>(2,111,002)</td>
</tr>
</tbody>
</table>

**Cash Flows from Investing Activities:**

- Purchases of property and equipment | (4,677,400) | (3,454,357) |

**Cash Flows from Financing Activities:**

- Long-term borrowings on notes payable | 3,853,086 | 7,213,249 |
- Principal payments on notes payable | (1,618,210) | (7,081,430) |
- Long-term borrowings on forgivable loans payable | 1,291,020 | 4,259,931 |
- **Net cash provided by financing activities** | 3,525,896 | 4,691,750 |

**Net change in cash and cash equivalents** | 1,234,842 | (873,609) |

**Cash and Cash Equivalents, Beginning of Year** | 15,270,179 | 16,143,788 |

**Cash and Cash Equivalents, End of Year** | 16,505,021 | 15,270,179 |

**Supplemental Disclosure:**

- Cash paid for interest | 3,544,242 | 3,096,255 |

See notes to consolidated financial statements.
FOUNDATION COMMUNITIES, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2016 AND 2015

Note 1: Description of the Organization and its Mission

Foundation Communities, Inc. ("FCI") is a Texas nonprofit corporation that provides development, asset management, educational and social services, and property management to its affiliates. FCI and its affiliates are collectively referred to as Foundation Communities.

Foundation Communities’ stated purpose is to create housing where families succeed through programs and services for low income families and individuals that include: affordable housing; on-site learning centers offering educational programs for youth and adults, supportive housing including case management; asset building opportunities which include financial literacy education, matched savings accounts, and free income tax preparation assistance; and health initiatives that focus on wellness, prevention, and community resources.

The following are FCI’s affiliates:

- Buckingham Mutual Housing Corporation ("Buckingham") was incorporated in 1991 and commenced operations on June 1, 1991.
- Cherry Creek Mutual Housing Corporation ("Cherry Creek") was incorporated in 1989 and commenced operations on June 1, 1989.
- Crossroads Mutual Housing Corporation ("Crossroads") was incorporated in 1990 and commenced operations on April 1, 1990.
- St. Elmo Mutual Housing Corporation (dba Sierra Ridge) ("St. Elmo") was incorporated in 1991 and commenced operations on March 1, 1991.
- Daffodil Mutual Housing Corporation ("Daffodil") was incorporated in 1996 and commenced operations on February 26, 1996.
- Sleepy Hollow Mutual Housing Corporation ("Sleepy Hollow") was incorporated in 1995 and commenced operations on June 1, 1995.
- Shadow Brook Mutual Housing Corporation ("Shadow Brook") was incorporated in 1995 and commenced operations on June 1, 1995.
- Peter’s Colony Mutual Housing Corporation ("Peter’s Colony") was incorporated in 1995 and commenced operations on June 1, 1995.
- Village Green Mutual Housing Corporation (dba Vintage Creek) ("Village Green") was incorporated in 1999 and commenced operations on February 15, 2000.
- Garden Terrace Housing Corporation ("Garden Terrace") was incorporated in 2001 and commenced operations on February 28, 2002.
- Spring Terrace Housing Corporation ("Spring Terrace") was incorporated in September 2006 and commenced operations in December 2006.
- Central Texas/Searight Housing Corporation ("CTSHC") was formed in 1998 as the sole general partner and 0.01% owner of Searight Park, Ltd., owner of Trails at the Park apartment complex. The 99.99% limited partnership interest was sold to raise tax credit equity for the project. Trails at the Park is an affordable housing project, construction of which was completed in early 2000. The project costs, totaling approximately $15,400,000, were financed by owner tax credits, mortgages, FCI reimbursable reserves, and grants. FCI was the developer and is the manager of this project through its affiliation with CTSHC. In November 2013, ownership of Trails at the Park apartment complex was transferred to CTSHC and the partnership dissolved.

- Central Texas/SWA Mutual Housing Corporation ("CTSWA") was created in March of 1999 and commenced operations on February 1, 2000. CTSWA is the majority shareholder of CTSWA Funding Corporation, a for-profit corporation that acts as the sole general partner and 0.01% owner of SWA Housing, Ltd., owner of the Southwest Trails apartment complex. The 99.99% limited partnership interest was sold to raise tax credit equity. Construction of Southwest Trails, a 160 unit affordable housing project in the Oak Hill area of Austin began in October of 2000. Construction was completed in the fall of 2001. FCI, through its affiliation with CTSWA, was the developer and is the manager of this project. The project costs, totaling approximately $12,750,000, were financed by owner tax credits, the sale of private activity bonds, grants, and FCI reimbursable reserves. In March 2015, CTSWA (non-profit affiliate of FCI) purchased the limited partnership interest in SWA Housing, Ltd. The investor limited partner received $425,000 for the sale of the interest in the partnership. SWA Funding Corp. (for-profit non-FCI affiliate) continues to own the general partnership interest. As of December 31, 2016 and 2015, the partnership continues to own the low-income housing development. It is anticipated that the partnership will wind up its affairs and the property will be transferred in its entirety to CTSWA upon refinancing the property in 2017.

- FC Skyline Terrace Housing, L.L.C. ("Skyline LLC") was formed in 2006 as the sole general partner and 0.01% owner of Skyline Terrace Housing, L.P., owner of the Skyline Terrace project. The 99.99% limited partnership interest was sold in 2007 to raise tax credit equity for the project. Skyline Terrace is a 100 unit affordable housing project undergoing renovations to the existing structure that began in 2007 and were completed in March 2008. The project costs, totaling approximately $10,450,000, were financed by the owner tax credits and FCI reimbursable reserves and grants. FCI was the developer and is the manager of this project through its affiliation with Skyline Terrace.

- FC M Station Housing, L.L.C. ("M Station LLC") was formed in 2010 as the sole general partner and 0.01% owner of M Station Housing, L.P., owner of the M Station project. The limited partnership interest was sold to raise tax credit equity for the project. M Station is a 150 unit affordable housing project completed during 2011. FCI was the developer and is the manager of this project through its affiliation with M Station. The project costs, totaling approximately $21,000,000, were financed by owner tax credits, the sale of private activity bonds, grants, and FCI reimbursable reserves.

- FC Shady Oaks Housing, L.L.C. ("Shady Oaks LLC") was formed in 2010 as the sole general partner and 0.01% owner of Shady Oaks Housing, L.P., owner of the Sierra Vista project. The limited partnership interest was sold in December 2010 to raise tax credit equity for the project. Sierra Vista is a 238 unit affordable housing project renovated during 2011 and 2012. FCI was the developer and manager of this project through its affiliation with Shady Oaks. Central Texas PC Mutual Housing Corporation ("Central Texas PC Mutual") purchased and operated Sierra Vista Apartments between February and December 2010 when the property was transferred to Shady Oaks Housing, L.P.

- FC Austin One Housing Corporation was formed in 2007. In 2010, FC Austin One Housing Corporation entered into a contract to purchase existing property to be developed into another affordable housing property. As of December 31, 2011 the purchase was complete and renovations were complete on 120 units of residential supportive housing. In 2011, FC Austin One Housing Corporation changed its name to Arbor Terrace Housing Corp. ("Arbor Terrace").
• FC Austin Two Housing Corporation ("FC 2") was formed in 2010. On December 31, 2012, FC 2 acquired the 99.99% limited partner interest in Searight Park, Ltd., owner of Trails at the Park Apartments. In 2013, the general partner entity, CTSHC acquired the property and the partnership dissolved. At December 31, 2016 and 2015, FC 2 had no assets or liabilities.

• FC Austin Three Housing Corporation ("FC 3") was formed in 2011. In April 2013, FC 3 purchased two duplexes that were anticipated to become part of the tract for a future housing development but were sold to another non-profit in 2014. At December 31, 2016 and 2015, FC 3 had no assets or liabilities.

• FC Austin Four Housing Corporation ("FC 4") was formed in 2011. At December 31, 2016 and 2015, FC 4 had no assets or liabilities.

• FC Downtown Studios Housing LLC ("Capital Studios LLC") was formed in 2012 as the sole general partner and .01% owner of Capital Studios Housing, L.P. The limited partnership interest was sold in 2013 to raise tax credit equity for the Capital Studios project. Capital Studios is new construction of 135 units of affordable housing project with a completion date in November 2014. The project costs, totaling approximately $21,000,000, were financed by owner tax credits, grants, and FCI reimbursable reserves.

• FC Austin Five, Six, Seven and Eight Housing Corporations ("FC 5, FC 6, FC 7, FC 8") were formed in 2013. None of these organizations had any assets or liabilities at December 31, 2016 and 2015.

• FC Homestead Housing LLC ("Homestead LLC") was formed in 2013 as the sole general partner and .01% owner of FC SW Housing, L.P. The limited partnership interest was sold in 2014 to raise tax credit equity for the Homestead Oaks Apartments project. Homestead Oaks is new construction of 140 units of affordable housing with a completion date in December 2015. The project costs, totaling approximately $23,000,000, were financed by owner tax credits, grants, and FCI reimbursable reserves.

• FC Homestead General Contractor JV was formed in 2014 to construct the Homestead Oaks Apartment project in conjunction with Bailey Elliott Construction, Inc. Foundation Communities, Inc. is the 99% partner in the joint venture. The JV was dissolved upon completion of the Homestead Oaks project in 2015 and had no assets or liabilities at December 31, 2016.

• FC Highway 71 Housing, LLC ("Live Oak LLC") was formed in 2014 as the sole general partner and .01% owner of FC Southwest Trails Housing, L.P. The limited partnership interest was sold in 2015 to raise tax credit equity for the Live Oak Trails Apartments project. Live Oak Trails is new construction of 58 units of affordable housing with a completion date in 2016. The project costs, totaling approximately $15,000,000, were financed by owner tax credits, grants, and FCI reimbursable reserves.

• FC SOLA Housing LLC ("Bluebonnet LLC") was formed in 2014 as the sole general partner and .01% owner of FC Bluebonnet Studios Housing, L.P. The limited partnership interest was sold in 2015 to raise tax credit equity for the Bluebonnet Studios project. Bluebonnet Studios is new construction of 107 units of affordable housing with a completion date in 2016. The project costs, totaling approximately $20,000,000, were financed by owner tax credits, grants, and FCI reimbursable reserves.

• FC Lakeline Housing LLC ("Lakeline LLC") was formed in 2014 as the sole general partner and .01% owner of FC Rutledge Spur Housing, L.P. The limited partnership interest was sold in 2015 to raise tax credit equity for the Lakeline Station Apartments project. Lakeline Station is new construction of 128 units of affordable housing with a completion date in 2016. The project costs, totaling approximately $27,000,000, were financed by owner tax credits, grants, and FCI reimbursable reserves.

• FC 4Points Housing LLC ("4Points LLC") was formed in 2015 as the sole general partner and .01% owner FC Cardinal Point Housing L.P. The limited partnership interest was sold in 2016 to raise tax credit equity for the Cardinal Point Apartments project. Cardinal Point will be new construction of 120 units of affordable housing with an expected completion date in 2017.
The financial statements of all the affiliates listed above are consolidated into the financial statements of FCI as FCI has control over and economic interest in them. The Board of Directors for FCI also serve as the Directors of the affiliated corporations. Funds are solicited, controlled, and disbursed at the direction of FCI for the benefit of the affiliated corporations. All inter-organizational transactions and balances have been eliminated between the affiliated corporations.

The 2016 and 2015 consolidated financial statements do not include the accounts of Skyline Terrace Housing, L.P., M Station Housing, L.P., Shady Oaks Housing, L.P., Capital Studios Housing, L.P., FC SW Housing, L.P., FC Southwest Trails Housing, L.P., FC Bluebonnet Studios Housing, L.P., FC Rutledge Spar Housing, L.P., and FC Cardinal Point Housing, L.P. since FCI does not have control over those entities. Related party transactions with these entities are disclosed in Notes 16, 17, 18, 19, 20, 21, 22, 23 and 24. Skyline Terrace Housing, L.P., M Station Housing, L.P., Shady Oaks Housing, L.P., Capital Studios Housing, L.P., FC SW Housing, L.P., FC Southwest Trails Housing, L.P., FC Bluebonnet Studios Housing, L.P., and FC Rutledge Spar Housing, L.P. are reported as separate entities and have their own audited financial statements. FC Cardinal Point Housing, L.P. is also reported as a separate entity and will have a separate audit report when construction is completed and rental operations begin in 2017.

Buckingham, Cherry Creek, Crossroads, St. Elmo, Daffodil, Sleepy Hollow, Shadow Brook, Peter’s Colony, Village Green, Garden Terrace, Spring Terrace, CTSHC, CTSWA, Arbor Terrace, FC 2, FC 3, FC 4, FC 5, FC 6, FC 7 and FC 8 are Texas nonprofit 501(c)(3) corporations that either own and operate duplex and apartment communities or own partnership interests in low-income housing tax credit partnerships. FC Highway 71 Housing, LLC, FC SOLA Housing, LLC, FC Lakeline Housing, LLC, and FC 4Points Housing, LLC are owned 100% by Foundation Communities and have not elected status as taxable corporations. Their purpose is to promote charitable and educational activities and includes improving overall community stability through the development and management of affordable housing alternatives for low income individuals and providing educational activities to expand opportunities for the residents.

Skyline LLC, M Station LLC, Shady Oaks LLC, Homestead LLC and SWA Funding Corp. are for-profit entities and are therefore not included in the group exemption maintained for the other affiliated corporations but are included in these reports because they are 100% owned by FCI. FC Downtown Studios Housing LLC is 49% owned and controlled by FCI, and as a for-profit entity, it is also excluded from the group exemption maintained for the other affiliated corporations.

**Note 2: Summary of Significant Accounting Policies**

**Basis of Presentation**

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles in the United States of America (“U.S. GAAP”) as defined by the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”). Under the accrual basis of accounting, revenue is recognized when earned regardless of when collected, and expenses are recognized when the obligation is incurred regardless of when paid. Net assets, revenues, and expenses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of Foundation Communities and changes therein are classified and reported as follows:

- **Unrestricted net assets** - Net assets not subject to donor-imposed stipulations. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law.

- **Temporarily restricted net assets** - Net assets subject to donor-imposed stipulations, which limit their use by Foundation Communities to a specific purpose and/or the passage of time. When a restriction is satisfied or expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statements of activities as net assets released from restrictions. See Note 14 for restrictions.
Permanently restricted net assets - Net assets subject to donor-imposed stipulations, which require them to be maintained permanently by Foundation Communities. See Note 15 for restrictions.

Use of Estimates
The preparation of consolidated financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

Fair Value Instruments
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value accounting requires characterization of the inputs used to measure fair value into a three-level fair value hierarchy as follows:

Level 1 - Inputs based on quoted market prices in active markets for identical assets or liabilities. An active market is a market in which transactions occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 - Observable inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent from the entity.

Level 3 - Unobservable inputs that reflect Foundation Communities’ own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available.

There are three general valuation techniques that may be used to measure fair value: 1) market approach - uses prices generated by market transactions involving identical or comparable assets or liabilities, 2) cost approach - uses the amount that currently would be required to replace the service capacity of an asset (replacement cost), and 3) income approach - uses valuation techniques to convert future amounts to present amounts based on current market expectations.

Cash and Cash Equivalents
For purposes of the statement of cash flows, Foundation Communities considers unrestricted highly liquid assets with an original maturity of three months or less as cash and cash equivalents.

Investments in Partnerships
Investments in partnerships are accounted for under the equity method of accounting. The equity method is required because Foundation Communities is a non-controlling general partner that has guaranteed 100% of the partnerships’ debt.

Trade Accounts Receivable and Allowance for Doubtful Accounts
Trade accounts receivable are recorded at the amount Foundation Communities expects to collect on outstanding balances. No allowance for doubtful accounts has been recorded as management believes all significant accounts receivable to be collectible. Management records bad debts using the direct charge-off method. U.S. GAAP requires that the allowance method be used to record bad debts; however, the effect of using the direct charge-off method is not materially different from the results that would have been obtained using the allowance method.

Grants and Pledges Receivable
Grants and pledges receivable are recorded at the amount Foundation Communities expects to receive from grantors and donors. Promises to give are recorded at fair value if expected to be collected in one year and at net present value if expected to be collected in more than one year. Conditional promises to give are recognized when conditions on which they depend are substantially met. Foundation Communities did not record a net present value discount on contributions receivable at December 31, 2016 or 2015, as the amount would be insignificant. No allowance for uncollectible grants receivable has been recorded as, historically, Foundation Communities has not experienced material uncollectible amounts.
Notes Receivable
Notes receivable represent loans issued to the tax credit partnerships. Notes receivable are stated at unpaid principal balances and represent subordinated lien positions on the tax credit partnerships’ real estate. Refer to Notes 5, 16, 17, 18, 19, 20, 21, 22, 23 and 24 for additional information.

Property and Equipment
Property and equipment are recorded at cost, less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets ranging from 3 to 30 years. The composite method is used for the housing unit buildings and improvements. Under the composite method, proceeds from the retirement of assets are credited to accumulated depreciation. Gains or losses on disposition of property and equipment (other than housing unit buildings and improvements) are credited or charged to operations. Foundation Communities capitalizes expenditures over $500. However, certain expenditures for major renewals and betterments that generally cost less than $500 related to major renovation projects are also capitalized, as well as the costs that relate to the acquisition and development of properties. Interest costs are capitalized while development is in progress. Maintenance and repairs are charged to expense as incurred.

Construction in progress represents construction costs and land development costs incurred on incomplete properties not yet available for occupancy. Construction in progress is stated at cost and is not depreciated. Depreciation on construction in progress commences when the assets are ready for their intended use.

Intangible Assets
All intangible assets have been determined to have finite lives and as such are being amortized over their respective useful lives. Leasehold interests are being amortized on a straight-line basis over 30 years.

Impairment of Long-Lived Assets and Intangible Assets Subject to Amortization
Long-lived assets subject to amortization are reviewed for impairment whenever events or circumstances indicate that the amount recorded may not be recoverable. An impairment loss is recognized by the amount in which the carrying amount of the asset exceeds fair value, if the carrying amount of the asset is not recoverable. Management believes there has been no impairment of such assets as of December 31, 2016 and 2015.

Debt Issuance Costs
Debt issuance costs associated with debt are recorded as a reduction of the related outstanding debt balance, and amortized to interest expense over the term of the related debt arrangement.

Goodwill
Represents the net of the fair value of the assets acquired and the liabilities assumed through CTSHC’s acquisition of the Trails at the Park apartment property on December 31, 2012 and the acquisition of the limited partners’ interest on SWA Housing, Ltd. on March 3, 2015. No impairment existed at December 31, 2016 or 2015.

Interest Rate Swap Agreements
Interest rate swaps are valued based on market values provided by the third party intermediary. Foundation Communities has two interest rate swap agreements with a bank that are accounted for as cash flow hedges. These agreements are used to manage exposure to fluctuations in variable interest rates on three note payable agreements. Foundation Communities records the interest rate swap agreements based on the fair value at the statement of financial position date. The corresponding change in the fair value of the agreements is recognized in the current period as an adjustment to interest expense.

Rental Income Recognition
Rental income is recognized as the rent becomes due under the terms of the related agreements. The apartment and duplex units are leased under non-cancelable operating leases with up to twelve-month terms.

Government Grant Revenue Recognition
Revenue from certain grants received from federal, state, and local governments are earned based on Foundation Communities incurring allowable costs or providing services. Therefore, revenue is recognized as those costs are incurred or the services are provided.
Contributions
All contributions are recorded at fair value and are considered to be available for operations of Foundation Communities unless specifically restricted by the donor. Unconditional pledges to give cash and other assets are reported as either temporarily or permanently restricted net assets, if they are received with donor stipulations that limit the use of donated assets. Conditional pledges to give are recognized only when the conditions on which they depend are substantially met and the pledges become unconditional. Contribution revenue for the year ended December 31, 2016 and 2015 includes $1,549,364 and $1,585,363, respectively, of interest imputed on twenty eight no interest loans with interest imputed between 3% and 6% received from governmental entities (see Note 11). There is no effect on the change in net assets for the year ended December 31, 2016 and 2015, as offsetting interest expense has been recorded for the same amount.

Functional Allocation of Expenses
The expense information contained in the consolidated statements of activities is presented on a functional basis. Accordingly, certain expenses are allocated between functional categories.

Federal Income Taxes
FCI and its affiliates are exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, with the exception of Skyline LLC, M Station LLC, Shady Oaks LLC, Homestead LLC, and SWA Funding Corp. which are for profit entities solely owned by FCI and Capital Studios LLC which is majority controlled by FCI. As of December 31, 2016 and 2015, there was no significant tax liability related to these for profit entities. No provision for income taxes has been included in Foundation Communities’ consolidated financial statements. Foundation Communities is subject to routine examinations of its returns; however, there are no examinations currently in progress.

Recently Issued Accounting Pronouncements
In May 2014 and August 2015, the FASB issued Accounting Standards Updates (“ASU”) No. 2014-09 and No. 2015-14, Revenue from Contracts with Customers, which supersedes the revenue recognition requirements in ASC 605, Revenue Recognition, and most industry-specific guidance included in the ASC. The standard requires entities to recognize revenue in a way that depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard is effective for fiscal years beginning after December 15, 2018, and is to be applied retrospectively and early adoption permitted. Foundation Communities is currently evaluating the impact the new standard will have on its consolidated financial statements.

In February 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842), which requires the recognition of lease assets and lease liabilities by lessees for all leases, including leases previously classified as operating leases, and modifies the classification criteria and accounting for sales-type and direct financing leases by lessors. Leases continue to be classified as finance or operating leases by lessees and both classifications require the recognition of a right-of-use asset and a lease liability, initially measured at the present value of the lease payments in the statement of financial position. Interest on the lease liability and amortization of the right-of-use asset are recognized separately in the statement of operations for finance leases and as a single lease cost recognized on the straight-line basis over the lease term for operating leases. The standard is effective using a modified retrospective approach for fiscal years beginning after December 15, 2019 and early adoption is permitted. Foundation Communities is currently evaluating the impact the standard will have on its consolidated financial statements.

In August 2016, the FASB issued ASU No. 2016-14, Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities, which requires presentation on the face of the statements of financial position amounts for two classes of net assets at the end of the period, net assets with donor restrictions and net assets without donor restrictions, rather than the currently required three classes. The standard also requires the presentation on the face of the statements of activities the amount of the change in each of these two classes of net assets. The standard will no longer require the presentation or disclosure of the indirect method of reporting cash flows if an entity elects to use the direct method, however it will be required for an entity to provide enhanced disclosures about liquidity in the footnotes to the financial statements. The standard is effective for fiscal years beginning after December 15, 2017 and early adoption is permitted. Foundation Communities is currently evaluating the impact the standard will have on its consolidated financial statements.
Change in Accounting Principle for Recently Adopted Accounting Pronouncement
As a result of changes in the accounting standards for debt issuance costs, debt issuance costs related to a recognized debt liability are presented in the consolidated statement of financial position as a direct deduction from the carrying amount of that debt liability, consistent with debt discounts, rather than as a deferred charge presented as an asset. The standard was adopted effective January 1, 2016 and the guidance was applied retrospectively to debt issuance costs existing as of that date and recognized subsequent to that date.

Reclassification
Certain amounts in the prior year have been reclassified to conform to the presentation adopted in the current year. There was no impact on net assets.

Note 3: Concentrations of Credit Risk
Financial instruments which potentially subject Foundation Communities to concentrations of credit risk consist principally of cash and cash equivalents, investments in partnerships, and receivables. Foundation Communities places its cash and cash equivalents with a limited number of high quality financial institutions and may exceed the amount of insurance provided on such deposits. Management believes no significant risk exists with respect to cash and cash equivalents. Investments in partnerships are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with these investments, it is possible that changes in the near-term could materially affect the amounts reported in the statement of financial position. Foundation Communities does not maintain collateral for its receivables and does not believe significant risk exists at December 31, 2016 and 2015. One grantor accounted for 46% of gross receivables at December 31, 2016.

Note 4: Cash and Cash Equivalents
Cash and cash equivalents consisted of the following at December 31:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash available for operations</td>
<td>$3,690,470</td>
<td>$4,804,240</td>
</tr>
<tr>
<td>IDA/AFI designated cash *</td>
<td>330,420</td>
<td>340,790</td>
</tr>
<tr>
<td>Reserve for contingencies **</td>
<td>6,352,904</td>
<td>5,987,780</td>
</tr>
<tr>
<td>Reserve for security deposits</td>
<td>664,520</td>
<td>651,182</td>
</tr>
<tr>
<td>Reserve for Real Estate Investments***</td>
<td>4,386,247</td>
<td>1,773,117</td>
</tr>
<tr>
<td>Temporarily restricted cash balance</td>
<td>999,999</td>
<td>1,711,239</td>
</tr>
<tr>
<td>Permanently restricted cash balance</td>
<td>80,461</td>
<td>1,831</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$16,505,021</strong></td>
<td><strong>$15,270,179</strong></td>
</tr>
</tbody>
</table>

*FCl maintains separate accounts for the funds designated for the resident matched savings program, which provide matching funds to residents who save money for a qualified purchase of a home, education, or small business purpose.

**FCl maintains a central reserve for all affiliated properties to cover possible contingencies for replacements and cash flow shortages due to market fluctuations or unexpected expenses on their affiliates at a board designated level of at least $1,000 per unit. Properties with excess cash flow make annual contributions to the central reserve.

***FCl set up a Real Estate Investment Expansion Fund in 2012 to provide a means of raising funds for future expansion of affordable housing projects. Initial funds were obtained from refinancing of Cherry Creek Duplexes and Buckingham refinancing in 2013.
Note 5: Accounts Receivable

Trade Receivables
Trade receivables represent primarily construction costs incurred by Foundation Communities to be reimbursed per contract terms with governmental agencies and loan bridged financing agreements. Trade receivables also include uncollected rents from residents at low-income housing properties, uncollected management fees from tax credit properties not included in the consolidated group and accruals of payroll related items. Trade receivables consisted of the following as of December 31:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction progress billings</td>
<td>$2,823,555</td>
<td>$5,854,789</td>
</tr>
<tr>
<td>Uncollected rents</td>
<td>18,734</td>
<td>44,008</td>
</tr>
<tr>
<td>Uncollected management fees</td>
<td>29,410</td>
<td>21,698</td>
</tr>
<tr>
<td>Other receivable amounts</td>
<td>15,944</td>
<td>589,595</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$2,887,643</strong></td>
<td><strong>$6,510,090</strong></td>
</tr>
</tbody>
</table>

Grants and Pledges
Grants and pledges receivable consisted of the following as of December 31:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants</td>
<td>$6,381,759</td>
<td>$5,536,779</td>
</tr>
<tr>
<td>Undesignated pledges</td>
<td>2,328,449</td>
<td>2,122,846</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$8,710,208</strong></td>
<td><strong>$7,659,625</strong></td>
</tr>
</tbody>
</table>

The maturity of these receivables was as follows as of December 31:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Due in less than one year</td>
<td>$6,673,363</td>
<td>$6,537,774</td>
</tr>
<tr>
<td>Due in one to five years</td>
<td>2,036,845</td>
<td>1,121,851</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$8,710,208</strong></td>
<td><strong>$7,659,625</strong></td>
</tr>
</tbody>
</table>

Reconciliation of the beginning and ending balances in grants and pledges receivable was as follows as of December 31:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance, December 31, 2014</td>
<td>$5,070,255</td>
</tr>
<tr>
<td>Receipt of new grants and pledges</td>
<td>14,394,519</td>
</tr>
<tr>
<td>Payments on receivables</td>
<td>(11,725,145)</td>
</tr>
<tr>
<td>Write off uncollectible</td>
<td>(80,004)</td>
</tr>
<tr>
<td><strong>Balance, December 31, 2015</strong></td>
<td>7,650,625</td>
</tr>
<tr>
<td>Receipt of new grants and pledges</td>
<td>15,246,447</td>
</tr>
<tr>
<td>Payments on receivables</td>
<td>(14,039,958)</td>
</tr>
<tr>
<td>Write off uncollectible</td>
<td>(155,906)</td>
</tr>
<tr>
<td><strong>Balance, December 31, 2016</strong></td>
<td><strong>$8,710,208</strong></td>
</tr>
</tbody>
</table>
**Interest Receivable**
Interest receivable consists of interest accrued on notes receivable from tax credit partnerships not included in the consolidated group (see Notes 16, 17, 18, 19, 20, 21, 22, 23 and 24) consisted of the following as of December 31:

<table>
<thead>
<tr>
<th>Account</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest receivable - Skyline Terrace Housing, L.P.</td>
<td>$126,791</td>
<td>$113,881</td>
</tr>
<tr>
<td>Interest receivable - M Station Housing, L.P.</td>
<td>445,505</td>
<td>380,505</td>
</tr>
<tr>
<td>Interest receivable - Shady Oaks Housing, L.P.</td>
<td>356,934</td>
<td>261,333</td>
</tr>
<tr>
<td>Interest receivable - Capital Studios Housing, L.P.</td>
<td>233,081</td>
<td>486,499</td>
</tr>
<tr>
<td>Interest receivable - FC SW Housing, L.P.</td>
<td>229,687</td>
<td>131,294</td>
</tr>
<tr>
<td>Interest receivable - FC Southwest Trails Housing, L.P.</td>
<td>194,963</td>
<td>86,408</td>
</tr>
<tr>
<td>Interest receivable - FC Bluebonnet Studios Housing, L.P.</td>
<td>302,601</td>
<td>114,470</td>
</tr>
<tr>
<td>Interest receivable - FC Rutledge Spur Housing, L.P.</td>
<td>340,978</td>
<td>153,044</td>
</tr>
<tr>
<td>Interest receivable - FC Cardinal Point Housing, L.P.</td>
<td>139,140</td>
<td>--</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$2,369,680</td>
<td>$1,727,434</td>
</tr>
</tbody>
</table>

**Notes Receivable**
Notes receivable from tax credit partnerships (See Notes 16, 17, 18, 19, 20, 21, 22, 23 and 24) plus one note receivable received through donation consisted of the following as of December 31:

<table>
<thead>
<tr>
<th>Account</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Note receivable - Skyline Terrace Housing, L.P.</td>
<td>$2,000,000</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>Note receivable - Skyline Terrace Housing, I.P.</td>
<td>1,450,000</td>
<td>1,450,000</td>
</tr>
<tr>
<td>Note receivable - Skyline Terrace Housing, L.P.</td>
<td>750,000</td>
<td>750,000</td>
</tr>
<tr>
<td>Note receivable - Skyline Terrace Housing, L.P.</td>
<td>850,000</td>
<td>850,000</td>
</tr>
<tr>
<td>Note receivable - M Station Housing L.P.</td>
<td>2,000,000</td>
<td>2,000,000</td>
</tr>
<tr>
<td>Note receivable - M Station Housing L.P.</td>
<td>3,000,000</td>
<td>3,000,000</td>
</tr>
<tr>
<td>Note receivable - M Station Housing, L.P.</td>
<td>1,500,000</td>
<td>1,500,000</td>
</tr>
<tr>
<td>Note receivable - Shady Oaks Housing, L.P.</td>
<td>3,000,000</td>
<td>3,000,000</td>
</tr>
<tr>
<td>Note receivable - Shady Oaks Housing, L.P.</td>
<td>2,550,000</td>
<td>2,550,000</td>
</tr>
<tr>
<td>Note receivable - Capital Studios Housing, L.P.</td>
<td>6,523,050</td>
<td>7,833,133</td>
</tr>
<tr>
<td>Note receivable - Capital Studios Housing, L.P.</td>
<td>1,000,000</td>
<td>1,000,000</td>
</tr>
<tr>
<td>Note receivable - FC SW Housing, L.P.</td>
<td>1,326,273</td>
<td>2,211,373</td>
</tr>
<tr>
<td>Note receivable - FC SW Housing, L.P.</td>
<td>1,000,000</td>
<td>1,000,000</td>
</tr>
<tr>
<td>Note receivable - FC Southwest Trails Housing, L.P.</td>
<td>2,983,851</td>
<td>819,242</td>
</tr>
<tr>
<td>Note receivable - FC Southwest Trails Housing, I.P.</td>
<td>2,045,690</td>
<td>1,545,690</td>
</tr>
<tr>
<td>Note receivable - FC Bluebonnet Studios Housing, L.P.</td>
<td>3,994,420</td>
<td>3,294,420</td>
</tr>
<tr>
<td>Note receivable - FC Bluebonnet Studios Housing, L.P.</td>
<td>1,430,000</td>
<td>980,000</td>
</tr>
<tr>
<td>Note receivable - FC Bluebonnet Studios Housing, L.P.</td>
<td>3,916,621</td>
<td>945,874</td>
</tr>
<tr>
<td>Note receivable - FC Bluebonnet Studios Housing, L.P.</td>
<td>1,500,000</td>
<td>--</td>
</tr>
<tr>
<td>Note receivable - FC Rutledge Spur Housing, L.P.</td>
<td>2,475,000</td>
<td>2,475,000</td>
</tr>
<tr>
<td>Note receivable - FC Rutledge Spur Housing, L.P.</td>
<td>500,000</td>
<td>500,000</td>
</tr>
<tr>
<td>Note receivable - FC Rutledge Spur Housing, L.P.</td>
<td>294,820</td>
<td>294,820</td>
</tr>
<tr>
<td>Note receivable - FC Rutledge Spur Housing, L.P.</td>
<td>3,236,507</td>
<td>1,165,729</td>
</tr>
<tr>
<td>Note receivable - FC Cardinal Point Housing, L.P.</td>
<td>3,519,318</td>
<td>2,800,355</td>
</tr>
<tr>
<td>Note receivable - KJ Smith (donated note)</td>
<td>--</td>
<td>26,373</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$52,845,550</td>
<td>$43,992,009</td>
</tr>
</tbody>
</table>
Development Fees Receivable
Foundation Communities earns development fees on new low-income housing projects. Unpaid balances upon construction completion bear terms that payments are subject to cash flow from the property. Development fees receivable consisted of the following as of December 31:

<table>
<thead>
<tr>
<th>Development fees receivable - M Station Housing, L.P.</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$396,000</td>
<td>$455,000</td>
</tr>
<tr>
<td>Development fees receivable - Shady Oaks Housing, L.P.</td>
<td>285,000</td>
<td>615,000</td>
</tr>
<tr>
<td>Development fees receivable - Capital Studios Housing, L.P.</td>
<td>649,039</td>
<td>905,030</td>
</tr>
<tr>
<td>Development fees receivable - FC SW Housing, L.P.</td>
<td>1,502,293</td>
<td>--</td>
</tr>
<tr>
<td>Development fees receivable - FC Southwest Trails Housing, L.P.</td>
<td>1,220,181</td>
<td>305,045</td>
</tr>
<tr>
<td>Development fees receivable - FC Bluebonnet Studios Housing, L.P.</td>
<td>1,055,133</td>
<td>263,783</td>
</tr>
<tr>
<td>Development fees receivable - FC Rutledge Spar Housing, L.P.</td>
<td>2,083,829</td>
<td>520,958</td>
</tr>
<tr>
<td>Development fees receivable - FC Cardinal Point Housing, L.P.</td>
<td>265,379</td>
<td>--</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$7,456,854</strong></td>
<td><strong>$3,064,816</strong></td>
</tr>
</tbody>
</table>

Note 6: Investment in Partnerships

Investment in partnerships consisted of the following as of December 31:

<table>
<thead>
<tr>
<th>Investment in Skyline Terrace Housing, L.P.</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$1,362,632</td>
<td>$1,362,651</td>
</tr>
<tr>
<td>Investment in M Station Housing, L.P.</td>
<td>(518)</td>
<td>(442)</td>
</tr>
<tr>
<td>Investment in Shady Oaks Housing, L.P.</td>
<td>(420)</td>
<td>(371)</td>
</tr>
<tr>
<td>Investment in FC Downtown Studios Housing, L.P.</td>
<td>(75)</td>
<td>11</td>
</tr>
<tr>
<td>Investment in FC SW Housing, L.P.</td>
<td>900</td>
<td>1,000</td>
</tr>
<tr>
<td>Investment in FC Southwest Trails Housing, L.P.</td>
<td>974</td>
<td>1,000</td>
</tr>
<tr>
<td>Investment in FC Bluebonnet Studios Housing, L.P.</td>
<td>957</td>
<td>1,000</td>
</tr>
<tr>
<td>Investment in FC Rutledge Spar Housing, L.P.</td>
<td>990</td>
<td>1,000</td>
</tr>
<tr>
<td>Investment in FC Cardinal Point Housing, L.P.</td>
<td>1,000</td>
<td>1,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$1,366,440</strong></td>
<td><strong>$1,366,849</strong></td>
</tr>
</tbody>
</table>

These investments were recorded at fair value using the income approach and were measured at fair value on a recurring basis using significant unobservable inputs (Level 3) as follows:

<table>
<thead>
<tr>
<th>Balance, December 31, 2014</th>
<th>$1,367,082</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment in new partnerships</td>
<td>1,000</td>
</tr>
<tr>
<td>Equity in net partnerships loss</td>
<td>(1,233)</td>
</tr>
<tr>
<td><strong>Balance, December 31, 2015</strong></td>
<td><strong>$1,366,849</strong></td>
</tr>
<tr>
<td>Equity in net partnerships loss</td>
<td>(409)</td>
</tr>
<tr>
<td><strong>Balance, December 31, 2016</strong></td>
<td><strong>$1,366,440</strong></td>
</tr>
</tbody>
</table>
Note 7: Property and Equipment

Property and equipment consisted of the following as of December 31:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building and improve</td>
<td>$101,693,048</td>
<td>$98,780,583</td>
</tr>
<tr>
<td>Construction and ren</td>
<td>148,060</td>
<td>92,063</td>
</tr>
<tr>
<td>Furniture, appliances</td>
<td>6,844,200</td>
<td>6,306,619</td>
</tr>
<tr>
<td>and equipment</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>108,685,308</td>
<td>105,179,265</td>
</tr>
<tr>
<td>Less accumulated de</td>
<td>(67,970,176)</td>
<td>(63,035,025)</td>
</tr>
<tr>
<td>preciation</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>40,715,132</td>
<td>42,144,240</td>
</tr>
<tr>
<td>Land</td>
<td>9,301,763</td>
<td>8,234,170</td>
</tr>
<tr>
<td></td>
<td>$ 50,016,895</td>
<td>$ 50,378,410</td>
</tr>
</tbody>
</table>

Depreciation expense was approximately $5,039,000 and $5,143,000 for the years ended December 31, 2016 and 2015, respectively.

Note 8: Intangible Assets

Intangible assets consisted of the following as of December 31:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Org. Costs</td>
<td>$ 27,026</td>
<td>$ 27,026</td>
</tr>
<tr>
<td>Less accumulated am</td>
<td>(20,858)</td>
<td>(13,693)</td>
</tr>
<tr>
<td>Intangibles assets,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>net</td>
<td>$ 6,168</td>
<td>$ 13,333</td>
</tr>
</tbody>
</table>

Amortization expense was approximately $7,000 for each of the years ended December 31, 2016 and 2015.

Note 9: Business Combinations

On March 13, 2015, CTSWA acquired 99.99% ownership of SWA Housing, Ltd. No consideration was provided to SWA Housing, Ltd., limited partners. Goodwill of $5,204,619 arising from the acquisition was assigned to the acquiring affiliate. No impairment existed at December 31, 2016 or 2015.

The following table summarizes the amounts of the assets acquired and liabilities assumed recognized at the acquisition date, as well as the fair value at the acquisition date of the noncontrolling interest in SWA Housing Ltd., solely owned by CTSWA:

| Recognized amounts of identifiable assets acquired and liabilities assumed: |  |
| Financial assets                                                    | $ 246,649  |
| Property and equipment, net                                         | 5,954,958  |
| Intangible assets, net                                              | 196,445    |
| Less financial liabilities                                         | (11,603,671) |
| Total net identifiable net assets                                  | (5,205,619) |
| Less noncontrolling interest in SWA Housing, Ltd.                   | 1,000      |
| Goodwill                                                            | $ (5,204,619) |
The fair value of the financial assets acquired includes cash and receivables under operating leases. The fair value of the acquired intangible assets relates to loan origination fees. SWA Housing, Ltd. does not have any collection items or conditional promises to give. The fair value of the liabilities assumed include a $5,020,120 note payable to a financial institution, $6,412,076 due to Foundation Communities and $171,475 in tenants prepaid rent and other accrued current liabilities. The fair value of the noncontrolling interest in SWA Housing, Ltd. was determined by applying the equity method of accounting. All inter-organizational transactions and balances were eliminated as part of the consolidation process.

The remaining $607,905 recorded as goodwill on the consolidated statements of financial position as of December 31, 2016 and 2015, relates to the acquisition of the 99.99% ownership of Searight Park, Ltd by FC 2 on December 31, 2012. No impairment existed at December 31, 2016 or 2015. In November 2013, Searight Park, Ltd. was dissolved and the Trails at the Park Apartments were transferred to CTSHC the former general partner in the partnership and affiliate of Foundation Communities.

Note 10: Notes Payable

Notes payable consisted of the following as of December 31:

<table>
<thead>
<tr>
<th>Cherry Creek:</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promissory note, with a fixed interest rate of 3.50%, collateralized by land, buildings and improvements, furniture and equipment, all interest in tenant leases and income leases, and income from the property. Principal and interest payable in monthly installments of $25,107; due December 31, 2027.</td>
<td>$ 2,750,136</td>
<td>$ 2,058,080</td>
</tr>
<tr>
<td>Debt issuance costs, net of amortization.</td>
<td>(21,096)</td>
<td>(23,014)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Buckingham:</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promissory note, with a floating LIBOR interest rate which was swapped for a fixed interest rate of 3.30%, collateralized by land, buildings and improvements, furniture and equipment, all interest in tenant leases, and income from the property. Principal and interest payable in monthly installments of $33,333; due January 5, 2028.</td>
<td>4,433,333</td>
<td>4,833,333</td>
</tr>
<tr>
<td>Debt issuance costs, net of amortization.</td>
<td>(32,356)</td>
<td>(35,297)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Shadow Brook:</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promissory note, bearing interest at 4.5%, collateralized by land, buildings and improvements, furniture and equipment, all interest in tenant leases, and income from the property. Principal and interest payable in monthly installments of $24,972; due August 1, 2029.</td>
<td>2,878,736</td>
<td>3,042,519</td>
</tr>
<tr>
<td>Debt issuance costs, net of amortization.</td>
<td>(2,701)</td>
<td>(26,319)</td>
</tr>
</tbody>
</table>

| Line of credit bearing variable interest rate at LIBOR + 2.65%, collateralized by land, buildings and improvements, furniture and equipment, all interest in tenant leases, and income from the property. Interest payable in monthly installments; due May 26, 2017. | 3,733,629 | 1,830,543 |
Village Green:
Promissory note, with a floating LIBOR interest rate which was swapped for a fixed interest rate of 5.75%, collateralized by land, buildings and improvements, furniture and equipment, all interest in tenant leases and income leases, and income from the property. Principal and interest payable in monthly installments of $33,500; remaining balance payable February 5, 2028.  
3,471,081  3,619,461 
Debt issuance costs, net of amortization.  
(167,219)  (174,686)

Central Texas Searight Housing Corp. (Trails at the Park):
Promissory note, with a fixed interest rate of 3.5%, collateralized by land, buildings and improvements, furniture and equipment, all interest in tenant leases and income leases, and income from the property. Principal and interest payable in monthly installments of $40,736; due November 5, 2030.  
5,379,865  5,675,585 
Debt issuance costs, net of amortization.  
(153,400)  (199,978)

SWA Housing, Ltd. (Southwest Trails):
Promissory note, with a fixed interest rate of 7.35%, collateralized by land, buildings and improvements, furniture and equipment, all interest in tenant leases and income leases, and income from the property. Principal and interest payable in monthly installments of $35,411; due June 1, 2042.  
4,889,032  4,952,081 
Debt issuance costs, net of amortization.  
(183,460)  (190,674)

FCI (Expansion Fund - Note 1):
Promissory note in the amount of $3,000,000 with initial due date of October 17, 2016, extended to November 1, 2018, bearing an interest rate of 0%. Payment due at maturity.  
3,000,000  3,000,000

FCI (Expansion Fund - Note 2):
Promissory note in the amount of $2,000,000 with a maturity date of November 1, 2018, bearing an interest rate of 0%. Monthly payments of $33,333 through maturity date.  
733,333  1,133,333

FCI (FQ2):
Promissory note in the amount of $750,000 with a maturity date of September 9, 2022, bearing an interest rate of 2%. Interest payable quarterly in payments of $3,750 through maturity date with balance due at maturity.  
750,000  --

FCI (Airport Blvd. property):
Promissory note in the original amount of $1,200,000 with a maturity date of July 1, 2026, bearing an interest rate of 3.27%. Monthly payments of $6,819 through maturity date. 
1,181,939  --

$ 32,579,852  $ 30,344,976

The loan agreements contain various covenants, including the requirement to maintain certain financial ratios. Failure to comply with the covenants could result in the debt being called by the lender.
Future required principal payments on debt obligations were as follows as of December 31, 2016:

<table>
<thead>
<tr>
<th></th>
<th>Principal</th>
<th>Amortization of Debt Issuance Costs</th>
<th>Notes Payable, net</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>$ 5,703,896</td>
<td>$ 69,737</td>
<td>$ 5,634,159</td>
</tr>
<tr>
<td>2018</td>
<td>4,864,411</td>
<td>69,737</td>
<td>4,794,674</td>
</tr>
<tr>
<td>2019</td>
<td>1,578,969</td>
<td>69,737</td>
<td>1,509,732</td>
</tr>
<tr>
<td>2020</td>
<td>2,129,187</td>
<td>69,737</td>
<td>2,059,450</td>
</tr>
<tr>
<td>2021</td>
<td>1,692,709</td>
<td>69,737</td>
<td>1,622,972</td>
</tr>
<tr>
<td>Thereafter</td>
<td>17,240,912</td>
<td>281,547</td>
<td>16,959,365</td>
</tr>
<tr>
<td>Total</td>
<td>$ 33,210,084</td>
<td>$ 630,232</td>
<td>$ 32,579,852</td>
</tr>
</tbody>
</table>

In prior years, Foundation Communities reported debt issuance costs as a deferred charge in the statement of financial position and amortization of such costs in the statement of activities as depreciation and amortization. To comply with new U.S. GAAP presentation requirements, in 2016 Foundation Communities began reporting such costs as a direct deduction from the face amount of the related debt (as shown in the table below) and reclassified prior year amounts, resulting in a reduction of total 2015 assets by $699,968. The change did not affect net assets.

Similarly, Foundation Communities now reports amortization of debt issuance costs, $69,737 during the year ended December 31, 2016, as interest expense and reclassified 2015 amounts accordingly. As a result, reported interest expense during the year ended December 31, 2015 was increased and depreciation and amortization decreased by $69,736, with no net effect on the change in net assets.

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Principal amount</td>
<td>$ 33,210,084</td>
<td>$ 31,044,944</td>
</tr>
<tr>
<td>Less unamortized debt issuance costs</td>
<td>(630,232)</td>
<td>(699,968)</td>
</tr>
<tr>
<td>Long-term debt, net of unamortized debt issuance costs</td>
<td>$ 32,579,852</td>
<td>$ 30,344,976</td>
</tr>
</tbody>
</table>

**Note 11: Forgivable Loans Payable**

Foundation Communities receives financial assistance for land acquisition and property development costs from the City of Austin administered through the CHDO Program of Austin Housing Finance Corporation (“AHFC”), Texas Department of Housing and Community Affairs (“TDHCA”) and other grantors. Under the terms of agreements with AHFC, TDHCA and other grantors, funds are provided to Foundation Communities in the form of forgivable loans. The agreements provide for the forgivable loan to be secured by deeds of trust on the property acquired under the agreement. The loan under each agreement is forgiven upon adhering to the Land Use Restrictions to provide housing to income qualified residents for the time period specified in each agreement. Amounts received are reported as forgivable loans payable until all conditions necessary to secure the forgiveness of the debt are met, at which time the forgivable loans are recognized as grant revenue. Forgivable loans payable represent amounts received for which all conditions necessary to secure the forgiveness of the debt had not yet been met.
Forgivable loans payable consisted of the following as of December 31:

<table>
<thead>
<tr>
<th>Crossroads:</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promissory note bearing no interest, collateralized by land, building and improvements, furniture and equipment, all interest in tenant leases and income from the property. No monthly installments are due on the loan. Rather, the lender will defer payments and forgive the principal contingent upon the property adhering to the restrictive covenants until the maturity date of June 17, 2108. Foundation Communities records interest expense based on the imputed rate of 4.5%, the market rate of interest at the origination date.</td>
<td>$ 900,000</td>
<td>$ 900,000</td>
</tr>
<tr>
<td>Debt issuance costs, net of amortization.</td>
<td>(71,269)</td>
<td>(75,607)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CTSWA (Southwest Trails):</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Promissory note, bearing interest at 6.0%, collateralized by land, buildings and improvements, furniture and equipment, all interest in tenant leases, and income from the property. Principal and interest payable in two installments, the first on December 21, 2011, unless forgiven, and the second and final on December 21, 2020. Provided the maker has not defaulted on any of the terms or conditions of the note on the applicable due date, said installment payments shall be forgiven.</td>
<td>500,000</td>
<td>500,000</td>
</tr>
<tr>
<td>Promissory note in the amount of $596,506 due February 28, 2021, bearing no interest, collateralized by land, buildings and improvements. No monthly installments are due on the loan. Rather, the lender will forgive the loan upon compliance with 20 year affordability requirements identified in a Certification Affidavit provided in the final application. Foundation Communities records interest expense based on the imputed rate of 6.0%, the market rate of interest at the origination date.</td>
<td>596,506</td>
<td>596,506</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Garden Terrace:</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promissory note in the amount of $1,600,000 with an initial due date of February 28, 2032, bearing no interest, collateralized by land, buildings and improvements. No monthly installments are due on the loan. Rather, the lender will extend the loan to February 28, 2064 upon compliance with 30 year affordability requirements identified in the loan documentation. Foundation Communities records interest expense based on the imputed rate of 6.0%, the market rate of interest at the origination date.</td>
<td>1,600,000</td>
<td>1,600,000</td>
</tr>
<tr>
<td>Promissory note in the amount of $1,000,000 with a renewed maturity date of January 9, 2023, bearing no interest, collateralized by land, buildings and improvements. No monthly installments are due on the loan. Rather, the lender will forgive the balance upon maturity contingent upon the property adhering to Restrictive Covenants until the maturity date. Foundation Communities records interest expense based on the imputed rate of 6.0%, the market rate of interest at the origination date.</td>
<td>1,000,000</td>
<td>1,000,000</td>
</tr>
</tbody>
</table>
Promissory note. bearing no interest, collateralized by land, buildings and improvements, furniture and equipment, all interest in tenant leases, and income from the property. Payment of principal and interest deferred until February 28, 2032. Foundation Communities records interest expense based on the imputed rate of 6.0%, the market rate of interest at the origination date.

Promissory note in the amount of $500,000 due June 1, 2038, bearing no interest, collateralized by land, buildings and improvements. No monthly installments are due on the loan. Rather, the lender will forgive the loan upon compliance with 30 year affordability requirements identified in a Certification Affidavit provided in the final application. Foundation Communities imputes 6% interest expense based on the market rate of interest at the origination date.

Promissory note in the amount of $176,070 with a due date of September 30, 2035, bearing no interest, collateralized by land, buildings and improvements owned by Garden Terrace Housing Corp. No monthly installments are due on the loan. Rather, the lender will defer payments and forgive the principal contingent upon the property adhering to the Restrictive Covenants until the maturity date. Foundation Communities records interest expense based on the imputed rate of 3%, the market rate of interest at the origination date.

Spring Terrace:
Promissory note in the amount of $786,446 with an initial due date of December 19, 2035, bearing no interest. No monthly installments are due on the loan. At maturity, the payment terms are to be restructured based on actual net operating income. Foundation Communities records interest expense based on the imputed rate of 6.0%, the market rate of interest at the origination date.

Promissory note up to an amount of $682,010 with an initial due date of December 19, 2035, bearing no interest. No monthly installments are due on the loan. At maturity, the payment terms are to be restructured based on actual net operating income. Foundation Communities records interest expense based on the imputed rate of 6.0%, the market rate of interest at the origination date.

FCI (Skyline Terrace):
Promissory note in the amount of $1,450,000 with an initial due date of January 1, 2048, bearing no interest, collateralized by land, buildings, and improvements owned by Skyline Terrace Housing, L.P. No monthly installments are due on the loan. Rather, the lender will waive repayment of principal contingent upon the property adhering to the Land Use Restriction Agreement until the maturity date. Foundation Communities records interest expense based on the imputed rate of 6.0%, the market rate of interest at the origination date.
Promissory note in the amount of $1,118,309 with an initial due date of August 23, 2036, bearing no interest, collateralized by land, buildings, and improvements owned by Skyline Terrace Housing, L.P. No monthly installments are due on the loan. Rather, the lender will defer payments and forgive the principal contingent upon the property adhering to the Restrictive Covenants until the maturity date. Foundation Communities records interest expense based on the imputed rate of 6.0%, the market rate of interest at the origination date.

Promissory note in the amount of $881,691 with an initial due date of March 1, 2039, bearing no interest, collateralized by land, buildings, and improvements owned by Skyline Terrace Housing, L.P. No monthly installments are due on the loan. Rather, the lender will defer payments and forgive the principal contingent upon the property adhering to the Restrictive Covenants until the maturity date. Foundation Communities records interest expense based on the imputed rate of 6.0%, the market rate of interest at the origination date.

Promissory note in the amount of $1,516,850 with an initial due date of June 12, 2048, bearing no interest, collateralized by land, buildings, and improvements owned by Skyline Terrace Housing, L.P. No monthly installments are due on the loan. Rather, the lender will defer payments and forgive the principal contingent upon the property adhering to the Restrictive Covenants until the maturity date. Foundation Communities records interest expense based on the imputed rate of 4.5%, the market rate of interest at the origination date.

**FCI (M Station):**
Promissory note in the amount of $2,000,000 with a due date of November 30, 2108, bearing 3% interest, secured by land for the M Station project. Payment due at maturity or date FCI is required to repay AHFC.

**FCI (Shady Oaks):**
Promissory note in the amount of $3,000,000 with a due date of January 1, 2109, bearing no interest, collateralized by land, buildings and improvements owned by Shady Oaks Housing, L.P. No monthly installments are due on the loan. Rather, the lender will defer payments and forgive the principal contingent upon the property adhering to the Restrictive Covenants until the maturity date. Foundation Communities records interest expense based on the imputed rate of 3%, the market rate of interest at the origination date.

**FCI (Capital Studios):**
Promissory note in the amount of $4,660,000 with a due date of July 1, 2053, bearing no interest, collateralized by land, buildings and improvements owned by Capital Studios Housing, L.P. No monthly installments are due on the loan. Rather, the lender will defer payments and forgive the principal contingent upon the property adhering to the Restrictive Covenants until the maturity date. Foundation Communities records interest expense based on the imputed rate of 3%, the market rate of interest at the origination date.
FCI (Live Oak Trails):
Promissory note in the amount of $1,250,000 with a due date of September 1, 2054, bearing no interest, collateralized by land, buildings and improvements owned by FC Southwest Trails Housing, L.P. No monthly installments are due on the loan. Rather, the lender will defer payments and forgive the principal contingent upon the property adhering to the Restrictive Covenants until the maturity date. Foundation Communities records interest expense based on the imputed rate of 3%, the market rate of interest at the origination date.

Promissory note in the amount of $295,690 with a due date of July 31, 2055, bearing no interest, collateralized by land, buildings and improvements owned by FC Southwest Trails Housing, L.P. No monthly installments are due on the loan. Rather, the lender will defer payments and forgive the principal contingent upon the property adhering to the Restrictive Covenants until the maturity date. Foundation Communities records interest expense based on the imputed rate of 3%, the market rate of interest at the origination date.

Promissory note in the amount of $500,000 with a due date of July 31, 2055, bearing no interest, collateralized by land, buildings and improvements owned by FC Southwest Trails Housing, L.P. No monthly installments are due on the loan. Rather, the lender will defer payments and forgive the principal contingent upon the property adhering to the Restrictive Covenants until the maturity date. Foundation Communities records interest expense based on the imputed rate of 3%, the market rate of interest at the origination date.

FCI (Bluebonnet):
Promissory note in the amount of $2,000,000 with a due date of September 1, 2054, bearing no interest, collateralized by land, buildings and improvements owned by FC Bluebonnet Studios Housing, L.P. No monthly installments are due on the loan. Rather, the lender will defer payments and forgive the principal contingent upon the property adhering to the Restrictive Covenants until the maturity date. Foundation Communities records interest expense based on the imputed rate of 3%, the market rate of interest at the origination date.

Promissory note in the amount of $1,000,000 with a due date of September 1, 2054, bearing no interest, collateralized by land, buildings and improvements owned by FC Bluebonnet Studios Housing, L.P. No monthly installments are due on the loan. Rather, the lender will defer payments and forgive the principal contingent upon the property adhering to the Restrictive Covenants until the maturity date. Foundation Communities records interest expense based on the imputed rate of 3%, the market rate of interest at the origination date.

Promissory note in the amount of $294,420 with a due date of June 30, 2035, bearing no interest, collateralized by land, buildings and improvements owned by FC Bluebonnet Studios Housing, L.P. No monthly installments are due on the loan. Rather, the lender will defer payments and forgive the principal contingent upon the property adhering to the Restrictive Covenants until the maturity date. Foundation Communities records interest expense based on the imputed rate of 3%, the market rate of interest at the origination date.
Promissory note in the amount of $700,000 with a due date of June 30, 2035, bearing no interest, collateralized by land, buildings and improvements owned by FC Bluebonnet Studios Housing, L.P. No monthly installments are due on the loan. Rather, the lender will defer payments and forgive the principal contingent upon the property adhering to the Restrictive Covenants until the maturity date. Foundation Communities records interest expense based on the imputed rate of 3%, the market rate of interest at the origination date.

FCI (Lakeline):

Promissory note in the amount of $2,475,000 with a due date of October 1, 2054, bearing no interest, collateralized by land, buildings and improvements owned by FC Rutledge Spur Housing, L.P. No monthly installments are due on the loan. Rather, the lender will defer payments and forgive the principal contingent upon the property adhering to the Restrictive Covenants until the maturity date. Foundation Communities records interest expense based on the imputed rate of 3%, the market rate of interest at the origination date.

Promissory note in the amount of $500,000 with a due date of June 30, 2055, bearing no interest, collateralized by land, buildings and improvements owned by FC Rutledge Spur Housing, L.P. No monthly installments are due on the loan. Rather, the lender will defer payments and forgive the principal contingent upon the property adhering to the Restrictive Covenants until the maturity date. Foundation Communities records interest expense based on the imputed rate of 3%, the market rate of interest at the origination date.

Promissory note in the amount of $294,820 with a due date of June 30, 2035, bearing no interest, collateralized by land, buildings and improvements owned by FC Rutledge Spur Housing, L.P. No monthly installments are due on the loan. Rather, the lender will defer payments and forgive the principal contingent upon the property adhering to the Restrictive Covenants until the maturity date. Foundation Communities records interest expense based on the imputed rate of 3%, the market rate of interest at the origination date.

FC Austin One Housing Corp (Arbor Terrace):

Promissory note in the amount of $7,260,290 with a due date of July 1, 2042, bearing no interest, collateralized by land, buildings and improvements owned by AHFC and leased to FC Austin One Housing Corp. Annual payments will become due beginning July 1, 2013. No monthly installments are due on the loan. Rather, the lender will defer payments and forgive the principal each year contingent upon the property adhering to the restrictive covenants until the maturity date. Interest is imputed at 4% based upon the market rate of interest at the origination date.

Promissory note in the amount of $2,000,000 with a due date of June 30, 2110, bearing no interest, collateralized by land, buildings and improvements owned by AHFC and leased to FC Austin One Housing Corporation. Interest is imputed at 4% based upon the market rate of interest at the origination date.
FCI (Cardinal Point):
Promissory note in the amount of $1,875,000 with a due date of August 31, 2055, bearing no interest, collateralized by land, buildings and improvements owned by AHFC and leased to Foundation Communities. Interest is imputed at 3% based upon the market rate of interest at the origination date.

<table>
<thead>
<tr>
<th></th>
<th>1,875,000</th>
<th>1,875,000</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$ 40,581,955</td>
<td>$ 39,522,245</td>
</tr>
</tbody>
</table>

There are no future required principal payments under the forgivable loans. Future amortization of debt issuance costs was as follows as of December 31, 2016:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>$ 4,338</td>
</tr>
<tr>
<td>2018</td>
<td>4,338</td>
</tr>
<tr>
<td>2019</td>
<td>4,338</td>
</tr>
<tr>
<td>2020</td>
<td>4,338</td>
</tr>
<tr>
<td>2021</td>
<td>4,338</td>
</tr>
<tr>
<td>Thereafter</td>
<td>49,579</td>
</tr>
<tr>
<td>Total</td>
<td>$ 71,269</td>
</tr>
</tbody>
</table>

In prior years, Foundation Communities reported debt issuance costs as a deferred charge in the statement of financial position and amortization of such costs in the statement of activities as depreciation and amortization. To comply with new U.S. GAAP presentation requirements, in 2016 Foundation Communities began reporting such costs as a direct deduction from the face amount of the related debt (as shown in the table below) and reclassified prior year amounts, resulting in a reduction of total 2015 assets by $75,607. The change did not affect net assets.

Similarly, Foundation Communities now reports amortization of debt issuance costs, $4,338 during the year ended December 31, 2016, as interest expense and reclassified 2015 amounts accordingly. As a result, reported interest expense during the year ended December 31, 2015 was increased and depreciation and amortization decreased by $4,338, with no net effect on the change in net assets.

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Principal amount</td>
<td>$ 40,653,224</td>
<td>$ 39,597,852</td>
</tr>
<tr>
<td>Less unamortized debt issuance costs</td>
<td>(71,269)</td>
<td>(75,607)</td>
</tr>
<tr>
<td>Long-term debt, net of unamortized debt issuance costs</td>
<td>$ 40,581,955</td>
<td>$ 39,522,245</td>
</tr>
</tbody>
</table>

**Note 12: Line of Credit**

FCI has three lines of credit agreements with three separate financial institutions.

The first line of credit provides for a variable rate of interest (2.950% at December 31, 2016 and 2015) and expires on November 5, 2018. The credit limit is $3,000,000 and is collateralized by the land, building and improvements owned by Buckingham. There were no amounts outstanding and no draws during the year under this line of credit as of December 31, 2016 or 2015.

The second line of credit provides for a variable rate of interest (LIBOR plus 2.65%) and expires on May 26, 2017. The credit limit is $6,000,000 and is collateralized by the land, building and improvements owned by Shadow Brook. As of December 31, 2016 and 2015 the outstanding balance was $3,733,629 and $1,830,543, respectively. These balances are included in the Notes Payable in Note 10.
The third line of credit provides for a variable rate of interest (LIBOR plus 2.25%) with no expiration date. The line of credit is collateralized by the Central Reserve fund held by FCI in an amount not to exceed $6,200,000. There were no amounts outstanding and no draws during the year under this line of credit as of December 31, 2016 or 2015.

Note 13: Interest Rate Swap Agreements

In 2013, Buckingham entered into an interest rate swap agreement with a bank to hedge their exposure to interest rate fluctuations resulting from their variable interest rate note payable agreements. In 2008, Village Green entered into a similar agreement. The two interest rate swaps were valued using the market approach and inputs were considered level 2 in the fair value hierarchy.

Level 2 hierarchy inputs are inputs other than quoted prices in active markets for identical assets or liabilities that are observable for the asset or liability either directly or indirectly. In the case of the interest rate swap agreements, the observable inputs are the relevant interest rates. Under the interest rate swap agreements, the affiliates agree to exchange the LIBOR-based variable interest payment charged on the note payable agreements for a fixed interest payment that approximates 3% on Buckingham and 6% on Village Green. The original notional amount of the interest rate swap agreements approximated the respective outstanding principal balances at the time the agreements were entered into. The original notional amounts decrease as principal payments are made on the underlying note payable agreements. The interest rate swap agreements expire in January 2028 and February 2028 for Buckingham and Village Green, respectively. In the event of default, Foundation Communities would be exposed to interest rate fluctuations. Foundation Communities does not anticipate nonperformance by the bank. Foundation Communities records the estimated fair value of these swap agreements on the consolidated statements of financial position. The fair value at December 31, 2016 and 2015 resulted in a liability of $20,445 and $71,602, respectively, for Buckingham; and a liability of $532,316 and $660,489 for Village Green, respectively. The change in the fair value of the interest rate swap agreements is recorded as an adjustment to interest expense.

Note 14: Temporarily Restricted Net Assets

Temporarily restricted net assets at December 31, 2016 and 2015 were restricted for the following purposes:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Affordable housing programs</td>
<td>$15,081,095</td>
<td>$12,859,695</td>
</tr>
<tr>
<td>Asset building programs</td>
<td>537,750</td>
<td>725,150</td>
</tr>
<tr>
<td>Learning center programs</td>
<td>190,000</td>
<td>570,000</td>
</tr>
<tr>
<td>Supportive housing programs</td>
<td>348,990</td>
<td>460,100</td>
</tr>
<tr>
<td>Healthy living programs</td>
<td>8,390</td>
<td>241,186</td>
</tr>
<tr>
<td><strong>Total temporarily restricted net assets</strong></td>
<td><strong>$16,165,725</strong></td>
<td><strong>$14,856,731</strong></td>
</tr>
</tbody>
</table>

Included in temporarily restricted net assets are ten and eleven subsidies from the Federal Home Loan Bank (“FHLB”) and AHFC totaling $8,900,000 and $8,050,000 at December 31, 2016 and 2015, respectively. Information from these subsidies is included below.

In 2001, the Federal Home Loan Bank of Dallas (“FHLBD”) granted a direct subsidy of $500,000 to CTSWA. The FHLBD Grant and Subsidy agreements require the Southwest Trails property to be occupied by and affordable for households whose income is at or below certain levels as specified in the agreement. In the event of sale of the property or noncompliance with the aforementioned compliance requirements, recapture of the subsidy is required. This compliance requirement remained in effect until November of 2016.
In 2004, the Federal Home Loan Bank of Atlanta ("FHLBA") granted a direct subsidy of $500,000 to Garden Terrace. The FHLBA Grant and Subsidy agreements require the Garden Terrace property to be occupied by and affordable for households whose income is at or below certain levels as specified in the agreement. This compliance requirement will remain in effect until November of 2017. In the event of sale of the property or noncompliance with the aforementioned compliance requirements, recapture of the subsidy is required.

In 2004, the City of Austin granted a direct subsidy of $150,000 to Village Green. The City Grant and Subsidy agreements require the Village Green property to be occupied by and affordable for households whose income is at or below certain levels as specified in the agreement. In the event of sale of the property or noncompliance with the aforementioned compliance requirements, recapture of the subsidy is required. This compliance requirement remained in effect until July of 2016.

In 2006, the FHLBD granted a direct subsidy of $350,000 to Spring Terrace. The FHLBD Grant and Subsidy agreements require the Spring Terrace property to be occupied by and affordable for households whose income is at or below certain levels as specified in the agreement. This compliance requirement will remain in effect until November 7, 2021. In the event of sale of the property or noncompliance with the aforementioned compliance requirements, recapture of the subsidy is required.

In 2006, the Federal Home Loan Bank of San Francisco ("FHLBS") granted a direct subsidy of $750,000 to FCI. The FHLBS Grant and Subsidy agreements require the Skyline Terrace property to be occupied by and affordable for households whose income is at or below certain levels as specified in the agreement. This compliance requirement will remain in effect until September 1, 2021. In the event of sale of the property or noncompliance with the aforementioned compliance requirements, recapture of the subsidy is required.

In 2009, the FHLBS granted a direct subsidy of $300,000 to FCI. The FHLBS Grant and Subsidy agreements require the Garden Terrace property to be occupied by and affordable for households whose income is at or below certain levels as specified in the agreement. This compliance requirement will remain in effect until January 16, 2023. In the event of sale of the property or noncompliance with the aforementioned compliance requirements, recapture of the subsidy is required.

In 2011, the FHLBS granted a direct subsidy of $1,500,000 to FCI. The FHLBS Grant and Subsidy agreements require the M Station property to be occupied by and affordable for households whose income is at or below certain levels as specified in the agreement. This compliance requirement will remain in effect until fifteen years following the date construction was completed (September 2, 2011). In the event of sale of the property or noncompliance with the aforementioned compliance requirements, recapture of the subsidy is required.

In 2012, the FHLBS granted a direct subsidy of $1,000,000 to FCI. The FHLBS Grant and Subsidy agreements require the Sierra Vista property owned by Shady Oaks Housing, L.P. to be occupied by and affordable for households whose income is at or below certain levels as specified in the agreement. This compliance requirement will remain in effect until fifteen years following the date construction was completed (May 2012). In the event of sale of the property or noncompliance with the aforementioned compliance requirements, recapture of the subsidy is required.

In 2012, the FHLBA granted a direct subsidy of $1,000,000 to Arbor Terrace. The FHLBA Grant and Subsidy agreements require the Arbor Terrace property to be occupied by and affordable for households whose income is at or below certain levels as specified in the agreement. This compliance requirement will remain in effect until fifteen years following the date construction was completed (August 2012). In the event of sale of the property or noncompliance with the aforementioned compliance requirements, recapture of the subsidy is required.

In 2014, the FHLBS granted a direct subsidy of $1,000,000 to FCI. The FHLBS Grant and Subsidy agreements require the Capital Studios property to be occupied by and affordable for households whose income is at or below certain levels as specified in the agreement. This compliance requirement will remain in effect until fifteen years following the date construction was completed (November 2014). In the event of sale of the property or noncompliance with the aforementioned compliance requirements, recapture of the subsidy is required.
In 2015, the FHLBS granted a direct subsidy of $1,000,000 to FCI. The FHLBS Grant and Subsidy agreements require the Homestead Oaks property to be occupied by and affordable for households whose income is at or below certain levels as specified in the agreement. This compliance requirement will remain in effect until fifteen years following the date construction was completed (December 2015). In the event of sale of the property or noncompliance with the aforementioned compliance requirements, recapture of the subsidy is required.

In 2016, the FHLBS granted a direct subsidy of $1,500,000 to FCI. The FHLBS Grant and Subsidy agreements require the Bluebonnet Studios property to be occupied by and affordable for households whose income is at or below certain levels as specified in the agreement. This compliance requirement will remain in effect until fifteen years following the date construction was completed (December 2016). In the event of sale of the property or noncompliance with the aforementioned compliance requirements, recapture of the subsidy is required.

FCI was awarded a $4,000,000 grant in September 2016 by the Community Development Financial Institutions Fund for a Capital Magnet Fund. These funds were provided to capitalize an affordable housing fund. FCI will use these funds to build and develop 833 units of affordable housing over the next five years.

**Note 15: Permanently Restricted Net Assets**

As of December 31, 2016 and 2015, Foundation Communities had been awarded a total of $5,232,457 and $5,782,457, respectively, in capital fund grants by Neighborworks America. These funds were awarded to establish and maintain a capital fund for the expressed purpose of funding the costs of acquiring, constructing, or rehabilitating real properties, and funding pre-development costs such as architectural and engineering. Under the terms of the agreement, loan repayments and proceeds from capital projects must be returned to the capital fund to ensure its perpetuity; thus, these funds have been accounted for as permanently restricted. Should Foundation Communities fail to comply with any of the terms of the agreement, or become defunct, the remaining grant funds, proceeds, and the loan and capital projects portfolios representing the uses of these funds shall revert back to Neighborworks America. Neighborworks America issued capital conversions to reduce the permanently restricted funds by $1,000,000 to make those funds available for operations during both years ending 2016 and 2015.

Capital fund grants are originally received by FCI and then passed through to the affiliates in the form of notes or grants. The Capital Fund consisted of the following at December 31:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$81,460</td>
<td>$1,831</td>
</tr>
<tr>
<td>Notes receivable from:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Village Green</td>
<td>834,135</td>
<td>834,135</td>
</tr>
<tr>
<td>Spring Terrace</td>
<td>131,2/5</td>
<td>1,131,2/5</td>
</tr>
<tr>
<td>Shady Oaks, LLC</td>
<td>500,000</td>
<td>500,000</td>
</tr>
<tr>
<td>M Station, LLC</td>
<td>1,000,000</td>
<td>1,000,000</td>
</tr>
<tr>
<td>Capital Studios, LLC</td>
<td>1,197,000</td>
<td>1,197,000</td>
</tr>
<tr>
<td>Arbor Terrace</td>
<td>58,587</td>
<td>200,000</td>
</tr>
<tr>
<td>Bluebonnet, LLC</td>
<td>1,430,000</td>
<td>980,000</td>
</tr>
<tr>
<td>Total permanently restricted net assets</td>
<td>$5,232,457</td>
<td>$5,782,457</td>
</tr>
</tbody>
</table>
Note 16: Related Party Transactions - Skyline Terrace Housing, L.P.

Note Receivable
Skyline Terrace Housing, L.P. received funding of $5,050,000 from FCI for the purpose of paying development and renovations for the affordable housing project. FCI received $1,450,000 from TDHCA, $750,000 from the FHLBS (see Note 14) and $2,000,000 ($1,118,309 and $881,691) from AHFC. An additional $850,000 was subsequently loaned to Skyline Terrace Housing, L.P. by FCI. The principal amount bears interest at 0.25%. The notes do not have a due date; however, they must be paid upon winding up of Skyline Terrace Housing, L.P. As of December 31, 2016 and 2015, the outstanding principal balance was $5,050,000, and interest of $126,791 and $113,881, respectively, was accrued.

Development Fee Earned
In consideration for acting as the developer of the project, Foundation Communities was entitled to a development fee of $898,000. As of December 31, 2016 and 2015, there was no outstanding balance.

Property Management Fee
As compensation for managing the property, Foundation Communities is entitled to a property management fee in the amount of 6% of the monthly rental collections. During the years ended December 31, 2016 and 2015, Foundation Communities earned $38,029 and $55,539 in total fees and $3,399 and $3,047 were receivable at December 31, 2016 and 2015, respectively.

Note 17: Related Party Transactions - M Station Housing, L.P.

Note Receivable
M Station Housing, L.P. received funding of $6,500,000 from FCI for the purpose of paying for land acquisition and development costs for the affordable housing project. FCI received $2,000,000 from AHFC and those funds are included in the balance from M Station. Note terms are annual payments to the extent of available cash flow. The principal amount bears interest at 1%. The additional $3,000,000 received by M Station was loaned by FCI in 2011. Funding sources include $1,500,000 from FHLBS (see Note 14), $1,000,000 from Neighborworks America (see Note 15) and $2,000,000 from private donors and FCI’s unrestricted funds. As of December 31, 2016 and 2015, the outstanding principal balance was $6,500,000, and interest of $445,505 and $380,505 had accrued, respectively.

Development Fee Earned
In consideration for acting as the developer of the project, Foundation Communities is entitled to a development fee of $2,206,571. The unpaid development fee bears no interest. Payments on the amounts due for the development fee are made from M Station Housing, L.P.’s limited partner equity as determined in the partnership agreement and then remaining balances will be paid from the partnership’s cash flow from operations. As of December 31, 2016 and 2015, $396,000 and $455,000, respectively, was receivable.

Property Management Fee
As compensation for managing the property, Foundation Communities is entitled to a property management fee in the amount of 5% of the monthly rental collections. During the years ended December 31, 2016 and 2015, Foundation Communities earned $69,628 and $68,621, respectively, in total fees and $6,260 and $6,895 was receivable at December 31, 2016 and 2015, respectively.

General Partnership Asset Management Fee
As compensation for management of the partnership, M Station, LLC is entitled to an asset management fee in the amount of $5,000 per year. Payment of the fees are subject to cash flow distribution rights as outlined in the Limited Partnership Agreement. As of December 31, 2016 and 2015, $20,000 and $15,000, respectively, were receivable as a result of this fee.
Note 18: Related Party Transactions - Shady Oaks Housing, L.P.

Note Receivable
As of December 31, 2010, FCI had funded $3,000,000 received from AHFC to Shady Oaks Housing, L.P. for purpose of acquisition and development costs for the affordable housing project. In 2011 FCI loaned Shady Oaks an additional $2,550,000 for development costs. Note terms are annual payments to the extent of available cash flow. The principal amounts bears interest at 1%. At December 31, 2016, and 2015, the outstanding principal balance was $5,550,000 and interest of $356,934 and $261,333, respectively, was accrued at December 31, 2016 and 2015.

Development Fee Earned
In consideration for acting as the developer of the project, Foundation Communities is entitled to a development fee of $1,493,850 upon completion of construction and other requirements set forth in the partnership agreement. The unpaid development fee bears no interest. Payments on the amounts due for the development fee are made from Shady Oaks Housing, L.P.’s limited partner equity as determined in the partnership agreement and then remaining balances will be paid from the partnership’s cash flow from operations. As of December 31, 2016 and 2015, $285,000 and $615,000 was receivable, respectively.

Property Management Fee
As compensation for managing the property, Foundation Communities is entitled to a property management fee in the amount of 5.1% of the monthly rental collections. During the years ended December 31, 2016 and 2015, Foundation Communities received $96,025 and $90,400, respectively, in total fees. As of December 31, 2016 and 2015, $8,427 and $7,290 respectively, were receivable as a result of this fee.

General Partnership Asset Management Fee
As compensation for management of the partnership, Shady Oaks, LLC is entitled to an asset management fee in the amount of $5,000 per year. Payment of the fees are subject to cash flow distribution rights as outlined in the Limited Partnership agreement. As of December 31, 2016 and 2015, $25,000 and $20,000 respectively, were receivable as a result of this fee.

Note 19: Related Party Transactions - Capital Studios Housing, L.P.

Note Receivable
As of December 31, 2016 and 2015, FCI had funded $8,833,133 to Capital Studios Housing, L.P. for purpose of acquisition and development costs for the affordable housing project. FCI received $4,660,000 from AHFC as well as $1,000,000 from FHLBS (see Note 14) and those funds are included in the balance from Capital Studios. Note terms are annual payments to the extent of available cash flow. The principal amounts bears interest at 3%. At December 31, 2016, and 2015 the outstanding principal balance was $7,523,050 and $8,833,133 and interest of $233,081 and $486,499, respectively, was accrued at December 31, 2016 and 2015.

Development Fee Earned
In consideration for acting as the developer of the project, Foundation Communities is entitled to a development fee of $1,409,492 upon completion of construction and other requirements set forth in the partnership agreement. The unpaid development fee bears no interest. Payments on the amounts due for the development fee are made from Capital Studios Housing, L.P.’s limited partner equity as determined in the partnership agreement and then remaining balances will be paid from the partnership’s cash flow from operations. As of December 31, 2016 and 2015, $649,039 and $905,030 was receivable, respectively.

Property Management Fee
As compensation for managing the property, Foundation Communities is entitled to a property management fee in the amount of 6% of the monthly rental collections. During the year ended December 31, 2016 and 2015, Foundation Communities earned $57,900 and $55,199, respectively, in total fees. As of December 31, 2016 and 2015, $5,314 and $4,466 respectively, were receivable as a result of this fee, respectively.
Note 20: Related Party Transactions - FC SW Housing, L.P. (Homestead)

Note Receivable
As of December 31, 2016 and 2015, FCI had funded $2,326,273 and $2,211,373 to FC SW Housing, L.P. for purpose of acquisition and development costs for the Homestead Apartments affordable housing project. FCI received $1,000,000 from FHLBS (see Note 14). Note terms are annual payments to the extent of available cash flow. The principal amounts bears interest at 3%. At December 31, 2016 and 2015, the outstanding principal balance was $2,326,273 and $2,211,373, respectively, and interest of $229,687 and $131,294, was accrued at December 31, 2016 and 2015, respectively.

Development Fee Earned
In consideration for acting as the developer of the project, Foundation Communities is entitled to a development fee of $2,123,831 upon completion of construction and other requirements set forth in the partnership agreement. The unpaid development fee bears no interest. Payments on the amounts due for the development fee are made from FC SW Housing, L.P.’s limited partner equity as determined in the partnership agreement and then remaining balances will be paid from the partnership’s cash flow from operations. As of December 31, 2016 and 2015, $1,502,293 and $0 was receivable, respectively. Additionally, at December 31, 2016 and 2015, $0 and $1,640,844, respectively, in construction costs funded by FCI was receivable.

Property Management Fee
As compensation for managing the property, Foundation Communities is entitled to a property management fee in the amount of 5.25% of the monthly rental collections. During the years ended December 31, 2016 and 2015, Foundation Communities received $61,837 and $0, respectively, in total fees. As of December 31, 2016 and 2015, $6,010 and $0 respectively, were receivable as a result of this fee.

General Partnership Asset Management Fee
As compensation for management of the partnership, Homestead, LLC is entitled to an asset management fee in the amount of $5,000 per year. Payment of the fees is subject to cash flow distribution rights as outlined in the Limited Partnership agreement. As of December 31, 2016 and 2015, $5,000 and $0 respectively, were receivable as a result of this fee.

Note 21: Related Party Transactions - FC Southwest Trails Housing, L.P. (Live Oak Trails)

Note Receivable
As of December 31, 2016 and 2015, FCI had funded $5,029,541 and $2,364,932 to FC Southwest Trails Housing, L.P. for purpose of acquisition and development costs for the Live Oak Trails affordable housing project. FCI received $2,045,690 from AHFC and those funds are included in the balance from Live Oak. Note terms are annual payments to the extent of available cash flow. The principal amounts bears interest at 3%. At December 31, 2016 and 2015, the outstanding principal balance was $5,029,541 and $2,364,932, respectively, and interest of $194,963 and $86,408, respectively, was accrued at December 31, 2016 and 2015.

Development Fee Earned
In consideration for acting as the developer of the project, Foundation Communities is entitled to a development fee of $1,220,181 upon completion of construction and other requirements set forth in the partnership agreement. The unpaid development fee bears no interest. Payments on the amounts due for the development fee are made from FC Southwest Trails Housing, L.P.’s limited partner equity as determined in the partnership agreement and then remaining balances will be paid from the partnership’s cash flow from operations. As of December 31, 2016 and 2015, $1,220,181 and $305,045, respectively, was receivable. At December 31, 2016 and 2015, $48,602 and $1,187,653, respectively, in construction costs funded by FCI was receivable.
Note 22: Related Party Transactions - FC Bluebonnet Housing, L.P. (Bluebonnet Studios)

Note Receivable
As of December 31, 2016 and 2015, FCI had funded $10,841,041 and $5,220,294, respectively, to FC Bluebonnet Housing, L.P. for purpose of acquisition and development costs for the Bluebonnet Studios affordable housing project. FCI received $3,994,420 from AHFC and $1,500,000 from FHLBS (See Note 14) and those funds are included in the balance from Bluebonnet. Note terms are annual payments to the extent of available cash flow. The principal amounts bear interest at 2.5%. At December 31, 2016 and 2015, the outstanding principal balance was $10,841,041 and $5,220,294, respectively, and interest of $302,601 and $114,470, respectively, was accrued at December 31, 2016 and 2015.

Development Fee Earned
In consideration for acting as the developer of the project, Foundation Communities is entitled to a development fee of $1,055,133 upon completion of construction and other requirements set forth in the partnership agreement. The unpaid development fee bears no interest. Payments on the amounts due for the development fee are made from FC Bluebonnet Housing, L.P’s limited partner equity as determined in the partnership agreement and then remaining balances will be paid from the partnership’s cash flow from operations. As of December 31, 2016 and 2015, $1,055,133 and $263,783, respectively, was receivable. At December 31, 2016 and 2015, $29,811 and $1,337,308, respectively, in construction costs funded by FCI was receivable.

Note 23: Related Party Transactions - FC Rutledge Spur Housing, L.P. (Lakeline Station)

Note Receivable
As of December 31, 2016 and 2015, FCI had funded $6,506,327 and $4,435,549, respectively, to FC Rutledge Spur Housing, L.P. for purpose of acquisition and development costs for the Lakeline Station affordable housing project. FCI received $3,269,820 from AHFC and those funds are included in the balance from Lakeline. Note terms are annual payments to the extent of available cash flow. The principal amounts bear interest at 3%. At December 31, 2016 and 2015, the outstanding principal balance was $6,506,327 and $4,435,549, respectively, and interest of $340,978 and $153,042, respectively, was accrued at December 31, 2016 and 2015.

Development Fee Earned
In consideration for acting as the developer of the project, Foundation Communities is entitled to a development fee of $2,083,829 upon completion of construction and other requirements set forth in the partnership agreement. The unpaid development fee bears no interest. Payments on the amounts due for the development fee are made from FC Rutledge Spur Housing, L.P’s limited partner equity as determined in the partnership agreement and then remaining balances will be paid from the partnership’s cash flow from operations. As of December 31, 2016 and 2015, $2,083,829 and $520,958, respectively, was receivable. At December 31, 2016 and 2015, $1,809,633 and $1,688,984, respectively, in construction costs funded by FCI was receivable.

Note 24: Related Party Transactions - FC Cardinal Point Housing, L.P. (Cardinal Point)

Note Receivable
As of December 31, 2016 and 2015, FCI had funded $3,519,318 and $2,800,355, respectively, to FC Cardinal Point Housing L.P for purpose of acquisition and development costs for the Cardinal Point affordable housing project. FCI received $1,875,000 from AHFC and those funds are included in the balance from Cardinal Point. Note terms are annual payments to the extent of available cash flow. The principal amounts bear interest at 3%. As of December 31, 2016 and 2015, $139,140 and $0 was receivable, respectively.
Development Fee Earned

In consideration for acting as the developer of the project, Foundation Communities is entitled to a development fee of $2,163,448 upon completion of construction and other requirements set forth in the partnership agreement. Payments on the amounts due for the development fee are made from FC Cardinal Point Housing, LP’s limited partner equity as determined in the partnership agreement and then remaining balances will be paid from the partnership’s cash flow from operations. The $1,298,069 balance of fees will be earned in 2017 upon construction completion. As of December 31, 2016 and 2015, $265,379 and $0, respectively, was receivable. At December 31, 2016 and 2015, $935,509 and $0, respectively, in construction costs funded by FCI was receivable.

Note 25: Related Party Transactions - Personal Contributions from Board Members

Board contributions for the years ended December 31, 2016 and 2015 were $12,683 and $5,343, respectively.

Foundation Communities has a conflict of interest policy by which each Board member must abide. This policy requires Board members to disclose any potential conflict of interest involving themselves or a family member in regard to any matter which involves Foundation Communities.

Note 26: Leasehold Interests - Spring Terrace and Arbor Terrace

In 2005, Foundation Communities, through FC Ashford, acquired a hotel property for approximately $2,850,000. In December 2005, FC Ashford sold the building and land to Austin Housing Finance Corporation, an unrelated third party, for approximately $2,000,000 and retained a leasehold interest in the building valued at approximately $850,000. Under the terms of the leasehold interest, Foundation Communities’ affiliate, Spring Terrace, is allowed to use the building as a rental housing facility for qualified homeless and low-income individuals. The lease term is 99 years and begins on the date of the initial tenant occupancy. The leasehold interest of $872,210 is included in property and equipment at December 31, 2016 and 2015, and will be amortized over the expected useful life of the building.

In 2011, Arbor Terrace entered into a leasehold agreement with Austin Housing Finance Corporation in conjunction with Austin Housing Finance Corporation providing $2,000,000 to acquire existing property now known as Arbor Terrace. Under the terms of the leasehold interest, Arbor Terrace is allowed to use the building as a rental housing facility for qualified homeless and low-income individuals. The lease term is 99 years and began on June 6, 2011. Construction on the renovations to the property was completed in August 2012.

Note 27: Endowment Funds

During 2007, Foundation Communities established the Foundation Communities Next Generation Fund (the “Fund”), a permanent endowment fund, at the Austin Community Foundation (“the Foundation”). The assets are irrevocably held by the Foundation and are managed to accomplish Foundation Communities’ designated charitable purpose. The fund’s assets are recorded in the consolidated statement of financial position of Foundation Communities as the Foundation reserves the power to modify any condition or restriction on the distributions from the Fund. The balance in the Fund as of December 31, 2016 and 2015 was $219,901 and $205,099, respectively. No distributions were received from the Fund during the years ended December 31, 2016 and 2015, respectively.

Annually the Foundation’s Board of Governors makes a determination of the amount to grant to Foundation Communities, based on the Foundation’s spending policy. The Foundation’s current spending policy is that five percent of the Fund’s value as of December 31 each year shall be the available for distribution in the following year. Such distribution will be available to Foundation Communities pursuant to a letter of instruction from Foundation Communities, but subject to the Foundation’s Board of Governors approval. If the amount available to grant is not distributed in a single year, any remaining balance available to grant will carry over to subsequent years.
Note 28: Employee Benefit Plans

In 1999, Foundation Communities adopted a defined contribution, 401(k) employee benefit plan covering substantially all of its employees. Employees who elect to participate can contribute up to 75% of their gross pay to the plan up to $17,500 and up to $23,000 if the participant is over 50 years of age. In accordance with the plan document, Foundation Communities has elected to match the employee contribution up to 2% of the employee’s gross pay. In addition, the employer may elect, on an annual basis through action of the Board of Directors, to make an additional contribution of up to the maximum allowable under the plan provisions. Foundation Communities’ matching contributions expense for the years ended December 31, 2016 and 2015 totaled $400,167 and $365,932, respectively.

Note 29: Compliance with Community Housing Development Organizations’ Tax Exemptions

Included in the supplementary information to these audited financial statements is a schedule titled Community Housing Development Organization Property Tax Reinvestment Public Expenditure Test that is included to show Foundation Communities’ compliance with the exemption from ad valorem taxation for certain community housing developmental organization requirements of Texas Property Tax Code 11.182 and 11.1825.

Note 30: Contingencies

Foundation Communities receives government grants for specific purposes that are subject to review and audit by government agencies. Such audits could result in a request for reimbursement for expenditures disallowed under terms and conditions of the appropriate agency. In the opinion of Foundation Communities’ management, such disallowances, if any, would not be significant.

Note 31: Subsequent Events

Foundation Communities has evaluated subsequent events through May 15, 2017 (the date the consolidated financial statements were available to be issued), and no events have occurred from the consolidated statement of financial position date through that date that would impact the consolidated financial statements.
SUPPLEMENTARY INFORMATION
# FOUNDATION COMMUNITIES, INC.

## SCHEDULE OF FINANCIAL POSITION BY ENTITY - UNAUDITED

**DECEMBER 31, 2016**

### ASSETS

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<th>Foundation</th>
<th>Communities</th>
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<th>Ceres</th>
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<th>Elkins</th>
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<th>Shady</th>
<th>Basking</th>
<th>Carey's</th>
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<th>Greens</th>
<th>Timonium</th>
<th>Spring</th>
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<th>Other</th>
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**Total Assets:** 46,812,746

### LIABILITIES AND EQUITY ASSETS

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<th>Communities</th>
<th>Backlogging</th>
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</tr>
<tr>
<td>Interest on accounts payable</td>
<td>152,561</td>
<td>152,561</td>
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<td>0</td>
<td>0</td>
<td>0</td>
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<td>0</td>
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<td>0</td>
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<tr>
<td>Notes payable</td>
<td>30,695,152</td>
<td>30,695,152</td>
<td>10</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
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<td>0</td>
<td>0</td>
<td>0</td>
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<tr>
<td>Other liabilities</td>
<td>40,301,035</td>
<td>40,301,035</td>
<td>10</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
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**Total Liabilities:** 79,347,790

### Net assets (deficit)/surplus

<table>
<thead>
<tr>
<th>Net assets (deficit)/surplus</th>
<th>Total</th>
<th>Emeritus</th>
<th>Foundation</th>
<th>Communities</th>
<th>Backlogging</th>
<th>Cherokee</th>
<th>Ceres</th>
<th>Severn</th>
<th>Elkins</th>
<th>Ellwood</th>
<th>Shady</th>
<th>Basking</th>
<th>Carey's</th>
<th>Village</th>
<th>Greens</th>
<th>Timonium</th>
<th>Spring</th>
<th>Timonium</th>
<th>Other</th>
<th>Timonium</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current assets/ liabilities</td>
<td>46,812,746</td>
<td>46,812,746</td>
<td>10</td>
<td>0</td>
<td>0</td>
<td>0</td>
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<td>0</td>
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<td>0</td>
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</tr>
<tr>
<td>Total assets</td>
<td>46,812,746</td>
<td>46,812,746</td>
<td>10</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
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<td>0</td>
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<td>0</td>
<td>0</td>
<td>0</td>
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</tr>
</tbody>
</table>

**Total Liabilities and Net Assets:** 46,812,746

---

37
## FOUNDATION COMMUNITIES, INC.

**SCHEDULE OF ACTIVITY BY ENTITY - UNAUDITED**

**YEAR ENDED DECEMBER 31, 2016**

<table>
<thead>
<tr>
<th>Revenue</th>
<th>Total</th>
<th>Elimination</th>
<th>Foundation</th>
<th>Communities</th>
<th>Backcountry</th>
<th>Cherry Creek</th>
<th>Greenway</th>
<th>St. Johns</th>
<th>Daffidil</th>
<th>Henry</th>
<th>Hollow Creek</th>
<th>Rock</th>
<th>Power's Colony</th>
<th>Village</th>
<th>Glenn</th>
<th>Garden Terrace</th>
<th>Spring Terrace</th>
<th>Artis</th>
<th>Terrace</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rental Income</td>
<td>7,442,224</td>
<td>-</td>
<td>1,543,778</td>
<td>2,273,669</td>
<td>796,880</td>
<td>1,168,017</td>
<td>208,217</td>
<td>199,999</td>
<td>2,978,266</td>
<td>2,538,013</td>
<td>2,751,249</td>
<td>166,167</td>
<td>822,979</td>
<td>748,321</td>
<td>1,957,097</td>
<td>1,513,124</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions as Grants</td>
<td>6,062,003</td>
<td>(2,245,923)</td>
<td>5,058,080</td>
<td>(4,000)</td>
<td>7,089</td>
<td>82,791</td>
<td>41,282</td>
<td>(20,094)</td>
<td>537,322</td>
<td>356,224</td>
<td>384,124</td>
<td>-</td>
<td>192,213</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other property contained fees</td>
<td>7,294,941</td>
<td>(1,477,412)</td>
<td>9,881,352</td>
<td>33,920</td>
<td>23,289</td>
<td>21,435</td>
<td>43,662</td>
<td>14,610</td>
<td>23,166</td>
<td>89,128</td>
<td>85,601</td>
<td>128,128</td>
<td>13,574</td>
<td>32,272</td>
<td>60,952</td>
<td>68,934</td>
<td>11,945</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Revenue</td>
<td>20,801,168</td>
<td>(4,743,615)</td>
<td>15,47,560</td>
<td>35,061</td>
<td>45,668</td>
<td>43,615</td>
<td>63,378</td>
<td>157,428</td>
<td>421,684</td>
<td>480,687</td>
<td>553,929</td>
<td>152,133</td>
<td>841,086</td>
<td>1,188,690</td>
<td>2,573,101</td>
<td>1,723,231</td>
<td>7,859</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenses</th>
<th>Total</th>
<th>Elimination</th>
<th>Foundation</th>
<th>Communities</th>
<th>Backcountry</th>
<th>Cherry Creek</th>
<th>Greenway</th>
<th>St. Johns</th>
<th>Daffidil</th>
<th>Hollow Creek</th>
<th>Rock</th>
<th>Power's Colony</th>
<th>Village</th>
<th>Glenn</th>
<th>Garden Terrace</th>
<th>Spring Terrace</th>
<th>Artis</th>
<th>Terrace</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property operations and maintenance</td>
<td>6,539,192</td>
<td>(1,969,399)</td>
<td>4,569,793</td>
<td>457,211</td>
<td>530,848</td>
<td>535,848</td>
<td>372,470</td>
<td>113,203</td>
<td>1,669,483</td>
<td>1,092,602</td>
<td>1,173,881</td>
<td>186,268</td>
<td>153,289</td>
<td>409,461</td>
<td>572,513</td>
<td>647,542</td>
<td></td>
<td></td>
</tr>
<tr>
<td>General and administrative</td>
<td>9,181,266</td>
<td>(1,771,052)</td>
<td>7,410,214</td>
<td>171,711</td>
<td>138,843</td>
<td>72,536</td>
<td>117,992</td>
<td>82,991</td>
<td>160,868</td>
<td>211,372</td>
<td>253,609</td>
<td>283,994</td>
<td>115,211</td>
<td>204,572</td>
<td>129,273</td>
<td>-</td>
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</tr>
<tr>
<td>Interest</td>
<td>1,502,793</td>
<td>-</td>
<td>1,502,793</td>
<td>4,133</td>
<td>4,586</td>
<td>2,927</td>
<td>324,981</td>
<td>36,619</td>
<td>57,212</td>
<td>136,763</td>
<td>109,740</td>
<td>156,262</td>
<td>85,899</td>
<td>212,608</td>
<td>141,314</td>
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<tr>
<td>Interest income</td>
<td>5,570,080</td>
<td>-</td>
<td>5,570,080</td>
<td>34,818</td>
<td>36,568</td>
<td>28,261</td>
<td>19,280</td>
<td>1,465</td>
<td>4,571</td>
<td>14,182</td>
<td>15,780</td>
<td>19,413</td>
<td>6,271</td>
<td>18,213</td>
<td>8,813</td>
<td>-</td>
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<tr>
<td>Depreciation and amortization</td>
<td>5,606,480</td>
<td>(5,170)</td>
<td>5,606,475</td>
<td>250,209</td>
<td>290,135</td>
<td>283,135</td>
<td>124,095</td>
<td>178,623</td>
<td>512,826</td>
<td>463,362</td>
<td>238,641</td>
<td>465,354</td>
<td>258,271</td>
<td>532,071</td>
<td>753,188</td>
<td>-</td>
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<tr>
<td>Other income</td>
<td>3,595,176</td>
<td>-</td>
<td>3,595,176</td>
<td>3,595,176</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<td>-</td>
<td>-</td>
<td>-</td>
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</tr>
<tr>
<td>Gain on sale of investments</td>
<td>706,394</td>
<td>-</td>
<td>706,394</td>
<td>706,394</td>
<td>-</td>
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<td>-</td>
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<td>-</td>
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<td>-</td>
<td>-</td>
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</tr>
<tr>
<td>Total operating income</td>
<td>23,679,370</td>
<td>(1,819,792)</td>
<td>21,859,578</td>
<td>4,339,784</td>
<td>4,339,784</td>
<td>3,595,176</td>
<td>3,595,176</td>
<td>3,595,176</td>
<td>3,595,176</td>
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<td>3,595,176</td>
<td>3,595,176</td>
<td>3,595,176</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Change in Net Assets</td>
<td>2,634,696</td>
<td>71,706</td>
<td>4,310,302</td>
<td>356,105</td>
<td>145,075</td>
<td>82,329</td>
<td>(79,337)</td>
<td>(85,992)</td>
<td>31,132</td>
<td>(118,572)</td>
<td>65,224</td>
<td>(495,710)</td>
<td>(103,434)</td>
<td>(344,934)</td>
<td>(30,370)</td>
<td>(448,910)</td>
<td>(83,777)</td>
<td>-</td>
</tr>
<tr>
<td>NET ASSETS, BEGINNING OF YEAR</td>
<td>6,895,225</td>
<td>(1,503,880)</td>
<td>7,373,625</td>
<td>(2,185,482)</td>
<td>1,467,781</td>
<td>(377,041)</td>
<td>2,736,746</td>
<td>(105,740)</td>
<td>299,939</td>
<td>(4,423)</td>
<td>1,636,656</td>
<td>(107,424)</td>
<td>(319,062)</td>
<td>(406,546)</td>
<td>(153,970)</td>
<td>(220,099)</td>
<td>(86,764)</td>
<td>(254,878)</td>
</tr>
</tbody>
</table>

38
## Community Housing Development Organization Property Tax Reinvestment Public Expenditure Test

**Year Ended December 31, 2016**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
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<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Arbor Terrace (FC Austin Hsg One)</td>
<td>120</td>
<td>$5,585,426</td>
<td>$5,585,426</td>
<td>Travis CAD</td>
<td>2.25%</td>
<td>$106,663</td>
<td>$52,257</td>
<td>$13,538</td>
<td>$118,311</td>
<td>$27,591</td>
<td>$339,160</td>
<td>64.9%</td>
</tr>
<tr>
<td>Buckingham</td>
<td>166</td>
<td>$115,565,599</td>
<td>$11,434,240</td>
<td>Travis CAD</td>
<td>2.25%</td>
<td>$254,904</td>
<td>$101,993</td>
<td>$198,091</td>
<td>$177,171</td>
<td>$2,753</td>
<td>$428,017</td>
<td>42.0%</td>
</tr>
<tr>
<td>Cherry Creek</td>
<td>122</td>
<td>$1,633,342</td>
<td>$7,633,342</td>
<td>Travis CAD</td>
<td>2.25%</td>
<td>$170,224</td>
<td>$68,089</td>
<td>$156,391</td>
<td>$128,963</td>
<td>$0,802</td>
<td>$308,156</td>
<td>45.0%</td>
</tr>
<tr>
<td>Crossroads</td>
<td>92</td>
<td>$5,626,106</td>
<td>$3,626,106</td>
<td>Travis CAD</td>
<td>2.25%</td>
<td>$123,462</td>
<td>$50,185</td>
<td>$156,163</td>
<td>$75,391</td>
<td>$9,316</td>
<td>$309,870</td>
<td>60.0%</td>
</tr>
<tr>
<td>Darien</td>
<td>49</td>
<td>$2,796,946</td>
<td>$2,415,070</td>
<td>Travis CAD</td>
<td>2.25%</td>
<td>$61,584</td>
<td>$24,634</td>
<td>$68,557</td>
<td>$82,791</td>
<td>$9,084</td>
<td>$131,832</td>
<td>69.9%</td>
</tr>
<tr>
<td>Garden Terrace</td>
<td>85</td>
<td>$6,290,879</td>
<td>$6,290,879</td>
<td>Travis CAD</td>
<td>2.25%</td>
<td>$440,064</td>
<td>$56,625</td>
<td>$60,045</td>
<td>$35,562</td>
<td>$19,426</td>
<td>$536,823</td>
<td>95.0%</td>
</tr>
<tr>
<td>Green Terraces</td>
<td>142</td>
<td>$3,844,873</td>
<td>$3,844,873</td>
<td>Travis CAD</td>
<td>2.25%</td>
<td>$83,741</td>
<td>$34,296</td>
<td>$101,092</td>
<td>$262,456</td>
<td>$27,949</td>
<td>$761,498</td>
<td>20.4%</td>
</tr>
<tr>
<td>Sierra Ridge (St. Elms)</td>
<td>149</td>
<td>$12,048,279</td>
<td>$12,048,279</td>
<td>Travis CAD</td>
<td>2.25%</td>
<td>$268,677</td>
<td>$107,471</td>
<td>$131,098</td>
<td>$117,965</td>
<td>$2,721</td>
<td>$492,626</td>
<td>45.8%</td>
</tr>
<tr>
<td>Trail at the Park (CTSHC)</td>
<td>160</td>
<td>$3,269,006</td>
<td>$4,114,000</td>
<td>Travis CAD</td>
<td>2.25%</td>
<td>$92,188</td>
<td>$36,475</td>
<td>$145,781</td>
<td>$204,872</td>
<td>$3,1469</td>
<td>$722,122</td>
<td>19.5%</td>
</tr>
<tr>
<td>Vintage Creek (Village Green)</td>
<td>200</td>
<td>$15,302,554</td>
<td>$15,302,554</td>
<td>Travis CAD</td>
<td>2.25%</td>
<td>$345,787</td>
<td>$138,283</td>
<td>$346,431</td>
<td>$283,084</td>
<td>$6,391</td>
<td>$955,826</td>
<td>43.1%</td>
</tr>
<tr>
<td>Peter's Colony</td>
<td>160</td>
<td>$11,138,500</td>
<td>$11,138,500</td>
<td>Denton CAD</td>
<td>2.25%</td>
<td>$240,582</td>
<td>$99,001</td>
<td>$305,355</td>
<td>$253,409</td>
<td>$15,975</td>
<td>$654,739</td>
<td>65.6%</td>
</tr>
<tr>
<td>Shadow Brook</td>
<td>403</td>
<td>$14,955,389</td>
<td>$14,955,389</td>
<td>Tarrant CAD</td>
<td>2.63%</td>
<td>$373,480</td>
<td>$149,592</td>
<td>$795,587</td>
<td>$231,242</td>
<td>$7,011</td>
<td>$801,647</td>
<td>59.0%</td>
</tr>
<tr>
<td>Sleep Hollow</td>
<td>126</td>
<td>$3,078,106</td>
<td>$3,078,106</td>
<td>Tarrant CAD</td>
<td>2.63%</td>
<td>$1,054,420</td>
<td>$42,868</td>
<td>$198,227</td>
<td>$88,888</td>
<td>$6,991</td>
<td>$292,689</td>
<td>69.6%</td>
</tr>
<tr>
<td>Southwest Trails</td>
<td>160</td>
<td>$3,842,712</td>
<td>-</td>
<td>Travis CAD</td>
<td>2.25%</td>
<td>-</td>
<td>-</td>
<td>$119,476</td>
<td>$26,923</td>
<td>$24,176</td>
<td>$425,578</td>
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</tr>
<tr>
<td><strong>TOTALS</strong></td>
<td>2,127</td>
<td>$114,965,801</td>
<td>$103,987,963</td>
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<td></td>
<td>$1,403,675</td>
<td>$961,470</td>
<td>$2,377,752</td>
<td>$2,803,528</td>
<td>$1,715,500</td>
<td>$6,877,780</td>
<td>71.5%</td>
</tr>
</tbody>
</table>

*40% of the total tax amount = Necessary property expenses to maintain exemption*
INDEPENDENT AUDITORS’ REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors of
Foundation Communities, Inc.:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the consolidated financial statements of Foundation Communities, Inc. and its affiliates (collectively, “Foundation Communities”), which comprise the consolidated statement of financial position as of December 31, 2016, and the related consolidated statements of activities and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated May 15, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered Foundation Communities’ internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of Foundation Communities’ internal control. Accordingly, we do not express an opinion on the effectiveness of Foundation Communities’ internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.
Compliance and Other Matters

As part of obtaining reasonable assurance about whether Foundation Communities’ consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of consolidated financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Foundation Communities’ internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Foundation Communities’ internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Maxwell Locke & Ritter LLP

Austin, Texas
May 15, 2017
INDEPENDENT AUDITORS’ REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND STATE OF TEXAS UNIFORM GRANT MANAGEMENT STANDARDS

To the Board of Directors of
Foundation Communities, Inc.:

Report on Compliance for Each Major Federal and State Program

We have audited the compliance of Foundation Communities, Inc. and its affiliates (collectively, “Foundation Communities”) compliance with the types of compliance requirements described in the OMB Compliance Supplement and the State of Texas Uniform Grant Management Standards (“UGMS”), which includes the State of Texas Single Audit Circular, that could have a direct and material effect on each of Foundation Communities’ major federal and state programs for the year ended December 31, 2016. Foundation Communities’ major federal and state programs are identified in the summary of auditors’ results section of the accompanying schedule of findings and questioned costs.

Management’s Responsibility

Management is responsible for compliance with federal and state statutes, regulations, and the terms and conditions of its federal and state awards applicable to its federal and state programs.

Auditors’ Responsibility

Our responsibility is to express an opinion on compliance for each of Foundation Communities’ major federal and state programs based on our audit for the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (“Uniform Guidance”) and UGMS. Those standards, the Uniform Guidance, and UGMS require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about Foundation Communities’ compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance with its major federal and state programs. However, our audit does not provide a legal determination of Foundation Communities’ compliance.
Opinion on Each Major Federal and State Program

In our opinion, Foundation Communities’ complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2016.

Report on Internal Control Over Compliance

Management of Foundation Communities is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Foundation Communities’ internal control over compliance with the types of requirements that could have a direct and material effect on its major federal and state programs to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for its major federal and state programs and to test and report on internal control over compliance in accordance with the Uniform Guidance and UGMS, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Foundation Communities’ internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and UGMS. Accordingly, this report is not suitable for any other purpose.

Maxwell Locke & Ritter LLP

Austin, Texas
May 15, 2017
FOUNDATION COMMUNITIES, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED DECEMBER 31, 2016

<table>
<thead>
<tr>
<th>Federal or State Grantor/Pass-Through Grantor/Program Title</th>
<th>Federal CFBA Number</th>
<th>Agency Pass-Through Number</th>
<th>Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FEDERAL AWARDS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>U.S. DEPARTMENT OF TREASURY</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Internal Revenue Service</td>
<td>21.009</td>
<td>N/A</td>
<td>105,600</td>
</tr>
<tr>
<td>Volunteer Income Tax Assistance (VITA) Matching Grant Program</td>
<td>21.009</td>
<td>N/A</td>
<td>58,702</td>
</tr>
<tr>
<td>Passed through United Way of Metropolitan Dallas</td>
<td>21.009</td>
<td>N/A</td>
<td>41,465</td>
</tr>
<tr>
<td>Volunteer Income Tax Assistance (VITA) Matching Grant Program</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total CFDA 21.009</td>
<td></td>
<td></td>
<td>205,767</td>
</tr>
<tr>
<td>Passed through Neighborworks of America</td>
<td>21.000</td>
<td>N/A</td>
<td>490,000</td>
</tr>
<tr>
<td>Neighborworks Capital Grant</td>
<td>21.000</td>
<td>N/A</td>
<td>250,000</td>
</tr>
<tr>
<td>Neighborworks Expendable Grant</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total CFDA 21.000</td>
<td></td>
<td></td>
<td>740,000</td>
</tr>
<tr>
<td><strong>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assets for Independence Demonstration Program</td>
<td>93.602</td>
<td>N/A</td>
<td>50,142</td>
</tr>
<tr>
<td><strong>U.S. DEPARTMENT OF EDUCATION</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Passed through Texas Education Agency</td>
<td>84.287</td>
<td>N/A</td>
<td>79,570</td>
</tr>
<tr>
<td>Twenty-First Century Community Learning Centers</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Passed through Austin Housing Finance Corporation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CDBG-Entitlement Grants Cluster</td>
<td>14.218</td>
<td>B-02-MC-48-0500</td>
<td>1,600,000</td>
</tr>
<tr>
<td>CDBG-Entitlement Grants Cluster: Community Development Block Grants/Entitlement Grants Program Loan</td>
<td>14.218</td>
<td>B-10-MC-48-0500</td>
<td>1,101,066</td>
</tr>
<tr>
<td>CDBG-Entitlement Grants Cluster: Community Development Block Grants/Entitlement Grants Program Loan</td>
<td>14.218</td>
<td>B-12-MC-48-0500</td>
<td>1,150,000</td>
</tr>
<tr>
<td>Total CFDA 14.218 and CDBG-Entitlement Grant Cluster</td>
<td></td>
<td></td>
<td>3,851,066</td>
</tr>
<tr>
<td>HOME Investment Partnerships Program Loan</td>
<td>14.239</td>
<td>M-02-MC-48-0500</td>
<td>590,000</td>
</tr>
<tr>
<td>HOME Investment Partnerships Program Loan</td>
<td>14.239</td>
<td>M-06-MC-48-0500</td>
<td>956,003</td>
</tr>
<tr>
<td>HOME Investment Partnerships Program Loan</td>
<td>14.239</td>
<td>M-02-MC-48-0500</td>
<td>175,750</td>
</tr>
<tr>
<td>HOME Investment Partnerships Program Loan</td>
<td>14.239</td>
<td>M-14-MY-48-0500</td>
<td>294,420</td>
</tr>
<tr>
<td>HOME Investment Partnerships Program Loan</td>
<td>14.239</td>
<td>M-14-MY-48-0500</td>
<td>295,690</td>
</tr>
<tr>
<td>HOME Investment Partnerships Program Loan</td>
<td>14.239</td>
<td>M-14-MY-48-0500</td>
<td>294,820</td>
</tr>
<tr>
<td>HOME Investment Partnerships Program Loan</td>
<td>14.239</td>
<td>M-14-MY-48-0500</td>
<td>86,682</td>
</tr>
<tr>
<td>Passed through Texas Department of Housing and Community Affairs</td>
<td>14.239</td>
<td>M-06-SG-48-0100</td>
<td>1,450,000</td>
</tr>
<tr>
<td>HOME Investment Partnerships Program Loan</td>
<td>14.239</td>
<td>M-01-SG-48-0100</td>
<td>1,000,000</td>
</tr>
<tr>
<td>HOME Investment Partnerships Program Loan</td>
<td>14.239</td>
<td>M-05-SG-48-0100</td>
<td>786,446</td>
</tr>
<tr>
<td>Passed through Texas Department of Housing and Community Affairs</td>
<td>14.239</td>
<td>M-06-SG-48-0100</td>
<td>5,839,811</td>
</tr>
<tr>
<td>Passed through Safeplace</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transitional Housing Assistance for Victims of Domestic Violence, Dating Violence, Stalking, or Sexual Assault</td>
<td>16.736</td>
<td>2015-WH-AX-0006</td>
<td>79,749</td>
</tr>
<tr>
<td>Passed through Travis County</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Edward Byrne Memorial Competitive Grant Program - Justice Reinvestment Initiatives</td>
<td>16.751</td>
<td>4400001395</td>
<td>12,377</td>
</tr>
<tr>
<td><strong>TOTAL EXPENDITURES OF FEDERAL AWARDS</strong></td>
<td></td>
<td></td>
<td>17,063,842</td>
</tr>
<tr>
<td><strong>STATE AWARDS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Housing Trust Fund Loan - for Southwest Trails</td>
<td></td>
<td></td>
<td>596,506</td>
</tr>
<tr>
<td>Housing Trust Fund Loan - for Spring Terrace</td>
<td></td>
<td></td>
<td>682,010</td>
</tr>
<tr>
<td><strong>TOTAL EXPENDITURES OF STATE AWARDS</strong></td>
<td></td>
<td></td>
<td>1,278,516</td>
</tr>
<tr>
<td><strong>TOTAL EXPENDITURES OF FEDERAL AND STATE AWARDS</strong></td>
<td></td>
<td></td>
<td>18,342,358</td>
</tr>
</tbody>
</table>

See notes to the schedule of expenditures of federal and state awards.
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED DECEMBER 31, 2016

Note 1: Basis of Presentation

The accompanying schedule of expenditures of federal and state awards (the "Schedule") includes the federal and state award activity of Foundation Communities under programs of the federal and state government for the year ended December 31, 2016. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ("Uniform Guidance") and the State of Texas Uniform Grant Management Standards ("UGMS"). Because the Schedule presents only a selected portion of the operations of Foundation Communities, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Foundation Communities.

Note 2: Summary of Significant Accounting Policies

The Schedule includes the federal and state activity of Foundation Communities and is presented on the accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-122, Cost Principles for Non-Profit Organizations, or the cost principles contained in the Uniform Guidance or UGMS, where certain types of expenditures are not allowed or are limited as to reimbursement. Therefore, some amounts presented in this Schedule may differ from amounts presented in or used in the preparation of the consolidated financial statements.

Foundation Communities has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Included in the Schedule are balances at December 31, 2016 of loans from the Neighborhood Stabilization Program, HOME, CDBG and the Texas Department of Housing and Community Affairs for the construction and remodeling of affordable low income housing projects. The Uniform Guidance and UGMS require that the Schedule include the total amount of federal and state awards expended for loan or loan guarantee programs which include the value of new loans made or received during the year plus the beginning of the period balance of loans from previous years for which the federal or state government imposes continuing compliance requirements.

Note 3: Loan or Loan Guarantee Programs

The following table includes the balances of loans and loan guarantee programs outstanding at December 31, 2016 in accordance with 2 CFR Section 200.502(b) which could differ from balances presented in the Schedule.
<table>
<thead>
<tr>
<th>Program</th>
<th>CFDA Number</th>
<th>Outstanding Loan Balance at December 31, 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>CDBG-Entitlement Grants Cluster: Community Development Block Grants/Entitlement Grants Program Loan</td>
<td>14.218</td>
<td>$1,600,000</td>
</tr>
<tr>
<td>CDBG-Entitlement Grants Cluster: Community Development Block Grants/Entitlement Grants Program Loan</td>
<td>14.218</td>
<td>$1,101,066</td>
</tr>
<tr>
<td>CDBG-Entitlement Grants Cluster: Community Development Block Grants/Entitlement Grants Program Loan</td>
<td>14.218</td>
<td>$1,150,000</td>
</tr>
<tr>
<td>HOME Investment Partnerships Program Loan</td>
<td>14.239</td>
<td>$500,000</td>
</tr>
<tr>
<td>HOME Investment Partnerships Program Loan</td>
<td>14.239</td>
<td>$956,003</td>
</tr>
<tr>
<td>HOME Investment Partnerships Program Loan</td>
<td>14.239</td>
<td>$175,750</td>
</tr>
<tr>
<td>HOME Investment Partnerships Program Loan</td>
<td>14.239</td>
<td>$294,420</td>
</tr>
<tr>
<td>HOME Investment Partnerships Program Loan</td>
<td>14.239</td>
<td>$295,690</td>
</tr>
<tr>
<td>HOME Investment Partnerships Program Loan</td>
<td>14.239</td>
<td>$294,820</td>
</tr>
<tr>
<td>HOME Investment Partnerships Program Loan</td>
<td>14.239</td>
<td>$86,682</td>
</tr>
<tr>
<td>HOME Investment Partnerships Program Loan</td>
<td>14.239</td>
<td>$1,450,000</td>
</tr>
<tr>
<td>HOME Investment Partnerships Program Loan</td>
<td>14.239</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>HOME Investment Partnerships Program Loan</td>
<td>14.239</td>
<td>$786,446</td>
</tr>
<tr>
<td>Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii - Neighborhood Stabilization Program Loan</td>
<td>14.228</td>
<td>$6,014,050*</td>
</tr>
</tbody>
</table>

*Difference from Schedule of Expenditures of Federal and State Awards is due to a portion of the debt forgiven during the year ended December 31, 2016.
SECTION I - SUMMARY OF AUDITORS’ RESULTS

FINANCIAL STATEMENTS

Type of auditors’ report issued on whether the financial statements were prepared in accordance with GAAP: unmodified

Internal control over financial reporting:

- Material weakness(es) identified? _____ yes  _____ no
- Significant deficiency(ies) identified? _____ yes  _____ none reported

Noncompliance material to financial statements noted? _____ yes  _____ no

FEDERAL AND STATE AWARDS

Identification of major programs and type of auditors’ report issued on compliance for each major program:

<table>
<thead>
<tr>
<th>Federal or State Major Program</th>
<th>CFDA Number</th>
<th>Name of Federal or State Program</th>
<th>Type of Auditors’ Report Issued on Compliance for Major Federal or State Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal</td>
<td>14.239</td>
<td>U.S. Department of Housing and Urban Development - Passed through Austin Housing Finance Corporation - HOME Investment Partnerships Program Loan</td>
<td>Unmodified</td>
</tr>
<tr>
<td>State</td>
<td>n/a</td>
<td>Texas Department of Housing and Community Affairs - Housing Trust Fund Loan – Southwest Trails</td>
<td>Unmodified</td>
</tr>
</tbody>
</table>

Internal control over major programs:

- Material weakness(es) identified? _____ yes  _____ no
- Significant deficiency(ies) identified? _____ yes  _____ none reported

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) or UGMS? _____ yes  _____ no

Dollar threshold used to distinguish between Federal type A and type B programs: $750,000

Dollar threshold used to distinguish between State type A and type B programs: $300,000

Auditee qualified as low-risk auditee?  _____ yes  _____ no

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SECTION II - FINANCIAL STATEMENT FINDINGS

No findings required to be reported in accordance with Government Auditing Standards for the years ended December 31, 2016 and 2015.

SECTION III - FEDERAL AND STATE AWARD FINDINGS AND QUESTIONED COSTS

No findings or questioned costs required to be reported in accordance with the Uniform Guidance or UGMS for the years ended December 31, 2016 and 2015.
Tab 41 – Nonprofit Support Documentation
WATERS PARK STUDIOS - AUSTIN, TEXAS
TDHCA #18099

Certification that the majority of Foundation Communities’ Board Members reside not more than 90 miles from the development

As Executive Director of Foundation Communities, Inc., I hereby certify that the majority of Foundation Communities' Board Members reside not more than 90 miles from the proposed development, Waters Park Studios. Attached to this certification is a list of board members and their principal home addresses.

[Signature]
Walter Moreau
Executive Director
Foundation Communities, Inc.

[Date]
2/21/18
<table>
<thead>
<tr>
<th>Community Representative</th>
<th>Community Representative</th>
<th>Community Representative</th>
</tr>
</thead>
<tbody>
<tr>
<td>Michelle Wallis – Chair</td>
<td>Adrianna Cuellar Rojas – Vice-Chair</td>
<td>David Tandy – Treasurer</td>
</tr>
<tr>
<td>1132 Salina St</td>
<td>2506 Vassal</td>
<td>101 Mariposa Bonita CV</td>
</tr>
<tr>
<td>Austin, TX 78702</td>
<td>Austin, TX 78748</td>
<td>Georgetown, TX 78633</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Alicia Wong, DDS – Secretary</td>
<td>Jewel Arrington</td>
<td>Yvette Boatwright</td>
</tr>
<tr>
<td>Austin, TX 78716</td>
<td>Austin, TX 78716</td>
<td>Austin, TX 78746</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Andrew Clements</td>
<td>Kellee Coleman</td>
<td>Perla Cavazos</td>
</tr>
<tr>
<td>528 Ruiz Street</td>
<td>2000 E. Martin Luther King Blvd, #3316</td>
<td>1100 Fiesta Street</td>
</tr>
<tr>
<td>Austin, TX 78723</td>
<td>Austin, TX 78702</td>
<td>Austin, TX 78702</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dalton Duffie</td>
<td>Charles DiTulio</td>
<td>David Hart</td>
</tr>
<tr>
<td>1212 W. Ben White #420</td>
<td>137 W. Saint Elmo Rd., Apt. C-214</td>
<td>2561 S Ih 35 Frontage Rd #327</td>
</tr>
<tr>
<td>Austin, TX 78704</td>
<td>Austin, TX 78745</td>
<td>Austin, TX 78741</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Selina Serna</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1011 Canyon Edge Drive</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Austin, TX 78702</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
2018 9% Housing Tax Credit Application

WATERS PARK STUDIOS
AUSTIN, TEXAS

TDHCA #18099

Tab 42 – Development Team Members
## Development Team Members

The requested information on all known Development Team members must be provided. In addition to the categories listed below, the “Other” category should be used to list all known Development Team members that are included in the “Development Cost Schedule.” If the team member that will be utilized is not yet known, indicate “TBD.” If it is anticipated that the Development Team category will not be utilized, indicate “N/A.”

*If there is a direct or indirect, financial, or other interest with Applicant or other team members, provide an attachment behind this form in the Application that explains the relationship(s).*

### Developer:

<table>
<thead>
<tr>
<th>Foundation Communities, Inc.</th>
<th>Walter Moreau</th>
<th>(512) 610-4016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contact Name</td>
<td>Walter Moreau</td>
<td>Email</td>
</tr>
<tr>
<td>Phone</td>
<td>$1,772,467.26</td>
<td>Tax ID Number (TIN)</td>
</tr>
<tr>
<td>Certified Texas HUB?</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>This is a direct or indirect, financial, or other interest with Applicant or other team members*</td>
<td>Yes</td>
<td></td>
</tr>
</tbody>
</table>

### Housing General Contractor:

<table>
<thead>
<tr>
<th>TBD</th>
<th>TBD</th>
<th>TBD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contact Name</td>
<td>TBD</td>
<td>Email</td>
</tr>
<tr>
<td>Phone</td>
<td>TBD</td>
<td>Proposed Fee</td>
</tr>
<tr>
<td>Tax ID Number (TIN)</td>
<td>TBD</td>
<td>Certified Texas HUB?</td>
</tr>
<tr>
<td>This is a direct or indirect, financial, or other interest with Applicant or other team members*</td>
<td>TBD</td>
<td></td>
</tr>
</tbody>
</table>

### Infrastructure General Contractor:

<table>
<thead>
<tr>
<th>N/A</th>
<th>N/A</th>
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<tr>
<td>This is a direct or indirect, financial, or other interest with Applicant or other team members*</td>
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### Cost Estimator:

<table>
<thead>
<tr>
<th>Bailey Elliott Construction, Inc.</th>
<th>Scott Wilson</th>
<th>(512) 327-3951</th>
</tr>
</thead>
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<tr>
<td>Contact Name</td>
<td>Scott Wilson</td>
<td>Email</td>
</tr>
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### Architect:

<table>
<thead>
<tr>
<th>Forge Craft Architecture + Design</th>
<th>Scott Ginder</th>
<th>(512) 872-6655</th>
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<tr>
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<td>Scott Ginder</td>
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<tr>
<td>Profession</td>
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</tr>
<tr>
<td>Engineer</td>
<td>TBD</td>
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</tr>
<tr>
<td>Civil Engineer</td>
<td>Civiliitude, Fayez Kazi, PE</td>
<td>(512) 761-6161</td>
</tr>
<tr>
<td>Market Analyst</td>
<td>Affordable Housing Analysts, Robert O. (Bob) Coe, II</td>
<td>(281) 387-7552</td>
</tr>
<tr>
<td>Appraiser</td>
<td>N/A</td>
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</tr>
<tr>
<td>Attorney</td>
<td>Hightower and Associates, A. Rick Hightower</td>
<td>(512) 480-8882</td>
</tr>
<tr>
<td>Accountant</td>
<td>Novogradac and Company LLP, George Littlejohn</td>
<td>(512) 340-0420</td>
</tr>
</tbody>
</table>

*This is a direct or indirect, financial, or other interest with Applicant or other team members*

- Engineer: No
- Civil Engineer: Yes
- Market Analyst: No
- Appraiser: No
- Attorney: No
- Accountant: No
**Property Manager:**

<table>
<thead>
<tr>
<th>Foundation Communities, Inc.</th>
<th>Walter Moreau</th>
<th>(512) 610-4016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contact Name</td>
<td></td>
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<tr>
<td>Email</td>
<td><a href="mailto:walter.moreau@foundcom.org">walter.moreau@foundcom.org</a></td>
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**Certified Texas HUB?** No

This is a direct or indirect, financial, or other interest with Applicant or other team members* Yes

**Originator of Underwriter:**

<table>
<thead>
<tr>
<th>Bank of America, N.A.</th>
<th>Valerie Williams</th>
<th>(214) 209-3219</th>
</tr>
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<tbody>
<tr>
<td>Contact Name</td>
<td></td>
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<tr>
<td>Email</td>
<td><a href="mailto:valerie.a.williams@baml.com">valerie.a.williams@baml.com</a></td>
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**Certified Texas HUB?** No

This is a direct or indirect, financial, or other interest with Applicant or other team members* No

**Bond Issuer:**

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**Syndicator:**

<table>
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<tr>
<th>Bank of America, N.A.</th>
<th>Joanna Yi Lun Lee</th>
<th>(650) 798-1132</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contact Name</td>
<td><a href="mailto:joanna.lee@baml.com">joanna.lee@baml.com</a></td>
<td></td>
</tr>
<tr>
<td>Email</td>
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**Certified Texas HUB?** No

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**Supportive Services Provider:**

<table>
<thead>
<tr>
<th>Foundation Communities, Inc.</th>
<th>Walter Moreau</th>
<th>(512) 610-4016</th>
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**Certified Texas HUB?** No

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**Supportive Services Provider:**

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**Certified Texas HUB?**

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<th>Certified Texas HUB?</th>
<th>This is a direct or indirect, financial, or other interest with Applicant or other team members?</th>
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<tbody>
<tr>
<td>Stewart Title of Austin, LLC</td>
<td>Shawna Fletcher</td>
<td>(512) 322-8729</td>
<td><a href="mailto:shawna.fletcher@stewart.com">shawna.fletcher@stewart.com</a></td>
<td>TBD</td>
<td>TBD</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>True Casa Consulting, LLC</td>
<td>Jennifer Hicks</td>
<td>(512) 203-4417</td>
<td><a href="mailto:jennifer@truecasa.net">jennifer@truecasa.net</a></td>
<td>TBD</td>
<td>82-2028861</td>
<td>No</td>
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</tr>
<tr>
<td>Environmental Support Services, Inc.</td>
<td>Don Ingram</td>
<td>(972) 675-0560</td>
<td><a href="mailto:Don.Ingram@ess.net">Don.Ingram@ess.net</a></td>
<td>$20,000.00</td>
<td>75-2233950</td>
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As disclosed in the Uniform Application tab, Development Team Members, there is a direct relationship between the Applicant – FC Waters Park Housing, LP – and several team members.

FC North Studios Housing, LLC, is the General Partner of the Applicant. FC North Studios Housing, LLC is owned 100% by Foundation Communities, Inc. and Foundation Communities, Inc. is the managing member.

Foundation Communities, Inc. is the Developer of the proposed project.

Foundation Communities, Inc. is the property management and supportive service provider for the proposed project.
Tab 43 – Architect Certification
The Architect Certification is included behind this tab.

The form for the certification will be posted to the Department's website at http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm.

NOTE: The certification requires a separate statement be submitted that describes how the accessibility requirements for the physically accessible / hearing and visual impaired Units will be met, along with related parking requirements. Be sure this statement is attached to this certification.
(We) certify that the Development will be designed and built to meet the accessibility requirements of the Federal Fair Housing Act as implemented by HUD at 24 C.F.R. Part 100 and the Fair Housing Act Design Manual, Titles II and III of the Americans with Disabilities Act (42 U.S.C. Sections 12131-12189) as implemented by the Department of Justice regulations at 28 C.F.R. Parts 35 and 36, and the Department’s Accessibility rules in 10 TAC Chapter 1, Subchapter B, in effect at the time of certification.

(We) certify that all materials submitted to the Department by the Architect or Applicant constitute records of the Department subject to Chapter 552, Tex. Gov’t Code, and the Texas Public Information Act.

(We) certify that in accordance with Section 504 of the Rehabilitation Act of 1973 and implemented at 24 C.F.R. Part 8, if the Development includes the New Construction or substantial rehabilitation of multifamily units (4 or more units per building), at least five percent (5%) of all dwelling units will be designed and built to be accessible for persons with mobility impairments. A unit that is on an accessible route and is adaptable and otherwise compliant with the 2010 ADA Standards with the exceptions listed in “Nondiscrimination on the Basis of Disability in Federally Assisted Programs and Activities” (Federal Register 79 FR 29671) meets this requirement. In addition, at least two percent (2%) of all dwelling units will be designed and built to be accessible for persons with hearing or vision impairments.

(We) have attached a statement describing how the requirements Section 504 of the Rehabilitation Act of 1973 and implemented at 24 C.F.R. Part 8 will be met as described in 10 TAC Chapter 1, Subchapter B. At a minimum, the statement will include (1) The total number of Units (2) Number and description of Unit types, the number of Units of each Type, (3) Number of Units of each Type that will meet the accessibility requirements, and (4) a description of how the accessibility requirements relating to Unit distribution will be met.

(We) certify that if the Development includes the New Construction or Rehabilitation of single family units (1 to 3 units per building), every unit will be designed and built to meet the accessibility requirements of Tex. Gov’t Code §2306.514, as it may be amended from time to time.

(We) have attached a statement describing how, regardless of building type, all Units accessed by the ground floor or by elevator (“affected units”) meet the requirements at 10 TAC §10.101(b)(8)(B).

(We) certify that all accessible Units under 10 TAC Chapter 1, Subchapter B, and all affected Units meeting the requirements under 10 TAC 10.101(b)(8)(B) will be dispersed throughout the Development.
If the Applicant is applying for HOME funds and the Development consists of New Construction, I (We) further certify that the Development meets the Construction Site Standards in 24 C.F.R §983.57(e)(1).

This certification meets the requirement that the Applicant provide a certification from the Development engineer or an accredited architect. A similar certification will also be required after the Development is completed from an inspector, architect, or accessibility specialist.

By: ____________________________

Signature

2/23/2018

Date

SCOTT GINDER

Printed Name

TX - 21234

License Number and State

FORGE CRAFT ARCHITECTURE

Firm Name (if applicable)
2.26.2018

Marni Holloway
Director of Multifamily Finance
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, Texas 78701

To whom it may concern,

As the Architect for Waters Park Studios (#18099), please accept this statement describing how accessibility requirements will be met. The development will be designed and built to comply with the accessibility standards that are required under Section 504 of the Rehabilitation Act of 1973 and implemented at 24 C.F.R. Part 8 as described in 10 TAC Chapter 1, Subchapter B. All units accessed by elevator or located on the ground floor, regardless of building type, are designed to meet the requirements of 10 TAC §10.101(b)(8)(B).

The development is a new construction building designed with 132 efficiency units, each measuring 518 sf. At least 5% (7 units) will be designed and built to be accessible for persons with mobility impairments and at least 2% (3 units) of all dwelling units will be designed and built to be accessible for persons with hearing or vision impairments. These units will be distributed throughout the Development and site and made available so that the choice of living arrangements of qualified persons with disabilities is, as a whole, comparable to that of other persons eligible for housing assistance under the same program. Below is a breakdown of all unit types:

Unit A - 58 Units
Unit A1 - 64 Units
Unit A-HVI - 3 Units (all of which will meet hearing or vision impairment requirements)
Unit A-ADA - 7 Units (all of which will meet mobility requirements)

Best,

[Signature]
Scott Ginder
Founder and Principal
Forge Craft Architecture + Design
2018 9% Housing Tax Credit Application

WATERS PARK STUDIOS
AUSTIN, TEXAS

TDHCA #18099

---

Tab 44 – Experience Certificate
Evidence of Experience Must be Provided Behind this Tab

Pursuant to §10.204(6) of the Uniform Multifamily Rules, a Principal of the Developer, Development Owner, or General Partner must establish that they have experience in the development of 150 units or more.

Evidence of experience behind this tab includes:

- An Experience certificate issued by the Department under the 2014-2019 Uniform Multifamily Rules.
- An Application for experience and supporting documentation in accordance with §10.204(6)(A)(i) through (ix)
- Evidence from the Department that the application for experience was received and is being processed by the Department.

Alternatively, pursuant to §13.5(d)(1) of the Multifamily Direct Loan Rule, Applicants requesting MFDL as the only source of Department funds may meet the Experience Requirement by providing evidence of the successful development and operation for at least 5 years of at least twice as many affordability restricted units as requested in the Application.

Documentation provided behind this tab meets the alternative Experience Requirement in §13.5(d)(1).

DUNS Number and System for Award Management (SAM.gov) registration (Direct Loan Applications Only)

The Office of Management and Budget (OMB) requires grant applicants to provide a Dunn and Bradstreet (D&B) Data Universal Numbering System (DUNS) number when applying for Federal grants, including Direct Loan funds, on or after October 1, 2003. The DUNS number will supplement other identifiers required by statute or regulation, such as tax identification numbers. To apply for a DUNS number applicants can go to the Dunn & Bradstreet website:
http://fedgov.dnb.com/webform

Once applicants have obtained a DUNS number, they must register with the SAM database:
https://sam.gov/portal/public/SAM

Applicants may provide this information with the Application or upon award.

Evidence of SAM.gov registration for the applicant entity is attached behind this tab.

Davis Bacon Labor Standards (Section 811 PRA Program and Direct Loan Applications)


Select all that apply:

- Twelve (12) or more Direct Loan or Section 811 PRA-assisted units will be rehabilitated or constructed under one construction contract.
  
  The Section 811 PRA units and Direct Loan Units are not cumulative. For example, if a proposed development has ten Section 811 PRA units and
  not be triggered.

- Community Development Block Grant (CDBG) a lower number of units (8) be used as a threshold.

Applicants electing to participate in the Section 811 PRA Program must be committed by committing an existing development to the Section 811 PRA Program or by committing a Proposed Development in this Application. Applicants are encouraged to review §PRA.213 Davis Bacon Labor Standards in the Section 811 Program Guidelines, found on the TDHCA webpage at:
http://www.tdhca.state.tx.us/section-811-pra/resource-documents.htm

Existing Developments where construction is fully complete before an application for a Proposed Development is submitted to the Department to receive assistance under the 811 PRA program are not subject to Davis-Bacon or Contract Work Hours and Safety Standards Act requirements.

Affirmative Marketing Plan (Direct Loan Applications Only)

Complete and submit HUJ’s Affirmative Marketing Plan form (Form 955.2 or successors). This form may be found on the Department’s website at
http://www.tdhca.state.tx.us/home-division/mf-home/index.htm
The Affirmative Marketing Plan must comply with the Affirmative Marketing requirements in the Compliance Rules. HUD approval is not necessary unless the property receives project-based Section 8 assistance.
February 5, 2014

Mr. Walter Moreau
c/o Jennifer Hicks
3036 S. 1st Street
Austin, Texas 78704

RE: REQUEST FOR EXPERIENCE CERTIFICATE UNDER 2014 UNIFORM MULTIFAMILY RULES

Dear Mr. Moreau:

We have reviewed your request for an experience certificate, which is provided to individuals that meet the requirements of §10.204(6) of the Uniform Multifamily Rules. In order to meet the experience requirements an individual must establish that they have experience in the development and placement in service of at least 150 residential units. We find that the documentation you have provided is sufficient to establish this required experience. Additionally, you have certified to compliance with the requirements of §10.204(6)(B), including the following requirements:

(ii) Experience may not be established for a Person who at any time within the preceding three years has been involved with affordable housing in another state, in which the Person or Affiliate has been the subject of issued IRS Form 8823 citing non-compliance that has not been or is not being corrected with reasonable due diligence.

(iv) Notwithstanding the foregoing, no person may be used to establish such required experience if that Person or an Affiliate of that Person would not be eligible to be an Applicant themselves.

Should you choose to participate as a member of the Development Team or an individual providing experience for any Application submitted for funding, a Previous Participation Review (10 TAC §1.5) may be conducted prior to any award of funds. Additionally, should it be determined at any point in time that the information provided in your request for experience is fraudulent, knowingly falsified, intentionally or negligibly materially misrepresented, or omits relevant information, this certificate of experience is null and void and you may be subject to other sanctions under the Texas Department of Housing and Community Affairs’ rules and requirements.
If you have any questions or concerns regarding this certificate or the experience requirements, please contact Jean Latsha at jean.latsha@tdhca.state.tx.us.

Sincerely,

[Signature]

Cameron F. Dorsey
Director of Multifamily Finance
Affirmative Fair Housing Marketing Plan (AFHMP) - Multifamily Housing

1a. Project Name & Address (including City, County, State & Zip Code)
Waters Park Studios
12207 Waters Park Road (78759)
12130 N Mo Pac Expy (78759)
Austin, TX

1b. Project Contract Number
N/A

1c. No. of Units
132

1d. Census Tract
48453001629

1e. Housing/Expanded Housing Market Area
Housing Market Area: Travis County
Expanded Housing Market Area: Austin-Round Rock MSA

1f. Managing Agent Name, Address (including City, County, State & Zip Code), Telephone Number & Email Address
Foundation Communities
3036 S. 1st Street, Austin, TX 78704, 512-447-2026, walter.moreau@fcoundcom.org

1g. Application/Owner/Developer Name, Address (including City, County, State & Zip Code), Telephone Number & Email Address
FC Waters Park Housing, LP
3036 S. 1st Street, Austin, TX 78704, 512-447-2026, walter.moreau@fcoundcom.org

1h. Entity Responsible for Marketing (check all that apply)
- Owner
- Agent
- Other (specify)

Position, Name (if known), Address (including City, County, State & Zip Code), Telephone Number & Email Address
Property Manager,
3036 S. 1st Street, Austin, TX 78704, 512-447-2026, walter.moreau@fcoundcom.org

1i. To whom should approval and other correspondence concerning this AFHMP be sent? Indicate Name, Address (including City, State & Zip Code), Telephone Number & Email Address.
Desiree Golden, 3036 S. 1st Street, Austin, TX 78704, 512-447-2026, desiree.golden@fcoundcom.org

2a. Affirmative Fair Housing Marketing Plan
Plan Type: Initial Plan
Date of the First Approved AFHMP:

Reason(s) for current update: Initial Plan

2b. HUD-Approved Occupancy of the Project (check all that apply)
- Elderly
- Family
- Mixed (Elderly/Disabled)
- Disabled

2c. Date of Initial Occupancy
01/15/2021

2d. Advertising Start Date
Advertising must begin at least 90 days prior to initial or renewed occupancy for new construction and substantial rehabilitation projects.

Date advertising began or will begin: 09/01/2020

For existing projects, select below the reason advertising will be used:
- To fill existing unit vacancies
- To place applicants on a waiting list
- To reopen a closed waiting list

(Number currently has (individuals))
3a. Demographics of Project and Housing Market Area
Complete and submit Worksheet 1.

3b. Targeted Marketing Activity
Based on your completed Worksheet 1, indicate which demographic group(s) in the housing market area is/are least likely to apply for the housing without special outreach efforts. (check all that apply)

☐ White ☐ American Indian or Alaska Native ☐ Asian ☐ Black or African American
☐ Native Hawaiian or Other Pacific Islander ☐ Hispanic or Latino ☐ Persons with Disabilities
☐ Families with Children ☐ Other ethnic group, religion, etc. (specify)

4a. Residency Preference
Is the owner requesting a residency preference? If yes, complete questions 1 through 5. No
If no, proceed to Block 4b.

(1) Type Please Select Type
(2) Is the residency preference area:
The same as the AFHMP housing/expanding housing market area as indicated in Block 1e? Please Select Yes or No
The same as the residency preference area of the local PHA in whose jurisdiction the project is located? Please Select Yes or No

(3) What is the geographic area for the residency preference?

(4) What is the reason for having a residency preference?

(5) How do you plan to periodically evaluate your residency preference to ensure that it is in accordance with the non-discrimination and equal opportunity requirements in 24 CFR 5.105(a)?

Complete and submit Worksheet 2 when requesting a residency preference (see also 24 CFR 5.655(c)(1)) for residency preference requirements. The requirements in 24 CFR 5.655(c)(1) will be used by HUD as guidelines for evaluating residency preferences consistent with the applicable HUD program requirements. See also HUD Occupancy Handbook (4350.3) Chapter 4, Section 4.6 for additional guidance on preferences.

4b. Proposed Marketing Activities: Community Contacts
Complete and submit Worksheet 3 to describe your use of community contacts to market the project to those least likely to apply.

4c. Proposed Marketing Activities: Methods of Advertising
Complete and submit Worksheet 4 to describe your proposed methods of advertising that will be used to market the project to those least likely to apply. Attach copies of advertisements, radio and television scripts, internet advertisements, websites, and brochures, etc.
5a. Fair Housing Poster
The Fair Housing Poster must be prominently displayed in all offices in which sale or rental activity takes place (24 CFR 200.620(e)). Check below all locations where the Poster will be displayed.

☑ Rental Office ☐ Real Estate Office ☐ Model Unit ☐ Other (specify)

5b. Affirmative Fair Housing Marketing Plan
The AFHMP must be available for public inspection at the sales or rental office (24 CFR 200.625). Check below all locations where the AFHMP will be made available.

☑ Rental Office ☐ Real Estate Office ☐ Model Unit ☐ Other (specify)

5c. Project Site Sign
Project Site Signs, if any, must display in a conspicuous position the HUD approved Equal Housing Opportunity logo, slogan, or statement (24 CFR 200.620(f)). Check below all locations where the Project Site Sign will be displayed.

☐ Rental Office ☐ Real Estate Office ☐ Model Unit ☑ Entrance to Project ☐ Other (specify)

The size of the Project Site Sign will be 7 x 7.
The Equal Housing Opportunity logo or slogan or statement will be x

6. Evaluation of Marketing Activities
Explain the evaluation process you will use to determine whether your marketing activities have been successful in attracting individuals least likely to apply, how often you will make this determination, and how you will make decisions about future marketing based on the evaluation process.

Property Management staff at Waters Park Studios will be evaluated at least annually to ensure that targeted marketing has occurred for those populations least likely to apply. The evaluation will be conducted in two separate ways: 1) Foundation Communities Property Supervisor and Compliance Director will review the resident population mix, as well as the marketing efforts utilized to attract residents and decide whether the marketing policy needs to be revisited and/or revised. 2) The Texas Department of Housing and Community Affairs (TDHCA) conducts annual audits of the property and will review the marketing efforts at attracting those person least likely to apply for housing at Waters Park Studios. TDHCA will also determine if an update to the marketing policy needs to occur. Based on feedback from both the FC Executive Staff and TDHCA, updates and revisions will be made to the marketing policy for Waters Park Studios.
7a. Marketing Staff
What staff positions are/will be responsible for affirmative marketing?

Property Manager and Assistant Manager

---

7b. Staff Training and Assessment: AFHMP
(1) Has staff been trained on the AFHM? [Yes]
(2) Has staff been instructed in writing and orally on non-discrimination and fair housing policies as required by 24 CFR 200.620(c)? [Yes]
(3) If yes, who provides instruction? [Texas Apartment Association]
(4) Do you periodically assess staff skills nmsgd use of the AFHM and the Civil Rights Act of 1968? [Yes]
(5) If yes, how and how often? [Annually through training]

---

7c. Tenant Selection Training/Staff
(1) Has staff been trained on tenant selection in accordance with the project's occupancy policy, including any residency preferences? [Yes]
(2) What staff positions are/will be responsible for tenant selection?

Property Manager and Assistant Property Manager

---

7d. Staff Instruction/Training:
Describe AFHM/Fair Housing Act staff training, already provided or to be provided, to whom it was/will be provided, content of training, and the dates of past and anticipated training. Please include copies of any AFHM/Fair Housing staff training materials.

On-site property management staff will be required to attend a Fair Housing training at least once per year. Foundation Communities' property management staff attend Fair Housing trainings conducted by the Texas Apartment Association (TAA). The Fair Housing Training for on-site employees sponsored by TAA is focused on the Federal Fair Housing Act and taught by TAA's Vice President of Government Affairs.
8. Additional Considerations: Is there anything else you would like to tell us about your AFHMP to help ensure that your program is marketed to those least likely to apply for housing in your project? Please attach additional sheets, as needed.

N/A

9. Review and Update
By signing this form, the applicant/respondent agrees to implement its AFHMP, and to review and update its AFHMP in accordance with the instructions to Item 9 of this form in order to ensure continued compliance with HUD's Affirmative Fair Housing Marketing Regulations (see 24 CFR Part 200, Subpart M). I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (See 18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3730).

Signature of person submitting this Plan & Date of Submission (mm/dd/yyyy)

Walter Moreau 02/27/2018

Name (type of print)

Walter Moreau

Title & Name of Company

Executive Director, Foundation Communities, Inc.

For HUD-Office of Housing Use Only
Reviewing Official:

For HUD-Office of Fair Housing and Equal Opportunity Use Only

☐ Approval ☐ Disapproval

Signature & Date (mm/dd/yyyy)

Name (type of print) Title

Name (type of print) Title
Public reporting burden for this collection of information is estimated to average six (6) hours per initial response, and four (4) hours for updated plans, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid Office of Management and Budget (OMB) control number.

**Purpose of Form.** All applicants for participation in FHA subsidized and unsubsidized multifamily housing programs with five or more units (see 24 CFR 200.615) must complete this Affirmative Fair Housing Marketing Plan (AFHMP) form as specified in 24 CFR 200.625, and in accordance with the requirements in 24 CFR 200.620. The purpose of this AFHMP is to help applicants offer equal housing opportunities regardless of race, color, national origin, religion, sex, familial status, or disability. The AFHMP helps owners/agents (respondents) effectively market the availability of housing opportunities to individuals of both minority and non-minority groups that are least likely to apply for occupancy. Affirmative fair housing marketing and planning should be part of all new construction, substantial rehabilitation, and existing project marketing and advertising activities.

An AFHMP program, as specified in this Plan, shall be in effect for each multifamily project throughout the life of the mortgage (24 CFR 200.620(a)). The AFHMP, once approved by HUD, must be made available for public inspection at the sales or rental offices of the respondent (24 CFR 200.625) and may not be revised without HUD approval. This form contains no questions of a confidential nature.

**Applicability:** The form and worksheets must be completed and submitted by all FHA subsidized and unsubsidized multifamily housing program applicants.

**INSTRUCTIONS:**
Send completed form and worksheets to your local HUD Office, Attention: Director, Office of Housing

**Part 1: Applicant/Respondent and Project Identification.** Blocks 1a, 1b, 1c, 1g, 1h, and 1i are self-explanatory.

Block 1d- Respondents may obtain the Census tract number from the U.S. Census Bureau (http://factfinder2.census.gov/main.html) when completing Worksheet One.

Block 1e- Respondents should identify both the housing market area and the expanded housing market area for their multifamily housing projects. Use abbreviations if necessary. A *housing market area* is the area from which a multifamily housing project owner/agent may reasonably expect to draw a substantial number of its tenants. This could be a county or Metropolitan Division. The U.S. Census Bureau provides a range of levels to draw from.

An *expanded housing market area* is a larger geographic area, such as a Metropolitan Division or a Metropolitan Statistical Area, which provide additional demographic diversity in terms of race, color, national origin, religion, sex, familial status, or disability.

Block 1f- The applicant should complete this block only if a Managing Agent (the agent cannot be the applicant) is implementing the AFHMP.

**Part 2: Type of AFHMP**

Block 2a- Respondents should indicate the status of the AFHMP, i.e., initial or updated, as well as the date of the first approved AFHMP. Respondents should also provide the reason(s) for the current update, whether the update is based on the five-year review or due to significant changes in project or local demographics (See instructions for Part 4).

Block 2b- Respondents should identify all groups HUD has approved for occupancy in the subject project, in accordance with the contract, grant, etc.

Block 2c- Respondents should specify the date the project was/ will be first occupied.

Block 2d- For new construction and substantial rehabilitation projects, advertising must begin at least 90 days prior to initial occupancy. In the case of existing projects, respondents should indicate whether the advertising will be used to fill existing vacancies, to place individuals on the project’s waiting list, or to reopen a closed waiting list. Please indicate how many people are on the waiting list when advertising begins.
Part 3 Demographics and Marketing Area.

"Least likely to apply" means that there is an identifiable presence of a specific demographic group in the housing market area, but members of that group are not likely to apply for the housing without targeted outreach, including marketing materials in other languages for limited English proficient individuals, and alternative formats for persons with disabilities. Reasons for not applying may include, but are not limited to, insufficient information about housing opportunities, language barriers, or transportation impediments.

Block 3a - Using Worksheet 1, the respondent should indicate the demographic composition of the project's residents, current project applicant data, census tract, housing market area, project expanded housing market area, project demographic group(s) least likely to apply for the housing without targeted outreach and marketing. If there is a particular group or subgroup with members of a protected class that has an identifiable presence in the housing market area, but is not included in Worksheet 1, please specify under "Other."

Block 3b - Using the information from the completed Worksheet 1, respondents should identify the demographic group(s) least likely to apply for the housing without special outreach efforts by checking all that apply.

Part 4 - Marketing Program and Residency Preference (if any).

Block 4a - A residency preference is a preference for admission of persons who reside or work in a specified geographic area (see 24 CFR 5.655(c)(1)(ii))). Respondents should indicate whether a residency preference is being utilized, and if so, respondents should specify if it is new, revised or continuing. If a respondent wishes to utilize a residency preference, it must state the preference area (and provide a map delineating the precise area) and state the reason for having such a preference. The respondent must ensure that the preference is in accordance with the non-discrimination and equal opportunity requirements in 24 CFR 5.105(a) (see 24 CFR 5.655(c)(1)).

Respondents should use Worksheet 2 to show how the percentage of the eligible population living or working in the residency preference area compares to that of non-residents of the project, project applicant data, persons living or working in the project and those least likely to apply. This table should include the name of the contact person, his/her address, telephone number, previous experience working with the target population(s), approximate date contact was initiated, and the specific contact will play in the community. This table should be an expanded housing market area, project and expanded housing market area, or the selected group(s) least likely to apply for the housing without targeted outreach and marketing. If there is a particular group or subgroup with members of a protected class that has an identifiable presence in the housing market area, but is not included in Worksheet 1, please specify under "Other."

Block 4b - Using Worksheet 3, respondents should describe their use of community contacts to market the property to those least likely to apply. This table should include the name of the contact person, his/her address, telephone number, previous experience working with the target population(s), the approximate date contact was initiated, and the specific contact will play in the community. This table should be an expanded housing market area, project and expanded housing market area, or the selected group(s) least likely to apply for the housing without targeted outreach and marketing. If there is a particular group or subgroup with members of a protected class that has an identifiable presence in the housing market area, but is not included in Worksheet 1, please specify under "Other."

Block 4c - Using Worksheet 4, respondents should describe their proposed method(s) of advertising to market to those least likely to apply. This table should identify each media option, the number of exposures, and the frequency of exposure. If a disability is included, the disability should be specified. This table should be an expanded housing market area, project and expanded housing market area, or the selected group(s) least likely to apply for the housing without targeted outreach and marketing. If there is a particular group or subgroup with members of a protected class that has an identifiable presence in the housing market area, but is not included in Worksheet 1, please specify under "Other."

Please attach a copy of the advertising or marketing material.

Part 5 - Availability of the Fair Housing Poster, AFHMP, and Project Site Sign.

Block 5a - The Fair Housing Poster must be prominently displayed in all offices in which sale or rental activity takes place (24 CFR 200.620(e)). Respondents should indicate all locations where the Fair Housing Poster will be displayed.

Block 5b - The AFHMP must be available for public inspection at the sales or rental office (24 CFR 200.625). Check all of the locations where the AFHMP will be displayed.

Block 5c - The Project Site Sign must display in a conspicuous position the HUD-approved Equal Housing Opportunity logo, slogan, or statement (24 CFR 200.620(f)). Respondents should indicate where the Project Site Sign will be displayed, as well as the size of the Sign and the size of the logo, slogan, or statement. Please submit photographs of project site signs.
Part 5 - Evaluation of Marketing Activities.

Respondents should explain the evaluation process to be used to determine if they have been successful in attracting those individuals identified as least likely to apply. Respondents should also explain how they will make decisions about future marketing activities based on the evaluations.

Part 7 - Marketing Staff and Training.

Block 7a - Respondents should identify staff positions that are/will be responsible for affirmative marketing.

Block 7b - Respondents should indicate whether staff has been trained on the AFIM program and Fair Housing Act. Please indicate who provides the training.

In addition, respondents should specify whether they periodically assess staff members’ skills in the AFMP and the Code of Federal Regulations on Fair Housing. They should state how often they assess employee skills and how they conduct the assessment.

Block 7c - Respondents should indicate whether staff has been trained on tenant selection in accordance with the project’s occupancy policy, including residency preferences (if any). Respondents should also identify those staff positions that are/will be responsible for tenant selection.

Block 7d - Respondents should indicate any written materials related to staff training, and identify the dates of past and anticipated training.

Part 8 - Additional Considerations.

Respondents should describe their efforts not previously mentioned that were/are planned to attract those individuals least likely to apply for the subject housing.

Part 9 - Review and Update.

By signing the respondent assumes responsibility for implementing the AFHMP. Respondents must review their AFHMP every five years or when the local Community Development jurisdiction’s Consolidated Plan is updated or when there are significant changes in the demographics of the project, changes in the population in terms of race, ethnicity, income, religion, disability, or other factors. The respondent will then determine if the population least likely to apply for the housing is still the population identified in the AFHMP, whether the advertising and publicity cited in the current AFHMP is still appropriate, whether advertising sources should be increased or expanded. Even if the demographics of the housing market area have not changed, the respondent should determine if the outreach currently being performed is reaching those that are intended to reach by using project occupancy and applicant data. If not, the AFHMP should be updated. The revised AFHMP must be submitted to HUD for approval. HUD may review whether the affirmative marketing is actually being performed in accordance with the AFHMP. If based on their review, respondents determine the AFHMP does not need to be revised, they should maintain a file documenting what was reviewed, what was found as a result of the review, and why no changes were required. HUD may review this documentation.

Notification of Intent to Begin Marketing.

No later than 90 days prior to the initiation of rental marketing activities, the respondent must submit notification of intent to begin marketing. The notification is required by the AFHMP Compliance Regulations (24 CFR 108.15). The Notification is submitted to the Office of Housing in the HUD Office servicing the locality in which the proposed housing will be located. Upon receipt of the Notification of Intent to Begin Marketing from the applicant, the monitoring office will review any previously approved plan and may schedule a pre-occupancy conference. Such conference will be held prior to initiation of sales/rental marketing activities. At this conference, the previously approved AFHMP will be reviewed with the applicant to determine if the plan, and/or its proposed implementation, requires modification prior to initiation of marketing in order to achieve the objectives of the AFHMP regulation and the plan.

OMB approval of the AFHMP includes approval of this notification procedure as part of the AFHMP. The burden hours for such notification are included in the total designated for this AFHMP form.
Worksheet 1: Determining Demographic Groups Least Likely to Apply for Housing Opportunities  
(See AFHMP, Block 3b)

In the respective columns below, indicate the percentage of demographic groups among the project’s residents, current project applicant data, census tract, housing market area, and expanded housing market area (See instructions to Block 1e). If you are a new construction or substantial rehabilitation project and do not have residents or project applicant data, only report information for census tract, housing market area, and expanded market area. The purpose of this information is to identify any under-representation of certain demographic groups in terms of race, color, national origin, religion, sex, familial status, or disability. If there is significant under-representation of any demographic group among project residents or current applicants in relation to the housing/expanded housing market area, then targeted outreach and marketing should be directed towards these individuals least likely to apply. Please indicate under-represented groups in Block 3b of the AFHMP. Please attach maps showing both the housing market area and the expanded housing market area.

<table>
<thead>
<tr>
<th>Demographic Characteristics</th>
<th>Project’s Residents</th>
<th>Project’s Applicant Data</th>
<th>Census Tract</th>
<th>Housing Market Area</th>
<th>Expanded Housing Market Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>% White</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% Black or African American</td>
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<tr>
<td>% Hispanic or Latino</td>
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<tr>
<td>% Asian</td>
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<tr>
<td>% American Indian or Alaskan Native</td>
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<tr>
<td>% Native Hawaiian or Pacific Islander</td>
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<td></td>
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<tr>
<td>% Persons with Disabilities</td>
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<tr>
<td>% Families with Children under the age of 18</td>
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</tr>
<tr>
<td>Other (specify)</td>
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</tbody>
</table>
Worksheet 2: Establishing a Residency Preference Area (See AFHMP, Block 4a)

Complete this Worksheet if you wish to continue, revise, or add a residency preference, which is a preference for admission of persons who reside or work in a specified geographic area (see 24 CFR 5.655(c)(1)(ii)). If a residency preference is utilized, the preference must be in accordance with the non-discrimination and equal opportunity requirements contained in 24 CFR 5.105(a). This Worksheet will help show how the percentage of the population in the residency preference area compares to the demographics of the project’s residents, applicant data, census tract, housing market area, and demographic data. Please attach a map clearly delineating the residency preference geographical area.

<table>
<thead>
<tr>
<th>Demographic Characteristics</th>
<th>Project’s Residents (as determined in Worksheet 1)</th>
<th>Project’s Applicant Data (as determined in Worksheet 1)</th>
<th>Census Tract (as determined in Worksheet 1)</th>
<th>Housing Market Area (as determined Worksheet 1)</th>
<th>Expanded Housing Market Area (as determined in Worksheet 1)</th>
<th>Residency Preference Area (if applicable)</th>
</tr>
</thead>
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<tr>
<td>$ White</td>
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<tr>
<td>$ Persons with Disabilities</td>
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<tr>
<td>$ Families with Children @ N D Q Q G D T F D N E 07</td>
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<tr>
<td>Other (specify)</td>
<td></td>
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</tr>
</tbody>
</table>
Worksheet 3: Proposed Marketing Activities – Community Contacts (See AFHMP, Block 4b)

For each targeted marketing population designated as least likely to apply in Block 3b, identify at least one community contact organization you will use to facilitate outreach to the target population. This could be a social service agency, religious group, community center, etc. State the names of contact persons, their addresses, phone numbers, and any other information necessary for effective contact. Include the approximate date contact was initiated, and the specific role they played in the affirmative fair housing marketing program. Please attach additional pages if necessary.

<table>
<thead>
<tr>
<th>Targeted Population(s)</th>
<th>Community Contact(s), including required information noted above.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Persons with Disabilities</td>
<td>ADAPT of Texas, 1100 S. IH 35 * Austin, TX 78704, (512) 442-0252, <a href="http://www.adaptoftexas.org">www.adaptoftexas.org</a>. A grassroots disability rights group that focuses on more accessible communities. Initial date of contact: September 2020. Will send ADAPT information on the property, as well as contact information for leasing appointments.</td>
</tr>
<tr>
<td>Persons with Disabilities</td>
<td>ARC of Central Texas, 4902 Grover Ave, Austin, TX 78756, (512) 476-7044, <a href="http://www.arcotthecapitalarea.org">www.arcotthecapitalarea.org</a> - The Arc empowers those with intellectual and developmental disabilities and their families through compassionate case management and innovative programs. Initial date of contact: September 2020. Will send info on property and contact.</td>
</tr>
<tr>
<td>Persons with Disabilities</td>
<td>Austin Travis County Integral Care, 1430 Collier Street, Austin, TX 78704, (512) 447-4141, <a href="http://www.integralcare.org">www.integralcare.org</a> - Austin's community-based behavioral health and intellectual disabilities service offers a full menu of services for persons with disabilities. Initial date of contact: September 2020. Will send info on property and contact.</td>
</tr>
<tr>
<td>Hispanic or Latino</td>
<td>Guadalupe Neighborhood Development Corporation (GNDC), 813 E. 8th Street Austin, TX 78702, 512-479-6275, <a href="http://www.guadalupendc.org">http://www.guadalupendc.org</a> - A nonprofit housing provider in a historic Hispanic neighborhood, works with neighborhood residents to create and preserve affordable housing. Initial date of contact: September 2020. Will send info on property and contact.</td>
</tr>
<tr>
<td>Black or African American</td>
<td>Rosewood Zaragosa Neighborhood Center, 2000 Webberville Rd, Austin, Texas 78702 512-972-6740, A City neighborhood center that works to meet the needs of low-income households in a historic African American neighborhood. Initial date of contact: September 2020. Will send info on property and contact.</td>
</tr>
</tbody>
</table>
Worksheet 4: Proposed Marketing Activities – Methods of Advertising (See AFHMP, Block 4c)

Complete the following table by identifying your targeted marketing population(s), as indicated in Block 3b, as well as the methods of advertising that will be used to market to that population. For each targeted population, state the means of advertising that you will use as applicable to that group. In each block, the name of newspaper, television station, website, location of ad (language(s) in which the material will be provided), and specify the logo(s) (as well as size) that will appear on the various materials.

<table>
<thead>
<tr>
<th>Targeted Population(s): Method(s) of Advertising</th>
<th>Targeted Population</th>
<th>Targeted Population</th>
<th>Targeted Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Newspaper(s)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Radio Station(s)</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>TV Station(s)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bulletin Boards</td>
<td>Black/Hispanic/PWD Bulletin Boards of all FC Properties</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brochures, Notices, Flyers</td>
<td>Black/Hispanic/PWD, Austin Tenants Council, <a href="http://www.housing-rights.org">www.housing-rights.org</a></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other (specify)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Affirmative Marketing Tool - Updated 02/22/2017

02/02/2018

Census Tract: 48453001829

County  Travis
MSA  Austin-Round Rock, TX

Results will not display for any populations representing less than 1% of the total population of the County or MSA. These populations will not be required in your affirmative marketing.

<table>
<thead>
<tr>
<th>Least Likely to Apply</th>
<th>% Census Tract</th>
<th>% MSA</th>
<th>Tract for Outreach Consideration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Persons with Disabilities</td>
<td>6.71</td>
<td>9.07</td>
<td>48021950300</td>
</tr>
<tr>
<td>Black / African American</td>
<td>5.81</td>
<td>7.12</td>
<td>48163002302</td>
</tr>
<tr>
<td>Hispanic</td>
<td>19.28</td>
<td>31.36</td>
<td>48209010907</td>
</tr>
</tbody>
</table>

Map Census Tracts

The report above shows the groups to whom you must affirmatively market based on a comparison of your census tract to the applicable County or MSA area as identified in the Rule. You must select these groups on the HUD 935.2A form as groups least likely to apply.

The census tracts provided for outreach consideration represent nearby neighborhoods identified in the U.S. Census as having the greatest number of the groups who are least likely to apply at your development based on its location. The identified neighborhoods may represent a first step for planning meaningful outreach and marketing for your development.
Tab 45 – 9% Applicant Credit Limit Documentation and Certification
**Applicant Credit Limit Documentation and Certification (Competitive HTC Only)**

Pursuant to §11.4(a) of the Qualified Allocation Plan, the Department shall not allocate more than $3 million of Competitive Housing Tax Credits from the current Application Round to any Applicant, Developer, Affiliate or Guarantor (unless the Guarantor is also the General Contractor, and is not a Principal of the Applicant Developer, or Affiliate of the Development Owner). All Applications must be identified herein to ensure that the Department is advised of all Applicants, Affiliates, Developers, General Partners or Guarantors involved to avoid any statutory violation of Texas Government Code, §236.6711(b).

Instructions:

Complete Part I of this form. For each person or entity in Part I that answers "Yes" to Part I b., a Part II form must be submitted (i.e. if 4 persons/entities answer "Yes" to Part I b., then 4 separate Part II forms must be provided).

<table>
<thead>
<tr>
<th>Part I. Applicant Credit Limit Documentation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

| a. Applicant, Developers, Affiliates, and Guarantors - List below all entities or Persons meeting the definition of Applicant, Affiliate, Developer or Guarantor. |
| 1. FC Waters Park Housing, LP |
| 2. FC North Studios Housing, LLC |
| 3. Foundation Communities, Inc. |
| 4. Walter Moreau |
| 5. Michelle Walls |
| 6. David Tandy |
| 7. Alicia Wong |
| 8. Jewel Arrington |
| 9. Yvette Bostwick |
| 10. Perla Cavazos |
| 11. Andrew Clements |
| 12. Kellee Coleman |
| 13. Adrianna Cuellar Rojas |
| 14. Charles DiTullio |
| 15. Dalton Duffie |
| 16. David Hart |
| 17. Selina Serna |
| 18. |
| 19. |
| 20. |
| 21. |
| 22. |
| 23. |
| 24. |
| 25. |
| 26. |
| 27. |
| 28. |
| 29. |
| 30. |

| b. Person/entity has at least one other application in the current Application Round. |
| No |
| No |
| No |
| No |
| No |
| No |
| No |
| No |
| No |
| No |
| No |
| No |
| No |
| No |
| No |
| No |
| No |
| No |
| No |
| No |
| No |
| No |
| No |
| No |
| No |
| No |
| No |
| No |
| No |
| No |

Individually, or as the General Partner(s) of officer(s) of the Applicant entity, I (we) certify that we are submitting behind this tab one signed Credit Limit Certification form for each person and/or entity that answered "Yes" to Part b. above.
Part II. Credit Limit Certification

Instructions:
Each Person and/or Entity that answered "Yes" to Part 1 (b) must complete this form.

Name and role of Person or Entity completing this form: Perla Cavacos

Which is:  
- [ ] the Applicant (Entity that generally manages or controls the "Applicant," i.e., General Partner, Managing Partner, etc.)
- [ ] a Special Limited Partner or Class B Limited Partner or equivalent of the Applicant
- [ ] a Developer for the Applicant for this specific Application
- [x] an Affiliate to the Applicant
- [ ] a Guarantor on the Application

Pursuant to §11.4(a) of the Qualified Allocation Plan, the Department shall not allocate more than $3 million of tax credits from the current Application Round to any Applicant, Developer, Affiliate, or Guarantor. The undersigned represents to the Department that the following is a list of all developments for which the Applicant, the Developer, Affiliate, or Guarantor, has applied for an allocation of tax credit authority from the Department in the current Application Round.

<table>
<thead>
<tr>
<th>Development Name</th>
<th>Region</th>
<th>City</th>
<th>% Ownership</th>
<th>% of Dev. Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Waters Park Studios</td>
<td>7</td>
<td>Austin</td>
<td>100% of GP</td>
<td>100.00%</td>
</tr>
<tr>
<td>Merritt Manor</td>
<td>7</td>
<td>Manor</td>
<td>0.01%</td>
<td>5.00%</td>
</tr>
</tbody>
</table>

I acknowledge that [Walter Moore] is authorized to terminate the Application in the event of a conflict with §11.4(a) of the Qualified Allocation Plan.

I hereby certify that the foregoing is a complete list of Developments with respect to which I am seeking a current allocation of tax credit authority from the Department. I certify that, if the Department makes a recommendation to the Board or issues a commitment which may cause Application for which I am the Applicant, the Developer, Affiliate or Guarantor, to receive credits in excess of $3 million, I will notify the Department in writing within three business days of my recommendation or issuance of the Commitment.

I acknowledge that if the Department determines that an Applicant, Developer, Affiliate or Guarantor, has received (in the aggregate) allocations in the current Application Round from the Department exceeding $3 million, the Department must refuse to issue one or more Commitments or Carryover Allocations, or modify one or more Commitments or Carryover Allocations.

Under penalty of perjury, I certify that this information and these statements are true, complete, and accurate.

By: ___________________________  
Signature of Applicant, Developer, Affiliate or Guarantor (as appropriate)  
Perla Cavacos  
Printed Name  
Date: 2/26/20
Table of Contents

Part 6 – Community Input Scoring Items

WATERS PARK STUDIOS
AUSTIN, TEXAS

TDHCA #18099

Tab 46 – Community Input Scoring Items

- Local Government Support
- Community Support from State Representative
- Input from Community Organizations
### Community Input Scoring Items

1. **Local Government Support - §11.9(d)(1)**
   - Resolution(s) of either "no objection" or "support" is included behind this tab.**
   **Note that resolutions are due March 1, 2018**

2. **Community Support from State Representative - §11.9(d)(5)**
   - Letter of either "support" or "opposition" is included behind this tab.**
   **Note that letters are due March 1, 2018**

3. **Input from Community Organizations - §11.9(d)(6)**
   - Applicant has included one or more letters of support or opposition behind this tab.

<table>
<thead>
<tr>
<th>A. Meals on Wheels Central Texas</th>
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<tbody>
<tr>
<td>Name of Community Organization</td>
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<tr>
<td>Adam I. Hauser</td>
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<tr>
<td>Contact Name</td>
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<tr>
<th>B. Austin Recovery, Inc.</th>
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<tr>
<td>Name of Community Organization</td>
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<tr>
<td>Laura Sovine, LMSW-AP</td>
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<td>Contact Name</td>
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<tr>
<th>C. Lifeworks (formerly Youth and Family Alliance)</th>
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<tr>
<td>Name of Community Organization</td>
</tr>
<tr>
<td>Susan McDowell</td>
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<tr>
<td>Contact Name</td>
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<tbody>
<tr>
<td>Name of Community Organization</td>
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<td>Contact Name</td>
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</table>
Local Government Support
RESOLUTION NO. 20180201-027

WHEREAS, Foundation Communities, Inc., or an affiliated entity, ("Applicant") has proposed a development for affordable rental housing, consisting of single room occupancy units, located at 12207 Waters Park Road to be called the Waters Park Studios ("Development") in the City of Austin; and

WHEREAS, Applicant has advised that it intends to submit application no. 18099 to the Texas Department of Housing and Community Affairs ("TDHCA") for 2018 Competitive 9% Low Income Housing Tax Credits for the Development; NOW,

THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

The City of Austin, acting through its governing body, the City Council, hereby confirms that it supports the proposed application no. 18099.

BE IT FURTHER RESOLVED:

The City Council authorizes, empowers, and directs Jannette S. Goodall, City Clerk, to certify this resolution to the TDHCA.

ADOPTED: February 1, 2018 ATTEST: Jannette S. Goodall City Clerk
Hi Jennifer,

We understand that that the Waters Park Studios development is comprised of two parcels of land. The resolutions cover the entire project (both parcels mentioned below).

Thank you,

Ellis Morgan  
Financial Analyst IV  
City of Austin/Austin Housing Finance Corporation  
P.O. Box 1088  
Austin, TX 78767-1088  
(512) 974-3121  
Ellis.Morgan@austintexas.gov  
http://www.austintexas.gov/housing

---

Hi David and Ellis –

I am writing this email to ask your confirmation of your understanding that the site of Waters Park Studios contains two parcels that will be combined to be the Development Site and the addresses for those two parcels are:

12207 Waters Park Road, Austin, TX 78759  
12190 N Mo Pac Expy, Austin, TX 78758

Please also confirm that these two parcels are understood to be included with the following resolutions:

20180201-028 – Twice the State Average of Units  
20180201-027 – Support Resolution

THANK YOU!

Jennifer Hicks, Co-Founder  
True Casa Consulting, LLC  
(512) 203-4417
Community Support from State Representative
February 23, 2018

Mr. Walter Moreau, Executive Director
Foundation Communities
3036 S. 1st Street
Austin, TX 78704

RE: Application Number 18099 - Waters Park Studios

Dear Mr. Moreau:

I have received the Public Notification for the Waters Park Studios development located in Austin and the 50th district, which I represent. This new community will bring critically needed supportive housing to North Austin, and all of the new apartments will serve low-income residents.

Foundation Communities has a long history of developing quality, service-enriched housing and supportive services in Austin. I am pleased to lend my support to this application for the Waters Park Studios development (Reference Number 18099).

Sincerely,

Celia Israel
Texas State Representative
House District 50
Input from Community Organizations
January 30, 2018

Texas Department of Housing and Community Affairs
P.O. BOX 13941
Austin, TX 78711-3941

To Whom It May Concern,

On behalf of Meals on Wheels Central Texas, I am pleased to write this letter of support for Foundation Communities and its proposed Waters Park Studios (#18099) located at 12207 Waters Park Road and 12190 N Mopac Expy, in Austin, Texas.

Meals on Wheels and More is a nonprofit, tax exempt community organization based in Austin, Texas doing business as Meals on Wheels Central Texas. Our mission is to nourish and enrich the lives of the homebound and other people in need through programs that promote dignity and independent living. We serve the community where these proposed apartments are located. We have been partners with Foundation Communities over many years to offer our services to their residents and have seen first-hand the positive impact their programs have on the people it serves. Those innovative programs are designed to provide people with the tools they need to break the terrible cycle of poverty. Foundation Communities works with its clients to help them achieve educational success, financial stability, and an overall better quality of life.

Please see our attached 501(c)(3) determination letter. We have also attached a brochure which shows that we serve the Austin community and the area where this proposed project is located. Our website is www.mealsonwheelscentraltexas.org and it provides more information about our services and community

Thank you for your consideration of their application for funding.

Sincerely,

Adam L. Hauser
President & CEO
Meals on Wheels Central Texas
Evidence of tax exempt status.

MEALS ON WHEELS AND MORE INC
ATTN DONNA BUERCH
3227 E 5TH ST
AUSTIN TX 78702

Employer ID Number: 23-7202594
Form 990 required: yes

Dear Taxpayer:

This is in response to your request dated June 21, 2016, regarding your tax-exempt status.

We issued you a determination letter in June 1974, recognizing you as tax-exempt under Internal Revenue Code (IRC) Section 501(c)(3).

Our records also indicate you're not a private foundation as defined under IRC Section 509(a) because you're described in IRC Sections 509(a)(1) and 170(b)(2)(A)(vi).

Donors can deduct contributions they make to you as provided in IRC Section 170. You're also qualified to receive tax deductible bequests, legacies, devises, transfers, or gifts under IRC Sections 2055, 2106, and 2522.

In the heading of this letter, we indicated whether you must file an annual information return. If a return is required, you must file Form 990, 990-EZ, 990-N, or 990-PF by the 15th day of the fifth month after the end of your annual accounting period. IRC Section 6033(j) provides that, if you don't file a required annual information return or notice for three consecutive years, your exempt status will be automatically revoked on the filing due date of the third required return or notice.

For tax forms, instructions, and publications, visit www.irs.gov or call 1-800-TAX-FORM (1-800-829-3676).

If you have questions, call 1-877-829-5500 between 8 a.m. and 5 p.m., local time, Monday through Friday (Alaska and Hawaii follow Pacific Time).
March 02, 2016

**Graves Dougherty Hearon & Moody
**Graves Dougherty Hearon & Moody
PO Box 98
Austin, TX 78767 USA

RE: MEALS ON WHEELS AND MORE, INC.
File Number: 30376301

Assumed Name:
MEALS ON WHEELS CENTRAL TEXAS

File Date: 03/02/2016

It has been our pleasure to file the assumed name certificate for the above referenced entity. Enclosed is the certificate evidencing filing. Payment of the filing fee is acknowledged by this letter.

In addition to filing with the Secretary of State, Chapter 71 of the Texas Business and Commerce Code requires filing of the assumed name certificate with the county clerk in the county in which the principal office of the entity is located. If the entity is required by law to maintain a registered office address in Texas and its principal office address is not located in Texas, the assumed name certificate is required to be filed in the county in which the registered office address is located. If the entity is not required by law to maintain a registered office address, please refer to Section 71.103 of the Texas Business and Commerce Code for the appropriate place of filing.

If we can be of further service at any time, please let us know.

Sincerely,

Corporations Section
Business & Public Filings Division

Enclosure
CERTIFICATE OF FILING
OF
MEALS ON WHEELS AND MORE, INC.
File Number: 30376301
Assumed Name:
MEALS ON WHEELS CENTRAL TEXAS

The undersigned, as Secretary of State of Texas, hereby certifies that the assumed name certificate for the above named entity has been received in this office and filed as provided by law on the date shown below.

ACCORDINGLY the undersigned, as Secretary of State, and by virtue of the authority vested in the secretary by law hereby issues this Certificate of Filing.

Dated: 03/02/2016

Effective: 03/02/2016

Carlos H. Cascos
Secretary of State
ASSUMED NAME CERTIFICATE
FOR FILING WITH THE SECRETARY OF STATE

1. The assumed name under which the business or professional service is or is to be conducted or rendered is:

MEALS ON WHEELS CENTRAL TEXAS

2. The name of the entity as stated in its certificate of formation, application for registration, or comparable document is:

MEALS ON WHEELS AND MORE, INC.

3. The state, country, or other jurisdiction under the laws of which it was incorporated, organized or associated is TEXAS, and the address of its registered or similar office in that jurisdiction is:

3227 E. 5th Street, Austin, TX, USA 78702

4. The period, not to exceed 10 years, during which the assumed name will be used is:

03/02/2026

5. The entity is a: Domestic Nonprofit Corporation

6. The entity's principal office address in Texas is:

3227 E. 5th Street, Austin, TX, USA 78702

7. The entity is not organized under the laws of Texas and is not required by law to maintain a registered agent and registered office in Texas. Its office address outside the state is:

8. The county or counties where business or professional services are being or are to be conducted or rendered under such assumed name are:

ALL COUNTIES

9. The undersigned, if acting in the capacity of an attorney-in-fact of the entity, certifies that the entity has duly authorized the attorney-in-fact in writing to execute this document. The undersigned signs this document subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument.
MEALS ON WHEELS AND MORE, INC.
Name of the entity

By: Dan Pruett, President
Signature of officer, general partner, manager, representative or attorney-in-fact of the entity

FILING OFFICE COPY
MEAL PROGRAMS

Aside from providing hot, nutritious lunchtime meals to homebound older adults and persons with disabilities, Meals on Wheels Central Texas also offers many other programs designed to keep people healthy and living in their own homes.
OTHER PROGRAMS
We also have other programs that help our Central Texas neighbors age in place.

IN-HOME CARE
(HTTPS://WWW.MEALSONWHEELSCENTRALTEXAS.ORG/PROGRAMS/IN-HOME-CARE)

VETERANS SERVICES
(HTTPS://WWW.MEALSONWHEELSCENTRALTEXAS.ORG/PROGRAMS/VETERANS-SERVICES)

PALS
(HTTPS://WWW.MEALSONWHEELSCENTRALTEXAS.ORG/PROGRAMS/PALS)

HOME REPAIR
(HTTPS://WWW.MEALSONWHEELSCENTRALTEXAS.ORG/PROGRAMS/HOME-REPAIR-NEEDS)

HANDY WHEELS
(HTTPS://WWW.MEALSONWHEELSCENTRALTEXAS.ORG/PROGRAMS/HANDY-WHEELS)

GROUP VOLUNTEERING
(HTTPS://WWW.MEALSONWHEELSCENTRALTEXAS.ORG/PROGRAMS/MIKES-PLACE)

DELIVERING MEALS WITH A TEAM IS A GREAT WAY TO CONNECT WITH OTHERS AND MAKE AN IMMEDIATE DIFFERENCE IN THE COMMUNITY.

TELEHEALTH TREATMENT FOR DEPRESSION
(HTTPS://WWW.MEALSONWHEELSCENTRALTEXAS.ORG/PROGRAMS/TELEHEALTH-TREATMENT-FOR-DEPRESSION)

PILOT PROGRAMS
(HTTPS://WWW.MEALSONWHEELSCENTRALTEXAS.ORG/PROGRAMS/PILOT-PROGRAMS)
“I am so Thankful for Meals on Wheels”

“I’m a jack of all trades,” says 84-year-old Linda Richards, before quickly adding, “and master of none.”

Ask the Santa Fe, New Mexico native about the jobs she held as a younger woman, and she’ll list occupations long since replaced by automation—telephone operator—and those that, decades later, still require a living, breathing human being—card shill for a Las Vegas casino (more on that Vegas vocation in a bit).

Ms. Richards began her working life with Southwestern Bell in the 1950’s, back when folks needed operators to place long distance calls or look up telephone numbers. “You had to get that number for them. If they didn’t know how to spell the name, you figured it out and got that number. Once, this woman called and asked me ‘operator, can you give me the number of Mary who lives by the big oak tree?’ I’m not exaggerating,” Ms. Richards recalls with a laugh.

Major health issues, including a broken hip, also forced her to find a different kind of living; her East Austin apartment, she relies on Meals on Wheels Central Texas to nourish her body and spirit. She appreciates the nutritious food our volunteers deliver to her door. “That takes care of lunch and that’s a big deal. That’s kind of the main meal,” she says.

But as much as she loves the healthy food, she treasures the daily visits from the folks who bring her lunch, and credits them with vastly improving her outlook on life. “More than the meals are the [volunteers] who come here. They’re so friendly and kind and loving. They have that spirit about them. They make you feel important. They make you feel like you’re a queen,” she says.

(Continued on back page)
Empty Bowl Project Fills Important Need

It’s called the Austin Empty Bowl Project, but the bowls don’t stay empty very long – not when there’s plenty of delicious, piping hot soup to pour into them.

As part of the event, which began in 1997, local potters donate bowls of every shape, size, and color to the cause. Then, every year on the Sunday before Thanksgiving, soup lovers with good hearts line up outside the Central Texas Food Bank, pay $20 to purchase one of the bowls and fill it with soups made by dozens of local restaurants, including our very own Meals on Wheels Chef Ruben Burnett, and bread from several nearby bakeries. Attendees also enjoy live music performed by talented Central Texas artists.

Best of all, the immensely popular event raises money for the Food Bank’s Kid’s Café program and our Meals for Kids (MFK) program, which provides nutritious snacks and meals on healthy eating habits to children who live in public housing communities and attend after-school programs run by our dedicated partners at Communities in Schools.

The totals for this year’s event are still being tallied – but the Empty Bowl Project has raised almost $200,000 for MFK over the past few years! We thank the organizers of this wonderful holiday tradition for their continued support of Meals for Kids!

Statesman’s Season for Caring Helps MOWCTX Client

In spite of a series of strokes that have left her bed-bound and partially blind, Bertha Foster is determined to walk again.

Ms. Foster, a 42-year-old MOWCTX client, and her 15-year-old son, Donovan, are one of the families featured in this year’s Austin American Statesman’s Season for Caring campaign. The event is a partnership between the newspaper’s Editorial and Community Development departments and introduces readers to families in need and the nonprofit agencies providing services to them.

Our nutritious home-delivered meals help Ms. Foster maintain her independence as she tries to regain her health. But she and Donovan need assistance in other ways. Ms. Foster worked as a nursing assistant before becoming disabled. She and Donovan live on her $1490 monthly Social Security Disability check, most of which goes towards rent and utilities on their small one-bedroom apartment. Not only is money tight – so are their living quarters. Ms. Foster admits “we just need more room.”

To find out how you can help the Foster family this holiday season, please visit community.statesman.com and click on “Season for Caring”.

Follow us:
First Family of Texas and Others Deliver Meals and Holiday Cheer

Texas Governor Greg Abbott, First Lady Cecilia Abbott, and their daughter, Audrey, were among the 150 or so volunteers who delivered delicious meals and much-welcomed holiday cheer to hundreds of our homebound clients on Thanksgiving Day.

The holiday meals to get a slice. Later that morning, volunteers, including the Abbott family, began lining up around 10:15. Ms. Abbott is a seasoned pro at delivering our nutritious lunches considering she’s volunteered for MOWCTX since 2010.

By 11:30 a.m., all of the Thanksgiving meals were out the door of our Central Kitchen and on their way to people who would not have otherwise enjoyed a holiday meal. And, for many of our clients, the community-minded people delivering their lunch were the only human interaction they had that holiday—underscoring the fact that our volunteers do indeed deliver much more than a meal.

Our wonderful partners at H-E-B generously underwrote the cost of nearly 500 Thanksgiving Day meals.

This is the 12th year MOWCTX has provided a Thanksgiving Day lunch to our most vulnerable clients. Many thanks to the volunteers who took time out from their family gatherings to help our neighbors in need. We also deeply appreciate our wonderful partner in community service, H-E-B, for underwriting the entire cost of our Thanksgiving Day meals.

Sound Fiscal Management

As you consider your year-end charitable giving contributions, keep in mind that Meals on Wheels Central Texas has been recognized by Charity Navigator with its highly coveted 4-star rating for sound fiscal management and commitment to accountability and transparency.

Charity Navigator is the nation’s largest independent charity evaluator.

MOWCTX and Austin Subaru Share the Love

Did you know that Subaru will donate $250 to the customer’s choice of participating charities for every new vehicle sold or leased now through January 2, 2018? If you’re in the market for a new Subaru, please choose Meals on Wheels as your charity of choice!
“I Still Do This in Honor of Him”

Longtime Meals on Wheels Central Texas volunteer Billy Gray credits a U.S. president with igniting the spark that prompted him to volunteer for us. But it’s someone with a much less lofty station in life who keeps that spark burning all these years later.

Before long, Mr. Gray was delivering two routes per week. One of his routes has since changed, but the other is the one he’s had since that very first day in 2002. He still delivers lunch to a few of the same folks he did back then. When asked what those longtime clients mean to him, he says, “it’s hard to put in words.” He pauses and then adds “family.” He says of the time he spends delivering meals and companionship, “it enriches your life and takes very little of your time.”

Speaking of time, his flexible schedule as a realtor allows him to also volunteer a third day a week. Every Monday, he serves as Meal Manager at our Prince of Peace Lutheran Church distribution site, which gives him a chance to meet other MOW volunteers. It’s the same type of job once held by his friend, Mr. Sturdevant, the man he believes defines volunteerism. “He died a few years ago,” says Mr. Gray. “He was a great guy and he gave me new insight. I still do this in honor of him.”

Giving Tuesday Donations Help Homebound Seniors

Hundreds of Central Texans donated to MOWCTX on Giving Tuesday, the global day of online philanthropy, which is celebrated in the U.S. on the Tuesday following Thanksgiving. Thanks to their generosity and that of an anonymous donor who pledged to match donations up to $30,000, we raised a grand total of $67,000 in just 24 hours! Thank you to all those who gave to MOWCTX on this special day!
Adam's Corner

Dear Friends,

I know it might sound odd, but I’m still celebrating Thanksgiving. No, the turkey day leftovers are history. I’m just not ready to quit celebrating the spirit behind the fourth Thursday in November - giving thanks.

This year, I have an abundance of things for which to be thankful. First of all, I am deeply thankful for the incredible people who work here; a forward-thinking, compassionate board of directors; and 7,500+ dedicated volunteers, all of whom make Meals on Wheels Central Texas the most impactful Meals on Wheels organization in America. I give thanks for these great people because they never lose sight of our mission to nourish and enrich the lives of our most vulnerable neighbors.

I’m also thankful for the depth of our service platform, which continues to evolve as we strive to improve the health—both physical and emotional—of the needy in our community. For example, our In-Home Care program—now housed in our Central Kitchen headquarters on East 5th Street—features dedicated personal care attendants who provide life-sustaining assistance with daily living activities for the vulnerable people we serve. And, our technology-based programs—Telehealth and Connecting Seniors with Technology—both designed to enable isolated older adults to combat depression loneliness through computer-based connections with trained social workers or friends and family.

But I’m especially thankful for kind Central Texans, just like you, who believe in our innovative, holistic and nurturing approach to helping our older neighbors and those with disabilities age in their own homes safely and with dignity and independence. Your generous support of our mission is changing lives for the better—just like Linda Richards and Bertha Foster, whose stories you’ll find elsewhere in this newsletter. On behalf of the 5,000 people we serve every year, thank you so much for your support of Meal on Wheels Central Texas.

May 2018 bring you and your peace and joy!

In service together,

Adam Hauser
President and CEO

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BOARD OF DIRECTORS

- Ben Hanson, Board Chair
  EQ Capital Strategies, LLC
- Megan Wolek, Chair Elect and Board Treasurer
  Maxwell Locke & Ritter LLP
- Norine Yon, 1st Vice Chair
  Community Volunteer
- Samuel Lee Houson, Secretary
  Community Volunteer
- Rick Yeomans, Past Chair
  Graves, Dougherty, Hearon, & Moody, PC
- Michael C. Brown
  Texas Capital Bank, N.A.
- Namkee G. Choi, Ph.D
  University of Texas at Austin
- B.J. Friedman, Ph.D
  Texas State University, San Marcos
- Nick Weynand
  Trademark Media
- Stewart Whitehead
  Winstead
- Adam Hauser
  President and CEO
  Meals on Wheels Central Texas

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MANAGEMENT TEAM

- Adam Hauser
  President and CEO
- Larry Heespor, C.P.A.
  Executive Vice President & CFO
- Michael Wilson
  Sr. Vice President & COO
- Meridee Wier
  Executive Director/MOWCTX
  In-Home Care
- Melanie Alexander
  Vice President for Human Resources
- Charles Clossman
  Vice President for Home Repair Program
- Theresa Medlin Crawford
  Vice President for Volunteer Services
  and Distribution
- Demereal Owens
  Vice President for Client Services
- Nicole Sarkar
  Vice President for Development
- Thad Rosenfeld
  Vice President for Communications

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charity navigator 4-star rating for fiscal management
HAND Changes Name and Address

All of our vital, life-sustaining services are now available under one roof!

Central Texas family of services, an acquisition made possible by our friends at the St. David's Foundation. At the time, HAND continued to operate from its office on East 2nd Street.

But now, HAND has changed its address and its name. The new name is—“Meals on Wheels Central Texas In-Home Care”—and the renamed agency is now housed in our headquarters location at 3227 East 5th Street, where it can continue to offer its high quality of services to people who have functional limitations and need assistance with activities of daily living.

Having all of our programs under one roof means easier access for our neighbors in need to our wide continuum of holistic services. It also streamlines communication between our dedicated staff members, ensuring quick, informed assessments of the needs of the people we serve and prompt delivery of our services to homebound older adults and people with disabilities.

We thank the St. David's Foundation for its support in the acquisition and relocation of this important community service.

Use Brakes To Go and Help Homebound Central Texans!

Getting your vehicle serviced by Brakes To Go, Austin’s mobile brake repair business, not only saves you time, and protects you and your car; it also helps the homebound older adults we serve.

For every brake job they perform, Brakes To Go will donate $1 to Meals on Wheels Central Texas to support our life-sustaining services. Learn more at brakestogo.com

“I am so Thankful for Meals on Wheels” (cont.)

The fact that she needs assistance at all frustrates her. “I’ve been very independent all my life and I don’t want to give that up,” she says. “I have some major medical problems, but I’m working on dealing with them so that I can stay here (in her apartment) and take care of myself,” she tells a visitor. In the meantime, she’s grateful for MOWCTX and our volunteers, “You realize how good people are when something like this happens. I can truly say that good has come out of all of it. It’s given me a great opportunity to become a better person. I am so thankful for Meals on Wheels.”

www.mealsonwheelscentraltexas.org
MEALS ON WHEELS
Greater Austin Prepared Meal Delivery Service for Seniors and Adults with Disabilities

The Meal Delivery Program is a holistic nutrition program that provides home delivered prepared meals for seniors and other homebound clients throughout the Greater Austin area. This program provides case management services to individuals enrolled in the Meals on Wheels program. Each recipient receives one hot meal per day during the week and may have an option of receiving supplemental frozen meals for the weekend.

ELIGIBILITY
Individuals must be:
1. Primarily homebound
2. Unable to easily prepare nutritious meals
3. Without consistent daytime assistance from another person
4. Able to accept meals during the delivery time frame
5. Must live in the Greater Austin Area

Each applicant will be assessed by a MOWCTX supportive case manager to ensure that eligibility requirements are met. Short-term service is available to those with temporary meal needs.

QUICK LINKS
- Inquiry Form
- Cancel My Meal

NUTRITIONAL FACTS
Menus are planned and prepared under the supervision of a RDN. Our meals are whole-food based and provide an array of nutrients and phytochemicals to promote optimum health.

CASE MANAGEMENT
Learn more about Case Management

CALL TO VOLUNTEER
We have many open meal delivery routes all over the Austin area.
See the Current Needs
MEALS ON WHEELS AND MORE, INC.
PO BOX 6248
AUSTIN, TX 78762-6248

According to the records of the Comptroller of Public Accounts, the following exemption(s) from Texas taxes apply to the above organization(s):

- Franchise tax, as of 04-18-1972
- Sales and use tax, as of 04-25-1979
  
  (provide Texas sales and use tax exemption certificate Form 01-339 (Back) to vendor)

  The entity is not exempt from hotel occupancy tax.

  Texas taxpayer identification number: 12372025945

This exemption verification is not a substitute for the completed exemption certificates that are required when claiming exemption from Texas taxes. Vendors should be familiar with the requirements for accepting the certificates in good faith from their customers.

This exemption verification does not mean that the organization holds a permit for collecting or remitting any Texas taxes.

Exempt organizations must collect tax on most sales. For more information, please see our publication Exempt Organizations: Sales and Purchases (96-122). Online registration is available.

For information concerning sales taxpayer permit status, please use the vendor search we provide online.

Corporations that are registered in Texas with the Secretary of State must maintain a current registered agent and registered office address. Information is available from Business and Nonprofit Forms page of the Secretary of State's Website. Additionally, out-of-state corporations, limited liability companies, or limited partnerships transacting business in Texas may need to file a Certificate of Authority or Registration with the Texas Secretary of State. More information is available from the Foreign or Out-of-State Entities page on the Secretary of State's Website.

Our publications and other helpful information are available on our website. If you need more information, write to us at exempt.orgs@cpa.texas.gov, or call us at (800) 252-5555.
Tax exempt status current - IRS

Exempt Organizations Select Check

Organizations Eligible to Receive Tax-Deductible Charitable Contributions (Tax IDAlive) - DGET Results

The following list includes tax-exempt organizations that are eligible to receive tax-deductible charitable contributions. Click on the "Deductibility Status" column for an explanation of limitations on the deductibility of contributions made to different types of tax-exempt organizations.

Results are sorted by EIN. To sort results by another category, click on the icon next to the column heading for that category. Clicking on that icon a second time will reverse the sort order. Click on a column heading for an explanation of information in that column.

| 1-1 of 1 results | Results Per Page 25 OK | « Prev | 1-1 | Next » |
|------------------|------------------------|---------|
| EIN              | Legal Name (Doing Business As) | City | State | Country |
| 23-7202594       | Meals on Wheels and More Inc. | Austin | TX | United States |

« Prev | 1-1 | Next »
January 25, 2018

Texas Department of Housing and Community Affairs
P.O. BOX 13941
Austin, TX 78711-3941

To Whom It May Concern,

On behalf of Austin Recovery, I am pleased to write this letter of support for Foundation Communities and its proposed Waters Park Studios (#18099) located at 12207 Waters Park Road and 12190 N Mopac Expwy, in Austin, Texas.

Austin Recovery is a nonprofit, tax exempt community organization based in Austin, Texas. Austin Recovery is a community-based, compassionate provider of substance use disorder treatment for individuals and families seeking to build a life free of drugs and alcohol. We serve the community where these proposed apartments are located. We have been partners with Foundation Communities over many years to offer our services to their residents.

Please see our attached 501(c)(3) determination letter. We have also attached an agency brochure which shows that we serve the Austin community and the area where this proposed project is located. Our website is www.austinrecovery.org and it provides more information about our services and community.

Thank you for your consideration of their application for funding.

Sincerely,

Laura Sovine, LMSW-AP
Executive Director

WHERE THE HEALING BEGINS

www.austinrecovery.org | 4201 South Congress, #202, Austin, TX 78745 | Admissions: 512-697-8600
Evidence of tax exempt status.

Internal Revenue Service

Date: February 5, 2001

Austin Recovery, Inc.
8402 Cross Park Drive
Austin, TX 78754

Department of the Treasury

P. O. Box 2508
Cincinnati, OH 45201

Person to Contact:
Shirley Rudolph 31-03949
Customer Service Representative

Toll Free Telephone Number:
8:30 a.m. to 9:30 p.m. EST
877-829-5500

Fax Number:
513-263-3756

Federal Identification Number:
74-1609108

Dear Sir or Madam:

This letter is in response to your request for an address change. We have updated our records to reflect that change.

Our records indicate that a determination letter issued in February 1969 granted your organization exemption from federal income tax under section 501(c)(3) of the Internal Revenue Code. That letter is still in effect.

Based on information subsequently submitted, we classified your organization as one that is not a private foundation within the meaning of section 509(a) of the Code because it is an organization described in sections 509(a)(1) & 170(b)(1)(A)(vi).

This classification was based on the assumption that your organization's operations would continue as stated in the application. If your organization's sources of support, or its character, method of operations, or purpose have changed, please let us know so we can consider the effect of the change on the exempt status and foundation status of your organization.

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

All exempt organizations (unless specifically excluded) are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of $100 or more paid to each employee during a calendar year. Your organization is not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Organizations that are not private foundations are not subject to the excise taxes under Chapter 42 of the Code. However, these organizations are not automatically exempt from other federal excise taxes.

Donors may deduct contributions to your organization as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to your organization or for its use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.
Austin Recovery, Inc.  
74-1609108

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

The law requires you to make your organization's annual return available for public inspection without charge for three years after the due date of the return. If your organization had a copy of its application for recognition of exemption on July 15, 1987, it is also required to make available for public inspection a copy of the exemption application, any supporting documents and the exemption letter to any individual who requests such documents in person or in writing. You can charge only a reasonable fee for reproduction and actual postage costs for the copied materials. The law does not require you to provide copies of public inspection documents that are widely available, such as by posting them on the Internet (World Wide Web). You may be liable for a penalty of $20 a day for each day you do not make these documents available for public inspection (up to a maximum of $10,000 in the case of an annual return).

Because this letter could help resolve any questions about your organization's exempt status and foundation status, you should keep it with the organization's permanent records.

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

This letter affirms your organization's exempt status.

Sincerely,

[Signature]

John E. Ricketts, Director, TE/GE  
Customer Account Services
Austin Recovery is a compassionate, community-based substance use disorder treatment provider that helps individuals and families rebuild their lives free from drugs and alcohol.

The staff at Austin Recovery understands that what you or a loved one may need to stabilize and begin a life in recovery is unique. Our approach is individualized and realistic.

We place emphasis on developing the necessary tools and coping techniques to protect your recovery through cognitive behavioral therapy, the 12 Steps, and experiential therapy.

**Evidence that Our conducts activities within the same City as Development.**

Edith Royal Campus
Outpatient
Aftercare
Admin Offices
4201 South Congress
Ste 202
Austin, TX 78745
(512) 697-8600
www.austinrecovery.org

Hicks Family Ranch
Residential
Adult Men & Women
Family House
13207 Wright Road
Buda, TX 78610
(512) 697-8600
www.austinrecovery.org
Since 1967, Austin Recovery has provided effective and compassionate addiction treatment for individuals, families, and communities.

Talk with a Care Coordinator.
Have your questions answered and learn more about options and costs.
Call 512-597-8600 at no obligation.

Recovery Programs
Austin Recovery specializes in residential programs for adult men and women, outpatient and aftercare for both men and women, and long-term residential programs for women with small children.

Our programs are rooted in the 12 Steps and include both clinical and experiential therapies. The residential facility is located just outside of Austin, while our outpatient center is central located and accessible via public transportation.

Costs & Options
Austin Recovery knows the cost of recovery services is a concern and we can help.

We accept all major insurance and have discounts and flexible payment options for out of pockets costs. Outside funding for scholarships is available to qualified individuals.

Community Support
Our programs save more lives each year thanks to the support of our community. Donating your time, resources, or professional services can help us build a stronger and healthier community.

In 2016, 90% of our clients were at or below the Federal Poverty Line, and 84% were residents of Travis, Williamson, or Hays County.

Austin Recovery is a proud partner with the St. David's Foundation in building a safer, healthier community.
Exemption Verification

February 09, 2018

AUSTIN RECOVERY, INC.
PO BOX 28610
AUSTIN, TX 78755-8610

According to the records of the Comptroller of Public Accounts, the following exemption(s) from Texas taxes apply to the above organization(s):

Franchise tax, as of 12-15-1967
Sales and use tax, as of 12-18-1986
(provide Texas sales and use tax exemption certificate Form 01-339 (Back) to vendor)
The entity is not exempt from hotel occupancy tax.

Texas taxpayer identification number: 17416091084

This exemption verification is not a substitute for the completed exemption certificates that are required when claiming exemption from Texas taxes. Vendors should be familiar with the requirements for accepting the certificates in good faith from their customers.

This exemption verification does not mean that the organization holds a permit for collecting or remitting any Texas taxes.

Exempt organizations must collect tax on most sales. For more information, please see our publication Exempt Organizations: Sales and Purchases (96-122). Online registration is available.

For information concerning sales taxpayer permit status, please use the vendor search we provide online.

Corporations that are registered in Texas with the Secretary of State must maintain a current registered agent and registered office address. Information is available from Business and Nonprofit Forms page of the Secretary of State's Website. Additionally, out-of-state corporations, limited liability companies, or limited partnerships transacting business in Texas may need to file a Certificate of Authority or Registration with the Texas Secretary of State. More information is available from the Foreign or Out-of-State Entities page on the Secretary of State's Website.

Our publications and other helpful information are available on our website. If you need more information, write to us at exempt.orgs@cpa.texas.gov, or call us at (800) 252-5555.
Tax exempt status current - IRS

Exempt Organizations Select Check

Organizations Eligible to Receive Tax-Deductible Charitable Contributions (Tax ID 74-09108) - Result Results

The following list includes tax-exempt organizations that are eligible to receive tax-deductible charitable contributions. Click on the "Deductibility Status" column for an explanation of limitations on the deductibility of contributions made to different types of tax-exempt organizations.

Results are sorted by EIN. To sort results by another category, click on the icon next to the column heading for that category. Clicking on that icon a second time will reverse the sort order. Click on a column heading for an explanation of information in that column.

1-1 of 1 results

EIN ▲ Legal Name ▲ Doing Business As ▲ City ▲ State ▲ Country ▲ Deductibility Status ▲
74-1669108 Austin Recovery Inc. Austin TX United States

Results Per Page ▲ OK ▲

« Prev | 1-1 | Next »

Return to Search
February 7, 2018

Texas Department of Housing and Community Affairs
P.O. BOX 13941
Austin, TX 78711-3941

To Whom It May Concern,

On behalf of Lifeworks, I am pleased to write this letter of support for Foundation Communities and its proposed Waters Park Studios (#18099) located at 12207 Waters Park Road and 12190 N Mopac Expressway, in Austin, Texas.

Lifeworks is a nonprofit, tax exempt community organization based in Austin, Texas. Lifeworks is a fearless advocate for youth and families seeking their path to self-sufficiency with programs in counseling, housing, education/workforce, and youth development. We serve the community where these proposed apartments are located. We have been partners with Foundation Communities over many years to offer our services to their residents.

Please see our attached 501(c)(3) determination letter. We have also attached an agency brochure which shows that we serve the Austin community and the area where this proposed project is located. Our website is lifeworksaustin.org and it provides more information about our services and community

Thank you for your consideration of their application for funding.

Sincerely,

Susan McDowell
Executive Director
Evidence of tax exempt status.

Internal Revenue Service

Date: July 22, 2000

Youth and Family Alliance
2525 Wallingwood Dr. Suite 600
Austin, TX 78746

Department of the Treasury

P. O. Box 2508
Cincinnati, OH 45201

Person to Contact:
John H. Shafer ID 31-02720
Revenue Agent

Toll Free Telephone Number:
8:00 a.m. to 9:30 p.m. EST
877-829-5500

Fax Number:
513-283-3758

Federal Identification Number:
74-2137189

Dear Sir or Madam:

This letter is in response to your request to change the status of merged organizations and subsequent name change of Pathways Community Counseling, the surviving organization. We have verified that our records indicate that Teenage Parent Council of Austin, Inc., The Child and Family Service, Inc. and Youth Options, Inc. have a status of termination merger. Our records have been corrected to show Pathways Community Counseling has changed it's name to Youth and Family Alliance.

Our records indicate that a determination letter issued in December 1980 granted your organization exemption from federal income tax under section 501(c)(3) of the Internal Revenue Code. That letter is still in effect.

Based on information subsequently submitted, we classified your organization as one that is not a private foundation within the meaning of section 509(a) of the Code because it is an organization described in section 509(a)(2).

This classification was based on the assumption that your organization's operations would continue as stated in the application. If your organization's sources of support, or its character, method of operations, or purposes have changed, please let us know so we can consider the effect of the change on the exempt status and foundation status of your organization.

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

All exempt organizations (unless specifically excluded) are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of $100 or more paid to each employee during a calendar year. Your organization is not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Organizations that are not private foundations are not subject to the excise taxes under Chapter 42 of the Code. However, these organizations are not automatically exempt from other federal excise taxes.
Youth and Family Alliance
74-2137189

Organizations that are not private foundations are not subject to the excise taxes under Chapter 42 of the Code. However, these organizations are not automatically exempt from other federal excise taxes.

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

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

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

Because this letter could help resolve any questions about your organization’s exempt status and foundation status, you should keep it with the organization’s permanent records.

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

This letter affirms your organization’s exempt status.

Sincerely,

John E. Riokotte, Director, TE/GE
Customer Account Services
LifeWorks is dedicated to helping youth and families who are facing the most difficult challenges.

COUNSELING
Youth and Adult Counseling: LifeWorks is one of the few free and affordable counseling providers in Travis County. More than 1,500 families receive counseling through LifeWorks every year for issues that include depression, anxiety, abuse survivorship, and family conflict.

Family Violence Intervention: LifeWorks helps more than 1,000 individuals accused of abuse recognize and take responsibility for violent behaviors and learn alternative strategies to deal with conflict and anger.

EDUCATION
GED: LifeWorks provides a GED preparation program that helps youth who read as low as the 4th grade level. LifeWorks creates a supportive and creative environment with caring instructors who provide morning, afternoon, and evening classes for more than 250 youth every year.

REAL Talk: LifeWorks offers Risk-reduction Education for Adolescent Life. The program offers support groups, summer camps, community service, and leadership opportunities to help provide a safe space for youth to identify and explore the social and physical changes of adolescence.

Substance Abuse & Violence Prevention: LifeWorks offers classroom lessons and “friendship” groups using nationally recognized curricula to teach social, communication, and problem-solving skills and strategies for handling anger in a productive manner to over 700 children and youth annually.

Teen Parent Services: LifeWorks provides case management and parenting education support groups to help more than 200 pregnant and parenting teens stay or re-enroll in school and become positive and self-sufficient parents and adults.

ABE & ESL: LifeWorks literacy program is a volunteer-based program that teaches adults how to read and write. These programs provide instruction to individuals 17 years of age or older who read below the 5th grade level, and who have limited proficiency in speaking English.

Foster Care Transitional Services & LifeSkills Training: Every year in Texas, 1,300 youth “age out” of foster care with few, if any, resources to help them transition into adulthood. LifeWorks provides independent living skills, case management, and a wide range of support for youth in a 30 county region who are in the process of leaving or have left foster care.

HOUSING & HOMELESSNESS
Street Outreach: This program provides an array of services to homeless youth including shelter, healthcare, and access to case managers and counselors.

Emergency Shelter: LifeWorks operates the only 24-hour walk-in emergency shelter for youth in Travis County. Our “strength-based” philosophy helps youth who have received consistently negative messages about themselves recognize and build on their strengths as they transition to safety.

Transitional Living: LifeWorks transitional living program provides a safe and supportive place to live for up to 18 months while they finish school, gain employment, and save money.

Supportive Housing: LifeWorks Supportive Housing Program offers subsidized apartment living and support to youth who need a “getting on their feet” period to ensure success.

Young Mccs & Babies Program: LifeWorks Young Mccs and Babies Program is a group home that provides transitional housing for pregnant and parenting youth, primarily ages 17-21. Individual case management, full-time supervision, parenting classes, and linkages to needed services are provided.

YRC: LifeWorks Youth Resource Center provides resource and referral services to youth and young adults to help in their transition toward self-sufficiency.
Evidence that Organization has a location within the specific city or county of the Development.

Need Assistance Immediately?

If you are in immediate danger or crisis, please call 911.

For assistance with a LiFeWorks program during business hours, please call 512.735.2600.

If you are in need of after hours immediate crisis assistance, please refer to the following numbers:

Psychiatric Emergency Services: 512.472.HELP (4357)

Suicide Prevention Hotline: 1.800.273.TALK (8255)

Texas Abuse/Neglect Hotline: 1.800.252.5400

Please explore our counseling, education, workforce, and housing pages to find out more about our programs. If you have general questions about LiFeWorks, please call the main information line at 512.735.2600.

Contact Us

Sooch Foundation East Austin Youth and Family Resource Center

926 E. 12th St
Austin, TX 78702
(512) 735-2600

http://www.google.com/maps/place/926+E.+12th+St.+Austin,+TX+78702/@30.265117,-97.712221,17z/data=!4m5!4m4!1m0!1m2!3m1!1s0x86445d0872b2357:0x47275223851198a253d0:0x2440071146-87.7658277?hl=en

Monday - Thursday: 8:30AM - 6PM
Friday: 8:30AM - 5PM
Saturday: 9AM - 5PM

South Austin Youth & Family Resource Center

3705 South 1st St
Austin, TX 78704
(512) 735-2600

http://www.google.com/maps/place/3705+South+1st+St.+Austin,+TX+78704/@30.2919199,-97.77047777777777/17z/data=!4m5!4m4!1m0!1m2!3m1!1s0x86445d0872b2357:0x47275223851198a253d0:0x2440071146-87.7658277?hl=en

http://www.lifeworksaustin.org/contact/
Monday – Thursday: 8:30AM – 9PM
Friday: 8:30AM – 6PM
Saturday: 9AM – 1PM

North Austin Youth & Family Resource Center
8913 Collefield Dr
Austin, TX 78758
(512) 735-4400
[https://www.google.com/maps/place/8913+Collefield+Dr,+Austin,+TX+78758/@30.3665521,-97.7078027,17.7068077z/data=!4m5!3m4!1s0x0:0x17509f7f4c6c7fa2!8m2!3d30.3665521!4d-97.7078027](https://www.google.com/maps/place/8913+Collefield+Dr,+Austin,+TX+78758/@30.3665521,-97.7078027,17.7068077z/data=!4m5!3m4!1s0x0:0x17509f7f4c6c7fa2!8m2!3d30.3665521!4d-97.7078027)

Monday – Thursday: 8:30AM – 9PM
Friday: 8:30AM – 12:30PM
Saturday & Sunday: Closed
Tax exempt status current - State

Glenn Hegar  Texas Comptroller of Public Accounts

Austin, Texas 78774

February 09, 2018

YOUTH AND FAMILY ALLIANCE
3700 S 1ST ST
AUSTIN, TX 78704-7046

According to the records of the Comptroller of Public Accounts, the following exemption(s) from Texas taxes apply to the above organization(s):

Franchise tax, as of 07-01-1980
Sales and use tax, as of 07-10-1980
(provide Texas sales and use tax exemption certificate Form 01-339 (Back) to vendor)
The entity is not exempt from hotel occupancy tax.

Texas taxpayer identification number: 17421371893

This exemption verification is not a substitute for the completed exemption certificates that are required when claiming exemption from Texas taxes. Vendors should be familiar with the requirements for accepting the certificates in good faith from their customers.

This exemption verification does not mean that the organization holds a permit for collecting or remitting any Texas taxes.

Exempt organizations must collect tax on most sales. For more information, please see our publication Exempt Organizations: Sales and Purchases (96-122). Online registration is available.

For information concerning sales taxpayer permit status, please use the vendor search we provide online.

Corporations that are registered in Texas with the Secretary of State must maintain a current registered agent and registered office address. Information is available from Business and Nonprofit Forms page of the Secretary of State's Website. Additionally, out-of-state corporations, limited liability companies, or limited partnerships transacting business in Texas may need to file a Certificate of Authority or Registration with the Texas Secretary of State. More information is available from the Foreign or Out-of-State Entities page on the Secretary of State's Website.

Our publications and other helpful information are available on our website. If you need more information, write to us at exempt.orgs@cpa.texas.gov, or call us at (800) 252-5555.
Exempt Organizations Select Check

The following list includes tax-exempt organizations that are eligible to receive tax-deductible charitable contributions. Click on the “Deductibility Status” column for an explanation of limitations on the deductibility of contributions made to different types of tax-exempt organizations.

Results are sorted by EIN. To sort results by another category, click on the icon next to the column heading for that category. Clicking on that icon a second time will reverse the sort order. Click on a column heading for an explanation of information in that column.

1-1 of 1 results

- EIN: 74-2137189
- Legal Name (Doing Business As): Youth and Family Alliance
- City: Austin
- State: TX
- Country: United States
- Deductibility Status: 

« Prev | 1-1 | Next »

Return to Search
Table of Contents

Part 7 – Third Party Reports

WATERS PARK STUDIOS
AUSTIN, TEXAS

TDHCA #18099

Tab 47 – Third Party Reports
Tab 47 – Third Party Reports
Required Third Party Reports

Be advised that all third party reports will be posted on the Department’s website along with the Application.

Complete the information below as applicable [§10.205].

1. Environmental Site Assessment (ESA) (All Multifamily Applications)

Prepared by: Environmental Support Services, Inc. Date of Report: 2/1/2018

☐ Report recommends further studies or establishes environmental hazards that currently exist on the Property or off-site with the potential to affect the Property.

☐ If the above box is checked, a statement is provided behind this tab signed by the Development Owner, that certifies the Development Owner will comply with any and all recommendations made by the ESA preparer.

☐ Development is funded by USDA and is not required to supply an ESA.

2. Environmental Clearance (Section 811 PRA and Direct Loan applications only)

All Applications selecting Points for Section 811 PRA Program participation under the Competitive Housing Tax Credit program or Direct Loans must review the Environmental Requirements and Environmental Assurance section of the Section 811 PRA Program Guidelines (SPRA.215) and provide adequate material to meet the tenets. A Phase I Environmental Site Assessment (ESA) will not satisfy the environmental clearance required for use of the Section 811 PRA Program.

All Applications for Direct Loans by the Department must complete an environmental clearance process in accordance with 24 CFR Parts 50 and 58 prior to engaging in choice limiting activities such as closing on land, loans, beginning demolition or construction activities, or entering into construction contracts. A Phase I Environmental Site Assessment (ESA) will not satisfy the environmental clearance required for use of Multifamily Direct Loan funds.

☐ Application selected points for the Section 811 PRA Program and includes documentation for the project participating in the Section 811 PRA Program that the project meets the tenets of HUD environmental policy and the requirements of applicable statutes and authorities.

☐ Applicant has submitted an environmental packet to TDHCA and determination is pending.

☐ Applicant has reviewed the Environmental Requirements and Environmental Assurance section of the Section 811 PRA Program Guidelines (SPRA.215) and understands that a determination must be received prior to signing the Rental Assistance Contract.

☐ MDL Development has already received Environmental Clearance from HUD under 24 CFR Parts 50 or 56.

☐ Documentation of HUD Environmental Clearance is included behind this tab.

☐ Applicant has submitted an environmental packet to TDHCA and clearance is pending.

☐ Applicant has reviewed the environmental clearance materials available on the Department’s website and understands that clearance must be received prior to closing on the loan.

http://www.tdhca.state.tx.us/program-services/environmental/index.htm

☐ A Third Party will aid in the completion of the environmental clearance process. If checked, complete the following:

Name of Firm: Environmental Support Services, Inc.

Contact Person: Don Ingram

Contact Telephone: (972) 675-0560 Email: Don.Ingram@ess.net

3. Primary Market Area Map

☐ Primary Market Area (PMA) map with definition of PMA is included behind this tab.
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<th>Prepared by</th>
<th>Date of Report</th>
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<td>5. Appraisal</td>
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Primary Market Area Map
### Geographies Selected:

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<td>Travis County</td>
<td>Austin CCD</td>
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Multifamily Finance Division staff will place scanned copies of deficiency documents behind this tab in the application.pdf
In the course of the Department’s Housing Tax Credit Eligibility/Selection/Threshold and/or Direct Loan review of the above referenced application, a possible Administrative Deficiency as defined in §10.3(a)(2) and described in §10.201(7)(A) and/or §10.201(7)(B) of the 2018 Uniform Multifamily Rules was identified. By this notice, the Department is requesting documentation to correct the following deficiency or deficiencies. Any issue initially identified as an Administrative Deficiency may ultimately be determined to be beyond the scope of an Administrative Deficiency, and the distinction between material and non-material missing information is reserved for the Director of Multifamily Finance, Executive Director, and Board.

1. Regarding the lease of 12190 MoPac to the unrelated entity, does a tenant reside on the site?
2. Direct Loan requires using the IJUD Model Utility Allowances or other utility allowances as TDHCA Compliance finds acceptable. A letter from TDHCA approving the utility allowances is required. Please submit utility documentation to UA-Application@tdhca.state.tx.us for approval.

The above list may not include all Administrative Deficiencies such as those that may be identified upon a supervisory review of the application. Notice of additional Administrative Deficiencies may appear in a separate notification.

All deficiencies must be corrected or otherwise resolved by 5 pm Austin local time on the fifth business day following the date of this deficiency notice. Deficiencies resolved after 5 pm Austin local time on the fifth business day will have 5 points deducted from the final score. For each additional day beyond the fifth day that any deficiency remains unresolved, the application will be treated in accordance with §10.201(7)(B) of the 2018 Uniform Multifamily Rules. Applications with unresolved deficiencies after 5 pm Austin local time on the seventh business day may be terminated.

All deficiencies related to the Direct Loan portion of the Application must be resolved to the satisfaction of the Department by 5 pm Austin local time on the fifth business day following the date of this deficiency notice. Applications with unresolved deficiencies after 5 pm Austin local time on the seventh business day will be suspended from further processing, and the Applicant will be notified to that effect, until the deficiencies are resolved. If, during the period of time when the Application is suspended from review, Direct Loan funds become oversubscribed, the Applicant will be informed that unless the outstanding item(s) are resolved within one business day the Application will be terminated. For purposes of priority under the Direct Loan set-asides, if the outstanding item(s) are resolved within one business day, the date by which the item is submitted shall be the new received date pursuant to §13.5(c) of the 2018 Multifamily Direct Loan Rule. Applicants should be prepared for additional time needed for completion of staff reviews.
Unless the person that issued this deficiency notice, named below, specifies otherwise, submit all documentation at the same time and in only one file using the Department's Serv-U HTTPS system. Once the documents are submitted to the Serv-U HTTPS system, please email the staff member issuing this notice. If you have questions regarding the Serv-U HTTPS submission process, contact Liz Cline at liz.cline@tdhca.state.tx.us or by phone at (512)475-3227. You may also contact Jason Burr at jason.burr@tdhca.state.tx.us or by phone at (512)475-3986.

All applicants should review §§11.1(b) and 10.2(b) of the 2018 QAP and Uniform Multifamily Rules as they apply to due diligence, applicant responsibility, and the competitive nature of the program for which they are applying.

**All deficiencies must be corrected or clarified by 5 pm Austin local time on Friday, June 1, 2018. Please respond to this email as confirmation of receipt.**

---

**About TDHCA**
The Texas Department of Housing and Community Affairs administers a number of state and federal programs through for-profit, nonprofit, and local government partnerships to strengthen communities through affordable housing development, home ownership opportunities, weatherization, and community-based services for Texans in need. For more information, including current funding opportunities and information on local providers, please visit www.tdhca.state.tx.us.

---

Thanks,

Ben Sheppard
Specialist, Multifamily Finance
Texas Department of Housing and Community Affairs
Ph. 512.475.2122

Any person receiving guidance from TDHCA staff should be mindful that, as set forth in 10 TAC Section 11.1(b) there are important limitations and caveats (Also see 10 TAC §10.2(b)).
May 30, 2018

Ben Sheppard
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, Texas 78701

RE: 9% Application Administration Deficiency Notice Response
TDHCA #18099 – Waters Park Studios

Dear Ben:

Please find attached documentation in response to the Deficiency Notice issued on May 25, 2018.

1. Regarding the lease of 12190 MoPac to the unrelated entity, does a tenant reside on the site?

   Per the clarification issued on May 25, 2018 by Ben Sheppard in the attached email, this question is asking if there is someone living on the site. No, there is not someone living at the site of 12190 MoPac. The lease in effect is for use of the commercial building contained on the site.

2. Direct Loan requires using the HUB Model Utility Allowances or other utility allowances as TDHCA Compliance finds acceptable. A letter from TDHCA approving the utility allowances is required. Please submit utility documentation to UA-Application@tdhca.state.tx.us for approval.

   Per the email communication between Jennifer Hicks and Ben Sheppard on May 25, 2018, Waters Park Studios is a Supportive Housing community with all bills paid by the property; therefore, utility allowances are not applicable. As indicated by Ben, we can disregard this question.

Please do not hesitate to contact me with any further questions regarding this matter – (512) 610-4025.

Sincerely,

Sabrina Butler
Foundation Communities, Inc.
In the course of the Department’s Housing Tax Credit Eligibility/Selection/Threshold and/or Direct Loan review of the above referenced application, a possible Administrative Deficiency as defined in §10.3(a)(2) and described in §10.201(7)(A) and/or §10.201(7)(B) of the 2018 Uniform Multifamily Rules was identified. By this notice, the Department is requesting documentation to correct the following deficiency or deficiencies. Any issue initially identified as an Administrative Deficiency may ultimately be determined to be beyond the scope of an Administrative Deficiency, and the distinction between material and non-material missing information is reserved for the Director of Multifamily Finance, Executive Director, and Board.

Tab 24, Non-rental Income – Eliminate “Mise” from your list of fees. All fees must be named.

Tab 35, Austin HFC Letter – Austin HFC’s letter did not discuss the other financing in the deal. Have them sign the financing narrative, rather than obtaining another letter.

Tab 44, Davis Bacon – No selection was made under Davis Bacon. Please clarify.

The above list may not include all Administrative Deficiencies such as those that may be identified upon a supervisory review of the application. Notice of additional Administrative Deficiencies may appear in a separate notification.

All deficiencies must be corrected or otherwise resolved by 5 pm Austin local time on the fifth business day following the date of this deficiency notice. Deficiencies resolved after 5 pm Austin local time on the fifth business day will have 5 points deducted from the final score. For each additional day beyond the fifth day that any deficiency remains unresolved, the application will be treated in accordance with §10.201(7)(B) of the 2018 Uniform Multifamily Rules. Applications with unresolved deficiencies after 5 pm Austin local time on the seventh business day may be terminated.

All deficiencies related to the Direct Loan portion of the Application must be resolved to the satisfaction of the Department by 5 pm Austin local time on the fifth business day following the date of this deficiency notice. Applications with unresolved deficiencies after 5 pm Austin local time on the seventh business day will be suspended from further processing, and the Applicant will be notified of that effect, until the deficiencies are resolved. If, during the period of time when the Application is suspended from review, Direct Loan funds become oversubscribed, the Applicant will be informed that unless the outstanding item(s) are resolved within one business day the Application will be terminated. For purposes of priority under the Direct Loan set-asides, if the outstanding item(s) are resolved within one
business day, the date by which the item is submitted shall be the new received date pursuant to §13.5(c) of the 2018 Multifamily Direct Loan Rule. Applicants should be prepared for additional time needed for completion of staff reviews.

Unless the person that issued this deficiency notice, named below, specifies otherwise, submit all documentation at the same time and in only one file using the Department's Serv-U HTTPs System. Once the documents are submitted to the Serv-U HTTPs system, please email the staff member issuing this notice. If you have questions regarding the Serv-U HTTPs submission process, contact Liz Cline at liz.cline@tdhca.state.tx.us or by phone at (512)475-3227. You may also contact Jason Burr at jason.burr@tdhca.state.tx.us or by phone at (512)475-3986.

All applicants should review §§11.1(b) and 10.2(b) of the 2018 QAP and Uniform Multifamily Rules as they apply to due diligence, applicant responsibility, and the competitive nature of the program for which they are applying.

**All deficiencies must be corrected or clarified by 5 pm Austin local time on May 16, 2018. Please respond to this email as confirmation of receipt.**

About TDHCA
The Texas Department of Housing and Community Affairs administers a number of state and federal programs through for-profit, nonprofit, and local government partnerships to strengthen communities through affordable housing development, home ownership opportunities, weatherization, and community-based services for Texans in need. For more information, including current funding opportunities and information on local providers, please visit www.tdhca.state.tx.us.

Elizabeth Henderson
Program Specialist III
Texas Department of Housing and Community Affairs
221 E. 11th Street | Austin, TX 78701
Office: 512.463.9784 | Fax: 512.475.0764

Any person receiving guidance from TDHCA staff should be mindful that, as set forth in 10 TAC Section 11.1(b) there are important limitations and caveats (Also see 10 TAC §10.2(b)).
May 14, 2018

Elizabeth Henderson
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, Texas 78701

RE: 9% Application Deficiency Notice Response
TDHCA #18099 – Waters Park Studios

Dear Elizabeth:

Please find attached documentation in response to the Deficiency Notice issued on May 9, 2018.

1. **Tab 24 Non-Rental Income**: Eliminate “Misc” from your list of fees. All fees must be named.

   Please find attached a revised Tab 24 eliminating the “Misc” reference and indicating the sole source of the income which is “laundry income.”

2. **Tab 35 Austin HFC Letter**: Austin HFC’s letter did not discuss the other financing in the deal. Have them sign the financing narrative, rather than obtaining another letter.

   Please find attached Tab 35 including the Financing Narrative with the Austin Housing Finance Corporation’s acknowledgement of the sources of funding for the project. The Financing Narrative would normally be signed by David Potter, Neighborhood Development Program Manager, but David retired in April. The Financing Narrative is instead signed by Ellis Morgan who is performing Mr. Potter’s role in the interim.

3. **Tab 44 Davis Bacon**: No selection was made under Davis Bacon. Please clarify.

   No selection was made under Davis Bacon because neither of the statements are applicable to this project. There are only 10 MFSL units at Waters Park Studios.
which is less than the 12 that triggers Davis Bacon and there are no Community Development Block Grant funds being used to support the Development.

Please do not hesitate to contact me with any further questions regarding this matter – (512) 610-4025.

Sincerely,

[Signature]

Sabrina Butler
Director of Housing Finance
Unit types must be entered from smallest to largest based on "# of Bedrooms" and "Unit Size", then within the same "# of Bedrooms" and "Unit Size" from lowest to highest "Rent Collected/Unit".

**Private Activity Bond Priority (For Tax-Exempt Bond Developments ONLY):**

<table>
<thead>
<tr>
<th>HTC Units</th>
<th>MT Direct Loan Units (HOME Rent/Inc)</th>
<th>National HTF Units</th>
<th>TDHCA MRB Units</th>
<th>Other/ Subsidy</th>
<th># of Units</th>
<th># of Bedrooms</th>
<th># of Baths</th>
<th>Unit Size (Net Rentable Sq. Ft.)</th>
<th>Total Net Rentable Sq. Ft.</th>
<th>Program Rent Limit</th>
<th>Tenant Paid Utility Allow.</th>
<th>Rent Collected /Unit</th>
<th>Total Monthly Rent</th>
</tr>
</thead>
<tbody>
<tr>
<td>TC 30% 50%/50%</td>
<td>6</td>
<td>0</td>
<td>1.0</td>
<td>518</td>
<td>5,108</td>
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<tr>
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<td>427</td>
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<tr>
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<td>518</td>
<td>13,986</td>
<td>470</td>
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<td>15,390</td>
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**Rent Designations (select for Drop down menu):**

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<tr>
<th>HTC Units</th>
<th>MT Direct Loan Units (HOME Rent/Inc)</th>
<th>National HTF Units</th>
<th>TDHCA MRB Units</th>
<th>Other/ Subsidy</th>
<th># of Units</th>
<th># of Bedrooms</th>
<th># of Baths</th>
<th>Unit Size (Net Rentable Sq. Ft.)</th>
<th>Total Net Rentable Sq. Ft.</th>
<th>Program Rent Limit</th>
<th>Tenant Paid Utility Allow.</th>
<th>Rent Collected /Unit</th>
<th>Total Monthly Rent</th>
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<tr>
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<td>1.0</td>
<td>518</td>
<td>5,108</td>
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<tr>
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<td>57,688</td>
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**TOTAL** | 132 | 68,376 | 82,455 |

- Non Rental Income $8.67 per unit/month for: 
  - Face Damage, Late Charges, App, Legal: 1,114
  - Laundry Income: 321

**TOTAL NONRENTAL INCOME** $11,115 per unit/month 1,465

- Provision for Vacancy & Collection Loss % of Potential Gross Income: 3.5% (6,234)
- Rental Concessions (enter as a negative number): Enter as a negative value

**POTENTIAL GROSS MONTHLY INCOME** 83,920

**EFFECTIVE GROSS MONTHLY INCOME** 77,626

**12 = EFFECTIVE GROSS ANNUAL INCOME** 931,512
If a revised form is submitted, date of submission
### Rent Schedule (Continued)

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<td>HTC Li Total</td>
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<tr>
<td>EU</td>
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<td>HT 80%</td>
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<tr>
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<tr>
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### BEDROOMS

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<td>4</td>
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<tr>
<td>5</td>
<td>0</td>
</tr>
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</table>

### ACQUISITION + HARD

- **Cost Per Sq Ft**: $138.85
- **Building Building Cost Per Sq Ft**: $166.73

**DO NOT USE THIS CALCULATION TO SCORE POINTS UNDER 11.8(a)(7). At the end of the Development Cost Schedule, you will have the ability to adjust your eligible costs to qualify. Points will be entered there.**
## Financing Narrative and Summary of Sources and Uses

Describe all sources of funds. Information must be consistent with the information provided throughout the Application (i.e. Financing Narrative, Term Sheets and Development Cost Schedule).

<table>
<thead>
<tr>
<th>Financing Participants</th>
<th>Funding Description</th>
<th>Construction Period</th>
<th>Permanent Period</th>
<th>Lien Position</th>
<th>Loan/Equity Amount</th>
<th>Interest Rate (%)</th>
<th>Amort - ization</th>
<th>Term (Yrs)</th>
<th>Syndication Rate</th>
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<tr>
<td><strong>Debt</strong></td>
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</tr>
<tr>
<td>TDHCA</td>
<td>MF Direct Loan Const. to Perm. (Repayable)</td>
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<td>0.00%</td>
<td></td>
<td>$0</td>
<td>0.00%</td>
<td>30</td>
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<td>MF Direct Loan Const. Only (Repayable)</td>
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<td>$0</td>
<td>0.00%</td>
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<tr>
<td>TDHCA</td>
<td>Multifamily Direct Loan (Sof Repayable)</td>
<td>$1,000,000</td>
<td>0.00%</td>
<td>2</td>
<td>$1,000,000</td>
<td>0.00%</td>
<td>40</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>TDHCA</td>
<td>Mortgage Revenue Bond</td>
<td>$0</td>
<td>0.00%</td>
<td></td>
<td>$0</td>
<td>0.00%</td>
<td></td>
<td>0</td>
<td>0.00%</td>
</tr>
<tr>
<td>City of Austin</td>
<td>Local Government Loan</td>
<td>$4,000,000</td>
<td>0.00%</td>
<td>3</td>
<td>$4,000,000</td>
<td>0.00%</td>
<td>0</td>
<td>40</td>
<td></td>
</tr>
<tr>
<td>Bank of America</td>
<td>Conventional Loan</td>
<td>$11,300,000</td>
<td>5.25%</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| **Third Party Equity** |                                                 |         |                  |               |                  |                   |                 |            |                 |
| Bank of America        | HTC                                             | $1,500,000 | $6,479,352       | $14,395,560   | 0.96              |                   |                 |            |                 |

| **Grant**              |                                                 |         |                  |               |                  |                   |                 |            |                 |

| **Deferred Developer Fee** | Foundation Communities, Inc. | $819,509 | $819,509 | $819,509 | $819,509 | $819,509 | $819,509 | $819,509 | $819,509 |

| **Other**              |                                                 |         |                  |               |                  |                   |                 |            |                 |
| City of Austin Fee Waivers | Direct Loan Match            | $363,827 | $363,827 | $363,827 | $363,827 | $363,827 | $363,827 | $363,827 | $363,827 |
| Foundation Communities, Inc. | Owner Contribution | $1,025,866 | $4,410,658 | $4,410,658 | $4,410,658 | $4,410,658 | $4,410,658 | $4,410,658 | $4,410,658 |

| **Total Sources of Funds** | $24,992,554 | $24,992,554 | $24,992,554 | $24,992,554 | $24,992,554 | $24,992,554 | $24,992,554 | $24,992,554 | $24,992,554 |

| **Total Uses of Funds**   | $24,992,554 | $24,992,554 | $24,992,554 | $24,992,554 | $24,992,554 | $24,992,554 | $24,992,554 | $24,992,554 | $24,992,554 |
INSTRUCTIONS: Describe the sources of funds that will finance Development. The description must include construction, permanent, and bridge loans, and all other types of funds to be used for development. The information must be consistent with all other documentation in this section. Provide sufficient detail to identify the source and explain the use (in terms of the timing and any specific uses) of each type of funds to be contributed. In addition, describe/explain replacement reserves. Finally, describe/explain operating items. The narrative must include rents, operating subsidies, project based assistance, and all other sources of funds for operations. In the foregoing discussion of both development and operating funds, specify the status (dates and deadlines) for applications, approvals and closings, etc., associated with the commitments.

Describe the sources and uses of funds (specify the status (dates and deadlines) for applications, approvals and closings, etc., associated with the commitments). For Direct Loan or Tax-Exempt Bond Applications that contemplate an FHA-insured loan, this includes the anticipated date that FHA application will be submitted to HUD (if not already submitted).

See attached Financing Narrative.

Describe the replacement reserves:

Replacement reserves of $250 per unit are included in the operating budget.

Describe the operating items (rents, operating subsidies, project based assistance, etc., and specify the status (dates and deadlines) for applications, approvals and closings, etc., associated with the commitments.

No operating subsidies.

By signing below I acknowledge that the amounts and terms of all anticipated sources of funds as stated above are consistent with the assumptions of my institution as one of the providers of funds.

Valerie A. Williams, SVP Bank of America
Signature, Authorized Representative, Construction or Permanent Lender

Valerie A. Williams
Printed Name

2/26/2018
Date

Telephone: 214-209-3219

Email address: Valerie.A.Williams@BAML.com

If a revised form is submitted, date of submission: ____________________________
Pt 4 Tab 31 – Financing Narrative
Waters Park Studios - AUSTIN, TEXAS
TDHCA #18099

Construction Sources and Uses
The construction funding sources include a construction loan from Bank of America, N.A. in the amount of $11,300,000, a Multifamily Direct Loan (Soft Repayable) in the amount of $1,000,000, investor equity in the amount of $5,479,352, a loan from the Austin Housing Finance Corporation (City of Austin) in the amount of $4,000,000, City of Austin fee waivers in the amount of $363,827, owner cash equity in the amount of $1,029,866 and a pledged deferred developer fee in the amount of $819,509.

The construction loan from Bank of America, N.A. will carry an interest rate of 30-Day LIBOR plus 275 bps, floating with a floor of 5.25% and will require interest-only payments during the construction period. Construction loan interest, assuming the loan is fully drawn for in one year, will be approximately $593,250. The letter confirming the rates and terms of the construction loan is included in the application.

Equity will be advanced from Bank of America, N.A. in the estimated amount of $14,398,560 with 45% of this amount disbursed during the construction phase. The exact amount may be adjusted based on adjusters to be defined in the partnership agreement. The syndication proceeds are to be based on $0.96 per dollar of tax credits and a projected tax credit allocation of $1,500,000. This equity letter of intent is enclosed in the application.

The developer has applied for $4,000,000 in funding from the Austin Housing Finance Corporation (City of Austin). The source of the funds is general obligation bond funding administered through the City’s Rental Housing Developer Assistance program that is not Federal. Please find attached proof of application. Terms of the loan will be for a minimum of 40 years at zero percent interest. Repayment of the loan will be deferred on a yearly basis and forgiven at the end of the loan period contingent upon compliance with the loan agreement.

The developer is simultaneously applying for $1,000,000 in TDHCA Multifamily Direct Loan funding under the Supportive Housing/Soft Repayment Set-Aside as part of this HTC application. Term of the loan will be for 40 years at zero percent interest. Repayment of the loan will be deferred on a yearly basis and forgiven at the end of the loan period contingent upon compliance with the loan agreement.

The City of Austin is making a commitment of Development Funding by a Local Political Subdivision in the form of reduced permit fees. The total amount of City fees estimated for the project is $365,807. Of those fees, $363,827 are eligible to be waived by the City. Please see attached commitment letter from the City of Austin detailing their commitment to the fee waivers.

Foundation Communities, Inc. is making a permanent commitment of $4,410,658 as an Owner’s Cash Contribution to Waters Park Studios. Of this amount, $1,029,866 will be available during construction. Please see attached commitment letter, bank letter and Third Party CPA letter documenting the ability of Foundation Communities, Inc. to make this commitment. As a mission based nonprofit, it is very customary for Foundation Communities, Inc. to close our tax credit partnership with a sponsor loan to bridge fundraising. During construction, Foundation Communities uses our internal funds to cover draws on the sponsor loan while fundraising continues. As private funds are raised, Foundation Communities is reimbursed. Foundation
Communities, Inc. is guarantor, so if the funds aren't raised by third party sources, Foundation Communities is on the hook to contribute the funds.

In addition, the developer will defer approximately $819,509 of the developer fee during the construction period.

**Permanent Sources and Uses**
The total equity available from Bank of America, N.A. as a permanent source of funding will be $14,398,560.

The Austin Housing Finance Corporation loan (City of Austin) in the amount of $4,000,000 will be a source of permanent financing, with no payments of principal or interest required as long as the property continues to satisfy the affordability restrictions.

The developer is simultaneously applying for $1,000,000 in TDHCA Multifamily Direct Loan funding under the Supportive Housing/Soft Repayment Set-Aside as part of this HTC application. Term of the loan will be for 40 years at zero percent interest. Repayment of the loan will be deferred on a yearly basis and forgiven at the end of the loan period contingent upon compliance with the loan agreement.

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Finally, the developer is prepared to make up any gap in sources and uses by deferring the developer fee. Currently, the permanently deferred developer fee is projected at $819,509 and can be paid back from cash flow prior to year fifteen of operations.

The Austin Housing Finance Corporation acknowledges the following potential funding sources as outlined in the financing narrative.

Ellis Morgan, Representative
In the course of the Department’s Housing Tax Credit Eligibility/Selection/Threshold and/or Direct Loan review of the above referenced application, a possible Administrative Deficiency as defined in §10.3(a)(2) and described in §10.201(7)(A) and/or §10.201(7)(B) of the 2018 Uniform Multifamily Rules was identified. By this notice, the Department is requesting documentation to correct the following deficiency or deficiencies. Any issue initially identified as an Administrative Deficiency may ultimately be determined to be beyond the scope of an Administrative Deficiency, and the distinction between material and non-material missing information is reserved for the Director of Multifamily Finance, Executive Director, and Board.

1. Parking: Please provide evidence to support the lower number of parking spaces provided than required per unit.

The above list may not include all Administrative Deficiencies such as those that may be identified upon a supervisory review of the application. Notice of additional Administrative Deficiencies may appear in a separate notification.

All deficiencies must be corrected or otherwise resolved by 5 pm Austin local time on the fifth business day following the date of this deficiency notice. Deficiencies resolved after 5 pm Austin local time on the fifth business day will have 5 points deducted from the final score. For each additional day beyond the fifth day that any deficiency remains unresolved, the application will be treated in accordance with §10.201(7)(B) of the 2018 Uniform Multifamily Rules. Applications with unresolved deficiencies after 5 pm Austin local time on the seventh business day may be terminated.

All deficiencies related to the Direct Loan portion of the Application must be resolved to the satisfaction of the Department by 5 pm Austin local time on the fifth business day following the date of this deficiency notice. Applications with unresolved deficiencies after 5 pm Austin local time on the seventh business day will be suspended from further processing and the Applicant will be notified to that effect, until the deficiencies are resolved. If, during the period of time when the Application is suspended from review, Direct Loan funds become oversubscribed, the Applicant will be informed that unless the outstanding item(s) are resolved within one business day the Application will be terminated. For purposes of priority under the Direct Loan set-asides, if the outstanding item(s) are resolved within one business day, the date by which the item is submitted shall be the new received date pursuant to §13.5(c) of the 2018 Multifamily Direct Loan Rule. Applicants should be prepared for additional time needed for completion of staff reviews.

Unless the person that issued this deficiency notice, named below, specifies otherwise,
submit all documentation at the same time and in only one file using the Department's Serv-U HTTPs System. Once the documents are submitted to the Serv-U HTTPs system, please email the staff member issuing this notice. If you have questions regarding the Serv-U HTTPs submission process, contact Liz Cline at liz.cline@tdhca.state.tx.us or by phone at (512)475-3227. You may also contact Jason Burr at jason.burr@tdhca.state.tx.us or by phone at (512)475-3986.

All applicants should review §§11.1(b) and 10.2(b) of the 2018 QAP and Uniform Multifamily Rules as they apply to due diligence, applicant responsibility, and the competitive nature of the program for which they are applying.

**All deficiencies must be corrected or clarified by 5 pm Austin local time on July 9, 2018. Please respond to this email as confirmation of receipt.**

About TDHCA
The Texas Department of Housing and Community Affairs administers a number of state and federal programs through for-profit, nonprofit, and local government partnerships to strengthen communities through affordable housing development, home ownership opportunities, weatherization, and community-based services for Texans in need. For more information, including current funding opportunities and information on local providers, please visit www.tdhca.state.tx.us.

Nicole Fisher
Housing Specialist
Texas Department of Housing and Community Affairs
221 E. 11th Street | Austin, TX 78701
Office: 512.475.2201
Fax: 512.475.1895

Any person receiving guidance from TDHCA staff should be mindful that, as set forth in 10 TAC Section 11.1(b) there are important limitations and caveats (Also see 10 TAC §10.2(b)).
July 2, 2018

Nicole Fisher
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, Texas 78701

RE: 9% Application Deficiency Notice
TDHCA #18099 – Waters Park Studios

Dear Nicole:

Please find attached documentation in response to the Application Deficiency Notice issued on June 29, 2018.

1. Parking: Please provide evidence to support the lower number of parking spaces provided than required per unit.

Waters Park Studios (#18099) has been approved for development by the City of Austin under the Congregate Living Unit land use category which allows for a reduced parking ratio of 1:04 (one parking space for every four units.) As Supportive Housing, the parking needs of the property are greatly reduced. Less than 10% of all residents own or drive a car. With a reduced parking requirement as a Congregate Living land use, the development is able to maximize the land and add more units versus building parking that will go unutilized. Bluebonnet Studios (#14068), as Supportive Housing, utilized the Congregate Living land use to allow for a reduced parking requirement.

Please see below snip from the Site Plan submitted as part of the Site Design and Development Feasibility Report documenting the Congregate Living Unit land use and the reduced parking ratio. As you can see, with the reduced parking ratio only 33 spaces are required, but the development will actually provide 59 spaces which exceeds the requirement. This table is also shown on the Architectural Drawings.

<table>
<thead>
<tr>
<th>PARKING SUMMARY TABLE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land Use</td>
</tr>
<tr>
<td>Congregate Living Unit</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Base Parking Requirement</td>
</tr>
<tr>
<td>Total Parking Provided</td>
</tr>
<tr>
<td>ADA Accessible Parking</td>
</tr>
<tr>
<td>Standard Parking</td>
</tr>
<tr>
<td>Compact Parking (-30% total)</td>
</tr>
<tr>
<td>Total Bike Parking Provided (5 or 50% total)</td>
</tr>
</tbody>
</table>

Jennifer Hicks and Kate Moore – Co-Founders www.truecasa.net
Also, please find attached Section 25-3-83 of the City of Austin Land Development Code which documents the stated parking ratio of one parking space for every four units for Congregate Living uses.

Please do not hesitate to contact me with any further questions regarding this matter – (512) 203-4417.

Sincerely,

Jennifer Hicks  
True Casa Consulting, LLC
§ 25-3-83 - PARKING.

(A) The following parking regulations apply in a traditional neighborhood district:

1. A parking lot or garage may not be adjacent to a square or adjacent to or opposite a street intersection.

2. A parking lot shall be located at the rear or side of a building. If located at the side, screening shall be provided at the lot line by landscaping or decorative walls or fences.

3. Compact parking spaces are prohibited.

4. There is no off-street loading requirement for a building with less than 10,000 square feet of gross building area. The director shall determine the location, number, and dimensions of the off-street loading for a larger building.

5. Except as approved by the director, parking in alleys is prohibited.

6. Minimum parking requirements are as follows:

a. Except as otherwise provided in this subsection, a commercial use must provide one parking space for every 500 square feet of gross building area.

b. A commercial use parking lot or garage must provide not less than one bicycle parking space for every 10 motor vehicle parking spaces.

c. A condominium, multi-family, group residential, or retirement housing use must provide one parking space for the first bedroom of a dwelling unit and 0.5 parking space for each additional bedroom.

d. A townhouse, single-family residential, duplex, group home, or family home use must provide two parking spaces for each dwelling unit.

e. A convalescent services or congregate living use must provide one parking space for every four beds.

f. A daycare services, primary educational facilities, or secondary educational facilities use must provide one parking space for each employee.

(g) The director shall determine the parking requirement for any use not listed in this subsection.

(B) The following parking regulations apply in a Neighborhood Center Area:

1. The required parking for a use may be located anywhere in the Neighborhood Center Area. Community parking facilities are encouraged.
(2) Not more than 125 percent of the required parking for a use may be provided on-site.

(3) A commercial or a multi-family use may apply adjacent on-street parking toward the minimum parking requirements.

(C) In a Mixed Residential Area or Neighborhood Edge Area, the required parking for a use must be provided on-site.

(D) The director shall determine the parking requirements for a Workshop Area or Employment Center Area.

Source: Section 13-9-53; Ord. 990225-70; Ord. 031211-11.
Multifamily Finance Division staff will place scanned copies of scoring notices behind this tab in the application.pdf
RE: 2018 Competitive Housing Tax Credit (HTC) Application for Waters Park Studios, TDHCA Number: 18099

The Texas Department of Housing and Community Affairs has completed its program review of the Application referenced above as further described in the 2018 Qualified Allocation Plan ("QAP"). This scoring notice provides a summary of staff’s assessment of the application’s score. The notice is divided into several sections.

Section 1 of the scoring notice provides a summary of the score requested by the Applicant followed by the score staff has assessed based on the Application submitted. You should note that six scoring items are not reflected in this scoring comparison but are addressed separately.

Section 2 of the scoring notice includes each of the six scoring criteria for which points could not be requested by the Applicant in the application self-score form and include: §11.9(c)(8) Readiness to Proceed in Disaster Impacted Counties, §11.9(d)(1) Local Government Support, §11.9(d)(4) Quantifiable Community Participation, §11.9(d)(5) Community Support from State Representative, §11.9(d)(6) Input from Community Organizations, and §11.9(d)(7) Concerted Revitalization Plan.

Section 3 provides information related to any point deductions assessed under §11.9(f) of the QAP or §10.201(7)(A) of the Uniform Multifamily Rules.

Section 4 provides the final cumulative score in bold.

Section 5 includes an explanation of any differences between the requested and awarded score as well as any penalty points assessed.

The scores provided herein are merely informational at this point in the process and may be subject to change. For example, points awarded under §11.9(e)(4) “Leveraging of Private, State, and Federal Resources”, 11.9(b)(1)(A) "Unit Sizes", 11.9(b)(1)(B) "Unit and Development Features", 11.9(c)(1) "Income Levels of Tenants", 11.9(c)(2) "Rent Levels of Tenants", 11.9(c)(1) "Financial Feasibility", 11.9(e)(3) "Pre-Application Participation", and may be adjusted should the underwriting review result in changes to the Application that would affect these scores. If a scoring adjustment is necessary, staff will provide the Applicant a revised scoring notice.

Be further advised that if the Applicant failed to properly disclose information in the Application that could have a material impact on the scoring information provided herein, the score included in this notice may require adjustment and/or the Applicant may be subject to other penalties as provided for in the Department’s rules.

This scoring notice is provided by staff at this time to ensure that an Applicant has sufficient notice to exercise any appeal process provided under §10.902 of the Uniform Multifamily Rules. All information in this scoring notice is further subject to modification, acceptance, and/or approval by the Department’s Governing Board. If the score of an Application changes, a revised scoring notice will be provided to the Applicant.
Page 2 of Final Scoring Notice: 18099, Waters Park Studios

Section 1:
Score Requested by Applicant (Not including points for §11.9(c)(8) or (d)(1), (4), (5), (6) or (7) of the 2018 OAP):
125

Score Awarded by TDHCA (Not including points for §11.9(c)(8) or (d)(1), (4), (5), (6) or (7) of the 2018 QAP):
125

Difference between Requested and Awarded:
0

Section 2:
Points Awarded for §11.9(c)(8) Readiness to Proceed:
0

Points Awarded for §11.9(d)(1) Local Government Support:
17

Points Awarded for §11.9(d)(4) Quantifiable Community Participation:
4

Points Awarded for §11.9(d)(5) Community Support from State Representative:
8

Points Awarded for §11.9(d)(6) Input from Community Organizations:
4

Points Awarded for §11.9(d)(7) Concerted Revitalization Plan:
0

Section 3:
Points Deducted for §11.9(f) of the QAP or §10.201(7)(A) of the Uniform Multifamily Rules:
0

Section 4:
Final Score Awarded to Application by Department staff (Including all points):
158

Section 5:
Explanation for difference between points requested and points awarded by the Department as well as penalties assessed:
NA

Restrictions and requirements relating to the filing of an appeal can be found in §10.902 of the Uniform Multifamily Rules. If you wish to appeal this scoring notice, you must file your appeal with the Department no later than 5:00 p.m. Austin local time, Monday, June 11, 2018. If an appeal is denied by the Executive Director, an Applicant may appeal to the Department's Board.

In an effort to increase the likelihood that Board appeals related to scoring are heard at the Board meeting, the Department has provided an Appeal Election Form for all appeals submitted to the Executive Director. In the event an appeal is denied by the Executive Director, the Applicant is able to request that the appeal automatically be added to the Board agenda.

If you have any concerns regarding potential miscalculations or errors made by the Department, please contact Sharon Gamble at (512) 936-7834 or by email at mailto:sharon.gamble@tdhca.state.tx.us.

Sincerely,

Sharon D. Gamble
Sharon D. Gamble
Competitive HTC Program Administrator
Multifamily Finance Division staff will place documents related to Requests for Administrative Deficiencies behind this tab in the application.pdf.
Real Estate Analysis Division staff will place scanned copies of RFI documents behind this tab in the application .pdf
June 18, 2018

Jeanna Rolsing
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, Texas 78701

RE: 9% Application Underwriting RFI #2
TDHCA #18099 – Waters Park Studios

Dear Jeanna:

Please find attached documentation in response to the Underwriting RFI #2 issued on June 11, 2018.

1. Please provide information and comps for the land sales price. Given the commercial location, strange shaped parcels, and the topography to deal with, the land price is very high. Please provide information on comps used.

Please find attached a comp chart for the land sales price for the two parcels making up the site of Waters Park Studios. While it may be perceived that land sales price for Waters Park Studios is higher than average, there are several reasons this site can demand a higher price:

1) For supportive housing, it is key to find sites that are not going to result in a zoning change and will allow the congregate living use to reduce the parking needs of the development (since few residents own cars.) Usually, these are commercial sites that typically fetch higher prices.

2) The site is located in a high opportunity area – land is more expensive. The site is well-connected to highly desirable amenities – first class medical, unlimited retail/restaurants, walking and biking trails – and is urban In-fill which all justify a higher price.

3) The site located at 12190 N. Mopac is a very high visibility site, has zoning for automotive use and currently has covered parking. It is a valuable site.

4) Foundation Communities already negotiated a combined reduction of $815,000 in the sales price of both parcels.

5) As reflected in the attached chart, many of the comps provided in the chart are several years old and land prices in Austin have only increased. According to LoopNet, in the past year alone real estate prices in the City of Austin have gone up over 7% for multifamily property, 27% for office and 8% for retail.
Please do not hesitate to contact me with any further questions regarding this matter – (512) 610-4025.

Sincerely,

[Signature]

Sabrina Butler
Foundation Communities, Inc.
<table>
<thead>
<tr>
<th>SUBJECT PROPERTY</th>
<th>PURCHASE PRICE</th>
<th># of Units</th>
<th>PRICE/DOOR</th>
<th>SALES DATE</th>
<th>NOTES</th>
</tr>
</thead>
<tbody>
<tr>
<td>1220' Waters Park Road</td>
<td>$1,660,000.00</td>
<td>132</td>
<td>$32.27273</td>
<td>Pending</td>
<td></td>
</tr>
<tr>
<td>1213 N. MoPac</td>
<td>$2,600,000.00</td>
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</tbody>
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<table>
<thead>
<tr>
<th>SALE'S COMPS - Foundation Communities Properties</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th>ALL SALES ARE OVER FOUR YEARS AGO</th>
</tr>
</thead>
<tbody>
<tr>
<td>1362: Rutledge Spur</td>
<td>$4,000,000.00</td>
<td>128</td>
<td>$31.25000</td>
<td>9/17/2014</td>
<td>similar location and access - valuable site zoned for commercial</td>
</tr>
<tr>
<td>8500 Highway 71</td>
<td>$1,600,000.00</td>
<td>58</td>
<td>$27.58621</td>
<td>8/11/2014</td>
<td>urban - impervious cover shrinks site</td>
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<tr>
<td>3226 W. Slaughter Lane</td>
<td>$4,000,000.00</td>
<td>140</td>
<td>$28.57143</td>
<td>9/6/2013</td>
<td>buildable acreage small - higher price per unit</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>SALE'S COMPS - Region 7 Urban HT Capes</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>N Sdr of Oak Creek Dr, W of Mopac #17272 - Elysium</td>
<td>$2,000,000.00</td>
<td>80</td>
<td>$25.00000</td>
<td>est. 8/1/2017</td>
<td>small site w/ impervious coverage</td>
</tr>
<tr>
<td>NWGof Hwy 183 and Sonny Dr (#/795 - Leander Place)</td>
<td>$2,250,000.00</td>
<td>70</td>
<td>$32.14286</td>
<td>est. 8/1/2017</td>
<td>small site w/ impervious coverage</td>
</tr>
<tr>
<td>1141. N. RR 520 (#1530B - Azul 620)</td>
<td>$3,252,015.00</td>
<td>108</td>
<td>$30.11125</td>
<td>est. 8/1/2015</td>
<td>small site w/ impervious coverage</td>
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<tr>
<td>North Lake Creek Parkway &amp; Lakeline Mall Drive (#1256 - Monarch)</td>
<td>$3,700,000.00</td>
<td>141</td>
<td>$26.24113</td>
<td>est. 8/1/2015</td>
<td>small site w/ impervious coverage</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>SALE'S COMPS - From June 2018 Appraisal for FC Der. Opportunity</th>
<th></th>
<th></th>
<th></th>
<th></th>
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<tbody>
<tr>
<td>1500 S. Peasant Valley Drive</td>
<td>$9,725,000.00</td>
<td>339</td>
<td>$25.73746</td>
<td>9/1/2015</td>
<td>SALE WAS THREE YEAR AGO</td>
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<tr>
<td>13541 RR 626</td>
<td>$9,000,000.00</td>
<td>128</td>
<td>$31.25000</td>
<td>9/1/2014</td>
<td>SALE WAS FOUR YEARS AGO</td>
</tr>
</tbody>
</table>
In the course of the Department’s underwriting review of the above referenced application an Administrative Deficiency, as defined in 10 TAC §10.3(a)(2), has been identified. By this notice, the Department is requesting information to clarify or to correct inconsistencies found in the Application or to provide non-material missing information. All Administrative Deficiency requests will be treated in accordance with §10.201(7) of the Uniform Multifamily Rules.

**All deficiencies must be satisfactorily corrected or clarified by 5:00 p.m. Central Time on Friday, June 1, 2018** (fifth business day following the date of this deficiency notice).

All documentation should be submitted as a whole using the Department’s Serv-U HTTPs System. Once the documents are submitted to the Serv-U HTTPs system, please email the staff member issuing this notice. If you have questions regarding the Serv-U HTTPs submission process, contact Jason Burr at jason.burr@tdhca.state.tx.us or by phone at (512)475-3986. You may also contact Nicole Fisher at nicole.fisher@tdhca.state.tx.us or by phone at (512)475-2201.

**NOTICE:** Pursuant to §10.201(7) of the Uniform Multifamily Rules, revised Application exhibits not specifically requested by the Underwriter in an Administrative Deficiency WILL NOT be accepted.

1. Please confirm the acreage to encumbered by the LURA. Does the 2.45 acres include any easements that will be removed?

   **Response:**
   The acreage to be encumbered by the LURA is 2.45 acres. There may be an easement removed from the site, but this will not be finalized until after purchase. Regardless, the acreage encumbered by the LURA will remain 2.45 acres.

2. Please note that if you include the $125k of supportive services at underwriting, these will also be included at cost certification. For Bluebonnet we removed them from underwriting. Please advise if you wish me to do the same here.

   **Response:**
   As discussed in Question #5 below, the $125k in Supportive Services reflected in the application includes the cost of the 24-hour front desk clerks. $100k of the $125k of the Supportive Service line item goes toward the cost of the 24-hour front desk clerks. The actual total cost of the 24-hour front desk clerks is $146,600 ($117,110 salaries + $3,510 retirement contributions + $10,567 payroll taxes + $352 workers compensation + $14,760 employee benefits = $146,600). Due to the high cost of this payroll item, Foundation Communities handled the expense differently on each of their six single room occupancy supportive housing communities. The goal is to have the property cover as much of this essential cost as possible. Any remaining cost is covered by fundraising. For this reason, on the Waters Park application we showed $100k to be covered by the property. The remaining $25k goes toward the supportive service package for the property. The actual cost of supportive service provision at the property over and beyond the cost of the 24-hour front desk clerks is $150k or more. The $25k
indicated in the Supportive Service line item in the application is just what could be covered by the property with the remaining portion of the actual supportive service costs of the property covered by private fundraising. Foundation Communities approves including the $100k of the Supportive Service line item in the project proposal, but not to include the balance of $25k in supportive services for underwriting consideration.

3. Will you apply for any project based vouchers?

Response:
No. At this time, we do not anticipate applying for project-based vouchers.

4. The electric expense looks low compared to Bluebonnet and your other SRO properties; please provide calculation on how you figured the electric expense.

Response:
Please find attached a comparison chart which provides the substantiation of the electric expense calculated for Waters Park Studios.

5. Please provide a staffing plan; also, separate out the 24 hour staffing cost.

Response:
Please find attached a staffing plan that breaks down the staffing for Waters Park Studios, as well as provides combs for three of our most comparable properties (using YE 2017 actuals). The staffing plan does not include the cost of any 24-hour front desk clerks that are essential to the successful operation of supportive housing. Instead, the cost of the 24-hour front desk clerks was included in the Supportive Service line item. $100k of the $125k Supportive Service line item goes toward the cost of the 24-hour front desk clerks. The actual total cost of the 24-hour front desk clerks is $146,600 ($117,410 salaries + $3,510 retirement contributions + $10,567 payroll taxes + $252 worker's compensation + $14,760 employee benefits - $146,600). Due to the high cost of this payroll item, Foundation Communities has handled the expense differently on each of their six single room occupancy supportive housing communities. The goal is to have the property cover as much of this essential cost as possible. Any remaining cost is covered by fundraising. For this reason, on the Waters Park application, we showed $100k to be covered by the property. The remaining $25k goes toward the supportive service package for the property.

6. Will you provide an operating/rent subsidy if the project does not get full rents as listed on the rent schedule? If so, please provide a subsidy letter from Foundation Communities.

Response:
As a non-profit, mission-based provider of housing and supportive services, Foundation Communities is committed to ensuring Waters Park Studios operates in the black. Please find attached a letter acknowledging Foundation Communities' subsidy commitment to the project in the case the project does not achieve full rents.

7. What is the $75k of environmental in the site work costs?

Response:
The $75k of environmental in the site work costs includes erosion control, re-vegetation and removal of the septic fields.

8. This site has a lot of topography to work with, but the site work cost is very average. What are the building costs associated with building on this topo? Where are they at in the development cost schedule? I would like to separate out the topo costs.

Response:
The topography of the site is addressed in the development cost numbers in a few different places: 1) In Site Work, out of the "Rough Grading" cost of $321k there is $90k toward excavation and $109k for embankment. According to our general contractor/cost estimator, site work costs for Waters Park Studios is about $3.20/sf higher (74,976 sf x $3.20 = $239,923) than similar projects to deal with the additional excavation requirements. 2) In the Building Costs, the building foundation is being stepped in two places. In addition, the courtyard will be terraced with walls. Some of the walls will double as walls for the ponds. The utilities number is higher than average to account for these ponds and the drainage piping for the ponds.
concrete price is about $2.20/sf higher (74,976 sf x $2.20 = $164,974) to help cover additional concrete walls. In total, at least $404,897 can be associated with addressing the topography of the site.

REA 6/1/18 9:37am JR

There is $65k for business relocation expense in the budget. Which business is this for? What does it cover and who is requiring it?

Response:

As indicated in Tab 21 of the application, there is currently a commercial lease in place with an unrelated business on the parcel located at 12190 N. Mopac Expwy. Please also see the relocation plan and budget in Tab 21. We included this information in Tab 21, as we also applied for MFDL funding and were not sure if URA would be triggered dependent on the funding source ultimately received (TCAP or NHTF). The $65,000 that is budgeted for relocation will be removed or re-allocated if it is found that the project does not need to comply with URA based on the MFDL funding ultimately received.

Is this a LEED project? Please provide a LEED cost number.

Response:

At this time, we do not anticipate pursuing LEED due to the high cost of certification and the longer lead time to receive the project’s certification. Instead, the project will pursue both Enterprise Green Communities and Austin Energy Green Building rating which achieve the same green goals for a lower certification cost and a more timely and simplistic certification process. If LEED is pursued in order to access a fundraising source (i.e. points for LEED), then that source will cover certification costs. Please see attached Green Building chart for costs related to achieving a higher-level of green for Waters Park Studios. Please also see more detail in Question #11.

My estimated costs are much lower than your budget. Can you please provide a narrative with costs on any times that I may be overlooking?

Response:

There are a few project specific line items that likely account for the difference in development costs:

1) As typical, Foundation Communities will be pushing the green envelope in the design and development of Waters Park Studios. Our intent is to achieve Enterprise Green Communities certification and a City of Austin green building rating of four stars. Please find attached a chart that details the green-building costs that are related to achieving these high-level standards of green certification.

These numbers are still estimates and we may choose to trim back as needed to fit the budget. The amount of fundraising and the rebates or incentives provided by Austin Energy will also determine the ultimate level we achieve. We do feel that achieving this level of green is a crucial factor in selling the tax credits and attracting other soft funding.

2) Construction costs in Austin are still higher than most parts of the state - average of 10%. While steel prices have settled after the tariff scare, lumber prices continue to rise.

3) Make sure you are adding the cost of the elevator which is not a consideration in your typical garden-style apartment - $200,000 addition.

4) The construction costs for Waters Park Studios at $123k per unit are very much in line with costs realized on our most recent supportive housing projects. Bluebonnet Studios was $139k per unit, but was zero lot line construction, steel framing and podium parking. Capital Studios was $106k per unit without consideration of the parking garage. If you escalated Capital Studios costs 4% per year, the escalated cost today would be $134k per unit. The Jordan at Mueller - #17113 - just signed a construction contract in July 2018 at $19,055,088 which is $144k per unit. While The Jordan at Mueller is family housing, it is an elevator-served building with surface parking and urban construction much like Waters Park Studios. The $123k per unit for Waters Park Studios - three story, stick frame, elevator-served, surface parked, single room occupancy housing - is very comparable to costs experienced on our most recent projects.
12. Will this project have a fire pump and stand pipe?

Response:
The project will have a stand pipe, but will not require a fire pump since it is across the street from a major hospital. Due to the hospital, the City actually has a 12" and a 48" water main on Waters Park. The flow coming out of these hydrants are substantial. The project is not planning on a fire pump.

13. Has any remediation/testing for the ESA recommendations been completed (noise study, asbestos, lead paint, radon, septic fields)? Where are the costs for these in the development cost schedule?

Response:
No there has not been any further remediation or testing performed on the site since application. The following costs have been included in the development cost schedule: 1) Noise Attenuation: The windows will be a higher-quality sound wise than standard windows. Cost Delta: 254 windows x $30 delta = $7,920. The floor assembly is based on a using a 3/4" sound mat. Cost Delta: $67,500. There is sound attenuating insulation between floors and common walls which is standard on new construction, but does assist sound attenuation. The ceilings have a metal channel between sheet rock and trusses. Cost Delta: $37,500. The units are air/sound sealed from each other. Cost Delta: $36,960. 2) The cost of a thicker vapor barrier to handle radon is not currently in the numbers. This number is small - under $10k. 3) The removal of the septic fields is contemplated in the site work costs (part of $75k as Environmental.) 4) At this time, there are no costs included in the budget for asbestos or lead paint abatement. All numbers provided by our cost estimator/general contractor.

14. Will AHFC be restricting any units for the $4M grant?

Response:
AHFC restrictions will mirror the HTC income and rent restrictions exactly - 20% of units at 30% MFI. 20% of units at 40% MFI and 60% of units at 50% MFI. AHFC does not layer any additional income or rent restrictions.

15.

Response:

16.

Response:

17.

Response:

18.

Response:
<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>19.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Response:</strong></td>
<td></td>
</tr>
<tr>
<td>20.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Response:</strong></td>
<td></td>
</tr>
</tbody>
</table>
# Electric Comparison Chart

## Waters Park Studios

### Most Similar in Operation/Systems Design

<table>
<thead>
<tr>
<th></th>
<th>Waters Park Studios 132 Units</th>
<th>Bluebonnet Studios 107 Units</th>
<th>Capital Studios 135 Units</th>
<th>Skyline Terrace 100 Units</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Electric</strong></td>
<td>Total</td>
<td>Total</td>
<td>Total</td>
<td>Total</td>
</tr>
<tr>
<td></td>
<td>$65,860.00</td>
<td>$98.94</td>
<td>$54,210.10</td>
<td>$97,725.91</td>
</tr>
<tr>
<td><strong>Size of Solar Array</strong></td>
<td>90kW Solar Array</td>
<td>90kW Solar Array</td>
<td>no solar electric</td>
<td>13.7 kW Solar Array, but rehab w/ PTACs</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td>$65,860.00</td>
<td>$98.94</td>
<td>$54,210.10</td>
<td>$97,725.91</td>
</tr>
</tbody>
</table>

### NOTES:

**Electric**: Waters Park Studios will have a solar array that will help offset the electrical costs for the building. Also, it will have an extremely efficient centralized YRF (no PTACs), pre-conditioned fresh air, and centralized heat pump water heaters all similar to Bluebonnet Studios. Capital Studios does not have solar electric. While Skyline Terrace does have a small PV array, the building is a rehabilitation with PTAC units and therefore not as energy efficient.
### Staffing Plan
**Waters Park Studios**

<table>
<thead>
<tr>
<th>Position</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Manager Salary (1 FTE)</td>
<td>$58,000</td>
</tr>
<tr>
<td>Asst. Manager Salary (1 FTE)</td>
<td>$42,000</td>
</tr>
<tr>
<td>Temporary Service/Bonuses</td>
<td>$15,000</td>
</tr>
<tr>
<td>Lead Maintenance (1 FTE)</td>
<td>$45,500</td>
</tr>
<tr>
<td>Assistant Maintenance (1 FTE)</td>
<td>$35,224</td>
</tr>
<tr>
<td><strong>Payroll Taxes</strong></td>
<td>$19,772</td>
</tr>
<tr>
<td>Workers Corp</td>
<td>$3,314</td>
</tr>
<tr>
<td>Retirement</td>
<td>$7,329</td>
</tr>
<tr>
<td>Group insurance</td>
<td>$18,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$245,040</td>
</tr>
</tbody>
</table>

### Comparative Staffing Costs

<table>
<thead>
<tr>
<th></th>
<th>Bluebonnet Studios</th>
<th>Capital Studios</th>
<th>Skyline Terrace</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>107 Units</td>
<td>135 Units</td>
<td>100 Units</td>
</tr>
<tr>
<td></td>
<td>total per unit</td>
<td>total per unit</td>
<td>total per unit</td>
</tr>
<tr>
<td>Management</td>
<td>$113,760 $1,065</td>
<td>$101,174 $735</td>
<td>$90,895 $959</td>
</tr>
<tr>
<td>Maintenance</td>
<td>$73,769 $689</td>
<td>$59,620 $441</td>
<td>$86,423 $864</td>
</tr>
<tr>
<td>Temporary Service</td>
<td>$7,115 $66.50</td>
<td>$27,547 $204</td>
<td>$1,007 $10.07</td>
</tr>
<tr>
<td>Payroll and Benefits</td>
<td>$35,291 $329.83</td>
<td>$33,108 $245</td>
<td>$39,983 $399</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$229,998 $2,148.93</td>
<td>$241,999 $1,644</td>
<td>$218,407 $2,184</td>
</tr>
</tbody>
</table>

**AVG:** $1,514

**NOTE:** Management - The management salaries at Waters Park Studios reflect the market that we have experienced in hiring for our properties. In order to attract skilled and qualified managers, we are having to pay more.
May 30, 2018

Jeanna Rolising
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, Texas 78701

RE: Waters Park Studios
12207 Waters Park Road, Austin, TX 78759
12100 N Mo Pac, Austin, TX 78758
TDHCA #18099

Dear Jeanna:

As the Director of Foundation Communities, Inc., the developer and guarantor of Waters Park Studios, I hereby certify that the Board of Directors of Foundation Communities has given irrevocable commitments to provide sufficient subsidy to cover any operating deficits on Waters Park Studios. Deficit funding would come from FC's internally generated funds, net cash flow from their existing real estate portfolio and outside fundraising.

Please let me know if you have any questions or need any additional information.

Sincerely,

Walter Moreau
Director, Foundation Communities, Inc.
<table>
<thead>
<tr>
<th>Green Feature</th>
<th>Description</th>
<th>Reason</th>
<th>Additional Cost to Implement</th>
</tr>
</thead>
<tbody>
<tr>
<td>High efficiency water fixtures</td>
<td>Toilets: 0.8 gpf, Bathroom faucet: 1.0 gpc, Kitchen faucet: 1.8 gpc, Shower: 20 gpm</td>
<td>Required by AEGB and EGC - huge operational savings for landlord as all bills paid community</td>
<td>$5,280</td>
</tr>
<tr>
<td>Bike parking</td>
<td>Bike parking for 15% of occupants</td>
<td>Required by AEBG</td>
<td>$24,400</td>
</tr>
<tr>
<td>High efficiency SEER (min.) HVAC</td>
<td>All split mechanical systems shall be rated 12 SEER cooling efficiency and be heat pumps</td>
<td>Required by TGC; porous for AEGB - operational savings for landlord as all bills paid community</td>
<td>$158,400</td>
</tr>
<tr>
<td>100% ENERGY STAR Lighting</td>
<td>100% of all indoor lamps to be ENERGY STAR compliant (LED).</td>
<td>Required by AEGB points for EGC - allows for future LA adjustments</td>
<td>$9,900</td>
</tr>
<tr>
<td>Submeter for water usage</td>
<td>All apartment units must be submetered and residents billed accordingly.</td>
<td>Required by TGC and AEGB - operational savings for landlord as all bills paid community</td>
<td>$13,200</td>
</tr>
<tr>
<td>High efficiency appliances</td>
<td>All dishwasher, refrigerator, and clothes washers to be ENERGY STAR</td>
<td>Required by AEGB points for EGC and AEGB - huge operational savings for landlord as all bills paid community</td>
<td>$52,800</td>
</tr>
<tr>
<td>High efficiency windows</td>
<td>SMGC: 0.45 ma; U-factor: 0.25 max</td>
<td>Required by TGC</td>
<td>$18,480</td>
</tr>
<tr>
<td>Submeter for electricity usage</td>
<td>All apartment units must be submetered and residents billed accordingly.</td>
<td>Required by EGC</td>
<td>$6,600</td>
</tr>
<tr>
<td>Humidity control</td>
<td>All hood vents in kitchen and fans in bathrooms must be vented to exterior.</td>
<td>Required by EGC</td>
<td>$32,200</td>
</tr>
<tr>
<td>Solar PV array</td>
<td>90kW Solar Electric Arrays</td>
<td>Required by EGC</td>
<td>$127,450</td>
</tr>
<tr>
<td>Concrete paving in lieu of asphalt</td>
<td>Pervious concrete is lieu of asphalt</td>
<td>Required by EGC</td>
<td>$19,800</td>
</tr>
<tr>
<td>Continuous exterior insulation</td>
<td>We must provide continuous exterior insulation</td>
<td>Required by AEGB</td>
<td></td>
</tr>
<tr>
<td>Minimum ventilation requirements</td>
<td>Must provide fresh air per ASHRAE 412. Tight construction requires the addition of mechanical ventilation (no just infiltration).</td>
<td>Required by EGC</td>
<td></td>
</tr>
</tbody>
</table>

$658,085

AGEB - Austin Energy Green Building Program - Waters Park Studios qualifies under the City of Austin’s SMART Hoaing program. This provides expedited permit review, as well as waiver on most fees. In order to qualify as SMART housing, you have to achieve an AEGB rating.

EGC - Enterprise Green Communities - Enterprise Community Partners is an integral partner in our organization’s green work. They have invested many dollars into both the new construction and green rehab of our properties. All developments since 2005 have been certified Enterprise Green Communities.
Multifamily Finance Division staff will place scanned copies of appeal documents behind this tab in the application .pdf
Multifamily Finance Division staff will place scanned copies of public comment received behind this tab in the application.pdf
Multifamily Finance Division staff will place scanned copies of Commitment or Determination Notice documents behind this tab in the application .pdf
Multifamily Finance Division staff will place scanned copies of Direct Loan Program Award Letters behind this tab in the application .pdf
Multifamily Finance Division staff will place scanned copies of Carryover Allocation Agreement documents behind this tab in the application .pdf