

AUSTIN AFFORDABLE HOUSING CORPORATION



BOARD OF DIRECTORS Regular Meeting

**Thursday, April 18, 2019
12:00 PM**

**HACA Central Offices
1124 S. IH 35
Austin, TX**

**PUBLIC NOTICE OF A MEETING
TAKE NOTICE OF A BOARD OF DIRECTORS
REGULAR BOARD MEETING
OF THE AUSTIN AFFORDABLE HOUSING CORPORATION**

**TO BE HELD AT
HACA Central Offices
1124 S. IH 35
Austin, TX
(512.477.4488)**

Thursday, April 18, 2019

12:00 PM

CALL TO ORDER, ROLL CALL

CERTIFICATION OF QUORUM

CONSENT ITEMS

1. Presentation, Discussion, and Possible Action regarding the Approval of the Board Minutes Summary for the Board Meeting held on March 14, 2019

ACTION ITEMS

2. Presentation, Discussion and Possible Action on Resolution No. 00122 by the Board of Directors of Austin Affordable Housing Corporation ("AAHC") authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to participate in the housing tax credit application for Bridge at Loyola Lofts
3. Presentation, Discussion, and Possible Action on Resolution No. 00123 by the Board of Directors of Austin Affordable Housing Corporation ("AAHC") authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to:
 - a. Facilitate the acquisition of the Asher Apartments (the "Development"), which consists of multifamily housing units and associated amenities in Austin, Texas to be ground-leased from the Housing Authority of the City of Austin;
 - b. Cause AAHC's subsidiary limited liability company (the "Owner") to own the Development;
 - c. Cause the Owner to enter into acquisition and development financing for the Development; and
 - d. Cause AAHC and/or the Owner to execute any such further documentation as necessary or desirable to allow the consummation of the transactions described herein.

EXECUTIVE SESSION

The Board may go into Executive Session (close its meeting to the public) Pursuant to:

- a. 551.071, Texas Gov't Code, consultations with Attorney regarding legal advice, pending or contemplated litigation; or a settlement offer;
- b. 551.072, Texas Gov't Code, discussion about the purchase, exchange, lease or value of real

property;

- c. 551.074, Texas Gov't Code, discuss the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee.
- d. 551.087, Texas Gov't Code, discuss certain economic development negotiations.

OPEN SESSION

If there is an Executive Session, the Board will return to Open Session for discussion, consideration and possible action of matters discussed in Executive Session.

REPORTS

The Board accepts the following reports:

- President's Report
- Other Staff Reports
- Commissioners' Reports/Questions to the Department Staff

ADJOURNMENT

"Pursuant to 30.06, Penal Code, (trespass by holder of license with a concealed handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not attend this meeting with a concealed handgun."

"Pursuant to 30.07, Penal Code (trespass by holder of license with an openly carried handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not attend this meeting with a handgun that is carried openly."

"En virtud del 30.06, Código Penal, (traspaso titular de licencia con una pistola), una persona bajo el subcapítulo H, capítulo 411, código de gobierno (Ley de licencia de arma o pistola), no se permiten en esta reunión con una arma o pistola.

"En virtud de 30.07, Código Penal (prevaricación por titular de la licencia con un arma o pistola abiertamente llevado), una persona bajo el subcapítulo H, capítulo 411, código de gobierno (Ley de licencia de arma o pistola), no se permiten en esta reunión con un arma o pistola que lleva abiertamente.

*The Housing Authority of the City of Austin (HACA) Board of Commissioners reserves the right to discuss and consider items out of order on the agenda on an as needed basis.

The Housing Authority of the City of Austin is committed to compliance with the Americans with Disability Act. Reasonable modifications and equal access to the communications will be provided upon request. Meeting locations are planned with wheelchair access. If requiring Sign Language Interpreters or alternative formats, please give notice at least 2 days (48 hours) before the meeting date. Please call Judy Paciocco or Nidia Hirons at HACA at 512.477.4488, for additional information; TTY users route through Relay Texas at 711. For more information on HACA, please contact Nidia Hirons at 512.477.4488 x2104.

AUSTIN AFFORDABLE HOUSING CORPORATION

BOARD ACTION REQUEST

ITEM NO. 1.

MEETING DATE: April 18, 2019

STAFF CONTACT: Ron Kowal, Vice President of Housing Development/Asset Mgmt

ITEM TITLE: Presentation, Discussion, and Possible Action regarding the Approval of the Board Minutes Summary for the Board Meeting held on March 14, 2019

BUDGETED ITEM: N/A

TOTAL COST: N/A

ACTION

The Board is being asked to review and approve the Board Minutes Summary for the Board Meeting held on March 14, 2019.

ATTACHMENTS:

- ▣ **20190314_AAHC Board Minutes Summary**

**AUSTIN AFFORDABLE HOUSING CORPORATION
BOARD OF DIRECTORS
ANNUAL BOARD MEETING**

MARCH 14, 2019

SUMMARY OF MINUTES

THE AUSTIN AFFORDABLE HOUSING CORPORATION (AAHC) BOARD OF DIRECTORS PUBLIC MEETING NOTICE WAS POSTED FOR 12:00 NOON ON THURSDAY, MARCH 14, 2019 AND WAS HELD AT HACA'S CENTRAL OFFICE, 1124 S. IH 35, AUSTIN, TEXAS

CALL TO ORDER, ROLL CALL, CERTIFICATION OF QUORUM

The Board of Directors Annual Board Meeting of the Austin Affordable Housing Corporation (AAHC), of March 14, 2019, was called to order by Charles Bailey, HACA Vice-Chairperson, at 12:15 p.m. The meeting was held at HACA's Central Office, 1124 S. IH 35, Austin, Texas

Roll call certified a quorum was present.

MEMBERS PRESENT:

Dr. Tyra Duncan-Hall, President
Mary Apostolou, Vice-President
Edwina Carrington, 2nd Vice-President
Charles Bailey, Director

MEMBER(S) ABSENT:

Carl S. Richie, Jr., Director

STAFF PRESENT:

Andrea Galloway, Ann Gass, Catherine Crago, Gloria Morgan, Kelly Crawford, Ken Bodden, Leilani Lim-Villegas, Lisa Garcia, Martha Ross, Michael Cummings, Michael Gerber, Michael Roth, Nidia Hiroms, Pilar Sanchez, Ron Kowal, Suzanne Schwertner, and Sylvia Blanco

ALSO IN ATTENDANCE:

Bill Walter, Coats Rose
Wilson Stoker, Cokinos, Bosien & Young

CONSENT AGENDA

APPROVAL OF THE FOLLOWING ITEMS PRESENTED IN THE BOARD MATERIALS:

ITEM 1: Presentation, Discussion, and Possible Action regarding the Approval of a Board Minutes Summary for the Board Meeting held on February 21, 2019

Vice-President Apostolou moved to approve the Board Minutes Summary for the Board Meeting held on February 21, 2019 as presented. **2nd Vice-President Carrington** seconded the motion. The motion passed. (4-Ayes and 0-Nays).

ITEM 2: Presentation, Discussion, and Possible Action regarding Resolution No. 00121: Approval to ratify all actions taken by the Board of Directors during FYE 2019, in order to resolve any irregularities which may have occurred regarding a quorum or vote by the Directors as reflected within the approved minutes and resolutions

Vice-President Apostolou moved to approve Resolution No. 00121: Approval to ratify all actions taken by the Board of Directors during FYE 2019, in order to resolve any irregularities which may have occurred regarding a quorum or vote by the Directors as reflected within the approved minutes and resolutions. **2nd Vice-President Carrington** seconded the motion. The motion passed. (4-Ayes and 0-Nays).

ACTION ITEMS

ITEM 3: Presentation, Discussion and Possible Action on Resolution No. 00118 by the Board of Directors of Austin Affordable Housing Corporation ("AAHC") authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to participate in the housing tax credit application for Bridge at Canyon View

Austin Affordable Housing Corporation was presented with an opportunity to again partner with LDG Multifamily, LLC on a certain tract of land located at 4506 East William Cannon, Austin, Texas. The project (Bridge at Canyon View Apartments) will consist of 215 family apartment units serving tenants at or below 60% of median family income.

The development will use a mix of 4% tax credits and bonds to finance the development with a total project cost of approximately \$37,000,000. The planned development will consist of 71 one bedroom and one bath units, 54 two bedroom

and two bath units and 90 three bedroom and two bath units. All units will be marketed to HACA's Housing Choice Voucher families.

HACA, through its Public Facility Corporation, will issue tax-exempt bonds in an amount not to exceed \$26,000,000. In the January 30, 2019 HACA Board Work Session, the Board set out affordability goals for future acquisitions and developments for AAHC. By serving families with incomes at 60% and below Area Family Median Income, the Bridge at Canyon View meets these targeted affordability goals.

Board approval will allow AAHC to submit a non-competitive 4% tax credit application. Board resolution is a new requirement for non-profit General Partners under the 2019 TDHCA Qualified Allocation Plan (QAP). Staff will be presenting to the Board in future months on the progress and specifically any and all agreements and approvals. Staff will bring this matter back to the Board for final approval to proceed.

2nd Vice-President Carrington moved to approve Resolution No. 00118 by the Board of Directors of Austin Affordable Housing Corporation ("AAHC") authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to participate in the housing tax credit application for Bridge at Canyon View in an amount not to exceed \$26,000,000. **President Duncan-Hall** seconded the motion. The motion passed. (4-Ayes and 0-Nays).

ITEM 4: Presentation, Discussion and Possible Action on Resolution No. 00119 by the Board of Directors of Austin Affordable Housing Corporation ("AAHC") authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to participate in the housing tax credit application for Bridge at Granada

Austin Affordable Housing Corporation was presented with an opportunity to partner with JCI Residential, LLC on a certain tract of land located at 500 E. Wonsley Dr., Austin, Texas. The project (Granada Apartments) will consist of 258 family apartment units serving tenants at or below 60% of median family income.

The development will use a mix of 4% tax credits and bonds to finance the development with a total project cost of approximately \$37,000,000. The planned development will consist of 39 efficiency units, 180 one bedroom and one bath units, 36 two bedroom and two bath units and 3 three bedroom and two bath units. All units will be marketed to HACA's Housing Choice Voucher families.

HACA, through its Public Facility Corporation, will issue tax-exempt bonds in an amount not to exceed \$26,000,000. In the January 30, 2019 HACA Board Work Session, the Board set out affordability goals for future acquisitions and developments for AAHC. By serving families with incomes at 60% and below Area Family Median Income, the Bridge at Granada meets these targeted affordability goals.

Board approval will allow AAHC to submit a non-competitive 4% tax credit application. Board resolution is a new requirement for non-profit General Partners under the 2019 TDHCA Qualified Allocation Plan (QAP). Staff will be presenting to the Board in future months on the progress and specifically any and all agreements and approvals. Staff will bring this matter back to the Board for final approval to proceed.

Vice-President Apostolou moved to Approve Resolution No. 00119 by the Board of Directors of Austin Affordable Housing Corporation ("AAHC") authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to participate in the housing tax credit application for Bridge at Granada in an amount not to exceed \$26,000,000. **2nd Vice-President Carrington** seconded the motion. The motion Passed (4-Ayes and 0-Nays).

ITEM 5: Presentation, Discussion, and Possible Action on Resolution No. 00120 by the Board of Directors of Austin Affordable Housing Corporation ("AAHC") authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to

- i. Transfer ownership of certain real property (the "Land") to the Housing Authority of the City of Austin, which Land will be leased by the Housing Authority of the City of Austin for the construction and development of mixed-income housing units and associated amenities to be known as The Oaks (the "Project");**
- ii. Cause AAHC's wholly owned, subsidiary limited liability company, LDG Oaks GP, LLC (the "General Partner"), to execute an amended and restated agreement of limited partnership of LDG Oaks, LP, a Texas limited partnership (the "Partnership"), and other related documents for the admission of the General Partner to the Partnership;**
- iii. Cause the Partnership to execute a ground lease covering the Land with the Housing Authority of the City of Austin, and cause the Partnership to enter into development financing for the Project; and**
- iv. Cause AAHC and/or the General Partner and/or the Partnership to execute any such further**

documentation as necessary or desirable to allow the consummation of the transactions described herein

AAHC partnered with LDG Multifamily, LLC (LDG) on their first ever new construction multifamily developments (Pointe at Ben White and Villages of Ben White) in 2014. These two properties are tax credit financed properties affordable to families with 60% AMFI.

AAHC was given the opportunity to partner with LDG once again on a third phase adjacent to these projects. The Oaks will consist of 96 units, with 50% of the units serving tenants at 80% AMFI and below and the other 50% of the units serving tenants at self-imposed market rate levels. This income model will allow those families that start with lower incomes and subsequently achieve higher wages that exceed income limits at the first two Ben White projects, to transition into The Oaks and remain near their families, schools and work.

The development will use a mixture of debt through Broadway Bank not to exceed \$20,000,000 and equity from LDG and AAHC to finance the development with a total project cost of approximately \$22,000,000. The planned development will consist of 48 one bedroom and one bath units and 48 two bedroom and one bath units. All units will be marketed to HACA's Housing Choice Voucher families.

Board approval will allow AAHC to execute all necessary documents to complete the transaction to construct and develop mixed-income housing units to be known as The Oaks.

2nd Vice-President Carrington moved to Approve Resolution No. 00120 by the Board of Directors of Austin Affordable Housing Corporation ("AAHC") authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to transfer ownership of certain real property (the "Land") to the Housing Authority of the City of Austin **President Duncan-Hall** seconded the motion. The motion Passed (4-Ayes and 0-Nays).

EXECUTIVE SESSION

The Board of Directors did not recess into Executive Session.

REPORTS

No other reporting.

ADJOURNMENT

2nd Vice-President Carrington moved to adjourn the meeting. **Vice-President Apostolou** seconded the motion. The Motion passed unanimously. The meeting adjourned at 12:55 p.m.

Michael G. Gerber, Secretary

Tyra Duncan-Hall, President

AUSTIN AFFORDABLE HOUSING CORPORATION

BOARD ACTION REQUEST

RESOLUTION NO. 00122

ITEM NO. 2.

MEETING DATE: April 18, 2019

STAFF CONTACT: Suzanne Schwertner, Director of Development

ITEM TITLE: Presentation, Discussion and Possible Action on Resolution No. 00122 by the Board of Directors of Austin Affordable Housing Corporation ("AAHC") authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to participate in the housing tax credit application for Bridge at Loyola Lofts

BUDGETED ITEM: N/A

TOTAL COST: N/A

ACTION

The Board is being asked to approve Resolution No. 00122 authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to participate in the housing tax credit application for Bridge at Loyola Lofts.

SUMMARY

Background:

Austin Affordable Housing Corporation is being presented with a second opportunity to partner with The NRP Group on a certain tract of land located at 6420 Loyola Lane, Austin, Texas 78724 in northeast Austin. The project (Bridge at Loyola Lane Apartments) will consist of 204 family apartment units serving tenants at or below 60% of median family income. One property in AAHC's current portfolio that is located near this property is The Reserve at Springdale, at 5605 Springdale Road, Austin, TX 78723, which is located west of 183 (see attached map). The Bridge at Loyola Lofts was presented to the Board for a bond inducement resolution at the September 2018 board meeting.

Process:

The development will use a mix of 4% tax credits and bonds to finance the development with a total project cost of approximately \$41,000,000. The planned development will consist of 19 one bedroom and one bath units, 79 two bedroom and two bath units, 90 three bedroom and two bath units and 16 four bedroom and two bath units. All units will be marketed to HACA's Housing Choice Voucher families.

HACA through its Public Facility Corporation, will issue tax-exempt bonds in an amount not to exceed \$30,000,000. In the January 30, 2019 HACA Board Work Session, the Board set out affordability goals for future acquisitions and developments for AAHC. By serving families with incomes at 60% and below Area

Family Median Income, the Bridge at Loyola Lofts meets these targeted affordability goals.

Unit Breakdown:	19 1-bedroom/1-bath units	666 sq ft.
	79 2-bedroom/2-bath units	938 sq ft.
	90 3-bedroom/2-bath units	1,127 sq ft.
	16 4-bedroom/2-bath units	1,423 sq ft.

Staff Recommendation:

Board approval will allow AAHC to submit a non-competitive 4% tax credit application. Board resolution is a new requirement for non-profit General Partners under the 2019 TDHCA Qualified Allocation Plan (QAP). Staff will be presenting to the Board in future months on the progress and specifically any and all agreements and approvals. Staff will bring this matter back to the Board for final approval to proceed.

ATTACHMENTS:

- **Map of Bridge at Loyola Lofts**

RESOLUTION NO. 00122

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

WHEREAS, AAHC is the sole member of Bridge at Loyola Lofts GP, LLC, a Texas limited liability company (the “**General Partner**”);

WHEREAS, the General Partner is the sole general partner of Bridge at Loyola Lofts, LP, a Texas limited partnership (the “**Partnership**”);

WHEREAS, the Partnership was formed for the purpose of owning, developing, managing, and otherwise dealing with Bridge at Loyola Lofts Apartments, a multifamily affordable apartment complex (the “**Project**”) to be developed on a parcel of land located in Austin, Travis County, Texas (the “**Land**”), and intended for rental to persons of low and moderate income;

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

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

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

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

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

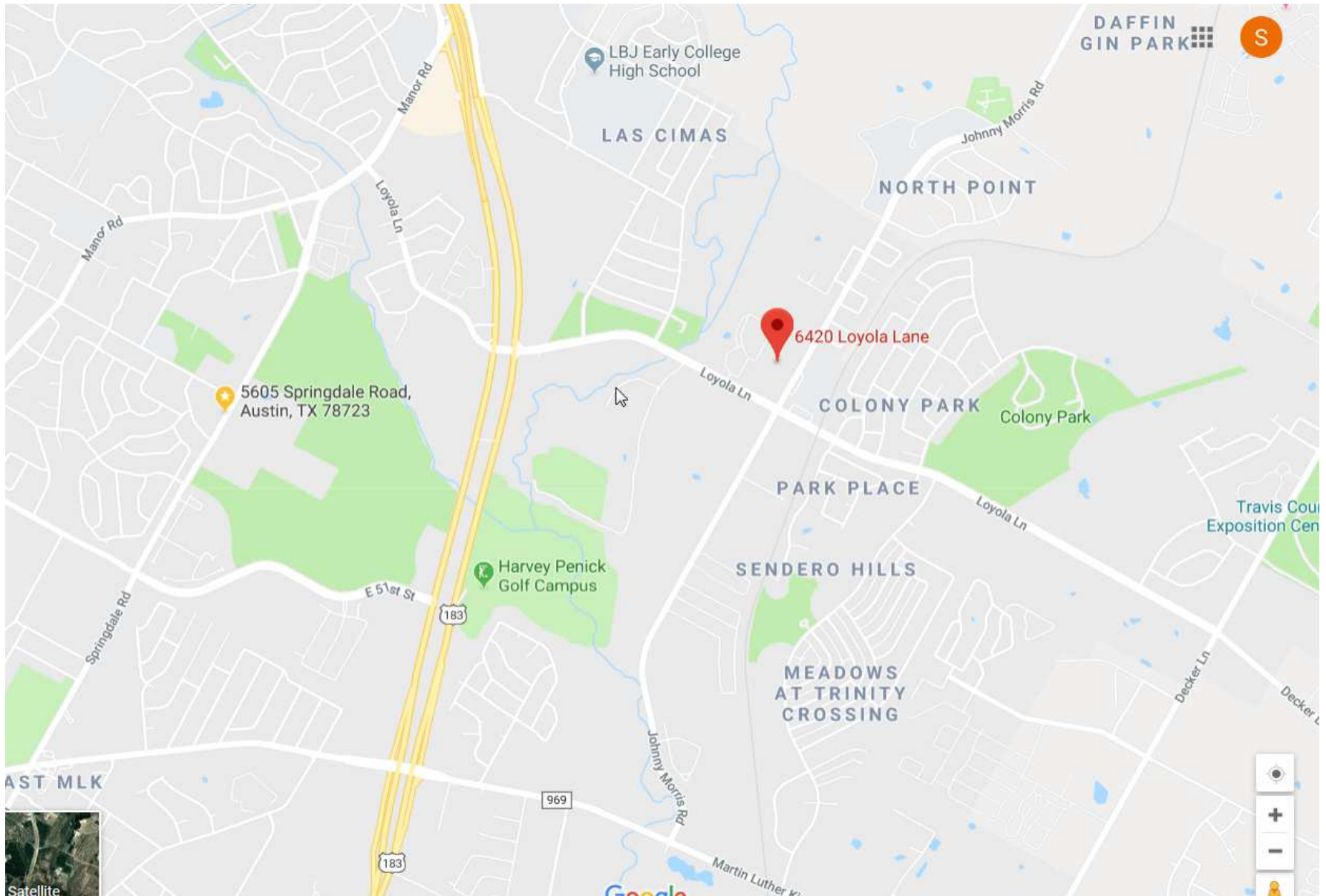
RESOLVED, that the Partnership be promptly notified in writing by the Secretary or any other officer of AAHC or any change in these resolutions, and until it has actually received such notice in writing, the Partnership is authorized to act in pursuance of these resolutions.

[End of Resolution]

PASSED, APPROVED AND ADOPTED this 18th day of April, 2019.

Michael G. Gerber, Secretary

Tyra Duncan-Hall, President



AUSTIN AFFORDABLE HOUSING CORPORATION

BOARD ACTION REQUEST

RESOLUTION NO. 00123

ITEM NO. 3.

MEETING DATE: April 18, 2019

STAFF CONTACT: Ron Kowal, Vice President of Housing Development/Asset Mgmt

ITEM TITLE: Presentation, Discussion, and Possible Action on Resolution No. 00123 by the Board of Directors of Austin Affordable Housing Corporation (“AAHC”) authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to:

- a. Facilitate the acquisition of the Asher Apartments (the “Development”), which consists of multifamily housing units and associated amenities in Austin, Texas to be ground-leased from the Housing Authority of the City of Austin;
- b. Cause AAHC’s subsidiary limited liability company (the “Owner”) to own the Development;
- c. Cause the Owner to enter into acquisition and development financing for the Development; and
- d. Cause AAHC and/or the Owner to execute any such further documentation as necessary or desirable to allow the consummation of the transactions described herein.

BUDGETED ITEM: N/A

TOTAL COST: N/A

ACTION

The Board is being asked to Approve Resolution No. 00123 authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to:

- a. Facilitate the acquisition of the Asher Apartments (the “Development”), which consists of multifamily housing units and associated amenities in Austin, Texas to be ground-leased from the Housing Authority of the City of Austin;
- b. Cause AAHC’s subsidiary limited liability company (the “Owner”) to own the Development;
- c. Cause the Owner to enter into acquisition and development financing for the Development; and
- d. Cause AAHC and/or the Owner to execute any such further documentation as necessary or desirable to allow the consummation of the transactions described herein.

SUMMARY

Background:

Austin Affordable Housing Corporation (AAHC), has been presented an opportunity to partner with Community Development Trust (CDT), to purchase a 452-unit apartment complex called the Asher Apartments. The complex is located at 10505 South IH 35, Austin, Texas 78747. Located in southeast Austin, The Asher is just south of our new construction development, Commons at Goodnight located on East Slaughter Lane. AAHC and CDT have also successfully been awarded the opportunity to partner on this transaction with the National Housing Trust (NHT), a national non-profit engaged in housing preservation, revitalization and expansion of affordable housing communities across the United States.

NHT had an idea to create a fund based on the premise of studies which demonstrated that children who grow up in high opportunity neighborhoods have a number of improved life experiences. They have better college attendance, higher earnings, improved health and are less likely to become single parents.

NHT's idea was to help acquire market rate housing in high opportunity areas and introduce Housing Choice Vouchers to the site as a way of bringing very low income households into areas of high opportunity.

NHT approached a number of foundations with this concept, and Kresge Foundation expressed a desire to join the effort. Through this collaboration, NHT will invest low cost equity into a purchase and introduce housing choice vouchers to 20% of the units over a 2-year period. NHT and Kresge were excited about the opportunity the Asher Apartments could bring and committed \$4 million to help purchase the complex.

Process:

The Asher Apartments has a purchase price of \$70 million dollars and will be a mix of equity and Freddie Mac long term debt of \$56 million dollars. NHT will contribute \$4 million and CDT and AAHC will make up the balance of the equity needed, with AAHC's contribution not to exceed \$2 million dollars.

Unit breakdown:

294 1-bedroom/1-bath units	556-992 square feet
120 2-bedroom/2-bath units	1,000-1278 square feet
48 3-bedroom/2-bath units	1,307-1434 square feet

Staff Recommendation:

Board approval will allow AAHC to acquire The Asher Apartments with a capital amount not to exceed \$2 million dollars in partnership with CDT.

ATTACHMENTS:

- ▣ **The Asher Map**

RESOLUTION NO. 00123

A Resolution by the Board of Directors of Austin Affordable Housing Corporation (“AAHC”) authorizing AAHC to execute any and all documents, or take any other action, that is necessary or desirable to: (i) facilitate the acquisition of the Asher Apartments (the “Development”), which consists of multifamily housing units and associated amenities in Austin, Texas to be ground-leased from the Housing Authority of the City of Austin; (ii) cause AAHC’s subsidiary limited liability company, AAHC-CDT Bridge at Asher, LLC (the “Owner”), to own the Development; (iii) cause the Owner to enter into acquisition and development financing for the Development; and (iv) cause AAHC and/or the Owner to execute any such further documentation as necessary or desirable to allow the consummation of the transactions described herein.

WHEREAS, AAHC is contemplating the acquisition of the Development;

WHEREAS, as part of the proposed ownership structure for the Development, AAHC desires to form the Owner and a Delaware limited liability company to serve as managing member of the Owner (the “**Managing Member**”), and AAHC shall serve as the sole member of the Managing Member;

WHEREAS, as sole member of the Managing Member, AAHC will capitalize the Managing Member’s ownership interest in the Owner in an amount not to exceed \$2,000,000, and will cause the Managing Member to enter into an operating agreement of the Owner (the “**Operating Agreement**”);

WHEREAS, in connection with the acquisition and operation of the Development, the Owner desires to obtain site control of the land comprising the site of the Development (the “**Land**”) from the Housing Authority of the City of Austin (“**HACA**”), by entering into a ground lease (“**Ground Lease**”) with HACA for the Development;

WHEREAS, the Owner desires to enter into a bridge loan and/or permanent loan with Bellwether Enterprise Real Estate Capital, LLC (or an affiliate thereof), whereby the Owner will borrow a sum not to exceed \$56,000,000 (“**Loan**”), in order to finance the acquisition of the Development;

WHEREAS, the Loan will each be made pursuant to a promissory note to be secured, *inter alia*, by a deed of trust, UCC financing statements, certificates, affidavits, directions, amendments, indemnifications, notices, requests, demands, waivers, and any other assurances, instruments, or other communications executed in the name of and on behalf of the Owner as may be deemed to be necessary or advisable in order to carry into effect or to comply with the requirements of the instruments approved or authorized by these resolutions in connection with the Loan (“**Loan Documents**”);

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

RESOLVED, that AAHC (both individually and in a representative capacity as identified in these resolutions), review, execute and approve all other documents necessary to effectuate the foregoing transactions, all on such terms and containing such provisions as the Executing Officer shall deem appropriate, and the approval of the terms of each such instrument herein described by the Executing Officer shall be conclusively evidenced by his/her execution and delivery thereof; and it is further

RESOLVED, that the authorization of AAHC and/or Managing Member and/or Owner to enter into the Transaction Documents and that execution and delivery in the name and on behalf of AAHC and/or Managing Member and/or the Owner, by any of the officers of AAHC of the Transaction Documents, in the form as so executed and delivered is hereby approved, ratified and confirmed; and it is further

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

RESOLVED, that action by any of the officers of AAHC, and any person or persons designated and authorized so to act by any such officer, to do and perform, or cause to be

done and performed, in the name and on behalf of AAHC and/or Managing Member and/or the Owner, or the execution and delivery, or causing to be executed and delivered, such other security agreements, financing statements, notices, requests, demands, directions, consents, approvals, waivers, acceptances, appointments, applications, certificates, agreements, supplements, amendments, further assurances or other instruments or communications, in the name and on behalf of AAHC or otherwise, as they, or any of them, may deem to be necessary or advisable in order to carry into effect the intent of the foregoing resolutions or to comply with the requirements of the instruments approved or authorized by the foregoing resolutions is hereby approved, ratified and confirmed; and it is further

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

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

[End of Resolution]

PASSED, APPROVED AND ADOPTED this 18th day of April, 2019.

Michael G. Gerber, Secretary

Tyra Duncan-Hall, President



MINUTES FROM SOUTH AUSTIN'S RETAIL HUB SOUTHPARK MEADOWS

SouthPark Meadows is located at the Southwest corner of the intersection of Slaughter Lane and IH-35, just one exit north of Asher. The shopping center is anchored by a Walmart Supercenter, Cinemark Theater, Sam's Club, and Super Target. Residents enjoy easy access to over 1.8 million square feet of 100 retailers including a wide variety of restaurants, apparel stores, and everyday services. Additionally, residents can reach two HEB Grocery stores within three miles of the property at the intersections of Slaughter and Manchaca and William Cannon and Bluff Springs. HEB also owns the land parcel at the corner of South Congress and Slaughter Lane, but has not yet disclosed a start date for the new grocery store on this site.

STRATEGIC ACCESS TO MAJOR EMPLOYERS AND THE AUSTIN CBD

With its superior ease of access to IH-35, residents at Asher can easily reach major employers and education centers. The Austin CBD and its nearly 10.8 million square feet of office space and the University of Texas at Austin with over 50,000 students are a quick 15-20 minute drive north on IH-35. Residents also have convenient access to South Austin employers including the 4,500-employee IRS Service Center. Additional student drivers at the property are St. Edward's University and Texas State University, with 4,600 and 38,700 students respectively. Asher's South Austin location along IH-35 allows residents to conveniently access a wide range of employers from Austin to San Marcos and San Antonio. The Austin MSA added 36,300 jobs in April 2018 over the prior twelve months for an increase of 3.5% to reach total employment of 1,054,900 and making Austin the fourth fastest growing metro. The unadjusted unemployment rate for April 2018 was 2.8%, the third lowest rate of the 51 largest U.S. metros.