



**March Board Meeting**

To be held at the offices of  
Texas State Affordable Housing Corporation  
2200 East Martin Luther King Jr. Blvd.  
Austin, TX 78702

Wednesday, March 18, 2020  
10:30 a.m.

**TEXAS STATE AFFORDABLE HOUSING CORPORATION  
BOARD MEETING  
AGENDA**

**March 18, 2020  
10:30 A.M.**

**2200 East Martin Luther King Jr. Blvd.  
Austin, Texas 78702**

**CALL TO ORDER  
ROLL CALL  
CERTIFICATION OF QUORUM**

**Bill Dietz, Chair**

Pledge of Allegiance – **I pledge allegiance to the flag of the United States of America, and to the Republic for which it stands, one Nation under God, indivisible, with liberty and justice for all.**

Texas Allegiance – **Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible.**

The Board of Directors of Texas State Affordable Housing Corporation will meet to consider and possibly act on the following:

**PUBLIC COMMENT**

**PRESIDENT’S REPORT**

**David Long**

Tab A: Homeownership Finance Report  
Tab B: Development Finance Report  
Tab C: Monthly Financial Reports

**ACTION ITEMS IN OPEN MEETING:**

- |       |  |
|-------|--|
| Tab 1 | Presentation, Discussion and Possible Approval of Minutes of the Board Meeting held on February 12, 2020.  |
| Tab 2 | Presentation, Discussion and Possible Approval of a Resolution Regarding the Submission of a 2020 Application for Allocation of Private Activity Bonds, Notice of Intention to Issue Bonds and State Bond Application to the Texas Bond Review Board for Single Family Mortgage Revenue Bonds.   |
| Tab 3 | Presentation, Discussion and Possible Approval of a Resolution Authorizing the Issuance, Sale and Delivery of Single Family Mortgage Revenue Bonds, Series 2020A (Non-AMT); Authorizing a Trust Indenture, Official Statement, Bond Purchase Agreement and Continuing Disclosure Agreement Relating to Such Bonds, Making Certain Findings and Determinations; Authorizing the Execution of Documents and Instruments Necessary or Convenient to Carry Out the Texas State Affordable Housing Corporation Single Family Home Loan Program Relating to Such Bonds; and Containing Other Matters Incident and Related Thereto. |
| Tab 4 | Presentation, Discussion and Possible Approval of a Resolution Authorizing the Texas State Affordable Housing Corporation to take preliminary action to carry out the financing of The Park on 14 <sup>th</sup> located in Plano, Texas, including creating entities, negotiating finance documents, and filing applications to obtain debt financing and housing tax credits.   |
| Tab 5 | Presentation, Discussion and Possible Approval of a Resolution Approving a Texas Housing Impact Fund Construction Loan in an amount not to exceed \$785,000 to Project Transitions for Roosevelt Gardens, a 40-unit apartment complex in Austin, Texas targeting households earning 30% area median income and 50% area median income.   |

**CLOSED MEETING:**

Consultation with legal counsel on legal matters – Texas Government Code § 551.071

Deliberation regarding purchase, exchange, lease, or value of real property – Texas Government Code § 551.072

Deliberation regarding prospective gift or donation to the state or Texas State Affordable Housing Corporation – Texas Government Code § 551.073

Personnel Matters – Texas Government Code § 551.074

Implementation of security personnel or devices – Texas Government Code § 551.076

Other matters authorized under the Texas Government Code

**ACTION ITEMS IN OPEN MEETING:**

Action in Open Meeting on Items Discussed in Closed Executive Session

**ANNOUNCEMENTS AND CLOSING COMMENTS****ADJOURN**

*A Board member of the Corporation may participate in a Board meeting by video conference pursuant to Section 551.127 of the Texas Government Code. A quorum of the Board will meet at the Texas State Affordable Housing Corporation's headquarters located at 2200 East Martin Luther King Jr. Blvd., Austin Texas, 78702.*

*Individuals who require auxiliary aids or services for this meeting should contact Rebecca DeLeon, ADA Responsible Employee, at 512-220-1174 or Relay Texas at 1-800-735-2989 at least two days before the meeting so that the appropriate arrangements can be made.*

*Section 46.035 of the Texas Penal Code prohibits handgun licensees from carrying their handguns at government meetings such as this one. This prohibition applies to both concealed carry and open carry by handgun licensees. Handgun licensees are required by law to refrain from carrying their handguns at this meeting.*

*Texas State Affordable Housing Corporation reserves the right to recess this meeting (without adjourning) and convene at a later stated time, if and to the extent allowed by law. If Texas State Affordable Housing Corporation adjourns this meeting and reconvenes at a later time, the later meeting will be held in the same location as this meeting. Texas State Affordable Housing Corporation also reserves the right to proceed into a closed meeting during the meeting in accordance with the Open Meetings Act, Chapter 551 of the Texas Government Code. If permitted by the Open Meetings Act, Chapter 551 of the Texas Government Code, any item on this Agenda to be discussed in open meeting may also be discussed by the Board (and any other authorized persons) in closed meeting.*

# President's Report

Tab A



## Homeownership Programs with Down Payment Assistance January 1 to December 31, 2019

Month	Closed	# of Loans	% Total
January-19	\$ 75,860,608	441	5.6%
February-19	\$ 74,021,885	425	5.5%
March-19	\$ 104,187,284	595	7.7%
April-19	\$ 108,370,963	617	8.0%
May-19	\$ 121,641,586	668	9.0%
June-19	\$ 109,866,862	593	8.1%
July-19	\$ 126,897,099	695	9.4%
August-19	\$ 117,448,445	635	8.7%
September-19	\$ 114,337,441	605	8.4%
October-19	\$ 116,688,519	625	8.6%
November-19	\$ 122,538,246	660	9.1%
December-19	\$ 161,393,904	838	11.9%
<b>Totals</b>	<b>\$1,353,252,842</b>	<b>7397</b>	<b>100%</b>
Lender	Closed	# of Loans	% Total
Everett Financial, dba Supreme Lending	\$150,615,671	801	11.1%
Fairway Independent Mortgage Corporation	\$93,280,385	537	6.9%
Guild Mortgage Corporation	\$79,945,546	446	5.9%
PrimeLending	\$64,208,310	370	4.7%
DHI Mortgage Company, Ltd.	\$49,284,993	221	3.6%
Cornerstone Home Lending, Inc.	\$39,656,348	200	2.9%
Movement Mortgage, LLC	\$37,965,507	214	2.8%
Amcap Mortgage, LTD	\$36,377,879	210	2.7%
Nations Reliable Lending, LLC	\$33,675,017	187	2.5%
Cardinal Financial Company	\$32,990,118	187	2.4%
Stearns Lending, LLC	\$30,664,911	147	2.3%
SFMC, LP (Service First Mortgage)	\$29,258,416	149	2.2%
loanDepot.com LLC	\$24,977,315	135	1.8%
Thrive Mortgage, LLC	\$24,448,923	140	1.8%
First Choice Loan Services, Inc.	\$24,218,907	128	1.8%
Highlands Residential Mortgage	\$23,811,828	120	1.8%
Guaranteed Rate	\$23,379,748	127	1.7%
Cherry Creek Mortgage Co., Inc.	\$22,750,727	119	1.7%
Academy Mortgage Corporation	\$20,750,972	132	1.5%
CMG Mortgage, Inc. dba CMG Financial	\$19,267,715	100	1.4%
Southwest Funding, LP	\$19,131,987	103	1.4%
NTFN, Inc.	\$16,963,104	88	1.3%
DAS Acquisition Company, LLC	\$16,257,641	79	1.2%
Pulte Mortgage LLC	\$16,210,994	75	1.2%
FBC Mortgage LLC	\$13,887,310	78	1.0%
Ark-La-Tex Financial (Benchmark Mtg.)	\$12,984,041	68	1.0%
SWBC Mortgage Corporation	\$12,741,216	76	0.9%
Crosscountry Mortgage, LLC	\$12,320,908	69	0.9%
Eagle Home Mortgage, LLC	\$11,846,772	57	0.9%
Mortgage Financial Services, LLC	\$11,574,066	73	0.9%
Network Funding, LP	\$11,194,679	63	0.8%
Gateway Mortgage Group, LLC	\$10,446,613	63	0.8%
LHM Financial Corp., dba CNN Mortgage	\$10,437,132	56	0.8%
Gardner Financial Services, Ltd.	\$10,312,631	55	0.8%
Synergy One Lending, Inc.	\$10,035,351	56	0.7%
Primary Residential Mortgage, Inc.	\$9,910,952	58	0.7%
Hometrust Mortgage Company	\$9,321,030	53	0.7%
First Continental Mortgage, Ltd.	\$9,205,655	35	0.7%
American Pacific Mortgage Corporation	\$8,817,575	49	0.7%
Mid America Mortgage, Inc.	\$8,304,276	45	0.6%
American Mortgage & Equity Consultants	\$8,165,377	48	0.6%
Hometown Lenders, Inc.	\$7,558,488	42	0.6%
Wallick and Volk, Inc.	\$7,214,772	38	0.5%
Caliber Home Loans, Inc.	\$6,842,528	39	0.5%
Michigan Mutual, Inc.	\$6,485,681	39	0.5%
Guaranteed Rate Affinity, LLC	\$6,442,096	37	0.5%
Security National Mortgage Company	\$6,275,653	35	0.5%
Interlinc Mortgage Services, LLC	\$6,070,839	31	0.4%
Summit Funding, Inc.	\$5,885,126	27	0.4%
Trinity Oaks Mortgage	\$5,876,659	30	0.4%

At a Glance	
Average Annual Income	\$61,401
Average Purchase Price	\$187,113
Average Loan Amount	\$182,946
Average Household Size	2
Average Interest Rate	5.222%
Program	%
Home Sweet Texas	83.39%
Homes for Texas Heroes	16.61%
Allied Health Faculty	0.09%
Corrections Officer	0.82%
County Jailor	0.09%
EMS Personnel	0.46%
Fire Fighter	0.85%
Peace Officer	1.80%
Professional Nurse Faculty	1.04%
Public Security Officer	0.32%
School Counselor	0.26%
School Librarian	0.07%
School Nurse	0.04%
Teacher	8.57%
Teacher Aide	0.34%
Veteran	1.85%
New/Existing Home	
Existing	81.45%
New	18.55%
Type of Loan	
Conventional - Purchase	23.66%
FHA - Purchase	73.56%
USDA-RHS Purchase	0.24%
VA - Purchase	2.54%
Ethnicity	
American Indian/Alaskan Native	0.23%
Asian/Pacific Islander	1.61%
Black	13.75%
Hispanic	36.43%
Not Defined	8.54%
Other	1.66%
White	37.75%
Top 20 Originating Counties*	# Households
Harris	1095
Tarrant	994
Dallas	774
Bexar	466
Denton	268
Travis	214
Williamson	192
Fort Bend	170
Montgomery	167
Collin	162
Kaufman	160
El Paso	132
Ellis	127
Johnson	124
Bell	112
Galveston	109
Midland	108
Hidalgo	102
Ector	100
Brazoria	99
*Top 20 of all counties statewide. All remaining counties served 1722 households.	



**Homeownership Programs with Down Payment Assistance  
January 1 to December 31, 2019**

LeaderOne Financial	\$5,693,978	34	0.4%
Mortgage Solutions of Colorado, LLC	\$5,640,451	29	0.4%
HomeBridge Financial Services	\$5,545,293	34	0.4%
Independent Bank	\$5,519,793	28	0.4%
First National Bank Mortgage	\$5,211,430	29	0.4%
Certainty Home Loans, LLC	\$5,187,078	34	0.4%
Gold Star Mortgage Financial Group	\$5,056,142	29	0.4%
BancorpSouth Bank	\$4,535,224	26	0.3%
Willow Bend Mortgage Company, LLC	\$4,355,896	25	0.3%
First Bank	\$4,282,086	20	0.3%
Sente Mortgage Inc.	\$4,070,400	22	0.3%
Great Western Financial Services, Inc.	\$3,931,984	22	0.3%
Infinity Mortgage Holdings, LLC	\$3,707,272	20	0.3%
American Financial Network, Inc.	\$3,703,390	19	0.3%
New American Funding (Broker Solutions)	\$3,667,413	22	0.3%
Union Home Mortgage	\$3,616,376	24	0.3%
First United Bank & Trust	\$3,479,704	18	0.3%
Bank of England	\$3,407,360	19	0.3%
Directions Equity, LLC	\$3,333,598	19	0.2%
Texas Bank Mortgage Company	\$3,176,054	18	0.2%
University Lending Group, LLC	\$3,108,875	20	0.2%
Goldwater Bank, N.A.	\$3,086,899	19	0.2%
Patriot Mortgage Company	\$3,056,304	22	0.2%
Loan Simple, Inc.	\$2,985,088	14	0.2%
Churchill Mortgage Corporation	\$2,679,969	17	0.2%
Commerce Home Mortgage, Inc.	\$2,628,830	16	0.2%
Geneva Financial, LLC	\$2,595,421	16	0.2%
Town Square Mortgage & Investments, Inc.	\$2,351,709	13	0.2%
Finance of America Mortgage, LLC	\$2,340,379	16	0.2%
US Mortgage of Florida	\$2,245,140	14	0.2%
Affiliated Bank	\$2,229,295	13	0.2%
Waterstone Mortgage Corporation	\$2,045,650	11	0.2%
Wells Fargo Bank, N.A.	\$1,987,890	11	0.1%
Envoy Mortgage	\$1,962,497	11	0.1%
Pilgrim Mortgage, LLC	\$1,907,367	11	0.1%
Nations Lending Corporation	\$1,851,113	12	0.1%
Aim Bank	\$1,788,637	13	0.1%
Origin Bank	\$1,756,614	9	0.1%
Homevantage Mortgage	\$1,753,547	9	0.1%
Republic State Mortgage Co.	\$1,711,687	10	0.1%
Legacy Mortgage, LLC	\$1,694,380	12	0.1%
CLM Mortgage, LLC	\$1,666,130	8	0.1%
Associated Mortgage Corporation	\$1,616,788	12	0.1%
Planet Home Lending, LLC	\$1,564,266	9	0.1%
America's Choice Home Loans, LP	\$1,544,026	9	0.1%
First Community Mortgage	\$1,517,109	11	0.1%
ClosingMark Home Loans, Inc.	\$1,512,824	6	0.1%
Rocky Mountain Mortgage Company	\$1,414,381	9	0.1%
Bay Equity LLC	\$1,401,532	7	0.1%
Residential Wholesale Mortgage, Inc.	\$1,387,002	6	0.1%
Inspire Home Loans, Inc.	\$1,377,153	7	0.1%
Colonial Savings, F.A.	\$1,376,232	8	0.1%
Paramount Residential Mortgage Group	\$1,328,783	8	0.1%
Loan Leaders of America, Inc.	\$1,263,587	7	0.1%
Northpointe Bank	\$1,243,722	7	0.1%
Inlanta Mortgage, Inc.	\$1,183,555	6	0.1%
Amerifirst Financial, Inc.	\$1,142,132	7	0.1%
First Financial Bank, N.A.	\$1,109,545	10	0.1%
Finance Home America	\$1,098,615	6	0.1%
Cadence Lending Group, Inc.	\$974,693	6	0.1%
Midwest Mortgage Associates Corp.	\$957,132	6	0.1%
Panorama Mortgage Group, LLC	\$941,529	5	0.1%
University Federal Credit Union	\$939,696	4	0.1%
Happy State Bank	\$920,417	7	0.1%
Right Start Mortgage, Inc.	\$806,027	5	0.1%



**Homeownership Programs with Down Payment Assistance  
January 1 to December 31, 2019**

LegacyTexas Bank	\$800,153	4	0.1%
V.I.P. Independent Mortgage, Inc.	\$779,495	5	0.1%
Texas Tech Federal Credit Union	\$758,408	6	0.1%
Truist Bank	\$756,126	4	0.1%
PrimeWest Mortgage Corporation	\$747,946	5	0.1%
Guardian Mortgage	\$733,036	4	0.1%
International Bank of Commerce	\$722,176	5	0.1%
Hancock Mortgage Partners, LLC	\$667,682	4	0.0%
Capstar Lending, LLC	\$640,293	3	0.0%
First Centennial Mortgage Corporation	\$625,952	3	0.0%
Moria Development/Peoples Mortgage Co	\$594,779	3	0.0%
Texana Bank, N.A.	\$592,957	4	0.0%
Citywide Home Loans, a Utah Corporation	\$566,252	4	0.0%
Castle and Cooke Mortgage	\$542,779	3	0.0%
Hamilton Group Funding, Inc.	\$533,163	3	0.0%
BM REAL ESTATE SERVICES, INC.	\$518,509	3	0.0%
Sierra Pacific Mortgage Comapany, Inc.	\$504,406	3	0.0%
Home Financing Unlimited, Inc.(Mission)	\$489,722	2	0.0%
Guaranty Bank & Trust, N.A.	\$447,248	2	0.0%
The Federal Savings Bank	\$435,542	2	0.0%
Mason McDuffie Mortgage Corporation	\$404,599	2	0.0%
GoPrime Mortgage	\$379,498	3	0.0%
KBHS Home Loan, LLC	\$377,529	2	0.0%
Family First Funding, LLC	\$373,117	2	0.0%
CalCon Mutual Mortgage LLC	\$341,499	2	0.0%
Texas Bank	\$323,041	2	0.0%
Southwest Bank	\$310,043	2	0.0%
1st Preference Mortgage Corporation	\$302,245	2	0.0%
Iberiabank	\$299,730	2	0.0%
Prosperity Home Mortgage, LLC	\$244,980	1	0.0%
Mann Mortgage, LLC	\$240,070	1	0.0%
JNC Mortgage Company, Inc.	\$222,838	1	0.0%
On Q Financial, Inc.	\$208,160	1	0.0%
Peoples Bank	\$206,686	2	0.0%
Total Mortgage Services, LLC	\$177,230	1	0.0%
NOVA Financial & Investment Corporation	\$167,902	1	0.0%
American Bank, N.A.	\$166,484	2	0.0%
Central Bank	\$163,930	1	0.0%
Victorian Finance LLC	\$161,029	1	0.0%
First Capital Bank of Texas	\$112,917	1	0.0%
Firstlight Federal Credit Union	\$106,700	1	0.0%
International City Mortgage, Inc.	\$80,514	1	0.0%
<b>Grand Total</b>	<b>\$1,353,252,842</b>	<b>7397</b>	<b>100%</b>





**Mortgage Credit Certificate Program**  
**January 1 to December 31, 2019**

Month	Closed	# of Loans	% Total
Jan	\$ 18,892,129	109	3%
Feb	\$ 35,783,243	198	7%
Mar	\$ 52,236,295	278	9%
Apr	\$ 53,585,298	295	10%
May	\$ 59,755,361	320	11%
Jun	\$ 64,152,320	338	12%
Jul	\$ 57,987,978	303	11%
Aug	\$ 59,056,277	306	11%
Sep	\$ 35,074,298	182	6%
Oct	\$ 37,366,730	199	7%
Nov	\$ 35,057,745	176	6%
Dec	\$ 41,330,877	210	8%
<b>Totals</b>	<b>\$550,278,551</b>	<b>2914</b>	<b>100%</b>
Lender	Closed	# of Loans	% Total
Everett Financial, dba Supreme Lending	\$38,194,181	206	7.1%
DHI Mortgage Company, Ltd.	\$36,897,056	170	5.8%
Fairway Independent Mortgage Corporation	\$27,877,851	153	5.3%
Guild Mortgage Corporation	\$24,546,036	136	4.7%
Cornerstone Home Lending, Inc.	\$22,335,849	109	3.7%
Nations Reliable Lending, LLC	\$20,141,271	111	3.8%
Gateway Mortgage Group, LLC	\$19,657,326	110	3.8%
Cardinal Financial Company	\$15,967,515	83	2.8%
Pulte Mortgage LLC	\$15,640,009	74	2.5%
PrimeLending	\$13,921,989	75	2.6%
CMG Mortgage, Inc. dba CMG Financial	\$13,798,600	69	2.4%
Thrive Mortgage, LLC	\$13,309,015	72	2.5%
SFMC, LP (Service First Mortgage)	\$12,952,424	64	2.2%
Stearns Lending, LLC	\$12,610,206	59	2.0%
Movement Mortgage, LLC	\$11,778,701	66	2.3%
Amcap Mortgage, LTD	\$11,020,716	58	2.0%
First Continental Mortgage, Ltd.	\$10,941,893	49	1.7%
Ark-La-Tex Financial (Benchmark Mtg.)	\$10,507,510	49	1.7%
Town Square Mortgage & Investments, Inc.	\$8,962,992	55	1.9%
Guaranteed Rate	\$8,943,318	51	1.8%
Hometrust Mortgage Company	\$8,427,000	49	1.7%
Gardner Financial Services, Ltd.	\$7,609,346	35	1.2%
loanDepot.com LLC	\$7,598,710	39	1.3%
NTFN, Inc.	\$7,148,376	36	1.2%
Primary Residential Mortgage, Inc.	\$6,868,554	40	1.4%
Highlands Residential Mortgage	\$6,285,148	33	1.1%
University Federal Credit Union	\$5,763,451	25	0.9%
Texas Bank Mortgage Company	\$5,553,031	36	1.2%
First Choice Loan Services, Inc.	\$5,329,257	29	1.0%
Mid America Mortgage, Inc.	\$5,282,888	32	1.1%
Interlinc Mortgage Services, LLC	\$5,173,507	27	0.9%
Crosscountry Mortgage, LLC	\$5,149,388	29	1.0%
New American Funding (Broker Solutions)	\$5,041,723	29	1.0%
Inspire Home Loans, Inc.	\$4,456,843	22	0.8%
American Mortgage & Equity Consultants	\$4,446,050	28	1.0%
Academy Mortgage Corporation	\$4,263,208	25	0.9%
Colonial Savings, F.A.	\$4,056,146	19	0.7%
Pilgrim Mortgage, LLC	\$3,988,738	23	0.8%
Summit Funding, Inc.	\$3,754,658	18	0.6%
BancorpSouth Bank	\$3,492,632	20	0.7%
Envoy Mortgage	\$3,365,371	20	0.7%
Infinity Mortgage Holdings, LLC	\$3,246,383	19	0.7%
Bank of America, N.A.	\$3,141,526	19	0.7%
Gold Star Mortgage Financial Group	\$3,136,974	17	0.6%
Security National Mortgage Company	\$3,013,135	16	0.5%
Certainty Home Loans, LLC	\$2,951,317	19	0.7%
Southwest Funding, LP	\$2,855,627	16	0.5%
Hometown Lenders, Inc.	\$2,837,648	16	0.5%
Caliber Home Loans, Inc.	\$2,710,753	16	0.5%

At a Glance	
Total Amount Originated	\$550,278,551
Average Annual Income	\$54,589
Average Purchase Price	\$197,094
Average Loan Amount	\$188,840
Average Household Size	2
Average Interest Rate	4.662%
Program	%
Home Sweet Texas	85.31%
Homes for Texas Heroes	14.69%
Allied Health Faculty	0.17%
Corrections Officer	0.55%
County Jailer	0.00%
EMS Personnel	0.34%
Fire Fighter	0.69%
Peace Officer	1.06%
Professional Nurse Faculty	0.69%
Public Security Officer	0.17%
School Counselor	0.14%
School Librarian	0.07%
School Nurse	0.14%
Teacher	7.21%
Teacher Aide	0.31%
Veteran	3.16%
New/Existing Home	
Existing	69.18%
New	30.82%
Type of Loan	
Conventional - Purchase	29.34%
FHA - Purchase	60.98%
USDA-RHS Purchase	5.73%
VA - Purchase	3.95%
Ethnicity	
American Indian/Alaskan Native	0.31%
Asian/Pac Isle	6.12%
Black	12.86%
Hispanic	34.56%
Not Defined	8.42%
Other	2.42%
White	35.32%
Top 20 Originating Counties*	# of Loans
Harris	557
Tarrant	296
Travis	287
Dallas	271
Bexar	224
Williamson	188
Hays	109
Fort Bend	108
Denton	99
Montgomery	81
Collin	49
El Paso	45
Galveston	39
Kaufman	39
Brazoria	36
Johnson	35
Bell	35
Nueces	27
Hidalgo	25
Rockwall	24

\*Top 20 of all counties statewide. All remaining counties served 340 households.



**Mortgage Credit Certificate Program**  
**January 1 to December 31, 2019**

Barton Creek Lending Group	\$2,600,308	11	0.4%
Eagle Home Mortgage, LLC	\$2,418,171	12	0.4%
Independent Bank	\$2,343,871	12	0.4%
CLM Mortgage, LLC	\$2,232,436	10	0.3%
Republic State Mortgage Co.	\$2,150,364	11	0.4%
Brazos National Bank	\$2,069,033	12	0.4%
Sente Mortgage Inc.	\$1,999,466	10	0.3%
Capstar Lending, LLC	\$1,989,912	9	0.3%
Bank of England	\$1,983,991	10	0.3%
Open Mortgage LLC	\$1,941,661	11	0.4%
SWBC Mortgage Corporation	\$1,885,653	12	0.4%
Network Funding, LP	\$1,724,762	9	0.3%
Geneva Financial, LLC	\$1,644,686	10	0.3%
Synergy One Lending, Inc.	\$1,639,805	11	0.4%
Amerifirst Financial, Inc.	\$1,578,105	9	0.3%
Elite Financing Group	\$1,480,379	7	0.2%
Guaranteed Rate Affinity, LLC	\$1,419,679	8	0.3%
American Pacific Mortgage Corporation	\$1,415,592	8	0.3%
LHM Financial Corp., dba CNN Mortgage	\$1,364,970	7	0.2%
Affiliated Bank	\$1,322,381	8	0.3%
Secure Financial Services, Inc	\$1,313,717	7	0.2%
Wallick and Volk, Inc.	\$1,080,086	6	0.2%
FBC Mortgage LLC	\$1,070,870	6	0.2%
Rocky Mountain Mortgage Company	\$981,294	7	0.2%
Homevantage Mortgage	\$979,300	5	0.2%
Paramount Residential Mortgage Group	\$968,775	7	0.2%
Union Home Mortgage	\$927,979	5	0.2%
Nations Lending Corporation	\$882,917	5	0.2%
Trinity Oaks Mortgage	\$875,662	4	0.1%
Highland Home Loans, LLC	\$675,645	3	0.1%
The Federal Savings Bank	\$642,562	3	0.1%
Michigan Mutual, Inc.	\$639,207	3	0.1%
First Centennial Mortgage Corporation	\$606,650	3	0.1%
University Lending Group, LLC	\$564,595	4	0.1%
Cherry Creek Mortgage Co., Inc.	\$545,580	2	0.1%
V.I.P. Independent Mortgage, Inc.	\$545,404	3	0.1%
Mortgage Financial Services, LLC	\$542,890	4	0.1%
Waterstone Mortgage Corporation	\$541,375	3	0.1%
Sierra Pacific Mortgage Comapany, Inc.	\$517,453	3	0.1%
America's Choice Home Loans, LP	\$507,331	3	0.1%
Origin Bank	\$468,026	3	0.1%
ClosingMark Home Loans, Inc.	\$459,910	2	0.1%
Goldwater Bank, N.A.	\$424,175	2	0.1%
Guardian Mortgage	\$415,409	2	0.1%
Willow Bend Mortgage Company, LLC	\$411,899	3	0.1%
Castle and Cooke Mortgage	\$403,741	2	0.1%
Associated Mortgage Corporation	\$392,833	3	0.1%
Northpointe Bank	\$377,534	2	0.1%
American Financial Network, Inc.	\$365,162	2	0.1%
Happy State Bank	\$362,098	3	0.1%
Inlanta Mortgage, Inc.	\$359,370	2	0.1%
Palm Lending LLC	\$351,037	1	0.0%
First National Bank Mortgage	\$349,310	2	0.1%
Moria Development/Peoples Mortgage Co	\$325,119	2	0.1%
Churchill Mortgage Corporation	\$316,500	2	0.1%
Your Loan Source, Inc DBA Austin Mtg Aso	\$286,898	1	0.0%
Legacy Mortgage, LLC	\$281,203	2	0.1%
Texas Security Bank	\$280,250	1	0.0%
Home Financing Unlimited, Inc.(Mission)	\$278,100	1	0.0%
Capital Home Lending, Inc.	\$262,100	1	0.0%
Prosperity Home Mortgage, LLC	\$244,980	1	0.0%
Family First Funding, LLC	\$216,015	1	0.0%
KBHS Home Loan, LLC	\$207,565	1	0.0%
IHS Mortgage	\$202,749	1	0.0%



**Mortgage Credit Certificate Program**  
**January 1 to December 31, 2019**

Loan Simple, Inc.	\$197,000	1	0.0%
Residential Wholesale Mortgage, Inc.	\$193,030	1	0.0%
Guaranty Bank & Trust, N.A.	\$191,958	1	0.0%
DAS Acquisition Company, LLC	\$189,150	1	0.0%
LeaderOne Financial	\$186,459	1	0.0%
Directions Equity, LLC	\$176,739	1	0.0%
NOVA Financial & Investment Corporation	\$167,902	1	0.0%
First Bank	\$166,822	1	0.0%
GoPrime Mortgage	\$160,538	1	0.0%
Chou Team Realty, dba Monster Loans	\$154,230	1	0.0%
Bay Equity LLC	\$151,485	1	0.0%
Sun City Home Loans	\$147,184	1	0.0%
Mortgage Solutions LP	\$140,650	1	0.0%
Commerce Home Mortgage, Inc.	\$139,600	1	0.0%
Victorian Finance LLC	\$122,735	1	0.0%
HomeBridge Financial Services	\$102,400	1	0.0%
On Q Financial, Inc.	\$82,323	1	0.0%
<b>Total Committed</b>	<b>\$550,278,551</b>	<b>2914</b>	<b>100%</b>

Tab B

# Texas State Affordable Housing Corporation

## Development Finance Programs Report March 2020

### **Affordable Communities of Texas Program (ACT)**

NSP sales activity continues to be high in the Rio Grande Valley. In February, staff completed five NSP homes sales with local partners Affordable Homes of South Texas, Inc. (“ASHTI”) and Community Development Corporation of Brownsville (“CDCB”). Two NSP homes, constructed in partnership with Brazos Valley Affordable Housing Corporation (“BVAHC”), are complete and ready for sale.

The ACT program was also active in the Dallas/Fort Worth metropolitan area. We closed on four lots located in Irving, as approved at the January board meeting. These lots are dedicated for affordable home ownership housing to be completed by long-time local partner, Housing Channel. Housing Channel was at-risk of losing this acquisition opportunity due to the timeline needed for federal environmental review requirements. TSAHC acquired the lots and entered a ground lease agreement with Housing Channel, through August 2020, to accommodate the federal environmental review period. Housing Channel will then purchase the lots from TSAHC and complete their housing development and sales.

Finally, staff will be presenting at the March board meeting a resolution and summary of The Park on 14<sup>th</sup> in Plano project. This development is located on land owned by TSAHC in Plano and is to be developed in partnership with DMA Development Company. The proposed 60-unit family rental home development has applied for 9% housing tax credits, which is a competitive application process with awards announced in July. Additional materials and a resolution are included in the board book.

Here is a summary of the past month’s portfolio activity:

Program	Portfolio as of Feb. 1, 2020	Acquired	Sold	Portfolio as of Mar. 1, 2020	Current Portfolio Value
ACT Land Bank	33	4		37	\$752,487
ACT Land Trust	1			1	\$650,000.00
Texas NSP	164		5	159	\$2,174,443.86
Totals	198			197	\$3,576,930.86

Our current pipeline report:

- 14 homes under contract with eligible buyers
- 16 homes listed for sale
- 8 homes under construction
- 20 properties in predevelopment

### **Texas Housing Impact Fund**

This month, staff will be presenting to the Loan Committee and the TSAHC board a proposed loan to Project Transitions for their Roosevelt Gardens Apartments project that is located in Austin and serves persons with HIV/AIDS. The loan request for \$785,000 in construction financing is an agenda item at this month’s board meeting. Additional materials and a resolution are included in the board book.

# Texas State Affordable Housing Corporation

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Development Finance Programs Report  
March 2020

## **Multifamily Bond Program**

The demand for private activity bond financing continues to be strong. In the past several weeks staff has been in communication with several developers regarding new potential projects. We have also been working hard to bring the Hamilton Valley and Ventura at Fairgrounds projects to closing. Both transactions are targeted to close in April.

Tab C

**TEXAS STATE AFFORDABLE HOUSING CORPORATION**  
**STATEMENT OF NET POSITION (unaudited)**

As of January 31, 2020

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**ASSETS**

**Current Assets**

Cash and Cash Equivalents	\$ 6,916,514
Restricted Assets:	
Cash and Cash Equivalents	7,237,314
Accrued Interest	62,700
Custodial Cash and Cash Equivalents	165,483
Investments, at Fair Market Value	9,979,554
Accounts Receivable & Accrued Revenue	16,289
Accrued Interest Receivable	142,527
Loans Receivable, Current Portion	71,875
Notes Receivable, Current Portion	658,056
Down Payment Assistance	382,911
Prepaid Expenses	104,984

<b>Total Current Assets:</b>	<u>25,738,207</u>
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**Noncurrent Assets**

Loans Receivable, Net of uncollectible amounts of \$2,789	396,543
Notes Receivable, Net Allowance for Loss of \$0	3,389,732
Investments, at Fair Market Value	9,346,953
Mortgage Servicing Rights, Net of Accumulated Amortization of \$2,544,835	183,226
Fixed Assets, Net of Accumulated Depreciation of \$872,741	1,224,484
Owned Real Estate, Federal & Other Programs Net of Amort \$781,884	12,292,991
Down Payment Assistance	1,114,135
Restricted Investments Held by Bond Trustee, at Fair Market Value	67,251,867

<b>Total Noncurrent Assets:</b>	<u>95,199,931</u>
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<b>TOTAL ASSETS</b>	<u><u>\$ 120,938,138</u></u>
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(continued)



**TEXAS STATE AFFORDABLE HOUSING CORPORATION**  
**STATEMENT OF NET POSITION (unaudited)**

As of January 31, 2020

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**LIABILITIES**

**Current Liabilities**

Accounts Payable and Accrued Expenses	\$ 315,974
Notes Payable, Current Portion	555,562
Custodial Reserve Funds	165,482
Due to Federal Programs	1,727,007
Other Current Liabilities	267,012
Payable from Restricted Assets Held by Bond Trustee:	
Bonds Payable, Current Portion	670,000
Accrued Interest on Bonds	735,761

<b>Total Current Liabilities:</b>	<u>4,436,798</u>
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**Noncurrent Liabilities**

Notes Payable	1,606,787
Revenue Bonds Payable	64,269,541
Unearned Revenue	4,001,006

<b>Total Noncurrent Liabilities:</b>	<u>69,877,334</u>
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<b>Total Liabilities:</b>	<u>74,314,132</u>
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**DEFERRED INFLOWS OF RESOURCES**

Deferred Revenue	<u>172,210</u>
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<b>Total Deferred Inflows of Resources</b>	<u>172,210</u>
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**NET POSITION**

Invested in Capital Assets	1,224,484
Restricted for:	
Debt Service	6,284,386
Other Purposes	4,203,333
Unrestricted	<u>34,739,593</u>

<b>Total Net Position:</b>	<u>\$ 46,451,796</u>
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**TEXAS STATE AFFORDABLE HOUSING CORPORATION**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION (unaudited)**  
for the 5 months ending January 31, 2020

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**Operating Revenues**

Interest and Investment Income	\$ 1,473,778
Net Increase (Decrease) in Fair Value of Investments	1,822,333
Single Family Income	2,166,437
Asset Oversight and Compliance Fees	674,003
Rental Program Income	248,727
Multifamily Income	110,625
Land Bank Income	97,467
Public Support	
Federal & State Grants	3,835
Contributions	583,848
Other Operating Revenue	24,600
<b>Total Operating Revenues</b>	<b>\$ 7,205,653</b>

**Operating Expenses**

Interest Expense on Bonds and Notes Payable	\$ 1,090,572
Program and Loan Administration	680,974
Foundation Fund/Rebuild Texas Grants	585,000
Salaries, Wages and Payroll Related Costs	1,213,909
Professional Fees and Services	151,818
Depreciation & Amortization	195,056
Office and Equipment Rental and Maintenance	43,746
Travel and Meals	45,707
Other Operating Expenses	183,368
<b>Total Operating Expenses</b>	<b>\$ 4,190,150</b>

**Net Income** 3,015,503

**Total Net Position, Beginning** 43,436,293

**Total Net Position, Ending** \$ 46,451,796

**Texas State Affordable Housing Corporation**

**Budget Report**

**January 31, 2020**

	<b>Annual Budget</b>	<b>Actual</b>	<b>Percent of Annual Budget</b>	<b>Reference</b>
<b>Revenue</b>				
Servicing Revenue	126,000	48,333	38%	
Single Family Program Revenue	6,179,000	3,048,781	49%	
Multifamily Program Revenue	749,000	1,047,686	140%	①
Texas Housing Impact Fund	666,000	479,024	72%	②
Affordable Communities of Texas	150,000	135,016	90%	②
Grants, Donations & Other Awards	1,115,000	580,349	52%	
Federal & State Grants	5,787,000	1,614,841	28%	③
Tenant Rent Revenue	561,000	249,402	44%	
Investment Revenue	2,260,000	337,538	15%	
<b>Total Revenue</b>	<b>17,593,000</b>	<b>7,540,970</b>	43%	
<b>Expenditures</b>				
Salaries & Payroll Related Expenditures	3,059,000	1,223,454	40%	
Program & Corporate Expenditures	11,482,000	1,907,029	17%	
Foundation Fund/Rebuild Texas Grants	1,024,000	585,000	57%	
Professional Services	517,000	151,818	29%	
Principal & Interest on Notes Payable	649,000	55,136	8%	④
Marketing	162,000	61,580	38%	
Insurance	156,000	60,395	39%	
Travel & Meals	140,000	45,707	33%	
Furniture, Equipment & Software	83,000	23,175	28%	
Building Maintenance	68,000	18,280	27%	
Professional Dues, Conferences & Training	41,000	13,107	32%	
Bank Fees & Charges	15,000	6,496	43%	
Sponsorships	20,000	13,500	68%	
Communication	15,000	6,882	46%	
Printing & Office Supplies	9,000	1,806	20%	
Publications, Subscriptions & Other	24,000	8,498	35%	
Freight, Delivery & Postage	10,000	5,353	54%	
<b>Total Expenditures</b>	<b>17,474,000</b>	<b>4,187,216</b>	24%	
<b>Net Income</b>	<b>119,000</b>	<b>3,353,754</b>		

**Average Expected Percent Received/Expended = 41.67%**

**Texas State Affordable Housing Corporation**

**Budget Report**

**January 31, 2020**

**Explanation of Variances**

- ① Issuer and other fee revenue associated with multifamily bond programs is significantly over budget due to the recovery of a \$777,000 receivable that had previously been reported as uncollectable.
- ② Income associated with the Texas Housing Impact Fund and Affordable Communities in Texas Programs exceeds projected revenue as of January 31st. This is primarily the result of the timing of payments associated with note agreements in these two programs. We expect that this line item will be on target by year end.
- ③ Of the \$5,787,000 budgeted for Federal & State Grants, \$1,957,000 represents a grant from the Department of Health & Human Services. As of January 31, 2020 the grant agreement had not been finalized. We anticipate, however, that the agreement will be executed and the full \$1.9 million will be received prior to year end.
- ④ Of the \$649,000 budgeted to repay principal and interest, \$505,000 (or 77%) represents one equity equivalent investment payable to Texas Community Bank which is due on May 1, 2020. We expect that this line item will be on target by year end.

Tab 1

**BOARD MEETING  
TEXAS STATE AFFORDABLE HOUSING CORPORATION  
Held at the offices of  
Texas State Affordable Housing Corporation  
2200 E. Martin Luther King Jr. Blvd.  
Austin, TX 78702  
February 12, 2020 at 10:30 a.m.**

**Summary of Minutes**

**Call to Order**

**Roll Call**

**Certification of Quorum**

**The Board Meeting of the Texas State Affordable Housing Corporation (the “Corporation”) was called to order by Bill Dietz, Board Chair, at 10:30 a.m., on February 12, 2020, at the offices of Texas State Affordable Housing Corporation, 2200 E. Martin Luther King Jr. Blvd., Austin, TX 78702. Roll Call certified that a quorum was present.**

**Members Present**

Bill Dietz, Chair  
Valerie Cardenas, Vice Chair  
Andy Williams, Member  
Lali Shipley, Member

**Guests**

Blake Roberts, PFM  
Chris Spelbring, Raymond James & Associates Inc  
Claire Merritt, Hilltop Securities  
Kenneth Cash, President of StoneArch Development  
Thomas Lastrapes, PFM  
Tim Nelson, Hilltop Securities  
W. Routt Thornhill, Coats Rose

**Public Comment**

No Public Comment was given.

**President’s Report**

**David Long**

See page 4 in the official transcript.

**Tab 1            Presentation, Discussion and Possible Approval of Minutes of the Board Meeting held on January 22, 2020.**

Ms. Cardenas made a motion to approve the minutes of the Board meeting held on January 22, 2020. Ms. Shipley seconded the motion. Mr. Dietz asked for public comment and none was given. A vote was taken, and the motion passed unanimously.

See page 9 in the official transcript.

**Tab 2                    Presentation, Discussion and Possible Approval of Amended and Restated Policies for the Texas Housing Impact Fund.**

Presented by Dave Danenfelzer, Senior Director, Development Finance

Ms. Cardenas made a motion to approve the Amended and Restated Policies for the Texas Housing Impact Fund. Mr. Williams seconded the motion. Mr. Dietz asked for public comment and none was given. A vote was taken, and the motion passed unanimously.

See page 10 in the official transcript.

**Tab 3                    Presentation, Discussion and Possible Approval of a Resolution Regarding the Submission of one or more Applications for Allocation of Private Activity Bonds, Notices of Intention to Issue Bonds and State Bond Applications to the Texas Bond Review Board and Declaration of Expectation to Reimburse Expenditures with Proceeds of Future Debt for the La Plaza Apartments Project.**

Presented by Dave Danenfelzer, Senior Director, Development Finance and Ken Cash, President with StoneArch Development

Ms. Cardenas made a motion to approve a Resolution regarding the submission of one or more Applications For Allocation of Private Activity Bonds, Notices of Intention to Issue Bonds and State Bond Applications to the Texas Bond Review Board and Declaration of expectation to Reimburse Expenditures with Proceeds of Future Debt for the La Plaza Apartments Project. Mr. Williams seconded the motion. Mr. Dietz asked for public comment and none was given. A vote was taken, and the motion passed unanimously.

See page 14 in the official transcript.

**Tab 4                    Presentation, Discussion and Possible Approval to Publish for Public Comment, the Texas Foundations Fund Draft 2020 Guidelines.**

Presented by Michael Wilt, Manager, External Relations

Ms. Cardenas made a motion to approve to publish for public comment, the Texas Foundations Fund Draft 2020 Guidelines. Ms. Shipley seconded the motion. Mr. Dietz asked for public comment and none was given. A vote was taken, and the motion passed unanimously.

See page 34 in the official transcript.

**Tab 5                    Presentation, Discussion and Possible Approval of the Texas State Affordable Housing Corporation's 2020 Annual Action Plan.**

Presented by Michael Wilt, Manager, External Relations

Ms. Cardenas made a motion to approve the Texas State Affordable Housing Corporation's 2020 Annual Action Plan. Mr. Williams seconded the motion. Mr. Dietz asked for public comment and none was given. A vote was taken, and the motion passed unanimously.

See page 39 in the official transcript

**Tab 6                    Presentation, Discussion and Possible Approval of the Request for Proposals for the Corporation's Financial Audit.**

Presented by Melinda Smith, Chief Financial Officer

Ms. Cardenas made a motion to approve the Request for Proposals for the Corporations Financial Audit. Ms. Shipley seconded the motion. Mr. Dietz asked for public comment and none was given. A vote was taken, and the motion passed unanimously.

See page 42 in the official transcript.

**Closed Executive Session from 11:26am to 11:53am.**

The Board met in Closed Executive Session to discuss personnel matters, as covered under Texas Government Code 551.074.

See page 43 in the official transcript.

**Tab 7                    Review, Discussion and Possible Approval of the Annual Performance Review of the President of the Corporation and related actions.**

Ms. Cardenas made a motion to approve the annual performance review of the President of the Corporation and related actions, including adjustments to annual salary. Mr. Williams seconded the motion. Mr. Dietz asked for public comment and none was given. A vote was taken, and the motion passed unanimously.

See page 44 in the official transcript.

**Announcements and Closing Comments**

Mr. Long and Board Members tentatively scheduled the next Board Meeting for March 18, 2020, at 10:30am.

**Adjournment**

Mr. Dietz adjourned the meeting at 11:56am.

Respectfully submitted by \_\_\_\_\_  
Rebecca DeLeon, Corporate Secretary



## Tab 2

## MINUTES AND CERTIFICATION

THE STATE OF TEXAS                   §  
  §  
TEXAS STATE AFFORDABLE           §  
HOUSING CORPORATION           §

I, the undersigned officer of the Texas State Affordable Housing Corporation, do hereby certify as follows:

1. The Board of Directors of said corporation convened on March 18, 2020, at the designated meeting place in Austin, Texas, and the roll was called of the duly constituted members of said Board, to wit:

### BOARD OF DIRECTORS

<u>Name</u>	<u>Office</u>
William H. Dietz	Chairperson
Valerie Vargas Cardenas	Vice Chairperson
Courtney Johnson-Rose	Director
Lali Shipley	Director
Andy Williams	Director

and all of said persons were present except \_\_\_\_\_, thus constituting a quorum. Whereupon, among other business, the following was transacted, to-wit: a written resolution (the "Resolution") bearing the following caption was introduced:

RESOLUTION NO. 20-\_\_\_\_\_

### TEXAS STATE AFFORDABLE HOUSING CORPORATION

RESOLUTION Regarding the Submission of a 2020 Application for Allocation of Private Activity Bonds, Notice of Intention to Issue Bonds and State Bond Application to the Texas Bond Review Board for Single Family Mortgage Revenue Bonds

was duly introduced for the consideration of said Board. It was duly moved and seconded that said Resolution be adopted; and, after due discussion, said motion was adopted by the following vote:

\_\_\_\_\_ AYES

\_\_\_\_\_ NOES

\_\_\_\_\_ ABSTENTIONS

2. That a true, full and correct copy of the aforesaid Resolution adopted at the meeting described in the above and foregoing paragraph is attached to and follows this certificate; that said Resolution has been duly recorded in said Board's minutes of said meeting; that the above and foregoing paragraph is a true, full and correct excerpt from said Board's minutes of said meeting pertaining to the adoption of said Resolution; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of said Board as indicated therein; that each of the officers and members of said Board was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of the

aforesaid meeting, and that said Resolution would be introduced and considered for adoption at said meeting, and each of said officers and members consented, in advance, to the holding of said meeting for such purpose.

SIGNED this March 18, 2020.

---

Secretary, Texas State Affordable Housing  
Corporation

RESOLUTION NO. 20-\_\_\_\_\_

TEXAS STATE AFFORDABLE HOUSING CORPORATION

RESOLUTION Regarding the Submission of a 2020 Application for Allocation of Private Activity Bonds, Notice of Intention to Issue Bonds and State Bond Application to the Texas Bond Review Board for Single Family Mortgage Revenue Bonds

WHEREAS, the Board of Directors of the Texas State Affordable Housing Corporation (the "Corporation") desires to submit one or more 2020 Applications for Allocation of Private Activity Bonds to the Texas Bond Review Board in connection with its proposed Single Family Mortgage Revenue Bonds in an amount not to exceed \$64,000,000 (the "Bonds");

WHEREAS, the Board desires to make all other appropriate filings and requests to the Texas Bond Review Board to enable the Corporation to issue the Bonds;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Texas State Affordable Housing Corporation:

1. That the President or Executive Vice President of the Corporation or any officer of the Corporation is hereby authorized and directed to execute and deliver one or more 2020 Applications for Allocation of Private Activity Bonds to the Texas Bond Review Board in connection with requesting an allocation for the Bonds, together with any documents, certificates or instruments related thereto.

2. That the President of the Corporation or any other officer of the Corporation is hereby authorized and directed to file with the Texas Bond Review Board a Notice of Intent to Issue Bonds and a State Bond Application in connection with the Bonds and such officers are further authorized and directed to request that the application be approved by the Executive Director of the Texas Bond Review Board in accordance with Section 181.9(e) of the Rules of the Texas Bond Review Board.

3. That the President of the Corporation is hereby authorized and directed to take any and all other actions necessary or incidental to securing the private activity bond allocation and the approval of the Bonds from the Texas Bond Review Board.

PASSED, APPROVED AND EFFECTIVE this 18<sup>th</sup> day of March, 2020.

TEXAS STATE AFFORDABLE HOUSING  
CORPORATION

\*\*\*\*\*

## Tab 3

## MINUTES AND CERTIFICATION FOR RESOLUTION

THE STATE OF TEXAS                   §  
  §  
TEXAS STATE AFFORDABLE           §  
HOUSING CORPORATION           §

I, the undersigned officer of the Texas State Affordable Housing Corporation (the "Corporation"), do hereby certify as follows:

1. The Board of Directors (the "Board") of the Corporation convened in a regular meeting on the 18<sup>th</sup> day of March, 2020, at the designated meeting place in Austin, Texas, and the roll was called of the duly constituted members of said Board, to wit:

<u>Name</u>	<u>Office</u>
William H. Dietz	Chairperson
Valerie Vargas Cardenas	Vice Chairperson
Courtney Johnson-Rose	Director
Lali Shipley	Director
Andy Williams	Director

and all of said persons were present, except the following absentees: \_\_\_\_\_, thus constituting a quorum. Whereupon, among other business, the following was transacted at said meeting: a written resolution (the "Resolution") bearing the following caption:

### **"RESOLUTION NO. 19-\_\_\_\_\_**

#### **TEXAS STATE AFFORDABLE HOUSING CORPORATION**

Resolution Authorizing the Issuance, Sale and Delivery of Single Family Mortgage Revenue Bonds, Series 2020A (Non-AMT); Authorizing a Trust Indenture, Official Statement, Bond Purchase Agreement and Continuing Disclosure Agreement Relating to Such Bonds, Making Certain Findings and Determinations; Authorizing the Execution of Documents and Instruments Necessary or Convenient to Carry Out the Texas State Affordable Housing Corporation Single Family Home Loan Program Relating to Such Bonds; and Containing Other Matters Incident and Related Thereto"

was duly introduced for the consideration of the Board. It was then duly moved and seconded that said Resolution be adopted; and, after due discussion, said motion carrying with it the adoption of said Resolution, prevailed and carried by the following vote:\

\_\_\_\_\_ voted "For"                   \_\_\_\_\_ voted "Against"                   \_\_\_\_\_ abstained

2. That a true, full and correct copy of the aforesaid Resolution adopted at the meeting described in the above and foregoing paragraph is attached to and follows this certificate; that said Resolution has been duly recorded in the Board's minutes of said meeting; that the above and foregoing paragraph is a true, full and correct excerpt from the Board's minutes of said meeting pertaining to the adoption of said Resolution; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of said Board as indicated therein; that each of the officers and members of said Board was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of the aforesaid meeting, and that said Resolution would be introduced and considered for adoption at said meeting, and each of said officers and members consented, in advance, to the holding of said meeting for such purpose.

SIGNED this March 18, 2020.

---

Secretary  
Texas State Affordable Housing Corporation

## **RESOLUTION NO. 20-\_\_**

### **TEXAS STATE AFFORDABLE HOUSING CORPORATION**

Resolution Authorizing the Issuance, Sale and Delivery of Single Family Mortgage Revenue Bonds, Series 2020A (Non-AMT); Authorizing a Trust Indenture, Official Statement, Bond Purchase Agreement and Continuing Disclosure Agreement Relating to Such Bonds, Making Certain Findings and Determinations; Authorizing the Execution of Documents and Instruments Necessary or Convenient to Carry Out the Texas State Affordable Housing Corporation Single Family Home Loan Program Relating to Such Bonds; and Containing Other Matters Incident and Related Thereto

WHEREAS, the Texas State Affordable Housing Corporation (the "Issuer") has been duly created and organized pursuant to and in accordance with the provisions of the Texas Non-Profit Corporation Act, Article 1396-1.01 et seq. Vernon's Annotated Texas Civil Statutes, as amended (now codified as V.T.C.A. Business Organizations Code, Chapter 22, as amended) and under the authority of Subchapter Y of Chapter 2306, Texas Government Code, as amended (the "Act"), the Issuer is authorized to establish a program to provide adequate, safe and sanitary housing for individuals and families of low, very low and extremely low income; and

WHEREAS, the Board of Directors of the Issuer has determined to adopt and implement a single family home loan program (the "Program"), a part of which will be financed with the proceeds of the Bonds (as defined below) to provide eligible individuals and families of low income meeting the requirements of the Act with home mortgage loans with low interest rates and/or down payment and closing cost assistance; and

WHEREAS, Section 103(a) and Section 143 of the Internal Revenue Code of 1986, as amended (the "Code") provide that the interest on obligations issued by or on behalf of a state or a political subdivision thereof the proceeds of which are to be used to finance owner-occupied residences shall be exempt from federal income taxation if such issue meets certain requirements set forth in said Section 143 of the Code; and

WHEREAS, the Program has been designed to provide down payment and closing cost assistance to eligible mortgagors; and

WHEREAS, the Issuer believes that the down payment and closing cost assistance and the interest rate or rates associated with the mortgage loans will make the Program attractive to potential mortgagors; and

WHEREAS, in order to carry out the Program, the Board of Directors of the Issuer has determined that the Issuer shall issue its Single Family Mortgage Revenue Bonds, Series 2020A (Non-AMT) (the "Bonds"), in the maximum aggregate principal amount of not to exceed \$60,000,000 pursuant to and as generally described in a Trust Indenture prepared in connection with the issuance of the Bonds (the "Indenture"), by and between the Issuer and the Trustee, thereby making funds available for acquiring GNMA Certificates, all under and in accordance with the Constitution and laws of the State of Texas; and

WHEREAS, the Issuer further proposes to sell the Bonds, upon the issuance thereof, to Raymond James & Associates, Inc. (the "Purchaser"), all as referenced in the Bond Purchase Agreement between the Issuer and the Purchaser (the "Purchase Agreement"); and



WHEREAS, the Board has determined to authorize the investment of all or a portion of the proceeds of the Bonds and any other amounts held under the Indenture with respect to the Bonds in investments permitted by the Indenture, including the investment in one or more investment agreements on or after the closing date or such other investments as the authorized representatives named herein may approve; and

WHEREAS, there have been presented to the Issuer proposed forms of each of the following and all of which comprise a part of this Resolution:

1. the Indenture;
2. the Continuing Disclosure Agreement by and between the Issuer and the Trustee (the "Disclosure Agreement");
3. the Bond Purchase Agreement; and
4. the Preliminary Official Statement relating to the Bonds (the "Preliminary Official Statement").

WHEREAS, the Issuer finds the form and substance of the above-listed documents (hereinafter, collectively the "Bond Documents") to be satisfactory and proper and finds the recitals with regard to the Issuer contained therein to be true, correct and complete and hereby determines to proceed with the issuance and sale of the Bonds to carry out the Program, the execution of such documents and the taking of such other actions as may be necessary and appropriate in connection therewith;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE TEXAS STATE AFFORDABLE HOUSING CORPORATION:

Section 1. Approval of Program. That the Issuer hereby expresses its intent to implement the Program under which the Trustee, on behalf of the Issuer, will acquire GNMA Certificates backed by mortgages on residences in the State of Texas owned and occupied by eligible individuals and families of low income.

Section 2. Public Purposes of Program and Bonds. That the Issuer hereby finds, determines, recites and declares that the adoption and implementation of the Program, including the down payment and closing cost assistance and the interest rate or rates to be borne by the mortgage loans, and the issuance of the Bonds will promote the public purposes set forth in the Act, including, without limitation, assisting eligible individuals and families of low income in acquiring and owning adequate, safe and sanitary housing.

Section 3. Issuance, Execution and Delivery of the Bonds. That the issuance of the Bonds in one or more series in the maximum aggregate principal amount of not to exceed \$60,000,000 is hereby authorized, all under and in accordance with the Indenture, and that, upon execution and delivery of the Indenture, the officers of the Issuer are each hereby authorized to execute and attest the Bonds and to deliver the Bonds to the Trustee for authentication all as provided in the Indenture. The Bonds shall mature on the dates and in the principal amounts, shall bear interest at the rates and shall be subject to redemption prior to maturity on the date or dates and in the amounts as specified in the Indenture.

Section 4. Approval, Execution and Delivery of the Indenture. That the Indenture, in substantially the form and substance as presented to the Board of Directors at the meeting at

which this Resolution was considered, with such changes or additions thereto as may be approved by the Chairperson, Vice Chairperson, President or Executive Vice President of the Issuer (upon the advice of bond counsel to the Issuer), as evidenced by the execution of the Indenture by said Chairperson, Vice Chairperson, President or Executive Vice President, is hereby approved and that the proper officers of the Issuer are each hereby authorized and directed to execute and attest the Indenture and to deliver the Indenture to the Trustee.

Section 5. Purchase Agreement and Sale of Bonds. That the Purchase Agreement, in substantially the form and substance as presented to the Board of Directors at the meeting at which this Resolution was considered, with such changes or additions thereto as may be approved by the Chairperson, Vice Chairperson, President or Executive Vice President of the Issuer (upon the advice of bond counsel to the Issuer), as evidenced by the execution of the Purchase Agreement by said Chairperson, Vice Chairperson, President or Executive Vice President, is hereby approved and that the proper officers of the Issuer are each hereby authorized and directed to execute the Purchase Agreement and to deliver the Purchase Agreement to the Purchaser. That the sale and delivery of the Bonds to the Purchaser, upon the terms and conditions set forth in the Purchase Agreement between the Issuer and the Purchaser is hereby authorized and approved. The Bonds shall be sold to the Purchaser at the purchase price specified in the Purchase Agreement. The Issuer hereby authorizes the Chairperson, Vice Chairperson, President or Executive Vice President of the Issuer, either individually or in any combination of such officers, for and on behalf of the Issuer, to determine the actual Purchaser and the terms of the Purchase Agreement. Upon execution by the parties thereto and delivery thereof, the Purchase Agreement shall be binding upon the Issuer in accordance with the terms and provisions thereof. In addition, the officers of the Issuer are each authorized and directed to execute any necessary certificates evidencing approval of any or all of the matters set forth in this Section 5. In the event it becomes necessary to engage any other investment banking firm or investment banking firms to assist in the sale of the Bonds, the President or the Executive Vice President of the Issuer shall be and hereby is authorized to engage the services of any such investment banking firm or firms.

Section 6. Approval, Execution and Delivery of the Disclosure Agreement. That the Disclosure Agreement, in substantially the form and substance of the Disclosure Agreement presented to the Board of Directors at the meeting at which this Resolution was considered, with such changes or additions thereto as may be approved by the Chairperson, Vice Chairperson, President or Executive Vice President of the Issuer (upon the advice of bond counsel to the Issuer), as evidenced by the execution of the Disclosure Agreement by said Chairperson, Vice Chairperson, President or Executive Vice President, is hereby approved and that the proper officers of the Issuer are each hereby authorized and directed to execute and attest the Disclosure Agreement and to deliver the Disclosure Agreement to the Trustee.

Section 7. Approval, Execution, Use and Distribution of Offering Document. That the Preliminary Official Statement, in substantially the form and substance of the Preliminary Official Statement presented to the Board of Directors at the meeting at which this Resolution was considered, and the changes to the Preliminary Official Statement which will result in the final Official Statement proposed to be delivered in connection with the sale of the Bonds (the "Official Statement"), in substantially the form and substance approved by the Chairperson, Vice Chairperson, President or Executive Vice President of the Issuer (upon advice of bond counsel to the Issuer) as evidenced by their execution thereof, are hereby approved and the Chairperson, Vice Chairperson, President and Executive Vice President of the Issuer are each, individually, hereby authorized and directed, for and on behalf of the Issuer, to execute the Preliminary Official

Statement and the Official Statement. Delivery to the Purchaser of the Preliminary Official Statement and the Official Statement is hereby authorized.

Section 8. Execution and Delivery of Other Documents. That the officers of the Issuer are each hereby authorized to consent to, accept, execute and attest such other agreements, including investment agreements, assignments, bonds, certificates, contracts, documents, instruments, releases, financing statements, offering documents, letters of instruction, written requests and other papers, whether or not mentioned herein, as may be necessary or convenient to carry out or assist in carrying out the purposes of this Resolution, the Program and the issuance, sale and delivery of the Bonds.

Section 9. Power to Revise Form of Documents. That, notwithstanding any other provision of this Resolution, the Chairperson, Vice Chairperson, President, Executive Vice President, Secretary, any Assistant Secretary or Assistant Corporate Secretary of the Issuer are each hereby authorized to make or approve such revisions in the form of the Bond Documents as, in the opinion of counsel to the Issuer or bond counsel, may be necessary or convenient to carry out or assist in carrying out the purposes of this Resolution and the Program.

Section 10. Appointment of Trustee. Wells Fargo Bank, National Association is hereby appointed as Trustee and paying agent under the terms of the Indenture for the Bonds. If said bank shall be unable or unwilling to so serve, the Chairperson, Vice Chairperson, President or Executive Vice President of the Issuer is hereby authorized and directed to designate a commercial bank or other entity with trust powers acceptable to it to serve as Trustee and paying agent.

Section 11. Delegation to President or Executive Vice President. The President and Executive Vice President of the Issuer, either individually or jointly, are hereby authorized to approve the principal amounts and maturities of the Bonds to be issued pursuant to this Resolution, to approve the interest rate or rates to be borne by the Bonds, provided, however, that the interest rate shall never exceed 15% per annum and to determine the interest rates and down payment assistance and closing cost amounts for the mortgage loans, provided however, that no mortgage loan interest rate shall exceed 10% per annum. The President and Executive Vice President of the Issuer, either individually or jointly, are further authorized to engage the services of consultants that may be needed, in the opinion of such officer, to fully complete the issuance and delivery of the Bonds.

Section 12. Reimbursement of Expenditures; Official Intent. The Issuer wishes to declare its intent to issue the Bonds and use Bond proceeds to reimburse itself to the extent it has previously used its funds to purchase mortgage-backed securities backed by mortgage loans. This Resolution shall constitute the Issuer's declaration of official intent under Treas. Reg. § 1.150-2. The maximum principal amount of Bonds expected to be issued is set forth in this Resolution.

Section 13. Ratification of Certain Prior Actions. That all prior actions taken by or on behalf of the Issuer in connection with the Program and the Bonds, are hereby authorized, ratified, confirmed and approved.

Section 14. Purposes of Resolution. That the Board of Directors of the Issuer has expressly determined and hereby confirms that the issuance of the Bonds and the implementation of the Program accomplish a valid public purpose of the Issuer by assisting eligible individuals and families of low income in the State of Texas to obtain adequate, safe and sanitary housing,

thereby promoting the public health, welfare and safety for individuals and families of low income in the State of Texas.

Section 15. Limited Obligations. That the Bonds and the interest thereon shall be limited obligations of the Issuer payable solely from the revenues, funds and assets pledged under the Indenture to secure payment of the Bonds and under no circumstances shall the Bonds be payable from any other revenues, funds, assets or income of the Issuer.

Section 16. Obligations of Issuer Only. That the Bonds and the interest thereon shall not constitute an indebtedness, liability, general, special or moral obligation or a pledge or loan of the faith or credit or taxing power, within the meaning of any constitutional or statutory provision whatsoever, of the State of Texas or any other political subdivision or governmental unit of the State of Texas.

Section 17. Conflicting Prior Actions. That all orders, resolutions, or any actions or parts thereof of the Board of Directors of the Issuer in conflict herewith are hereby expressly repealed to the extent of any such conflict.

Section 18. Authorization of Investment. That the Board of Directors of the Issuer hereby authorizes the Chairperson, Vice Chairperson, President or Executive Vice President of the Issuer to direct the Trustee to invest any funds received by the Trustee pursuant to the Indenture in Investment Securities as defined in the Indenture.

Section 19. Incorporation of Findings and Determinations. The findings and determinations of the Issuer contained in the preamble hereof are hereby incorporated by reference and made a part of this Resolution for all purposes as if the same were restated in full in this Section.

Section 20. Effective Date. That this Resolution shall be in full force and effect from and upon its adoption.

[Remainder of page intentionally left blank]

PASSED, APPROVED AND EFFECTIVE this March 18, 2020.

TEXAS STATE AFFORDABLE HOUSING  
CORPORATION

\_\_\_\_\_  
Chairperson

ATTEST:

\_\_\_\_\_  
Secretary

Tab 4



## Development Finance Programs

March 18, 2020

### Agenda Item

Presentation, Discussion and Possible Approval of a Resolution Authorizing the Texas State Affordable Housing Corporation to take preliminary action to carry out the financing of The Park on 14th located in Plano, Texas, including creating entities, negotiating finance documents, and filing applications to obtain debt financing and housing tax credits.

### Summary

In 2012, the Corporation purchased approximately 1.5 acres of land near the central business district of Plano, Texas as part of its Affordable Communities of Texas (ACT) program. The site was acquired with the intent of redeveloping it for affordable multifamily housing. In March 2015, the Corporation selected Diana McIver and Associates (DMA), through a request for proposals process, to assist us with the development of the land. In 2018, DMA submitted a 9% Low-Income Housing Tax Credits Application (9% HTC) through the Texas Department of Housing and Community Affairs (TDHCA) to build a 66-unit multifamily rental development targeting seniors. The application did not receive a 2018 HTC award. In 2019, DMA resubmitted the 9% HTC application. However, at the pre-application phase it was determined that the application would not score competitively enough to submit a full application. No further action was taken in 2019.

DMA and TSAHC have consulted with the City of Plano, community groups and conducting feasibility analyses for potential affordable housing developments for this site. The City of Plano staff expressed an overarching need for affordable housing that serves families. With this input, we've determined that the most feasible step forward is to re-apply for 9% HTC to build approximately 60-unit multifamily rental development targeting families in lieu of senior housing. The reduction in unit count is needed in order to create larger units to best serve families. In February of 2020, staff received a general resolution of support from the City of Plano.

In terms of design standards, each apartment unit will include 9' ceilings, a full appliance package, washer/dryer hookups, ceiling fans, and a private patio with secured storage. The buildings will be designed to maximize energy efficiency, including dual pane insulating windows, insulation that exceeds code for walls and ceilings, and high SEER rated air conditioners. The design will feature masonry accents, and will include several community spaces, such as:

- A community room with covered patio and "party kitchen" for gatherings, resident meetings, and special social events;
- A library/T.V. lounge;
- A movie theater;
- Covered, outdoor seating areas;
- A business center where residents can utilize computers to access the internet;
- A furnished fitness room;
- Manager and leasing offices; and
- Community laundry facilities.

Additionally, several supportive services will be provided onsite at no cost to the residents. These services will include social and educational activities, health screenings, information and referrals.

**Staff Recommendation:**

Presentation, Discussion and Possible Approval of a Resolution Authorizing the Texas State Affordable Housing Corporation to take preliminary action to carry out the financing of The Park on 14th located in Plano, Texas, including creating entities, negotiating finance documents, and filing applications to obtain debt financing and housing tax credits.



## MINUTES AND CERTIFICATION

THE STATE OF TEXAS                   §  
  §  
TEXAS STATE AFFORDABLE           §  
HOUSING CORPORATION             §

I, the undersigned officer of the Texas State Affordable Housing Corporation, do hereby certify as follows:

1. The Board of Directors of the Corporation (the “Board”) convened on March \_\_, 2020, at the Corporation’s offices in Austin, Texas, and the roll was called of the duly constituted members of said Board, who are as follows:

<u>Name</u>	<u>Office</u>
William H. Dietz	Chairperson
Valerie Vargas Cardenas	Vice Chairperson
Courtney Johnson-Rose	Director
Lali Shipley	Director
Andy Williams	Director

2. The officers of the Corporation (who are not Board members) are as follows:

<u>Name</u>	<u>Office</u>
David Long	President
Janie Taylor	Executive Vice President
Melinda Smith	Chief Financial Officer and Treasurer
Rebecca DeLeon	Secretary
Cynthia Gonzales	Assistant Secretary

All Board members were present except \_\_\_\_\_, thus constituting a quorum. All of the officers of the Corporation (except the Secretary) were present at the meeting.

3. Whereupon, among other business, the following was transacted, to-wit: a written resolution (the “**Resolution**”) bearing the following caption was introduced:

RESOLUTION NO. 20-\_\_\_\_

### TEXAS STATE AFFORDABLE HOUSING CORPORATION

“Presentation, Discussion and Possible Approval of a Resolution  
Authorizing the Texas State Affordable Housing Corporation to take  
preliminary action to carry out the financing of The Park on 14<sup>th</sup>

located in Plano, Texas, including creating entities, negotiating finance documents, and filing applications to obtain debt financing and housing tax credits”

was duly introduced for the consideration of said Board and read in full. It was then duly moved and seconded that said Resolution be adopted; and, after due discussion, said motion carrying with it the adoption of said Resolution, prevailed and carried by the following vote:

\_ AYES

\_ NOES

\_ ABSTENTIONS

4. That a true, full and correct copy of the aforesaid Resolution adopted at the meeting described in the above and foregoing paragraph is attached to and follows this certificate; that said Resolution has been duly recorded in said Board’s minutes of said meeting; that the above and foregoing paragraph is a true, full and correct excerpt from said Board’s minutes of said meeting pertaining to the adoption of said Resolution; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of said Board as indicated therein; that each of the officers and members of said Board was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of the aforesaid meeting, and that said Resolution would be introduced and considered for adoption at said meeting, and each of said officers and members consented, in advance, to the holding of said meeting for such purpose,

SIGNED this \_\_\_\_\_, 2020.

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Secretary, Texas State Affordable Housing Corporation

RESOLUTION NO. 20-\_\_\_\_

TEXAS STATE AFFORDABLE HOUSING CORPORATION

“Presentation, Discussion and Possible Approval of a Resolution Authorizing the Texas State Affordable Housing Corporation to take preliminary action to carry out the financing of The Park on 14<sup>th</sup> located in Plano, Texas, including creating entities, negotiating finance documents, and filing applications to obtain debt financing and housing tax credits”

WHEREAS, the Texas State Affordable Housing Corporation (the “**Corporation**”) has been duly created and organized pursuant to and in accordance with the provisions of Chapter 22 of the Texas Business Organizations Code, and under the authority of Subchapter Y of Chapter 2306, Texas Government Code, in each case, as amended;

WHEREAS, the Corporation will create a Texas limited partnership or limited liability company (the “**Partnership**”), to acquire, construct, and equip a 60-unit multifamily housing project to be located at approximately the intersection of 14<sup>th</sup> Street and Avenue G, Plano, Texas, upon land currently owned by the Corporation, to be known as The Park at 14th (the “**Project**”);

WHEREAS, the Partnership has filed or will file an application bearing TDHCA #20275 (the “**Application**”) with the Texas Department of Housing and Community Affairs (“**TDHCA**”) to finance the Project with 2020 9% low income housing tax credits and one or more commercial bank loans or other sources of financing;

WHEREAS, the general partner of the Partnership (the “**General Partner**”) will be a to-be-formed limited liability company owned by the Corporation;

WHEREAS, the Partnership may also apply to the TDHCA for subordinate loans;

WHEREAS, the Corporation may serve as a co-developer of the Project;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Corporation (the “**Board**”):

Section 1. Authorization of the Participation in the Application. That the Board hereby authorizes the Corporation to participate in the filing of the Application for the Project.

Section 2. Authorization of the Formation of the Partnership and General Partner. That the Board hereby authorizes the Corporation to form the Partnership and the General Partner and be admitted to the General partner.

Section 3. Execution and Delivery of Certain Documents. That the Board hereby authorizes David Long, as the President of the Corporation, Janie Long, as the Executive Vice President of the Corporation, and any and all Board Members of the Corporation listed on the

certificate accompanying this Resolution, to consent to, accept, execute and attest to formation documents and such other certificates, documents, instruments, letters of instruction, written requests and other papers, whether or not mentioned herein, as may be necessary or convenient to carry out or assist in carrying out the purposes of this Resolution, to the extent the President or Executive Vice President or any such Board Member concludes such documents are in the best interest of the Corporation.

Section 4. Ratification of Prior Actions. That all prior actions taken by or on behalf of the Corporation in connection with the matters described herein are hereby authorized, ratified, confirmed and approved.

Section 5. Purposes of Resolution. That the Board has expressly determined and hereby confirms that the matters described herein accomplish a valid public purpose of the Corporation.

Section 6. Conflicting Prior Actions. That all orders, resolutions, or any actions or parts thereof of the Board in conflict herewith are hereby expressly repealed to the extent of any such conflict.

Section 7. Effective Date. That this Resolution shall be in full force and effect from and upon its adoption.

PASSED, APPROVED AND EFFECTIVE this \_\_ day of \_\_\_\_\_, 2020.

TEXAS STATE AFFORDABLE HOUSING  
CORPORATION

\* \* \* \* \*

Tab 5

## CERTIFICATION

THE STATE OF TEXAS                   §  
   §  
TEXAS STATE AFFORDABLE           §  
HOUSING CORPORATION               §

I, the undersigned officer of the Texas State Affordable Housing Corporation (the "Corporation"), do hereby certify as follows:

1. The Board of Directors of the Corporation (the "Board") convened on March 18, 2020, at the Corporation's offices in Austin, Texas, and the roll was called of the duly constituted members of said Board, who are as follows:

<u>Name</u>	<u>Office</u>
William H. Dietz	Chairperson
Valerie Vargas Cardenas	Vice Chairperson
Courtney Johnson-Rose	Director
Lali Shipley	Director
Andy Williams	Director

2. The officers of the Corporation (who are not Board members) are as follows:

<u>Name</u>	<u>Office</u>
David Long	President
Janie Taylor	Executive Vice President
Melinda Smith	Chief Financial Officer and Treasurer
Rebecca DeLeon	Secretary
Cynthia Gonzales	Assistant Secretary

All Board members were present except \_\_\_\_\_, thus constituting a quorum. All of the officers of the Corporation (except the Secretary) were present at the meeting.

3. Whereupon, among other business, the following written resolution (the "Resolution") bearing the following caption:

### **"RESOLUTION NO. 20-\_\_**

#### **TEXAS STATE AFFORDABLE HOUSING CORPORATION**

RESOLUTION APPROVING A TEXAS HOUSING IMPACT FUND CONSTRUCTION  
LOAN TO PROJECT TRANSITIONS IN AN AMOUNT NOT TO EXCEED \$785,000 FOR  
ROOSEVELT GARDENS APARTMENTS"

was duly introduced for the consideration of the Board and said caption was read in full. It was then duly moved and seconded that the Resolution be adopted; and, after due discussion and request for comments, said motion prevailed and was carried by the following vote:

\_\_\_ AYES

\_\_\_ NOS

\_\_\_ ABSTENTIONS

4. That a true, full and correct copy of the Resolution adopted at the meeting described in the above is attached to this certificate; that the adoption of the Resolution will be duly recorded in the Board's minutes of the meeting; that the persons named above are the duly chosen, qualified and acting members of the Board and the officers of the Corporation as indicated; that each member of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of the aforesaid meeting, and that the Resolution would be introduced and considered for adoption at said meeting.

SIGNED this \_\_\_ day of March, 2020.

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Rebecca DeLeon, Secretary  
Texas State Affordable Housing Corporation



**RESOLUTION NO. 20-\_\_**

**TEXAS STATE AFFORDABLE HOUSING CORPORATION**

**RESOLUTION APPROVING A TEXAS HOUSING IMPACT FUND CONSTRUCTION  
LOAN TO PROJECT TRANSITIONS IN AN AMOUNT NOT TO EXCEED \$785,000 FOR  
ROOSEVELT GARDENS APARTMENTS**

WHEREAS, the Texas State Affordable Housing Corporation (the "Corporation") has been duly created and organized pursuant to and in accordance with the provisions of Subchapter Y (Section 2306.551 et. seq.) of Chapter 2306, Texas Government Code, as amended, and other applicable provisions of Texas law (collectively, the "Act"); and

WHEREAS, under the Act, the Corporation is authorized to perform activities and services that the Corporation's Board of Directors determines will promote the public health, safety, and welfare through the provision of adequate, safe, and sanitary housing primarily for individuals and families of low, very low, and extremely low income, and such activities and services shall include engaging in lending transactions; and

WHEREAS, said activities and services include those permitted to be funded by the Texas Housing Impact Fund ("THIF"), a fund established and maintained by the Corporation, which include the provision of construction loans for affordable multifamily rental housing satisfying the requirements of the Corporation's THIF Policy and Guidelines; and

WHEREAS, the Board of Directors has reviewed and discussed a staff proposal (approved by the Loan Committee of the Corporation) to make THIF funds available as a construction loan to Project Transitions in the maximum principal amount of \$785,000 (the "Construction Loan"), with the loan proceeds to be used by Project Transitions, together with other available funds, to build 40 units of housing with 26 apartments targeted to households earning 50% of median income or less and 14 apartments targeted to households earning 30% of median income or less; and

WHEREAS, after due discussion and consideration, the Board of Directors of the Corporation has determined to approve the Construction Loan for the purposes described above.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE TEXAS STATE AFFORDABLE HOUSING CORPORATION AS FOLLOWS:

Section 1. Approval of Construction Loan and Related Matters. The Board of Directors approves the Construction Loan by the Corporation to Project Transitions in the maximum principal amount of \$785,000, the proceeds of which are to be used by Project Transition, together with other available funds, to construct the 40-unit Roosevelt Gardens Apartments.

The Board has determined that a construction loan for affordable multifamily rental housing is a suitable purpose under the THIF Policy and Guidelines and such purpose is approved by the Board of Directors.

The Board authorizes the President and the Executive Vice President to approve, in consultation with counsel, the form and substance of all necessary documents relating to the Construction Loan, including but not limited to a promissory note, loan agreement, restrictive covenants, and related security documents (collectively, the "Transaction Documents").

Section 2. Execution and Delivery of Transaction Documents. The President and the Executive Vice President are each, in the name and on behalf of the Corporation, authorized to execute and deliver the Transaction Documents to which the Corporation is a party.

Section 3. Execution and Delivery of Ancillary Documents; Taking of Ancillary Actions. The President and the Executive Vice President are each, in the name and on behalf of the Corporation, authorized by the Board of Directors, at any time before or after the execution and delivery of the Transaction Documents, in consultation with counsel, to (i) execute, acknowledge and deliver any and all such orders, directions, certificates, agreements, documents, instruments, amendments and other papers or items (collectively, "Ancillary Documents"), and (ii) do or cause to be done any and all such acts and things (collectively, "Ancillary Actions"), which such officer deems necessary or desirable in connection to consummate the transactions contemplated by the Transaction Documents, or to otherwise fulfill the purposes of this resolution.

Section 4. Ratification of Prior Actions. All actions taken prior to the date of this Resolution by any officer of the Corporation in the name and on behalf of the Corporation, with respect to any of the matters and transactions described above, are ratified, confirmed and approved by the Board of Directors.

Section 5. Conflicting Prior Actions. Any order, resolution, approval or any action of the Board of Directors in conflict with this Resolution is hereby repealed to the extent of any such conflict.

Section 6. Severability. Any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution.

Section 7. Effective Date. This Resolution shall be in full force and effect from and upon its adoption.

*[Remainder of Page Intentionally Left Blank]*

APPROVED AND EFFECTIVE this 18th day of March, 2020.

TEXAS STATE AFFORDABLE HOUSING CORPORATION

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William Dietz, Jr., Chairperson

ATTEST:

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Rebecca DeLeon, Secretary  
Texas State Affordable Housing Corporation

# Texas State Affordable Housing Corporation

## Texas Housing Impact Fund Loan Recommendation

**Agenda:** Presentation, discussion and possible approval of Resolution approving a Texas Housing Impact Fund construction loan to Project Transitions, Inc. in an amount not to exceed \$785,000 for the Roosevelt Gardens Apartments.

### **Summary:**

Staff was approached by Project Transitions (Borrower) in August of 2019 to discuss financing strategies to rehabilitate/redevelop their existing 22-unit apartment complex, located in Austin, that serves persons living with HIV/AIDS. Project Transitions determined that rehabilitation of the existing facility built in 1969 would be too costly and has decided to demolish and build a new apartment complex at the same location. The new design will allow for an increase to 40 affordable apartment homes. The loan request is for \$785,000, to be used as construction financing.



### **Public Benefit:**

The Corporation's loan will be used to finance the construction of 40 new affordable apartment homes that include wrap-around supportive services provided by Project Transitions. Fourteen units will be income and rent restricted for extremely low-income households earning up to 30% of the area median income, with the remaining 26 units reserved for households earning up to 50% of the area median income. The increased unit count will allow Project Transitions to increase its capacity to serve individuals and families living with HIV/AIDS and alleviate the organization's growing waitlist for housing.

### **Financial Summary:**

The total projected development budget for Roosevelt Gardens is \$8.9 million, or approximately \$222,000, per unit. Project Transitions has secured \$4,950,000 in deferred forgivable financing from the City of Austin and a \$2,000,000 deferred forgivable direct loan from the Texas Department of Housing and Community Affairs. Additional resources include predevelopment grant funding, fee waivers from the City of Austin, a \$17,515 grant from the Lola Wright Foundation and deferred developer fee. The Borrower is seeking additional funding through the Federal Home Loan Bank of Dallas' Affordable Housing Program, but funding is not planned to be awarded until summer of 2020. Project Transitions is also embarking on a capital campaign with a goal of raising approximately \$600,000. The Corporation's funds would total \$785,000 and be used for construction activities only.

All units at Roosevelt Gardens will receive Housing Opportunities for Persons with AIDS (HOPWA) operating assistance. The HOPWA funding is projected to be \$142,000, with annual increases. Unlike project based section 8 contracts, HOPWA funds support both rents and tenant services. Staff has included HOPWA income as a separate line item in the attached underwriting report. Project Transitions has received HOPWA funding for more than 20-years and has an excellent track record with capital campaigns for other facilities they operate.

### **Market Conditions:**

2019 median rental rates in Austin were \$1,465 for a two-bedroom apartment and \$1,165 for one-bedrooms. Austin is widely recognized to be in an affordable housing crisis, with 55% of households renting and 36% of renters who are cost-burdened. This is more so the case for persons with HIV/AIDS because stable housing is an

# Texas State Affordable Housing Corporation

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## Texas Housing Impact Fund Loan Recommendation

essential part of managing a resident's general health and consistent access to medical care. People living with HIV/AIDS are at higher risk of losing their housing due to increased medical costs and often decreased ability to work.

Project Transitions is the only provider of intensely supportive housing for persons living with HIV/AIDS in the Central Texas region. They currently own and operate 30 units of supportive housing and maintain a back-logged waitlist that includes over 50 individuals on the 1-bedroom waitlist alone and with an estimated wait time of at least 1.5 years for service.

A further motivation for Project Transitions to expand their housing footprint is to provide an impactful response to the "Getting To Zero Strategy" – a UNAIDS commitment to end the AIDS epidemic by achieving zero deaths, zero new infections, and zero discrimination stigma by 2030. The City of Austin's commitment to the strategy was formalized by the Mayor's and County Judge's signing of the Paris Declaration to join the "Fast-Track-Cities" initiative in June 2018.

The Roosevelt Gardens complex has been a part of the Brentwood/Highland Combined Neighborhood since its inception. It has evolved into a transitional housing program offering a path to independent living for its residents. The redevelopment of Roosevelt Gardens is complimentary to the neighborhood plan's vision in that it is preserving and enhancing affordable housing opportunities for persons with disabilities. The project is located less than a ¼ if a mile from multiple bus routes and less than a ½ mile from high-frequency bus routes. Roosevelt Gardens is adjacent to one of the most transit-connected corridors in Austin - North Lamar Boulevard - as well as several neighborhood amenities.

### **Borrower Summary:**

Since 1988, Project Transitions has been deeply committed to their mission of serving persons living with HIV/AIDS by providing supportive housing, recuperative care and hospice in a compassionate and caring environment. Project Transitions provides an extensive list of wrap-around services that includes needs assessment, connection to financial benefits and medical services, group activities, emotional support and counseling, to name a few. They are proud to state that no one is denied participation in any of their programs because of the inability to pay. Their initial program operating costs were largely supported by the proceeds from their thrift store, Top Drawer, which was opened in 1993 and remains fully operational today.

In November 2019, Project Transitions hired Cynthia Herrera as Executive Director. Prior to joining Project Transition, Ms. Herrera served as an attorney for the Texas Advocacy Project, advocating for survivors of domestic violence, stalking and sexual assault. Project Transitions is partnering with Foundation Communities as a co-developer and has hired Jennifer Hicks, of True Casa Consulting. Formed in 1990, Foundation Communities owns and operates 23 affordable housing communities in Austin and North Texas. Ms. Hicks has over 16 years of experience in affordable housing finance and development.

### **Recommendation:**

Staff is recommending that the Board approve a Resolution approving a Texas Housing Impact Fund construction loan to Project Transitions, Inc. in an amount not to exceed \$785,000 for the Roosevelt Gardens Apartments.

Roosevelt Gardens - MF Underwriting-2.28.20  
Project Summary

## Project Summary

Applicant Project Transitions, Inc.

Borrower Project Transitions, Inc.

Project Name Roosevelt Gardens

### Location(s)

Address 5606 Roosevelt Avenue

County: Travis County

State Texas

Census Tract: 2.05

City Austin

Zip 78756

### Funding Sources

	Amount	% of Total
City of Austin - GO Bonds	\$ 4,950,000	55.54%
TDHCA Direct MF Loan	\$ 2,000,000	22.44%
TDHCA - PreDev Grant	\$ 50,000	0.56%
Deferred Dev Fee	\$ 679,000	7.62%
Lola Wright Foundation	\$ 17,515	0.20%
City of Austin - Fee Waivers	\$ 105,876	1.19%
ner Equity/Fund Raising (not committ	\$ 610,351	6.85%
FHLB (not committed)	\$ 500,000	5.61%
<b>Totals</b>	<b>\$ 8,912,742</b>	<b>100%</b>

### Market Summary

	Census Tract	City	County	State
Population	3,942	935,755	1,203,166	27,885,195
Average Age	34	34	34	34
% Households that Rent	40.2%	55.9%	48.3%	38.1%
Median Household Income	\$82,705	\$90,731	\$91,690	\$70,423
Median Home Price	\$476,842	\$407,400	\$386,900	\$209,048
Median Rents	\$1,191	\$1,217	\$1,232	\$998
% Renters Who are Cost Burdened	43.0%	49.3%	46.2%	44.4%
% Attending Public Schools	100.0%	89.5%	90.1%	93.1%
Graduation Rate (A ISD)		93.3%		
CRA Eligible Census Tract	No			
Capital Magnet Fund	No			

## Summary of Sources and Uses

Applicant	Project Transitions, Inc.
Project Name	Roosevelt Gardens
Vista Verde Lofts	40

Sources	Amount	Amount Per Unit	Percentage of Total
City of Austin - GO Bonds	\$ 4,950,000	\$ 123,750	56%
TDHCA Direct MF Loan	\$ 2,000,000	\$ 50,000	22%
TDHCA - PreDev Grant	\$ 50,000	\$ 1,250	1%
Deferred Dev Fee	\$ 679,000	\$ 16,975	8%
FHLB AHP Grant (not committed)	\$ 500,000	\$ 12,500	6%
City of Austin - Fee Waivers	\$ 105,876	\$ 2,647	1%
Lola Wright Foundation	\$ 17,515	\$ 438	0%
Owner Equity/Capital Campaign (not committed)	\$ 610,351	\$ 15,259	7%
<b>Total Sources</b>	<b>\$ 8,912,742</b>	<b>\$ 222,819</b>	<b>100%</b>

Uses	Amount	Amount Per Unit	Percentage of Total
Acquisition	\$ -	\$ -	0%
Relocation	\$ 138,135	\$ 3,453	2%
On-Site Work	\$ -	\$ -	0%
Site Amenities	\$ -	\$ -	0%
Building Costs	\$ 6,800,000	\$ 170,000	76%
Other Const/Contingency	\$ 44,650	\$ 1,116	1%
Soft Costs	\$ 770,234	\$ 19,256	9%
Financing Costs	\$ 256,063	\$ 6,402	3%
Developer Fees	\$ 759,000	\$ 18,975	9%
Lease Up Costs/Reserves	\$ 144,660	\$ 3,617	2%
<b>Total</b>	<b>\$ 8,912,742</b>	<b>\$ 222,819</b>	<b>100%</b>

(Gap) / Reserve \$ -  
Percent of Developer Fee Deferred 89%

# Operating Proforma

Roosevelt Gardens - MF Underwriting-2.28.20  
Operating Proforma

Applicant Project Transitions, Inc.			
Project Name Roosevelt Gardens			
Vista Verde Lofts			
Number of Units	40	Affordable Units	40
Set-Aside Requirement	0	Affordable %	100%
		Accessible Unit Min	4

## Residential Income

Unit Type	Unit Sq. Ft.	Net Sq. Ft.	# units	Rent	Mo. Income	Inflator	Rent Limiter
Studio 1	440	1,760	4	\$ 149	\$ 596	1.02	30% - HTF
Studio 2	440	3,520	8	\$ 248	\$ 1,984	1.02	50% - HTF
1-1 (A)	442	3,536	8	\$ 160	\$ 1,280	1.02	30% - HTF
1-1 (B)	442	6,188	14	\$ 226	\$ 3,164	1.02	50% - HTF
2-2 (B1)	906	1,812	2	\$ 192	\$ 384	1.02	30% - HTF
2-2 (B2)	906	3,624	4	\$ 320	\$ 1,280	1.02	50% - HTF
	3576	20,440	40		\$ 1		

Other income:		\$ 11.14	\$ 446	1.02
Potential gross income				
Residential vacancy loss				5.00%
Other Income (HOPWA):				
Residential vacancy loss				

Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15
\$ 7,152	\$ 7,295	\$ 7,441	\$ 7,590	\$ 7,742	\$ 8,547	\$ 9,437
\$ 23,808	\$ 24,284	\$ 24,770	\$ 25,265	\$ 25,771	\$ 28,453	\$ 31,414
\$ 15,360	\$ 15,667	\$ 15,981	\$ 16,300	\$ 16,626	\$ 18,357	\$ 20,267
\$ 37,968	\$ 38,727	\$ 39,502	\$ 40,292	\$ 41,098	\$ 45,375	\$ 50,098
\$ 4,608	\$ 4,700	\$ 4,794	\$ 4,890	\$ 4,988	\$ 5,507	\$ 6,080
\$ 15,360	\$ 15,667	\$ 15,981	\$ 16,300	\$ 16,626	\$ 18,357	\$ 20,267
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 5,347.20	\$ 5,454	\$ 5,563	\$ 5,674	\$ 5,788	\$ 6,390	\$ 7,056
\$ 109,603	\$ 111,795	\$ 114,031	\$ 116,312	\$ 118,638	\$ 130,986	\$ 144,619
\$ (5,480)	\$ (5,590)	\$ (5,702)	\$ (5,816)	\$ (5,932)	\$ (6,549)	\$ (7,231)
\$ 83,094	\$ 86,683	\$ 90,402	\$ 94,254	\$ 98,245	\$ 120,440	\$ 146,853
\$ 192,697	\$ 198,478	\$ 204,433	\$ 210,566	\$ 216,883	\$ 251,426	\$ 291,472

## Operating Expenses

	TSAHC Est.	Borrower Yr 1	% EGI	Variance	Per Unit	Inflator
General & Administrative	\$ 19,720	\$ 23,334	12.11	18%	\$ 583	1.03
Management Fee	\$ 19,680	\$ 18,001	9.34	-9%	\$ 450	1.03
Payroll	\$ 47,640	\$ 55,777	28.95	17%	\$ 1,394	1.03
Landscaping, Maintenance & Repair	\$ 38,920	\$ 35,211	18.27	-10%	\$ 880	1.03
Utilities + Trash	\$ 39,640	\$ 31,530	16.36	-20%	\$ 788	1.03
Insurance	\$ 13,920	\$ 17,484	9.07	26%	\$ 437	1.03
Taxes					\$ -	1.03
Operating Debt Service Reserves			0.00	n/a	\$ -	1.03
Replacement reserves	\$ 10,000	\$ 10,000	5.19	0%	\$ 250	1.03
Resident Services Fee					\$ -	1.03
TDHCA AOC Fee	\$ 1,360	\$ 1,360	0.71	0%	\$ 34	1.03
					\$ -	1.03
Other					\$ -	1.03
<b>Total Operating Expenses</b>	<b>\$ 190,880</b>	<b>\$ 192,697</b>		<b>1%</b>	<b>\$ 4,817.44</b>	

state avg \$ 5,362.00 per unit

Operating Expenses as a percentage of Effective Gross Income

\$ 23,334	\$ 24,034	\$ 24,755	\$ 25,498	\$ 26,263	\$ 30,446	\$ 35,295
\$ 18,001	\$ 18,541	\$ 19,097	\$ 19,670	\$ 20,260	\$ 23,487	\$ 27,228
\$ 55,777	\$ 57,450	\$ 59,174	\$ 60,949	\$ 62,778	\$ 72,776	\$ 84,368
\$ 35,211	\$ 36,267	\$ 37,355	\$ 38,476	\$ 39,630	\$ 45,942	\$ 53,260
\$ 31,530	\$ 32,476	\$ 33,450	\$ 34,454	\$ 35,487	\$ 41,139	\$ 47,692
\$ 17,484	\$ 18,009	\$ 18,549	\$ 19,106	\$ 19,679	\$ 22,813	\$ 26,447
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\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 10,000	\$ 10,300	\$ 10,609	\$ 10,927	\$ 11,255	\$ 13,048	\$ 15,126
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 1,360	\$ 1,401	\$ 1,443	\$ 1,486	\$ 1,531	\$ 1,774	\$ 2,057
\$ -						
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 192,697	\$ 198,478	\$ 204,433	\$ 210,566	\$ 216,883	\$ 251,426	\$ 291,472
\$ 4,817	\$ 4,962	\$ 5,111	\$ 5,264	\$ 5,422	\$ 6,286	\$ 7,287
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%



NET OPERATING INCOME

Roosevelt Gardens - MF Underwriting  
Operating Proforma

2.28.20							
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PRIMARY DEBT SERVICE

	Principal	Rate	Amort	Term
City of Austin - GO Bonds	\$ 4,950,000	0.00%	0	40
TDHCA Direct MF Loan	\$ 2,000,000	0.00%	0	40
Total Primary Debt	\$ 6,950,000			
	\$ -			

Net Cashflow After Primary Debt

DSCR Primary Debt

SOFT SUBORDINATE DEBT & EQUITY

TDHCA - PreDev Grant	\$ 50,000		
Deferred Dev Fee	\$ 679,000		
City of Austin - Fee Waivers	\$ 105,876		
Lola Wright Foundation	\$ 17,515		
Owner Equity/Capital Campaign (not com	\$ 610,351		
FHLB APH (Not Committed)	\$ 500,000		
Total Secondary Sources	\$ 1,962,742		

Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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Cash Flow