



T E X A S
State Affordable Housing Corporation

October Board Meeting

To be held via Webinar Located:

https://webinar.ringcentral.com/webinar/register/WN_Me7d19JDSxy3_AopM4zbxg

Dial-in number: +1 (888) 391-5458

Webinar ID: 149 737 0531

Participant ID: Receive Upon Registration

Wednesday, October 14, 2020

10:30 a.m.

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

The Governing Board of the Texas State Affordable Housing Corporation (TSAHC) will meet ONLINE:

**October 14, 2020
10:30 A.M.**

MEETING LOCATION:

Considering the March 13, 2020, disaster declaration by the Office of the Governor, and the subsequent waivers of portions of Tex. Gov't Code, Ch. 551*, this meeting of the TSAHC governing Board will be accessible to the public via the telephone and web link information, below. In order to engage in two-way communication during the meeting, persons must first register (at no cost) to attend the webinar via the link provided. Anyone who calls into the meeting without registering online will not be able to ask questions or provide comments, but the meeting will still be audible. A recording of the meeting will be made available to the public as soon as possible following the meeting.

GOVERNING BOARD WEBINAR REGISTRATION:

Location: https://webinar.ringcentral.com/webinar/register/WN_Me7d19JDSxy3_AopM4zbvg

Dial-in number: +1(888) 391-5458, **Webinar ID:** 149 737 0531; **Participant ID:** Received upon registration. (Persons who use the dial-in number and access code without registering online will only be able to hear the Board Meeting and will not be able to ask questions or provide comments). Note, this meeting will be proceeding as a teleconference under Tex. Gov't Code §551.125, as modified by waiver, and video will not be available.

CALL TO ORDER

ROLL CALL

Bill Dietz, Chair

CERTIFICATION OF QUORUM

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 August 12, 2020.

Tab 2 Presentation and Discussion of the Fiscal Year 2020 Annual Financial Audit.

Tab 3 Presentation, Discussion and Possible Approval for Texas State Affordable Housing Corporation to enter negotiations with the Texas Department of Transportation to administer grant funding provided by Texas

Department of Transportation to support affordable housing initiatives in communities affected by Texas Department of Transportation's North Houston Highway Improvement Project.

- Tab 4 Presentation, Discussion and Possible Approval of a Resolution approving the Corporation's Fiscal Year 2021 Investment Policy.
- Tab 5 Presentation, Discussion and Possible Approval of the Fiscal Year 2021 Broker Listing.
- Tab 6 Presentation, Discussion and Possible Approval of the 2020 Texas Foundations Fund Nonprofit Partners.
- Tab 7 Presentation, Discussion and Possible Approval of the Appointment of Member(s) to the Board of Directors of Texas Community Capital, LLC.
- Tab 8 Discussion and Possible Approval of a Resolution Authorizing the Issuance of Texas State Affordable Housing Corporation Multifamily Mortgage Revenue Notes (W. Leo Daniels Towers) Series 2020A-1 and 2020A-2, a Funding Loan Agreement, a Borrower Loan Agreement, an Asset Oversight, Compliance and Security Agreement and a Regulatory Agreement; authorizing the execution of documents and instruments necessary or convenient to carry out the issuance of the notes; and other provisions in connection therewith.
- Tab 9 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 Gardens of Balch Springs Apartments.
- Tab 10 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 Riverstation Apartments.
- Tab 11 Presentation, Discussion and Possible Approval of the Publication for Public Comment of the Guidelines, Scoring Criteria and Targeted Housing Needs for the Allocation of Qualified Residential Rental Project Tax Exempt Bond Funds under the Multifamily Housing Private Activity Bond Program Request for Proposals and the 501(c)(3) Bond Program Policies for Calendar Year 2021.
- Tab 12 Presentation, discussion and possible approval of a \$1,700,000 loan to the DF Sagebrush Apartments, LP, an affiliate of the Texas Housing Foundation, for the refinance of the Sagebrush Apartments, a 60-unit affordable rental project in Brady, Texas.

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 July 31, 2020**

<i>Month</i>	<i>Closed</i>	<i># of Loans</i>	<i>% Total</i>
January-20	\$ 128,541,186	680	9.0%
February-20	\$ 138,652,626	717	9.7%
March-20	\$ 189,882,684	968	13.2%
April-20	\$ 206,897,793	1059	14.4%
May-20	\$ 221,875,830	1130	15.5%
June-20	\$ 254,515,875	1296	17.8%
July-20	\$ 293,002,025	1485	20.4%
Totals	\$1,433,368,019	7335	100%
<i>Lender</i>	<i>Closed</i>	<i># of Loans</i>	<i>% Total</i>
Guild Mortgage Corporation	\$89,767,201	472	6.3%
Fairway Independent Mortgage Corporation	\$75,950,902	408	5.3%
Everett Financial, dba Supreme Lending	\$68,975,382	349	4.8%
Academy Mortgage Corporation	\$56,076,383	303	3.9%
PrimeLending	\$54,092,445	292	3.8%
DHI Mortgage Company, Ltd.	\$53,781,832	236	3.8%
Gateway Mortgage Group, a division of loanDepot.com LLC	\$49,544,382	260	3.5%
CMG Mortgage, Inc. dba CMG Financial	\$46,997,692	243	3.3%
Cardinal Financial Company	\$39,710,552	185	2.8%
Ark-La-Tex Financial (Benchmark Mtg.)	\$33,448,596	171	2.3%
Cornerstone Home Lending, Inc.	\$33,038,889	162	2.3%
Stearns Lending, LLC	\$32,056,983	158	2.2%
Movement Mortgage, LLC	\$29,426,181	135	2.1%
Thrive Mortgage, LLC	\$27,396,889	146	1.9%
Amcap Mortgage, LTD	\$27,721,201	123	1.7%
SFMC, LP (Service First Mortgage)	\$23,532,216	129	1.6%
Southwest Funding, LP	\$23,012,638	113	1.6%
Hometrust Mortgage Company	\$21,961,354	114	1.5%
Guaranteed Rate	\$21,571,767	116	1.5%
Wallick and Volk, Inc.	\$21,482,407	111	1.5%
Pulte Mortgage LLC	\$21,366,346	111	1.5%
Security National Mortgage Company	\$21,107,489	94	1.5%
NTFN, Inc.	\$18,846,743	100	1.3%
Nations Reliable Lending, LLC	\$18,625,027	89	1.3%
American Pacific Mortgage Corporation	\$18,620,224	94	1.3%
Caliber Home Loans, Inc.	\$17,562,137	94	1.2%
Town Square Mortgage & Investments, Inc.	\$15,946,044	83	1.1%
Highlands Residential Mortgage	\$14,469,884	72	1.0%
Great Western Financial Services, Inc.	\$14,323,278	69	1.0%
Network Funding, LP	\$13,703,603	71	1.0%
Inspire Home Loans, Inc.	\$13,700,080	70	1.0%
SWBC Mortgage Corporation	\$11,890,851	58	0.8%
Mortgage Financial Services, LLC	\$11,513,316	63	0.8%
Republic State Mortgage Co.	\$11,503,194	71	0.8%
Gold Star Mortgage Financial Group	\$11,303,125	45	0.8%
Interlinc Mortgage Services, LLC	\$10,581,382	56	0.7%
Waterstone Mortgage Corporation	\$9,790,366	44	0.7%
Directions Equity, LLC	\$9,672,076	44	0.7%
Gardner Financial Services, Ltd.	\$9,279,306	54	0.6%
First Community Mortgage	\$9,143,799	44	0.6%
Primary Residential Mortgage, Inc.	\$9,000,528	55	0.6%
Michigan Mutual, Inc.	\$8,864,297	45	0.6%
Independent Bank	\$8,843,508	42	0.6%
First Continental Mortgage, Ltd.	\$8,758,943	41	0.6%
Cherry Creek Mortgage Co., Inc.	\$8,595,520	32	0.6%
DAS Acquisition Company, LLC	\$8,417,172	38	0.6%
American Financial Network, Inc.	\$8,222,173	37	0.6%
LeaderOne Financial	\$8,154,517	40	0.6%
First Bank	\$8,016,271	43	0.6%
CLM Mortgage, LLC	\$7,982,477	37	0.6%
City First Mortgage Services, LLC	\$7,936,360	33	0.6%
Eagle Home Mortgage, LLC	\$7,708,260	42	0.5%
BancorpSouth Bank	\$7,708,260	42	0.5%
America's Choice Home Loans, LP	\$7,335,688	34	0.5%
	\$7,320,907	38	0.5%
	\$6,333,540	34	0.4%

<i>At a Glance</i>	
Average Annual Income	\$62,109
Average Purchase Price	\$199,080
Average Loan Amount	\$195,415
Average Household Size	2
Average Interest Rate	3.958%
<i>Program</i>	<i>%</i>
Home Sweet Texas	83.71%
Homes for Texas Heroes	16.29%
Active Military	0.33%
Allied Health Faculty	0.12%
Corrections Officer	0.93%
County Jailer	0.08%
EMS Personnel	0.42%
Fire Fighter	0.90%
Peace Officer	1.58%
Professional Nurse Faculty	0.61%
Public Security Officer	0.35%
School Counselor	0.12%
School Librarian	0.00%
School Nurse	0.05%
Teacher	9.18%
Teacher Aide	0.20%
Veteran	1.40%
<i>New/Existing Home</i>	
Existing	78.05%
New	21.95%
<i>Type of Loan</i>	
Conventional - Purchase	9.34%
FHA - Purchase	86.82%
USDA-RHS Purchase	1.13%
VA - Purchase	2.71%
<i>Ethnicity</i>	
American Indian/Alaskan Native	0.20%
Asian/Pacific Islander	1.19%
Black	14.22%
Hispanic	37.38%
Not Defined	7.16%
Other	1.64%
White	38.20%
<i>Top 20 Originating Counties*</i>	<i># Households</i>
Harris	1167
Tarrant	938
Dallas	662
Bexar	557
Denton	294
Williamson	241
Fort Bend	205
Collin	187
Montgomery	187
Travis	164
Kaufman	149
Ellis	143
El Paso	141
Hays	133
Bell	107
Lubbock	105
Brazoria	102
Johnson	96
Cameron	83
Hidalgo	78

*Top 20 of all counties statewide. All remaining counties served 1596 households.



**Homeownership Programs with Down Payment Assistance
January 1 to July 31, 2020**

Synergy One Lending, Inc.	\$5,957,329	29	0.4%
Infinity Mortgage Holdings, LLC	\$5,934,292	31	0.4%
American Mortgage & Equity Consultants	\$5,882,873	33	0.4%
First United Bank & Trust	\$5,778,753	30	0.4%
Hometown Lenders, Inc.	\$5,668,730	30	0.4%
Loan Simple, Inc.	\$5,252,093	27	0.4%
Texas Tech Federal Credit Union	\$5,139,011	32	0.4%
Texas Bank Mortgage Company	\$4,766,721	26	0.3%
First Financial Bank, N.A.	\$4,687,465	31	0.3%
Patriot Mortgage Company	\$4,482,429	32	0.3%
Trinity Oaks Mortgage	\$4,425,469	19	0.3%
Willow Bend Mortgage Company, LLC	\$4,398,089	21	0.3%
Nations Lending Corporation	\$4,363,284	23	0.3%
Happy State Bank	\$4,218,846	28	0.3%
Certainty Home Loans, LLC	\$4,181,642	24	0.3%
Loan Leaders of America, Inc.	\$4,091,152	22	0.3%
Bank of England	\$4,066,463	18	0.3%
HomeBridge Financial Services	\$4,007,538	22	0.3%
Pilgrim Mortgage, LLC	\$3,873,311	19	0.3%
LHM Financial Corp., dba CNN Mortgage	\$3,821,617	20	0.3%
University Federal Credit Union	\$3,756,291	18	0.3%
Mortgage Solutions of Colorado, LLC	\$3,529,131	16	0.2%
First National Bank Mortgage	\$3,528,119	21	0.2%
Home Financing Unlimited, Inc.(Mission)	\$3,469,647	13	0.2%
Panorama Mortgage Group, LLC	\$3,311,916	17	0.2%
Mid America Mortgage, Inc.	\$3,238,152	17	0.2%
Summit Funding, Inc.	\$3,139,718	15	0.2%
FBC Mortgage LLC	\$3,114,197	17	0.2%
Goldwater Bank, N.A.	\$3,043,432	18	0.2%
First Home Bank	\$2,946,739	16	0.2%
Sente Mortgage Inc.	\$2,896,751	15	0.2%
New American Funding (Broker Solutions)	\$2,748,348	16	0.2%
American Neighborhood Mortgage	\$2,702,920	14	0.2%
Legacy Mortgage, LLC	\$2,673,716	18	0.2%
Southwest Bank	\$2,629,434	17	0.2%
Texana Bank, N.A.	\$2,595,343	12	0.2%
First Bank & Trust	\$2,502,508	14	0.2%
Guaranteed Rate Affinity, LLC	\$2,485,127	13	0.2%
Crosscountry Mortgage, LLC	\$2,452,993	12	0.2%
Associated Mortgage Corporation	\$2,348,727	15	0.2%
Evolve Bank & Trust	\$2,239,267	14	0.2%
Origin Bank	\$2,135,602	11	0.1%
Prosperity Home Mortgage, LLC	\$2,068,503	10	0.1%
Affiliated Bank	\$2,010,604	11	0.1%
Cadence Lending Group, Inc.	\$1,917,918	13	0.1%
First State Bank	\$1,866,370	8	0.1%
Planet Home Lending, LLC	\$1,707,317	11	0.1%
NFM, INC.	\$1,657,346	8	0.1%
Churchill Mortgage Corporation	\$1,625,475	8	0.1%
M/I Financial, LLC	\$1,464,000	6	0.1%
Rocky Mountain Mortgage Company	\$1,453,994	9	0.1%
Midwest Mortgage Associates Corp.	\$1,303,022	7	0.1%
Homevantage Mortgage	\$1,248,467	5	0.1%
First Choice Loan Services, Inc.	\$1,229,636	6	0.1%
Paramount Residential Mortgage Group	\$1,224,196	7	0.1%
First Centennial Mortgage Corporation	\$1,186,856	6	0.1%
Amerifirst Financial, Inc.	\$1,170,862	5	0.1%
Residential Wholesale Mortgage, Inc.	\$1,152,325	5	0.1%
Hamilton Group Funding, Inc.	\$963,211	6	0.1%
On Q Financial, Inc.	\$900,388	4	0.1%
Finance of America Mortgage, LLC	\$870,635	5	0.1%
Open Mortgage LLC	\$861,137	4	0.1%
Colonial Savings, F.A.	\$843,803	4	0.1%
Sun West Mortgage Company, Inc.	\$838,465	4	0.1%



**Homeownership Programs with Down Payment Assistance
January 1 to July 31, 2020**

University Lending Group, LLC	\$826,157	5	0.1%
Moria Development/Peoples Mortgage Co	\$818,752	5	0.1%
ClosingMark Home Loans, Inc.	\$792,280	3	0.1%
K Hovnanian American Mortgage, LLC	\$759,664	3	0.1%
Hancock Mortgage Partners, LLC	\$748,097	4	0.1%
International Bank of Commerce	\$747,953	5	0.1%
Bay Equity LLC	\$712,667	4	0.0%
Finance Home America	\$706,367	3	0.0%
1st Preference Mortgage Corporation	\$691,724	4	0.0%
Victorian Finance LLC	\$670,628	4	0.0%
Mason McDuffie Mortgage Corporation	\$658,844	3	0.0%
Union Home Mortgage	\$657,666	4	0.0%
Geneva Financial, LLC	\$632,962	3	0.0%
First Horizon Bank	\$604,180	3	0.0%
Guardian Mortgage	\$559,296	3	0.0%
Capstar Lending, LLC	\$534,833	2	0.0%
The Home Loan Expert, LLC	\$459,522	2	0.0%
Central Bank	\$346,775	2	0.0%
Jefferson Bank	\$308,802	2	0.0%
Commerce Home Mortgage, Inc.	\$301,339	2	0.0%
NOVA Financial & Investment Corporation	\$273,620	2	0.0%
Amarillo National Bank	\$272,815	2	0.0%
JNC Mortgage Company, Inc.	\$259,168	1	0.0%
Envoy Mortgage	\$220,924	1	0.0%
Wells Fargo Bank, N.A.	\$219,200	1	0.0%
The Federal Savings Bank	\$196,377	1	0.0%
Citywide Home Loans, a Utah Corporation	\$176,739	1	0.0%
Northpointe Bank	\$168,884	1	0.0%
BM REAL ESTATE SERVICES, INC.	\$166,428	1	0.0%
American Nationwide Mortgage Company	\$155,200	1	0.0%
Vantage Bank	\$144,045	1	0.0%
Encompass Lending Group, LP	\$131,572	1	0.0%
Peoples Bank	\$122,686	1	0.0%
Guaranty Bank & Trust, N.A.	\$117,645	1	0.0%
V.I.P. Independent Mortgage, Inc.	\$114,880	1	0.0%
Aim Bank	\$55,290	1	0.0%
Grand Total	\$1,433,368,019	7335	100%



**Mortgage Credit Certificate Program
January 1 to July 31, 2020**

Month	Closed	# of Loans	% Total
Jan	\$ 28,425,927	153	12%
Feb	\$ 33,835,746	171	14%
Mar	\$ 36,488,481	187	15%
Apr	\$ 37,091,200	188	15%
May	\$ 31,676,558	157	13%
Jun	\$ 37,178,515	187	15%
Jul	\$ 41,895,949	210	17%
Totals	\$246,592,376	1253	100%
Lender	Closed	# of Loans	% Total
Everett Financial, dba Supreme Lending	\$15,670,588	81	6.5%
Guild Mortgage Corporation	\$14,941,845	78	6.2%
Fairway Independent Mortgage Corporation	\$12,280,482	64	5.1%
DHI Mortgage Company, Ltd.	\$11,186,485	50	4.0%
PrimeLending	\$10,090,822	54	4.3%
Pulte Mortgage LLC	\$10,019,319	45	3.6%
Gateway Mortgage Group, a division of	\$9,626,763	53	4.2%
Cardinal Financial Company	\$9,108,510	46	3.7%
loanDepot.com LLC	\$7,961,080	42	3.4%
Movement Mortgage, LLC	\$7,120,371	39	3.1%
Nations Reliable Lending, LLC	\$6,109,921	32	2.6%
Hometruster Mortgage Company	\$5,837,840	33	2.6%
First Continental Mortgage, Ltd.	\$5,762,114	22	1.8%
CMG Mortgage, Inc. dba CMG Financial	\$5,730,551	27	2.2%
Stearns Lending, LLC	\$5,664,438	24	1.9%
Guaranteed Rate	\$5,115,835	28	2.2%
Thrive Mortgage, LLC	\$5,017,505	25	2.0%
SFMC, LP (Service First Mortgage)	\$4,643,726	22	1.8%
NTFN, Inc.	\$3,996,592	21	1.7%
Academy Mortgage Corporation	\$3,839,858	22	1.8%
Southwest Funding, LP	\$3,796,203	18	1.4%
Cornerstone Home Lending, Inc.	\$3,758,490	19	1.5%
Caliber Home Loans, Inc.	\$3,661,041	18	1.4%
Amcap Mortgage, LTD	\$3,459,343	17	1.4%
Security National Mortgage Company	\$2,994,093	15	1.2%
Town Square Mortgage & Investments, Inc.	\$2,990,168	17	1.4%
American Financial Network, Inc.	\$2,798,618	14	1.1%
BancorpSouth Bank	\$2,780,358	15	1.2%
University Federal Credit Union	\$2,757,102	13	1.0%
Texas Bank Mortgage Company	\$2,545,259	14	1.1%
Bank of America, N.A.	\$2,540,523	13	1.0%
Inspire Home Loans, Inc.	\$2,495,360	12	1.0%
Interlinc Mortgage Services, LLC	\$2,401,762	10	0.8%
American Pacific Mortgage Corporation	\$2,255,598	11	0.9%
Ark-La-Tex Financial (Benchmark Mtg.)	\$2,234,234	11	0.9%
American Mortgage & Equity Consultants	\$2,088,853	13	1.0%
Highlands Residential Mortgage	\$2,030,591	10	0.8%
Wallick and Volk, Inc.	\$1,744,042	10	0.8%
CLM Mortgage, LLC	\$1,637,223	7	0.6%
Independent Bank	\$1,348,784	6	0.5%
Republic State Mortgage Co.	\$1,325,138	5	0.4%
Barton Creek Lending Group	\$1,247,803	5	0.4%
Crosscountry Mortgage, LLC	\$1,224,474	6	0.5%
Trinity Oaks Mortgage	\$1,201,349	5	0.4%
America's Choice Home Loans, LP	\$1,172,612	6	0.5%
Guaranteed Rate Affinity, LLC	\$1,157,813	7	0.6%
Network Funding, LP	\$1,071,421	6	0.5%
City First Mortgage Services, LLC	\$1,048,369	5	0.4%
Bank of England	\$1,024,523	5	0.4%
Gardner Financial Services, Ltd.	\$872,334	5	0.4%
Synergy One Lending, Inc.	\$867,772	5	0.4%
1st Preference Mortgage Corporation	\$859,049	5	0.4%
Envoy Mortgage	\$812,607	4	0.3%
NFM, INC.	\$785,508	4	0.3%
Evolve Bank & Trust	\$756,580	5	0.4%

At a Glance	
Total Amount Originated	\$246,592,376
Average Annual Income	\$57,263
Average Purchase Price	\$202,518
Average Loan Amount	\$196,802
Average Household Size	2
Average Interest Rate	3.915%
Program	%
Home Sweet Texas	79.73%
Homes for Texas Heroes	20.27%
Active Military	0.24%
Allied Health Faculty	0.00%
Corrections Officer	0.32%
County Jailer	0.00%
EMS Personnel	0.40%
Fire Fighter	0.48%
Peace Officer	1.76%
Professional Nurse Faculty	1.12%
Public Security Officer	0.40%
School Counselor	0.08%
School Librarian	0.00%
School Nurse	0.00%
Teacher	13.33%
Teacher Aide	0.64%
Veteran	1.52%
New/Existing Home	
Existing	71.59%
New	28.41%
Type of Loan	
Conventional - Purchase	22.03%
FHA - Purchase	71.83%
USDA-RHS Purchase	3.83%
VA - Purchase	2.31%
Ethnicity	
American Indian/Alaskan Native	0.07%
Asian/Pac Isle	4.63%
Black	15.87%
Hispanic	34.36%
Not Defined	8.12%
Other	1.64%
White	35.32%
Top 20 Originating Counties*	# of Loans
Harris	229
Tarrant	168
Dallas	118
Bexar	113
Williamson	95
Travis	71
Denton	47
Fort Bend	39
Hays	39
Collin	36
Montgomery	30
Bell	19
Kaufman	16
El Paso	14
McLennan	14
Brazoria	13
Johnson	13
Guadalupe	12
Galveston	11
Webb	11

*Top 20 of all counties statewide. All remaining counties served 145 households.



T E X A S
State Affordable Housing Corporation

**Mortgage Credit Certificate Program
January 1 to July 31, 2020**

Infinity Mortgage Holdings, LLC	\$756,373	4	0.3%
First Bank	\$744,750	4	0.3%
Amerifirst Financial, Inc.	\$708,283	3	0.2%
Mid America Mortgage, Inc.	\$687,693	4	0.3%
Willow Bend Mortgage Company, LLC	\$681,900	3	0.2%
Summit Funding, Inc.	\$632,419	3	0.2%
First National Bank Mortgage	\$589,967	4	0.3%
LHM Financial Corp., dba CNN Mortgage	\$588,094	3	0.2%
Hometown Lenders, Inc.	\$584,580	4	0.3%
Geneva Financial, LLC	\$542,629	3	0.2%
Capstar Lending, LLC	\$520,890	2	0.2%
K Hovnanian American Mortgage, LLC	\$508,596	2	0.2%
Eagle Home Mortgage, LLC	\$459,193	2	0.2%
Certainty Home Loans, LLC	\$446,004	3	0.2%
Waterstone Mortgage Corporation	\$428,020	2	0.2%
Pilgrim Mortgage, LLC	\$413,659	2	0.2%
Directions Equity, LLC	\$406,402	2	0.2%
Hancock Mortgage Partners, LLC	\$402,474	2	0.2%
Gold Star Mortgage Financial Group	\$389,317	2	0.2%
Affiliated Bank	\$388,886	2	0.2%
SWBC Mortgage Corporation	\$388,826	2	0.2%
Bay Equity LLC	\$371,953	2	0.2%
Victorian Finance LLC	\$371,153	2	0.2%
Guardian Mortgage	\$366,847	2	0.2%
Paramount Residential Mortgage Group	\$366,734	2	0.2%
Hamilton Group Funding, Inc.	\$358,492	2	0.2%
American Neighborhood Mortgage	\$358,388	2	0.2%
Primary Residential Mortgage, Inc.	\$345,781	2	0.2%
Goldwater Bank, N.A.	\$314,918	2	0.2%
Jefferson Bank	\$308,802	2	0.2%
First Choice Loan Services, Inc.	\$301,842	2	0.2%
Associated Mortgage Corporation	\$291,618	2	0.2%
ClosingMark Home Loans, Inc.	\$282,782	1	0.1%
LOANPEOPLE, LLC	\$275,500	1	0.1%
NOVA Financial & Investment Corporation	\$273,620	2	0.2%
Cherry Creek Mortgage Co., Inc.	\$260,200	1	0.1%
Sente Mortgage Inc.	\$219,942	1	0.1%
Panorama Mortgage Group, LLC	\$203,152	1	0.1%
FBC Mortgage LLC	\$196,377	1	0.1%
First State Bank	\$194,000	1	0.1%
Mortgage Financial Services, LLC	\$179,353	1	0.1%
Minter Mortgage, Inc.	\$171,830	1	0.1%
Nations Lending Corporation	\$166,822	1	0.1%
Rocky Mountain Mortgage Company	\$161,961	1	0.1%
Elite Financing Group	\$161,029	1	0.1%
Planet Home Lending, LLC	\$158,831	1	0.1%
American Nationwide Mortgage Company	\$155,200	1	0.1%
Happy State Bank	\$144,400	1	0.1%
Finance Home America	\$137,365	1	0.1%
HomeBridge Financial Services	\$134,518	1	0.1%
First Centennial Mortgage Corporation	\$132,554	1	0.1%
LeaderOne Financial	\$127,645	1	0.1%
Texana Bank, N.A.	\$122,735	1	0.1%
Legacy Mortgage, LLC	\$119,790	1	0.1%
Guaranty Bank & Trust, N.A.	\$117,645	1	0.1%
Total Committed	\$246,592,376	1253	100%

Tab B

Texas State Affordable Housing Corporation

Development Finance Programs Report
October 2020

Affordable Communities of Texas Program (ACT)

The ACT program was very active these past two months. Staff completed four Neighborhood Stabilization Program (“NSP”) home sales with local partners Brazos Valley Affordable Housing Corporation (“BVAHC”), Affordable Homes of South Texas, Inc. (“AHSTI”), and Community Development Corporation of Brownsville (“CDCB”).

In August, TSAHC closed its first short term land bank project by completing the re-sale of the Irving lots to Housing Channel, a nonprofit local partner serving the Dallas/Fort Worth metro area. In February 2020, TSAHC purchased the property and held it during the required federal environmental review process. Once environmental clearance was obtained, Housing Channel purchased the property from TSAHC using federal HOME funds. Housing Channel is now actively developing twelve townhomes units targeted to households earning 80% or less of the area median income. Sale prices of homes will be in the low \$200,000 range and the City of Irving is committing \$50,000 in down payment assistance.

Here is a summary of these past months’ portfolio activity:

Program	Portfolio as of August 1, 2020	Acquired	Sold	Portfolio as of October 1, 2020	Current Portfolio Value
ACT Land Bank	34		6	28	\$288,887.00
ACT Land Trust	1			1	\$650,000.00
Texas NSP	154		4	150	\$2,043,863.12
Totals	189		10	179	\$2,982,750.12

Our current pipeline report:

- 13 homes under contract with eligible buyers
- 26 homes listed for sale
- 3 homes under construction
- 18 properties in predevelopment

Texas Housing Impact Fund

In collaboration with the Health and Human Services Commission (“HHSC”), TSAHC has launched a pilot lending initiative through the Texas Housing Impact Fund to increase the number of housing units for persons with disabilities, specifically those that qualify for Long-Term Services and Supports (LTSS) through Medicare/Medicaid. TSAHC will provide capital subsidies in the form of no interest deferred forgivable loans to developers that build or rehabilitate housing units as affordable, accessible and integrated housing units for qualified individuals. Approximately \$2.3 million in financing will be initially awarded to qualifying projects in Travis and Dallas Counties. Staff is actively marketing the program to developers working in the target counties. Program information is available on TSAHC’s website [here](#).

Despite recent challenges caused by flooding from Hurricane Marco and Tropical Storm Laura, and COVID-19, Legacy CDC has completed the sale of two affordable homes and has added three more properties slated for home ownership to their revolving line of credit. Legacy CDC anticipates an additional home sale in late September/early October.

Texas State Affordable Housing Corporation

Development Finance Programs Report October 2020

The AHA! at Briarcliff development is nearing construction completion and has utilized approximately \$400,000 in TSAHC loan funds as construction financing. Although they're experiencing construction delays due to material shortages, they intend to begin leasing units by Winter 2020.

Multifamily Bond Program

The Multifamily Bonds Program continues to be a very busy program for staff. Three new applications were submitted in September and staff is managing ten additional applications. Shady Oaks Manor apartments is schedule to close on or before October 15th, and the W. Leo Daniels Towers project is being presented at this month's board meeting for final approval. Two new projects, Gardens of Balch Springs and Riverstation Apartments, will be presented for inducement at this month's board meeting.

Staff is also presenting amendments to our RFP and Policies for the multifamily private activity bond program. TSAHC reviews and updates the RFP and Policies annually, and this month the Board is being asked to approve the draft for publication and public comment. Staff will return to the Board in December to present public comments collected and request final approval.

Tab C

Texas State Affordable Housing Corporation
Budget Report
August 31, 2020

	Annual Budget	Actual	Percent of Annual Budget	Reference
Revenue				
Servicing Revenue	126,000	116,904	93%	
Single Family Program Revenue	6,179,000	7,717,895	125%	①
Multifamily Program Revenue	749,000	1,586,193	212%	②
Lending/ACT/THIF Program Revenue	816,000	1,750,416	215%	③
Grants, Donations & Other Awards	1,115,000	1,118,695	100%	
Federal & State Grants	5,787,000	3,811,049	66%	
Tenant Revenue	561,000	572,753	102%	
Investment Revenue	2,260,000	858,292	38%	④
Total Revenue	17,593,000	17,532,197	100%	
Expenditures				
Salaries & Payroll Related Expenditures	3,059,000	3,010,844	98%	
Program & Corporate Expenditures	12,506,000	10,233,244	82%	
Professional Services	517,000	444,905	86%	
Principal & Interest on Notes Payable	649,000	637,328	98%	
Marketing	162,000	137,767	85%	
Insurance	156,000	176,741	113%	
Travel & Meals	140,000	66,364	47%	⑤
Furniture, Equipment & Software	83,000	88,532	107%	
Building Maintenance	68,000	44,016	65%	
Professional Dues, Conferences & Training	41,000	18,540	45%	⑤
Bank Fees & Charges	15,000	14,763	98%	
Sponsorships	20,000	15,022	75%	
Communication	15,000	14,836	99%	
Printing & Office Supplies	9,000	3,295	37%	⑤
Publications, Subscriptions & Other	24,000	21,164	88%	
Freight, Delivery & Postage	10,000	10,972	110%	
Total Expenditures	17,474,000	14,938,333	85%	
Net Budgeted Income	119,000	2,593,864		

Average Expected Percent Received/Expended = 100%

Texas State Affordable Housing Corporation
Budget Report
August 31, 2020

Explanation of Variances

- ① The Corporation experienced an increase in Single Family Program loan volume throughout Fiscal Year 2020 which was far greater than anticipated resulting in a considerable increase in revenue for the year.
- ② 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. Multifamily revenue earned year-to-date excluding the recovery is right on target for the year.
- ③ Income associated with the Corporation's Texas Housing Impact Fund, Affordable Communities in Texas and Lending Programs exceeds projected revenue as of year end. This is primarily the result of an increase in property sales such as the \$437,000 from Housing Channel.
- ④ Investment revenue is significantly lower due to a drop in the number of refinancings related to the Corporation's mortgage backed securities and a decrease in interest rates caused by market concerns over the Coronavirus Pandemic.
- ⑤ "Travel & Meals" as well as "Professional Dues, Conferences & Trainings" and "Printing" are lower than originally anticipated due to travel and shelter in place restrictions issued in response to the coronavirus pandemic.



Quarterly Investment Report
May 31, 2020 – August 31, 2020



Struggling to Sustain a Recovery

The dramatic and discouraging swings created by the Covid-19 virus has lead the US into perhaps the most challenging environment in modern history. The next few years will be crucial. Additional stimulus is needed as much now as for the expected post-covid slowdown, as everyone takes a large slow breath..

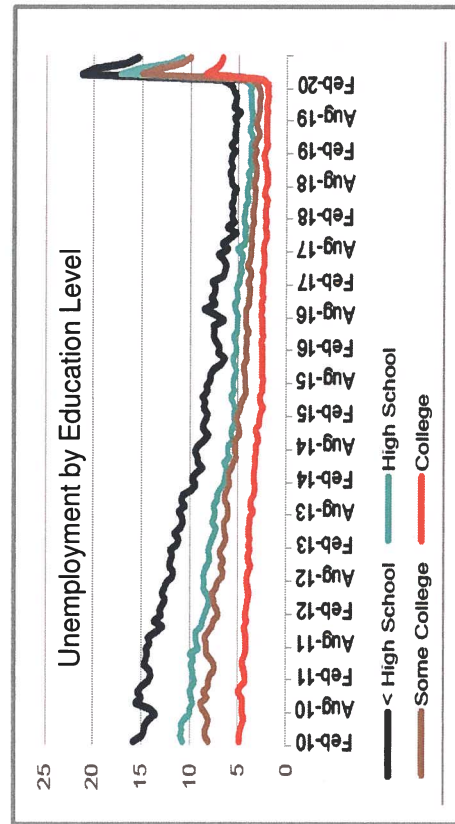
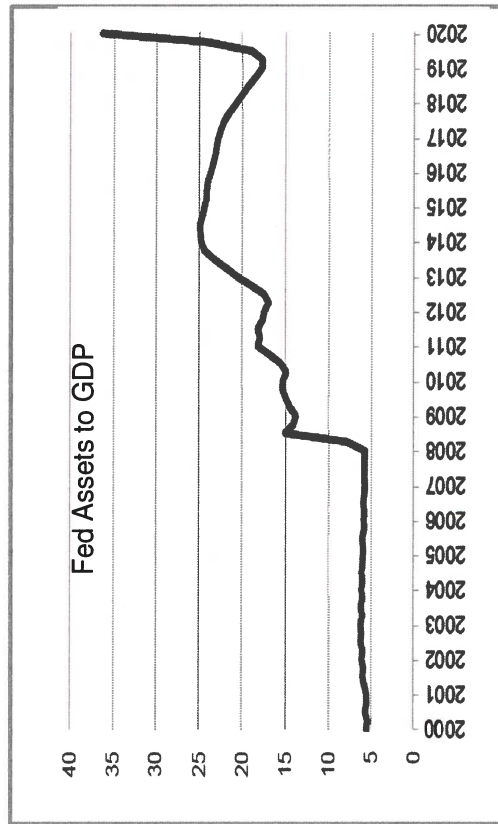
Covid exposed fault lines hidden by the longest expansion on record and caused massive job losses and the worst recession since WWII. The US has to come out of this better than pre-covid.

Bureaucratic missteps and political fights, along with lack of timely medical information combined with racial problems and income equality, have created a perfect storm of instability and populism around the world.

Previous recessions are usually investment driven, unlike Covid, so consumer consumption has dropped 34.6 % in Q2. That in turn slows manufacturing and decimates small business. A good overview is from the Chicago Fed's Index in which 29 of the 85 indicators are negative. This lessens inflation worries and so consumers are not pushed to buy.

However, there are a few strong signs that the economy is slowly sprouting. Housing is booming with existing home sales jumping like it is 2006. With this boom, prices are rising but the low mortgage rates for people with a down payment provides a major inducement. Industrial production is climbing back as is personal income.

But confidence is dropping fast even with increased income. Part of the confidence issue may be tied to the upcoming election and Congress' inaction. The strongest confidence point is of course jobs and without re-opening, jobs will remain scarce. We have seen a rise in unemployment claims, but continuing claims are stable. There is much to overcome however, the US has seen 57.4mm claims filed in the last 22 weeks. This hits the lower educational level service jobs the hardest and contributes to the social divisions. These divisions can be seen developing geo-politically around the world as well.



Monetary and Fiscal Efforts

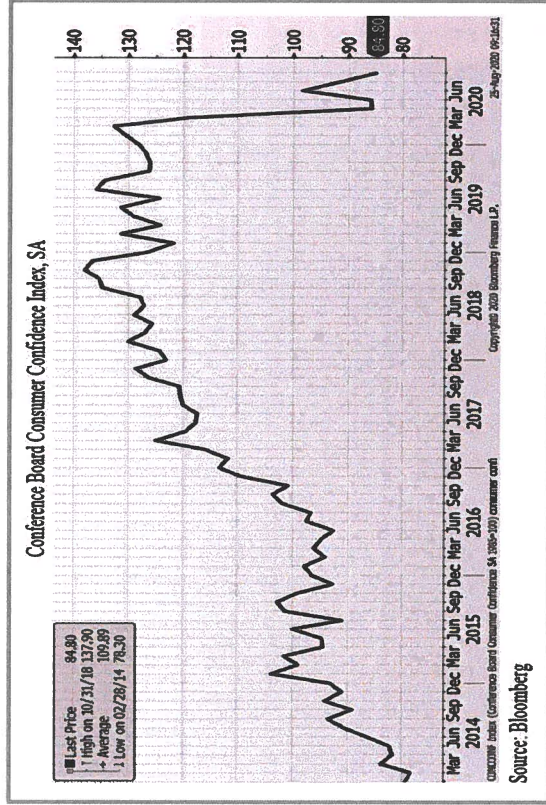
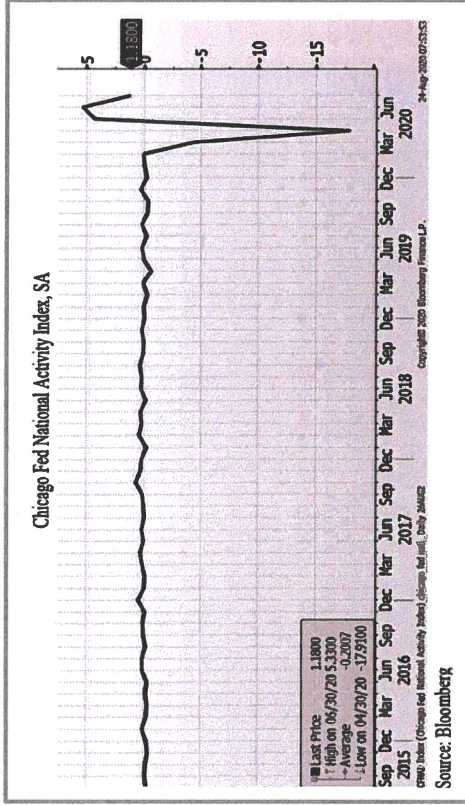
Fiscal efforts are mired in a political battle, which will not see a possible resolve until November. There will probably be another stimulus package from Congress, but its size and directives are currently uncertain. These will address the key elements of job and support, but probably not training and business support.

Monetary efforts, however, continue to move at a rapid pace. The Fed has many tools and has been using them all year. Support for **liquidity** in CP, primary and secondary markets, and asset acquisitions have eased some tensions and most importantly provided liquidity to the markets so that they do not simply seize up. But these actions have also contributed to a massive balance sheet increase and overriding debt. Remember that only in the fall of 2018 was the Fed starting to see the end of the 2008-09 QE supply.

Now the Fed has introduced its **Strategy on Longer Run Goals and Monetary Policy** furthering their goal of transparency. Judging that the Fed Funds rate has become less consistent with its goal of max employment and price stability, they see a greater risk to employment and inflation. Whereas employment is broad based and structural, inflation rates are primarily influenced by monetary policy. Hence the Committee has the ability to specify a longer-run goal for inflation through this policy. This major change is moving to a flexible **average inflation targeting (AIT)** framework which removes the 2% inflation target. Essentially strong economies over 2% would be an acceptable goal, whereas when needed they would lower the target.

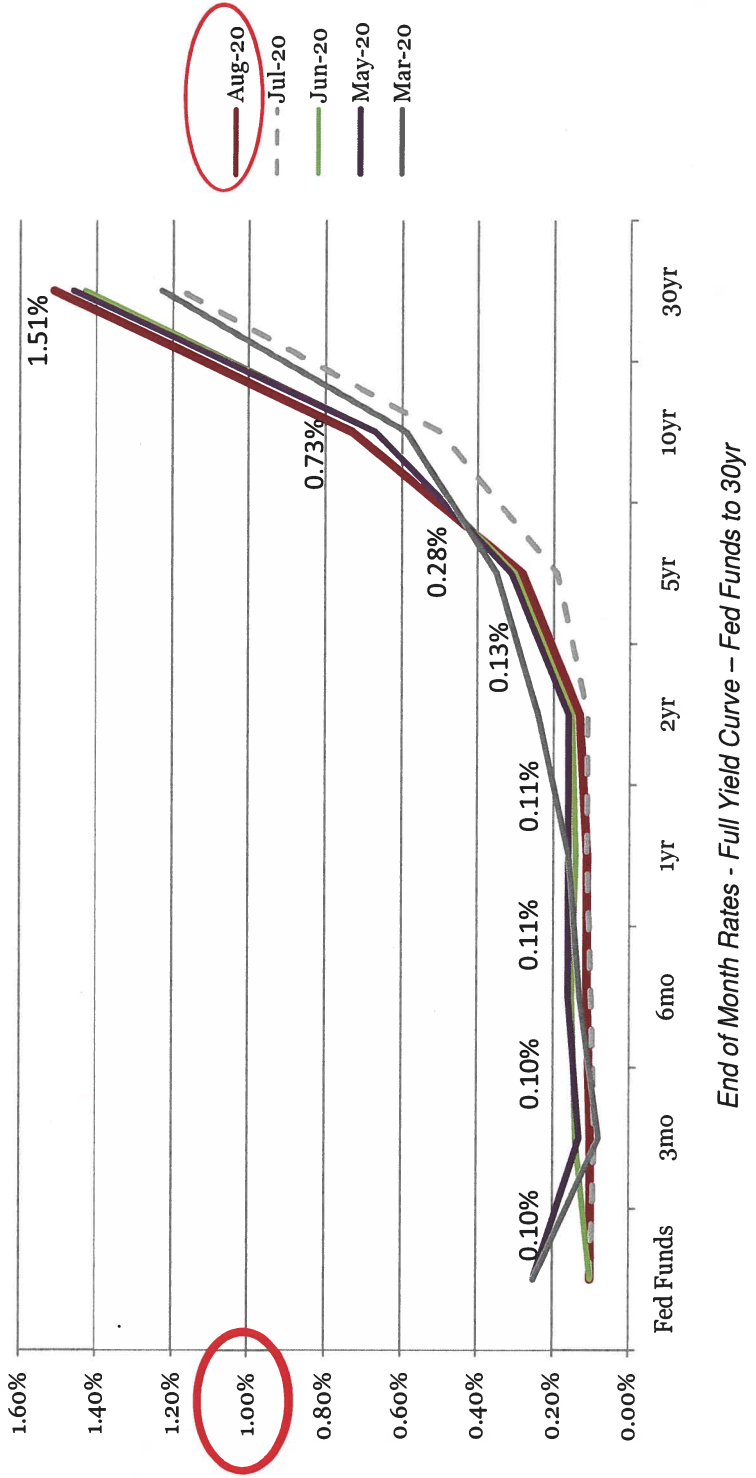
Another major idea being floated by the Fed is **Yield Curve Targeting (YCT)**. This is not new since it was used in the 1940's to cap treasury yields (and therefore the level of debt) for the war effort. Although QE and forward guidance are the primary tools, it appears the Fed is moving to and may choose to yield target the short-to-medium Treasuries to further stimulate the economy.

Such a move requires monetary and fiscal policy-makers cooperation and it still has a long way to go!



To V or Not to Be

- The graph below shows the ugly truth of the yield curve as it also fights the virus. Changes in short rates are now measured in basis points.
- Fed actions and market fears around the world have caused Treasury and agency rates to remain at the lower (dismal) levels seen for the last five months. The Fed has stated its intention to stay at 0.0% Fed Funds through 2022.
- Fear increases the demand for safe havens and the safest are the U.S. Treasury and the USD dollar. Only commercial paper offers value in the short-term.
- The 2 year now yields 0.11% and the 5-year and 10-year notes in real terms are negative in yield (-1.24% and -1.02% respectively). Looking back on 2008-2010 as possible guide posts as the Treasury extends its maturities (from Bills), the short term inside the 2-year may be zero bound for a long time.
- Adding the jaw-dropping level of direct stimulus this time and the level of debt accumulating, it will be awhile before rates rise.




Texas State Affordable Housing Corporation

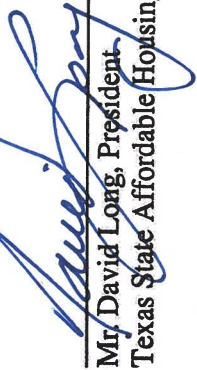
Quarterly Investment Report
 May 31, 2020 – August 31, 2020
Portfolio Summary Management Report


This quarterly report is in compliance with the investment policy and strategy as established by the Corporation and the Public Funds Investment Act (Chapter 2256, Texas Government Code).

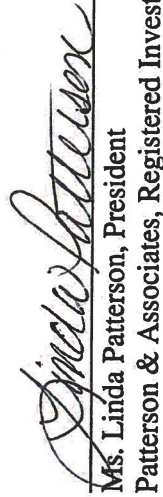
<u>Portfolio as of May 31, 2020</u>	<u>Portfolio as of August 31, 2020</u>
Beginning Book Value	\$ 28,086,849
Beginning Market Value	\$ 28,167,351
Unrealized Gain/Loss	\$ 80,502
WAM at Beginning Period Date ¹	197 days
	WAM at Ending Period Date ¹
	237 days
	Change in Market Value
	\$ 1,340,769

Average Yield to Maturity for period **0.863%**
 Average Yield 3 month Treasury bill for period **0.130%**
 Average Yield 6 month Treasury bill for period **0.150%**


 Ms. Melinda Smith, CFO
 Texas State Affordable Housing Corporation


 Mr. David Long, President
 Texas State Affordable Housing Corporation


 Mr. Nick Lawrence, Controller
 Texas State Affordable Housing Corporation


 Ms. Linda Patterson, President
 Patterson & Associates, Registered Investment Advisor

¹ WAM, represents weighted average maturity.

Your Portfolio

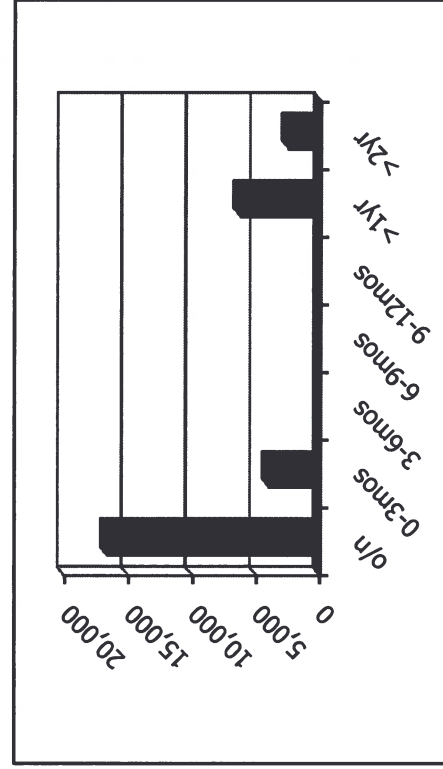
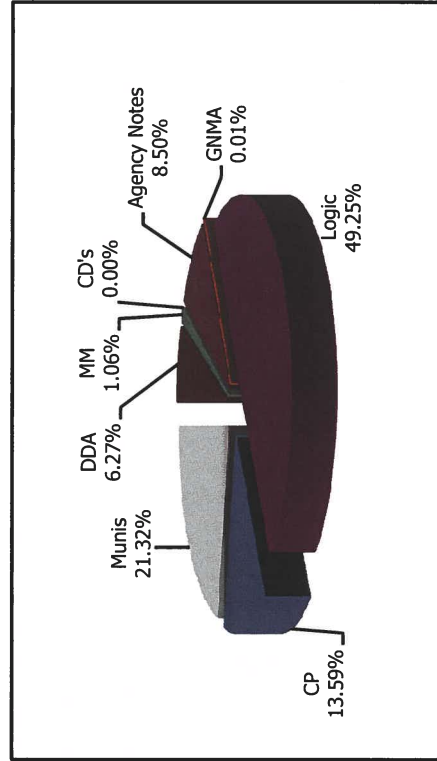
As of August 31, 2020

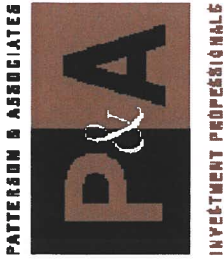
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- P&A constantly reviews your portfolio for optimal asset allocation and a controlled average maturity because a diversified portfolio can better adjust to volatile market conditions. These are unusual times and where extensions can be made it is important to make them for any value in the markets.
- The graphs below show asset allocations by market sector and by maturity in your portfolio. Liquidity will not be attractive but as the curve flattens it also is sometimes the only sector available as year end expenditures loom. Our expectation is of continuing low rates but we will attempt to find value in all authorized sectors to capture yield available.
- Hopefully Fed actions will return us to some normalcy and a vaccine will be found This is what we are watching for and acting on.
- The non-cash portion of your portfolio is yielding 1.30%.





Patterson & Associates
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 Suite 195
 Austin, TX 78746

**Texas State Affordable Housing
 Portfolio Management
 Portfolio Summary
 August 31, 2020**

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM
							365 Equiv.
Commercial Paper Disc. -Amortizing	4,000,000.00	3,996,640.00	3,996,640.00	13.58	179	14	2.090
Federal Agency Coupon Securities	2,500,000.00	2,499,848.15	2,500,000.00	8.50	1,095	1,045	0.500
Municipal Obligations	5,935,000.00	6,358,960.20	6,271,867.07	21.32	822	679	1.105
Pass Through Securities (GNMA)	3,295.58	3,763.38	3,295.58	0.01	8,646	5,162	5.971
LOGIC	14,490,076.90	14,490,076.90	14,490,076.90	49.25	1	1	0.315
FHLB Dallas-Money Fund	313,018.48	313,018.48	313,018.48	1.06	1	1	0.010
Bank Accounts	1,845,813.07	1,845,813.07	1,845,813.07	6.27	1	1	0.005
Investments	29,087,204.03	29,508,120.18	29,420,711.10	100.00%	294	237	0.718
Cash and Accrued Interest							
Accrued Interest at Purchase		2,860.67	2,860.67				
Subtotal		2,860.67	2,860.67				
Total Cash and Investments	29,087,204.03	29,510,980.85	29,423,571.77		294	237	0.718

Total Earnings	August 31 Month Ending	Fiscal Year To Date	Fiscal Year Ending
Current Year	15,978.82	379,604.00	379,604.00

The following reports are submitted in accordance with the Public Funds Investment Act (Texas Gov't Code 2256). The reports also offer supplemental information not required by the Act in order to fully inform the governing body of the Texas State Affordable Housing Corporation of the position and activity within the Corporation's portfolio of investments. The reports include a management summary overview, a detailed inventory report for the end of the period, a transaction report, as well as graphic representations of the portfolio to provide full disclosure to the governing body.

Melinda Smith 9/24/2020
 Melinda Smith, Chief Financial Officer



**Texas State Affordable Housing
Summary by Type
August 31, 2020
Grouped by Fund**

Patterson & Associates
901 S. MoPac
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Austin, TX 78746

INVESTMENT PROFESSIONALS

Security Type	Number of Investments	Par Value	Book Value	% of Portfolio	Average YTM 365	Average Days to Maturity
Fund: Capital Magnet						
Bank Accounts	1	950,633.12	950,633.12	3.23	0.010	1
Subtotal	1	950,633.12	950,633.12	3.23	0.010	1
Fund: General Investments						
MM Funds/NOW Accounts	1	0.00	0.00	0.00	0.000	0
Bank Accounts	1	895,179.95	895,179.95	3.04	0.000	1
FHLB Dallas-Money Fund	1	313,018.48	313,018.48	1.06	0.010	1
Federal Agency Coupon Securities	1	2,500,000.00	2,500,000.00	8.50	0.500	1,045
Pass Through Securities (GNMA)	1	3,295.58	3,295.58	0.01	5.971	5,162
LOGIC	1	14,490,076.90	14,490,076.90	49.25	0.315	1
Municipal Obligations	3	5,935,000.00	6,271,867.07	21.32	1.105	679
Commercial Paper Disc. -Amortizing	2	4,000,000.00	3,996,640.00	13.58	2.090	14
Subtotal	11	28,136,570.91	28,470,077.98	96.76	0.742	245
Total and Average	12	29,087,204.03	29,420,711.10	100.00	0.718	237



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INVESTMENT PROFESSIONALS

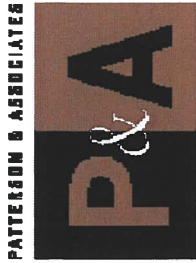
Texas State Affordable Housing
 Fund CAPMAG - Capital Magnet
 Investments by Fund
 August 31, 2020

Patterson & Associates
 901 S. MoPac
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CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Days To Date Maturity
Bank Accounts										
592089718	233	Frost Bank Checking	04/05/2019	950,633.12	950,633.12	950,633.12	0.010	0.009	0.010	1
		Subtotal and Average		950,633.12	950,633.12	950,633.12	0.010	0.010	0.010	1
		Total Investments and Average		950,633.12	950,633.12	950,633.12	0.010	0.010	0.010	1

Fund GENERAL - General Investments
Investments by Fund
August 31, 2020

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Days To Date Maturity
Commercial Paper Disc. -Amortizing										
19121AJE2	243	Coca Cola CP	03/19/2020	1,998,844.44	2,000,000.00	1,998,844.44		1.612	1.635	09/14/2020 13
71708EJH9	244	Pfizer CP	03/23/2020	1,997,795.56	2,000,000.00	1,997,795.56		2.510	2.545	09/17/2020 16
		Subtotal and Average		3,996,640.00	4,000,000.00	3,996,640.00		2.062	2.090	14
Federal Agency Coupon Securities										
3134GV5N4	250	FHLMC Call Note	07/13/2020	2,500,000.00	2,500,000.00	2,499,848.15	0.500	0.493	0.500	07/13/2023 1,045
		Subtotal and Average		2,500,000.00	2,500,000.00	2,499,848.15		0.493	0.500	1,045
Municipal Obligations										
463813ZJ7	246	Irving ISD	04/08/2020	2,111,446.24	2,000,000.00	2,139,500.00	5.000	1.104	1.120	02/15/2022 532
572682NX6	247	Marshall ISD	04/09/2020	2,390,974.46	2,185,000.00	2,439,377.70	5.000	1.075	1.090	02/15/2023 897
88278PYY4	248	Texas State University	04/17/2020	1,769,446.37	1,750,000.00	1,780,082.50	1.839	1.091	1.107	03/15/2022 560
		Subtotal and Average		6,271,867.07	5,935,000.00	6,358,960.20		1.090	1.105	679
Pass Through Securities (GNMA)										
36201LFC3	100	G2 586163 Mfge	02/17/2011	3,295.58	3,295.58	3,763.38	5.990	5.889	5.971	10/20/2034 5,162
		Subtotal and Average		3,295.58	3,295.58	3,763.38		5.889	5.971	5,162
LOGIC										
5010	213	Logic	11/16/2016	14,490,076.90	14,490,076.90	14,490,076.90	0.315	0.311	0.315	1
		Subtotal and Average		14,490,076.90	14,490,076.90	14,490,076.90		0.311	0.315	1
FHLB Dallas-Money Fund										
999999995	9002	FHLB Money Market Fund	09/01/2006	313,018.48	313,018.48	313,018.48	0.010	0.010	0.010	1
		Subtotal and Average		313,018.48	313,018.48	313,018.48		0.010	0.010	1
MM Funds/NOW Accounts										
3051137	175	Crockett National Bank	09/21/2015	0.00	0.00	0.00				1
		Subtotal and Average		0.00	0.00	0.00		0.000	0.000	0
Bank Accounts										
591359967	69	Frost Bank Checking	03/05/2010	895,179.95	895,179.95	895,179.95				1
		Subtotal and Average		895,179.95	895,179.95	895,179.95		0.000	0.000	1
		Total Investments and Average		28,470,077.98	28,136,570.91	28,557,487.06		0.732	0.742	244



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**Texas State Affordable Housing
Cash Reconciliation Report
For the Period June 1, 2020 - August 31, 2020
Grouped by Fund**

Patterson & Associates
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Austin, TX 78746

Trans. Date	Investment #	Fund	Trans. Type	Security ID	Par Value	Security Description	Maturity Date	Purchases	Interest	Redemptions	Cash
General Investments											
06/20/2020	100	GENERAL	Interest	36201LFC3	22,957.26	G25861 0.0M 5.99% Mat.	10/20/2034	0.00	16.81	24.18	40.99
07/13/2020	250	GENERAL	Purchase	3134GV5N4	2,500,000.00	FHLMCC 2.5M 0.50% Mat.	07/13/2023	-2,500,000.00	0.00	0.00	-2,500,000.00
07/20/2020	100	GENERAL	Interest	36201LFC3	22,957.26	G25861 0.0M 5.99% Mat.	10/20/2034	0.00	16.69	23.66	40.35
07/21/2020	241	GENERAL	Maturity	0347M2GM2	2,000,000.00	ANGLE 2.0M 0.00% Mat.	07/21/2020	0.00	0.00	2,000,000.00	2,000,000.00
07/29/2020	242	GENERAL	Maturity	0674ZVDH1	2,000,000.00	BARCBK 2.0M 0.00% Mat.	07/29/2020	0.00	0.00	2,000,000.00	2,000,000.00
08/15/2020	246	GENERAL	Interest	463813ZJ7	2,000,000.00	IRVING 2.0M 5.00% Mat.	02/15/2022	0.00	50,000.00	0.00	50,000.00
08/15/2020	247	GENERAL	Interest	572682NX6	2,185,000.00	MISD 2.2M 5.00% Mat.	02/15/2023	0.00	54,625.00	0.00	54,625.00
08/20/2020	100	GENERAL	Interest	36201LFC3	22,957.26	G25861 0.0M 5.99% Mat.	10/20/2034	0.00	16.58	25.06	41.64
Subtotal								-2,500,000.00	104,675.08	4,000,072.90	1,604,747.98
Total								-2,500,000.00	104,675.08	4,000,072.90	1,604,747.98

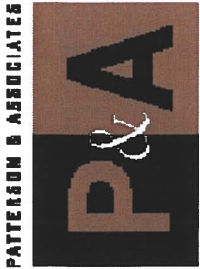


INVESTMENT PROFESSIONALS

Texas State Affordable Housing
Purchases Report
Sorted by Fund - Fund
June 1, 2020 - August 31, 2020

Patterson & Associates
 901 S. MoPac
 Suite 195
 Austin, TX 78746

CUSIP	Investment #	Fund	Sec. Type	Issuer	Original Par Value	Purchase Date	Payment Periods	Principal Purchased	Accrued Interest at Purchase	Rate at Purchase	Maturity Date	YTM	Ending Book Value
3134GV5N4	250	GENERAL	FAC	FHLMCC	2,500,000.00	07/13/2020	01/13 - 07/13	2,500,000.00	0.00	0.500	07/13/2023	0.500	2,500,000.00
				Subtotal	2,500,000.00			2,500,000.00	0.00				2,500,000.00
				Total Purchases	2,500,000.00			2,500,000.00	0.00				2,500,000.00



PATTERSON & ASSOCIATES

Texas State Affordable Housing
Maturity Report

Sorted by Maturity Date

Receipts during June 1, 2020 - August 31, 2020

INVESTMENT PROFESSIONALS

Patterson & Associates
901 S. MoPac
Suite 195
Austin, TX 78746

CUSIP	Investment #	Fund	Sec. Type	Issuer	Par Value	Maturity Date	Purchase Date at Maturity	Rate	Book Value at Maturity	Interest	Maturity Proceeds	Net Income
0347M2GM2	241	GENERAL	ACP	ANGLE	2,000,000.00	07/21/2020	01/27/2020		2,000,000.00	0.00	2,000,000.00	0.00
06742VDH1	242	GENERAL	ACP	BARCBK	2,000,000.00	07/29/2020	01/31/2020		2,000,000.00	0.00	2,000,000.00	0.00
Total Maturities					4,000,000.00				4,000,000.00	0.00	4,000,000.00	0.00



**Texas State Affordable Housing
Interest Earnings**
Sorted by Fund - Fund
June 1, 2020 - August 31, 2020
Yield on Average Book Value

Patterson & Associates
901 S. MoPac
Suite 195
Austin, TX 78746

CUSIP	Investment #	Fund	Security Type	Ending Par Value	Beginning Book Value	Average Book Value	Maturity Date	Current Rate	Annualized Yield	Interest Earned	Adjusted Interest Earnings	
											Amortization/ Accretion	Adjusted Interest Earnings
Fund: Capital Magnet												
592089718	233	CAPMAG	RR5	950,633.12	3,750,637.81	1,681,066.29		0.010	0.009	38.04	0.00	38.04
				950,633.12	3,750,637.81	1,681,066.29			0.009	38.04	0.00	38.04
Fund: General Investments												
5010	213	GENERAL	RRP	14,490,076.90	9,280,240.38	8,478,011.56		0.315	0.460	9,836.52	0.00	9,836.52
999999995	9002	GENERAL	RR2	313,018.48	168,779.14	235,677.73		0.010	0.010	5.98	0.00	5.98
591359967	69	GENERAL	RR5	895,179.95	603,532.89	2,134,446.19				0.00	0.00	0.00
3134GV5N4	250	GENERAL	FAC	2,500,000.00	0.00	1,358,695.65	07/13/2023	0.500	0.487	1,666.67	0.00	1,666.67
36201LFC3	100	GENERAL	GN1	3,295.58	3,368.48	3,334.97	10/20/2034	5.990	0.064	49.72	0.00	49.72
0347M2GM2	241	GENERAL	ACP	0.00	1,994,972.22	1,085,617.60	07/21/2020		1.837	0.00	5,027.78	5,027.78
06742VDH1	242	GENERAL	ACP	0.00	1,994,393.33	1,259,132.72	07/29/2020		1.767	0.00	5,606.67	5,606.67
19121AJE2	243	GENERAL	ACP	2,000,000.00	1,990,666.67	1,994,800.00	09/14/2020		1.626	0.00	8,177.77	8,177.77
71708EJH9	244	GENERAL	ACP	2,000,000.00	1,985,120.00	1,991,526.67	09/17/2020		2.525	0.00	12,675.56	12,675.56
463813ZJ7	246	GENERAL	MC1	2,000,000.00	2,130,587.77	2,120,774.26	02/15/2022	5.000	1.096	25,000.00	-19,141.53	5,858.47
572682NX6	247	GENERAL	MC1	2,185,000.00	2,411,944.71	2,401,193.65	02/15/2023	5.000	1.048	27,312.50	-20,970.25	6,342.25
88278PY4	248	GENERAL	MC1	1,750,000.00	1,772,605.52	1,770,985.88	03/15/2022	1.839	1.095	8,045.63	-3,159.15	4,886.48
				28,136,570.91	24,336,211.11	24,834,196.89			0.961	71,917.02	-11,783.15	60,133.87
Total				29,087,204.03	28,086,848.92	26,515,263.19			0.900	71,955.06	-11,783.15	60,171.91



**Texas State Affordable Housing
Amortization Schedule
June 1, 2020 - August 31, 2020
Sorted By Fund - Fund**

Patterson & Associates
901 S. MoPac
Suite 195
Austin, TX 78746

Investment #	Fund	Maturity Date	Beginning Par Value	Purchase Principal	Original Premium or Discount	Ending Book Value	Amounts Amortized And Unamortized As of 06/01/2020	Amount Amortized This Period	Amt Amortized Through 08/31/2020	Amount Unamortized Through 08/31/2020
General Investments										
241	GENERAL	07/21/2020	2,000,000.00	1,982,302.22	-17,697.78	0.00	12,670.00	5,027.78	17,697.78	0.00
	Anglesea Funding CP						-5,027.78			
242	GENERAL	07/29/2020	2,000,000.00	1,982,600.00	-17,400.00	0.00	11,793.33	5,606.67	17,400.00	0.00
	Barclays Bank CP						-5,606.67			
243	GENERAL	09/14/2020	2,000,000.00	1,984,088.89	-15,911.11	1,998,844.44	6,577.78	8,177.77	14,755.55	-1,155.56
	Coca Cola CP						-9,333.33			
246	GENERAL	02/15/2022	2,000,000.00	2,141,860.00	141,860.00	2,111,446.24	-11,272.23	-19,141.53	-30,413.76	111,446.24
	Irving ISD		5,000				130,587.77			
247	GENERAL	02/15/2023	2,185,000.00	2,424,060.85	239,060.85	2,390,974.46	-12,116.14	-20,970.25	-33,086.39	205,974.46
	Marshall ISD		5,000				226,944.71			
244	GENERAL	09/17/2020	2,000,000.00	1,975,475.56	-24,524.44	1,997,795.56	-14,880.00	12,675.56	22,320.00	-2,204.44
	Pfizer CP						9,644.44			
248	GENERAL	03/15/2022	1,750,000.00	1,774,150.00	24,150.00	1,769,446.37	-1,544.48	-3,159.15	-4,703.63	19,446.37
	Texas State University		1,839				22,605.52			
	Subtotal			14,264,537.52	329,537.52	10,288,507.07	15,752.70	-11,783.15	3,969.55	333,507.07
	Total			14,264,537.52	329,537.52	10,288,507.07	15,752.70	-11,783.15	3,969.55	333,507.07
							345,290.22			

**Texas State Affordable Housing
 Projected Cashflow Report
 Sorted by Monthly**

Patterson & Associates
 901 S. MoPac
 Suite 195
 Austin, TX 78746

For the Period September 1, 2020 - March 31, 2021

Projected Trans. Date	Investment #	Fund	Security ID	Transaction Type	Issuer	Par Value	Original Cost	Principal	Interest	Total
September 2020										
09/14/2020	243	GENERAL	19121AJE2	Maturity	Coca Cola CP	2,000,000.00	1,984,088.89	2,000,000.00	0.00	2,000,000.00
09/15/2020	248	GENERAL	88278PYY4	Interest	Texas State University	0.00	0.00	0.00	16,091.25	16,091.25
09/17/2020	244	GENERAL	71708EJH9	Maturity	Pfizer CP	2,000,000.00	1,975,475.56	2,000,000.00	0.00	2,000,000.00
					Total for September 2020	4,000,000.00	3,959,564.45	4,000,000.00	16,091.25	4,016,091.25
October 2020										
10/13/2020	250	GENERAL	3134GV5N4	Call	FHLMC Call Note	2,500,000.00	2,500,000.00	2,500,000.00	0.00	2,500,000.00
					Total for October 2020	2,500,000.00	2,500,000.00	2,500,000.00	0.00	2,500,000.00
January 2021										
01/13/2021	250	GENERAL	3134GV5N4	Interest	FHLMC Call Note	0.00	0.00	0.00	6,250.00	6,250.00
					Total for January 2021	0.00	0.00	0.00	6,250.00	6,250.00
February 2021										
02/15/2021	246	GENERAL	463813ZJ7	Interest	Irving ISD	0.00	0.00	0.00	50,000.00	50,000.00
02/15/2021	247	GENERAL	572682NX6	Interest	Marshall ISD	0.00	0.00	0.00	54,625.00	54,625.00
					Total for February 2021	0.00	0.00	0.00	104,625.00	104,625.00
March 2021										
03/15/2021	248	GENERAL	88278PYY4	Interest	Texas State University	0.00	0.00	0.00	16,091.25	16,091.25
					Total for March 2021	0.00	0.00	0.00	16,091.25	16,091.25
					GRAND TOTALS:	6,500,000.00	6,459,564.45	6,500,000.00	143,057.50	6,643,057.50



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Texas State Affordable Housing Texas Compliance Change in Val Report Sorted by Fund

June 1, 2020 - August 31, 2020

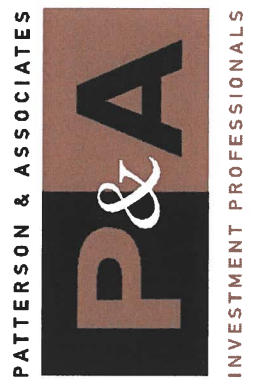
Inv #	Issuer	Fund	Purch Date	Interest Accrued	Beginning Book Value	Beginning Market Value	Purchases/ Additions	Redemptions	Change in Value	Ending Book Value	Ending Market Value
Cusip	Par Value	YTM	Mat Date	Interest Received	Market Value	Market Value				Book Value	Market Value
Fund: Capital Magnet											
233	FBC	CAPMAG	04/05/2019	38.04	3,750,637.81	3,750,637.81	241.25	2,800,245.94	-2,800,004.69	950,633.12	950,633.12
592089718	950,633.12	0.010	/ /	38.04	3,750,637.81	3,750,637.81	241.25	2,800,245.94	-2,800,004.69	950,633.12	950,633.12
Sub Totals For: Fund: Capital Magnet											
				38.04	3,750,637.81	3,750,637.81	241.25	2,800,245.94	-2,800,004.69	950,633.12	950,633.12
				38.04	3,750,637.81	3,750,637.81	241.25	2,800,245.94	-2,800,004.69	950,633.12	950,633.12
Fund: General Investments											
100	G25861	GENERAL	02/17/2011	49.72	3,368.48	3,368.48	0.00	72.90	-72.90	3,295.58	3,295.58
36201LFC3	3,295.58	5.971	10/20/2034	50.08	3,839.34	3,839.34	0.00	72.90	-75.96	3,763.38	3,763.38
175	CNB	GENERAL	09/21/2015	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3051137	0.00	0.000	/ /	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
213	LOGIC	GENERAL	11/16/2016	9,836.52	9,280,240.38	9,280,240.38	7,209,836.52	2,000,000.00	5,209,836.52	14,490,076.90	14,490,076.90
5010	14,490,076.90	0.315	/ /	9,836.52	9,280,240.38	9,280,240.38	7,209,836.52	2,000,000.00	5,209,836.52	14,490,076.90	14,490,076.90
241	ANGLE	GENERAL	01/27/2020	0.00	1,994,972.22	1,994,972.22	0.00	2,000,000.00	-1,994,972.22	0.00	0.00
0347M2GM2	0.00	0.000	07/21/2020	0.00	1,994,972.22	1,994,972.22	0.00	2,000,000.00	-1,994,972.22	0.00	0.00
242	BARCBK	GENERAL	01/31/2020	0.00	1,994,393.33	1,994,393.33	0.00	2,000,000.00	-1,994,393.33	0.00	0.00
06742VDH1	0.00	0.000	07/29/2020	0.00	1,994,393.33	1,994,393.33	0.00	2,000,000.00	-1,994,393.33	0.00	0.00
243	COCA	GENERAL	03/19/2020	0.00	1,990,666.67	1,990,666.67	0.00	0.00	8,177.77	1,998,844.44	1,998,844.44
19121AJE2	2,000,000.00	1.612	09/14/2020	0.00	1,990,666.67	1,990,666.67	0.00	0.00	8,177.77	1,998,844.44	1,998,844.44
244	PFIZER	GENERAL	03/23/2020	0.00	1,985,120.00	1,985,120.00	0.00	0.00	12,675.56	1,997,795.56	1,997,795.56
71708EJH9	2,000,000.00	2.510	09/17/2020	0.00	1,985,120.00	1,985,120.00	0.00	0.00	12,675.56	1,997,795.56	1,997,795.56
246	IRVING	GENERAL	04/08/2020	25,000.00	2,130,587.77	2,130,587.77	0.00	0.00	-19,141.53	2,111,446.24	2,111,446.24
463813ZJ7	2,000,000.00	1.120	02/15/2022	35,277.78	2,164,540.00	2,164,540.00	0.00	0.00	-25,040.00	2,139,500.00	2,139,500.00
247	MISD	GENERAL	04/09/2020	27,312.50	2,411,944.71	2,411,944.71	0.00	0.00	-20,970.25	2,390,974.46	2,390,974.46
572682NX6	2,185,000.00	1.090	02/15/2023	38,237.50	2,462,691.65	2,462,691.65	0.00	0.00	-23,313.95	2,439,377.70	2,439,377.70

**Texas State Affordable Housing
Texas Compliance Change in Val Report
June 1, 2020 - August 31, 2020**

Inv #	Issuer	Fund	Purch Date	Interest Accrued	Beginning Book Value	Purchases/ Additions	Redemptions	Change in Value	Ending Book Value
Cusip	Par Value	YTM	Mat Date	Interest Received	Beginning Market Value				Ending Market Value
248	TXSTUN	GENERAL	04/17/2020	8,045.63	1,772,605.52	0.00	0.00	-3,159.15	1,769,446.37
88278PYY4	1,750,000.00	1.107	03/15/2022	0.00	1,767,937.50	0.00	0.00	12,145.00	1,780,082.50
250	FHLMCC	GENERAL	07/13/2020	1,666.67	0.00	2,500,000.00	0.00	2,500,000.00	2,500,000.00
3134GV5N4	2,500,000.00	0.500	07/13/2023	0.00	0.00	2,500,000.00	0.00	2,499,848.15	2,499,848.15
69	FBC	GENERAL	03/05/2010	0.00	603,532.89	16,740,334.73	16,448,687.67	291,647.06	895,179.95
591359967	895,179.95	0.000	/ /	0.00	603,532.89	16,740,334.73	16,448,687.67	291,647.06	895,179.95
9002	FHLBMM	GENERAL	09/01/2006	5.98	168,779.14	175,802.87	31,563.53	144,239.34	313,018.48
999999995	313,018.48	0.010	/ /	5.98	168,779.14	175,802.87	31,563.53	144,239.34	313,018.48
Sub Totals For: Fund: General Investments									
				71,917.02	24,336,211.11	26,625,974.12	22,480,324.10	4,133,866.87	28,470,077.98
				83,407.86	24,416,713.12	26,625,974.12	22,480,324.10	4,140,773.94	28,557,487.06
Report Grand Totals:									
				71,955.06	28,086,848.92	26,626,215.37	25,280,570.04	1,333,862.18	29,420,711.10
				83,445.90	28,167,350.93	26,626,215.37	25,280,570.04	1,340,769.25	29,508,120.18



**Quarterly Investment Report
Surplus Funds
May 31, 2020 – August 31, 2020**

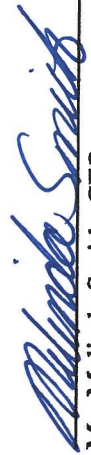


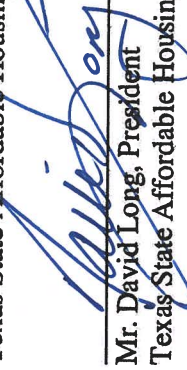
*Texas State Affordable Housing Corporation
Surplus Funds*


Quarterly Investment Report
May 31, 2020 – August 31, 2020
Portfolio Summary Management Report


This quarterly report is in compliance with the investment policy and strategy as established by the Corporation and the Public Funds Investment Act (Chapter 2256, Texas Government Code).

<u>Portfolio as of May 31, 2020</u>	<u>Portfolio as of August 31, 2020</u>
Beginning Book Value	\$ 2,980,990
Beginning Market Value	\$ 3,247,344
Unrealized Gain/Loss	\$ 266,354
WAM at Beginning Period Date ¹	6,245 days
Average Yield to Maturity for period 5.687%	
Average Yield 10 Year Treasury bill for period 0.670%	
Change in Market Value \$ (135,705)	
Ending Book Value	\$ 2,847,318
Ending Market Value	\$ 3,111,639
Investment Income for the period	\$ 41,493
Unrealized Gain/Loss	\$ 264,321
Change in Unrealized Gain/Loss	\$ (2,033)
WAM at Ending Period Date ¹	6,146 days


 Ms. Melinda Smith, CFO
 Texas State Affordable Housing Corporation


 Mr. David Long, President
 Texas State Affordable Housing Corporation


 Mr. Nick Lawrence, Controller
 Texas State Affordable Housing Corporation


 Ms. Linda Patterson, President
 Patterson & Associates, Registered Investment Advisor

¹ WAM, represents weighted average maturity.

Your Portfolio

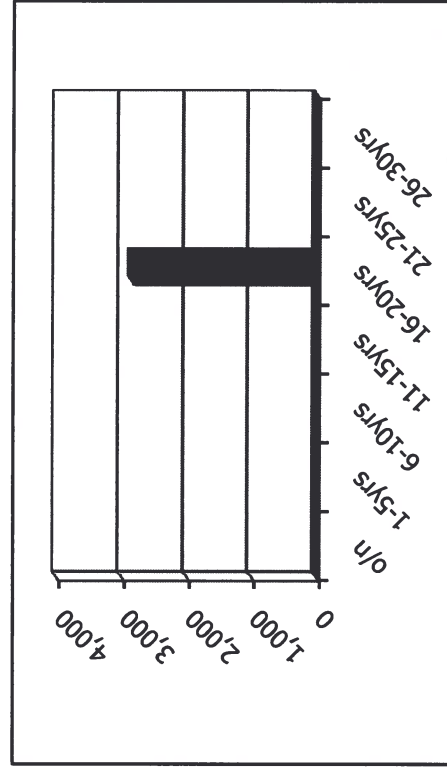
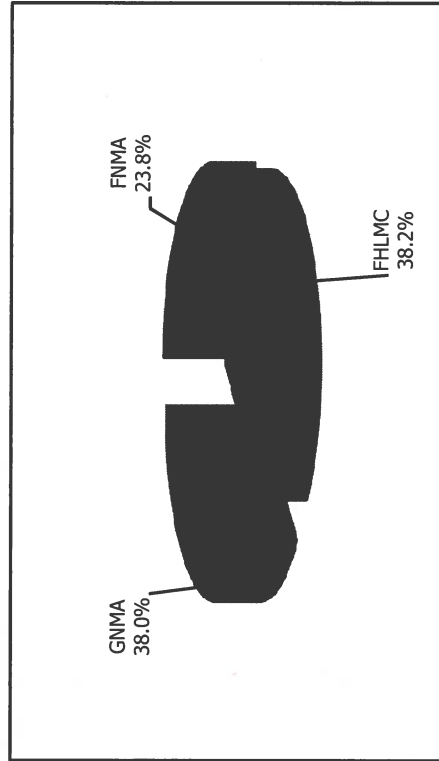
As of August 31, 2020

PATTERSON & ASSOCIATES



INVESTMENT PROFESSIONALS

- P&A constantly reviews your portfolio for optimal asset allocation and a controlled average maturity because a diversified portfolio can better adjust to volatile market conditions. These are unusual times and where extensions can be made it is important to make them for any value in the markets.
- The graphs below show asset allocations by market sector and by maturity in your portfolio. Liquidity will not be attractive but as the curve flattens it also is sometimes the only sector available as year end expenditures loom. Our expectation is of continuing low rates but we will attempt to find value in all authorized sectors to capture yield available.
- Hopefully Fed actions will return us to some normalcy and a vaccine will be found This is what we are watching for and acting on.
- The non-cash portion of your portfolio is yielding 5.688%.





Patterson & Associates
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 Suite 195
 Austin, TX 78746

Texas State Affordable Housing - Surplus Funds
Portfolio Management
Portfolio Summary
August 31, 2020

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 365 Equiv.
Pass Through Securities (GNMA)	1,081,842.28	1,192,011.03	1,081,842.28	38.00	7,521	6,200	5,748
Pass Through Securities (FNMA)	677,806.40	712,838.55	677,806.40	23.81	7,537	5,828	5,493
Pass Through Securities (FHLMC)	1,087,668.88	1,206,789.17	1,087,668.88	38.20	7,582	6,291	5,749
Investments	2,847,317.56	3,111,638.75	2,847,317.56	100.00%	7,548	6,146	5,688
Total Earnings	August 31	Month Ending	Fiscal Year To Date	Fiscal Year Ending			
Current Year	13,622.78	175,426.85	175,426.85	175,426.85			

The following reports are submitted in accordance with the Public Funds Investment Act (Texas Gov't Code 2256). The reports also offer supplemental information not required by the Act in order to fully inform the governing body of the Texas State Affordable Housing Corporation of the position and activity within the Corporation's portfolio of investments. The reports include a management summary overview, a detailed inventory report for the end of the period, a transaction report, as well as graphic representations of the portfolio to provide full disclosure to the governing body.

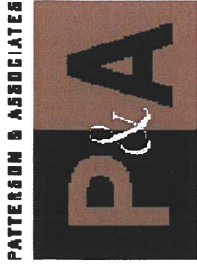
Melinda Smith
 Melinda Smith, Chief Financial Officer



Texas St Aff Housing - Surplus
Summary by Type
August 31, 2020
Grouped by Fund

Patterson & Associates
 901 S. MoPac
 Suite 195
 Austin, TX 78746

Security Type	Number of Investments	Par Value	Book Value	% of Portfolio	Average YTM 365	Average Days to Maturity
Fund: General Investments						
Pass Through Securities (FHLMC)	28	1,087,668.88	1,087,668.88	38.20	5.749	6,291
Pass Through Securities (FNMA)	17	677,806.40	677,806.40	23.81	5.493	5,828
Pass Through Securities (GNMA)	46	1,081,842.28	1,081,842.28	38.00	5.748	6,200
Subtotal	91	2,847,317.56	2,847,317.56	100.01	5.688	6,146
Total and Average	91	2,847,317.56	2,847,317.56	100.00	5.688	6,146



INVESTMENT PROFESSIONALS

**Texas St Aff Housing - Surplus
Fund GENERAL - General Investments
Investments by Fund
August 31, 2020**

Patterson & Associates
901 S. MoPac
Suite 195
Austin, TX 78746

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity
Pass Through Securities (GNMA)											
36296GK59	220	G2 690716 Mige	04/27/2017	0.00	0.00	0.00	5.650	5.521	5.598	06/20/2038	6,501
36296GL74	246	G2 690750 Mige	09/28/2017	24,768.83	24,768.83	27,337.34	6.000	5.862	5.943	05/20/2038	6,470
36202XEM5	193	G2 612240 Mige	09/28/2016	59,405.36	59,405.36	65,458.89	5.750	5.614	5.692	11/20/2036	5,924
36295WR82	234	G2 682811 Mige	09/28/2017	102,183.43	102,183.43	112,717.41	6.100	5.959	6.042	12/20/2037	6,319
36295X5K7	237	G2 684050 Mige	09/28/2017	0.00	0.00	0.00	6.100	5.959	6.042	01/20/2038	6,350
36295YLC5	239	G2 684423 Mige	09/28/2017	81,037.74	81,037.74	89,378.46	6.100	5.959	6.042	12/20/2037	6,319
36201XSZ2	172	G2 606366 Mige	08/27/2015	0.00	0.00	0.00	5.490	5.362	5.437	03/20/2036	5,679
36201XTW8	173	G2 606365 Mige	08/27/2015	101,034.63	101,034.63	111,195.10	5.490	5.363	5.437	05/20/2036	5,740
36202TUK0	178	G2 609086 Mige	06/28/2016	75,895.82	75,895.82	83,471.49	5.490	5.359	5.434	11/20/2036	5,924
36202XDG9	174	G2 612203 Mige	08/27/2015	0.00	0.00	0.00	5.490	5.363	5.438	08/20/2036	5,832
36290YB64	179	G2 621161 Mige	06/28/2016	0.00	0.00	0.00	5.490	5.359	5.434	11/20/2036	5,924
36290YDR6	188	G2 621212 Mige	06/28/2016	24,028.74	24,028.74	26,470.19	5.750	5.616	5.694	04/20/2037	6,075
36290YB23	187	G2 621157 Mige	06/28/2016	45,020.01	45,020.01	49,605.71	5.750	5.615	5.693	12/20/2036	5,954
36290YCF3	184	G2 621170 Mige	06/28/2016	118,687.65	118,687.65	130,707.42	5.750	5.615	5.693	01/20/2037	5,985
36296BYN6	242	G2 686617 Mige	09/28/2017	0.00	0.00	0.00	6.000	5.861	5.943	03/20/2038	6,409
36296N4B9	248	G2 696618 Mige	09/28/2017	0.00	0.00	0.00	6.000	5.863	5.944	08/20/2038	6,562
36295KCH4	194	G2 672472 Mige	09/28/2016	0.00	0.00	0.00	5.750	5.617	5.695	12/20/2037	6,319
36295KDR1	195	G2 672512 Mige	09/28/2016	0.00	0.00	0.00	5.750	5.617	5.695	11/20/2037	6,289
36295MNM7	213	G2 674596 Mige	04/27/2017	29,170.89	29,170.89	32,122.00	5.650	5.519	5.596	09/20/2037	6,228
36295MS34	204	G2 674738 Mige	01/30/2017	36,174.16	36,174.16	39,789.52	5.750	5.610	5.688	08/20/2037	6,197
36295QT26	214	G2 677469 Mige	04/27/2017	64,595.16	64,595.16	71,129.17	5.650	5.519	5.596	10/20/2037	6,258
36295UGS4	229	G2 680709 Mige	09/28/2017	0.00	0.00	0.00	6.000	5.861	5.942	12/20/2037	6,319
36295ULD1	230	G2 680824 Mige	09/28/2017	0.00	0.00	0.00	6.000	5.860	5.942	12/20/2037	6,319
36295USM4	231	G2 681024 Mige	09/28/2017	0.00	0.00	0.00	6.100	5.959	6.041	11/20/2037	6,289
36295WNR4	232	G2 682700 Mige	09/28/2017	0.00	0.00	0.00	6.000	5.861	5.942	01/20/2038	6,350
36295WR74	233	G2 682810 Mige	09/28/2017	30,818.73	30,818.73	34,014.27	6.000	5.861	5.942	01/20/2038	6,350
36295X3E3	215	G2 683997 Mige	04/27/2017	30,502.74	30,502.74	33,588.26	5.650	5.520	5.597	01/20/2038	6,350
36295X3F0	235	G2 683997 Mige	09/28/2017	0.00	0.00	0.00	6.100	5.959	6.042	01/20/2038	6,350
36295X3J2	236	G2 684001 Mige	09/28/2017	69,793.59	69,793.59	77,028.64	6.000	5.861	5.942	02/20/2038	6,381
36295YHV8	238	G2 684344 Mige	09/28/2017	0.00	0.00	0.00	6.100	5.960	6.042	02/20/2038	6,381
36295YLM3	216	G2 684432 Mige	04/27/2017	0.00	0.00	0.00	5.650	5.520	5.597	02/20/2038	6,381
36295YN25	240	G2 684509 Mige	09/28/2017	0.00	0.00	0.00	6.000	5.861	5.942	02/20/2038	6,381
36296AUJ1	217	G2 685585 Mige	04/27/2017	0.00	0.00	0.00	5.650	5.521	5.597	03/20/2038	6,409

Fund GENERAL - General Investments
Investments by Fund
August 31, 2020

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Per Value	Market Value	Current Rate	YTM	YTM	Maturity Days To	
								360	365		Date Maturity
Pass Through Securities (GNMA)											
36296BWF5	241	G2 686546 Mrtg	09/28/2017	0.00	0.00	0.00	6.000	5.862	5.943	04/20/2038	6,440
36296BYJ5	218	G2 686613 Mrtg	04/27/2017	0.00	0.00	0.00	5.650	5.521	5.597	04/20/2038	6,440
36296DVF2	219	G2 688314 Mrtg	04/27/2017	0.00	0.00	0.00	5.650	5.521	5.598	05/20/2038	6,470
36296GK42	205	G2 690715 Mrtg	01/30/2017	51,276.28	51,276.28	56,503.52	5.750	5.613	5.691	06/20/2038	6,501
36296K7L0	247	G2 693999 Mrtg	09/28/2017	0.00	0.00	0.00	6.100	5.961	6.044	07/20/2038	6,531
36296N4X1	206	G2 696638 Mrtg	01/30/2017	0.00	0.00	0.00	5.750	5.613	5.691	08/20/2038	6,562
36296PBA8	207	G2 696733 Mrtg	01/30/2017	58,196.85	58,196.85	64,082.38	5.650	5.514	5.591	07/20/2038	6,531
36296RNP8	208	G2 698898 Mrtg	01/30/2017	0.00	0.00	0.00	5.750	5.613	5.691	08/20/2038	6,562
36296TFG3	249	G2 700467 Mrtg	09/28/2017	0.00	0.00	0.00	6.100	5.962	6.044	10/20/2038	6,623
36296TKE2	250	G2 700593 Mrtg	09/28/2017	79,251.67	79,251.67	87,411.26	6.100	5.962	6.044	10/20/2038	6,623
36296DVK1	243	G2 688318 Mrtg	09/28/2017	0.00	0.00	0.00	6.000	5.862	5.943	05/20/2038	6,470
36296DWW6	244	G2 688360 Mrtg	09/28/2017	0.00	0.00	0.00	6.000	5.862	5.943	05/20/2038	6,470
36296DWX2	245	G2 688362 Mrtg	09/28/2017	0.00	0.00	0.00	6.100	5.960	6.043	05/20/2038	6,470
Subtotal and Average				1,081,842.28	1,081,842.28	1,192,011.03		5.670	5.748		6,199

Pass Through Securities (FNMA)											
31410UYT3	183	FN 898122 Mrtg	06/28/2016	47,352.50	47,352.50	48,839.61	5.750	5.601	5.679	09/01/2036	5,844
31409XNJ4	161	FN 881593 Mrtg	08/27/2015	40,840.49	40,840.49	42,156.62	5.490	5.350	5.424	04/01/2036	5,691
31410MJP6	162	FN 891370 Mrtg	08/27/2015	0.00	0.00	0.00	5.490	5.350	5.424	04/01/2036	5,691
31410MMW89	163	FN 891771 Mrtg	08/27/2015	115,968.09	115,968.09	124,328.01	5.490	5.350	5.425	05/01/2036	5,721
31410SAG2	164	FN 895607 Mrtg	08/27/2015	52,096.14	52,096.14	54,598.49	5.490	5.350	5.425	05/01/2036	5,721
31410SWN3	165	FN 896253 Mrtg	08/27/2015	0.00	0.00	0.00	5.490	5.351	5.425	06/01/2036	5,752
31410VWZ9	175	FN 898964 Mrtg	06/28/2016	58,201.31	58,201.31	61,014.82	5.490	5.346	5.420	09/01/2036	5,844
31410VWZ2	185	FN 898965 Mrtg	06/28/2016	76,957.44	76,957.44	81,321.78	5.750	5.602	5.680	11/01/2036	5,905
31410TNQ4	166	FN 896899 Mrtg	08/27/2015	0.00	0.00	0.00	5.490	5.351	5.425	06/01/2036	5,752
31410UY55	167	FN 898121 Mrtg	08/27/2015	85,320.43	85,320.43	89,913.40	5.490	5.351	5.425	07/01/2036	5,782
31410VW71	168	FN 898970 Mrtg	08/27/2015	0.00	0.00	0.00	5.490	5.351	5.425	07/01/2036	5,782
31411CMA6	169	FN 904053 Mrtg	08/27/2015	41,837.22	41,837.22	43,105.99	5.490	5.351	5.425	08/01/2036	5,813
31411LYY1	170	FN 911627 Mrtg	08/27/2015	68,049.46	68,049.46	71,330.67	5.490	5.349	5.423	11/01/2035	5,539
31412BRY0	176	FN 920403 Mrtg	06/28/2016	0.00	0.00	0.00	5.490	5.347	5.421	12/01/2036	5,935
31413MMY0	177	FN 949575 Mrtg	06/28/2016	0.00	0.00	0.00	5.490	5.348	5.422	03/01/2037	6,025
31413RLV6	171	FN 953140 Mrtg	08/27/2015	0.00	0.00	0.00	5.490	5.354	5.428	09/01/2037	6,209
31414JAE0	186	FN 967229 Mrtg	06/28/2016	91,183.32	91,183.32	96,229.16	5.650	5.507	5.583	11/01/2037	6,270
Subtotal and Average				677,806.40	677,806.40	712,898.55		5.417	5.493		5,828

Fund GENERAL - General Investments
Investments by Fund
August 31, 2020

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Days To Date Maturity
Pass Through Securities (FHLMC)										
3128KYSL4	197	FG A67723 Mte	01/30/2017	72,763.92	72,763.92	80,859.51	5.650	5.524	5.601	05/01/2037 6,086
31335YKU9	160	FG U30307 Mte	08/27/2015	0.00	0.00	0.00	5.490	5.376	5.451	12/01/2036 5,935
31286DCD1	190	FG T30068 Mte	09/28/2016	0.00	0.00	0.00	5.750	5.628	5.707	03/01/2037 6,025
31286DB59	189	FG T30060 Mte	09/28/2016	31,693.81	31,693.81	35,206.38	5.750	5.628	5.706	02/01/2037 5,997
31286DLC3	196	FG T30323 Mte	01/30/2017	0.00	0.00	0.00	5.650	5.525	5.602	10/01/2037 6,239
31286DKY6	209	FG T30311 Mte	04/27/2017	44,638.67	44,638.67	49,574.93	5.650	5.532	5.609	10/01/2037 6,239
31321XK52	211	FG U32116 Mte	04/27/2017	50,226.20	50,226.20	55,734.37	5.650	5.534	5.611	06/01/2038 6,482
31321XML5	227	FG U32163 Mte	09/28/2017	0.00	0.00	0.00	6.000	5.876	5.957	05/01/2038 6,451
31335YNO5	180	FG U30399 Mte	06/28/2016	57,647.17	57,647.17	63,532.02	5.750	5.630	5.708	06/01/2037 6,117
31335YPK6	192	FG U30426 Mte	09/28/2016	75,066.47	75,066.47	82,796.91	5.750	5.629	5.707	07/01/2037 6,147
31335YUJ7	182	FG U30600 Mte	06/28/2016	99,774.77	99,774.77	110,668.18	5.650	5.532	5.609	11/01/2037 6,270
31335YZ41	228	FG U30763 Mte	09/28/2017	0.00	0.00	0.00	6.100	5.973	6.056	12/01/2037 6,300
31335YNA0	181	FG U30385 Mte	06/28/2016	60,147.63	60,147.63	66,312.88	5.750	5.629	5.707	04/01/2037 6,056
31321WAL0	222	FG U30911 Mte	09/28/2017	45,518.78	45,518.78	50,740.96	6.100	5.973	6.056	01/01/2038 6,331
31321W5E2	221	FG U31745 Mte	09/28/2017	64,302.27	64,302.27	71,713.14	6.000	5.875	5.957	03/01/2038 6,390
31321XAV6	198	FG U31820 Mte	01/30/2017	58,842.74	58,842.74	64,906.50	5.750	5.625	5.703	04/01/2038 6,421
31321XAX2	224	FG U31820 Mte	09/28/2017	59,803.92	59,803.92	66,679.86	6.000	5.875	5.957	04/01/2038 6,421
31321XE59	200	FG U31956 Mte	01/30/2017	54,557.45	54,557.45	60,552.53	5.650	5.526	5.603	04/01/2038 6,421
31321XJH8	226	FG U32064 Mte	09/28/2017	74,647.85	74,647.85	83,316.12	6.000	5.876	5.957	05/01/2038 6,451
31321XMM3	202	FG U32164 Mte	01/30/2017	26,276.69	26,276.69	29,127.19	5.650	5.527	5.604	07/01/2038 6,512
31335YLE4	191	FG U30325 Mte	09/28/2016	57,319.90	57,319.90	63,235.23	5.750	5.628	5.707	03/01/2037 6,025
31335YVH6	203	FG U30616 Mte	01/30/2017	0.00	0.00	0.00	5.650	5.525	5.602	10/01/2037 6,239
31335YWR3	212	FG U30656 Mte	04/27/2017	0.00	0.00	0.00	5.650	5.533	5.609	11/01/2037 6,270
31321XBK9	199	FG U31842 Mte	01/30/2017	67,923.87	67,923.87	75,350.61	5.650	5.526	5.603	03/01/2038 6,390
31321XDG6	225	FG U31903 Mte	09/28/2017	86,516.77	86,516.77	96,481.85	6.000	5.876	5.957	05/01/2038 6,451
31321XE67	201	FG U31957 Mte	01/30/2017	0.00	0.00	0.00	5.750	5.625	5.703	04/01/2038 6,421
31321XE75	210	FG U31958 Mte	04/27/2017	0.00	0.00	0.00	5.650	5.533	5.610	02/01/2038 6,362
31321WCX2	223	FG U30986 Mte	09/28/2017	0.00	0.00	0.00	6.000	5.874	5.956	12/01/2037 6,300
Subtotal and Average				1,087,668.88	1,087,668.88	1,206,789.17		5.670	5.749	6.290
Total Investments and Average				2,847,317.56	2,847,317.56	3,111,638.75		5.610	5.688	6.146



**Texas St Aff Housing - Surplus
Cash Reconciliation Report
For the Period June 1, 2020 - August 31, 2020
Grouped by Fund**

Patterson & Associates
901 S. MoPac
Suite 195
Austin, TX 78746

Trans. Date	Investment #	Fund	Trans. Type	Security ID	Par Value	Security Description	Maturity Date	Purchases	Interest	Redemptions	Cash
General Investments											
06/15/2020	180	GENERAL	Interest	31335YNQ5	150,342.45	FGU303 0.2M 5.75% Mat.	06/01/2037	0.00	278.91	185.61	464.52
06/15/2020	181	GENERAL	Interest	31335YNA0	67,879.79	FGU308 0.1M 5.75% Mat.	04/01/2037	0.00	290.68	170.97	461.65
06/15/2020	182	GENERAL	Interest	31335YUZ7	112,790.45	FGU306 0.1M 5.65% Mat.	11/01/2037	0.00	474.85	278.16	753.01
06/15/2020	189	GENERAL	Interest	31286DB59	36,674.94	FGT300 0.0M 5.75% Mat.	02/01/2037	0.00	153.74	142.41	296.15
06/15/2020	191	GENERAL	Interest	31335YLE4	64,968.59	FGU325 0.1M 5.75% Mat.	03/01/2037	0.00	277.11	169.82	446.93
06/15/2020	192	GENERAL	Interest	31335YPK6	94,933.96	FGU304 0.1M 5.75% Mat.	07/01/2037	0.00	366.40	441.65	808.05
06/15/2020	197	GENERAL	Interest	3128KYSL4	80,923.70	FGA677 0.1M 5.65% Mat.	05/01/2037	0.00	345.56	208.40	553.96
06/15/2020	198	GENERAL	Interest	31321XAV6	66,275.20	FGU318 0.1M 5.75% Mat.	04/01/2038	0.00	284.71	190.38	475.09
06/15/2020	199	GENERAL	Interest	31321XBK9	74,952.57	FGU842 0.1M 5.65% Mat.	03/01/2038	0.00	322.40	186.43	508.83
06/15/2020	200	GENERAL	Interest	31321XE59	60,403.19	FGU319 0.1M 5.65% Mat.	04/01/2038	0.00	258.98	148.22	407.20
06/15/2020	202	GENERAL	Interest	31321XMM3	32,533.49	FGU321 0.0M 5.65% Mat.	07/01/2038	0.00	126.08	166.05	292.13
06/15/2020	209	GENERAL	Interest	31286DKY6	64,278.72	FGT311 0.1M 5.65% Mat.	10/01/2037	0.00	218.60	570.21	788.81
06/15/2020	210	GENERAL	Interest	31321XE75	106,752.64	FGU958 0.1M 5.65% Mat.	02/01/2038	0.00	461.69	258.30	719.99
06/15/2020	211	GENERAL	Interest	31321XX52	55,438.68	FGU116 0.1M 5.65% Mat.	06/01/2038	0.00	238.67	131.21	369.88
06/15/2020	221	GENERAL	Interest	31321W5E2	70,865.04	FGU317 0.1M 6.00% Mat.	03/01/2038	0.00	324.48	197.16	521.64
06/15/2020	222	GENERAL	Interest	31321WALO	49,331.58	FGU309 0.0M 6.10% Mat.	01/01/2038	0.00	233.20	118.11	351.31
06/15/2020	224	GENERAL	Interest	31321XAX2	64,882.54	FGU318 0.1M 6.00% Mat.	04/01/2038	0.00	301.39	157.02	458.41
06/15/2020	225	GENERAL	Interest	31321XDG6	94,093.78	FGU903 0.1M 6.00% Mat.	05/01/2038	0.00	436.10	233.26	669.36
06/15/2020	226	GENERAL	Interest	31321XJH8	80,833.15	FGU320 0.1M 6.00% Mat.	05/01/2038	0.00	376.13	191.36	567.49
06/20/2020	173	GENERAL	Interest	36201XTW8	118,464.73	G26066 0.1M 5.49% Mat.	05/20/2036	0.00	466.79	330.07	796.86
06/20/2020	178	GENERAL	Interest	36202TUK0	86,182.90	G26090 0.1M 5.49% Mat.	11/20/2036	0.00	350.39	229.54	579.93
06/20/2020	184	GENERAL	Interest	36290YCF3	134,471.73	G26217 0.1M 5.75% Mat.	01/20/2037	0.00	573.82	353.84	927.66
06/20/2020	187	GENERAL	Interest	36290YB23	50,915.80	G26215 0.1M 5.75% Mat.	12/20/2036	0.00	217.63	132.16	349.79
06/20/2020	188	GENERAL	Interest	36290YDR6	33,104.67	G26212 0.0M 5.75% Mat.	04/20/2037	0.00	118.65	243.41	362.06
06/20/2020	193	GENERAL	Interest	36202XEM5	66,832.25	G22240 0.1M 5.75% Mat.	11/20/2036	0.00	287.19	175.80	462.99
06/20/2020	204	GENERAL	Interest	36295MS34	67,040.43	G26747 0.1M 5.75% Mat.	08/20/2037	0.00	191.38	1,780.08	1,971.46
06/20/2020	205	GENERAL	Interest	36296GK42	56,389.26	G26907 0.1M 5.75% Mat.	06/20/2038	0.00	247.59	130.97	378.56
06/20/2020	207	GENERAL	Interest	36296PBA8	63,935.46	G26967 0.1M 5.65% Mat.	07/20/2038	0.00	276.09	146.77	422.86
06/20/2020	213	GENERAL	Interest	36295MMN7	32,188.10	G26745 0.0M 5.65% Mat.	09/20/2037	0.00	138.52	82.35	220.87
06/20/2020	214	GENERAL	Interest	36295QT26	71,450.31	G26774 0.1M 5.65% Mat.	10/20/2037	0.00	306.79	187.09	493.88
06/20/2020	215	GENERAL	Interest	36295X3E3	33,454.82	G26839 0.0M 5.65% Mat.	01/20/2038	0.00	144.76	80.57	225.33
06/20/2020	233	GENERAL	Interest	36295WR74	33,367.68	G26828 0.0M 6.00% Mat.	01/20/2038	0.00	155.28	78.85	234.13
06/20/2020	234	GENERAL	Interest	36295WRR2	110,649.49	G22811 0.1M 6.10% Mat.	12/20/2037	0.00	523.43	260.97	784.40
06/20/2020	236	GENERAL	Interest	36295XJ2	76,135.82	G26840 0.1M 6.00% Mat.	02/20/2038	0.00	351.94	197.13	549.07
06/20/2020	239	GENERAL	Interest	36295YLC5	88,012.57	G24423 0.1M 6.10% Mat.	12/20/2037	0.00	415.25	216.04	631.29
06/20/2020	246	GENERAL	Interest	36296GL74	26,747.88	G20750 0.0M 6.00% Mat.	05/20/2038	0.00	124.77	61.23	186.00
06/20/2020	250	GENERAL	Interest	36296TKE2	85,293.91	G27005 0.1M 6.10% Mat.	10/20/2038	0.00	405.73	187.15	592.88
06/25/2020	161	GENERAL	Interest	31409XNJ4	94,018.05	FN8815 0.1M 5.49% Mat.	04/01/2036	0.00	188.63	129.58	318.21
06/25/2020	163	GENERAL	Interest	31410MMW89	135,291.51	FN8917 0.1M 5.49% Mat.	05/01/2036	0.00	535.63	367.95	903.58
06/25/2020	164	GENERAL	Interest	31410SAG2	84,705.09	FN8956 0.1M 5.49% Mat.	05/01/2036	0.00	240.87	183.38	424.25

**Texas St Aff Housing - Surplus
Cash Reconciliation Report
For the Period June 1, 2020 - August 31, 2020**

Trans. Date	Investment #	Fund	Trans. Type	Security ID	Par Value	Security Description	Maturity Date	Purchases	Interest	Redemptions	Cash
General Investments											
06/25/2020	167	GENERAL	Interest	31410UY55	99,858.21	FN8981 0.1M 5.49% Mat.	07/01/2036	0.00	394.16	276.82	670.98
06/25/2020	169	GENERAL	Interest	31411CMA6	64,739.66	FN9040 0.1M 5.49% Mat.	08/01/2036	0.00	197.42	436.10	633.52
06/25/2020	170	GENERAL	Interest	31411LXY1	79,911.93	FN9116 0.1M 5.49% Mat.	11/01/2035	0.00	314.44	225.88	540.32
06/25/2020	175	GENERAL	Interest	31410VWZ9	66,528.69	FN8964 0.1M 5.49% Mat.	09/01/2036	0.00	268.83	185.81	454.64
06/25/2020	183	GENERAL	Interest	31410UYT3	80,282.28	FN8122 0.1M 5.75% Mat.	09/01/2036	0.00	241.40	1,136.44	1,377.84
06/25/2020	185	GENERAL	Interest	31410VW22	90,451.78	FN8965 0.1M 5.75% Mat.	11/01/2036	0.00	373.13	302.50	675.63
06/25/2020	186	GENERAL	Interest	31414JA60	108,583.92	FN9672 0.1M 5.65% Mat.	11/01/2037	0.00	434.12	337.74	771.86
07/15/2020	180	GENERAL	Interest	31335YNQ5	150,342.45	FGU303 0.2M 5.75% Mat.	06/01/2037	0.00	278.02	186.58	464.60
07/15/2020	181	GENERAL	Interest	31335YNA0	67,879.79	FGU308 0.1M 5.75% Mat.	04/01/2037	0.00	289.86	172.86	462.72
07/15/2020	182	GENERAL	Interest	31335YU27	112,790.45	FGU306 0.1M 5.65% Mat.	11/01/2037	0.00	473.55	399.59	873.14
07/15/2020	189	GENERAL	Interest	31286DB59	36,674.94	FT300 0.0M 5.75% Mat.	02/01/2037	0.00	153.06	143.16	296.22
07/15/2020	191	GENERAL	Interest	31335YLE4	64,968.59	FGU325 0.1M 5.75% Mat.	03/01/2037	0.00	276.30	170.70	447.00
07/15/2020	192	GENERAL	Interest	31335YPK6	94,933.96	FGU304 0.1M 5.75% Mat.	07/01/2037	0.00	364.28	477.34	841.62
07/15/2020	197	GENERAL	Interest	3128KYSL4	80,923.70	FGA677 0.1M 5.65% Mat.	05/01/2037	0.00	344.57	209.48	554.05
07/15/2020	198	GENERAL	Interest	31321XAV6	66,275.20	FGU318 0.1M 5.75% Mat.	04/01/2038	0.00	283.79	191.37	475.16
07/15/2020	199	GENERAL	Interest	31321XBK9	74,952.57	FGU842 0.1M 5.65% Mat.	03/01/2038	0.00	321.52	180.06	501.58
07/15/2020	200	GENERAL	Interest	31321XE59	60,403.19	FGU319 0.1M 5.65% Mat.	04/01/2038	0.00	258.28	148.98	407.26
07/15/2020	202	GENERAL	Interest	31321XMM3	32,533.49	FGU321 0.0M 5.65% Mat.	07/01/2038	0.00	125.30	166.90	292.20
07/15/2020	209	GENERAL	Interest	31286DKY6	64,278.72	FGT311 0.1M 5.65% Mat.	10/01/2037	0.00	215.91	593.15	809.06
07/15/2020	210	GENERAL	Interest	31321XE75	106,752.64	FGU958 0.1M 5.65% Mat.	02/01/2038	0.00	460.47	97,799.54	98,260.01
07/15/2020	211	GENERAL	Interest	31321XK52	55,438.68	FGU116 0.1M 5.65% Mat.	06/01/2038	0.00	238.05	156.00	394.05
07/15/2020	221	GENERAL	Interest	31321W5E2	70,865.04	FGU317 0.1M 6.00% Mat.	03/01/2038	0.00	323.50	198.23	521.73
07/15/2020	222	GENERAL	Interest	31321WALO	49,331.58	FGU309 0.0M 6.10% Mat.	01/01/2038	0.00	232.60	118.76	351.36
07/15/2020	224	GENERAL	Interest	31321XAX2	64,882.54	FGU318 0.1M 6.00% Mat.	04/01/2038	0.00	300.60	157.89	458.49
07/15/2020	225	GENERAL	Interest	31321XDG6	94,093.78	FGU903 0.1M 6.00% Mat.	05/01/2038	0.00	434.94	234.52	669.46
07/15/2020	226	GENERAL	Interest	31321XJH8	80,833.15	FGU320 0.1M 6.00% Mat.	05/01/2038	0.00	375.17	192.40	567.57
07/15/2020	273	GENERAL	Interest	36201XTW8	118,464.73	G26066 0.1M 5.49% Mat.	05/20/2036	0.00	465.28	331.72	797.00
07/20/2020	178	GENERAL	Interest	36202TUK0	86,182.90	G26090 0.1M 5.49% Mat.	11/20/2036	0.00	349.34	230.69	580.03
07/20/2020	184	GENERAL	Interest	36290YCF3	134,471.73	G26217 0.1M 5.75% Mat.	01/20/2037	0.00	572.13	355.67	927.80
07/20/2020	187	GENERAL	Interest	36290YB23	50,915.80	G26215 0.1M 5.75% Mat.	12/20/2036	0.00	217.00	132.85	349.85
07/20/2020	188	GENERAL	Interest	36290YDR6	33,104.67	G26212 0.0M 5.75% Mat.	04/20/2037	0.00	117.49	244.67	362.16
07/20/2020	193	GENERAL	Interest	36202XEM5	66,832.25	G22240 0.1M 5.75% Mat.	11/20/2036	0.00	286.35	176.71	463.06
07/20/2020	204	GENERAL	Interest	36295MS34	67,040.43	G26747 0.1M 5.75% Mat.	08/20/2037	0.00	182.85	1,289.35	1,472.20
07/20/2020	205	GENERAL	Interest	36296GK42	56,389.26	G26907 0.1M 5.75% Mat.	06/20/2038	0.00	246.96	131.65	378.61
07/20/2020	207	GENERAL	Interest	36296PBAB	63,935.46	G26967 0.1M 5.65% Mat.	07/20/2038	0.00	275.40	147.53	422.93
07/20/2020	213	GENERAL	Interest	36295MMN7	32,188.10	G26745 0.0M 5.65% Mat.	09/20/2037	0.00	138.13	82.77	220.90
07/20/2020	214	GENERAL	Interest	36295QT26	71,450.31	G26774 0.1M 5.65% Mat.	10/20/2037	0.00	305.91	188.05	493.96
07/20/2020	215	GENERAL	Interest	36295X3E3	33,454.82	G26839 0.0M 6.00% Mat.	01/20/2038	0.00	144.38	80.98	225.36
07/20/2020	233	GENERAL	Interest	36295WR74	33,367.68	G26828 0.0M 6.00% Mat.	01/20/2038	0.00	154.89	79.27	234.16
07/20/2020	234	GENERAL	Interest	36295X3J2	110,649.49	G22811 0.1M 6.10% Mat.	12/20/2037	0.00	522.11	262.41	784.52
07/20/2020	236	GENERAL	Interest	36295X3R2	76,135.82	G26840 0.1M 6.00% Mat.	02/20/2038	0.00	350.96	198.21	549.17
07/20/2020	239	GENERAL	Interest	36295YLC5	88,012.57	G24423 0.1M 6.10% Mat.	12/20/2037	0.00	414.16	217.23	631.39
07/20/2020	246	GENERAL	Interest	36296GL74	26,747.88	G20750 0.0M 6.00% Mat.	05/20/2038	0.00	124.46	61.56	186.02
07/20/2020	250	GENERAL	Interest	36296TKE2	85,293.91	G27005 0.1M 6.10% Mat.	10/20/2038	0.00	404.78	188.18	592.96

Texas St.Aff Housing - Surplus
Cash Reconciliation Report
For the Period June 1, 2020 - August 31, 2020

Trans. Date	Investment #	Fund	Trans. Type	Security ID	Par Value	Security Description	Maturity Date	Purchases	Interest	Redemptions	Cash
07/25/2020	161	GENERAL	Interest	31409XNJ4	94,018.05	FN8815 0.1M 5.49% Mat.	04/01/2036	0.00	188.04	130.22	318.26
07/25/2020	163	GENERAL	Interest	31410MW89	135,291.51	FN8917 0.1M 5.49% Mat.	05/01/2036	0.00	533.95	369.78	903.73
07/25/2020	164	GENERAL	Interest	31410SAG2	84,705.09	FN8956 0.1M 5.49% Mat.	05/01/2036	0.00	240.03	184.30	424.33
07/25/2020	167	GENERAL	Interest	31410UY55	99,858.21	FN8981 0.1M 5.49% Mat.	07/01/2036	0.00	392.89	278.20	671.09
07/25/2020	169	GENERAL	Interest	31411CMA6	64,739.66	FN9040 0.1M 5.49% Mat.	08/01/2036	0.00	195.43	438.28	633.71
07/25/2020	170	GENERAL	Interest	31411LXY1	79,911.93	FN9116 0.1M 5.49% Mat.	11/01/2035	0.00	313.41	227.01	540.42
07/25/2020	175	GENERAL	Interest	31410VWZ9	66,528.69	FN8964 0.1M 5.49% Mat.	09/01/2036	0.00	267.98	186.74	454.72
07/25/2020	183	GENERAL	Interest	31410VW22	80,282.28	FN8122 0.1M 5.75% Mat.	09/01/2036	0.00	235.96	1,242.36	1,478.32
07/25/2020	185	GENERAL	Interest	31410VW22	90,451.78	FN8965 0.1M 5.75% Mat.	11/01/2036	0.00	371.68	304.07	675.75
07/25/2020	186	GENERAL	Interest	31414JA60	108,583.92	FN9672 0.1M 5.65% Mat.	11/01/2037	0.00	432.53	339.47	772.00
08/15/2020	180	GENERAL	Interest	31335YNQ5	150,342.45	FGU303 0.2M 5.75% Mat.	06/01/2037	0.00	277.12	187.56	464.68
08/15/2020	181	GENERAL	Interest	31335YNA0	67,879.79	FGU308 0.1M 5.75% Mat.	04/01/2037	0.00	289.03	172.25	461.28
08/15/2020	182	GENERAL	Interest	31335YUJ7	112,790.45	FGU306 0.1M 5.65% Mat.	11/01/2037	0.00	471.66	401.63	873.29
08/15/2020	189	GENERAL	Interest	31286DB59	36,674.94	FGT300 0.0M 5.75% Mat.	02/01/2037	0.00	152.37	105.30	257.67
08/15/2020	191	GENERAL	Interest	31335YLE4	64,968.59	FGU325 0.1M 5.75% Mat.	03/01/2037	0.00	275.48	171.60	447.08
08/15/2020	192	GENERAL	Interest	31335YPK6	94,933.96	FGU304 0.1M 5.75% Mat.	07/01/2037	0.00	361.99	479.82	841.81
08/15/2020	197	GENERAL	Interest	3128KYSL4	80,923.70	FGA677 0.1M 5.65% Mat.	05/01/2037	0.00	343.59	210.57	554.16
08/15/2020	198	GENERAL	Interest	31321XAV6	66,275.20	FGU318 0.1M 5.75% Mat.	04/01/2038	0.00	282.88	192.37	475.25
08/15/2020	199	GENERAL	Interest	31321XBK9	74,952.57	FGU842 0.1M 5.65% Mat.	03/01/2038	0.00	320.67	183.28	503.95
08/15/2020	200	GENERAL	Interest	31321XE59	60,403.19	FGU319 0.1M 5.65% Mat.	04/01/2038	0.00	257.58	149.75	407.33
08/15/2020	202	GENERAL	Interest	31321XMM3	32,533.49	FGU321 0.0M 5.65% Mat.	07/01/2038	0.00	124.51	167.76	292.27
08/15/2020	209	GENERAL	Interest	31286DKY6	64,278.72	FGT311 0.1M 5.65% Mat.	10/01/2037	0.00	213.12	626.19	839.31
08/15/2020	211	GENERAL	Interest	31321XK52	55,438.68	FGU116 0.1M 5.65% Mat.	06/01/2038	0.00	237.32	177.91	415.23
08/15/2020	221	GENERAL	Interest	31321W5E2	70,865.04	FGU317 0.1M 6.00% Mat.	03/01/2038	0.00	322.51	199.30	521.81
08/15/2020	222	GENERAL	Interest	31321XWAL0	49,331.58	FGU309 0.0M 6.10% Mat.	01/01/2038	0.00	231.99	119.41	351.40
08/15/2020	224	GENERAL	Interest	31321XAX2	64,882.54	FGU318 0.1M 6.00% Mat.	04/01/2038	0.00	299.81	158.72	458.53
08/15/2020	225	GENERAL	Interest	31321XDG6	94,093.78	FGU903 0.1M 6.00% Mat.	05/01/2038	0.00	433.76	235.79	669.55
08/15/2020	226	GENERAL	Interest	31321XJH8	80,833.15	FGU320 0.1M 6.00% Mat.	05/01/2038	0.00	374.21	193.44	567.65
08/20/2020	173	GENERAL	Interest	36201XTW8	118,464.73	G26066 0.1M 5.49% Mat.	05/20/2036	0.00	463.76	333.37	797.13
08/20/2020	178	GENERAL	Interest	36202YUK0	86,182.90	G26090 0.1M 5.49% Mat.	11/20/2036	0.00	348.28	231.84	580.12
08/20/2020	184	GENERAL	Interest	36290YCF3	134,471.73	G26217 0.1M 5.75% Mat.	01/20/2037	0.00	570.42	357.51	927.93
08/20/2020	187	GENERAL	Interest	36290YB23	50,915.80	G26215 0.1M 5.75% Mat.	12/20/2036	0.00	216.36	133.55	349.91
08/20/2020	188	GENERAL	Interest	36290YDR6	33,104.67	G26212 0.0M 5.75% Mat.	04/20/2037	0.00	116.32	245.94	362.26
08/20/2020	193	GENERAL	Interest	36202XEM5	66,832.25	G22240 0.1M 5.75% Mat.	11/20/2036	0.00	285.50	177.63	463.13
08/20/2020	204	GENERAL	Interest	36295MS34	67,040.43	G26747 0.1M 5.75% Mat.	08/20/2037	0.00	176.67	696.07	872.74
08/20/2020	205	GENERAL	Interest	36296GK42	56,389.26	G26907 0.1M 5.75% Mat.	06/20/2038	0.00	246.33	132.34	378.67
08/20/2020	207	GENERAL	Interest	36296PBA8	63,935.46	G26967 0.1M 5.65% Mat.	07/20/2038	0.00	274.71	148.28	422.99
08/20/2020	213	GENERAL	Interest	36295MMN7	32,188.10	G26745 0.0M 5.65% Mat.	09/20/2037	0.00	137.74	83.20	220.94
08/20/2020	214	GENERAL	Interest	36295QT26	71,450.31	G26774 0.1M 5.65% Mat.	10/20/2037	0.00	305.03	189.01	494.04
08/20/2020	215	GENERAL	Interest	36295X3E3	33,454.82	G26839 0.0M 5.65% Mat.	01/20/2038	0.00	144.00	81.40	225.40
08/20/2020	233	GENERAL	Interest	36295WR74	33,367.68	G26828 0.0M 6.00% Mat.	01/20/2038	0.00	154.49	79.70	234.19
08/20/2020	234	GENERAL	Interest	36295WR82	110,649.49	G22811 0.1M 6.10% Mat.	12/20/2037	0.00	520.77	263.84	784.61
08/20/2020	236	GENERAL	Interest	36295X3J2	76,135.82	G26840 0.1M 6.00% Mat.	02/20/2038	0.00	349.96	199.27	549.23
08/20/2020	239	GENERAL	Interest	36295YLC5	88,012.57	G24423 0.1M 6.10% Mat.	12/20/2037	0.00	413.05	218.42	631.47

Texas St Aff Housing - Surplus
Cash Reconciliation Report
For the Period June 1, 2020 - August 31, 2020

Trans. Date	Investment #	Fund	Trans. Type	Security ID	Par Value	Security Description	Maturity Date	Purchases	Interest	Redemptions	Cash
General Investments											
08/20/2020	246	GENERAL	Interest	36296GL74	26,747.88	G20750 0.0M 6.00% Mat.	05/20/2038	0.00	124.15	61.89	186.04
08/20/2020	250	GENERAL	Interest	36296TKE2	85,293.91	G27005 0.1M 6.10% Mat.	10/20/2038	0.00	403.82	189.22	593.04
08/25/2020	161	GENERAL	Interest	31409XNJ4	94,018.05	FN8815 0.1M 5.49% Mat.	04/01/2036	0.00	187.44	130.87	318.31
08/25/2020	163	GENERAL	Interest	31410MW89	135,291.51	FN8917 0.1M 5.49% Mat.	05/01/2036	0.00	532.25	371.63	903.88
08/25/2020	164	GENERAL	Interest	31410SAG2	84,705.09	FN8956 0.1M 5.49% Mat.	05/01/2036	0.00	239.19	185.22	424.41
08/25/2020	167	GENERAL	Interest	31410UYS5	99,858.21	FN8981 0.1M 5.49% Mat.	07/01/2036	0.00	391.62	279.60	671.22
08/25/2020	169	GENERAL	Interest	31411CMA6	64,739.66	FN9040 0.1M 5.49% Mat.	08/01/2036	0.00	193.42	440.46	633.88
08/25/2020	170	GENERAL	Interest	31411LYY1	79,911.93	FN9116 0.1M 5.49% Mat.	11/01/2035	0.00	312.37	228.14	540.51
08/25/2020	175	GENERAL	Interest	31410VWZ9	66,528.69	FN8964 0.1M 5.49% Mat.	09/01/2036	0.00	267.13	187.67	454.80
08/25/2020	183	GENERAL	Interest	31410UYT3	80,282.28	FN8122 0.1M 5.75% Mat.	09/01/2036	0.00	230.01	648.83	878.84
08/25/2020	185	GENERAL	Interest	31410VW22	90,451.78	FN8965 0.1M 5.75% Mat.	11/01/2036	0.00	370.22	305.66	675.88
08/25/2020	186	GENERAL	Interest	31414JA60	108,583.92	FN9672 0.1M 5.65% Mat.	11/01/2037	0.00	430.93	341.21	772.14
							Subtotal	0.00	42,124.10	133,672.81	175,796.91
							Total	0.00	42,124.10	133,672.81	175,796.91



**Texas St Aff Housing - Surplus
Interest Earnings
Sorted by Fund - Fund
June 1, 2020 - August 31, 2020
Yield on Average Book Value**

Patterson & Associates
901 S. MoPac
Suite 195
Austin, TX 78746

CUSIP	Investment #	Fund	Security Type	Ending Par Value	Beginning Book Value	Average Book Value	Maturity Date	Current Rate	Annualized Yield	Adjusted Interest Earnings		
										Interest Earned	Amortization/ Accretion	Adjusted Interest Earnings
31409XNJ4	161	GENERAL	GN2	40,840.49	41,231.16	41,071.64	04/01/2036	5.490	0.059	562.33	0.00	562.33
31410MMW89	163	GENERAL	GN2	115,968.09	117,077.45	116,624.48	05/01/2036	5.490	0.059	1,596.75	0.00	1,596.75
31410SAG2	164	GENERAL	GN2	52,096.14	52,649.04	52,423.28	05/01/2036	5.490	0.059	717.56	0.00	717.56
31410UY55	167	GENERAL	GN2	85,320.43	86,155.05	85,814.26	07/01/2036	5.490	0.059	1,174.85	0.00	1,174.85
31411CMA6	169	GENERAL	GN2	41,837.22	43,152.06	42,615.18	08/01/2036	5.490	0.059	580.26	0.00	580.26
31411LYY1	170	GENERAL	GN2	68,049.46	68,730.49	68,452.41	11/01/2035	5.490	0.059	937.11	0.00	937.11
36201XTW8	173	GENERAL	GN1	101,034.63	102,029.79	101,569.36	05/20/2036	5.490	0.059	1,391.27	0.00	1,391.27
31410VWZ9	175	GENERAL	GN2	58,201.31	58,761.53	58,532.78	09/01/2036	5.490	0.059	801.38	0.00	801.38
31413MMY0	177	GENERAL	GN2	0.00	0.00	0.00	03/01/2037	5.490	0.061	0.00	0.00	0.00
36202TUK0	178	GENERAL	GN1	75,895.82	76,587.89	76,267.69	11/20/2036	5.490	0.059	1,044.84	0.00	1,044.84
31335YNG5	180	GENERAL	GN3	57,647.17	58,206.92	57,917.55	06/01/2037	5.750	0.062	831.37	0.00	831.37
31335YNA0	181	GENERAL	GN3	60,147.63	60,663.71	60,396.74	04/01/2037	5.750	0.062	867.10	0.00	867.10
31335YUZ7	182	GENERAL	GN3	99,774.77	100,854.15	100,335.62	11/01/2037	5.650	0.061	1,414.98	0.00	1,414.98
31410UYT3	183	GENERAL	GN2	47,352.50	50,380.13	48,977.64	09/01/2036	5.750	0.061	692.87	0.00	692.87
36290YCF3	184	GENERAL	GN1	118,687.65	119,754.67	119,261.04	01/20/2037	5.750	0.062	1,711.26	0.00	1,711.26
31410VWZ2	185	GENERAL	GN2	76,957.44	77,869.67	77,497.23	11/01/2036	5.750	0.062	1,110.65	0.00	1,110.65
31414JA60	186	GENERAL	GN2	91,183.32	92,201.74	91,785.93	11/01/2037	5.650	0.061	1,292.78	0.00	1,292.78
36290YBZ3	187	GENERAL	GN1	45,020.01	45,418.57	45,234.19	12/20/2036	5.750	0.062	649.08	0.00	649.08
36290YDR6	188	GENERAL	GN1	24,028.74	24,762.76	24,423.18	04/20/2037	5.750	0.062	348.95	0.00	348.95
31286DB59	189	GENERAL	GN3	31,693.81	32,084.68	31,869.79	02/01/2037	5.750	0.062	457.30	0.00	457.30
31335YLE4	191	GENERAL	GN3	57,319.90	57,832.02	57,567.27	03/01/2037	5.750	0.062	826.44	0.00	826.44
31335YPK6	192	GENERAL	GN3	75,066.47	76,465.28	75,753.13	07/01/2037	5.750	0.062	1,085.96	0.00	1,085.96
36202XEM5	193	GENERAL	GN1	59,405.36	59,935.50	59,690.24	11/20/2036	5.750	0.062	856.50	0.00	856.50
36295KDR1	195	GENERAL	GN1	0.00	0.00	0.00	11/20/2037	5.750	0.061	0.00	0.00	0.00
3128KYSL4	197	GENERAL	GN3	72,763.92	73,392.37	73,067.48	05/01/2037	5.650	0.061	1,030.76	0.00	1,030.76
31321XAX2	224	GENERAL	GN3	59,803.92	60,277.55	60,032.72	04/01/2038	6.000	0.065	899.43	0.00	899.43
31321XAV6	198	GENERAL	GN3	58,842.74	59,416.86	59,120.06	04/01/2038	5.750	0.062	848.62	0.00	848.62
31321XBK9	199	GENERAL	GN3	67,923.87	68,473.64	68,187.77	03/01/2038	5.650	0.061	962.00	0.00	962.00
31321XE59	200	GENERAL	GN3	54,557.45	55,004.40	54,773.34	04/01/2038	5.650	0.061	772.73	0.00	772.73
31321XMM3	202	GENERAL	GN3	26,276.69	26,777.40	26,518.54	07/01/2038	5.650	0.061	373.53	0.00	373.53
31335YVH6	203	GENERAL	GN3	0.00	0.00	0.00	10/01/2037	5.650	0.061	0.00	0.00	0.00
36295MS34	204	GENERAL	GN1	36,174.16	39,939.66	37,833.78	08/20/2037	5.750	0.061	532.85	0.00	532.85

Texas St Aff Housing - Surplus
Interest Earnings
June 1, 2020 - August 31, 2020

CUSIP	Investment #	Fund	Security Type	Ending Par Value	Beginning Book Value	Average Book Value	Maturity Date	Current Rate	Annualized Yield	Interest Earned	Adjusted Interest Earnings	
											Amortization/ Accretion	Adjusted Interest Earnings
Fund: General Investments												
36296GK42	205	GENERAL	GN1	51,276.28	51,671.24	51,488.52	06/20/2038	5.750	0.062	738.99	0.00	738.99
36296N4X1	206	GENERAL	GN1	0.00	0.00	0.00	08/20/2038	5.750	0.000	0.00	0.00	0.00
36296PBA8	207	GENERAL	GN1	58,196.85	58,639.43	58,434.68	07/20/2038	5.650	0.061	824.12	0.00	824.12
31296DKY6	209	GENERAL	GN3	44,638.67	46,428.22	45,519.60	10/01/2037	5.650	0.061	639.20	0.00	639.20
31321XE75	210	GENERAL	GN3	0.00	98,057.84	46,813.00	02/01/2038	5.650	0.042	460.47	0.00	460.47
31321XX52	211	GENERAL	GN3	50,226.20	50,691.32	50,465.81	06/01/2038	5.650	0.061	711.85	0.00	711.85
36295MNM7	213	GENERAL	GN1	29,170.89	29,419.21	29,304.33	09/20/2037	5.650	0.061	413.22	0.00	413.22
36295QT26	214	GENERAL	GN1	64,595.16	65,159.31	64,898.31	10/20/2037	5.650	0.061	915.08	0.00	915.08
36295X3E3	215	GENERAL	GN1	30,502.74	30,745.69	30,633.29	01/20/2038	5.650	0.061	432.00	0.00	432.00
36295X3F0	235	GENERAL	GN1	0.00	0.00	0.00	01/20/2038	6.100	0.000	0.00	0.00	0.00
36295YLM3	216	GENERAL	GN1	0.00	0.00	0.00	02/20/2038	5.650	0.000	0.00	0.00	0.00
36296GK59	220	GENERAL	GN1	0.00	0.00	0.00	06/20/2038	5.650	0.000	0.00	0.00	0.00
31321W5E2	221	GENERAL	GN3	64,302.27	64,896.96	64,589.55	03/01/2038	6.000	0.065	967.52	0.00	967.52
31321WAL0	222	GENERAL	GN3	45,518.78	45,875.06	45,690.90	01/01/2038	6.100	0.066	695.98	0.00	695.98
31321XDG6	225	GENERAL	GN3	86,516.77	87,220.34	86,856.65	05/01/2038	6.000	0.065	1,301.28	0.00	1,301.28
31321XJH8	226	GENERAL	GN3	74,647.85	75,225.05	74,926.68	05/01/2038	6.000	0.065	1,122.62	0.00	1,122.62
36295ULD1	230	GENERAL	GN1	0.00	0.00	0.00	12/20/2037	6.000	0.000	0.00	0.00	0.00
36295USM4	231	GENERAL	GN1	0.00	0.00	0.00	11/20/2037	6.100	0.000	0.00	0.00	0.00
36295WR74	233	GENERAL	GN1	30,818.73	31,056.55	30,946.54	01/20/2038	6.000	0.065	463.47	0.00	463.47
36295WR82	234	GENERAL	GN1	102,183.43	102,970.65	102,606.51	12/20/2037	6.100	0.066	1,562.31	0.00	1,562.31
36295X3J2	236	GENERAL	GN1	69,793.59	70,388.20	70,113.15	02/20/2038	6.000	0.065	1,049.89	0.00	1,049.89
36295YHV8	238	GENERAL	GN1	0.00	0.00	0.00	02/20/2038	6.100	0.000	0.00	0.00	0.00
36295YLC5	239	GENERAL	GN1	81,037.74	81,689.43	81,387.99	12/20/2037	6.100	0.066	1,239.15	0.00	1,239.15
36296BYN6	242	GENERAL	GN1	0.00	0.00	0.00	03/20/2038	6.000	0.000	0.00	0.00	0.00
36296DVK1	243	GENERAL	GN1	0.00	0.00	0.00	05/20/2038	6.000	0.000	0.00	0.00	0.00
36296GL74	246	GENERAL	GN1	24,766.83	24,953.51	24,868.08	05/20/2038	6.000	0.065	372.45	0.00	372.45
36296TKE2	250	GENERAL	GN1	79,251.67	79,816.22	79,555.09	10/20/2038	6.100	0.066	1,211.46	0.00	1,211.46
			Subtotal	2,847,317.56	2,980,990.37	2,912,713.01			0.061	41,492.57	0.00	41,492.57
			Total	2,847,317.56	2,980,990.37	2,912,713.01			0.061	41,492.57	0.00	41,492.57



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Texas St Aff Housing - Surplus
Texas Compliance Change in Val Report
Sorted by Fund
June 1, 2020 - August 31, 2020

Inv #	Issuer	Fund	Purch Date	Interest Accrued	Beginning Book Value	Purchases/ Additions	Redemptions	Change in Value	Ending Book Value
Cusip	Par Value	YTM	Mat Date	Interest Received	Market Value				Market Value
Fund: General Investments									
160	FGMTGE	GENERAL	08/27/2015	0.00	0.00	0.00	0.00	0.00	0.00
31335YKU9	0.00	0.000	12/01/2036	0.00	0.00	0.00	0.00	0.00	0.00
161	FN8815	GENERAL	08/27/2015	562.33	41,231.16	0.00	390.67	-390.67	40,840.49
31409XNJ4	40,840.49	5.424	04/01/2036	564.11	42,555.39	0.00	390.67	-398.77	42,156.62
162	FN8913	GENERAL	08/27/2015	0.00	0.00	0.00	0.00	0.00	0.00
31410MJP6	0.00	0.000	04/01/2036	0.00	0.00	0.00	0.00	0.00	0.00
163	FN8917	GENERAL	08/27/2015	1,596.75	117,077.45	0.00	1,109.36	-1,109.36	115,968.09
31410MW89	115,968.09	5.425	05/01/2036	1,601.83	125,496.64	0.00	1,109.36	-1,168.63	124,328.01
164	FN8956	GENERAL	08/27/2015	717.56	52,649.04	0.00	552.90	-552.90	52,096.14
31410SAG2	52,096.14	5.425	05/01/2036	720.09	55,169.39	0.00	552.90	-570.90	54,598.49
165	FN8962	GENERAL	08/27/2015	0.00	0.00	0.00	0.00	0.00	0.00
31410SWN3	0.00	0.000	06/01/2036	0.00	0.00	0.00	0.00	0.00	0.00
166	FN8968	GENERAL	08/27/2015	0.00	0.00	0.00	0.00	0.00	0.00
31410TNQ4	0.00	0.000	06/01/2036	0.00	0.00	0.00	0.00	0.00	0.00
167	FN8981	GENERAL	08/27/2015	1,174.85	86,155.05	0.00	834.62	-834.62	85,320.43
31410UYS5	85,320.43	5.425	07/01/2036	1,178.67	90,777.02	0.00	834.62	-863.62	89,913.40
168	FN8989	GENERAL	08/27/2015	0.00	0.00	0.00	0.00	0.00	0.00
31410VW71	0.00	0.000	07/01/2036	0.00	0.00	0.00	0.00	0.00	0.00
169	FN9040	GENERAL	08/27/2015	580.26	43,152.06	0.00	1,314.84	-1,314.84	41,837.22
31411CMA6	41,837.22	5.425	08/01/2036	586.27	44,462.12	0.00	1,314.84	-1,356.13	43,105.99
170	FN9116	GENERAL	08/27/2015	937.11	68,730.49	0.00	681.03	-681.03	68,049.46
31411LYY1	68,049.46	5.423	11/01/2035	940.22	72,032.84	0.00	681.03	-702.17	71,330.67

Texas St Aff Housing - Surplus
Texas Compliance Change in Val Report
June 1, 2020 - August 31, 2020

Inv #	Issuer	Fund	Purch Date	Interest Accrued	Beginning Book Value	Ending Book Value	Beginning Market Value	Ending Market Value	Change in Value	Redemptions	Purchases/ Additions
Cusip	Par Value	YTM	Mat Date	Interest Received	Market Value	Market Value	Market Value	Market Value	Change in Value	Redemptions	Purchases/ Additions
171	FN9531	GENERAL	08/27/2015	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
31413RLV6	0.00	0.000	09/01/2037	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
172	G26063	GENERAL	08/27/2015	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
36201XSZ2	0.00	0.000	03/20/2036	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
173	G26066	GENERAL	08/27/2015	1,391.27	102,029.79	102,029.79	101,034.63	-995.16	995.16	995.16	0.00
36201XTW8	101,034.63	5.437	05/20/2036	1,395.83	111,124.51	111,124.51	111,195.10	70.59	995.16	995.16	0.00
174	G26122	GENERAL	08/27/2015	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
36202XDG9	0.00	0.000	08/20/2036	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
175	FN8964	GENERAL	06/28/2016	801.38	58,761.53	58,761.53	58,201.31	-560.22	560.22	560.22	0.00
31410VWZ9	58,201.31	5.420	09/01/2036	803.94	61,591.84	61,591.84	61,014.82	-577.02	560.22	560.22	0.00
176	FN9204	GENERAL	06/28/2016	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
31412BRY0	0.00	0.000	12/01/2036	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
177	FN9495	GENERAL	06/28/2016	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
31413MMY0	0.00	0.000	03/01/2037	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
178	G26090	GENERAL	06/28/2016	1,044.84	76,587.89	76,587.89	75,895.82	-692.07	692.07	692.07	0.00
36202TUK0	75,895.82	5.434	11/20/2036	1,048.01	83,407.76	83,407.76	83,471.49	63.73	692.07	692.07	0.00
179	G26211	GENERAL	06/28/2016	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
36290VB64	0.00	0.000	11/20/2036	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
180	FGU303	GENERAL	06/28/2016	831.37	58,206.92	58,206.92	57,647.17	-559.75	559.75	559.75	0.00
31335VNO5	57,647.17	5.708	06/01/2037	834.05	63,870.78	63,870.78	63,532.02	-338.76	559.75	559.75	0.00
181	FGU308	GENERAL	06/28/2016	867.10	60,663.71	60,663.71	60,147.63	-516.08	516.08	516.08	0.00
31335VNA0	60,147.63	5.707	04/01/2037	869.57	66,590.58	66,590.58	66,312.88	-277.70	516.08	516.08	0.00
182	FGU306	GENERAL	06/28/2016	1,414.98	100,854.15	100,854.15	99,774.77	-1,079.38	1,079.38	1,079.38	0.00
31335VUZ7	99,774.77	5.609	11/01/2037	1,420.06	111,238.13	111,238.13	110,668.18	-569.95	1,079.38	1,079.38	0.00
183	FN8122	GENERAL	06/28/2016	692.87	50,380.13	50,380.13	47,352.50	-3,027.63	3,027.63	3,027.63	0.00
31410UYT3	47,352.50	5.679	09/01/2036	707.37	52,687.30	52,687.30	48,839.61	-3,847.69	3,027.63	3,027.63	0.00

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Inv #	Issuer	Fund	Purch Date	Interest Accrued	Beginning Book Value	Ending Book Value		
Cusip	Par Value	YTM	Mat Date	Interest Received	Market Value	Market Value		
					Purchases/ Additions	Redemptions	Change in Value	Ending Market Value
184	G26217	GENERAL	06/28/2016	1,711.26	119,754.67	118,687.65	-1,067.02	118,687.65
36290YCF3	118,687.65	5.693	01/20/2037	1,716.37	131,013.27	130,707.42	-305.85	130,707.42
185	FN8965	GENERAL	06/28/2016	1,110.65	77,869.67	76,957.44	-912.23	76,957.44
31410VW22	76,957.44	5.680	11/01/2036	1,115.03	82,274.89	81,321.78	-953.11	81,321.78
186	FN9672	GENERAL	06/28/2016	1,292.78	92,201.74	91,183.32	-1,018.42	91,183.32
31414JA60	91,183.32	5.583	11/01/2037	1,297.58	97,290.24	96,229.16	-1,061.08	96,229.16
187	G26215	GENERAL	06/28/2016	649.08	45,418.57	45,020.01	-398.56	45,020.01
36290YB23	45,020.01	5.693	12/20/2036	650.99	49,748.98	49,605.71	-143.27	49,605.71
188	G26212	GENERAL	06/28/2016	348.95	24,762.76	24,028.74	-734.02	24,028.74
36290YDR6	24,028.74	5.694	04/20/2037	352.46	27,118.46	26,470.19	-648.27	26,470.19
189	FGT300	GENERAL	09/28/2016	457.30	32,084.68	31,693.81	-390.87	31,693.81
31286DB59	31,693.81	5.706	02/01/2037	459.17	35,483.83	35,206.38	-277.45	35,206.38
190	FGT068	GENERAL	09/28/2016	0.00	0.00	0.00	0.00	0.00
31286DCD1	0.00	0.000	03/01/2037	0.00	0.00	0.00	0.00	0.00
191	FGU325	GENERAL	09/28/2016	826.44	57,832.02	57,319.90	-512.12	57,319.90
31335YLE4	57,319.90	5.707	03/01/2037	828.89	63,516.20	63,235.23	-280.97	63,235.23
192	FGU304	GENERAL	09/28/2016	1,085.96	76,465.28	75,066.47	-1,398.81	75,066.47
31335YPK6	75,066.47	5.707	07/01/2037	1,092.67	83,920.56	82,796.91	-1,123.65	82,796.91
193	G22240	GENERAL	09/28/2016	856.50	59,935.50	59,405.36	-530.14	59,405.36
36202XEM5	59,405.36	5.692	11/20/2036	859.04	65,650.50	65,458.89	-191.61	65,458.89
194	G26724	GENERAL	09/28/2016	0.00	0.00	0.00	0.00	0.00
36295KCH4	0.00	0.000	12/20/2037	0.00	0.00	0.00	0.00	0.00
195	G26725	GENERAL	09/28/2016	0.00	0.00	0.00	0.00	0.00
36295KDR1	0.00	0.000	11/20/2037	0.00	0.00	0.00	0.00	0.00
196	FGT303	GENERAL	01/30/2017	0.00	0.00	0.00	0.00	0.00
31286DLC3	0.00	0.000	10/01/2037	0.00	0.00	0.00	0.00	0.00

Texas St Aff Housing - Surplus
Texas Compliance Change in Val Report
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Inv #	Issuer	Fund	Purch Date	Interest Accrued	Beginning Book Value	Ending Book Value	
Cusip	Par Value	YTM	Mat Date	Interest Received	Beginning Market Value	Ending Market Value	
					Purchases/ Additions	Redemptions	Change in Value
197	FGA677	GENERAL	01/30/2017	1,030.76	73,392.37	72,763.92	-628.45
3128KYSL4	72,763.92	5.601	05/01/2037	1,033.72	81,106.76	80,859.51	-247.25
198	FGU318	GENERAL	01/30/2017	848.62	59,416.86	58,842.74	-574.12
31321XAV6	58,842.74	5.703	04/01/2038	851.38	65,253.16	64,906.50	-346.66
199	FGU842	GENERAL	01/30/2017	962.00	68,473.64	67,923.87	-549.77
31321XBK9	67,923.87	5.603	03/01/2038	964.59	75,574.64	75,350.61	-224.03
200	FGU319	GENERAL	01/30/2017	772.73	55,004.40	54,557.45	-446.95
31321XE59	54,557.45	5.603	04/01/2038	774.84	60,735.14	60,552.53	-182.61
201	FGU957	GENERAL	01/30/2017	0.00	0.00	0.00	0.00
31321XE67	0.00	0.000	04/01/2038	0.00	0.00	0.00	0.00
202	FGU321	GENERAL	01/30/2017	373.53	26,777.40	26,276.69	-500.71
31321XMM3	26,276.69	5.604	07/01/2038	375.89	29,532.26	29,127.19	-405.07
203	FGU616	GENERAL	01/30/2017	0.00	0.00	0.00	0.00
31335YVH6	0.00	0.000	10/01/2037	0.00	0.00	0.00	0.00
204	G26747	GENERAL	01/30/2017	532.85	39,939.66	36,174.16	-3,765.50
36295MS34	36,174.16	5.688	08/20/2037	550.90	43,716.35	39,789.52	-3,926.83
205	G26907	GENERAL	01/30/2017	738.99	51,671.24	51,276.28	-394.96
36296GK42	51,276.28	5.691	06/20/2038	740.88	56,600.12	56,503.52	-96.60
206	G26966	GENERAL	01/30/2017	0.00	0.00	0.00	0.00
36296N4X1	0.00	0.000	08/20/2038	0.00	0.00	0.00	0.00
207	G26967	GENERAL	01/30/2017	824.12	58,639.43	58,196.85	-442.58
36296PBA8	58,196.85	5.591	07/20/2038	826.20	64,081.56	64,082.38	0.82
208	G26988	GENERAL	01/30/2017	0.00	0.00	0.00	0.00
36296RNP8	0.00	0.000	08/20/2038	0.00	0.00	0.00	0.00
209	FGT311	GENERAL	04/27/2017	639.20	46,428.22	44,638.67	-1,789.55
31286DKY6	44,638.67	5.609	10/01/2037	647.63	51,277.90	49,574.93	-1,702.97

Texas St Aff Housing - Surplus
Texas Compliance Change in Val Report
June 1, 2020 - August 31, 2020

Inv #	Issuer	Fund	Purch Date	Interest Accrued	Beginning Book Value	Ending Book Value		
Cusip	Par Value	YTM	Mat Date	Interest Received	Market Value	Market Value		
					Purchases/ Additions	Redemptions	Change in Value	Ending Book Value
210	FGU958	GENERAL	04/27/2017	460.47	98,057.84	98,057.84	-98,057.84	0.00
31321XE75	0.00	0.000	02/01/2038	922.16	108,154.75	98,057.84	-108,154.75	0.00
211	FGU116	GENERAL	04/27/2017	711.85	50,691.32	465.12	-465.12	50,226.20
31321XK52	50,226.20	5.611	06/01/2038	714.04	55,961.70	465.12	-227.33	55,734.37
212	FGU656	GENERAL	04/27/2017	0.00	0.00	0.00	0.00	0.00
31335YWR3	0.00	0.000	11/01/2037	0.00	0.00	0.00	0.00	0.00
213	G26745	GENERAL	04/27/2017	413.22	29,419.21	248.32	-248.32	29,170.89
36295MMW7	29,170.89	5.596	09/20/2037	414.39	32,150.25	248.32	-28.25	32,122.00
214	G26774	GENERAL	04/27/2017	915.08	65,159.31	564.15	-564.15	64,595.16
36295QT26	64,595.16	5.596	10/20/2037	917.73	71,207.54	564.15	-78.37	71,129.17
215	G26839	GENERAL	04/27/2017	432.00	30,745.69	242.95	-242.95	30,502.74
36295X3E3	30,502.74	5.597	01/20/2038	433.14	33,599.56	242.95	-11.30	33,588.26
216	G26844	GENERAL	04/27/2017	0.00	0.00	0.00	0.00	0.00
36295YLM3	0.00	0.000	02/20/2038	0.00	0.00	0.00	0.00	0.00
217	G26855	GENERAL	04/27/2017	0.00	0.00	0.00	0.00	0.00
36296AUJ1	0.00	0.000	03/20/2038	0.00	0.00	0.00	0.00	0.00
218	G26866	GENERAL	04/27/2017	0.00	0.00	0.00	0.00	0.00
36296BYJ5	0.00	0.000	04/20/2038	0.00	0.00	0.00	0.00	0.00
219	G26883	GENERAL	04/27/2017	0.00	0.00	0.00	0.00	0.00
36296DVF2	0.00	0.000	05/20/2038	0.00	0.00	0.00	0.00	0.00
220	G20716	GENERAL	04/27/2017	0.00	0.00	0.00	0.00	0.00
36296GK59	0.00	0.000	06/20/2038	0.00	0.00	0.00	0.00	0.00
221	FGU317	GENERAL	09/28/2017	967.52	64,896.96	594.69	-594.69	64,302.27
31321W5E2	64,302.27	5.957	03/01/2038	970.49	72,189.38	594.69	-476.24	71,713.14
222	FGU309	GENERAL	09/28/2017	695.98	45,875.06	356.28	-356.28	45,518.78
31321WALO	45,518.78	6.056	01/01/2038	697.79	51,021.42	356.28	-280.46	50,740.96

Texas St Aff Housing - Surplus
 Texas Compliance Change in Val Report
 June 1, 2020 - August 31, 2020

Inv #	Issuer	Fund	Purch Date	Interest Accrued	Beginning Book Value	Ending Book Value	
Cusip	Par Value	YTM	Mat Date	Interest Received	Beginning Market Value	Ending Market Value	
					Purchases/ Additions	Redemptions	Change in Value
223	FGU986	GENERAL	09/28/2017	0.00	0.00	0.00	0.00
31321WCX2	0.00	0.000	12/01/2037	0.00	0.00	0.00	0.00
224	FGU318	GENERAL	09/28/2017	899.43	60,277.55	473.63	-473.63
31321XAX2	59,803.92	5.957	04/01/2038	901.80	67,039.39	473.63	-359.53
225	FGU903	GENERAL	09/28/2017	1,301.28	87,220.34	703.57	-703.57
31321XDG6	86,516.77	5.957	05/01/2038	1,304.80	96,990.75	703.57	-508.90
226	FGU320	GENERAL	09/28/2017	1,122.62	75,225.05	577.20	-577.20
31321XJH8	74,647.85	5.957	05/01/2038	1,125.51	83,744.19	577.20	-428.07
227	FGU163	GENERAL	09/28/2017	0.00	0.00	0.00	0.00
31321XML5	0.00	0.000	05/01/2038	0.00	0.00	0.00	0.00
228	FGU307	GENERAL	09/28/2017	0.00	0.00	0.00	0.00
31335YZ41	0.00	0.000	12/01/2037	0.00	0.00	0.00	0.00
229	G26807	GENERAL	09/28/2017	0.00	0.00	0.00	0.00
36295UGS4	0.00	0.000	12/20/2037	0.00	0.00	0.00	0.00
230	G26808	GENERAL	09/28/2017	0.00	0.00	0.00	0.00
36295ULD1	0.00	0.000	12/20/2037	0.00	0.00	0.00	0.00
231	G26810	GENERAL	09/28/2017	0.00	0.00	0.00	0.00
36295USM4	0.00	0.000	11/20/2037	0.00	0.00	0.00	0.00
232	G26827	GENERAL	09/28/2017	0.00	0.00	0.00	0.00
36295WNR4	0.00	0.000	01/20/2038	0.00	0.00	0.00	0.00
233	G26828	GENERAL	09/28/2017	463.47	31,056.55	237.82	-237.82
36295WR74	30,818.73	5.942	01/20/2038	464.66	34,214.20	237.82	-199.93
234	G22811	GENERAL	09/28/2017	1,562.31	102,970.65	787.22	-787.22
36295WR82	102,183.43	6.042	12/20/2037	1,566.31	113,360.07	787.22	-642.66
235	G26839	GENERAL	09/28/2017	0.00	0.00	0.00	0.00
36295X3F0	0.00	0.000	01/20/2038	0.00	0.00	0.00	0.00

Texas St Aff Housing - Surplus
Texas Compliance Change in Val Report
June 1, 2020 - August 31, 2020

Inv #	Cusip	Issuer	Fund	YTM	Purch Date	Mat Date	Interest Received	Interest Accrued	Beginning Book Value	Purchases/ Additions	Redemptions	Change in Value	Ending Book Value	Ending Market Value
236	36295X3J2	G26840	GENERAL	5.942	09/28/2017	02/20/2038	1,049.89	1,052.86	70,388.20	0.00	594.61	-594.61	69,793.59	69,793.59
237	36295X5K7	G24050	GENERAL	0.000	09/28/2017	01/20/2038	0.00	0.00	77,543.22	0.00	594.61	-514.58	77,028.64	77,028.64
238	36295YHV8	G26843	GENERAL	0.000	09/28/2017	02/20/2038	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
239	36295YLC5	G24423	GENERAL	6.042	09/28/2017	12/20/2037	1,239.15	1,242.46	81,689.43	0.00	651.69	-651.69	81,037.74	81,037.74
240	36295YN25	G26845	GENERAL	0.000	09/28/2017	02/20/2038	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
241	36296BWF5	G26865	GENERAL	0.000	09/28/2017	04/20/2038	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
242	36296BYN6	G26617	GENERAL	0.000	09/28/2017	03/20/2038	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
243	36296DVK1	G28318	GENERAL	0.000	09/28/2017	05/20/2038	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
244	36296DWW6	G28360	GENERAL	0.000	09/28/2017	05/20/2038	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
245	36296DWX2	G28362	GENERAL	0.000	09/28/2017	05/20/2038	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
246	36296GL74	G20750	GENERAL	5.943	09/28/2017	05/20/2038	372.45	373.38	24,953.51	0.00	184.68	-184.68	24,768.83	24,768.83
247	36296K7L0	G26939	GENERAL	0.000	09/28/2017	07/20/2038	0.00	0.00	27,490.90	0.00	184.68	-153.56	27,337.34	27,337.34
248	36296N4B9	G26618	GENERAL	0.000	09/28/2017	08/20/2038	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Texas St Aff Housing - Surplus
Texas Compliance Change in Val Report
June 1, 2020 - August 31, 2020

Inv #	Cusip	Issuer	Par Value	Fund	YTM	Purch Date	Mat Date	Interest Received	Interest Accrued	Beginning Book Value	Purchases/ Additions	Redemptions	Change in Value	Ending Book Value	Ending Market Value
249	36296TFG3	G27004	0.00	GENERAL	0.000	09/28/2017	10/20/2038	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
250	36296TKE2	G27005	79,251.67	GENERAL	6.044	09/28/2017	10/20/2038	1,211.46	1,214.33	79,816.22	0.00	564.55	-564.55	79,251.67	87,411.26
Sub Totals For: Fund: General Investments											2,980,990.37	0.00	133,672.81	-133,672.81	2,847,317.56
Report Grand Totals:											2,980,990.37	0.00	133,672.81	-133,672.81	2,847,317.56
											3,247,343.75	0.00	133,672.81	-135,705.00	3,111,638.75



**Quarterly Investment Report
Direct Lending**

May 31, 2020 – August 31, 2020




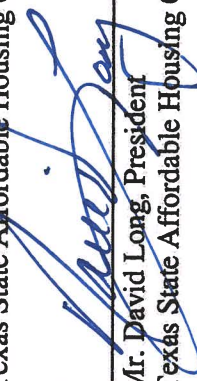
Texas State Affordable Housing Corporation
Direct Lending Program


Quarterly Investment Report
 May 31, 2020 – August 31, 2020
Portfolio Summary Management Report


This quarterly report is in compliance with the investment policy and strategy as established by the Corporation and the Public Funds Investment Act (Chapter 2256, Texas Government Code).

<u>Portfolio as of May 31, 2020</u>	<u>Portfolio as of August 31, 2020</u>
Beginning Book Value	\$ 184,984
Beginning Market Value	\$ 184,984
Unrealized Gain/Loss	\$ 0
WAM at Beginning Period Date ¹	WAM at Ending Period Date ¹
1 day	1 day
Average Yield to Maturity for period	
Average Yield 3 month Treasury bill for period	
Average Yield 6 month Treasury bill for period	
0.000%	
0.130%	
0.150%	


 Ms. Melinda Smith, CFO
 Texas State Affordable Housing Corporation


 Mr. David Long, President
 Texas State Affordable Housing Corporation


 Mr. Nick Lawrence, Controller
 Texas State Affordable Housing Corporation


 Ms. Linda Patterson, President
 Patterson & Associates, Registered Investment Advisor

¹ WAM, represents weighted average maturity.

Your Portfolio

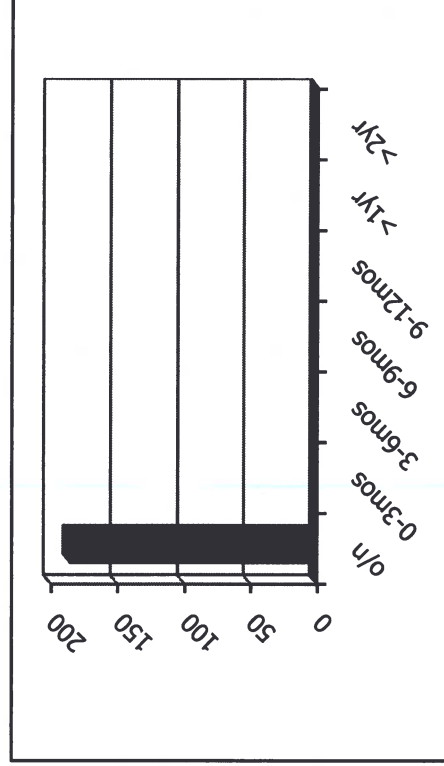
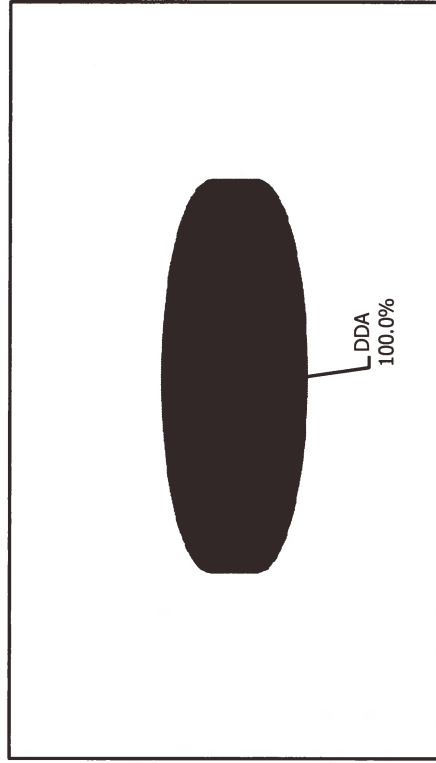
As of August 31, 2020

PATTERSON & ASSOCIATES



INVESTMENT PROFESSIONALS

- P&A constantly reviews your portfolio for optimal asset allocation and a controlled average maturity because a diversified portfolio can better adjust to volatile market conditions. These are unusual times and where extensions can be made it is important to make them for any value in the markets.
- The graphs below show asset allocations by market sector and by maturity in your portfolio. Liquidity will not be attractive but as the curve flattens it also is sometimes the only sector available as year end expenditures loom. Our expectation is of continuing low rates but we will attempt to find value in all authorized sectors to capture yield available.
- Hopefully Fed actions will return us to some normalcy and a vaccine will be found This is what we are watching for and acting on.





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TSAHC - Direct Lending Program
Portfolio Management
Portfolio Summary
August 31, 2020

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 365 Equiv.
Bank Accounts	184,984.29	184,984.29	184,984.29	100.00	1	1	0.000
Investments	184,984.29	184,984.29	184,984.29	100.00%	1	1	0.000

Total Earnings	August 31	Month Ending	Fiscal Year To Date	Fiscal Year Ending
Current Year	0.00	0.00	0.00	0.00

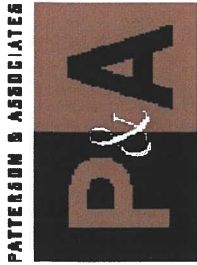
The following reports are submitted in accordance with the Public Funds Investment Act (Texas Gov't Code 2256). The reports also offer supplemental information not required by the Act in order to fully inform the governing body of the Texas State Affordable Housing Corporation of the position and activity within the Corporation's portfolio of investments. The reports include a management summary overview, a detailed inventory report for the end of the period, a transaction report, as well as graphic representations of the portfolio to provide full disclosure to the governing body.

Melinda Smith 9/24/2020
 Melinda Smith, Chief Financial Officer

**TSAHC - Direct Lending Program
 Summary by Type
 August 31, 2020
 Grouped by Fund**

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Security Type	Number of Investments	Par Value	Book Value	% of Portfolio	Average YTM 365	Average Days to Maturity
Fund: Neighborhood Stabilization Pro						
Bank Accounts	1	3,553.71	3,553.71	1.92	0.000	1
Subtotal	1	3,553.71	3,553.71	1.92	0.000	1
Fund: Rita Blanca Reserve						
Bank Accounts	1	65,183.81	65,183.81	35.24	0.000	1
Subtotal	1	65,183.81	65,183.81	35.24	0.000	1
Fund: Willows Operating						
Bank Accounts	1	0.00	0.00	0.00	0.000	0
Subtotal	1	0.00	0.00	0.00	0.000	0
Fund: Willows Replacement Reserve						
Bank Accounts	1	116,246.77	116,246.77	62.84	0.000	1
Subtotal	1	116,246.77	116,246.77	62.84	0.000	1
Total and Average	4	184,984.29	184,984.29	100.00	0.000	1



INVESTMENT PROFESSIONALS

TSAHC - Direct Lending Program
Fund NSP - Neighborhood Stabilization Pro
Investments by Fund
August 31, 2020

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CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Days To Date Maturity
Bank Accounts										
591359932	71	Frost Bank Checking	04/20/2010	3,553.71	3,553.71	3,553.71				1
		Subtotal and Average		3,553.71	3,553.71	3,553.71		0.000	0.000	1
		Total Investments and Average		3,553.71	3,553.71	3,553.71		0.000	0.000	1

Fund RBRES - Rita Blanca Reserve
Investments by Fund
August 31, 2020

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Days To Date Maturity
Bank Accounts										
591732447	150	Frost Bank Checking	01/28/2015	65,183.81	65,183.81	65,183.81				1
		Subtotal and Average		65,183.81	65,183.81	65,183.81		0.000	0.000	1
		Total Investments and Average		65,183.81	65,183.81	65,183.81		0.000	0.000	1

Fund WOPER - Willows Operating
Investments by Fund
August 31, 2020

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Days To Date Maturity
Bank Accounts										
591501356	106	Frost Bank Checking	11/17/2011	0.00	0.00	0.00				1
		Subtotal and Average		0.00	0.00	0.00		0.000	0.000	0
		Total Investments and Average		0.00	0.00	0.00		0.000	0.000	0

**Fund WRR - Willows Replacement Reserve
Investments by Fund
August 31, 2020**

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Days To Date Maturity
Bank Accounts										
591501224	108	Frost Bank Checking	11/17/2011	116,246.77	116,246.77	116,246.77				1
		Subtotal and Average		116,246.77	116,246.77	116,246.77		0.000	0.000	1
		Total Investments and Average		116,246.77	116,246.77	116,246.77		0.000	0.000	1



TSAHC - Direct Lending Program
Interest Earnings
Sorted by Fund - Fund
June 1, 2020 - August 31, 2020
Yield on Average Book Value

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CUSIP	Investment #	Fund	Security Type	Ending Par Value	Beginning Book Value	Average Book Value	Maturity Date	Current Rate	Annualized Yield	Adjusted Interest Earnings		
										Interest Earned	Amortization/ Accretion	Adjusted Interest Earnings
Fund: Neighborhood Stabilization Pro												
591359932	71	NSP	RR5	3,553.71	2,903.71	12,356.08				0.00	0.00	0.00
			Subtotal	3,553.71	2,903.71	12,356.08				0.00	0.00	0.00
Fund: Rita Blanca Reserve												
591732447	150	RBRES	RR5	65,183.81	62,348.90	63,869.07				0.00	0.00	0.00
			Subtotal	65,183.81	62,348.90	63,869.07				0.00	0.00	0.00
Fund: Willows Replacement Reserve												
591501224	108	WRR	RR5	116,246.77	112,246.78	114,130.83				0.00	0.00	0.00
			Subtotal	116,246.77	112,246.78	114,130.83				0.00	0.00	0.00
			Total	184,984.29	177,499.39	190,355.98				0.00	0.00	0.00



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**TSAHC - Direct Lending Program
 Texas Compliance Change in Val Report
 Sorted by Fund**

June 1, 2020 - August 31, 2020

Inv #	Issuer	Fund	Purch Date	Interest Accrual	Beginning Book Value	Purchases/ Additions	Redemptions	Change in Value	Ending Book Value
Cusip	Par Value	YTM	Mat Date	Interest Received	Market Value				Market Value
Fund: Neighborhood Stabill									
71	FBC	NSP	04/20/2010	0.00	2,903.71	352,561.50	351,911.50	650.00	3,553.71
591359932	3,553.71	0.000	/ /	0.00	2,903.71	352,561.50	351,911.50	650.00	3,553.71
Sub Totals For: Fund: Neighborhood Stabill									
				0.00	2,903.71	352,561.50	351,911.50	650.00	3,553.71
				0.00	2,903.71	352,561.50	351,911.50	650.00	3,553.71
Fund: Rita Blanca Reserve									
150	FBC	RBRES	01/28/2015	0.00	62,348.90	2,834.91	0.00	2,834.91	65,183.81
591732447	65,183.81	0.000	/ /	0.00	62,348.90	2,834.91	0.00	2,834.91	65,183.81
Sub Totals For: Fund: Rita Blanca Reserve									
				0.00	62,348.90	2,834.91	0.00	2,834.91	65,183.81
				0.00	62,348.90	2,834.91	0.00	2,834.91	65,183.81
Fund: Willows Operating									
106	FBC	WOPER	11/17/2011	0.00	0.00	0.00	0.00	0.00	0.00
591501356	0.00	0.000	/ /	0.00	0.00	0.00	0.00	0.00	0.00
Sub Totals For: Fund: Willows Operating									
				0.00	0.00	0.00	0.00	0.00	0.00
				0.00	0.00	0.00	0.00	0.00	0.00
Fund: Willows Replacement									
108	FBC	WRR	11/17/2011	0.00	112,246.78	3,999.99	0.00	3,999.99	116,246.77
591501224	116,246.77	0.000	/ /	0.00	112,246.78	3,999.99	0.00	3,999.99	116,246.77
Sub Totals For: Fund: Willows Replacement									
				0.00	112,246.78	3,999.99	0.00	3,999.99	116,246.77
				0.00	112,246.78	3,999.99	0.00	3,999.99	116,246.77
Report Grand Totals:									
				0.00	177,499.39	359,396.40	351,911.50	7,484.90	184,984.29
				0.00	177,499.39	359,396.40	351,911.50	7,484.90	184,984.29

Tab 1

Presentation, Discussion and Possible Approval
of Minutes of the Board Meeting held on
August 12, 2020.

**BOARD MEETING
TEXAS STATE AFFORDABLE HOUSING CORPORATION**

The Governing Board of the Texas State Affordable Housing Corporation (TSAHC) met ONLINE:

August 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 August 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 remotely via teleconferencing

Bill Dietz, Chair
Valerie Cardenas, Vice Chair
Andy Williams, Member
Courtney Johnson-Rose, Member
Lali Shipley, Member

Guests Present remotely via teleconferencing

Blake Roberts, PFM
Chris Spelbring, Raymond James
Paige Mebane, Coats Rose
Thomas Lastrapes, PFM
W. Routt Thornhill, Coats Rose

Public Comment

No Public Comment was given.

Audit Committee Report

Valerie Cardenas, Committee Chair

See page 6 in the official transcript.

President’s Report

David Long

See page 7 in the official transcript.

Tab 1 Presentation, Discussion and Possible Approval of Minutes of the Board Meeting held on July 8, 2020.

Ms. Rose made a motion to approve the minutes of the Board meeting held on July 8, 2020. Ms. Cardenas seconded the motion. Mr. Dietz asked for public comment and none was given. A vote was taken, and the motion passed unanimously.

See page 11 in the official transcript.

Tab 2 Presentation, Discussion and Possible Approval of the Audit Committee Guidelines.

Presented by Melinda Smith, Chief Financial Officer

Ms. Rose made a motion to approve the Audit Committee Guidelines. Ms. Cardenas seconded the motion. Mr. Dietz asked for public comment and none was given. A vote was taken, and the motion passed unanimously.

See page 12 in the official transcript.

Tab 3 Presentation, Discussion and Possible Approval of the Fiscal Year 2021 Operating Budget

Presented by Melinda Smith, Chief Financial Officer

Ms. Cardenas made a motion to approve the Fiscal Year 2021 Operating Budget. 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 14 in the official transcript.

Tab 4 Presentation, Discussion and Possible Approval of a Resolution Authorizing the Issuance of Texas State Affordable Housing Corporation Multifamily Housing Revenue Bonds (Shady Oaks Manor Apartments) Series 2020, an Indenture of Trust, a Loan Agreement, a Bond Purchase Agreement, an Asset Oversight, Compliance and Security Agreement and a Regulatory Agreement; authorizing the execution of documents and instruments necessary or convenient to carry out the issuance of the Bonds; and other provisions in connection therewith.

Presented by David Danenfelzer, Senior Director, Development Finance

Ms. Rose made a motion to approve a Resolution Authorizing the Issuance of Texas State Affordable Housing Corporation Multifamily Housing Revenue Bonds (Shady Oaks Manor Apartments) Series 2020, an Indenture of Trust, a Loan Agreement, a Bond Purchase Agreement, an Asset Oversight, Compliance and Security Agreement and a Regulatory Agreement; authorizing the execution of documents and instruments necessary or convenient to carry out the issuance of the Bonds; and other provisions in connection therewith. Ms. Cardenas seconded the motion. Mr. Dietz asked for public comment and none was given. A vote was taken, and the motion passed unanimously.

See page 16 in the official transcript.

Tab 5 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 Trinity Oaks Apartments.

Presented by David Danenfelzer, Senior Director, Development Finance

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 Trinity Oaks Apartments. Ms. Rose seconded the motion. Mr. Dietz asked for public comment and none was given. A vote was taken, and the motion passed unanimously.

See page 20 in the official transcript.

Tab 6 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 Pine Terrace Apartments.

Presented by David Danenfelzer, Senior Director, Development Finance

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 Pine Terrace Apartments. Ms. Rose seconded the motion. Mr. Dietz asked for public comment and none was given. A vote was taken, and the motion passed unanimously.

See page 23 in the official transcript.

Tab 7 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 Fawn Ridge Apartments.

Presented by David Danenfelzer, Senior Director, Development Finance

Ms. Rose 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 Fawn Ridge Apartments. Ms. Cardenas seconded the motion. Mr. Dietz asked for public comment and none was given. A vote was taken, and the motion passed unanimously.

See page 26 in the official transcript.

Tab 8 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 Marshall Apartments.

Presented by David Danenfelzer, Senior Director, Development Finance

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 Marshall Apartments. 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 28 in the official transcript.

Tab 9 Presentation, Discussion and Ratification of Changes to the presentation provided to the Board in relation to Resolution 20-12 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 W. Leo Daniels Towers.

Presented by David Danenfelzer, Senior Director, Development Finance

Ms. Cardenas made a motion to approve Changes to the presentation provided to the Board in relation to Resolution 20-12 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 W. Leo Daniels Towers. 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 31 in the official transcript.

Tab 10 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 Las Palmas Villa Apartments.

Presented by David Danenfelzer, Senior Director, Development Finance

Ms. Rose 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 Las Palmas Villa Apartments. 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 37 in the official transcript.

Tab 11 Presentation, Discussion and Ratification of Changes to the presentation provided to the Board in relation to Resolution 20-15 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 Sandpiper Cove Apartments.

Presented by David Danenfelzer, Senior Director, Development Finance

Ms. Rose made a motion to approve Changes to the presentation provided to the Board in relation to Resolution 20-15 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 Sandpiper Cove Apartments. Ms. Cardenas 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.

Tab 12 Presentation, Discussion and Possible Approval of Amended Policies for the Texas Housing Impact Fund.

Presented by Cassandra Ramirez, Development Finance Specialist

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

See page 48 in the official transcript.

Announcements and Closing Comments

Mr. Long and Board Members tentatively scheduled the next Board Meeting for September 9, 2020, at 10:30am.

Adjournment

Mr. Dietz adjourned the meeting at 11:40am.

Respectfully submitted by _____
Rebecca DeLeon, Corporate Secretary

Tab 2

Presentation and Discussion of the Fiscal Year 2020 Annual Financial Audit.

Presentation by Maxwell, Locke, & Ritter

Tab 3



NHHIP Affordable Housing Revitalization Program

We are requesting approval from the Texas State Affordable Housing Corporation (TSAHC) Board of Directors to enter negotiations with the Texas Department of Transportation (TxDOT) to administer a minimum of \$27 million in grant funding provided by TxDOT. The grant funding will support affordable housing initiatives in communities affected by TxDOT's North Houston Highway Improvement Project (NHHIP). We are tentatively calling this partnership the **NHHIP Affordable Housing Revitalization Program**.

The NHHIP is a multi-billion dollar transportation project that will expand and realign sections of Interstate I-45 in North Houston, impacting several communities (known as super-neighborhoods). These super-neighborhoods are comprised primarily of low-income and minority residents. TxDOT is providing \$27 million to support affordable housing initiatives in these communities in addition to the individual compensation provided to homeowners, renters and businesses that are displaced by the project.

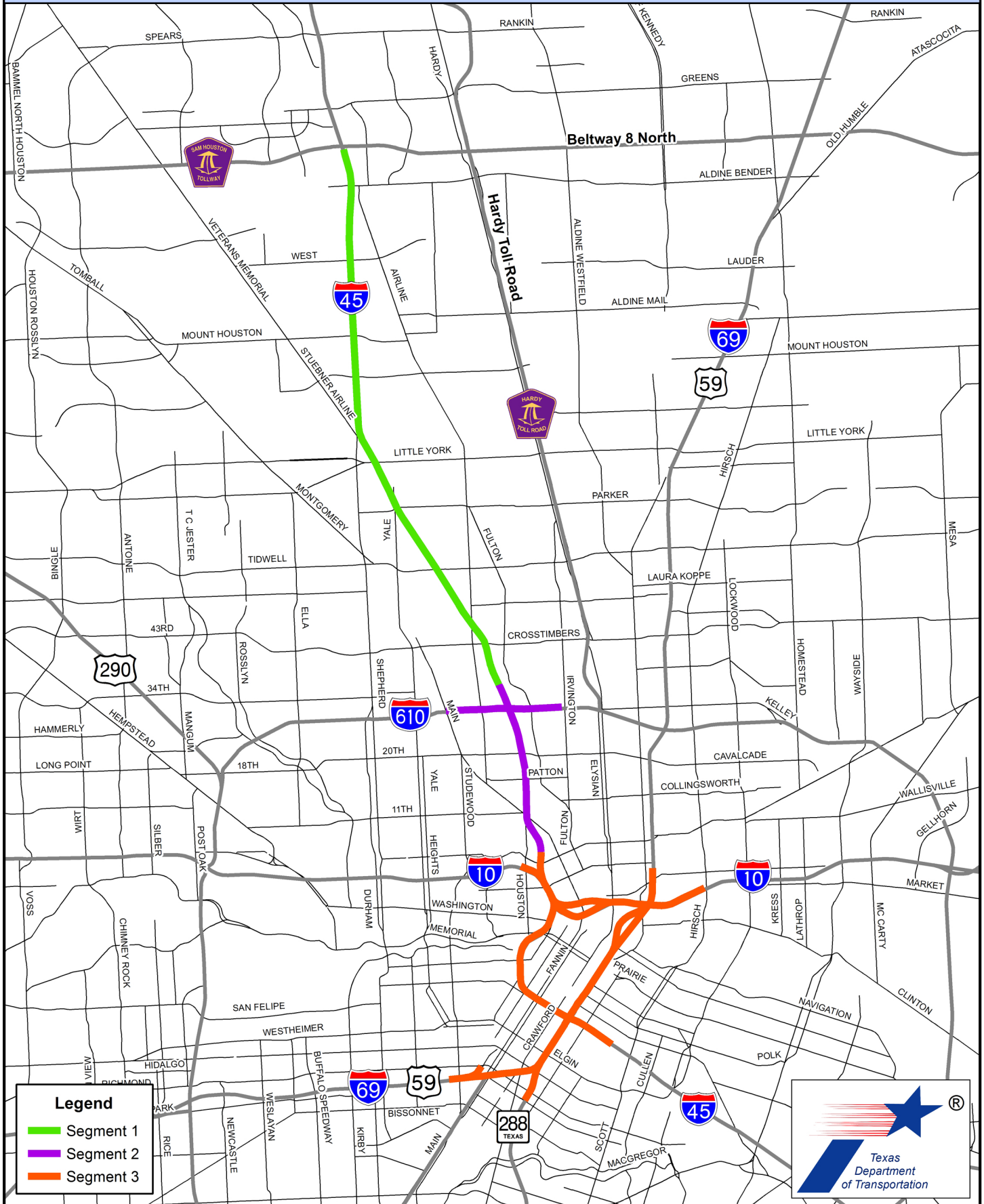
TxDOT approached TSAHC due to our prior experience providing grant funding through the Texas Foundations Fund and Housing and Economic Assistance to Rebuild Texas (HEART) programs, both of which have supported nonprofits serving the communities affected by the NHHIP.

If this agenda item is approved, TSAHC will begin working with TxDOT to negotiate a contract to administer the grant funding, which will include administrative funding for TSAHC. TSAHC will seek approval from the Board of Directors again before executing the final contract with TxDOT.

If the contract is approved, TSAHC plans to hire a consultant to assist TSAHC in determining the housing needs of the individual communities affected by the NHHIP. TSAHC will use this information to structure the funding priorities and amounts to ensure we best meet the needs of the local communities. We anticipate launching the program in mid-2021.

PROJECT AREA MAP

North Houston Highway Improvement Project



Legend	
█	Segment 1
█	Segment 2
█	Segment 3

Texas
Department
of Transportation

Tab 4

RESOLUTION NO. 19-__
TEXAS STATE AFFORDABLE HOUSING CORPORATION

**RESOLUTION TO APPROVE THE CORPORATION'S FISCAL
YEAR 2021 INVESTMENT POLICY**

WHEREAS, the Texas State Affordable Housing Corporation (“the Corporation”) has been duly created pursuant to the provisions of the Texas Business Organizations Code, as amended, Chapter 22 Non-Profit Corporations and under the authority of Subchapter Y, Chapter 2306 Texas Government Code, as amended (“the Act”), and the investment funds and bond proceeds of the Corporation are currently governed by the Investment Policy of the Corporation, adopted on May 8, 2019 (the “Current Investment Policy”); and

WHEREAS, the Corporation desires to approve the Fiscal Year 2021 Investment Policy of the Corporation, to be adopted on October 14, 2020 (the “Revised Investment Policy”), to make certain modifications to the Current Investment Policy;

WHEREAS, there has been presented to the Corporation and its counsel the proposed form of the Revised Investment Policy attached hereto as Exhibit A and which comprises a part of this Resolution:

WHEREAS, the Corporation finds the form of the Revised Investment Policy to be satisfactory and proper and hereby determines to proceed with the execution of such document and the taking of such other actions as may be necessary and appropriate in connection therewith; and

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

Section 1. Approval, Execution and Delivery of the Revised Investment Policy. That the Revised Investment Policy in the form presented to the Board of Directors at the meeting at which this Resolution was considered and attached hereto as Exhibit A is hereby approved.

Section 2. Execution and Delivery of Other Documents. That the officers of the Corporation are each hereby authorized to consent to, accept, execute and attest such 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.

Section 3. Ratification of Certain Prior Actions. That all prior actions taken by or on behalf of the Corporation in connection with the Revised Investment Policy are hereby authorized, ratified, confirmed and approved.

Section 4. Purposes of Resolution. That the Board of Directors of the Corporation has expressly determined and hereby confirms that the execution of the Revised Investment Policy accomplishes a valid public purpose of the Corporation.

Section 5. Conflicting Prior Actions. That all orders, resolutions, or any actions or parts thereof of the Board of Directors of the Corporation in conflict herewith are hereby expressly repealed to the extent of any such conflict.

Section 6. Effective Date. That this Resolution shall be in full force and effect from and upon its adoption.

APPROVED AND EFFECTIVE this 14th day of October 2020.

TEXAS STATE AFFORDABLE HOUSING
CORPORATION

William Dietz, Jr., Chair
Texas State Affordable Housing Corporation

ATTEST:

Rebecca DeLeon, Secretary
Texas State Affordable Housing Corporation



DRAFT INVESTMENT POLICY

Fiscal Year 2021

TEXAS STATE AFFORDABLE HOUSING CORPORATION

INVESTMENT POLICY

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TEXAS STATE AFFORDABLE HOUSING CORPORATION
INVESTMENT POLICY

I. POLICY

It is the policy of Texas State Affordable Housing Corporation (the “Corporation”) to invest public funds in a manner which will fulfill, by priority, the following objectives:

- A. Safety of principal;
- B. Sufficient liquidity to meet the Corporation's cash flow needs;
- C. Diversification to reduce market and credit risk;
- D. A market rate of return for the risk assumed; and
- E. Compliance with all applicable state statutes governing the investment of public funds, including (i) the Corporation's enabling legislation, Texas Government Code, Section 2306, Subchapter Y, (ii) the Public Funds Investment Act (the “Act”), Texas Government Code, Section 2256, and (iii) any other applicable law.

II. SCOPE

This Investment Policy (“Policy”) applies to all financial assets of the Corporation, except for any promissory notes payable to the Corporation. A separate portfolio is created for surplus bond funds which are received as a result of the early redemption of bonds. The long-term nature of these funds requires a distinct portfolio for the purpose of investment. The purpose of the funds is directed solely towards investment income. The fund’s investment shall be in full compliance with all applicable state statutes governing the investment of public funds, including (i) the Corporation’s enabling legislation, Texas Government Code, Section 2306, Subchapter Y, and (ii) the Public Funds Investment Act (the “Act”), Texas Government Code, Section 2256.

III. PRUDENCE

- A. Prudent Person Standard - Investments shall be made with judgment and care under circumstances then prevailing which persons of prudence, discretion and intelligence exercise in the management of their own affairs; not for speculation, but for investment, considering the probable safety and liquidity of their capital as well as the probable income to be derived.
- B. The standard of prudence to be used by the Investment Officer shall be the “prudent person” standard and shall be applied in the context of managing an overall portfolio.

Investment Officers (hereinafter defined) acting in accordance with the Policy and written procedures and exercising due diligence shall be relieved of personal liability for an individual security's credit risk or market price changes, provided that deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

IV. OBJECTIVES

The investment portfolio shall be designed with the objective of obtaining reasonable yield throughout budgetary and economic cycles commensurate with the Corporation's investment risk constraints and cash flow needs. A maximum dollar-weighted average maturity (WAM) will be one year which is based on the historic cash flows. The benchmarks for risk in the portfolio shall be the six-month and one-year U.S. Treasury Bills mirroring that WAM. The following are the primary objectives of investment activities in order of priority:

A. Safety of Principal

Preservation and safety of principal is the foremost objective of the investment program. Investments of the Corporation shall be undertaken in a manner that seeks to ensure the preservation of capital. The principal will be protected by limiting credit risk through purchase of high credit quality securities and limiting interest rate risk through a structured portfolio which addresses projected cash flow requirements.

B. Liquidity

Liquidity risk is the risk that funds will not be available to pay liabilities or the inability to sell a security for needed cash. To protect liquidity needs the Corporation will prepare a cash flow analysis to direct investments and limit its maximum final stated maturity to three years. The Corporation's investment portfolio shall contain a liquidity buffer to meet all unanticipated cash flow needs. In addition, securities with active secondary or resale markets will be used to meet unanticipated liabilities.

C. Diversification

The Corporation shall diversify its portfolio to eliminate the risk of loss resulting from over-concentration of assets in a specific maturity, a specific issuer or a specific class of investments. Investment shall always be selected that provide for stability of income and reasonable liquidity.

D. Yield

The Corporation's investment portfolio shall be designed with the objective of attaining a reasonable market yield throughout budgetary and economic cycles,

taking into account the investment risk constraints and cash flow needs of the Corporation. Return on investment is of less importance than the safety and liquidity of the investments. Reasonable yield shall be obtained through competitive bidding on all transactions and comparative analysis of all market alternatives available within the parameters of this Policy.

V. INVESTMENT STRATEGY

- A.** The Corporation may commingle its operating funds for maximum investment efficiency and economy of scale. Interest will be distributed as applicable among the funds. The authorized securities, investments or pools utilized for this portfolio will be of the highest credit quality and marketability supporting the Corporation's objectives of safety, liquidity, diversification, and yield.
- B.** Securities, when not matched to a specific liability, will be short-term and of a liquid nature to provide adequate cash flow for the Corporation. The portfolio shall be diversified to protect against credit and market risk in any one sector. Diversification requirements can be fully met through use of an authorized pool. The weighted average maturity on the pooled investment group will be no greater than one year. Because the funds are pooled for investment purposes, the portfolio will address the varying needs of all funds in the pooled fund.
- C.** Surplus funds of the Corporation) may be invested in certain longer term investments than those authorized for operating funds, as described in this paragraph. The maximum stated maturity (from the date of investment of such surplus funds) of such investments will be thirty (30) years. The permitted longer term investments are pass-through mortgage-backed securities guaranteed by GNMA (Government National Mortgage Association), FNMA (Federal National Mortgage Association) or FHLMC (Federal Home Loan Mortgage Corporation) and authorized as program investments under the Corporation's bond issues. Investment of surplus funds includes transfers to the Corporation of surplus investments released from a bond trust indenture established to secure bonds of the Corporation.

VI. DELEGATION OF AUTHORITY AND RESPONSIBILITY

A. Board of Directors

1. The Board of Directors of the Corporation (the "Board") shall establish the Corporation's Investment Policy, strategies and objectives, review and adopt the Policy and Strategies in accordance with State law annually, obtain such expert advice and assistance with respect to its actions as is necessary to exercise its responsibilities prudently, and monitor the actions of staff and advisors to ensure compliance with this Policy. It is the Board's intention that this Policy be carried out by those persons who are qualified and competent in their areas of expertise.

The Board shall also review and adopt the list of eligible broker/dealers annually and shall receive and review the quarterly investment report. The Board shall designate the Corporation's Investment Officer(s). Authority granted to a person to invest the Corporation's funds shall remain effective until rescinded by the Board or the termination of the Investment Officer's employment by the Corporation. The Board shall also provide for the training required for Investment Officers.

2. The delegation of authority as provided below in no way diminishes the Board's ultimate responsibility as the funds' fiduciary.
3. Each member of the Board shall attend at least one training session relating to the person's responsibilities under the Act within six months after taking office or assuming duties. Training under this section may be provided by the Texas Higher Education Coordinating Board and include investment controls, security risks, strategy risks, market risks, diversification of investment portfolio, compliance with the Act and compliance with this Policy.

B. Investment Officer(s)

1. The authority to manage the Corporation's investment program is granted to the President. The President may delegate the responsibility for the operation of the investment program to the Chief Financial Officer and Controller as the Corporation's designated "Investment Officers".
2. The Investment Officer shall be responsible for all transactions undertaken and shall establish internal controls to regulate the activities of subordinate officials. Procedures should include reference to safekeeping, delivery vs. payment, investment accounting, repurchase agreements, wire transfer agreements, collateral/depository agreements and banking service contracts. Such procedures may include explicit temporary delegation of authority to persons responsible for investment transactions.
3. The Investment Officer shall establish written procedures for the operation of the investment program consistent with this Policy.
4. The Investment Officer shall attend ten (10) hours of training within twelve (12) months of assuming the position and every two fiscal years thereafter. Training is to include investment controls, security risks, strategy risks, market risks, diversification of investment portfolio, and compliance with the Act.
5. The Investment Officer may temporarily delegate investment responsibilities to subordinate staff. Subordinate staff members must have a clear understanding of their authority and responsibilities to avoid improper actions.
6. No person may engage in an investment transaction except as provided under the terms of this Policy and the procedures established by the Investment Officer.

VII. ETHICS AND CONFLICT OF INTEREST

- A.** If an Investment Officer of the Corporation has a personal or business relationship with a business organization offering to engage in an investment transaction with the Corporation (as described in Section 2256.005(i) of the Act), the Investment Officer shall file a statement disclosing that personal business interest with the Board and the Texas Ethics Commission.
- B.** An Investment Officer who is related within the second degree by affinity or consanguinity to an individual seeking to sell an investment to the Corporation shall file a statement disclosing that relationship with the Board and the Texas Ethics Commission.

VIII. AUTHORIZED BROKER/DEALERS AND FINANCIAL INSTITUTIONS

- A.** The Corporation shall maintain a list with a minimum of three qualified broker/dealers authorized to engage in investment transactions with the Corporation. This list of qualified broker/dealers shall be reviewed, revised and adopted at least annually by the Board.
- B.** Broker/dealers shall, at a minimum, provide information as required by the Investment Officer and provide evidence of Financial Industry Regulatory Agency (FINRA) membership. Information on the broker/dealers shall be maintained by the Investment Officer or non-discretionary Investment Adviser. The Corporation shall assure that every Corporation authorized broker/dealer is provided a current copy of the Corporation's Investment Policy.
- C.** Financial institutions used for time and demand deposits do not need the prior approval of the Board. The nature of competition for rates in financial institutions within Texas prohibits foreknowledge of applicable financial institutions. These institutions shall, however, fulfill all remaining requirements for authorization including depository/collateral contracts, as applicable.
- D.** Any business organization (defined as pools and contracted discretionary investment advisers) offering to engage in an investment transaction with the Corporation shall be provided a copy of this Policy for review and certification of that review (PFIA 2256.005(k)). Material changes to the Policy will require re-certification. The Corporation will utilize only a non-discretionary investment adviser to assure that cash-flow is monitored and protected.

A certification for business organizations in a form acceptable to the Corporation shall affirm that the business organization:

1. Has received and reviewed this Policy; and

2. Acknowledged that the business organization has implemented reasonable procedures and controls in an effort to preclude investment transactions that are not authorized by this Policy, except to the extent that this authorization is dependent on an analysis of the makeup of the entire portfolio or requires an interpretation of subjective investment standards.
- E. The Investment Officer of the Corporation may not transact any business from a business organization (pool) which has not delivered the signed certification to the Corporation.
- F. The brokerage subsidiary of the Corporation's depository banking services bank shall not be used for purchase of securities in order to perfect delivery versus payment (DVP) unless that DVP process can be clearly documented by the firm on all confirmations.
- G. No less than every five years, the Corporation shall, through a competitive process chose a banking services institution to serve as its primary depository and a custodian for Corporation owned securities.

IX. AUTHORIZED INVESTMENTS

- A. Notwithstanding any grant or program limitations to the contrary, the following are authorized investments of the Corporation:
1. **Obligations of the U.S. Government, its agencies and instrumentalities** including collateralized mortgage obligations (CMOs). Debentures shall have a stated maturity not to exceed three (3) years. CMOs shall have a stated maturity (i) not to exceed ten (10) years and (ii) pass the Federal Reserve's *bank shock test*. Surplus funds are authorized to be invested as described in Section V.C. above.
 2. **Depository Certificates of Deposit** issued by any state or national bank doing business in the State of Texas or a credit union doing business in the State of Texas to include the CDARS program as defined by the Act and are:
 - a. Guaranteed or insured by the Federal Deposit Insurance Corporation (FDIC) or its successor or the National Credit Union Insurance Fund or its successor;
 - b. Secured by obligations of the US Government, its agencies and instrumentalities as further defined in this Policy; and
 - c. Have a stated maturity not to exceed one year.
 3. **Fully collateralized repurchase agreements** and reverse repurchase agreements which:

- a. Have a defined termination date and are executed under the terms of a written Master Repurchase Agreement;
- b. Are secured by collateral defined in this Policy and held by an independent safekeeping agent approved by the Corporation;
- c. Require that the securities being purchased be held in the Corporation's name by an independent custodian approved by the Corporation; and
- d. Are executed with a primary government securities dealer, as defined by the Federal Reserve;

The term of any reverse security repurchase agreement may not exceed 90 days after the date of the reverse. Money received by the Corporation from the reverse security repurchase agreement may be used to acquire authorized investments, but the maturity date of the investment acquired must not be later than the expiration date of the reverse

4. AAA-rated, SEC registered money market mutual funds.

- a. A money market mutual fund is an authorized investment if the fund:
 - i. Is registered with and regulated by the Securities and Exchange Commission;
 - ii. Has a dollar-weighted average stated maturity of 60 days or fewer; and
 - iii. Includes in its investment objectives the maintenance of a stable net asset value of \$1 for each share.
- b. The Corporation is not authorized to invest its funds or funds under its control in any money market mutual fund in an amount that exceeds 10 percent of the total assets of the mutual fund.

5. Commercial Paper. Commercial paper is an authorized investment if it:

- a. Has a stated maturity of ~~one hundred eighty (180)~~ two hundred-seventy (270) days or fewer to its stated maturity; and
- b. Is rated not less than A-1/P-1 or equivalent by at least two nationally recognized credit rating agencies,

6. Uncollateralized Guaranteed Investment Contracts. For funds that are pledged under a trust indenture for bonds issued by the Corporation, investment securities that are permitted under the terms of such trust indenture, including, but not limited to, uncollateralized investment agreements.

7. **Texas Local Government Investment Pools.** Permitted constant dollar investment pools, as defined by the Act, are authorized under this policy if the investment pool:
 - a. Is created to function as a money market mutual fund, marks its portfolio to market daily and strives to maintain a \$1 net asset value.
 - b. If it is rated not less than AAA or V-1 or equivalent rating by at least one nationally recognized rating service.
8. **State and Municipal Obligations.** Obligations of any state and their subdivisions rated A, or better, by two nationally recognized rating agencies with a stated maturity not to exceed three years.
9. **FDIC Insured Brokered Certificate of Deposit Securities.** **Brokered Certificate of Deposit Securities** from banks in any US state, delivered versus payment to the Corporation's safekeeping depository, not to exceed one year to maturity. Before purchase the Investment Officer or Investment Adviser must verify the status of the bank on www.fdic.gov to assure that the bank is FDIC insured.

10. AAA-Rated. SEC Registered Ultra Short Term Duration Funds if the mutual fund has an average weighted maturity of less than two years; and a) if the fund has a duration of one year or more is invested exclusively in obligations approved by this Policy; or b) if the fund has a duration of less than one year the investment portfolio is limited to investment grade securities, excluding asset-backed securities.

- B. No additional securities or investments are authorized for Corporation use until this Policy has been amended and the amended policy has been adopted by the Board.
- C. All investment transactions shall require competitive bidding.
- D. To minimize loss of principal, securities which are downgraded in credit or become unauthorized after purchase should be monitored daily and may be sold prior to maturity after a prudent analysis of market conditions.
- E. Security swaps may be utilized for improvement in the quality, yield, or target duration in the portfolio but only if analysis proves a positive horizon value for the swap.
- F. Any investment held prior to changes in this Policy that does not meet the guidelines of this Policy shall be exempted from the requirements of this Policy. The Corporation is not required to liquidate investments that were authorized at the time of purchase (Act Section 2256.017). However, at maturity or liquidation, such monies shall be reinvested only as provided by this Policy.

X. OTHER INVESTMENT POWERS.

In accordance with Section 2256.024(a) of the Act, the investment authority set forth in Section IX of this Policy is in addition to that granted to the Corporation by other applicable law. In accordance with Section 2256.024(b) and (c) of the Act, the Corporation may invest in mortgage pass-through certificates and individual mortgage loans that are originated in connection with authorized housing bond programs of the Corporation, subject to any limitations otherwise set forth in this Policy.

XI. UNAUTHORIZED INVESTMENTS

The following are not authorized investments:

- A. Interest only obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal (IO);
- B. Principal only obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest (PO); and
- C. Collateralized mortgage obligations that have a stated final maturity date of greater than 10 years, except as otherwise authorized under this Policy.
- D. Inverse floating collateralized mortgage obligations, the interest rate of which is determined by an index that adjusts opposite to the changes in a market index (Inverses).

XII. DIVERSIFICATION

The Corporation will diversify its investments by security type and institution. With the exception of U.S. Treasury securities, no more than 50% of the Corporation's total investment portfolio will be invested in a single security type or single issuer.

General diversification parameters will include:

<u>Type of Obligation</u>	<u>Maximum Percentage of Total Portfolio</u>
U.S. Obligations	80%
Obligations of U.S. Agencies	80%
Certificates of Deposit (total)	60%
Certificates of Deposit (by institution)	15%
Repurchase Agreements	30%
Money Market Mutual Funds	25%
Commercial Paper (total)	30%
Commercial Paper (by issuer)	10%
Local Government Pool	75%
Banking Accounts	80%

XIII. EFFECT OF LOSS OF REQUIRED RATING

An investment that requires a minimum rating under this Policy does not qualify as an authorized investment during the period the investment does not meet or exceed the minimum rating. The Corporation shall take prudent measures that are consistent with its Policy to evaluate possible liquidation of an investment that does not meet or exceed the minimum rating as market conditions dictate (Act Section 2256.021).

The Investment Officer or Investment Adviser shall monitor, on no less than a weekly basis, the credit rating on all authorized investments in the portfolio based upon independent information from a nationally recognized rating agency. If any security falls below the minimum rating required by Policy, the Investment Officer or Investment Adviser shall notify the President of the loss of rating, conditions affecting the rating and possible loss of principal with liquidation options available, within two weeks after the loss of the required rating.

XIV. COLLATERALIZATION

Collateralization will be required on all time and demand accounts above FDIC insurance levels and on repurchase agreements. In order to anticipate market changes and provide a level of security for all funds, the collateralization margin level will be 102%.

- A.** For time and demand deposits the following securities are authorized as pledged collateral. Preference to be given to pledged securities over letters of credit:
1. Obligations of the United States or its agencies and instrumentalities including mortgage backed securities meeting the bank test;
 2. Direct obligations of the State of Texas or its agencies and instrumentalities;
 3. Other obligations, the principal and interest of which are unconditionally guaranteed or insured by or backed by the full faith and credit of Texas or the United States or their respective agencies and instrumentalities; and
 4. Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent.
 5. FHLB Letters of Credit
- B.** For repurchase agreements, obligations of the U.S. Government, its agencies and instrumentalities including mortgage backed securities are authorized as collateral owned under the transaction. A letter of credit is not authorized for repurchase agreements.

- C. Collateral for time and demand accounts shall always be held in safekeeping by an independent third party with whom the Corporation has a current custodial agreement executed under the terms of FIRREA (time and demand deposits). A clearly marked evidence of pledge or ownership must be supplied to the Corporation and retained. The Corporation shall grant the right of collateral substitution, subject to receiving prior approval from the Investment Officer.
- D. It shall be the contractual liability of the counterparty pledging or selling the securities to monitor and maintain the appropriate 102% margin daily.
- E. The custodian of the collateral shall provide an independent, detailed listing of the collateral on a monthly basis directly to the Corporation.
- F. Any pooled collateral program proposed to the Corporation shall be reviewed by the Investment Officer(s) for risk/reward, but approval of the collateral pool will be by the Board.

XV. SAFEKEEPING AND CUSTODY

All securities owned by the Corporation will be held by an independent third-party custodian approved by the Corporation and under a current custody agreement.

All security transactions will be executed on a Delivery vs. Payment (DVP) basis. This ensures that securities are deposited prior to the release of funds. Securities will be held by an independent third-party custodian and evidenced by safekeeping receipts.

XVI. INTERNAL CONTROLS

A. Internal Controls

The Investment Officer is responsible for establishing and maintaining internal controls to ensure that the assets of the Corporation are protected from loss, theft, or misuse. The internal controls shall address the following points:

1. Control of collusion,
2. Separation of transaction authority from accounting and record keeping.
3. Custodial safekeeping.
4. Clear delegation of authority to subordinate staff members.
5. Written confirmation of all transactions.

In developing controls, the concept of reasonable assurance recognizes that:

1. The cost of control should not exceed the benefits likely to be derived; and
2. The valuation of costs and benefits requires estimates and judgments by management.

B. Compliance Audit

At least once every two years, the Corporation shall arrange for a compliance audit of management controls on investments and adherence to this Policy and the Act.

1. The compliance audit shall be performed by the Corporation's internal auditor or by a private auditor.
2. The results of the audit performed under this section shall be presented to the Board.
3. The Corporation shall report the results of the audit performed under this section to the Office of the State Auditor not later than January 1 of each even-numbered year. The report shall be prepared in a manner as prescribed by the Office of the State Auditor.
4. The Corporation shall also report to the Office of the State Auditor other information the state auditor determines necessary to assess compliance with laws and policies applicable to the Corporation's investment.

C. Wire Transfers

All wire transfers will be transacted under a written agreement and, if possible, require two signoffs. This agreement shall delineate controls, security provisions, and responsibilities of each party.

D. Monitoring FDIC Insurance

The Investment Officer or Investment Adviser shall monitor, on no less than a weekly basis, the status and ownership of all banks issuing brokered CDs owned by the Corporation based upon information from the FDIC. If any bank has been acquired or merged with another bank in which brokered CDs are owned, the Investment Officer or Investment Adviser shall immediately liquidate any brokered CD which places the Corporation above the FDIC insurance level.

XVII. REPORTING

A. Quarterly Reports

At least quarterly, the Investment Officer shall prepare and present to the Board an investment report, including a summary that provides a clear picture of the status of the

current investment portfolio and transactions made over the last quarter. This investment report will be prepared in a manner, which will allow the Board to ascertain whether investment activities during the reporting period have conformed to the Policy. The report must:

1. Describe in detail the investment position on the date of the report;
2. Be prepared jointly by all Investment Officers;
3. Be signed by each Investment Officer;
4. Be prepared in compliance with Generally Accepted Accounting Principles (GAAP) for each fund that states:
 - a. The stated maturity date and call or reset date of each security;
 - b. The book value and market value of each security at the beginning and end of the reporting period by type and market sector;
 - c. Additions and changes in market value during the period;
 - d. Fully accrued interest and total earnings for the reporting period;
 - e. State the fund or pooled group for which each individual investment was acquired; and
5. State the compliance of the investment portfolio as it relates to the investment strategy expressed in this Policy and the Act.

B. Audit Report

An independent auditor shall formally review the investment reports prepared by the Investment Officer under this Policy at least annually and that auditor shall report the result of the review to the Board.

C. Performance Standards

The investment portfolio will be managed in accordance with the parameters specified within this Policy and the cash flow analysis. The maximum dollar weighted average maturity of the portfolio is one year. In order to measure performance and the level of risk in the portfolio, the benchmarks of the six-month and one-year Treasury Bills for the comparable period will be reported quarterly.

D. Market Value

The Investment Officer will obtain market prices used to calculate market value from independent, recognized published sources or from other qualified professionals.

E. Changes to Public Funds Investment Act

The Investment Officer shall present to the Board a report on changes to the Act no later than 180 days after the last regular session of the legislature.

XVIII. INVESTMENT POLICY ADOPTION

The Investment Policy shall be reviewed and adopted by resolution of the Board at least annually. The Board must approve and adopt any amendments made thereto. The Board shall adopt by written resolution a statement that it has reviewed the investment policies and strategies and note any changes made.

Tab 5

Presentation, Discussion and Possible Approval of the Fiscal Year 2021 Broker Listing.

**Texas State Affordable Housing Corporation
Draft Broker/Dealer List
Fiscal Year 2021**

The authorized broker/dealer list for Texas State Affordable Housing Corporation is shown below. Each of these firms, and the individual broker/dealer covering the account, has been or will be sent the Investment Policy.

The Corporation's Investment Policy establishes specific criteria for the broker/dealers and requires that the list of broker/dealers be approved annually by the Board. Patterson & Associates maintains the brokerage compliance files for the Corporation.

When any material changes are made to the Investment Policy the new Policy will be sent to each individual broker on the authorized broker/dealer list.

1. Bank of America/Merrill Lynch
2. ~~FTNFHN~~ Financial
3. ~~Int'l FC~~ StoneX Group
4. Mizuho Securities
5. Morgan Stanley
6. Mutual Securities
7. Piper ~~Jaffray~~Sandler
8. Raymond James
9. RBC Capital
10. Stifel Nicolaus
11. Wells Fargo
12. Vining Sparks
13. Cantor Fitzgerald
14. Incapital
15. Oppenheimer
16. TradeWeb
17. Great Pacific Securities
18. BOK Financial
19. ~~Co. Capital Group~~ Siebert Williams Shank &
20. ~~UBS~~

Tab 6



2020 Texas Foundations Fund

Overview and Funding Recommendations

2020 Funding Cycle Overview

Through the Texas Foundations Fund TSAHC partners with non-profit organizations across Texas to support high quality programs that address the critical housing needs of very low-income families and individuals. To date TSAHC has completed 10 award cycles of the Texas Foundations Fund. During that time, TSAHC has awarded more than \$3.7 million in grant funding.

For the 2020 funding round, the Texas Foundations Fund will once again match public and private funds raised by selected partners (“Partners”). Partners will be selected for a two-year term, with grant funding made available each year. Per the 2020 funding guidelines, all applicants meeting the requirements will be approved as a Partner. To qualify as Partner, applicants must meet the following threshold requirements:

1. **Organization Type:** Applicant must be a non-profit organization with a 501(c)(3) designation from the Internal Revenue Service.
2. **Organization Experience:** Applicant must have at least three years of experience operating housing programs in Texas.
3. **Program Experience:** Applicant must have at least two years of experience operating the program for which a matching grant will be requested (see section below for additional program eligibility information).
4. **Fundraising Experience:** Applicant must provide a letter of reference or support from a funder who has supported the program for which a matching grant will be requested.
5. **Government Grant Performance:** Applicant must certify that it has not defaulted on or been required to repay any federal, state or local government grants within the past two years. Applicants do not need to have prior experience with government grants to be eligible for a matching grant.
6. **Financial Requirements:** Applicant must be able to provide annual financial audits for its two most recent fiscal years (TSAHC will accept financial reviews in lieu of audits from organizations with an annual operating budget of \$750,000 or less) and must be prepared to submit its audits, as well as other financial documents, when requested.
7. **Household Requirements:** To ensure the Texas Foundations Fund reaches those who are most in need, each applicant must utilize matching funds to serve only:
 - a. Households at or below 50% of the area median family income (very low income)
and
 - b. Households with a household member with a disability, **and/or** households located in a rural community

The following housing activities are eligible for support through the 2020 Texas Foundations Fund cycle. All services must be provided free of charge by selected Partners to the families and individuals receiving assistance.

1. The rehabilitation and/or critical repair of owner-occupied, single family homes to remedy unsafe living conditions. Critical repairs may also include accessibility modifications to assist household members with a disability.
2. The provision of supportive housing services that help individuals and families at risk of homelessness or unnecessary institutionalization gain and maintain their housing stability.

The 2020 Texas Foundations Fund partner application opened in May 2020, and the deadline to submit applications was Friday, June 19, 2020. TSAHC received 38 applications from non-profits serving communities throughout Texas. Staff conducted a thorough threshold review of all applications to determine whether each applicant met our organization, program and financial requirements. If questions arose regarding an applicant's eligibility, staff provided the applicant the opportunity to clarify the deficiency via email.

Funding Recommendations

Staff determined that the following 33 applicants met the requirements to be selected as a Partner. The total funding available for the 2020 funding cycle is **\$610,500**, which equals **\$18,500** per Partner. Below is a list of the applicants meeting TSAHC's Partner requirements. Please see pages 3-10 of this document for a detailed description of each proposed Partner.

- | | |
|---|--|
| 1. 6 Stones Mission Network | 18. Legacy Community Development Corporation* |
| 2. Another Chance House* | 19. Love Network of Baytown* |
| 3. Austin Habitat for Humanity | 20. Mary Lee Foundation* |
| 4. Avenue Community Development Corporation | 21. Meals on Wheels and More dba Meals on Wheels Central Texas |
| 5. AYUDA, INC* | 22. Merced Housing |
| 6. Bethany House of Laredo | 23. Montgomery County Habitat for Humanity, Inc.* |
| 7. Buckner Children and Family Services, Inc. | 24. Motivation, Education and Training, Inc. |
| 8. Community Development Corporation of Brownsville | 25. New Hope Housing, Inc. |
| 9. Fort Hood Area Habitat for Humanity* | 26. Panhandle Community Services |
| 10. Foundation Communities | 27. Project Transitions* |
| 11. Fuller Center Disaster Rebuilders* | 28. Rebuilding Together El Paso |
| 12. Galilee Community Development Corporation | 29. St. Bernard Project* |
| 13. Golden Crescent Habitat for Humanity | 30. Tarrant County Samaritan Housing, Inc. |
| 14. Habitat for Humanity of El Paso* | 31. The Women's Home |
| 15. Habitat for Humanity of Smith County | 32. Trinity Habitat for Humanity |
| 16. Habitat for Humanity of Williamson County | 33. VinCare Services of Austin Foundation dba Saint Louise House |
| 17. Housing Channel* | |

**New Texas Foundations Fund Partner*

Next Steps

Once Partners are approved by the Board of Directors, TSAHC will execute an agreement with each Partner listed above. The agreement outlines a description of the program that the matching grant will support, eligible expenditures, the process to request matching grants, reporting requirements, and TSAHC's right

to inspect properties or services records and to review financial documents. Each Partner will have six months to access their matching grant.

Any funds not accessed during the initial six-month period will be combined into a statewide pool and made available to other Partners who have already accessed their matching grant, on a first-come, first-awarded basis until all funds are depleted. A Partner must use 100% of its matching grant and submit a brief summary documenting the use of the matching grant by the end of the first year before accessing matching funds the following year.

A description of each proposed Partner is listed below:

1. 6 Stones Mission Network (6 Stones)

6 Stones is a coalition of churches, business and other partners that provide solutions to meet community needs ranging from community revitalization, emergency assistance, and school supply drives to community gardens and food share programs. They are based in the Hurst-Eules-Bedford area in North Texas. 6 Stones will use its matching grant to provide critical home repairs through their Community Powered Revitalization Program which aims to assist 25-40 homes during their fall and spring blitzes.

Program Type: Critical Repair

County Served: Tarrant

Priorities Served: Persons with a Disability

2. Another Chance House

Located just outside downtown Amarillo, Another Chance House was founded in 1988 as a shelter for homeless men. Their mission is to provide a positive path toward a new and better self-sufficient life through structured living programs for men who are homeless or at risk of homelessness. They will apply their grant towards basic needs, recovery programs, life skills training, workforce development, access to mental and physical health care providers, case management, and counseling.

Program Type: Supportive Housing Services

Counties Served: Armstrong, Briscoe, Carson, Castro, Collingsworth, Dallam, Deaf Smith, Donley, Gray, Hall, Hansford, Hartley, Hemphill, Hutchinson, Lipscomb, Ochiltree, Oldham, Parmer, Potter, Randall, Roberts, Sherman, Swisher, Wheeler

Priorities Served: Persons with a Disability, Rural

3. Austin Habitat for Humanity

Celebrating their 35th anniversary, Austin Habitat for Humanity is a nonprofit organization created to serve the affordable housing needs of Central Texans. They are based in Austin, TX and build affordable homes, provide housing counseling, provide home repairs, and more. The organization will use the matching grant to provide critically needed home repairs to an estimated 30 households through their Home Repair program.

Program Type: Critical Repair

Counties Served: Bastrop, Blanco, Caldwell, Hays, Travis

Priority Served: Persons with a Disability

4. Avenue Community Development Corporation (Avenue)

The mission of Avenue is to build affordable homes and strengthen communities. Avenue develops safe, quality housing accessible to low and moderate-income families and launched its home repair program "Rebuilding Northside Together" in 2014 to help very low-income homeowners in the Northside neighborhood of Houston rehabilitate their homes. Avenue will utilize its matching grant to provide critical repairs to homeowners with disabilities.

Program Type: Critical Repair

County Served: Harris

Priority Served: Persons with a Disability

5. AYUDA, Inc.

Founded in 1992, AYUDA, Inc. is a bilingual nonprofit organization that strives to improve the quality of life for low-income families and individuals. To date, AYUDA, Inc. has built over 200 homes that have impacted the most vulnerable populations in rural communities including veterans and their families. The organization will apply its grant towards home repairs for Colonia residents in Anthony, Tornillo, Fabens, and San Elizario, Texas.

Program Type: Critical Repair

County Served: El Paso

Priorities Served: Persons with a Disability, Rural

6. Bethany House Laredo

Bethany House Laredo has a nearly four-decade history of providing essential basic human needs to impoverished individuals and families in Laredo through its original mission, "To feed the hungry and shelter the homeless." Bethany House Laredo operates two transitional housing facilities: Lamar Bruni Vergara Community Shelter and Barbara A. Kazen Center for Hope which combined provide 76 emergency beds and 25 transitional homes. They will use their matching grant for case management services in their Transitional Housing Program.

Program Type: Supportive Housing Services

County Served: Webb

Priority Served: Persons with a Disability

7. Buckner Children and Family Services, Inc. (Buckner)

Buckner was originally founded in Dallas in 1879 as an orphanage. Today it is a highly diversified agency providing social service programs and ministries to disadvantaged and displaced children and families. Buckner has successfully operated the Lufkin Family Pathways program since 1997. It is the oldest of eight supportive housing programs currently operated by Buckner in Texas. Buckner will use its matching grant to support the Lufkin Family Pathways program's case management and other supportive services that help single parent families maintain housing stability while pursuing their education.

Program Type: Supportive Housing Services

County Served: Angelina

Priority Served: Rural Communities

8. Community Development Corporation Brownsville (CDCB)

Founded in 1974, CDCB is a nonprofit community housing development organization with a mission of creating affordable housing opportunities for residents in their

community. They will use their grant to support their Colonia Redevelopment Program. CDCB has used this program to reconstruct over 200 units for families with low incomes.

Program Type: Critical Repair

Counties Served: Cameron, Willacy

Priority Served: Rural

9. Fort Hood Area Habitat for Humanity (Fort Hood Habitat)

Fort Hood Habitat has been serving Bell, Coryell and Lampasas counties for 26 years. Their focus is to improve the lives of the homeowners and their families. Their repair programs improve the homeowners' quality of life by making their homes healthy, safe and accessible. They will use their grant towards home repairs as part of their Rural Critical Home Repair program.

Program Type: Critical Repair

Counties Served: Bell, Coryell, Lampasas

Priority Served: Rural

10. Foundation Communities

Foundation Communities was founded in 1990 to work toward housing low-income families and ending homelessness in their communities. The organization offers two supportive housing programs, Permanent Supportive Housing and Children's HOME Initiative, each providing case management and other services to help residents overcome homelessness and maintain housing stability. Their grant will be used specifically to serve residents with mental and physical disabilities.

Program Type: Supportive Housing Services

County Served: Travis

Priority Served: Persons with a Disability

11. Fuller Center Disaster Rebuilders (FCDR)

Formed in the aftermath of 2005's Hurricane Katrina, FCDR aims to rebuild the uninsured homes of low-income families who have experienced disaster. On top of making safety repairs towards the decency of a home, FCDR also provides accessibility repairs to the homeowners, allowing them to defer moving into an assisted living facility. Their grant will support disaster-related home repairs.

Program Type: Critical Repair

Counties Served: Galveston, Harris

Priority Served: Persons with a Disability

12. Galilee Community Development Corporation (Galilee CDC)

Galilee CDC is a nonprofit organization established in 2000 with the purpose of creating decent, affordable housing for low and moderate-income families in the Concho Valley. Galilee CDC intends on using their grant award to support their Helping Hands program, which provides rehabilitation and repairs to the homes of low-income and senior homeowners, allowing their homes to be safer and more accessible.

Program Type: Critical Repair

County Served: Tom Green

Priority Served: Persons with a Disability

13. Golden Crescent Habitat for Humanity (Golden Crescent Habitat)

Golden Crescent Habitat is a nonprofit housing organization that builds strength, stability and self-reliance through shelter. Founded in 1994, Golden Crescent Habitat has multiple programs supporting housing stability in their community including new home construction, rehabilitation, and disaster rebuilding. Golden Crescent Habitat will use their grant to support their Brush Up rehabilitation program, which provides safety and accessibility repairs to seniors and persons with disabilities.

Program Type: Critical Repair

Counties Served: Dewitt, Goliad, Jackson, Lavaca, Refugio, Victoria

Priorities Served: Persons with a Disability, Rural

14. Habitat for Humanity of El Paso, Inc.

Founded in 1989, Habitat for Humanity of El Paso, Inc. provides safe, affordable housing to low-income families in their community. The organization is seeking funding for their Tub-to-Shower critical repair program, which provides accessibility and safety repairs to the homes of senior and disabled Texans. This allows the homeowners to live in safe, decent homes and helps prevent injuries.

Program Type: Critical Repair

County Served: El Paso

Priority Served: Persons with a Disability

15. Habitat for Humanity Smith County

Habitat for Humanity of Smith County has been operating since 1989 with the goal of bringing their community together by building homes and hope. Habitat for Humanity Smith County plans to use their grant award to support their ReHabitat program. This program provides home repairs and modifications for seniors, veterans, individuals with disabilities, and low-income families.

Program Type: Critical Repair

Counties Served: Anderson, Cherokee, Henderson, Rusk, Smith, Van Zandt, Wood

Priority Served: Persons with a Disability

16. Habitat for Humanity Williamson County (HFHWC)

HFHWC has been working since their establishment in 1999 to realize their mission of creating and sustaining homeownership in their community. HFHWC intends to use their grant to support their home repair program in rural portions of Williamson County. This repair program helps low-income homeowners with much-needed home repairs that they would be unable to afford on their own.

Program Type: Critical Repair

County Served: Williamson

Priority Served: Rural

17. Housing Channel

The mission of Housing Channel is to revitalize distressed neighborhoods and to increase the amount of decent, affordable housing available to low and moderate-income families and individuals with special housing needs. Housing Channel was founded in 1991 by an affordable housing task force formed by Fort Worth Mayor Bob Bolen and local community leaders in response to the growing need for affordable housing in Tarrant County. Housing Channel will use their grant to repair 5-10 homes as part of the Hard Hats for Heroes program.

Program Type: Critical Repair
County Served: Tarrant
Priority Served: Persons with a Disability

18. Legacy Community Development Corporation (Legacy CDC)

Legacy CDC provides housing opportunities, education, supportive services and referrals to create stable, self-sufficient families in the Southeast Texas area. Their mission is to foster family stability through the provision of housing and counseling services. Their grant will be applied towards ongoing home repairs as a result of Hurricane Harvey.

Program Type: Critical Repair
Counties Served: Hardin, Jefferson, Orange
Priority Served: Persons with a Disability

19. Love Network of Baytown (Love Network)

Operating for almost 30 years, Love Network is a cooperative effort between churches, community agencies, and volunteers to provide effective help for the disadvantaged in Baytown, Highlands, and West Chambers County. Love Network receives requests from clients for assistance, screens the request for the extent of need and legitimacy, and refers the requests to a local church ministry or community agency. They will use their grant to perform home repairs as part of their Hands of the Carpenter program.

Program Type: Critical Repair
Counties Served: Chambers, Hardin
Priority Served: Persons with a Disability

20. Mary Lee Foundation (Mary Lee)

Mary Lee's mission is to serve adults with special needs so that they may develop a sense of dignity, a sense of self-worth, and the skills necessary to socially integrate with and contribute to the community in which they live. Mary Lee owns 14 buildings and a green space on a city block of property known to many as "The Square". It provides a supportive, accessible and affordable environment to low-income, disabled and special needs residents. The grant will be applied towards supportive services for Mary Lee's clients with intellectual disabilities.

Program Type: Supportive Housing Services
County Served: Travis
Priority Served: Persons with a Disability

21. Meals on Wheels and More dba Meals on Wheels Central Texas (MOWCTX)

MOWCTX seeks to nourish and enrich the lives of the homebound and other people in need through programs that promote dignity and independent living. The organization runs 12 programs and counts on 8,000 volunteers to provide a range of services to low-income households. MOWCTX established their home repair program in 2009 and since then, they have completed 893 homes across 12 counties. They will apply their grant towards work on homes in rural areas currently awaiting repairs.

Program Type: Critical Repair
Counties Served: Bastrop, Blanco, Burleson, Burnet, Caldwell, Coryell, Fayette, Gonzales, Hays, Lampasas, Lee, Llano, Travis, Williamson
Priority Served: Rural

22. Merced Housing (Merced)

Merced was founded by nine congregations of religious women to address the extreme need for affordable housing and supportive services in San Antonio and other cities in Texas. Merced's mission is to create and strengthen healthy communities by providing quality, affordable housing with supportive services for low-income individuals, families, and older adults. Under their Owner-Occupied Repair Program, the organization has repaired more than 660 homes. This grant will support that program which seeks to repair 30-40 homes per year.

Program Type: Critical Repair

County Served: Bexar

Priority Served: Persons with a Disability

23. Montgomery County Habitat for Humanity Inc.

Montgomery County Habitat for Humanity, Inc. was founded in 1989 with the goal of empowering their community through the creation of affordable housing. Though the organization is located in the Houston area, it also serves cities that are considered rural. They will use this grant program to provide accessibility and safety repairs for elderly homeowners.

Program Type: Critical Repair

County Served: Montgomery

Priority Served: Rural

24. Motivation, Education and Training, Inc. (MET)

MET was founded for the purpose of providing academic and vocational training to migrant and seasonal farmworkers to help further their economic sufficiency. A matching grant from the Texas Foundations Fund will support MET's Farmworker Housing Rehabilitation Program, enabling MET to serve homeowners in rural communities throughout south Texas.

Program Type: Critical Repair

Counties Served: Cameron, Hidalgo, Maverick, Starr, Willacy, Zavala

Priority Served: Rural

25. New Hope Housing, Inc. (New Hope)

New Hope is a nonprofit organization that believes housing is the foundation for health, education, economic stability and healing. They provide life-stabilizing, permanent supportive housing for persons with limited incomes. A grant from the Texas Foundations Fund will support their front-line staff who work with residents to ensure that they remain housed.

Program Type: Supportive Housing Services

County Served: Harris

Priority Served: Persons with a Disability

26. Panhandle Community Services (PCS)

Based in Amarillo, PCS is a community action agency that was founded in 1965. The mission of PCS is to work with community partners to change lives and lead change of low-income people bridging the gap from poverty to self-sufficiency. The ultimate vision of the agency is that all low-income people will be independent of government assistance. The grant will support work under their Housing Services Department which repairs upwards of 130 homes per year.

Program Type: Critical Repair

Counties Served: Armstrong, Briscoe, Carson, Castro, Childress, Collingsworth, Dallam, Deaf Smith, Donley, Gray, Hall, Hansford, Hartley, Hemphill, Hutchinson, Lipscomb, Moore, Ochiltree, Oldham, Parmer, Potter, Randall, Roberts, Sherman, Swisher, Wheeler

Priorities Served: Rural, Persons with a Disability

27. Project Transitions

Project Transitions opened in Austin in 1989 to provide compassionate hospice care to people dying of AIDS. Project Transitions is dedicated to serving people with HIV and AIDS by providing housing, comprehensive support services, recuperative care and hospice in compassionate and caring environments. Their grant will be used towards providing supportive services for the uniquely vulnerable population they serve.

Program Type: Supportive Housing Services

Counties Served: Bastrop, Caldwell, Hays, Travis, Williamson

Priority Served: Persons with a Disability

28. Rebuilding Together El Paso (RTEP)

RTEP's mission is "Repairing homes, revitalizing communities, rebuilding lives." They improve the safety and health in the homes of elderly and/or disabled homeowners. Since its inception in 1991, RTEP has repaired over 1,000 homes and touched the lives of some 2,200 homeowners and their families. Their grant will be used to support their ongoing home repair work.

Program Type: Critical Repair

County Served: El Paso

Priority Served: Persons with a Disability

29. St. Bernard Project (SBP)

Zack Rosenberg and Liz McCartney founded SBP as a volunteer-led organization in March 2006 in St. Bernard Parish, Louisiana, after witnessing the critical need for home rebuilding organizations following Hurricane Katrina. Inspired by residents' collective spirit and fierce desire to rebuild their communities and with the tremendous support of donors, volunteers, and corporate partners, SBP has grown from a three-person rebuilding-focused volunteer team into a nationally recognized leader in comprehensive disaster resilience and recovery. Since its founding, SBP has rebuilt homes for more than 2,200 families across 14 communities. Their grant will provide home repairs for 4-6 disabled residents impacted by Hurricane Harvey and/or living in a rural community.

Program Type: Critical Repair

Counties Served: Brazoria, Harris

Priority Served: Rural, Persons with a Disability

30. Tarrant County Samaritan Housing, Inc. (Samaritan Housing)

Samaritan Housing was formed in 1991 to support families and individuals with housing, resources, and hope as they move toward self-sufficiency. The organization provides housing in addition to case management, counseling, employment and education assistance, life skills training, and more. Samaritan Housing will use this grant for their supportive services in order to help residents with a disability.

Program Type: Supportive Housing Services

County Served: Tarrant

Priority Served: Persons with a Disability

31. The Women’s Home

The Women’s Home was created in 1957 with the mission to help women in crisis regain their self-esteem and dignity, empowering them to return to society as productive, self-sufficient individuals. A matching grant from the Texas Foundations Fund will help fund supportive services for residents with disabilities at the organization’s Jane Cizik Garden Place permanent supportive housing facility.

Program Type: Supportive Housing Services

County Served: Harris

Priority Served: Persons with a Disability

32. Trinity Habitat for Humanity

Trinity Habitat for Humanity began in 1989 as Fort Worth Area Habitat for Humanity, Inc. with a mission of bringing people together to build homes, communities, and hope. Trinity Habitat for Humanity will use their grant award to support their Preserve a Home program, which provides permanent repairs and disability accommodations to homes.

Program Type: Critical Repair

County Served: Tarrant

Priority Served: Persons with a Disability

33. VinCare Services of Austin Foundation dba Saint Louise House

Founded in 2001, Saint Louise House provides mothers not only with stable housing, but also with case management and individualized support that is meant to promote education, financial stability, and self-sufficiency. Based in Austin, Saint Louise House empowers women and children to find housing stability and independence. Saint Louise House plans on using their Texas Foundations Fund grant to support households that include a person with a disability.

Program Type: Supportive Housing Services

Counties Served: Bastrop, Hays, Travis, Williamson

Priority Served: Persons with a Disability

Tab 7

Texas Community Capital

October 14, 2020

Agenda Item #7

Presentation, Discussion and Possible Approval of the Appointment of Member(s) to the Board of Directors of Texas Community Capital, LLC

Summary

Pursuant to Article 3 of the Texas Community Capital By-Laws, the Texas State Affordable Housing Corporation (TSAHC), as an appointing agency of Texas Community Capital (TCC), shall have the right to appoint up to three members to the TCC Board of Directors.

The appointees represent TSAHC's interests regarding actions taken by TCC. The appointees serve terms of 4 years and are eligible for re-appointment at the pleasure of TSAHC's Board of Directors. The three appointees that currently represent TSAHC on the TCC Board are:

TSAHC Appointee	Current Term
Cindy Leon – Board Chair	May 2018 – May 2022
David Danenfelzer – Board Secretary	June 2016 – June 2020 (assumed term of Jerry Romero)
Roy Nash – Member	June 2018 – June 2020 (initial 2-year term)

Mr. Danenfelzer and Mr. Nash have expressed their interest in continuing to represent TSAHC on the TCC Board of Directors.

Therefore, staff recommends TSAHC's Board approve:

1. The re-appointment of Mr. David Danenfelzer to the Texas Community Capital Board of Directors to begin in June 2020 and end in June of 2022;
2. The re-appointment of Mr. Roy Nash to the Texas Community Capital Board of Directors to begin in May 2020 and end in May of 2024.

Mr. Danenfelzer serves as Senior Director of Development Finance at TSAHC and has been with the Corporation since January 2007. He manages several programs including the Multi-family Tax-Exempt Bonds, ACT Land Bank and Land Trust, and Direct Lending activities supporting our development partners.

Mr. Nash serves as the President and CEO of NeighborWorks® Waco and has over 40 years of experience in the housing and building industry. He serves on the Visibility and Resource Development Committee for NeighborWorks® America as well as the NeighborWorks America Home Ownership Steering Committee and the National NeighborWorks® Association. He is the founding and current chair of the NeighborWorks® Alliance of Texas, a collaboration of Texas NeighborWorks® organizations. Mr. Nash is the current vice-chair of the Waco Housing Coalition, and he also serves on the boards of the Heart of Texas Builders Association, the Texas Association of Builders and the Heart of Texas Workforce Solutions.

The Corporation has worked with Mr. Nash on several projects over the years. Most recently, NeighborWorks® Waco has been a Local Partner with the Corporation's Affordable Communities of Texas Land Banking Program.

BY-LAWS OF TEXAS COMMUNITY CAPITAL, INC.

ARTICLE I

These Bylaws (the "Bylaws") constitute the code of rules adopted by the TEXAS COMMUNITY CAPITAL, INC. for the regulation and management of its affairs.

ARTICLE II Purpose

Texas Community Capital (the "Corporation") shall exist for the purpose of providing loan and investment products, development services and other related activities to residents of underserved communities either directly or through community development financial institutions (CDFIs) and community development corporations (CDCs), and similar community lenders in order to expand the availability of funds for affordable housing and other community development investments.

The mission of the Corporation is to promote economic and community development in low income communities. The Corporation shall be and is a non-profit corporation under the laws of the State of Texas. The service area of the Corporation is the entire United States with a focus on low income and under-served Texas areas.

ARTICLE III Board of Directors

(1) Powers

The Board of Directors ("Board of Directors") of this Corporation is vested with the management of the business and affairs of this Corporation, subject to the Texas Non-Profit Corporation Act, the Articles of Incorporation, and these Bylaws.

(2) Qualifications

Participation as a member of the Board of Directors (a "Director") shall not be denied to any person on the basis of race, creed, sex, religion, or national origin. No Director shall have the power to appoint any other member of the Board of Directors other than through the individual vote of that Director.

(3) Number of Directors

The Board of Directors will consist of no fewer than five and no more than nine Directors. No more than three Directors shall be appointed and approved by the Board of Directors of the Texas State Affordable Housing Corporation ("TSAHC Board"), a Texas non-profit corporation and no more than three of the Directors shall be appointed and approved the Board of Directors of the Texas Association of Community Development Corporations ("TACDC Board"), a Texas non-profit corporation.

The TACDC Board, together with the TSAHC Board, are heretofore referred to as the "Appointing Authorities" and each individually an "Appointing Authority. Up to three Directors shall be appointed by majority vote by the acting Directors of the Board. Upon majority resolution of the Board of Directors and approval by each of the TSAHC Board and the TACDC Board, the number of Directors may be increased or decreased from time to time, but in no event shall a decrease have the effect of shortening the term of an incumbent Director, or decreasing the total number of Directors to less than three

Directors. The persons serving as directors at the time of adoption of this amendment to the Bylaws shall continue to serve until such time as their replacements have been named and seated.

The Executive Director of the Corporation (if one is selected) shall serve as an ex-officio non-voting member of the Board of Directors. All other employees of the Corporation are ineligible to serve on the Board of Directors.

The Board, in consideration of this process, will consider geography, diversity, experience, and community representation in appointing new board members.

(4) Term and Election of Directors

Directors shall serve terms of four years. Each Appointing Authority shall stagger the terms of their appointed Director such that each appointing authority appoints at least one board member every two years. Any directorship to be filled by reason of an increase in the number of Directors shall be filled at the next regular meeting of the Board of Directors or at a special meeting called for that purpose pursuant to the revised Bylaws previously approved by each Appointing Authority.

Directors whose terms have expired may continue serving until they are either re-appointed or until their successors are chosen. When a re-appointment is made that term will be for the term identified at reappointment. When a Director is replaced the term of the replacement will be the remaining term of the Director being replaced.

Tab 8

RESOLUTION NO. 20-____

TEXAS STATE AFFORDABLE HOUSING CORPORATION

RESOLUTION authorizing the issuance of Texas State Affordable Housing Corporation Multifamily Mortgage Revenue Notes (W. Leo Daniels Towers) Series 2020A-1 and 2020A-2, a Funding Loan Agreement, a Borrower Loan Agreement, an Asset Oversight, Compliance and Security Agreement and a Regulatory Agreement; authorizing the execution of documents and instruments necessary or convenient to carry out the issuance of the notes; and other provisions in connection therewith

WHEREAS, Texas State Affordable Housing Corporation (the “Governmental Lender”) 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 and under the authority of Subchapter Y of Chapter 2306, Texas Government Code, as amended (the “Act”), for the public purpose, among other things, of promoting 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

WHEREAS, the Act authorizes the Governmental Lender to (a) make mortgage loans to provide financing for multifamily residential rental housing in the State of Texas (the “State”) intended to be occupied by persons and families of low, very low and extremely low income; (b) issue bonds or other obligations, including notes, to accomplish its public purpose, for the purpose, among others, of obtaining funds to make loans for multifamily developments if at least 40 percent of the units in a multifamily development are affordable to individuals and families with incomes at or below 60 percent of the median income, adjusted for family size, to establish any necessary reserve funds and to pay administrative and other costs incurred in connection with the issuance of such obligations; (c) pledge all or any part of the revenues, receipts or resources of the Governmental Lender, including the revenues and receipts to be received by the Governmental Lender from such loans, and to mortgage, pledge or grant security interests in such loans or other property of the Governmental Lender in order to secure the payment of the principal or prepayment price of and interest on such obligations; and (d) make, enter into, and enforce contracts, agreements, leases, indentures, mortgages, deeds, deeds of trust, security agreements, pledge agreements, credit agreements and other instruments with any person on terms the Governmental Lender determines to be acceptable; and

WHEREAS, the Governmental Lender has determined to provide a loan to W. Leo Daniels Towers I, LP, a Texas limited partnership (the “Borrower”), for the purpose of acquiring, improving, rehabilitating and equipping a multifamily residential rental housing project to be located in the City of Houston, Texas and known as the W. Leo Daniels Towers (the “Project”) to be rented to persons of low and moderate income and paying certain costs of issuance, as evidenced by that certain Borrower Loan Agreement (the “Borrower Loan Agreement”) by and between the Governmental Lender and the Borrower, and in connection therewith the Borrower has agreed to assume certain of the obligations set forth in the Regulatory Agreement and Declaration of Restrictive Covenants (the “Regulatory Agreement”) by and among the Governmental Lender, Wilmington Trust, National Association (the “Fiscal Agent”); and

WHEREAS, the Governmental Lender now proposes to issue its notes styled “Texas State Affordable Housing Corporation Multifamily Mortgage Revenue Note (W. Leo Daniels Towers)

Series 2020A-1” and “Texas State Affordable Housing Corporation Multifamily Mortgage Revenue Note (W. Leo Daniels Towers) Series 2020A-2” (collectively, the “Notes”) pursuant to this Resolution and a Funding Loan Agreement (the “Funding Loan Agreement”) among the Governmental Lender, Citibank, N.A. (the “Funding Lender”) and the Fiscal Agent; and

WHEREAS, the Governmental Lender further proposes to sell the Notes, upon the issuance thereof, to the Funding Lender; and

WHEREAS, all capitalized terms not otherwise defined herein shall have the same meaning ascribed to them in the Funding Loan Agreement unless the context in which they appear requires otherwise; and

WHEREAS, there have been presented to the Governmental Lender proposed forms of each of the following:

1. the Funding Loan Agreement;
2. the Borrower Loan Agreement;
3. the Asset Oversight, Compliance and Security Agreement (the “Asset Oversight and Compliance Agreement”), by and between the Borrower and the Governmental Lender; and
4. the Regulatory Agreement.

WHEREAS, the Governmental Lender finds the form and substance of the above-listed documents (hereinafter, collectively the “Note Documents”) to be satisfactory and proper and finds the recitals with regard to the Governmental Lender contained therein to be true, correct and complete and hereby determines to proceed with the issuance and sale of the Notes, the execution of such documents and the taking of such other actions as may be necessary and appropriate in connection therewith; and now

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

Section 1: Based solely upon the representations made to the Board of Directors (the “Board”) by the Borrower, it appears and the Board hereby finds that the issuance of the Notes and the making of the various contractual commitments, as provided herein, will provide a means of financing the Project within the State that accomplishes the public purpose of providing adequate, safe and sanitary housing primarily for individuals and families of low, very low and extremely low income.

Section 2: The issuance of the Notes in one or more series and in the aggregate maximum principal amount of not to exceed \$15,000,000, is hereby authorized and approved. The Notes shall mature, bear interest at the rate or rates and shall be subject to the redemption or prepayment features as specified in the Funding Loan Agreement. The Board hereby approves the Funding Loan Agreement in substantially the form and substance presented to the Board with such changes or additions thereto as may be approved by the Chairperson, Vice Chairperson, President or Executive Vice President of the Governmental Lender (upon advice of bond counsel to the Governmental Lender), as evidenced by their execution and delivery thereof and the Chairperson, Vice Chairperson, President or Executive Vice President of the Governmental Lender is authorized and directed, for and on behalf of the Governmental Lender, to execute the

Funding Loan Agreement and such officers are hereby authorized to deliver the Funding Loan Agreement. Upon execution by the parties thereto and delivery thereof, the Funding Loan Agreement shall be binding upon the Governmental Lender in accordance with the terms and provisions thereof.

Section 3: The Board hereby approves the Borrower Loan Agreement in substantially the form and substance presented to the Board with such changes or additions thereto as may be approved by the Chairperson, Vice Chairperson, President or Executive Vice President of the Governmental Lender (upon advice of bond counsel to the Governmental Lender), as evidenced by their execution and delivery thereof and the Chairperson, Vice Chairperson, President or Executive Vice President of the Governmental Lender is hereby authorized and directed, for and on behalf of the Governmental Lender, to execute the Borrower Loan Agreement, and such officers are hereby authorized to deliver the Borrower Loan Agreement. Upon execution by the parties thereto and delivery thereof, the Borrower Loan Agreement shall be binding upon the Governmental Lender in accordance with the terms and provisions thereof.

Section 4: The Board hereby approves the Asset Oversight and Compliance Agreement in substantially the form and substance presented to the Board with such changes or additions thereto as may be approved by the Chairperson, Vice Chairperson, President or Executive Vice President of the Governmental Lender (upon advice of bond counsel to the Governmental Lender), as evidenced by their execution and delivery thereof and the Chairperson, Vice Chairperson, President or Executive Vice President of the Governmental Lender are each hereby authorized and directed, for and on behalf of the Governmental Lender, to execute the Asset Oversight and Compliance Agreement, and such officers are hereby authorized to deliver the Asset Oversight and Compliance Agreement. Upon execution by the parties thereto and delivery thereof, the Asset Oversight and Compliance Agreement shall be binding upon the Governmental Lender in accordance with the terms and provisions thereof.

Section 5: The Board hereby approves the Regulatory Agreement in substantially the form and substance presented to the Board with such changes or additions thereto as may be approved by the Chairperson, Vice Chairperson, President or Executive Vice President of the Governmental Lender (upon advice of bond counsel to the Governmental Lender), as evidenced by their execution and delivery thereof and the Chairperson, Vice Chairperson, President or Executive Vice President of the Governmental Lender are each hereby authorized and directed, for and on behalf of the Governmental Lender, to execute the Regulatory Agreement, and such officers are hereby authorized to deliver the Regulatory Agreement. Upon execution by the parties thereto and delivery thereof, the Regulatory Agreement shall be binding upon the Governmental Lender in accordance with the terms and provisions thereof.

Section 6: The Board hereby approves the Notes in substantially the forms and substance set forth in the Funding Loan Agreement as presented to the Board with such changes or additions as may be approved by the Chairperson, Vice Chairperson, President or Executive Vice President of the Governmental Lender, as evidenced by their execution and delivery thereof and the Chairperson, Vice Chairperson, President or Executive Vice President of the Governmental Lender are hereby authorized and directed, for and on behalf of the Governmental Lender, to execute the Notes or have their facsimile signatures placed upon the Notes, and the Chief Financial Officer and Treasurer, Secretary or any Assistant Secretary, by manual or facsimile signature, are hereby authorized and directed to attest the signature of the Chairperson, Vice Chairperson, President or Executive Vice President, and any of such officers is hereby authorized and directed to deliver the Notes.

Section 7: The Board hereby approves the sale of the Notes to the Initial Purchaser in accordance with the terms and conditions specified in the Funding Loan Agreement approved herein.

Section 8: Wilmington Trust, National Association is hereby appointed as Fiscal Agent and paying agent under the terms of the Funding Loan Agreement for the Notes. If said bank shall be unable or unwilling to so serve, the Chairperson, Vice Chairperson, President or Executive Vice President of the Governmental Lender is hereby authorized and directed to designate a commercial bank or other entity with trust powers acceptable to it to serve as Fiscal Agent and paying agent.

Section 9: The Chairperson, Vice Chairperson, President and Executive Vice President of the Governmental Lender, either individually or jointly, are hereby authorized to approve any different date, designation or title by which the Notes shall be known, the principal amount and maturity date of the Notes to be issued pursuant to this Resolution, to establish the interest rate or rates to be borne by the Notes, provided, however, that the interest rate or rates shall never exceed 15% per annum. The Chairperson, Vice Chairperson, President and Executive Vice President of the Governmental Lender, 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 Notes.

Section 10: The officers of the Governmental Lender are each hereby authorized to execute and deliver to the Fiscal Agent the written order of the Governmental Lender for the authentication and delivery of the Notes by the Fiscal Agent in accordance with the Funding Loan Agreement.

Section 11: All action (not inconsistent with provisions of this Resolution) heretofore taken by the Board and officers of the Governmental Lender directed toward the financing of the Project and the issuance of the Notes shall be and the same hereby is ratified, approved, and confirmed.

Section 12: The officers of the Governmental Lender shall take all action in conformity with the Act necessary or reasonably required to effectuate the issuance of the Notes and take all action necessary or desirable in conformity with the Act to finance the Project and for carrying out, giving effect to, and consummating the transactions described in the Notes, this Resolution, the Note Documents, and any other instruments authorized by this Resolution or required to effect the transactions contemplated hereby, including without limitation, the execution and delivery of any certificates, agreements or documents in addition to those specifically referenced herein which are associated with the issuance of the Notes.

Section 13: The President or the Executive Vice President of the Governmental Lender is authorized to approve such changes to the documents specifically referenced in this Resolution and to make any changes or enter into any supplements or amendments that may be required following the closing of the Notes for a period of up to one year, as well as the certificates, agreements and documents authorized in Section 12 hereof, as they deem necessary or appropriate. The execution and delivery of such documents by either of such officers shall constitute conclusive evidence of such approval.

Section 14: If any section, paragraph, clause, or provision of this Resolution shall 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. In case any

obligation of the Governmental Lender authorized or established by this Resolution or the Notes is held to be in violation of law as applied to any person or in any circumstance, such obligation shall be deemed to be the obligation of the Governmental Lender to the fullest extent permitted by law.

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PASSED, APPROVED AND EFFECTIVE this October 14, 2020.

TEXAS STATE AFFORDABLE HOUSING
CORPORATION

President

Texas State Affordable Housing Corporation

Multifamily Private Activity Bond Project Summary

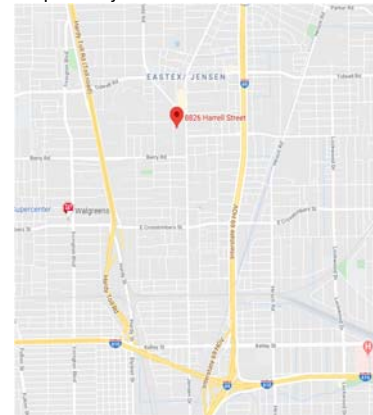
Agenda:

Presentation, Discussion and Possible Approval of a Resolution Authorizing the Issuance of Texas State Affordable Housing Corporation Multifamily Housing Revenue Bonds (W. Leo Daniels Towers) Series 2020, an Indenture of Trust, a Loan Agreement, a Bond Purchase Agreement, an Asset Oversight, Compliance and Security Agreement and a Regulatory Agreement; authorizing the execution of documents and instruments necessary or convenient to carry out the issuance of the Bonds; and other provisions in connection therewith.

Summary:

TSAHC received an application from ITEX Group and Jeshurun Development (Developer) on April 8, 2020 proposing the acquisition and rehabilitation of an affordable housing community called W. Leo Daniels Towers. The property, located in Houston, has 100-units reserved for seniors.

Map of Project Area



Public Benefit:

W. Leo Daniels Towers is an existing affordable apartment community serving low and very-low income seniors in the Houston area. Built in 1979, the property consists of studio and one-bedroom apartments, all reserved for persons earning 60% or less than the area median income. The property qualifies under TSAHC's Targeted Housing Needs for both At-Risk Preservation and Senior and Supportive Housing.

Financial Summary:

The proposed acquisition and rehabilitation of W. Leo Daniels Towers has a total budget of approximately \$23.3 million. The financing includes long-term tax-exempt bonds, a deferred forgivable loan from the City of Houston's CDBG Disaster Relief program, 4% housing tax credits, and a seller note paid from cash flow after debt service. Roughly \$4.5 million will be used for property acquisition costs, with a total rehabilitation of \$11.2 million, or \$112,000 per unit. Financing costs, soft costs, developer fees and reserves account for the remaining \$7.6 million.

The maximum par amount of the bonds is anticipated to total \$10 million. The bonds will be issued from TSAHC's 2020 volume cap, with the proceeds used for acquisition and rehabilitation. The City of Houston's CDBG Disaster Relief funds will reduce the permanent bond amount to \$4 million. The bonds will be purchased by Citi Bank. The City of Houston's CDBG funds total \$10 million in the form of a deferred forgivable loan. Additionally, the project will receive \$7.2 million in tax credit equity and a \$2 million seller third lien cash flow loan. Deferred developer fees will cover the remaining balance of permanent funding needs, estimated at \$31,500.

The current owners of W. Leo Daniels are not an affiliated entity of the Developer nor its principals. The financing does include a seller notes structured as a subordinate third lien loan with payments made from excess cash flow. The project will also pay property taxes and there is no intent to request a tax exemption at a later date.

Market Conditions:

W. Leo Daniels Towers is in northern Houston near the intersection of Highway 69 North and the 610 Loop, in the Eastex/Jensen neighborhoods. Largely developed in the late 1940s and 1950s, the neighborhood is made up

Texas State Affordable Housing Corporation

Multifamily Private Activity Bond Project Summary

primarily of modest single-story homes set among scattered pine forests.

The neighborhood has a lower percentage of renters than the City of Houston, though slightly higher than Harris County. The household median income for the census tract is extremely low, at \$27,697. However, this number is likely skewed due to the presence of W. Leo Daniels Towers, which adds 100 very low-income households into the total census tract population of 6,554. Although the project is a senior apartment complex, it has little impact on the median age for the area, which is 27 years. A higher percentage of homes with young children may account for this younger census tract population.

Economically, the area has a diverse mix of small manufacturing centers, retail, educational and service industries. The overall neighborhood leans towards local neighborhood services rather than an industrial or manufacturing center. Access to medical services is adequate, with several clinics and hospitals within a 5-mile radius. However, the area is considered a Medically Underserved Area given limited transportation options.

Relocation and Tenant Resources:

The renovation of W. Leo Daniels Towers will be significant and includes the replacement of cabinets, flooring, countertops, tile, lighting fixtures, doors and hardware. Exterior renovations will include new roofing, pavement repairs and landscaping.

TSAHC staff believes that the majority of current tenants will remain in the property during renovations, though some may be temporarily displaced. All tenants, pursuant to federal and state law, will be protected from permanent relocation and the Developer's rehabilitation and relocation plan will be approved by the City of Houston, prior to closing.

The City of Houston also operates a Tenant Based Housing Voucher program through its public housing authority. As of February 2020, the housing authority's website had more than 68,000 families on its waiting list.

Developer Summary:

The development is being completed through a partnership between ITEX Group and Jeshurun Development LLC., an affiliated company of J. Allen Management (JAMC). In August 2020 staff's update to the Board explained that ITEX Group would have a reduced role in ownership and development of this development. The reason for this change in August was due to compliance issues raised by the Texas Department of Housing and Community Affairs (Department) on three properties owned and operated by ITEX. However, it is staff's understanding that these issues have been resolved and ITEX has resumed a primary role in ownership and development of this project. Final determination to lift restrictions on ITEX's participation in new development activity will be approved at the Department's October 8th board meeting. Updates on the Department's board determination will be provided verbally to the Board at TSAHC's October Board Meeting.

The ITEX Group, LLC (ITEX) is a Texas-based, for-profit, limited liability company with headquarters in Port Arthur and executive offices in Houston. ITEX and its affiliates employ more than 250 people throughout the United States. ITEX's primary business is in developing, constructing and managing multifamily housing. ITEX currently has a portfolio of 53 properties in Texas, Louisiana and Colorado that includes more than 6,900 units.

Formed in 1981, JAMC has grown into a multifaceted affordable housing provider and property manager. Based in Beaumont, JAMC has owned and operated more than 1,200 units of housing throughout South East Texas, primarily in the Houston and Beaumont metro areas. JAMC's property management company, J. Allen

Texas State Affordable Housing Corporation

Multifamily Private Activity Bond Project Summary

Management, reaches well beyond the region and currently operates more than 5,000 units of HUD and tax credit financed properties across the states of Texas, Louisiana and New Mexico.

Recommendation:

Staff recommends approval of the Resolution authorizing the issuance of Texas State Affordable Housing Corporation Multifamily Housing Revenue Bonds (W. Leo Daniels Towers) Series 2020, an Indenture of Trust, a Loan Agreement, a Bond Purchase Agreement, an Asset Oversight, Compliance and Security Agreement and a Regulatory Agreement; authorizing the execution of documents and instruments necessary or convenient to carry out the issuance of the Bonds; and other provisions in connection therewith.

Leo Daniels - Underwriting - Project Summary

Project Summary

Applicant ITEX Group
 Project Name W. Leo Daniels Towers

Location

Address 8826 Harrell Street City Houston
 County: Harris State Texas 77093
 Census Tract: 48113016605

Funding Sources

	Amount	% of Total
TSAHC Initial Bond Amount	\$ 12,540,000	
TSAHC Perm Bonds/Citi Community Capital	\$ 4,000,000	17.12%
City of Houston DR	\$ 10,000,000	42.81%
Seller Note - cash flow only	\$ 2,081,423	8.91%
RBC Capital Markets - HTC	\$ 7,247,615	31.02%
Deferred Dev Fee	\$ 31,552	0.14%
Totals	\$ 23,360,590	100%

* not included in total

Market Summary

	City	County	State	Census Tract
Population:	2,295,982	4,602,523	27,885,195	6554
Average Age:	33	33	34	27
Diversity Index:		68.88		44.91
% Hispanic:	44.76%	42.56%	39.17%	80.35%
% Persons with Disability:	9.44%	9.15%	11.50%	9.09%
% Households that Rent:	57.07%	45.33%	38.05%	48.20%
Median Rents:	\$ 990	\$ 1,031	\$ 998	\$ 775
% Renters Who are Cost Burdened:	47.58%	46.67%	44.42%	73.02%
Median Home Price:	\$ 161,300	\$ 165,300	\$ 161,700	\$ 79,300
Median Household Income:	\$ 57,084	\$ 69,137	\$ 70,423	\$ 27,697
Unemployment:		4.40%	3.90%	
Persons w/o Insurance:	31.92%	20.17%	17.38%	33.05%
Medically Underserved Area:	Yes			
% Attending Public Schools:	93.24%	92.02%	93.14%	99.33%
Graduation Rate (Midland ISD):	66.20%			
CRA Eligible Census Tract:	Yes - LI			
# of LI Projects and Units:	9	1220		

Leo Daniels - Underwriting - Summary Sources and Uses

Summary of Sources and Uses

Applicant ITEX Group
Project Name W. Leo Daniels Towers
Number of Units 100

Sources	Amount	Amount Per Unit	Percentage of Total
TSAHC Perm Bonds/Citi Community Capital	\$ 4,000,000	\$ 40,000	17%
City of Houston DR	\$ 10,000,000	\$ 100,000	43%
Seller Note - cash flow only	\$ 2,081,423	\$ 20,814	9%
RBC Capital Markets - HTC	\$ 7,247,615	\$ 72,476	31%
Deferred Dev Fee	\$ 31,552	\$ 316	0%
Total Sources	\$ 23,360,590	\$ 233,605.90	100%

Uses	Amount	Amount Per Unit	Percentage of Total
Acquisition	\$ 4,500,000	\$ 45,000.00	19%
Off-Site Construction	\$ -	-	0%
On-Site Work	\$ 85,009	\$ 850.09	0%
Site Amenities	\$ 145,936	\$ 1,459.36	1%
Building Costs	\$ 8,716,575	\$ 87,165.75	37%
Other Const/Contingency	\$ 2,272,669	\$ 22,726.69	10%
Soft Costs	\$ 2,319,349	\$ 23,193.49	10%
Financing Costs	\$ 2,287,439	\$ 22,874.39	10%
Developer Fees	\$ 2,163,611	\$ 21,636.11	9%
Reserve Accounts	\$ 870,002	\$ 8,700.02	4%
Total Uses	\$ 23,360,589	\$ 233,605.89	100%

(Gap) / Reserve	\$ 0
Percent of Developer Fee Deferred	1.46%

Leo Daniels - Underwriting - Operating Proforma

Operating Proforma

Applicant ITEX Group
 Project Name W. Leo Daniels Towers

Number of Units	100	Affordable Units	100	Min. Set Aside	40
Set-Aside Requirement	40	Affordable %	100%	Accessible Unit Min.	5

Residential Income

Unit Type	Unit Sq. Ft.	Net Sq. Ft.	# units	Rent	Mo. Income	Inflator	Rent Limiter
0/1	345	2,070	6	\$ 912	\$ 5,472	1.02	30% AMI
0/1	345	3,795	11	\$ 912	\$ 10,032	1.02	50% AMI
0/1	345	7,935	23	\$ 912	\$ 20,976	1.02	60% AMI
0/1	345	5,865	17	\$ 912	\$ 15,504	1.02	60% AMI
		-			\$ -		
1/1	513	2,052	4	\$ 950	\$ 3,800	1.02	30% AMI
1/1	513	4,617	9	\$ 950	\$ 8,550	1.02	50% AMI
1/1	513	8,721	17	\$ 950	\$ 16,150	1.02	60% AMI
1/1	513	6,669	13	\$ 950	\$ 12,350	1.02	60% AMI
Subtotals:		41,724	100		\$ 92,834		

Other income:	\$ 12.00	\$ 1,200	1.02
Potential gross income			
Residential vacancy loss			7.50%
Effective Gross Residential Income			

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15
\$ 65,664	\$ 66,977	\$ 68,317	\$ 69,683	\$ 71,077	\$ 78,475	\$ 86,642	
\$ 120,384	\$ 122,792	\$ 125,248	\$ 127,752	\$ 130,308	\$ 143,870	\$ 158,844	
\$ 251,712	\$ 256,746	\$ 261,881	\$ 267,119	\$ 272,461	\$ 300,819	\$ 332,129	
\$ 186,048	\$ 189,769	\$ 193,564	\$ 197,436	\$ 201,384	\$ 222,345	\$ 245,486	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
\$ 45,600	\$ 46,512	\$ 47,442	\$ 48,391	\$ 49,359	\$ 54,496	\$ 60,168	
\$ 102,600	\$ 104,652	\$ 106,745	\$ 108,880	\$ 111,058	\$ 122,616	\$ 135,379	
\$ 193,800	\$ 197,676	\$ 201,630	\$ 205,662	\$ 209,775	\$ 231,609	\$ 255,715	
\$ 148,200	\$ 151,164	\$ 154,187	\$ 157,271	\$ 160,416	\$ 177,113	\$ 195,547	
\$ 14,400.00	\$ 14,688	\$ 14,982	\$ 15,281	\$ 15,587	\$ 17,209	\$ 19,000	
\$ 1,128,408	\$ 1,150,976	\$ 1,173,996	\$ 1,197,476	\$ 1,221,425	\$ 1,348,552	\$ 1,488,910	
\$ (84,631)	\$ (86,323)	\$ (88,050)	\$ (89,811)	\$ (91,607)	\$ (101,141)	\$ (111,668)	
\$ 1,043,777	\$ 1,064,653	\$ 1,085,946	\$ 1,107,665	\$ 1,129,818	\$ 1,247,411	\$ 1,377,242	

Operating Expenses

	TSAHC est.	Borrower Yr 1	% EGI	Variance	Per Unit	Inflator
General & Administrative	\$ 41,700	\$ 37,000	3.54	-11%	\$ 370	1.03
Management Fee	\$ 41,700	\$ 52,189	5.00	25%	\$ 522	1.03
Payroll and Related	\$ 135,400	\$ 165,000	15.81	22%	\$ 1,650	1.03
Maintenance & Repair	\$ 73,800	\$ 62,500	5.99	-15%	\$ 625	1.03
Utilities	\$ 83,300	\$ 185,000	17.72	122%	\$ 1,850	1.03
Insurance	\$ 39,900	\$ 40,000	3.83	0%	\$ 400	1.03
Taxes	\$ 79,000	\$ 76,500	7.33	-3%	\$ 765	1.03
Operating Debt Service Reserves			0.00	#DIV/0!	\$ -	1.03
Replacement reserves	\$ 30,000	\$ 30,000	2.87	0%	\$ 300	1.03
HTC/HOME Compliance Fees	\$ 2,800	\$ 2,800	0.27	n/a	\$ 40	1.03
Bond Compliance Fees	\$ 4,500	\$ 4,500	0.43	0%	\$ 45	1.03
Other (specify): cbl/security/DR co	\$ 57,000	\$ 57,000	5.46		\$ 570	1.03
Total Operating Expenses	\$ 589,100	\$ 712,489		21%	\$ 7,136.89	
				state avg	\$ 5,251.00	per unit
				Operating Expenses as a percentage of Effective Gross Income		

\$ 37,000	\$ 38,110	\$ 39,253	\$ 40,431	\$ 41,644	\$ 48,277	\$ 55,966
\$ 52,189	\$ 53,755	\$ 55,367	\$ 57,028	\$ 58,739	\$ 68,095	\$ 78,941
\$ 165,000	\$ 169,950	\$ 175,049	\$ 180,300	\$ 185,709	\$ 215,288	\$ 249,577
\$ 62,500	\$ 64,375	\$ 66,306	\$ 68,295	\$ 70,344	\$ 81,548	\$ 94,537
\$ 185,000	\$ 190,550	\$ 196,267	\$ 202,154	\$ 208,219	\$ 241,383	\$ 279,829
\$ 40,000	\$ 41,200	\$ 42,436	\$ 43,709	\$ 45,020	\$ 52,191	\$ 60,504
\$ 76,500	\$ 78,795	\$ 81,159	\$ 83,594	\$ 86,101	\$ 99,815	\$ 115,713
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 30,000	\$ 30,900	\$ 31,827	\$ -	\$ -	\$ -	\$ -
\$ 2,800	\$ 2,884	\$ 2,971	\$ 3,060	\$ 3,151	\$ 3,653	\$ 4,235
\$ 4,500	\$ 4,635	\$ 4,774	\$ 4,917	\$ 5,065	\$ 5,871	\$ 6,807
\$ 57,000	\$ 58,710	\$ 60,471	\$ 62,285	\$ 64,154	\$ 74,372	\$ 86,218
\$ 712,489	\$ 733,864	\$ 755,880	\$ 745,774	\$ 768,147	\$ 890,493	\$ 1,032,326
\$ 7,125	\$ 7,339	\$ 7,559	\$ 7,458	\$ 7,681	\$ 8,905	\$ 10,323
68.3%	68.9%	69.6%	67.3%	68.0%	71.4%	75.0%

NET OPERATING INCOME

\$ 331,288	\$ 330,789	\$ 330,066	\$ 361,891	\$ 361,671	\$ 356,917	\$ 344,916
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Leo Daniels - Underwriting - Operating Proforma

NET OPERATING INCOME

\$	331,288	\$	330,789	\$	330,066	\$	361,891	\$	361,671	\$	356,917	\$	344,916
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PRIMARY DEBT SERVICE

	Principal	Rate	Amort	Term
TSAHC Perm Bonds/Citi Community Capl	\$ 4,000,000	4.50%	35	30

Total Primary Debt \$ 4,000,000

TSAHC Issuer Fee \$ 5,000

Net Cashflow After Primary Debt

DSCR Primary Debt

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15
\$	227,163	\$ 227,163	\$ 227,163	\$ 227,163	\$ 227,163	\$ 227,163	\$ 227,163
\$	227,163	\$ 227,163	\$ 227,163	\$ 227,163	\$ 227,163	\$ 227,163	\$ 227,163

\$	5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
\$	99,125	\$ 98,626	\$ 97,903	\$ 129,728	\$ 129,508	\$ 124,754	\$ 112,753
	1.43	1.42	1.42	1.56	1.56	1.54	1.49

SOFT SUBORDINATE DEBT & EQUITY

City of Houston DR	\$ 10,000,000	1.00%	40	40	Deferred Forgivable
Seller Note - cash flow only	\$ 2,081,423	1.00%	50	50	Third Lien - Cash Flow Only
RBC Capital Markets - HTC	\$ 7,247,615				
Deferred Dev Fee	\$ 31,552				

Total Secondary Debt \$ 7,279,167

Net Cash Flow of Secondary Debts

\$	53,103	\$ 53,103	\$ 52,916	\$ 52,916	\$ 52,916	\$ 52,916	\$ 52,916
\$	46,022	\$ 45,523	\$ 44,987	\$ 76,811	\$ 76,591	\$ 71,838	\$ 59,837

Tab 9

MINUTES AND CERTIFICATION

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

The Board of Directors of the Texas State Affordable Housing Corporation (the "Corporation") convened on October 14, 2020, via a videoconference meeting as permitted by action of the Governor of Texas, and roll was called of the duly constituted members of said Board of Directors, to-wit:

Table with 2 columns: Name, Office. Rows include William H. Dietz (Chairperson), Valerie Vargas Cardenas (Vice Chairperson), Courtney Johnson-Rose (Director), Lali Shipley (Director), and Andy Williams (Director).

and all of said persons were present during the videoconference meeting 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 for the consideration of said Board:

"RESOLUTION NO. 20-____"

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 Gardens of Balch Springs Apartments"

Upon motion duly made and seconded, the Resolution was finally passed and adopted by the following vote:

_____ AYES _____ NOES _____ ABSTENTIONS

MINUTES APPROVED AND CERTIFIED TO BE TRUE AND CORRECT and to reflect accurately the duly constituted officers and members of the Board of Directors of the Corporation, and the attached and following copy of such Resolution is hereby certified to be a true and correct copy of an official copy thereof on file among the official records of the Corporation.

SIGNED this October 14, 2020.

President, Texas State Affordable Housing
Corporation

RESOLUTION NO. 20-_____

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 Gardens of Balch Springs Apartments

WHEREAS, the Board of Directors of the Texas State Affordable Housing Corporation (the "Corporation") desires to submit one or more calendar year 2021 Applications for Allocation of Private Activity Bonds, a calendar year 2021 Application for Carryforward for Private Activity Bonds, one or more calendar year 2022 Applications for Allocation of Private Activity Bonds or a calendar year 2022 Application for Carryforward for Private Activity Bonds (collectively, the "Application") to the Texas Bond Review Board in connection with tax-exempt obligations in a principal amount not to exceed \$27,000,000 (the "Bonds") relating to a qualified residential rental housing project to be located west of Mercury Road and east of Belt Line Road, Balch Springs, Texas 75181, Dallas County (the "Project");

WHEREAS, the Corporation intends to issue the Bonds and loan the proceeds to Gardens at Balch Springs, LP (the "Borrower"), which will be the initial legal owner and will use the proceeds for acquiring, constructing and equipping the Project;

WHEREAS, it is anticipated that the Borrower will make certain capital expenditures with respect to the Project and currently desires and expects to reimburse the capital expenditures with proceeds of such debt;

WHEREAS, under Treas. Reg. § 1.150-2 (the "Regulation"), to fund such reimbursement with proceeds of tax-exempt obligations, the Corporation must declare its expectation to make such reimbursement;

WHEREAS, the Corporation desires to preserve the ability of the Borrower to reimburse the capital expenditures with proceeds of tax-exempt obligations; and

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 of the Corporation or any officer of the Corporation is hereby authorized and directed to execute and deliver the Application to the Texas Bond Review Board in connection with requesting allocation in the maximum amount of \$27,000,000 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 one or more Notices of Intent to Issue Bonds and one or more State Bond Applications in connection with the Bonds and such officers are further authorized and directed to request that the application(s) be approved by the Texas Bond Review Board in accordance with Chapter 181 of the Texas Administrative Code, as amended.

3. That the President of the Corporation or any other officer 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(s), the approval of the Bonds from the Texas Bond Review Board and requesting non-traditional carryforward of private activity bond allocation if needed.

4. That the Corporation reasonably expects that the Borrower will reimburse capital expenditures with respect to the Project with proceeds of debt hereafter to be incurred by the Corporation, and that this resolution shall constitute a declaration of official intent under the Regulation. The maximum principal amount of obligations expected to be issued for the Project by the Corporation is \$27,000,000.

PASSED, APPROVED AND EFFECTIVE this October 14, 2020.

TEXAS STATE AFFORDABLE
HOUSING CORPORATION

Texas State Affordable Housing Corporation

Multifamily Private Activity Bond Project Summary

Agenda:

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 Gardens of Balch Springs Apartments.

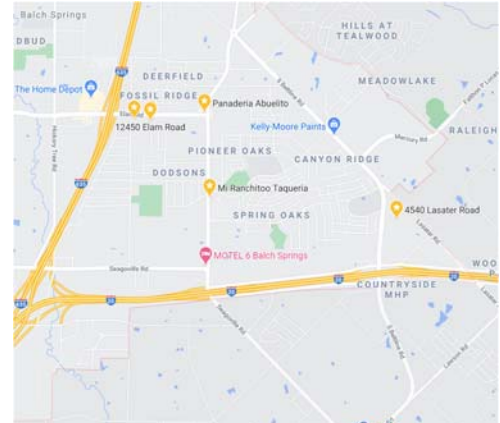
Summary:

TSAHC received an application from TDI Affordable Development, LLC (Developer) on September 1, 2020 proposing the construction of an affordable housing community called Gardens of Balch Springs. The property, located in Balch Springs, will include 185-units of affordable housing targeting seniors.

Public Benefit:

The Gardens of Balch Springs is a proposed 185-unit apartment community that will serve low and very-low income seniors. Sixty percent of the units (111-units) will provide affordable rents to households at or below 60% area median income. The project meets TSAHC's targeted housing need for Senior and Service Enriched Housing.

Map of Project Area



Financial Summary:

The proposed development of Gardens of Balch Springs has a total budget of approximately \$32.6 million, roughly \$176,000 per unit. The proposed financing includes tax-exempt bonds and 4% housing tax credits. Roughly \$21 million will be used for construction, with only \$1 million for site acquisition. Financing costs, soft costs, developer fees and reserves account for the remaining \$10.6 million.

The par amount of the bonds is anticipated to total \$27 million, though a portion of the initial bond amount will be repaid with tax credit equity. The permanent bond debt will be \$21.5 million with \$10.2 million in housing tax credit proceeds and \$890,000 in deferred developer fees rounding out the sources.

The current owners of the land are not an affiliated entity of the Developer nor its principals. No seller notes, cash flow sharing, or incentives are included in the financial structure of the project. The project is reserving its right to request a property tax exemption, which will require additional review and approval by the Texas Bond Review Board.

Market Conditions:

Gardens of Balch Springs will be located within a new master planned community to be named Mercury Park. Located north of the intersection of S Beltline Rd and Mercury Rd, Mercury Park is a 173-acre master planned community purposefully situated in the City of Balch Springs. Balch Springs is on the southeast side of the DFW metroplex, at the intersection of IH 635 and IH 20.

The surrounding neighborhoods are predominately single-family subdivisions with median home prices

Texas State Affordable Housing Corporation

Multifamily Private Activity Bond Project Summary

(\$141,900) that are higher than the City's median (\$129,100) but lower than the County's (\$161,500). Household incomes are also higher for the project's census tract (\$78,934), which is also well above the State's (\$70,423).

Although the project location is part of a larger planned development, the project site has good access to commercial, retail and job centers. The census tract is not considered to be in a medically underserved area; access from Mercury Park may be limited as there are no transit lines serving the area at this time.

Developer Summary:

TDI Affordable Development, LLC, is a collaboration between JPI and Prudentia Development. Established in 1989, JPI is now one of the largest multifamily developers in Texas, having developed more than 98,000 units in Texas and other states. JPI has a strong reputation as privately held developer, builder and investment manager of Class A multifamily housing. The Company's founding principals have worked together for over 30 years, guiding the Company to successful developments throughout the major US markets. JPI is currently active in California, Arizona, Texas, New York and other select northeast markets.

Owned and managed by Ryan and Natalie Combs, Prudentia Development brings more than 10-years of experience in affordable multifamily development in both 9% and 4% housing tax credit projects. Ryan and Natalie started their careers as accountants for housing developers. Ryan has grown his experience through managing construction and development activities for affordable housing developers, including Bonner Carrington and Palladium USA. Ryan was a project manager on two projects financed by TSAHC, THF Palladium Midland and Palladium Glenn Heights.

Recommendation:

Staff recommends approval of the 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 Gardens of Balch Springs Apartments.

Gardens at Balch Springs - Underwriting - Project Summary

Project Summary

Applicant TDI Affordable Development LLC
 Project Name Gardens of Balch Springs

Location

Address North west quadrant of S Belt Line Road and Mercury I City Balch Springs
 County: Dallas State Texas 75181
 Census Tract: 48113017306

Bonds

Max. Par Amount: \$ 27,000,000 Bond Type: PAB
 Term of Bonds: 15 Allocation Year: 2021

Perm Funding Souces

	Amount	% of Total
TSAHC - Bond Amount Construction Term	\$ 27,000,000	
TSAHC - Bonds Perm/Citi Bank	\$ 21,521,473	65.92%
HTC Equity	\$ 10,236,079	31.35%
Deferred Developer Fee	\$ 890,060	2.73%
Totals	\$ 32,647,612	100%

* not included in total

Market Summary

	City	County	State	Census Tract
Population:	144,250	2,586,552	27,885,195	8,339
Median Age:	32	33	34	32
Diversity Index:	68	70	-	-
% Hispanic:	40%	40%	39%	41%
% Persons with Disability:	11%	10%	12%	11%
% Households that Rent:	43%	50%	38%	10%
Median Rents:	1,065	1,046	998	1,298
% Renters Who are Cost Burdened:	51%	45%	44%	31%
Median Home Price:	\$ 129,100	\$ 161,500	\$ 161,700	\$ 141,900
Median Household Income:	\$ 63,137	\$ 64,011	\$ 70,423	\$ 78,934
Unemployment:	0.00%	8.10%	8.20%	0.00%
Persons w/o Insurance:	21%	21%	17%	21%
Medically Underserved Area:	No	-	-	-
% Attending Public Schools:	95%	93%	93%	90%
Graduation Rate (Mesquite ISD)	80%			

CRA Eligible Census Tract: Not eligible

of LI Projects and Units: 4 729

Gardens at Balch Springs - Underwriting - Summary Sources and Uses

Summary of Sources and Uses

Applicant TDI Affordable Development LLC
Project Name Gardens of Balch Springs
Number of Units 185

Sources	Amount	Amount Per Unit	Percentage of Total
TSAHC - Bonds Perm/Citi Bank	\$ 21,521,473	\$ 116,332	66%
HTC Equity	\$ 10,236,079	\$ 55,330	31%
Deferred Developer Fee	\$ 890,060	\$ 4,811	3%
Total Sources	\$ 32,647,612	\$ 176,473.58	100%

Uses	Amount	Amount Per Unit	Percentage of Total
Acquisition	\$ 1,015,000	\$ 5,486.49	3%
Off-Site Construction	\$ 30,000	\$ 162.16	0%
On-Site Work	\$ 2,405,000	\$ 13,000.00	7%
Site Amenities	\$ 650,000	\$ 3,513.51	2%
Building Costs	\$ 14,552,600	\$ 78,662.70	45%
Other Const/Contingency	\$ 3,468,698	\$ 18,749.72	11%
Soft Costs	\$ 1,449,745	\$ 7,836.46	4%
Financing Costs	\$ 4,213,508	\$ 22,775.72	13%
Developer Fees	\$ 3,686,183	\$ 19,925.31	11%
Reserve Accounts	\$ 1,176,878	\$ 6,361.50	4%
Total Uses	\$ 32,647,612	\$ 176,473.58	100%

(Gap) / Reserve	\$ -
Percent of Developer Fee Deferred	24.15%

Gardens at Balch Springs - Underwriting - Operating Proforma

Operating Proforma

Applicant TDI Affordable Development LLC
 Project Name Gardens of Balch Springs

Number of Units	185	Affordable Units	111	Min. Set Aside	45
Set Aside election	40% @ 60% AMI	Affordable %	60%	Accessible Unit Min.	10

Residential Income

Unit Type	Unit Sq. Ft.	Net Sq. Ft.	# units	Rent	Mo. Income	Inflator	Rent Limiter
1/1	700	25,900	37	\$ 737	\$ 27,269	1.02	50% AMI
1/1	700	14,000	20	\$ 893	\$ 17,860	1.02	60% AMI
1/1	700	25,200	36	\$ 950	\$ 34,200	1.02	70% AMI
				\$ -	\$ -		
2/2	900	33,300	37	\$ 880	\$ 32,560	1.02	50% AMI
2/2	900	15,300	17	\$ 1,067	\$ 18,139	1.02	60% AMI
2/2	900	34,200	38	\$ 1,303	\$ 49,514	1.02	70% AMI
Subtotals:		147,900	185	\$ 179,542			

Other income:	\$ 20.00	\$ 3,700	1.02
Potential gross income			
Residential vacancy loss			7.00%
Effective Gross Residential Income			

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15
\$	327,228	333,773	340,448	347,257	354,202	391,068	431,770
\$	214,320	218,606	222,979	227,438	231,987	256,132	282,791
\$	410,400	418,608	426,980	435,520	444,230	490,466	541,514
\$	-	-	-	-	-	-	-
\$	390,720	398,534	406,505	414,635	422,928	466,947	515,547
\$	217,668	222,021	226,462	230,991	235,611	260,133	287,208
\$	594,168	606,051	618,172	630,536	643,147	710,086	783,992
\$	-	-	-	-	-	-	-
\$	-	-	-	-	-	-	-
\$	44,400.00	45,288	46,194	47,118	48,060	53,062	58,585
\$	2,198,904	2,242,882	2,287,740	2,333,495	2,380,164	2,627,894	2,901,407
\$	(153,923)	(157,002)	(160,142)	(163,345)	(166,612)	(183,953)	(203,098)
\$	2,044,981	2,085,880	2,127,598	2,170,150	2,213,553	2,443,941	2,698,309

Operating Expenses

	TSAHC est.	Borrower Yr 1	% EGI	Variance	Per Unit	Inflator
General & Administrative	\$ 79,365	\$ 74,000	3.62	-7%	\$ 400	1.03
Management Fee	\$ 78,995	\$ 91,462	4.47	16%	\$ 494	1.03
Payroll and Related	\$ 238,650	\$ 212,750	10.40	-11%	\$ 1,150	1.03
Maintenance & Repair	\$ 134,125	\$ 111,001	5.43	-17%	\$ 600	1.03
Utilities	\$ 180,560	\$ 120,250	5.88	-33%	\$ 650	1.03
Insurance	\$ 57,535	\$ 62,232	3.04	8%	\$ 336	1.03
Taxes			0.00	#DIV/0!	\$ -	1.03
Operating Debt Service Reserves			0.00	#DIV/0!	\$ -	1.03
Replacement reserves	\$ 46,250	\$ 46,250	2.26	0%	\$ 250	1.03
HTC/HOME Compliance Fees	\$ 6,578	\$ 6,575	0.32	0%	\$ 40	1.03
Bond Compliance Fees	\$ 8,325	\$ 8,325	0.41	0%	\$ 45	1.03
Other (specify): Trustee Fee	\$ 4,000	\$ 4,000	0.20	0%	\$ 22	1.03
Total Operating Expenses	\$ 834,383	\$ 736,845		-12%	\$ 3,987.41	
				state avg	\$ 5,439.00	per unit
				Operating Expenses as a percentage of Effective Gross Income		

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15
\$	74,000	76,220	78,507	80,862	83,288	96,553	111,932
\$	91,462	94,206	97,032	99,943	102,941	119,337	138,344
\$	212,750	219,133	225,706	232,478	239,452	277,590	321,803
\$	111,001	114,331	117,761	121,294	124,933	144,831	167,899
\$	120,250	123,858	127,573	131,400	135,342	156,899	181,889
\$	62,232	64,099	66,022	68,003	70,043	81,199	94,131
\$	-	-	-	-	-	-	-
\$	-	-	-	-	-	-	-
\$	46,250	47,638	49,067				
\$	6,575	6,772	6,975	7,185	7,400	8,579	9,945
\$	8,325	8,575	8,832	9,097	9,370	10,862	12,592
\$	4,000	4,120	4,244	4,371	4,502	5,219	6,050
\$	736,845	758,950	781,719	754,632	777,271	901,070	1,044,587
\$	3,983	4,102	4,226	4,079	4,201	4,871	5,646
	36.0%	36.4%	36.7%	34.8%	35.1%	36.9%	38.7%

NET OPERATING INCOME

\$	1,308,136	1,326,930	1,345,879	1,415,518	1,436,282	1,542,871	1,653,722
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Gardens at Balch Springs - Underwriting - Operating Proforma

NET OPERATING INCOME

\$	1,308,136	\$	1,326,930	\$	1,345,879	\$	1,415,518	\$	1,436,282	\$	1,542,871	\$	1,653,722
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PRIMARY DEBT SERVICE

	Principal	Rate	Amort	Term
TSAHC - Bonds Perm/Citi Bank	\$ 21,521,473	3.85%	35	15

Total Primary Debt \$ 21,521,473

TSAHC Issuer Fee \$ 21,521

Net Cashflow After Primary Debt

DSCR Primary Debt

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15
\$	1,120,380	\$ 1,120,380	\$ 1,120,380	\$ 1,120,380	\$ 1,120,380	\$ 1,120,380	\$ 1,120,380
\$	1,120,380	\$ 1,120,380	\$ 1,120,380	\$ 1,120,380	\$ 1,120,380	\$ 1,120,380	\$ 1,120,380

\$	21,521	\$ 21,521	\$ 21,521	\$ 21,521	\$ 21,521	\$ 21,521	\$ 21,521
\$	166,234	\$ 185,028	\$ 203,977	\$ 273,617	\$ 294,381	\$ 400,970	\$ 511,820
	1.15	1.16	1.18	1.24	1.26	1.35	1.45

SOFT SUBORDINATE DEBT & EQUITY

HTC Equity	\$ 10,236,079			
Deferred Developer Fee	\$ 890,060			

Total Secondary Debt \$ 11,126,139

Net Cash Flow of Secondary Debts

\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$	166,234	\$ 185,028	\$ 203,977	\$ 273,617	\$ 294,381	\$ 400,970	\$ 511,820

Tab 10

MINUTES AND CERTIFICATION

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

The Board of Directors of the Texas State Affordable Housing Corporation (the "Corporation") convened on October 14, 2020, via a videoconference meeting as permitted by action of the Governor of Texas, and roll was called of the duly constituted members of said Board of Directors, to-wit:

Table with 2 columns: Name, Office. Rows include William H. Dietz (Chairperson), Valerie Vargas Cardenas (Vice Chairperson), Courtney Johnson-Rose (Director), Lali Shipley (Director), and Andy Williams (Director).

and all of said persons were present during the videoconference meeting 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 for the consideration of said Board:

"RESOLUTION NO. 20-____"

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 Riverstation Apartments"

Upon motion duly made and seconded, the Resolution was finally passed and adopted by the following vote:

_____ AYES _____ NOES _____ ABSTENTIONS

MINUTES APPROVED AND CERTIFIED TO BE TRUE AND CORRECT and to reflect accurately the duly constituted officers and members of the Board of Directors of the Corporation, and the attached and following copy of such Resolution is hereby certified to be a true and correct copy of an official copy thereof on file among the official records of the Corporation.

SIGNED this October 14, 2020.

President, Texas State Affordable Housing
Corporation

RESOLUTION NO. 20-_____

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 Riverstation Apartments

WHEREAS, the Board of Directors of the Texas State Affordable Housing Corporation (the "Corporation") desires to submit one or more calendar year 2021 Applications for Allocation of Private Activity Bonds, a calendar year 2021 Application for Carryforward for Private Activity Bonds, one or more calendar year 2022 Applications for Allocation of Private Activity Bonds or a calendar year 2022 Application for Carryforward for Private Activity Bonds (collectively, the "Application") to the Texas Bond Review Board in connection with tax-exempt obligations in a principal amount not to exceed \$28,000,000 (the "Bonds") relating to a qualified residential rental housing project located at 220 Stoneport Drive, Dallas, Texas 75217, Dallas County (the "Project");

WHEREAS, the Corporation intends to issue the Bonds and loan the proceeds to Dallas Leased Housing Associates XI, LLLP (the "Borrower"), which will be the initial legal owner and will use the proceeds for acquiring, improving, rehabilitating and equipping the Project;

WHEREAS, it is anticipated that the Borrower will make certain capital expenditures with respect to the Project and currently desires and expects to reimburse the capital expenditures with proceeds of such debt;

WHEREAS, under Treas. Reg. § 1.150-2 (the "Regulation"), to fund such reimbursement with proceeds of tax-exempt obligations, the Corporation must declare its expectation to make such reimbursement;

WHEREAS, the Corporation desires to preserve the ability of the Borrower to reimburse the capital expenditures with proceeds of tax-exempt obligations; and

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 of the Corporation or any officer of the Corporation is hereby authorized and directed to execute and deliver the Application to the Texas Bond Review Board in connection with requesting allocation in the maximum amount of \$28,000,000 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 one or more Notices of Intent to Issue Bonds and one or more State Bond Applications in connection with the Bonds and such officers are further authorized and directed to request that the application(s) be approved by the Texas Bond Review Board in accordance with Chapter 181 of the Texas Administrative Code, as amended.

3. That the President of the Corporation or any other officer 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(s), the approval of the Bonds from the Texas Bond Review Board and requesting non-traditional carryforward of private activity bond allocation if needed.

4. That the Corporation reasonably expects that the Borrower will reimburse capital expenditures with respect to the Project with proceeds of debt hereafter to be incurred by the Corporation, and that this resolution shall constitute a declaration of official intent under the Regulation. The maximum principal amount of obligations expected to be issued for the Project by the Corporation is \$28,000,000.

PASSED, APPROVED AND EFFECTIVE this October 14, 2020.

TEXAS STATE AFFORDABLE
HOUSING CORPORATION

Texas State Affordable Housing Corporation

Multifamily Private Activity Bond Project Summary

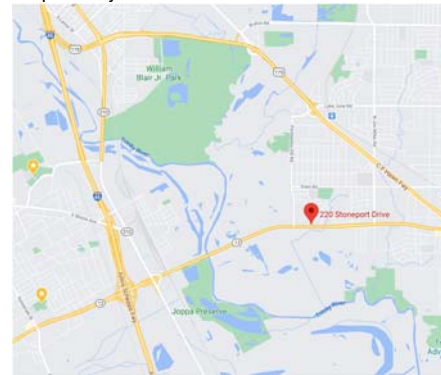
Agenda:

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 Riverstation Apartments.

Summary:

TSAHC received an application from Dominion (Developer) on September 9, 2020 proposing the acquisition and rehabilitation of an affordable housing community called Riverstation Apartments. The property, located in Dallas, is a 236-unit acquisition and rehabilitation project of an existing affordable rental community.

Map of Project Area



Public Benefit:

Riverstation Apartments is an existing affordable rental community with 236-units supported through a Project Based Section-8 contract. In addition to providing much needed renovations, the acquisition and rehabilitation of the project will preserve and extend the affordability period of the property. The project fulfills TSAHC's Targeted Housing Need for At-Risk Preservation projects.

Financial Summary:

The proposed acquisition and rehabilitation of Riverstation Apartments has a total budget of approximately \$43.1million. The financing includes long-term tax-exempt bonds and 4% housing tax credits. \$23.2 million will be used for property acquisition costs, with total rehabilitation of \$11.2 million, or \$47,672 per unit. Financing costs, soft costs, developer fees and reserves account for the remaining \$8.6 million.

The par amount of the bonds is anticipated to total \$26.9 million. The bonds will be issued from TSAHC's 2021 volume cap utilizing a Freddie Mac TEL private placement tax-exempt loan structure. Housing tax

Texas State Affordable Housing Corporation

Multifamily Private Activity Bond Project Summary

credit equity, valued at \$11.8 million, cash flow during operations estimated at \$1.8 million and deferred developer fees of \$2.5 million will cover the remaining balance of funding needs.

The current owners of Riverstation are not an affiliated entity of the Developer nor its principals. No seller notes, cash flow sharing, or incentives are included in the financial structure of the project. The project will also pay property taxes and there is no intent to request a tax exemption at a later date.

Market Conditions:

Riverstation Apartments is located off S. Great Trinity Forest Way, across from the Trinity Forest Golf Club. The property is surrounded by other multifamily complexes to the north and west, with commercial and retail to the east.

The neighborhood has a higher percentage of renters than Dallas and Dallas County. Household median income for the census tract is also lower than City and County figures. This is consistent with the fact that a higher percentage of rental units are contained within the census tract. The property is well situated for access to jobs and community services and has direct access to transit lines leading to Dallas' VA hospital and busy commercial/retail areas.

Economically, the area has a mix of auto dealerships, retail, educational and service industries. There is also excellent access to manufacturing and shipping center locations on south IH-45, within four miles of the property. The most notable feature of the area is the Trinity River Forrest. Located directly across the street from the complex, residents will have access to more than 6,000 acres of trails, the Trinity River Audubon Center and other outdoor recreational amenities. Access to medical services is good, with several clinics and hospitals within a two-mile radius and the VA hospital within five miles.

Relocation and Tenant Resources:

The renovation of Riverstation Apartments includes window and door replacements, kitchen improvements, HVAC and electrical system upgrades. Exterior renovations will include new roofing, sidewalk repairs and landscaping.

TSAHC staff believes that the majority of current tenants will remain in the property during renovations, though some may be temporarily displaced. All tenants, pursuant to federal and state law, will be protected from permanent relocation and the Developer's rehabilitation and relocation plan must be approved prior to closing.

Developer Summary:

Dominium is the only member of the developer's team for Riverstation. Founded in 1972 by David Brierton and Jack Safar, Dominium now owns over 25,000 apartment units and has more than 1,000 employees across the United States. Eighty percent of Dominium's portfolio is comprised of affordable communities,

Texas State Affordable Housing Corporation

Multifamily Private Activity Bond Project Summary

primarily Section 42 Tax Credit and senior properties. Product types range from garden style to mid-rise to high-rise communities including historic and value-added rehabilitations.

Here in Texas, Dominion is represented by a strong team including Jeff Spicer, Vice President and Project Partner in Development and Acquisitions. Mr. Spicer has worked for more than 25 years in affordable housing in Texas. TSAHC previously worked with Mr. Spicer on the THF Sagebrush Apartments project that received a loan through the TSAHC's Texas Housing Impact Fund in 2017.

TSAHC issued financing for the Ventura at Tradewinds (2019) and Ventura at Fairgrounds (2020), with Dominion as a member of the development team. Those projects are currently under construction.

Recommendation:

Staff recommends approval of the 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 Riverstation Apartments.

Riverstation - Underwriting - Project Summary

Project Summary

Applicant Dominium/Dallas Leased Housing
 Project Name Riverstation

Location

Address 220 Stoneport Drive City Dallas
 County: Dallas State Texas 75217
 Census Tract: 48113009304

Bonds

Max. Par Amount: \$ 26,970,000 Bond Type: PAB
 Term of Bonds: 15 Allocation Year: 2021

Perm Funding Sources

	Amount	% of Total
TSAHC - Freddie TEL	\$ 26,900,000	65.18%
	\$ -	0.00%
HTC Equity	\$ 11,844,563	28.70%
Deferred Developer Fee	\$ 2,525,709	6.12%
	\$ -	0.00%
Totals	\$ 41,270,272	100%

* not included in total

Market Summary

	City	County	State	Census Tract
Population:	505,816	2,586,552	27,885,195	6,682
Median Age:	33	33	34	23
Diversity Index:	52	70	-	-
% Hispanic:	42%	40%	39%	37%
% Persons with Disability:	10%	10%	12%	12%
% Households that Rent:	59%	50%	38%	80%
Median Rents:	987	1,046	998	639
% Renters Who are Cost Burdened:	51%	45%	44%	31%
Median Home Price:	\$ 169,400	\$ 161,500	\$ 161,700	\$ 74,400
Median Household Income:	\$ 54,518	\$ 64,011	\$ 70,423	\$ 30,035
Unemployment:	7.40%	8.10%	8.20%	0.00%
Persons w/o Insurance:	24%	21%	17%	33%
Medically Underserved Area:	No	-	-	-
% Attending Public Schools:	91%	93%	93%	94%
Graduation Rate (Dallas ISD)	62%			

CRA Eligible Census Tract: Yes - Low Income

of LI Projects and Units: 9 1379

Riverstation - Underwriting - Summary Sources and Uses

Summary of Sources and Uses

Applicant Dominium/Dallas Leased Housing
 Project Name Riverstation
 Number of Units 236

Sources	Amount	Amount Per Unit	Percentage of Total
TSAHC - Freddie TEL	\$ 26,900,000	\$ 113,983	62%
	\$ -	\$ -	0%
HTC Equity	\$ 11,844,563	\$ 50,189	27%
Deferred Developer Fee	\$ 2,525,709	\$ 10,702	6%
Cash from Operations	\$ 1,831,795	\$ 7,762	4%
Total Sources	\$ 43,102,067	\$ 182,635.88	96%

Uses	Amount	Amount Per Unit	Percentage of Total
Acquisition	\$ 23,263,720	\$ 98,575.08	54%
Off-Site Construction		\$ -	0%
On-Site Work		\$ -	0%
Site Amenities		\$ -	0%
Building Costs	\$ 10,726,200	\$ 45,450.00	25%
Other Const/Contingency	\$ 524,444	\$ 2,222.22	1%
Soft Costs	\$ 1,047,050	\$ 4,436.65	2%
Financing Costs	\$ 1,731,423	\$ 7,336.54	4%
Developer Fees	\$ 3,185,298	\$ 13,497.03	7%
Reserve Accounts	\$ 2,623,931	\$ 11,118.35	6%
Total Uses	\$ 43,102,066	\$ 182,635.87	100%

(Gap) / Reserve	\$ 1
Percent of Developer Fee Deferred	79.29%

Riverstation - Underwriting - Operating Proforma

NET OPERATING INCOME

\$	1,646,829	\$	1,664,574	\$	1,682,219	\$	1,777,112	\$	1,796,828	\$	1,893,873	\$	1,986,688
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PRIMARY DEBT SERVICE

	Principal	Rate	Amort	Term
TSAHC - Freddie TEL	\$ 26,900,000	3.41%	35	15

Total Primary Debt \$ 26,900,000

TSAHC Issuer Fee \$ 26,900

Net Cashflow After Primary Debt

DSCR Primary Debt

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15
\$	1,317,324	\$ 1,317,324	\$ 1,317,324	\$ 1,317,324	\$ 1,317,324	\$ 1,317,324	\$ 1,317,324
\$	1,317,324	\$ 1,317,324	\$ 1,317,324	\$ 1,317,324	\$ 1,317,324	\$ 1,317,324	\$ 1,317,324

\$	26,900	\$ 26,900	\$ 26,900	\$ 26,900	\$ 26,900	\$ 26,900	\$ 26,900
\$	302,604	\$ 320,350	\$ 337,994	\$ 432,887	\$ 452,603	\$ 549,648	\$ 642,464
	1.23	1.24	1.25	1.32	1.34	1.41	1.48

SOFT SUBORDINATE DEBT & EQUITY

HTC Equity	\$ 11,844,563			
Deferred Developer Fee	\$ 2,525,709			
Cash from Operations	\$ 1,831,795			

Total Secondary Debt \$ 16,202,067

Net Cash Flow of Secondary Debts

\$	302,604	\$ 320,350	\$ 337,994	\$ 432,887	\$ 452,603	\$ 549,648	\$ 642,464
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Tab 11

Agenda Item

Presentation, Discussion and Possible Approval of the Publication for Public Comment of the Guidelines, Scoring Criteria and Targeted Housing Needs for the Allocation of Qualified Residential Rental Project Tax Exempt Bond Funds under the Multifamily Housing Private Activity Bond Program Request for Proposals and the 501(c)(3) Bond Program Policies for Calendar Year 2021.

Summary

In accordance with the Corporation's governing statute, we are required to release annually a Request for Proposals (RFP) and updated 501(c)(3) bond policies that comply with both state and federal requirements. The Corporation, pursuant to §2306.565 of the Texas Government Code, is also required to adopt targeted areas for the allocation of bonds, review relevant needs assessment information, adopt criteria regarding the solicitation of proposals, and set criteria for scoring and ranking of applications. The attached draft policies and RFP fulfill these statutory requirements.

Staff has conducted a review of several needs assessments including the State Low-Income Housing Plan, published by the Texas Department of Housing and Community Affairs, market research published by the Real Estate Center at Texas A&M University, and other resources. Additionally, staff monitored application procedures and public input during the past year and is highlighting the following significant changes to the policies and RFP:

- Section 5, Application Review, was updated to clarify the process of moving an application from the review phase to the recommendation of an inducement resolution to the Board. Additionally, a holding period was created between June 1 and October 2021, for staff to process and move existing projects through the closing process, while still providing an opportunity for applicants to submit prior to the next calendar year.
- Section 10, Awards and Reservation of Volume Cap, was amended to clarify how the Corporation will work with Developers to move from inducement to a reservation of private activity volume cap, sets up deadlines for Developers to move forward with the reservation process and clarifies when the Corporation will begin submitting applications to the Bond Review Board in anticipation of additional volume cap becoming available, pursuant to Section 1372.022 of the Texas Government Code.

The proposed draft includes additional change to terms and definitions provided by the Corporation's Bond Counsel, along with \$500 increases to the program's application and inducement fees, to cover increasing costs of managing the program.

If approved, staff will post the RFP and policies to the Corporation's website and give notice through the *Texas Register* that public comment will be accepted. Based on public comment and input from the Corporation's Bond Counsel, Issuer's Counsel, General Counsel and Municipal Advisor, staff may update the draft policies before returning to the Board for further discussion and adoption of the policies and RFP in December 2020.

Staff Recommendation:

Staff recommends that the Board approve the attached blacklined draft RFP and policy for publication for public comment.

Texas State Affordable Housing Corporation

Draft ~~2020~~2021 Multifamily Tax-Exempt Bond Programs Policies and Request for Proposals

The Texas State Affordable Housing Corporation (the “Corporation”) has approved these policies and request for proposals (“RFP”) for its multifamily tax-exempt bond programs for calendar year ~~2020~~2021. These policies and RFP are updated annually to inform the public of the Corporation’s process and guidelines for selecting residential rental properties to be financed with tax-exempt bonds issued by the Corporation. All submissions must be submitted for review of threshold and scoring criteria at least 35 days prior to any presentation to the Corporation’s Board of Directors (the “Board” or “~~Board~~Directors”) for an Inducement Resolution.

1. Introduction.

- a. The ~~Texas State Affordable Housing~~ Corporation (~~the “Corporation”~~) is a public nonprofit corporation that primarily serves the housing needs of low, very low and extremely low-income Texans and other underserved populations who do not have comparable housing options through conventional financial channels. The Corporation accepts applications from developers (“Developers”) to acquire and rehabilitate, or construct new affordable ~~multifamily residential~~ rental developments (“Developments”). Pursuant to §§2306.554, 564 and 565 of the Texas Government Code, the Corporation is authorized to issue ~~multifamily qualified~~ 501(c)(3) bonds and to direct the Texas Bond Review Board (~~the TBRB~~) on the issuance of the portion of the state’s private activity bonds ceiling set aside for the Corporation under §1372.0231(a) of the Texas Government Code. The Corporation’s available volume cap for private activity bonds is 10% of the State’s available volume cap for residential rental private activity bonds. For ~~2020~~2021, the amount is estimated to be approximately ~~\$70-80~~ million. This volume cap is available for reservation until August 14, ~~2020~~2021. Thereafter, the Corporation will be able to apply to reserve any additional available volume cap through the ~~Texas Bond Review Board~~TBRB. There are no deadlines or sizing limitations on the amount of qualified 501(c)(3) bonds that the Corporation may issue.
- b. These policies and RFP have been adopted by the Corporation’s Board based on a review of the state’s strategic housing needs, the demonstration of local community support, and solicitation from local and regional housing organizations, pursuant to §2306.565 of the Texas Government Code. This RFP defines the methodology that staff will use to review applications and creates the criteria for scoring and ranking applications.
- c. This RFP will be extended month-to-month until such time as the Corporation chooses to close the RFP to further submissions, based on the amount of funds awarded or induced by the Board. A notice that the RFP has closed will be posted to the Corporation’s website, and written notice will be provided to any Developers who submit an application prior to the release of the closing notice. The Corporation reserves the right to re-open the RFP at any time.
- d. Contact Information. All questions about the RFP and application process can be directed in writing to:

Texas State Affordable Housing Corporation

Draft ~~2020~~2021 Multifamily Tax-Exempt Bond Programs Policies and Request for Proposals

Development Finance Program
Texas State Affordable Housing Corporation
2200 E. Martin Luther King Jr. Blvd.
Austin, Texas 78702
Tel. 512-477-3555, Fax 512-477-3557
Email: ddanenfelzer@tsahc.org

2. **Targeted Housing Needs.** Pursuant to §2306.565(b) of the Texas Government Code, the Board has identified target areas of housing need within the State of Texas (“Targeted Housing Needs”) for the issuance of qualified residential rental project bonds ~~s-funds~~. The Targeted Housing Needs are based on research conducted by the Corporation, including a review of the State’s strategic housing needs, relevant housing needs assessments and information from local and regional stakeholders. To this end, the Board has adopted the following Targeted Housing Needs. The Corporation will only accept applications in response to this RFP that fulfill at least one of the Targeted Housing Needs.
- a. *At-Risk Preservation and Rehabilitation.* The preservation and rehabilitation of existing affordable rental housing is defined as existing housing in need of significant structural repairs and mechanical systems updates. The housing currently has a recorded regulatory agreement or land use restriction agreement (the “LURA”) placed on it by a public body, or currently has rental rates below market value which make it feasible to convert and preserve as affordable housing. Rehabilitation activities must result in the housing units being brought up to current energy efficiency, housing quality, local building code and accessibility standards. Developments may include temporary tenant relocation expenses, but may not cause the permanent relocation of existing low-income tenants. Public housing developments participating in the U.S. Department of Housing and Urban Development’s Rental Assistance Demonstration program are eligible under this section;
 - b. *Rural and Smaller Urban Markets.* The Corporation is dedicated to expanding access to rental housing in rural and smaller urban markets that are not generally targeted for housing expansion. Rural rental housing Developments must be located within an area that is: (a) outside the boundaries of a primary metropolitan statistical area (PMSA) or metropolitan statistical area (MSA); or (b) within the boundaries of a PMSA or MSA, if the area has a population of 20,000 or less and does not share a boundary with an urban area. Smaller Urban Markets rental housing Developments must be located within a city of less than 150,000 persons; but not within or adjacent to a PMSA or MSA of more than 500,000 persons;
 - c. *Senior and Service Enriched Housing Developments.* Senior and Service Enriched Housing Developments must meet at least one of the following definitions in order to qualify under this Targeted Housing Need category.

Texas State Affordable Housing Corporation

Draft ~~2020~~2021 Multifamily Tax-Exempt Bond Programs Policies and Request for Proposals

- i. A proposed Development that meets the requirements of the federal Fair Housing Act and: a) is intended for, and solely occupied by, individuals 62 years of age or older; or b) is intended and operated for occupancy by at least one individual 55 years of age or older per unit, where at least 80% of the total housing units are occupied by at least one individual who is 55 years of age or older; and where the owner publishes and adheres to policies and procedures which demonstrate an intent by the owner and manager to provide housing for individuals 55 years of age or older. (See 42 U.S.C. Section 3607(b));
 - ii. A proposed Development that provides for integrated, affordable and accessible housing that offers the opportunity to link residents with on-site or off-site services and supports that foster independence for individuals with disabilities and persons who are elderly. Such Developments should also show a clear effort to coordinate housing and health services for residents; or
 - iii. A Development financed in accordance with limitations set by the Internal Revenue Service on Assisted Living Developments, and a) is affordable rental housing combined with minimal on-site medical or supportive services; b) is targeted to persons with disabilities, but with at least 75% of units open to any qualified renter; and c) has at least 10% of its units affordable to persons earning less than 30% of the area median income.
 - d. *Disaster Relief Housing*. The Corporation will consider any eligible multifamily residential rental housing Development, including rehabilitation and new construction, located in any one or more Texas counties identified in a Federal Emergency Management Agency disaster declaration to be eligible for financing under this RFP.
3. **Housing Needs Set-Aside**. To ensure that bonds will be available for specific housing needs, the Corporation has determined that until ~~April~~March 1, 2020~~2021~~, 20% of its annual available volume cap will be reserved for Developments that:
- a. Include at least 50% of housing units located in a qualified Rural or Smaller Urban Market, as ~~defined~~described by this policy; or
 - b. Include at least 20% of housing units built to be accessible for persons with mobility impairments and special needs populations as defined by this policy.
4. **Application Submission**. The Corporation will publish an application package to its website. Developers should download and complete the application pursuant to the guidelines for completion included in the application instructions. The Corporation requires a nonrefundable application submission fee of ~~\$1,500~~\$2,000 for private activity bonds or \$2,500 for 501(c)(3) bonds.
5. **Application Review**.

Texas State Affordable Housing Corporation

Draft ~~2020~~2021 Multifamily Tax-Exempt Bond Programs Policies and Request for Proposals

- a. The Corporation requires at least 28 days to review an application before presenting any recommendation for inducement to the Board. The Corporation will bring before the Board only those applications that have completed the review process.
 - b. The Corporation may delay the presentation of an application to the Board if there are errors, omissions or insufficient documentation that the Corporation deems necessary to complete its review. If an application fails to fulfill the minimum threshold criteria, the application will not be accepted by the Corporation for further review.
 - c. All applications that have completed the review process and fulfill the Corporation's threshold and scoring criteria will be presented, ~~and recommendations for awards will be determined based on final scores and availability of funds to the Board for approval of an inducement resolution ("Inducement Resolution"). If the Corporation utilizes all of its volume cap prior to approving an application, the application will be held for a period of 120 days from its date of submission and may be considered for a future award, if volume cap becomes available.~~
 - d. Applications received after June 1, 2021, may be held by the Corporation for approval of an Inducement Resolution until October 2021, due to limitations on the availability of private activity bond volume cap after August 15, 2021.
6. **Threshold Criteria.** All applications submitted to the Corporation must meet the following minimum threshold criteria ("Threshold Criteria") in order to be considered for an issuance of bonds by the Corporation. Applications that do not meet the criteria listed below will be subject to termination by the Corporation.
- a. *Affordability Threshold.*
 - i. The Corporation seeks to provide housing to a mix of eligible households, including low, very-low and extremely-low income persons. Developers who are successful at receiving an award of ~~PABs~~private activity bonds shall agree to the following minimum terms and conditions through a Regulatory Agreement. At a minimum, all Developments will be required to meet the following income and rent restrictions:
 - A. A minimum of twenty percent (20%) of the units in a qualified residential rental development must have gross rents that are restricted to households with incomes no greater than fifty percent (50%) of the area median income ("AMI"), adjusted for family size, or at least forty percent (40%) of the units in the Development must be affordable to persons and families with incomes at or below sixty percent (60%) of the AMI, adjusted for family size.

Texas State Affordable Housing Corporation

Draft ~~2020~~2021 Multifamily Tax-Exempt Bond Programs Policies and Request for Proposals

- B. Rent Restrictions. Gross monthly rent charged on an income restricted unit will not exceed 30% of the applicable AMI.
- ii. Affordability Requirements shall be maintained for the greater of 15 years or as long as the bonds are outstanding.
- b. *Experience Threshold.* Developers must demonstrate sufficient experience in the development, ownership, and/or management of affordable housing. Developers must submit evidence that they have been involved in the development or ownership of the greater of 75 units or 50% of the total proposed Development units. The Corporation may only give credit for projects that are determined to be successful examples of affordable housing development, which includes properties in continuing operation, historically and currently in compliance, and any other factors that the Corporation determines to be relevant.
- c. *Construction Threshold.* All Developments, new construction and rehabilitation, must adhere to local building codes and standards. If a Development is planned in an area or community that does not have local building codes, then the most recent and approved version of the International Building Code or International Residential Building Standards must be used. A certification from the Developer's architect, engineer or other third-party construction supervisor must be submitted prior to closing of the bonds or other obligations to be issued by the Corporation in connection with the financing. For Developments requiring rehabilitation of existing housing units, the Corporation will require the submission of a physical conditions inspection report and may conduct an onsite inspection of the property in order to complete its underwriting process. The Corporation may also suggest reasonable changes to the rehabilitation scope of work based on its inspection.
- d. *Compliance Threshold.* All Developments must adhere to the Corporation's Compliance Policies, which can be viewed on ~~our~~ the Corporation's website at: www.tsahc.org. Developers and their affiliates will also be ~~reviewed-evaluated for~~ on prior compliance history with the Corporation's and any other state or federal affordable housing program. The Corporation will require the submission of compliance information and references in order to ~~research-evaluate~~ a Developer's compliance history.
- e. *Resident Services Threshold.* The Corporation strives to maintain excellent resident services programs in the properties it finances. To meet this goal and better serve low income tenants, Developers must maintain a sustained resident services program that provides at least six (6) approved services to tenants per quarter. Developers must ensure a dedicated budget for services, free transportation to services if off-site, and preferably on-site staff to direct services. The six (6) services must be listed in the Corporation's Resident Services Program Guidelines, as ~~attached-identified~~ in "APPENDIX A – TSAHC Resident Services Program Guidelines", or as approved by the Corporation.

Texas State Affordable Housing Corporation

Draft ~~2020~~2021 Multifamily Tax-Exempt Bond Programs Policies and Request for Proposals

- f. *Energy Efficiency Threshold.* All Developments must adhere to the U.S. Department of Energy's Energy Star program standards, unless otherwise exempted by the Corporation. Developments, including either new construction or rehabilitation, shall meet these standards. Developers may obtain additional information regarding these standards directly from the Energy Star website: <http://www.energystar.gov>. This threshold must be certified to by the Developer's architect, consulting engineer, or other third party energy efficiency consultant, prior to closing and based upon a review of the construction specifications or scope of work provided by the Developer's general contractor. Additional incentives for Green Building methods and energy efficiency are included as scoring items.
- g. *Environmental Review Threshold.* Prior to closing, the Developer is required to conduct a Phase I Environmental Site Assessment. At ~~or prior to the bond~~-closing of the financing, the Developer will be required to provide an environmental indemnity in the form satisfactory to the Corporation.
- h. *Relocation Threshold.* All Developments involving the rehabilitation, reconstruction or demolition of existing housing must provide evidence that all tenants, lease holders, property owners and/or residents have been notified at least 30 days prior to the submission of the bond reservation application to the ~~Texas Bond Review Board~~TBRB, that:
- i. The Developer intends to rehabilitate, reconstruct or demolish existing housing units; and
 - ii. The Developer must ensure that tenants' rights under all federal, state and local housing laws are upheld, including but not limited to extended lease agreements, rental assistance, and relocation assistance.
- i. *Accessibility Threshold.* All Developments must be designed, built and rehabilitated to adhere with the Fair Housing Accessibility Standards, Title II and III of the Americans with Disabilities Act, and §2306.514 of the Texas Government Code. Developers are encouraged to review these guidelines with their architects and/or construction teams prior to application submission. All Developments will be required to obtain a certification from the project architect, engineer or contractor that the final construction plans and/or rehab plan will meet or exceed the above listed federal and state accessibility standards.
- j. *Community Support Threshold.* Developers are encouraged to collect community input on their Development proposals. All letters of support or opposition must be provided to the Corporation, as they are received. Developers must submit with their response to the RFP two (2) of the following documents in order to demonstrate community support for the proposed Development:
- i. A letter of support from one or more of the following: Mayor; City Manager; City Administrator; Director of the Local Housing Finance Agency; Director of the Local

Texas State Affordable Housing Corporation

Draft ~~2020~~2021 Multifamily Tax-Exempt Bond Programs Policies and Request for Proposals

Public Housing Agency; School District Superintendent; or County Judge, in the jurisdiction in which the Development is located;

- ii. A resolution of support from the City Council, Local School Board or County Commissioner's Court. A resolution fulfilling the requirements for housing tax credits pursuant to section 2306.67021 of the Texas Government Code will be acceptable for this item;
 - iii. A letter of support from an affected neighborhood association, Chamber of Commerce or tenant council of a Development to be acquired;
 - iv. Evidence that a local government (city or county) entity is providing funding for the Development; and/or
 - v. A letter of support from the State Representative or Senator representing the district in which the proposed Development is located.
- k. *Underwriting Threshold.* The Corporation generally applies the same underwriting standards as required by the Texas Department of Housing and Community Affairs ("TDHCA"), to ensure consistency with the low-income housing tax credit underwriting process. The Corporation must receive all third party reports, including but not limited to property condition assessments, environmental reports, market analysis and appraisals, that are required to be submitted to TDHCA. Additional minimum underwriting standards include:
- i. All Developments, and each property within a pooled transaction, must maintain a minimum Debt Coverage Ratio ("DCR") of 1.15 for a period of no less than 15 years as underwritten by the Corporation;
 - ii. The Corporation generally does not permit amortization periods of more than 40 years. The Corporation may consider longer amortization schedules for service enriched and extremely low-income housing developments;
 - iii. The Corporation will include a reserve for replacement expense of not less than \$250 per unit annually for new construction developments and \$300 per unit annually for rehabilitation developments in the operating expenses for each Development. The Corporation may require a higher reserve amount based on information provided in the Property Condition Assessment (the "PCA");
 - iv. Compliance fees will be included in the estimate of operating expenses and will include, at a minimum, the Corporation's Asset Oversight and Compliance Fee, as well as any fees required by TDHCA or other financial sources; and
 - v. The Corporation will include other reasonable and documented expenses, including, but not limited to, depreciation, interest expense, lender or syndicator's asset management fees, or other ongoing partnership fees in its underwriting

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analysis. Lender or syndicator's asset management fees or other ongoing partnership fees will not be considered in the calculation of debt coverage.

- l. *Property Tax Exemption.* Developers must certify that they will, or will not, apply for a property tax exemption or payment in lieu of taxes ("PILOT") agreement to reduce the property taxes due to local taxing entities. If a Developer agrees not to apply for a tax exemption or PILOT agreement, the Corporation will require a restriction to be added to the ~~bond financing~~ documents that prohibits any future application for exemption. If a Developer states that they will or may apply for a tax exemption or PILOT agreement, the Corporation will require a notification to the local tax appraisal district, school district superintendent and the County Judge where the Development is located that such an exemption or agreement will be requested. Developers will also be required to submit confirmation of any exemptions or final agreements to the Corporation.
- m. *Public Benefit Threshold for 501(c)(3) Bonds Only.* Pursuant to §2306.563 of the Texas Government Code and this Policy, the Corporation requires that all nonprofit organizations that receive an issuance of qualified 501(c)(3) bonds must invest at least one dollar in projects and services that benefit income-eligible persons for each dollar of property taxes that is not imposed on the Development as a result of a property tax exemption received under §§11.182 and 11.1825 of the Texas Tax Code. Projects and services must benefit income-eligible persons in the county in which the Development supported with the tax exemption is located and must consist of: (1) rent reduction; (2) capital improvement projects; or (3) social, educational, or economic development services, referred to hereafter as qualified public benefits ("QPB"). The Corporation has determined that the following guidelines are reasonable for the calculation and accounting of QPB:
 - i. The Corporation shall require the value of any property tax exemption to be included in the operating budget of the Development and escrowed with the Trustee in an account (the "QPB Account") prior to the repayment of any debt, management fees, performance fee, or any other fees that the Corporation determines relevant. The QPB account may be funded in advance with funds withdrawn for repayment of QPB activities, or may be included on the operating ledger as an account payable with QPB expenditures credited against the balance. On or before January 1st of each calendar year starting after the closing of the bonds, the Developer shall provide to the Corporation an estimate of the value of property tax exemption for that calendar year based on the appraised value provided to the Development by the county tax appraiser where the Development is located. The balance of funds to be escrowed or credited in the QPB Account may be reduced each month in an amount equal to the value of QPB expended by the Development each month. In the event that the QPB Account has a balance of funds existing, or owed as an account payable, if applicable, at the end of the calendar year the Developer or its guarantors shall advance the balance to the

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appropriate taxing entities on a pro rata basis. The QPB Account imposed by this section will be reduced by an amount equal to each dollar that, in lieu of taxes, a Developer pays to a taxing unit for which the Development receives an exemption prior to the end of the calendar year.

- ii. The Corporation has determined that the value of QPBs will be calculated in the following manner:
 - A. The value of rent reductions will be calculated using the difference between the most recent fair market rent (the “FMR”) published by the U.S. Department of Housing and Urban Development (the “HUD”) and the actual rent collected in each lease agreement. This includes rent concessions granted to households upon move-in, but not the absence or forgiveness of deposits. Rent reductions must be accounted for on a monthly basis, documented in each individual lease agreement that receives the benefit, and a notice given to each resident of the annual value of their rent reduction. Units that receive rental assistance payments of any kind are excluded from rent reduction calculations.
 - B. The value of capital improvements will be determined on a case-by-case basis for each Development and be specific to each Development or property within a pooled transaction. Capital improvement costs will not include regular maintenance, general repairs, or make ready costs associated with the daily operations of the Development. The Development may include the cost of rehabilitation to be completed as part of the issuance of new 501(c)(3) bonds or approved capital improvements paid for with proceeds from grants, tax credit equity, bond proceeds, loans or other forms of taxable debt, and may amortize the cost of those capital improvements over a five (5) year period. The repayment of taxable debt for capital improvements pursuant to this section B that actually reduces the equivalent amount of such taxable debt payable will be paid out of escrowed funds or credited against the QPB Account. Capital improvements may not account for more than 75% of the total annual QPB requirement.
 - C. The value of social, educational, or economic development services may be based on (1) the actual dollar amount expended by the Development towards such services at the time such services are provided to residents; (2) the value of volunteer services provided and coordinated by the Developer or its affiliates; and (3) the cost saving provided to tenants through services such as free on-site day care, free after school care and free lunch programs. The Development may only include the cost of

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services approved by the Corporation and must not include the value or cost of services provided to residents free of cost by third party entities.

- iii. The Corporation will require each Developer to certify that the Public Benefit Threshold has been met in accordance with this policy, and any future revisions of this policy, in their annual audit, to be filed with the Corporation within 120 days of the beginning of each fiscal year of the Development.
7. **Scoring.** Pursuant to §2306.565(e) of the Texas Government Code, the Corporation's Board has adopted the following criteria to score and rank applications to the PAB program. The first three scoring criteria are required by state statute. The remaining criteria support the Corporation's goals to target specific housing needs and underserved areas in the state. Applicants must achieve a minimum score of 50 points.
- a. *Cost Per Unit of Housing.* Applications may receive up to 15 points for proposing housing developments with total residential costs within the following ranges:
 - i. 15 points for:
 - A. Acquisition and rehabilitation costs equal to or less than \$115,000 per unit
 - B. New construction costs equal to or less than \$140,000 per unit; or
 - ii. 8 points for:
 - A. Acquisition and rehabilitation costs equal to or less than \$125,000 per unit
 - B. New construction costs equal to or less than \$160,000 per unit: or
 - iii. 15 Points for rehabilitation costs that exceed \$30,000 per unit in projects that meet the At-Risk Preservation and Rehabilitation Targeted Housing Need.
 - b. *Proposed Rents.* Applications may receive up to 15 points for proposing Developments that ensure a percentage of rents are affordable to very low and extremely low-income households. Developments supported by project based rental contracts may not include units supported by ~~project based~~project-based subsidies in the calculation of the following set-aside selections:
 - i. 15 points – at least 5% of units will be reserved for families who earn 30% or less of the area median income; or
 - ii. 10 points – at least 40% of units will be reserved for families who earn 50% or less of the area median income.
 - c. *Income Range for Residents.* The Corporation is interested in promoting mixed income housing as a means to improve the lives of residents and build stronger communities.

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Applications that propose to ensure the following mixed income guidelines will receive 15 points:

- i. Not more than 80% of the housing units will be reserved for persons earning 60% or less than the area median income; or
 - ii. At least 15% of the housing units will be reserved for persons earning between 80% and 120% of the area median income.
- d. *Small and Mid-sized Cities.* Applications will receive 10 points for Developments located in communities with populations less than 150,000 but not located adjacent to a PMSA or MSA with a total population of more than 500,000; or within the boundaries of a PMSA or MSA, if the area has a population of 20,000 or less and does not share a boundary with an urban area.
- e. *At-Risk Preservation.* Applications will receive 10 points for the acquisition and rehabilitation of Developments with current affordable housing rental contracts or land use restrictions. Applicants must demonstrate that the current rental voucher contract or land use restriction agreement (“LURA”) will be extended for at least 15 years from the date of closing.
- f. *Green Building Features.* Applications will receive 10 points for obtaining a certification from a qualified third party that the Development meets either:
- i. The minimum certification requirement of the U.S. Green Building Council’s LEED (“LEED”) program: or
 - ii. The Development achieves an Energy Star score for multifamily developments of 70 or higher.

Applications will receive an additional 5 points (maximum of 15 points for this criterion) for meeting the Gold or Platinum certification standards for the LEED program, or an Energy Star score for multifamily development of 80 or higher. Certification may be based on the proposed construction plans, and the Development must obtain an official certification after completion of construction or rehabilitation.

- g. *Accessible Housing Features.* Applications, including those for rehabilitation developments, will receive 10 points for certifying that the Development will meet the following housing accessibility standards:
- i. All housing units accessible through a ground floor entrance must have at least one no-step entry with a 36” entrance door;
 - ii. All housing and community spaces will be accessible via pathways that meet ADA and Fair Housing accessibility standards;
 - iii. All doorways in ground floor units (including closets, bathrooms, storage areas, etc.) must have doors with at least a 32-inch clear opening;

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- iv. All doors must have lever handles and windows shall have accessible release and opening mechanisms;
 - v. All ground floor units must have at least one ground floor bathroom with an accessible bath tub or roll-in shower, and at least one ground floor bedroom;
 - vi. All electrical outlets, switches and control panels must be no higher than 48 inches and no lower than 15 inches; and
 - vii. All ground floor units must have kitchens that are accessible pursuant to the Fair Housing Accessibility Guidelines.
- h. *Local Public Funding.* Applications will receive 10 points for providing evidence that a commitment of financial support of at least \$250 per unit has been made by a unit of government to the proposed development. The only qualifying units of government will be Counties, Cities, Municipal Utility Districts, and Councils of Government. The Corporation considers fee waivers, grants and loans as financial support.
 - i. *Letters of Local Support.* Applications will receive 15 points for submitting at least four letters of support from any combination of the following persons: Mayor; City Manager; County Judge; School District Superintendent; State Representative; or State Senator, whose district includes the Development site.
 - j. *Developer Experience.* Applications will receive 5 points for providing evidence that the Developer currently owns, and maintains in compliance, a number of multifamily housing units at least twice the amount proposed in the Application.
 - k. *Resident Services.* Applications will receive 10 points for agreeing to provide at least four (4) approved services to tenants on a monthly basis. This scoring criterion is a higher standard than the Corporation's threshold criteria for resident services.
 - l. *Tie Breaker.* The Corporation will break all scoring ties by dividing the estimated total development cost per unit by the number of very low and extremely low-income units. The application with the lowest ratio will be determined the winner of the tie break.
8. **Subsequent Filing Requirements.** Prior to final approval of the bonds of other obligations by the ~~Corporation's~~ Board or the ~~Texas Bond Review Board~~ TBRB, Developers may be required to file such additional documents or statements in support of their Development as may be considered relevant and appropriate by the Corporation, which may include but are not limited to:
- a. Such additional information as requested by the Corporation's Municipal Advisor, Bond Counsel, or Issuer's Counsel;
 - b. A draft of any term sheet, official statement, prospectus, or other offering memoranda through the use of which the proposed obligations are to be offered, sold or placed with

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a lender, purchaser, or investor, which offering, sale or placement materials must contain prominent disclosure substantially to the effect that:

- i. Neither the Corporation nor the State has undertaken to review or has assumed any responsibility for the matters contained therein except solely as to matters relating to the Corporation and to a description of the obligations being offered thereby;
- ii. All findings and determinations by the Corporation and the State, respectively, are and have been made by each for its own internal uses and purposes in performing its duties under the legislation enabling the Corporation and this RFP;
- iii. Notwithstanding its approval of the obligations and the Development, neither the State nor the Corporation endorses or in any manner, directly or indirectly, guarantees or promises to pay such obligations from any source of funds of either entity or guarantees, warrants, or endorses the creditworthiness or credit standing of the Developer or of any Guarantor of such obligations, or in any manner guarantees, warrants, or endorses the investment quality or value of such obligations; and
- iv. Such obligations are payable solely from funds and secured solely by property furnished and to be furnished and provided by the Developer and any Guarantor and are not in any manner payable wholly or partially from any funds or properties otherwise belonging to the Corporation or the State.

9. Public Hearings and Meetings.

- a. The Corporation's Board, at its own discretion, may call any Developer to a scheduled meeting to review the Developer's experience, qualifications, and/or the characteristics of a Development.
- b. The Corporation requires the Developer or a representative of the Developer, to attend public hearings where a Development is proposed. If the Development includes multiple sites in several cities, the Corporation will conduct the hearing at a location central to all development sites. All public hearings must be held prior to the final approval of the ~~Bond~~ resolution authorizing the issuance of the requested debt by the Corporation's Board.
- c. With respect to public hearings required by Section 147(f) of the Internal Revenue Code and the related regulation ("TEFRA"), the Corporation will plan and post notice, at the expense of the Developer, of the hearing in the *Texas Register* and on the Corporation's website at least seven (7) days prior to the planned TEFRA hearing. The Corporation will schedule an appropriate date, time and location for TEFRA hearings based on the schedule of publication.
- d. The TEFRA Hearing may not be held (and notice of such Hearing may not be published) prior to the date the Corporation approves the Inducement Resolution; provided,

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however, that such hearings may be scheduled and posting of the hearing notice may be prepared prior to selection as long as (a) the Corporation's staff determines that such action is appropriate, (b) the hearing and publication of notice do not actually occur until after selection by the Corporation, and (c) the Borrower provides the deposit to the Corporation set forth herein.

10. Awards and Reservation of Volume Cap.

- a. Once the Corporation has approved an Inducement Resolution for a Development, the Corporation and its Bond Counsel will work with the Developer to prepare and time the submission of the application to reserve volume cap (Reservation Application) to the TBRB;
- b. Applications approved for Inducement for the Corporation's 2021 allocation of private activity bonds will have until May 1, 2021 to notify the Corporation and its Bond Counsel they are prepared to move forward with a Reservation Application. Those not prepared to move forward, will be placed to the back of the list of Inducement Resolutions, and must be prepared to submit a Reservation Application within one year from the date of Inducement or the Corporation, in its sole determination, may terminate the award.
- c. In the event the Corporation has approved Inducement Resolutions in excess of its annual allocation, a Developer may choose to submit their Reservation Application to the TBRB to be considered for allocation on or after August 15, 2021, pursuant to Section 1372.022 of Texas Government Code. The Corporation cannot ensure the availability of private activity bond volume cap on or after August 15, 2021.
- ~~a. The Corporation's Board may select Developers and alternate Developers for an inducement of volume cap based on the results of threshold and scoring criteria review from a response to the RFP and oral presentations. The Corporation reserves the right not to approve any inducement of volume cap to any Developer(s), even one that is awarded the most points during the scoring review.~~
- ~~b. The Corporation reserves the right to retract an award if a Developer is unable to receive a reservation of private activity bonds prior to July 1, 2020. The Corporation reserves this right in order to allow alternate Developers or other applications to proceed with an inducement and reservation, and to ensure the maximum utilization of the Corporation's allocation of bond volume cap.~~
- e.d. The Corporation reserves the right in its sole discretion to modify, suspend or amend this program at any time, with or without further notice to any interested party. All costs incurred in the response or application process are the sole responsibility of the Developer. All decisions of the Corporation are subject to such additional conditions, restrictions and requirements as determined by the Corporation in its sole discretion. In addition, the Corporation's selection of proposed Developments for possible issuance of private activity bond cap is subject to final approval by the ~~Texas Bond Review Board~~ TBRB.

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11. Bond Review Board Approval.

- a. Bonds or similar obligations issued by the Corporation are subject to approval by the ~~Texas Bond Review Board (the "TBRB")~~TBRB. TBRB rules provide an optional exemption from the formal approval process for ~~Texas State Affordable Housing Corporation~~the Corporation's multifamily conduit transactions unless such transactions involve an ad valorem tax reduction or exemption. If no ad valorem tax exemption or reduction is requested with respect to the Development, the formal TBRB approval process may not be required. However, if one or more TBRB members request it, the formal TBRB approval process must be followed. If so, representatives of the Developer are expected to attend the TBRB planning session and the TBRB meeting at which the Development will be considered for approval. Additional information may be requested by TBRB members, and the Developer's cooperation in providing this information is required.
- b. If the formal TBRB approval process is required, the Corporation, with the assistance of its Bond Counsel, will prepare and file the notice of intent and the TBRB Application for the Development. The Corporation will file the notice of intent and the TBRB Application with the TBRB only if it has timely received all required information and documentation for the completion of the TBRB Application from the Developer and/or its consultants.

12. **Fees.** Developers shall be responsible for fees and expenses incurred as a result of bonds or other obligations issued on their behalf (the "Cost of Issuance"). Up to two percent (2%) of the Cost of Issuance may be financed through ~~bond tax-exempt obligation~~ proceeds and will be considered part of the obligations authorized for issuance by the Corporation, where eligible under the federal tax code. Developers shall commit to pay from other sources any Costs of Issuance not payable from tax-exempt ~~bond obligation~~ proceeds. The following fees are payable at the times and in the amounts as described below. ALL FEES ARE NONREFUNDABLE, EXCEPT AS OTHERWISE PROVIDED HEREIN.

- a. *Application Fee.* Developers shall submit a nonrefundable fee of ~~\$1,500~~2,000 for Private Activity Bonds or \$2,500 for 501(c)(3) bonds, made payable to the Corporation, upon submission of the Application.
- b. *Inducement Fee.* Developers shall pay a ~~deposit-fee~~ of ~~\$7,500~~8,000, and an additional \$1,000 for each property for Developments involving more than one (1) site, to cover expenses related to public hearings and the ~~application for PAB allocation~~Reservation Application to the ~~Texas Bond Review Board~~TBRB, within five (5) business days of the date the Inducement Resolution is approved by the Corporation's Board. Additional reimbursements for expenses related to public hearings and application for private activity bonds may be requested by the Corporation.
- c. *Professional Fee Deposit.* Following the issuance of a reservation for volume cap from the Bond Review Board, Developers shall make a deposit with the Corporation which will be credited against fees and expenses incurred by the Corporation for the services of Bond

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Counsel, the Municipal Advisor and Issuer's Counsel in connection with the proposed financing. Such deposit shall be \$30,000, which represents a \$20,000 deposit for Bond Counsel fees, a \$5,000 deposit for Financial Advisor's fees, and a \$5,000 deposit for Issuer's Counsel fees (collectively, the "Professional Fee Deposit"). ~~Two additional deposits, each equal to 20% of Bond Counsel Fee, based on the projected issuance amount, will be due, the first at the submission of the reservation application to the Texas Bond Review Board and the second upon approval of the final bond resolution by the Corporation's Board. All fees and expenses incurred by Bond Counsel, the Municipal Advisor and Issuer's Counsel in connection with the Developer's transaction will be deducted from such deposit whether or not the obligations are issued.~~ If the accrued fees and expenses of Bond Counsel, the Municipal Advisor and/or Issuer's Counsel exceed the amount of such Professional Fee Deposit~~initial deposit~~, the Corporation may require the Developer to submit an additional deposit payment. The balance of any Professional Fee Deposit remaining after a transaction has failed to close and has been withdrawn from consideration, less a processing fee of \$500.00, will be refunded to the Developer.

- d. *Corporation Expenses.* Developers shall reimburse the Corporation for all costs and expenditures incurred by the Corporation that exceed the Corporation's application and inducement fees paid to the Corporation by the Developer during the review, issuance and closing of a Development. Such expenditures include but are not limited to (i) on-site visitation of multifamily residential developments to be financed (or the site[s] therefore), (ii) any reports deemed necessary or appropriate by the Corporation and not otherwise provided by the Developer, (iii) all costs and expenses (including travel and related expenses) of conducting public hearings and related meetings [described herein] and (iv) such other activities, inspections and investigations as are deemed necessary or appropriate by the Corporation in connection with its determination of the suitability of the proposed Development for financing assistance to be offered by the Corporation. The Corporation will include any of the above expenditures in its closing fees estimate prior to the closing date.
- e. *Municipal Advisor Fees.* The fee to be paid to the Corporation's Financial-Municipal ~~Financial-Municipal~~ Advisor, acting in-as ~~in-as~~ a standard-Municipal-Advisor-role~~standard-Municipal-Advisor-role~~ financial advisory to the Corporation for its issuance of debt transactions issued for the multifamily bond program, will be \$10,000 plus \$2.00 per \$1,000 of bonds issued, plus actual expenses, unless otherwise agreed to by the Corporation's Municipal Financial~~Municipal Financial~~ Advisor. In addition, for an additional fee the Corporation's Municipal Financial~~Municipal Financial~~ Advisor will also serve as the bidding agent with respect to all investment contracts to be entered into in connection with the investment of bond proceeds and revenues of the Developments. If the financing structure proposed by the Developer requires non-standard services to be performed by the Municipal Advisor or involves unique financing features including, but not limited to, multiple sites or complexes in a project, extreme credit quality concerns, hedge agreements, swap agreements, or trust structures, the fees to be charged by the

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Municipal Advisor will be subject to adjustment. Any such adjustment must be agreed to in writing by the Developer before the submission of the Reservation Application to the ~~Bond Review Board~~TBRB.

- f. *Bond Counsel Fees.* Developer shall pay the fees of Bond Counsel, which will be determined based on the structure of the transaction but which will generally range from .75% to 1.5% of the par amount of the financing with a minimum fee of \$50,000. All expenses incurred by Bond Counsel in connection with the Development will also be paid by the Developer. Bond Counsel shall receive an initial payment of \$20,000 in advance upon submission of the Development's Reservation Application to the ~~Texas Bond Review Board~~TBRB, which will be credited towards the final amount due Bond Counsel. Bond Counsel may request additional reimbursement of actual hourly costs or expenses from time to time directly from the Developer. Expenses include TEFRA notice publication, print or document publication, public hearing notices, Attorney General filing fees, and the preparation and filing of the TBRB Applications, printing and supplements thereto.
- g. *Issuer's Counsel Fees.* The fee to be paid to Issuer's Counsel will be based upon the hourly rate in effect for the applicable period with the Corporation. In some instances the fees due to Issuer's Counsel can be based on a fixed fee approved by the Corporation.
- h. *Closing Fees.* Concurrently with the closing of the financing, the Developer shall pay or cause to be paid all fees and expenses in connection with the issuance of the obligations including Bond Counsel Fees, Municipal Advisor Fees, Issuer's Counsel Fees, ~~Texas Bond Review Board~~TBRB Fees, and the actual amount of any closing or acceptance fees of any trustee for the obligations, any fees and premiums for casualty and title insurance, any security filing costs, any fees for placing the obligations, any fees and expenses of any compliance agent appointed in connection with the review of any property, any out-of-pocket expenses incurred by professionals acting on behalf of the Corporation, and any other costs and expenses, including issuance expenses, relating to the obligations, their security, and the Development. Additionally, the Corporation will receive a Closing Fee of fifteen basis points (0.15%) of the principal amount of obligations issued, with a minimum closing fee of \$20,000.
- i. *Administrative Fee.* Until the final maturity of the obligations, the Developer will pay an annual Administrative Fee, remitted through the respective bond trustee to the Corporation as designated by the Corporation, equal to ten (10) basis points (.10%) of the aggregate principal amount of the obligations outstanding, with a minimum annual fee of \$5,000. The first annual payment of the Administrative Fee must be paid at closing. The Administrative Fee is exclusive of the trustee's fee, compliance agent fee, rebate analysts' fee, asset-oversight management fee, audit fee, independent analyst fee, and any other costs or extraordinary costs as permitted under the respective bond documents. Payment of the Administrative Fee is to be covered by the bond credit enhancement and/or secured under the first mortgage on the property assigned to the bond trustee.

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The Corporation may require the payment of the Administrative Fee to be guaranteed by the Development owner and/or general partner(s).

- j. *Trustee's Fees.* The Developer shall select a bond trustee from a list of bond trustees approved by the Corporation to administer the funds and accounts pursuant to the trust indenture between the Corporation and the trustee bank. All trustee fees and expenses, including fees of trustee's counsel, will be approved by the Corporation and must be paid by the Developer.
- k. *Auditor's Fees.* The Corporation may, at any time, over the life of the Development appoint an auditor to review the financial transactions under the bond documents, a compliance agent, and a rebate analyst to perform an analysis of rebate requirements with respect to the issue. Such fees and costs must be paid by the Developer.
- l. *Continuing Costs.* Developers shall pay to the Corporation, in the manner described in the Development documents, the following amounts:
 - i. An annual asset oversight and compliance fee equal to the greater of \$45 per unit or \$2,500 for each property included in the Development (as such fee may be adjusted in accordance with the Asset Oversight and Compliance Agreement). The Corporation may require the owner of the Development and/or related entities or persons to guarantee the payment of these fees;
 - ii. Any amounts payable pursuant to any indemnity contract or agreement executed in connection with any financing by the Corporation completed as herein contemplated, and
 - iii. The amount allocable to each Developer (whose financing has been completed) of costs and expenses incurred by the Corporation in the administration of the indemnity contract or agreement, any program established in connection with the financing of a Development, and any obligations of the Corporation, including an annual accounting and/or audit of the financial records and affairs of the Corporation. The amount of costs or expenses paid or incurred by the Corporation under this clause will be divided and allocated equally among all Developers whose financings have been completed.
- m. *Changes in Fees.* The Corporation reserves the right at any time to change, increase or reduce the fees payable under this RFP. All fees imposed subsequent to closing by the Corporation under this RFP will be imposed in such amounts as will provide funds, as nearly as may be practical, equal to that amount necessary to pay the administrative costs of conducting the business and affairs of the Corporation, plus reasonable reserves therefore.
- n. *Failure to Timely Pay Fees and Costs.* The Corporation will not consider submissions for future transactions proposed by Developers who are delinquent in the payment of any fees described herein.

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13. **Document Preparation.** Bond Counsel will have the primary responsibility for the preparation of the legal instruments and documents to be utilized in connection with the financing of the Development by the Corporation. No bonds or other obligations will be sold or delivered unless the legality and validity thereof have been approved by Bond Counsel and the Attorney General of the State of Texas. The Developer and its legal counsel shall cooperate fully with Bond Counsel, the ~~Financial-Municipal~~ Advisor, the Issuer's Counsel and the Corporation's agents in the preparation of such materials.
14. **Material Changes to Financing Structure.** Any and all material proposed changes to the financing structure, ownership of the Development, or scope or materials of or for the Proposed Development, from that set forth in the application must be disclosed to the Corporation immediately in writing and approved by the Corporation.
15. **Time Limits.** In the event that the Development does not close within the time frame established by the Corporation, the Corporation reserves the right to terminate its participation in the financing.
16. **Final Approval by the Corporation.** The Corporation's Board will consider final action on the Bonds after the completion of the public hearings and upon recommendation by the Corporation's staff. If approved, the Board will adopt a resolution, in such form as is recommended by Bond Counsel, authorizing the issuance of obligations to provide financing for the Development. Final approval will be granted only upon:
 - a. Receipt by the Board of evidence satisfactory to it that the Developer has complied in all material respects with this RFP not otherwise waived by the Board; and
 - b. An affirmative determination of the Board that:
 - i. All requirements for and prerequisites to final approval under this RFP have either been satisfied or waived and are in form and substance satisfactory to the Board; and
 - ii. The operation of the Development(s) will constitute a lawful activity, is qualified for approval by the State, complies with and promotes the purposes of the Corporation and satisfies the requirements of the Corporation.
17. **Closing of the Development.** Following the public hearing(s) and final approval by the Corporation and the TBRB, if necessary, the Corporation will proceed to close the financing in accordance with the documents approved by the Corporation and when finally approved by the Texas Attorney General and Bond Counsel in accordance with the terms of the sale or placement.
 - a. *Structure of Bond Sale.* Developers shall be responsible for determining the structures of the sale of bonds, but are encouraged to ~~contact~~ consult with the Corporation's Municipal Advisor and Bond Counsel for information regarding the structure of contemplated bond transactions in Texas. Developers are required to execute an agreement in connection

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with awarding the sale of the Corporation's obligations to an underwriter or to an institutional purchaser through a private placement that obligates the Developer to the payment of the costs of issuing such obligations as more fully described herein.

b. *Public and Limited Offering Requirements.*

- i. All bonds to be sold publicly, whether by competitive bid or negotiated sale, must have a debt rating the equivalent of at least an "A-/A3" rating assigned to long-term obligations by a nationally recognized rating agency acceptable to the Corporation. Bonds with an investment grade of "A-/A3" or higher may be sold in minimum denominations of \$5,000,
- ii. The Corporation will consider any bonds with rating lower than that do not have a debt rating of at least "A-/A3" or higher as to be non-rated obligations. Non-rated obligations must be sold in minimum denominations of at least \$25,000 and in integrated multiples of any amounts in excess of \$25,000.
- iii. All non-rated obligations must be privately placed or offered on a limited basis with transfer and other restrictions. In order for a non-rated transaction to be considered by the Corporation, the placement must comply with the following minimum requirements: (i) the sale must be made to a "qualified institutional buyer" as defined in Rule 144A of the Securities Act of 1933 (a "QIB") or an "institutional accredited investor" as defined in Rule 501(a)(1), (2), or (3) of Regulation D under such act (an "Institutional Accredited Investor") and cannot be an underwriting or purchase with an intent to resell any portion of the obligations, (ii) the obligations must be issued in minimum denominations of not less than \$25,000 and integral multiples of any amount in excess thereof, and (iii) at such time as the bond financing is presented to the Corporation for final approval, (a) the Developer (or placement agent, if applicable) must identify the Purchaser of the obligations, (b) the Developer (or placement agent, if applicable) must provide a written commitment from the Purchaser in form and content customarily used by real estate lending institutions outlining the terms and conditions of such commitment to purchase the obligations, (c) the Purchaser must represent that it is in the business of originating, or acquiring and owning for its account, tax-exempt bonds or mortgage loans on multifamily rental housing properties, (d) when a placement agent is involved in the sale of the obligations, there may be a placement memorandum prepared by the agent for the Purchaser, but there will be no offering statement by the Corporation, and (e) the Corporation may require that one physical obligation be issued with a legend stating that the initial and any subsequent purchaser(s) of such bond shall be a QIB or an Institutional Accredited Investor, as applicable. In the case of a private placement transaction, the Developer or placement agent, upon delivery of the obligations, shall provide the Corporation with an executed investment letter from the investor purchasing the

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obligations substantially to the effect that: (1) it is engaged in the business, among others, of investing in tax-exempt securities and is a QIB or an Institutional Accredited Investor, as applicable; (2) it has made an independent investigation into the financial position and business condition of the Developer and therefore waives any right to receive such information; (3) it has received copies of the financing documents pursuant to which such obligations are issued, and (4) that it has purchased the obligations for its own account and not with the intent to sell them. A complete form of such investment letter will be provided by the Corporation.

- c. Any variation to the requirements set forth above must be requested in writing by the Developer and must be approved by the Corporation and be acceptable to the Bond Counsel, ~~Financial~~ Municipal Advisor, and Issuer's Counsel.
 - d. *Required Approvals.* No Developer, or any representative of any Developer or the Corporation, shall represent, directly or indirectly, to any lender (interim or otherwise) supplier, contractor, or other person, firm, or entity that the Corporation has agreed or is firmly committed to issue any obligations in relation to any Development or Response or Reservation Detail until the Board has given final approvals for the issuance thereof under this RFP, and then subject to the governmental approvals required by this RFP and the approval of the Attorney General of the State of Texas, the approval of Bond Counsel and subject to any requirements imposed by the Corporation's Articles of Incorporation.
 - e. *Offering Statement.* No Developer, or any representative of the Developer or the Corporation, shall make any representation, directly or indirectly, express or implied, of any fact contrary to the disclosures required to be made by this RFP.
 - f. *Registration.* Neither the Developer nor any securities firm, underwriter, broker, dealer, salesman, or other person, firm, or entity shall offer, sell, distribute, or place any obligations authorized by the Corporation by any process, method, or technique or in any manner, transaction, or circumstances or to any person or persons, the effect of which would be to require such obligations to be registered or would require filings to be made with regard thereto under the laws of the state or jurisdiction where such offer, sale, distribution, or placement is made without first registering the same or making the filings regarding the same required by such laws.
 - g. The Developer will provide and be responsible for filing so long as it is obligated to make payment to the Corporation in support of the bonds, notes or other obligations issued by the Corporation for a project being financed for the Developer, all information required to satisfy the requirements of Rule 15c(2-12) of the United States Securities and Exchange Commission as that rule is applicable to the financing.
18. **Failure to Comply with previous RFPs.** The Corporation will not consider submissions from Developers for a potential Development if the Developer is a borrower (or a related party

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thereto) in connection with obligations previously issued by the Corporation and such borrower (or related party) is not in compliance with the requirements set forth in the Corporation's policies and procedures with respect to such previously issued obligations or is delinquent in the payment of any fees or costs with respect to such previously issued obligations of the Corporation.

19. **OTHER REQUIREMENTS.** THE CORPORATION MAY IMPOSE ADDITIONAL OR DIFFERENT REQUIREMENTS ON A DEVELOPER THAN THOSE PROVIDED IN THESE GUIDELINES IF ADDITIONAL OR DIFFERENT REQUIREMENTS BECOME NECESSARY (AS DETERMINED BY THE CORPORATION IN ITS SOLE DISCRETION) TO PROVIDE THE BEST OPPORTUNITY FOR APPROVAL BY THE CORPORATION'S BOARD OF DIRECTORS AND/OR THE TEXAS BOND REVIEW BOARD.

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APPENDIX A

TSAHC Resident Services Program Guidelines

It is the Texas State Affordable Housing Corporation's goal to support Developers in the creation of high quality Resident Service Programs. TSAHC has created basic guidelines and a reporting system to help with this process.

The following is a list of activities/courses that can be implemented. In order to fulfill the Resident Service requirement, at least six resident service activities per quarter must be provided from the following list. Developers must ensure services are provided onsite or provide free transportation to services if off-site. If the applicant received additional points under the Resident Service scoring criteria, an average of at least four resident service activities per month must be provided from the following list. If you are interested in starting an activity or course that is not on the list, please propose the new activity to the Multifamily Oversight Department for approval. Activities that are provided daily, such as after school programs and educational/scholastic tutoring, can be counted as two services for the quarter. Please make sure that services offered will encourage economic self-sufficiency and/or promote homeownership opportunities.

- Career Services
 1. Computer Literacy Class
 2. GED Classes
 3. Job Skills/Training
 4. Resume/ Job Search Workshop
 5. Job Fair
 6. College Preparation Class
 7. Military Recruiting

- Children's Services
 1. After School Care (Counts as 2 Services When Provided Daily)
 2. Swimming Lessons
 3. Free On-site Daycare (Counts as 2 Services When Provided Daily)
 4. Free On-site Tutoring Sessions (Counts as 2 Services When Provided Daily)
 5. Performing Arts Classes
 6. Holiday Safety Classes
 7. On-Site Library
 8. Free Lunch Program (Counts as 2 Services When Provided Daily)

- Community Awareness
 1. Crime Watch Meeting
 2. Self Defense Course

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3. Child ID/Fingerprinting Program
 4. Fire Safety Class
 5. Hurricane Safety Class
 6. Domestic Violence Awareness Workshop
 7. Drug Awareness Workshop
 8. Host Support Groups Such as AA, Anger Management, etc.
 9. Community Gardens
 10. Community Service Activities (i.e. Habitat for Humanity)
 11. Green Living/Environmental Workshop
- Financial Skills
 1. Household Budgeting Workshop
 2. Financial Planning/Credit Counseling Workshop
 3. Asset Building Workshop
 4. Tax Preparation Courses
 5. Student Financial Aid Workshop
 6. Personal Insurance Workshop (Medical, Renters, Life, Disability, Car)
 - Medical and Health Services
 1. Basic First Aid and CPR Class
 2. Caring for the Disabled Class
 3. Health and Screening Services
 4. HIV/AIDS Classes
 5. Vaccinations/ Flu Shots Services
 6. Fitness and Exercise Classes
 7. Diabetes/ Heart Disease Courses
 8. Babysitting Safety Courses
 9. Health and Nutritional Courses
 10. Low Cost Healthy Cooking Courses
 11. Cancer Awareness Workshop/Cancer Screening Services
 12. Free Dental Services
 - Personal Development
 1. Counseling Services
 2. English as a Second Language Courses
 3. Home Ownership Counseling
 4. Parenting Classes
 5. Anger Management Courses
 6. Family Counseling
 7. Cleaning Supply Safety Class / Housekeeping Education
 8. Book Club

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- Free Transportation Services
 1. Grocery Store
 2. Library
 3. Medical Visits
 4. Cultural Community Events
 5. Free/Discounted Public Transportation Tickets

Activities that will not be counted towards the six resident services per quarter requirement include, but are not limited to, children's movie time, patio decorating contests, gambling trips, resident parties, Easter Egg Hunts or other activities along these lines. Properties are welcome to offer these activities, but they will not count towards fulfilling the Resident Services obligation.

Tab 12

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 October 14, 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 TERM LOAN TO DF SAGEBRUSH APARTMENTS, LP IN AN AMOUNT NOT TO EXCEED \$1,700,000 FOR SAGEBRUSH 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 October, 2020.

Rebecca DeLeon, Secretary
Texas State Affordable Housing Corporation

RESOLUTION NO. 20-__

TEXAS STATE AFFORDABLE HOUSING CORPORATION

RESOLUTION APPROVING A TEXAS HOUSING IMPACT FUND TERM LOAN TO DF SAGEBRUSH APARTMENTS, LP IN AN AMOUNT NOT TO EXCEED \$1,700,000 FOR SAGEBRUSH 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 term 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 term loan to DF SAGEBRUSH APARTMENTS, LP- in the maximum principal amount of \$1,700,000 (the “Term Loan”), with the loan proceeds to be used by DF SAGEBRUSH APARTMENTS, LP-, together with other available funds, to refinance 60 units of housing with 30 apartments targeted to households earning 50% of median income or less, 27 apartments targeted to households earning 50% of median income or less, and 3 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 Term 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 Term Loan and Related Matters. The Board of Directors approves the Term Loan by the Corporation to DF SAGEBRUSH APARTMENTS, LP in the maximum principal amount of \$1,700,000, the proceeds of which are to be used by DF SAGEBRUSH APARTMENTS, LP, together with other available funds, to refinance the 60-unit Sagebrush Apartments.

The Board has determined that a Term 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 Term 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 14th day of October, 2020.

TEXAS STATE AFFORDABLE HOUSING CORPORATION

William Dietz, Jr., Chairperson

ATTEST:

Rebecca DeLeon, Secretary
Texas State Affordable Housing Corporation

Texas State Affordable Housing Corporation

Texas Housing Impact Fund

Agenda Item: Presentation, discussion and possible approval of a \$1,700,000 loan to the DF Sagebrush Apartments, LP, an affiliate of the Texas Housing Foundation, for the refinance of the Sagebrush Apartments, a 60-unit affordable rental project in Brady, Texas.

Summary:

TSAHC received an application from the DF Sagebrush Apartments, LP (Borrower) for a term loan of \$1,700,000 to refinance the Sagebrush Apartments, a 60-unit affordable apartment project located in Brady, Texas.



Photo: Sagebrush Apartments Brady, Texas

Public Benefit:

Sagebrush Apartments is a 60-unit affordable housing project reserved for low-income households earning up to 60% of the area median income. The property was constructed in 2003 using funding from TSAHC's Texas Housing Impact Fund and federal housing tax credits. 100% of the units are required to be affordable to households at or below 60% of area median income until 2042 under the housing tax credit Land Use Restriction Agreement (LURA). The Borrower has developed strong ties with the local community and has support from the City Council and Local Housing Authority. The project's rural location advances TSAHC's mission to serve rural and underserved markets.

Financial Summary:

The proposed financing for the Sagebrush Apartments involves refinancing two bridge loans, a \$1,000,000 term loan from Loan Star Capital Bank and a \$700,000 term loan from TSAHC, both made in 2017. The Borrower requests a five-year loan term with interest only payments for the first two years. Amortizing payments would begin on month 25 based on a 30-year amortization schedule with a balloon payment due at loan maturity. The borrower intends to apply for 9% housing tax credits to refinance and rehabilitate the property within the term of this loan.

TSAHC's initial loan to the Texas Housing Foundation (THF) was issued in February of 2017 and matured October 1, 2020. In 2020, THF applied for 9% LIHTC financing but was unsuccessful in securing an award. THF's loan with TSAHC has been in good standing since loan origination. Based on our experience with similar transactions and taking into consideration potential interest rate adjustments, staff feels that the assumptions on rates and availability of capital for the refinancing are well supported. Additionally, the proposed financing maintains TSAHC's minimum debt coverage ratio, and the borrower's financial position further supports our recommendations.

Texas State Affordable Housing Corporation

Texas Housing Impact Fund

Market Conditions:

Brady is located about 130 miles northwest of Austin and 70 miles southeast of San Angelo. As the County seat and largest city in McCullough County, Brady is a central point for commerce and economic activity. While population growth over the past three years has declined (-1.3% annually) income and economic gains have been strong. Average household incomes increased significantly between 2017 (\$34,048) and 2020 (\$51,875) according to U.S. Census data. Much of the household income growth can be tied to manufacturing and mining related to oil and gas extraction. Brady has built on long standing industries that supply equipment to the oil and gas extraction industries, as well as having a large and dependable supply of raw materials (lime and silica) used in construction, mining and other sectors.

Broader market data for housing in Brady is difficult to source. Staff's review of census data showed that relatively small rates of growth occurred in single-family housing construction over the past 10 to 15 years, while the last notable multifamily construction project was the Trails of Brady - a tax credit property developed by THF and opened for operation in 2018. There is limited competition from other rental properties, and currently there are only 172-units with income and rent restrictions within a 15-mile radius. Staff believes that the area's oil and gas industry will continue to increase the demand for affordable units.

Borrower Summary:

The THF is a non-profit statewide public housing authority based in Marble Falls, Texas. THF was created out of the Marble Falls Housing Authority in 2006 and has developed more than 1,400+ units of affordable rental housing across Texas. THF is governed by a five-member board of directors appointed by the County Commissioners of each participating County, as well as an appointed Resident Commissioner. Currently, Blanco, Burnet and Llano Counties participate within the organizational structure of THF. THF's Executive Director, Mark Mayfield, has been involved in affordable housing development for more than 20 years. THF will be the general partner and manager of the property and has established working agreements with the Brady Public Housing Authority providing access to Section 8 voucher holders and other special needs populations.

TSAHC has worked with THF on several previous project. Most recently, the Ventura at Tradewinds and Ventura at Fairgrounds projects were financed through TSAHC's private activity bond program and the Sagebrush Apartments project was built and financed 9% housing tax credits and TSAHC's Texas Housing Impact Fund in 2003.

Recommendation:

Staff recommends that the Board approve a loan to Texas Housing Foundation in an amount not to exceed \$1,700,000 to refinance the Sagebrush Apartments, a 60-unit affordable rental project located in Brady, Texas.

Sagebrush - Underwriting - Project Summary

Project Summary

Applicant THF and State Street Housing
 Project Name Sagebrush Apartments

Location

Address 218 Lynn Gavit City Brady
 County: McCulloch State Texas 76825
 Census Tract: 48307950300

Loan Request

Loan Amount: \$ 1,700,000.00 Loan Type: THIF - Term Loan
 Loan Term: 5 Amort: 30

Perm Funding Sources

	Amount	% of Total
TSAHC - Term Loan	\$ 1,700,000	100.00%
Totals	\$ 1,700,000	100%

* not included in total

Market Summary

	City	County	State	Census Tract
Population:	6,689	8,098	27,885,195	5,159
Median Age:	43	45	34	42
Diversity Index:	-	51	-	55
% Hispanic:	34%	32%	39%	38%
% Persons with Disability:	19%	20%	12%	18%
% Households that Rent:	27%	25%	38%	32%
Median Rents:	723	707	998	683
% Renters Who are Cost Burdened:	44%	39%	44%	45%
Median Home Price:	\$ 81,500	\$ 85,600	\$ 161,700	\$ 59,900
Median Household Income:	\$ 51,875	\$ 55,081	\$ 70,423	\$ 44,714
Unemployment:	0.00%	8.30%	8.20%	0.00%
Persons w/o Insurance:	20%	18%	17%	22%
Medically Underserved Area:	Yes	-	-	-
% Attending Public Schools:	100%	100%	93%	100%
Graduation Rate (Brady ISD)	94%			

CRA Eligible Census Tract: Yes - Mod Income

of LI Projects and Units: 4 172

Sagebrush - Underwriting - Summary Sources and Uses

Summary of Sources and Uses

Applicant THF and State Street Housing
Project Name Sagebrush Apartments
Number of Units 60

Sources	Amount	Amount Per Unit	Percentage of Total
TSAHC - Term Loan	\$ 1,700,000	\$ 28,333	100%
Total Sources	\$ 1,700,000	\$ 28,333.33	100%

Uses	Amount	Amount Per Unit	Percentage of Total
Acquisition/Refinance	\$ 1,700,000	\$ 28,333.33	100%
Off-Site Construction	\$ -	\$ -	0%
On-Site Work			0%
Site Amenities			0%
Building Costs			0%
Other Const/Contingency			0%
Soft Costs			0%
Financing Costs			0%
Developer Fees			0%
Reserve Accounts			0%
Total Uses	\$ 1,700,000	\$ 28,333.33	100%

(Gap) / Reserve	\$ -
Percent of Developer Fee Deferred	0.00%

Sagebrush - Underwriting - Operating Proforma

Operating Proforma

Applicant THF and State Street Housing

Project Name Sagebrush Apartments

Number of Units	60	Affordable Units	60	Min. Set Aside	24
Min. Set-Aside Requirement	40% @ 60%	Affordable %	100%	Accessible Unit Min.	3

Residential Income

Unit Type	Unit Sq. Ft.	Net Sq. Ft.	# units	Rent	Mo. Income	Inflator	Rent Limiter
1/1 TC 30%	748	748	1	\$ 235	\$ 235	1.02	30% AMI
1/1 TC 50%	748	3,740	5	\$ 463	\$ 2,315	1.02	50% AMI
1/1 TC 60%	748	4,488	6	\$ 576	\$ 3,456	1.02	60% AMI
2/2 TC 30%	949	949	1	\$ 267	\$ 267	1.02	30% AMI
2/2 TC 50%	949	11,388	12	\$ 540	\$ 6,480	1.02	50% AMI
2/2 TC 60%	949	2,847	3	\$ 676	\$ 2,028	1.02	60% AMI
2/2 TC 60%	977	11,724	12	\$ 676	\$ 8,112	1.02	60% AMI
3/2 TC 30%	1184	1,184	1	\$ 295	\$ 295	1.02	30% AMI
3/2 TC 50%	1184	11,840	10	\$ 610	\$ 6,100	1.02	50% AMI
3/1.5 TC 60%	1184	10,656	9	\$ 768	\$ 6,912	1.02	60% AMI
Subtotals:		59,564	60		\$ 36,200		

Other income:	\$ 58.33	\$ 3,500	1.02
Potential gross income			
Residential vacancy loss			10.00%
Effective Gross Residential Income			

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15
\$ 2,820	\$ 2,876	\$ 2,934	\$ 2,993	\$ 3,052	\$ 3,370	\$ 3,721	
\$ 27,780	\$ 28,336	\$ 28,902	\$ 29,480	\$ 30,070	\$ 33,200	\$ 36,655	
\$ 41,472	\$ 42,301	\$ 43,147	\$ 44,010	\$ 44,891	\$ 49,563	\$ 54,721	
\$ 3,204	\$ 3,268	\$ 3,333	\$ 3,400	\$ 3,468	\$ 3,829	\$ 4,228	
\$ 77,760	\$ 79,315	\$ 80,902	\$ 82,520	\$ 84,170	\$ 92,930	\$ 102,603	
\$ 24,336	\$ 24,823	\$ 25,319	\$ 25,826	\$ 26,342	\$ 29,084	\$ 32,111	
\$ 97,344	\$ 99,291	\$ 101,277	\$ 103,302	\$ 105,368	\$ 116,335	\$ 128,443	
\$ 3,540	\$ 3,611	\$ 3,683	\$ 3,757	\$ 3,832	\$ 4,231	\$ 4,671	
\$ 73,200	\$ 74,664	\$ 76,157	\$ 77,680	\$ 79,234	\$ 87,481	\$ 96,586	
\$ 82,944	\$ 84,603	\$ 86,295	\$ 88,021	\$ 89,781	\$ 99,126	\$ 109,443	
\$ 41,997.60	\$ 42,838	\$ 43,694	\$ 44,568	\$ 45,460	\$ 50,191	\$ 55,415	
\$ 476,398	\$ 485,926	\$ 495,644	\$ 505,557	\$ 515,668	\$ 569,339	\$ 628,597	
\$ (47,640)	\$ (48,593)	\$ (49,564)	\$ (50,556)	\$ (51,567)	\$ (56,934)	\$ (62,860)	
\$ 428,758	\$ 437,333	\$ 446,080	\$ 455,001	\$ 464,101	\$ 512,405	\$ 565,737	

Operating Expenses

	TSAHC est.	Borrower Yr 1	% EGI	Variance	Per Unit	Inflator
General & Administrative	\$ 27,900	\$ 31,719	7.40	14%	\$ 529	1.03
Management Fee	\$ 25,200	\$ 21,438	5.00	-15%	\$ 357	1.03
Payroll and Related	\$ 65,460	\$ 80,732	18.83	23%	\$ 1,346	1.03
Maintenance & Repair	\$ 38,640	\$ 45,405	10.59	18%	\$ 757	1.03
Utilities	\$ 43,200	\$ 68,925	16.08	60%	\$ 1,149	1.03
Insurance	\$ 18,480	\$ 15,360	3.58	-17%	\$ 256	1.03
Taxes		\$ -	0.00	#DIV/0!	\$ -	1.03
Operating Debt Service Reserves			0.00	#DIV/0!	\$ -	1.03
Replacement reserves	\$ 18,000	\$ 18,000	4.20	0%	\$ 300	1.03
HTC/HOME Compliance Fees	\$ 2,400	\$ 2,400	0.56	n/a	\$ 40	1.03
TSAHC Compliance Fees	\$ -	\$ -	0.00	#DIV/0!	\$ 45	1.03
Other (specify): Supp Serv and Ca	\$ 26,375	\$ 26,375	6.15	0	\$ 440	1.03
Total Operating Expenses	\$ 265,655	\$ 310,354		17%	\$ 5,217.57	
				state avg	\$ 4,672.00	per unit
				<i>Operating Expenses as a percentage of Effective Gross Income</i>		

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15
\$ 31,719	\$ 32,671	\$ 33,651	\$ 34,660	\$ 35,700	\$ 41,386	\$ 47,978	
\$ 21,438	\$ 22,081	\$ 22,744	\$ 23,426	\$ 24,129	\$ 27,972	\$ 32,427	
\$ 80,732	\$ 83,154	\$ 85,649	\$ 88,218	\$ 90,865	\$ 105,337	\$ 122,114	
\$ 45,405	\$ 46,767	\$ 48,170	\$ 49,615	\$ 51,104	\$ 59,243	\$ 68,679	
\$ 68,925	\$ 70,993	\$ 73,123	\$ 75,316	\$ 77,576	\$ 89,931	\$ 104,255	
\$ 15,360	\$ 15,821	\$ 16,295	\$ 16,784	\$ 17,288	\$ 20,041	\$ 23,233	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
\$ 18,000	\$ 18,540	\$ 19,096	\$ -	\$ -	\$ -	\$ -	
\$ 2,400	\$ 2,472	\$ 2,546	\$ 2,623	\$ 2,701	\$ 3,131	\$ 3,630	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
\$ 26,375	\$ 27,166	\$ 27,981	\$ 28,821	\$ 29,685	\$ 34,413	\$ 39,895	
\$ 310,354	\$ 319,665	\$ 329,255	\$ 339,463	\$ 349,047	\$ 381,456	\$ 442,212	
\$ 5,173	\$ 5,328	\$ 5,488	\$ 5,652	\$ 5,818	\$ 6,358	\$ 7,370	
	72.4%	73.1%	73.8%	70.2%	70.9%	74.4%	78.2%

NET OPERATING INCOME

\$ 118,404	\$ 117,668	\$ 116,825	\$ 135,538	\$ 135,054	\$ 130,950	\$ 123,525
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Sagebrush - Underwriting - Operating Proforma

NET OPERATING INCOME

\$	118,404	\$	117,668	\$	116,825	\$	135,538	\$	135,054	\$	130,950	\$	123,525
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PRIMARY DEBT SERVICE

	Principal	Rate	Amort	Term
TSAHC - Term Loan	\$ 1,700,000	3.50%	30	5
Total Primary Debt	\$ 1,700,000			

Net Cashflow After Primary Debt
DSCR Primary Debt

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15
\$	59,500	\$ 59,500	\$ 91,605	\$ 91,605	\$ 91,605	\$ 91,605	\$ 91,605
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$	59,500	\$ 59,500	\$ 91,605	\$ 91,605	\$ 91,605	\$ 91,605	\$ 91,605

\$	58,904	\$	58,168	\$	25,220	\$	43,933	\$	43,449	\$	39,345	\$	31,920
	1.99		1.98		1.28		1.48		1.47		1.43		1.35

SOFT SUBORDINATE DEBT & EQUITY

	Principal	Rate	Amort	Term
Total Secondary Debt	\$ -			

Net Cash Flow of Secondary Debts

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15
\$	58,904	\$ 58,168	\$ 25,220	\$ 43,933	\$ 43,449	\$ 39,345	\$ 31,920