tsahc
TEXAS
State Affordable Housing Corporation

August Board Meeting
To be held at the offices of
Texas State Affordable Housing Corporation
6701 Shirley Avenue
Austin, TX 78752

Tuesday, August 18, 2026
10:30 a.m.

TEXAS STATE AFFORDABLE HOUSING CORPORATION
BOARD MEETING
AGENDA
To be held at the offices of
Texas State Affordable Housing Corporation
6701 Shirley Avenue
Austin, Texas 78752

August 18, 2026
10:30 A.M.

CALL TO ORDER
ROLL CALL **Lemuel Williams, 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, President**

Tab A: Monthly Financial Reports
Tab B: Homeownership Finance Report
Tab C: Development Finance Report
Tab D: Texas Foundations Fund (TFF) Report
Tab E: Quarterly Compliance and Residential Services Reports
Tab F: Quarterly Fundraising Report

ACTION ITEMS IN OPEN MEETING:

Tab 1 Presentation, Discussion and Possible Approval of Minutes of the Board Meeting held on July 21, 2026.

Tab 2 Presentation, Discussion and Possible Approval of the Fiscal Year 2027 Annual Operating Budget.

Tab 3 Presentation, Discussion and Possible Approval of the Fiscal Year 2027 Audit Committee Guidelines.

Tab 4 Presentation, Discussion and Possible Approval of the Guidelines, Scoring Criteria and Targeted Housing Needs for the Allocation of Qualified Residential Rental Project Tax Exempt Bonds under the Multifamily Housing Private Activity Bond Program Request for Proposals and the 501(c)(3) Bond Program Policies for Calendar Year 2027.

Tab 5 Presentation, discussion, and possible approval of a resolution approving a Texas Housing Impact Fund bridge loan to Easy Street Lofts, LP, or its affiliates or assignees, in an amount not to exceed $550,000 for the Easy Street Lofts apartments.

Tab 6 Presentation, discussion, and possible approval of a resolution approving a Texas Housing Impact Fund bridge loan to Amarillo Lofts, LP, or its affiliates or assignees, in an amount not to exceed $1,000,000 for the Amarillo Lofts apartments.

Tab 7 Presentation, Discussion and Possible Approval of the Texas Foundations Fund: FY2027 Disaster Recovery Guidelines.

Tab 8 Closed Executive Session – Personnel Matters (Discussion pursuant to Texas Government Code § 551.074).

Tab 9 Review, Discussion, and Possible Action regarding matters discussed in Executive Session and any related actions.

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 6701 Shirley Avenue., Austin Texas, 78752.

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 an open meeting may also be discussed by the Board (and any other authorized persons) in closed meeting.

President's Report

Tab A

Monthly Financial Reports

Texas State Affordable Housing Corporation

Statement of Net Position (unaudited)
As of June 30, 2026

Assets		
Current assets:		
Cash and cash equivalents	$	3,982,203
Pooled investments		19,570,227
Restricted assets:		
Cash and cash equivalents		9,203,781
Accrued interest		235,126
Investments, at fair value		8,832,002
Accounts receivable and accrued revenue		276,845
Accrued interest receivable		225,320
Loans receivable, current portion		32,645
Notes receivable, current portion		73,152,926
Lease Receivable, Current Portion		75,750
Downpayment assistance, current portion		643,869
Prepaid expenses		311,264
Total current assets		116,541,958
Noncurrent assets:		
Loans receivable, net of uncollectible amounts of $3,629		98,732
Notes receivable, net of allowance for loss $539,569		179,805,977
Lease Receivable		136,237
Investments, at fair market value		27,391,240
Mortgage servicing rights, net of accumulated amortization of $2,699,004		29,058
Capital assets, net of accumulated depreciation of $1,727,474		5,498,722
Owned real estate, net of depreciation of $3,553,048		26,056,521
Downpayment assistance		3,418,068
Restricted investments held by bond trustee, at fair market value		137,465,542
Total noncurrent assets		379,900,097
Total assets	$	496,442,055

(continued)

Texas State Affordable Housing Corporation

Statement of Net Position (unaudited)
As of June 30, 2026

Liabilities	
Current liabilities:	
Accounts payable and accrued expenses	$ 588,412
Notes payable, current portion	-
Custodial reserve funds	167,332
Other current liabilities	138,060
Payable from restricted assets held by bond trustee:	
Revenue bonds payable, current portion	2,295,000
Accrued interest on revenue bonds	2,305,477
Total current liabilities	5,494,281
Noncurrent liabilities:	
Notes payable	750,000
Revenue bonds payable	140,539,855
Unearned revenue	2,768,643
Total noncurrent liabilities	144,058,498
Total liabilities	149,552,779
Deferred Inflows of Resources	
Deferred revenue	301,452
Total deferred inflows of resources	301,452
Net Position	
Invested in capital assets	5,498,723
Restricted for:	
Debt service	3,157,551
Other purposes	2,614,018
Unrestricted	335,317,532
Total net position	346,587,824
Total liabilities and net position	$ 496,442,055

Texas State Affordable Housing Corporation

Statement of Revenues, Expenses and Changes in Net Position (unaudited)
For the 10 Months Ending June 30, 2026

Operating Revenues:		
Interest and investment income	$	8,540,156
Net increase (decrease) in fair value of investments		610,934
Single family income		81,038,702
Asset oversight and compliance fees		306,432
Rental program income		1,388,190
Multifamily income		394,164
Land bank income		721,807
Public support:		
Federal & state grants		298,343
Contributions		3,817,346
Other operating revenue		30,289
Total operating revenues	$	97,146,363
Operating Expenses:		
Interest expense on bonds and notes payable	$	5,505,141
Program and loan administration		309,481
Texas Foundation Fund & miscellaneous grants		4,637,276
Salaries, wages and payroll related costs		4,280,900
Professional fees and services		567,749
Depreciation and amortization		54,758,458
Office expense and maintenance		163,979
Travel and meals		135,547
Other operating expenses		946,854
Total operating expenses		71,305,385
Net income/(Net loss)		25,840,978
Total net position, beginning		320,746,846
Total net position, ending	$	346,587,824

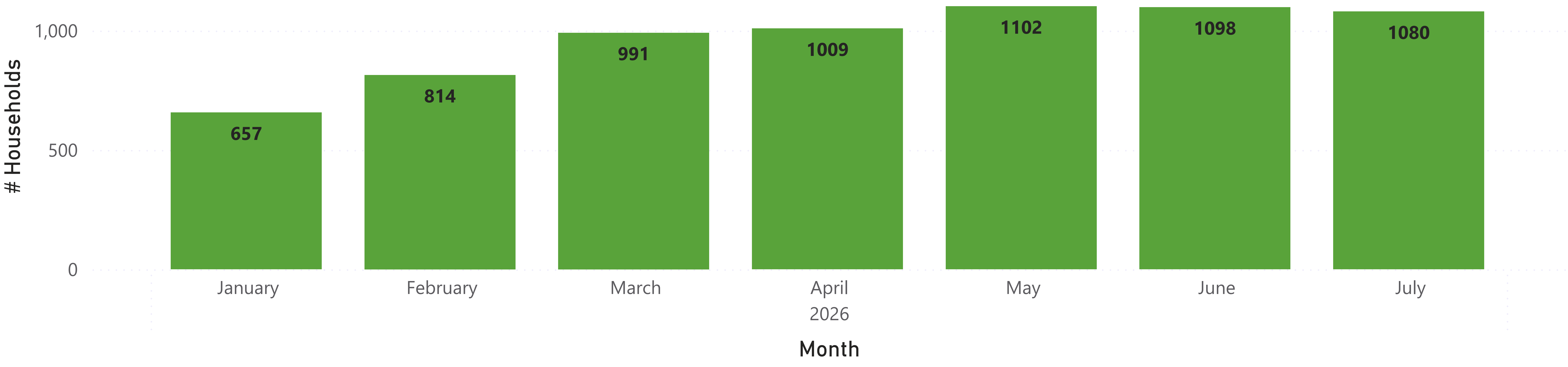
Tab B

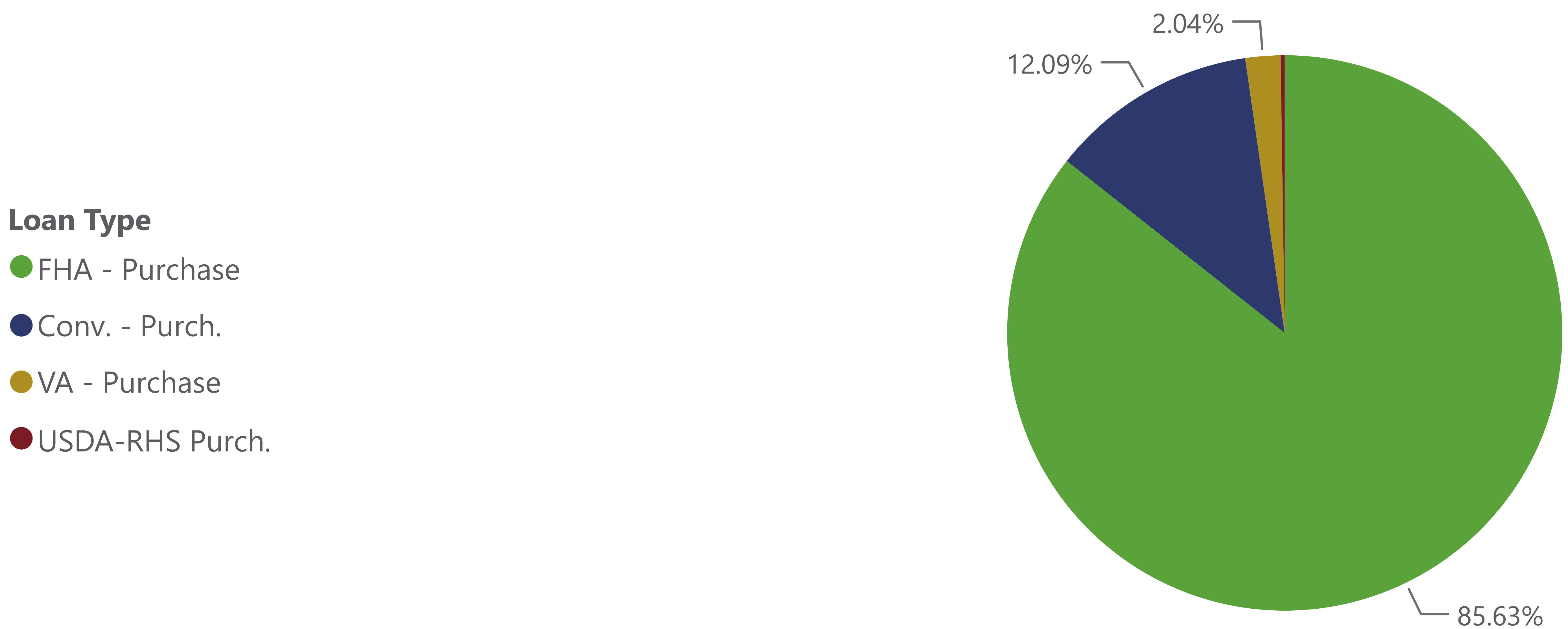
Homeownership Finance Report

Homeownership All Programs

January 1, 2026 to July 31, 2026

of Households by month





$87.35K
Average Annual Income

$254K
Average of Loan Amount

6.52
Average Interest Rate

697
Average Credit Score

6751
Households

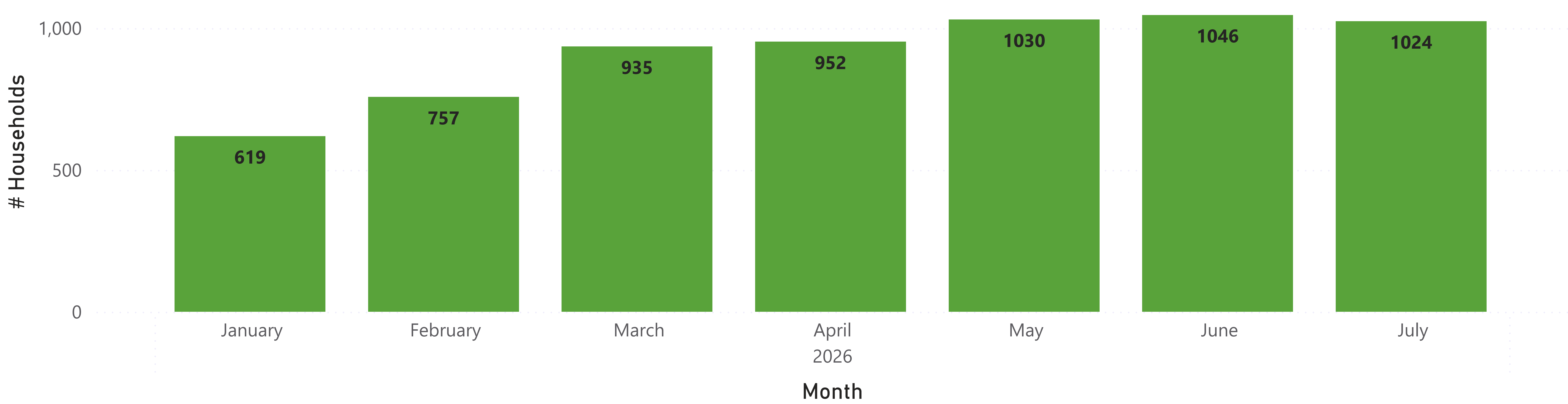
2
Average Household Size

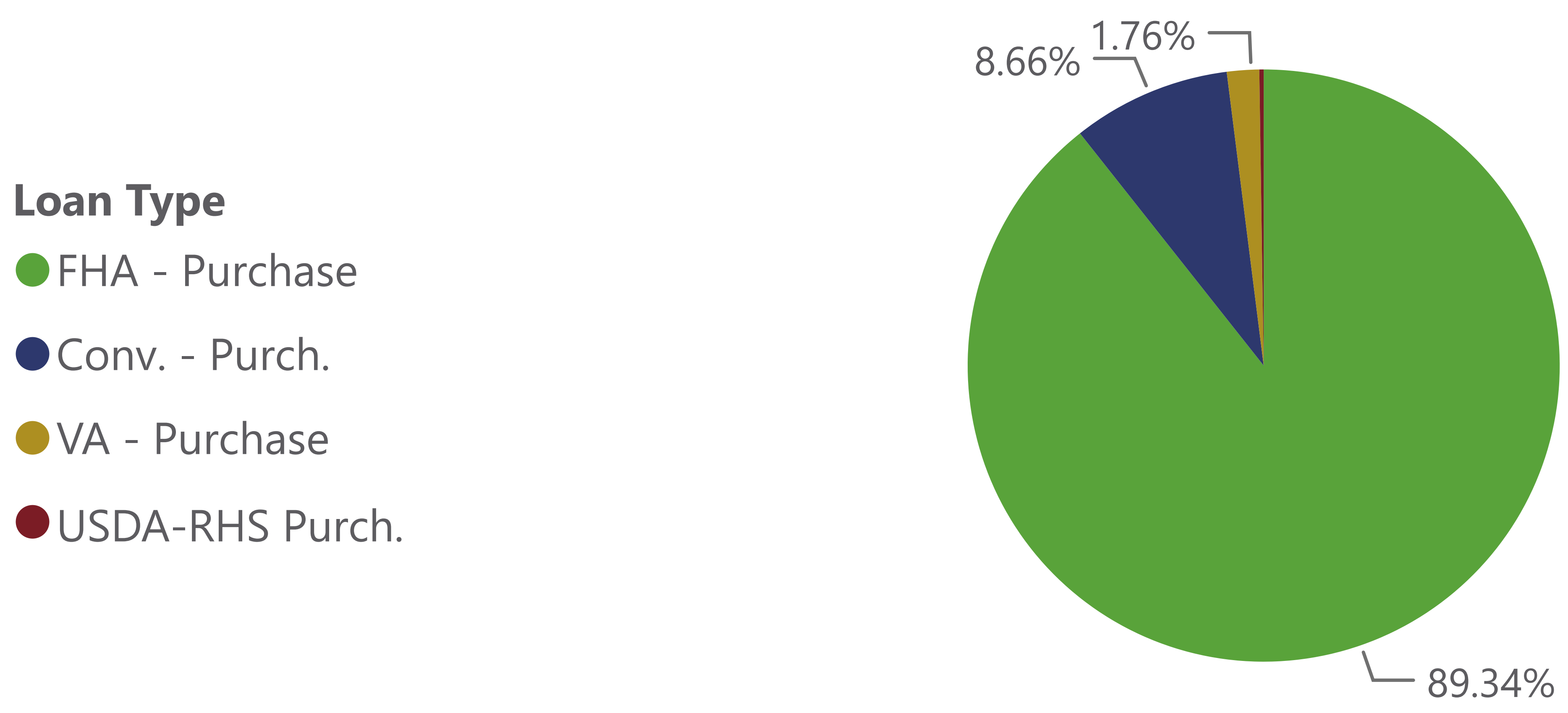
$1,715,258,127
Total Loan Volume $ Amount

Homeownership DPA Snapshot

January 1, 2026 to July 31, 2026

of Households by month





$9,904
Average DPA Awarded

$62,394,021
Total DPA Awarded

$87.35K
Average Annual Income

$253K
Average of Loan Amount

6.549
Average Interest Rate

695
Average Credit Score

6363
Households

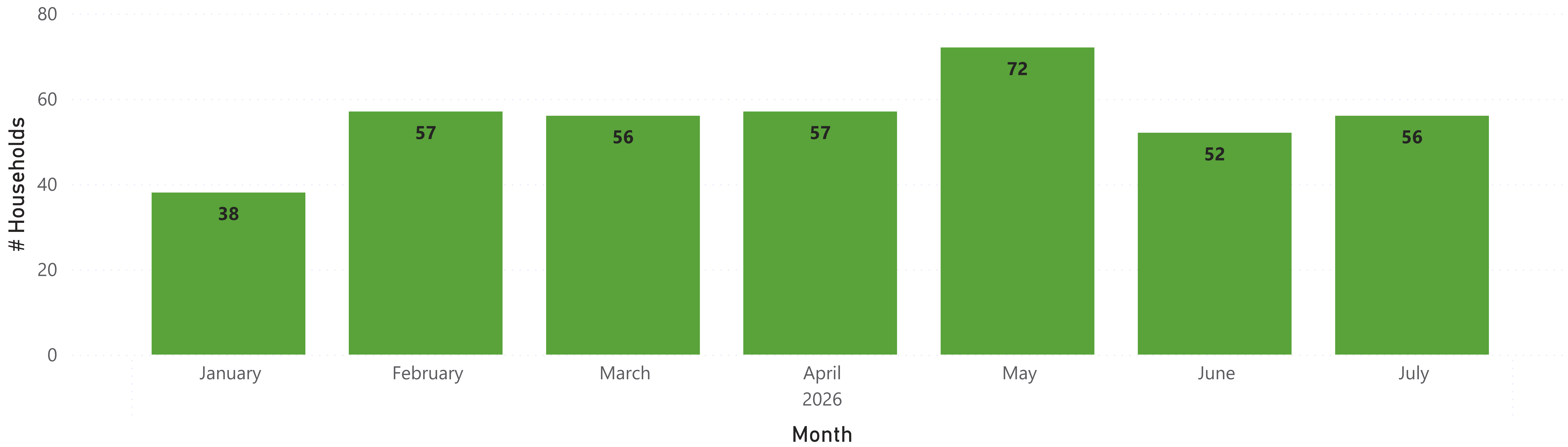
2
Average Household Size

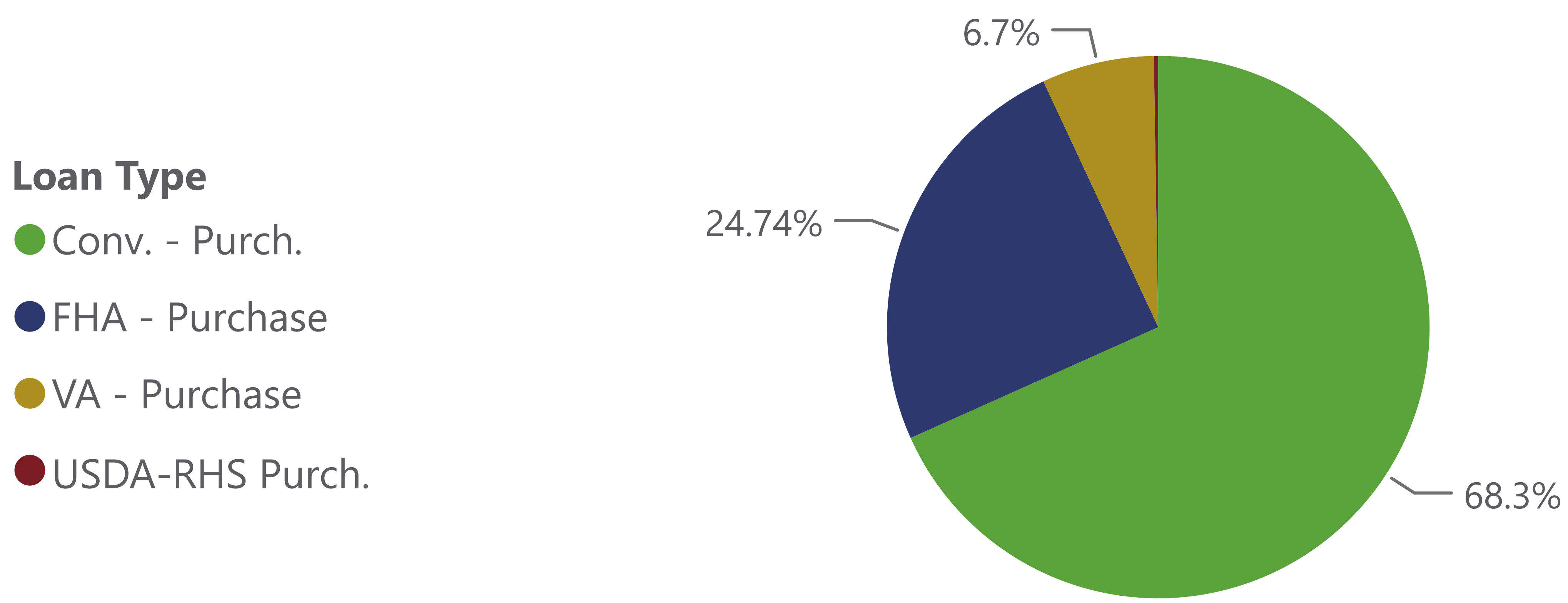
$1,610,959,977
Total Loan Volume $ Amount

Homeownership No DPA Snapshot

January 1, 2026 to July 31, 2026

of Households by month





$87.43K
Average Annual Income

$269K
Average of Loan Amount

5.994
Average Interest Rate

733
Average Credit Score

388
Households

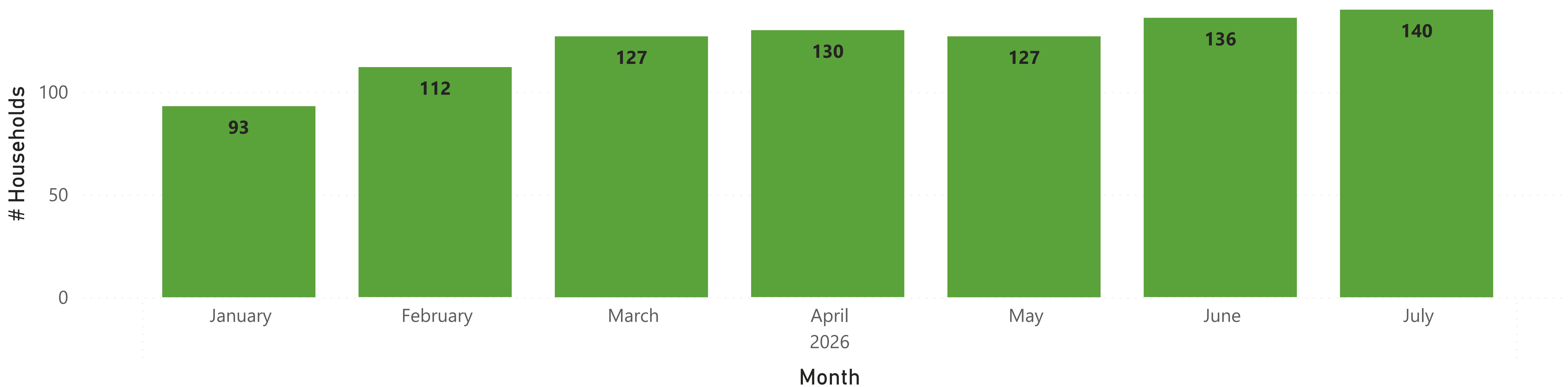
2
Average Household Size

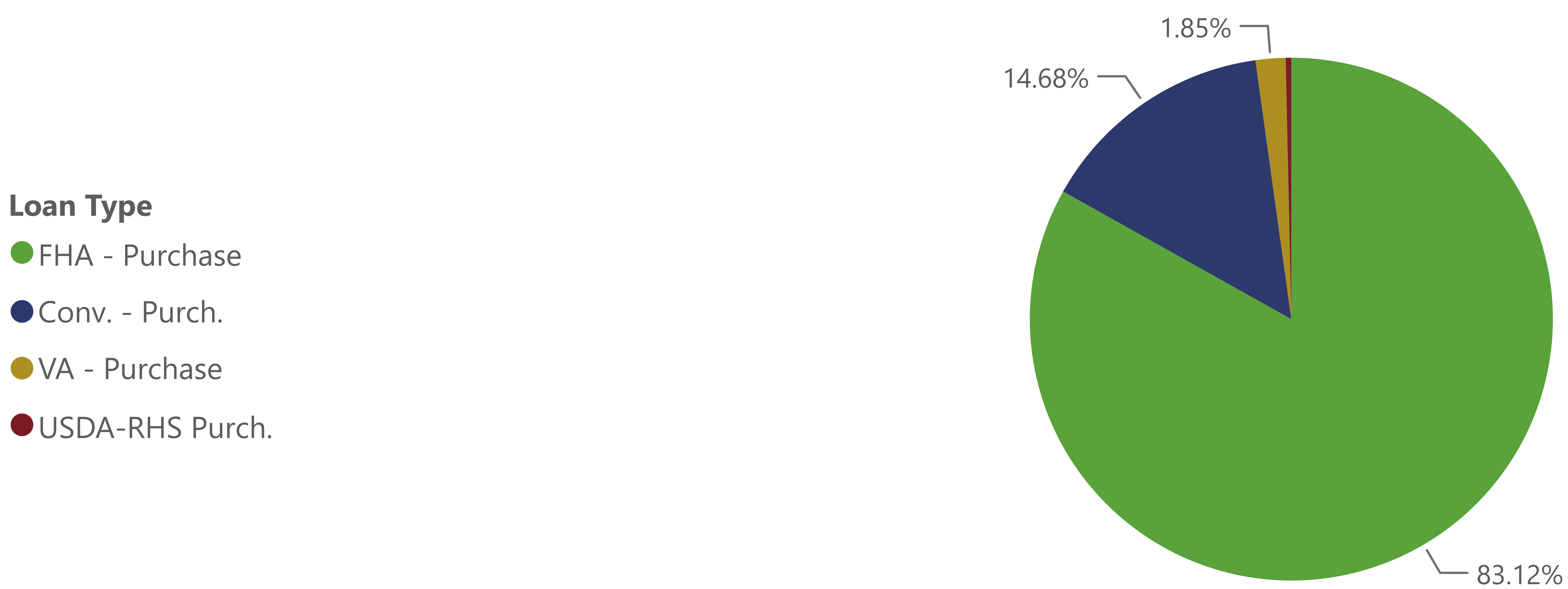
$104,298,150
Total Loan Volume $ Amount

Homeownership MCC Snapshot

January 1, 2026 to July 31, 2026

of MCC by Month





$74.89K
Average Annual Income

$248K
Average of Loan Amount

6.47
Average Interest Rate

707
Average Credit Score

865
Households

2
Average Household Size

$214,297,754
Total Loan Volume $ Amount

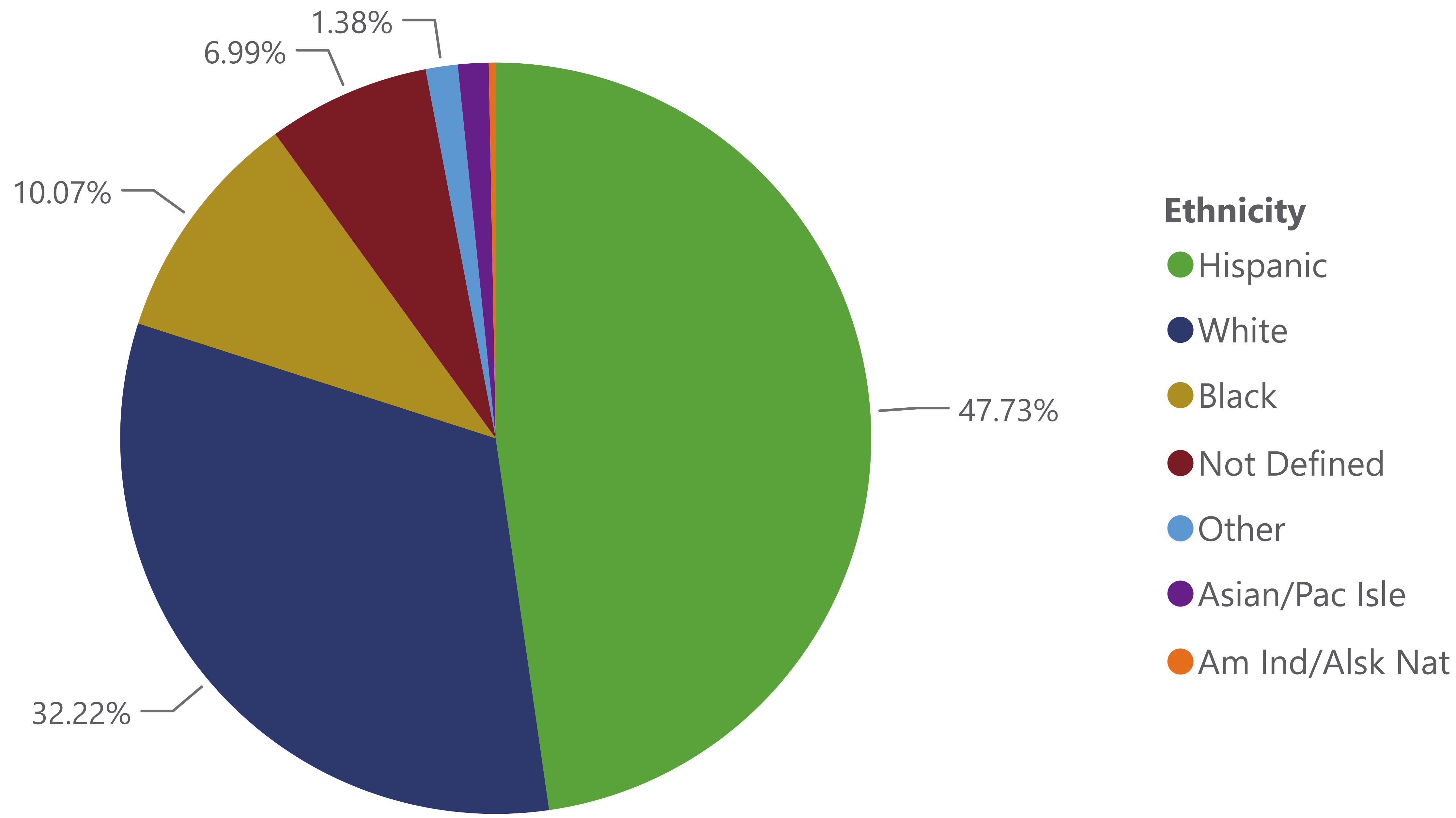
Homeownership
All Programs

January 1, 2026 to July 31, 2026

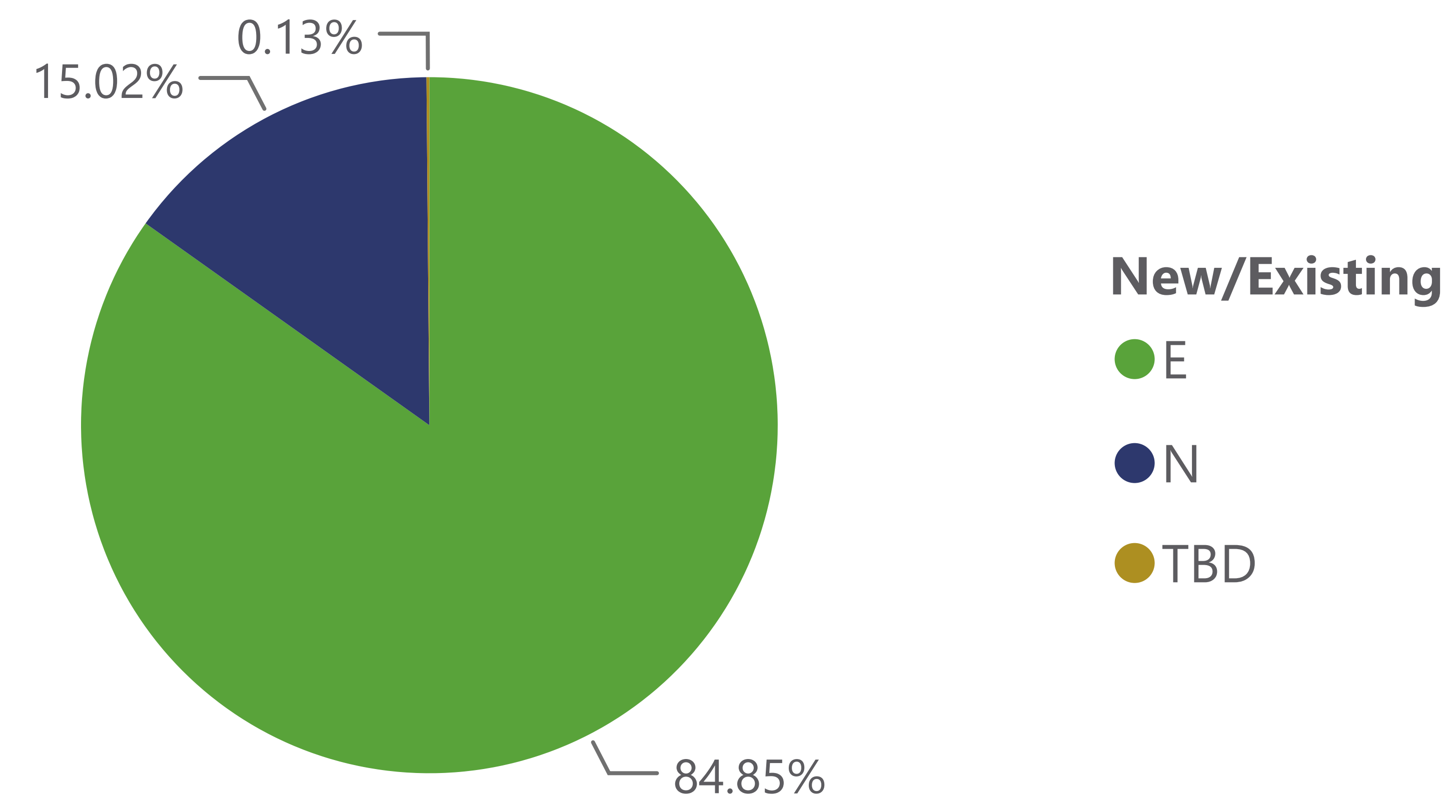
Professions

Occupation	# of Loans% of Total
Other	89.31%
Teacher	5.17%
Prof Nurse Fac	2.92%
Peace Officer	1.19%
Fire Fighter	0.58%
EMS Personnel	0.36%
Corrections Off	0.16%
County Jailer	0.16%
Sch Counselor	0.10%
Librarian	0.04%
Public Sec Off	0.01%
Total	**100.00%**

Household Ethnicity



New/Existing Home



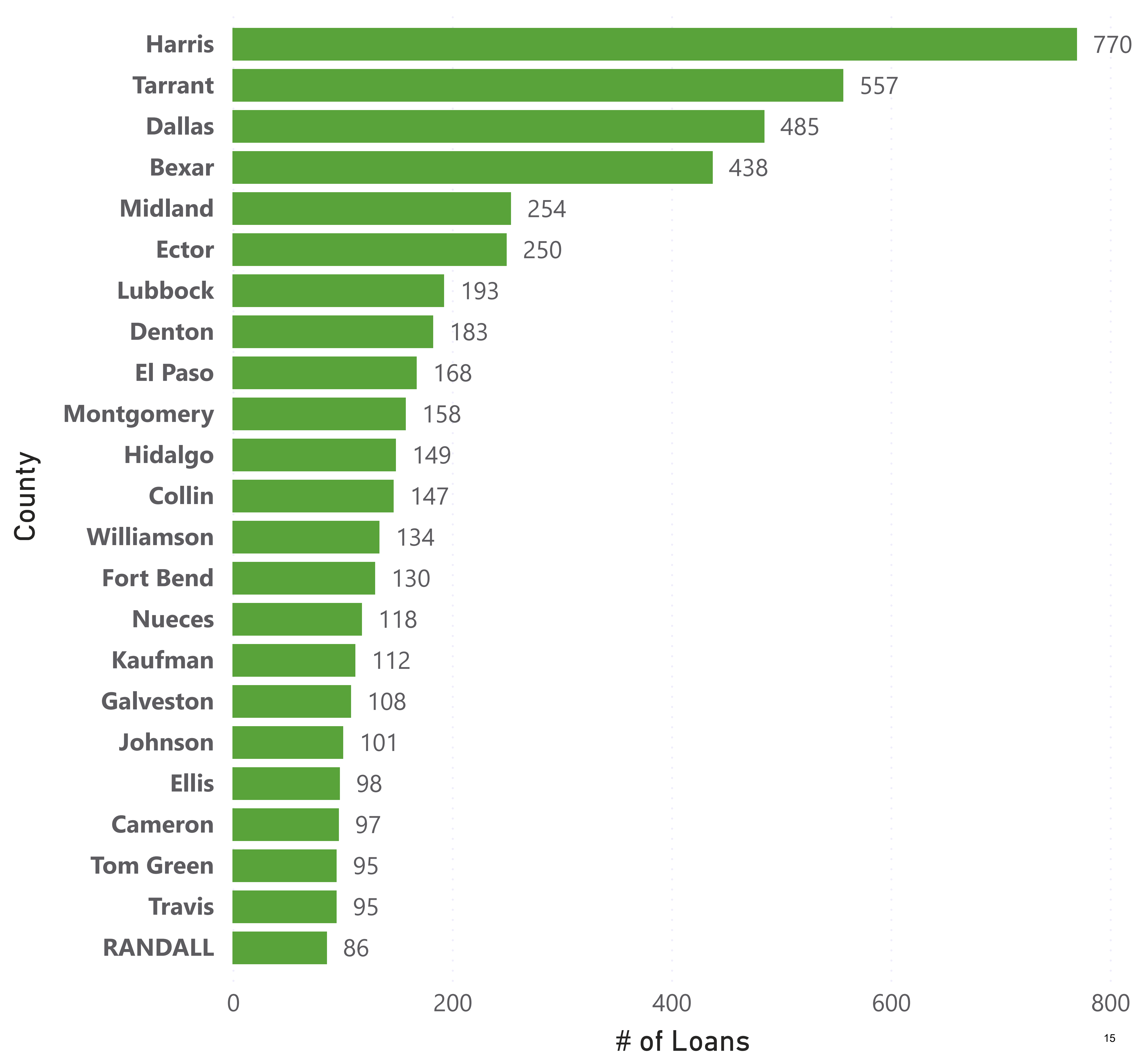
Homeownership All Programs

January 1, 2026 to July 31, 2026

Top Lenders

Top Lenders	# of Loans
Fairway Independent Mortgage Corporation	341
CMG Mortgage, Inc.	339
Everett Financial, Inc.	339
CrossCountry Mortgage, LLC	333
New American Funding, LLC	321
loanDepot.com, LLC	270
Guild Mortgage Company LLC	243
PrimeLending, A PlainsCapital Company	212
Plains Commerce Bank	185
Highlands Residential Mortgage, Ltd.	180
Kind Lending, LLC	159
Right Start Mortgage, Inc.	142
American Pacific Mortgage Corporation	131
Guaranteed Rate, Inc.	128
KBHS Home Loans, LLC	123
Gateway First Bank	120
Mortgage Financial Services, LLC	116
SecurityNational Mortgage Company	116
Total	**6,751**

Top Originating Counties



Tab C

Development Finance Report

Affordable Communities of Texas Program (ACT)

ACT home sale activity is picking up. In Onalaska, 220 Red Bud Ln sold on August 3rd, and 230 Red Bud Ln is under contract with a buyer. A home sale is anticipated next month. These are the last two properties in our Onalaska portfolio.

Additionally, TSAHC is under contract at 3017 Brushy Court in the Mesquite Wood subdivision in Harlingen. Staff is working towards a September closing date.

Boulevard 61 (Houston) completed construction and received its certificate of occupancy in early June. Forty-six of the 100 units have been leased. The project is expected to convert to permanent financing this fall.

Cairn Point Montopolis Apartments (Austin) is 53% complete and remains on schedule for completion by the end of June 2027. Construction progress includes substantial advancement in framing, roofing, and the installation of mechanical, electrical, plumbing, and fire protection systems. Several milestone inspections have been completed, with additional plumbing, HVAC, life-safety, framing, and pre-drywall inspections underway.

Regarding Juniper Creek (Austin), the project closed on its permanent financing. The property is currently fully leased and operating as expected.

Here is the updated portfolio summary:

Program	Portfolio as of July 1, 2026	Acquired	Sold	Portfolio as of August 1, 2026	Current Portfolio Value
ACT Land Bank Units	58	0	0	58	$2,554,815.20
ACT Joint Venture (MF Unit Count)	422	0	0	422	$21,370,000
Totals	480	0	0	480	$23,924,815.20

Our current pipeline report:

- 9 properties listed for sale
- 2 properties under construction
- 3 properties under contract
- 3 properties operating as joint venture rentals
- 23 properties in predevelopment

Texas Housing Impact Fund (THIF)

At this month's board meeting, staff will be presenting the following loans for review and possible approval:

- Presentation, discussion, and possible approval of a resolution approving a Texas Housing Impact Fund bridge loan to Amarillo Lofts, LP, or its affiliates or assignees, in an amount not to exceed $1,000,000 for the Amarillo Lofts apartments.

- Presentation, discussion, and possible approval of a resolution approving a Texas Housing Impact Fund bridge loan to Easy Street Lofts, LP, or its affiliates or assignees, in an amount not to exceed $550,000 for the Easy Street Lofts apartments.

Multifamily Bond Program

The final version of our 2027 RFP and Policies for Multifamily Private Activity Bonds is ready for the Board's approval this month. Since June, the policies have been published on our website for public comment. Staff received one public comment associated with the Whitetail Ridge application. After discussing the applicant's questions internally, staff is recommending one additional change that will be discussed during the agenda presentation. If approved, the final approved version will be posted, along with an updated application for the 2027 application round, which opens in October.

Tab D

Texas Foundations Fund (TFF) Report

All Approved 2026 Grantees to Date - TFF Annual Grants					
	Applicant	Program Type	Location	Counties	Award
1	**Adult and Teen Challenge Dallas***	Supportive Services	Desoto	Collin, Dallas, Denton, Ellis, Hopkins, Kaufman, Parker, Rockwall, Smith, Tarrant, Tyler, Van Zandt	$10,000
2	Adult and Youth United Development Association, Inc. (AYUDA)	Critical Repair	San Elizario	El Paso, Hudspeth	$10,000
3	Advocacy Outreach	Housing Counseling	Elgin	Bastrop	$10,000
4	Agape Resource and Assistance Center	Supportive Services	Plano	Collin	$10,000
5	**Amarillo Habitat for Humanity***	Housing Counseling	Amarillo	Potter	$10,000
6	**Anna Dunn Affordable Housing Corporation***	Critical Repair	San Antonio	Winkler, Wise, Wood, Yoakum, Young, Zapata, Zavala	$10,000
7	Another Chance House	Supportive Services	Amarillo	Armstrong, Briscoe, Carson, Castro, Childress, Collingsworth, Dallam, Deaf Smith, Donley, Gray, Hale, Hall, Hansford, Hartley, Hemphill, Hutchinson, Lipscomb, Lubbock, Ochiltree, Oldham, Parmer, Potter, Randall, Roberts, Sherman, Swisher, and Wheeler	$10,000
8	**Blanco River Regional Recovery Team***	Supportive Services	San Marcos	Hays	$10,000
9	Colorado County Habitat for Humanity	Critical Repair	Columbus	Colorado	$10,000
10	Community Outreach Housing	Critical Repair	Whitney	Erath, Hill	$10,000
11	Denton Affordable Housing Corporation	Supportive Services	Denton	Denton	$10,000
12	East Texas Alliance of Hope	Supportive Services	Lufkin	Angelina	$10,000
13	Fort Hood Area Habitat for Humanity	Critical Repair	Killeen	Bell, Coryell, Falls, Lampasas, Milam	$10,000
14	**Genesis Affordable Housing***	Supportive Services	Houston	Harris	$10,000
15	**God Order My Steps Ministries***	Critical Repair	Rosharon	Harris	$10,000
16	Golden Crescent Habitat for Humanity	Critical Repair	Victoria	Calhoun, Dewitt, Goliad, Jackson, Lavaca, Victoria	$10,000
17	Habitat for Humanity of Grayson County	Critical Repair	Sherman	Grayson	$10,000
18	Habitat for Humanity of Jefferson County	Critical Repair	Beaumont	Jefferson, Orange	$10,000
19	**Hearts and Hammers***	Critical Repair	Dallas	Collin, Dallas	$10,000
20	Hispanic Real Estate Brokers Association (HREBA)	Housing Counseling	Arlington	Dallas, Tarrant	$10,000
21	Katy Responds	Critical Repair	Katy	Fort Bend, Harris, Waller	$10,000
22	Life, Hope, & Change Inc.	Supportive Services	Houston	Harris, Houston	$10,000
23	Lufkin Neighborhood Strong	Critical Repair	Lufkin	Angelina, Cherokee, Crockett, Houston, Jasper, Nacogdoches, Polk, San Augustine, Trinity, Tyler	$10,000
24	NeighborWorks Laredo	Critical Repair	Laredo	Webb, Zapata	$10,000
25	Rebuilding Together El Paso	Critical Repair	El Paso	El Paso	$10,000
26	Rebuilding Together Greater Dallas. Inc.	Critical Repair	Plano	Collin, Dallas, Denton, Rockwall, Tarrant	$10,000
27	**Santa Fe Family Services***	Supportive Services	Santa Fe	Galveston	$10,000
28	**Shared Housing Center***	Supportive Services	Dallas	Collin, Dallas	$10,000
29	**Shelby's Bridge***	Supportive Services	Sudan	Bailey, Cochran, Hale, Lamb, Lubbock, Parmer	$10,000
30	United for College and Career Success	Supportive Services	Sugar Land	Brazoria, Fort Bend, Galveston, Harris, Montgomery	$10,000
31	Waco Community Development dba Grassroots Community Development	Critical Repair	Waco	McLennan	$10,000
32	6 Stones	Critical Repair	Euless	Tarrant	$13,000
33	Affordable Homes Of South Texas	Critical Repair	McAllen	Hidalgo	$13,000

34	Alliance of Community Assistance Ministries, Inc. (ACAM)	Supportive Services	Houston	Brazoria, Fort Bend, Galveston, Harris, Montgomery, Waller	$13,000
35	Angel Reach	Supportive Services	Conroe	Harris, Montgomery	$13,000
36	Brazos Valley Affordable Housing Corporation	Housing Counseling	Bryan	Brazos, Burleson, Grimes, Leon, Madison, Robertson, Washington	$13,000
37	Coastal Bend Center for Independent Living	Critical Repair	Corpus Christi	Aransas, Bee, Brooks, Duval, Jim Wells, Kenedy, Kleberg, Live Oak, Nueces, Refugio, San Patricio	$13,000
38	Galilee CDC	Critical Repair	San Angelo	Coke, Concho, Irion, Menard, Reagan, Runnels, Schleicher, and Tom Green	$4,000
39	Habitat for Humanity of Smith County	Critical Repair	Tyler	Smith	$13,000
40	**Housing First Community Coalition***	Supportive Services	San Antonio	Bexar	$13,000
41	Jeremiah Program	Supportive Services	Austin	Travis	$13,000
42	**Mosaic Family Services, Inc.***	Supportive Services	Dallas	Dallas	$13,000
43	NeighborWorks Waco	Housing Counseling	Waco	Bell, Bosque, Coryell, Falls, Freestone, Hill, Limestone, McLennan	$13,000
44	Operation Pathways	Housing Counseling	Washington DC	Harris	$13,000
45	Rebuilding Together Austin San Antonio	Critical Repair	Austin	Bexar, Hays, Travis, Williamson	$13,000
46	Rebuilding Together Houston	Critical Repair	Houston	Harris	$13,000
47	Saint Louise House	Supportive Services	Austin	Travis	$13,000
48	Samaritan House	Supportive Services	Fort Worth	Tarrant	$13,000
49	Sewa International, Inc.	Supportive Services	Houston	Harris	$13,000
50	Texas Ramp Project	Critical Repair	Richardson	Anderson, Angelina, Archer, Armstrong, Austin, Bandera, Bastrop, Baylor, Bell, Bexar, Blanco, Bosque, Bowie, Brazoria, Brazos, Brown, Burleson, Burnet, Caldwell, Callahan, Cameron, Camp, Carson, Case, Castro, Cherokee, Childress, Clay, Coke, Collin, Collingsworth, Comal, Comanche, Concho, Cooke, Coryell, Crockett, Culberson, Dallam, Dallas, Deaf Smith, Delta, Denton, Dewitt, Donley, Eastland, El Paso, Ellis, Erath, Falls, Fannin, Fayette, Fisher, Foard, Fort Bend, Franklin, Freestone, Gillespie, Gonzales, Gray, Grayson, Gregg, Grimes, Guadalupe, Hall, Hansford, Hardeman, Hardin, Harris, Harrison, Hartley, Hays, Henderson, Hidalgo, Hill, Hopkins, Hudspeth, Hunt, Hutchinson, Irion, Jack, Jasper, Jefferson, Jones, Kaufman, Kendall, Kerr, Kimble, Lamar, Lavaca, Lee, Leon, Limestone, Llano, Madison, Mason, McCulloch, McLennan, Menard, Mitchell, Montague, Montgomery, Moore, Morris, Nacogdoches, Newton, Ochiltree, Oldham, Orange, Panola, Parker, Parmer, Potter, Presidio, Rains, Randall, Red River, Regan, Roberts, Robertson, Rusk, Schleicher, Scurry, Smith, Stephens, Sterling, Stonewall, Sutton, Tarrant, Taylor, Titus, Tom Green, Travis, Upshur, Van Zandt, Victoria, Waller, Washington, Wheeler, Wichita, Wilbarger, Willacy, Williamson, Wilson, Wise, Wood, Young	$13,000
51	The Samaritan Inn	Supportive Services	McKinney	Collin, Dallas	$13,000
52	The Women's Home	Supportive Services	Houston	Harris	$13,000
53	**Thrive Youth Center***	Supportive Services	San Antonio	Bexar	$13,000
54	Waco Habitat for Humanity, Inc.	Critical Repair	Waco	McLennan	$13,000
55	Austin Habitat for Humanity	Critical Repair	Austin	Bastrop, Blanco, Caldwell, Hays, Travis	$25,000
56	Avenue Community Development Corporation	Housing Counseling	Houston	Austin, Brazoria, Chambers, Fort Bend, Galveston, Harris, Liberty, Montgomery, Waller	$25,000
57	Catholic Charities Archdiocese Galveston-Houston	Supportive Services	Houston	Fort Bend, Harris	$25,000
58	Catholic Charities of Dallas, Inc.	Housing Counseling	Dallas	Collin, Dallas, Ellis, Fannin, Grayson, Hunt, Kaufman, Navarro, Rockwall	$25,000
59	Community Council of Greater Dallas	Critical Repair	Dallas	Dallas	$25,000

60	**Community Options, Inc.***	Supportive Services	San Antonio	Atascosa, Bandera, Bexar, Comal, Frio, Guadalupe, Hays, Karnes, Kendall, Kerr, Medina, Wilson	$25,000
61	Easter Seals of Greater Houston, Inc.	Housing Counseling	Houston	Fort Bend, Harris, Liberty, Montgomery	$25,000
62	El Paso Community Action Program/Project BRAVO	Housing Counseling	El Paso	El Paso	$25,000
63	Family Eldercare	Supportive Services	Austin	Travis, Williamson	$25,000
64	Fort Bend County Women's Center	Supportive Services	Richmond	Fort Bend	$25,000
65	Foundation Communities Inc.	Supportive Services	Austin	Travis	$25,000
66	Habitat for Humanity of San Antonio, Inc.	Housing Counseling	San Antonio	Bexar, Guadalupe	$25,000
67	**Haven for Hope***	Supportive Services	San Antonio	Bexar	$25,000
68	Hope through Housing Foundation	Supportive Services	Humble	Brazoria, Harris, Tarrant	$25,000
69	LifeWorks Austin	Supportive Services	Austin	Travis	$25,000
70	Meals on Wheels of Tarrant County	Critical Repair	Fort Worth	Tarrant	$25,000
71	Merced Housing Texas	Critical Repair	San Antonio	Bexar	$25,000
72	Motivation, Education, & Training, Inc. (MET)	Critical Repair	New Caney	Cameron, Dimmit, Hidalgo, Maverick, Starr, Willacy, Zavala	$25,000
73	Navicore Solutions	Housing Counseling	Manalapan, NJ	Collin, Dallas, Denton, Harris, Tarrant, Travis	$25,000
74	Northwest Assistance Ministries	Supportive Services	Houston	Harris	$25,000
75	Presbyterian Night Shelter of Tarrant County	Supportive Services	Fort Worth	Tarrant	$25,000
76	Recovery Resource Council	Supportive Services	Fort Worth	Tarrant	$25,000
77	The Bridge Homeless Recovery Center	Supportive Services	Dallas	Dallas	$25,000
78	**The SAFE Alliance***	Supportive Services	Austin	Travis	$25,000
79	Trinity Habitat	Critical Repair	Fort Worth	Parker, Tarrant	$25,000
80	Union Gospel Mission of Tarrant County	Supportive Services	Fort Worth	Tarrant	$25,000

Organization Name* = New Applicant
Organization Name = Returning Grantee

Funding by Operational Budget Size	
Small Organizations (Budget less than $2 million)	**$310,000**
Mid-Size Organizations (Budget size $2 million - $10 million)	**$290,000**
Large Organizations (Budget greater than $10 million)	**$650,000**
Funding by Program Type	
Supportive Services Grantees	**$613,000**
Housing Counseling Grantees	**$219,000**
Critical Repair Grantees	**$422,000**
Total Amount of Funding Awarded for 2026	**$1,250,000**
Funds Remaining for 2026 (Out of $1.25 Million)	**$0**

2026 Texas Foundations Fund Disaster Recovery Program						
Organization Name	**Services Provided**	**Declared Disaster**	**Award Amount**	**Date of Disaster Declaration**	**Month Awarded**	**Counties Served**
Community Outreach Housing	General Flood Repair (Debris removal, tree trimming and removal, mold mitigation, water damage repairs)	July 2025 Flood Events	$30,000	7/4/2025	Oct-25	Hamilton
Galilee Community Development Corp.	General Flood Repair (Muck & Gut, sheetrock, roofing, electrical, and flooding repairs)	July 2025 Flood Events	$30,000	7/6/2025	Oct-25	Menard, Tom Green

Amount Paid Out	**$60,000.00**
Funds Remaining	**$290,000.00**

Please Note: This information is accurate as of August 10, 2026. Staff is reviewing seven Disaster Recovery applications for funding as part of the FY2026 program.

Tab E

Quarterly Compliance and Residential Services Reports

Quarterly Compliance Status for TSAHC

As of the 1st Quarter Ending March 31, 2026

Set-Aside Requirements	DALCOR		
	Pine Club (Beaumont)	**Ridgewood (Huntsville)**	**Saddlewood Club (Bryan)**
40% of units at 60% AMI	91.4%	100.0%	99.1%
Remaining units at 80% AMI	91.4%	100.0%	99.1%
Total Affordable Units (40% Required)	**91.4%**	**100.0%**	**99.1%**
	Tealwood Club (Wichita Falls)	**Willowgreen (Houston)**	**Woodglen Park (Dallas)**
40% of units at 60% AMI	100.0%	99.1%	100.0%
Remaining units at 80% AMI	100.0%	99.4%	100.0%
Total Affordable Units (40% Required)	**100.0%**	**99.4%**	**100.0%**

	Commonwealth	Cesar Chavez Foundation
	White Rock (San Antonio)	**Villa Rodriguez (San Antonio)**
20% of units at 50% AMI	21.1%	23.9%
75% of units at 80% AMI	76.5%	85.0%
Total Affordable Units (75% Required)	**76.5%**	**85.0%**

	DHI Woodside	Midland Leased Housing	Eden Court Senior Housing Ltd
	Woodside Village (Palestine)	**Ventura at Tradewinds (Midland)**	**Eden Court (Seguin)**
40% of units at 60% AMI	98.9%	99.5%	99.1%
Total Affordable Units (40% Required)	**98.9%**	**99.5%**	**99.1%**

	GESC
	Rita Blanca (Dalhart)
20% of units at 50% AMI	21.4%
100% of units at 80% AMI	100%
Total Affordable Units (100% Required)	**100%**

	Palladium Glenn Heights LD	Texas Housing Foundation	EC Marshall, LLC
	Palladium Glenn Heights (Glenn Heights	**Gateway Northwest (Georgetown)**	**Marshall Apartments (Austin)**
40% of units at 60% AMI	93.3%	60.0%	100%
Total Affordable Units (40% Required)	**93.3%**	**60.0%**	**100%**

	THF Palladium Midland
	Palladium Midland (Midland)
40% of units at 60% AMI	79.9%
78% of units at 80% AMI	79.9%
Total Affordable Units (78% Required)	**79.9%**

	Steele		
	Peoples El Shaddai (Dallas)	**St James Manor (Dallas)**	**Brooks Manor (West Columbia)**
5% of units at 30% AMI	21.0%	16.0%	8%
40% of units at 60% AMI	100.0%	99.0%	100%
Total Affordable Units (40% Required)	**100.0%**	**99.0%**	**100%**

	Steele	W Daniels Towners I, LP	
	Pythian Manor (Dallas)	**W. Leo Daniels (Houston)**	
5% of units at 30% AMI	11.8%	7%	
40% of units at 60% AMI	100.0%	100%	
Total Affordable Units (40% Required)	**100.0%**	**100.0%**	

	LRC Shady Oaks Manor		
	Shady Oaks Manor (Ft. Worth)		
20% of units at 50% AMI	100.0%		
20% of units at 50% AMI	100.0%		
Total Affordable Units (40% Required)	**100.0%**		

	LIH Walnut Creek Austin LP	Apartments of Las Palmas	Roers Boerne Apts Owner LLC
	Walnut Creek (Austin)	**Las Palmas Villa (Eagle Pass)**	**Bluff View Apartments (Boerne)**
40% of units at 60% AMI	97.9%	97.2%	**0.0%**
Total Affordable Units (40% Required)	**97.9%**	**97.2%**	**N/A - New construction**

	Envolve Community Mgmt	Green Development Company	Dallas Leased Housing
	Fawn Ridge (The Woodlands)	**Pine Terrace (Mt Pleasant)**	**Riverstation (Dallas)**
40% of units at 60% AMI	87.5%	98.7%	100.0%
Total Affordable Units (40% Required)	**87.5%**	**98.7%**	**100.0%**

	THF Midland Leased Housing	Galveston 3916 Winnie St LP	Market TC II, LP
	Scharbauer Flats (Midland)	**Sandpiper (Galveston)**	**Marketplace at Liberty Crossing (Wilmer)**
40% of units at 60% AMI	99.7%	99.4%	96.2%
Total Affordable Units (40% Required)	**99.7%**	**99.4%**	**96.2%**

	FC Juniper Creek Housing LP		
	Juniper Creek (Austin)		
40% of units at 60% AMI	97.3%		
Total Affordable Units (40% Required)	**97.3%**		

	AHA!		
	AHA! At Briarcliff (Austin)		
37% of units at 30% AMI	66.7%		
100% of units at 60% AMI	100.0%		
Total Affordable Units (100% Required)	**100.0%**		
	Gardens at Balch Springs, LP		
	Parmore Arcadia Trails (Balch Spring)		
20% of units at 50% AMI	40.0%		
Total Affordable Units (20% Required)	**40.0%**		

Notes: Pine Club, Saddlewood and Willowgreen (EPG Portfolio) met their federal set-aside requirements but did not meet their additional set-aside elections due to down units (i.e., extended vacancies). Findings were issued for Pine Club and Willowgreen, and corrective action is monitored monthly. For Saddlewood, down units are due to a unit fire. Unit rehabilitation is being monitored.

TSAHC - Quarterly Resident Services Summary

As of the 1st Quarter Ending March 31, 2026

DALCOR

	Pine Club (Beaumont)	Ridgewood (Huntsville)	Saddlewood Club (Bryan)	
Number of Services Required	6	6	6	
Number of Services Provided	7	12	10	
	Tealwood Club (Wichita Falls)	Willowgreen (Houston)	Woodglen Park I & II (Dallas)	
Number of Services Required	6	6	6	
Number of Services Provided	12	11	17	
	AHA!	Cesar Chavez Foundation	GESC	
	AHA! at Briarcliff Apartments (Austin)	Villa Rodriguez (San Antonio)	Rita Blanca (Dalhart)	
Number of Services Required	5 consistently throughout year	6	5	
Number of Services Provided	12	7	12	
	Texas Housing Foundation	Texas Housing Foundation	Texas Housing Foundation	
	Palladium Midland (Midland)	Gateway Northwest (Georgetown)	Palladium Glenn Heights (Dallas)	
Number of Services Required	6	6	6	
Number of Services Provided	14	8	8	
	Steele St. James Peoples	Steele St. James Peoples	Steele Brooks Manor	Steele Pythian Manor
	Peoples El Shaddai (Dallas)	St James Manor (Dallas)	Brook Manor (West Columbia)	Pythian Manor (Dallas)
Number of Services Required	12	12	6	12
Number of Services Provided	21	21	17	15
	LIH Walnut Creek Austin LP	DHI Woodside Associates, LLC	THF Midland Leased Housing	THF Midland Leased Housing
	Walnut Creek (Austin)	Woodside Village (Palestine)	Scharbauer Flats	Ventura at Tradewinds (Midland)
Number of Services Required	12	6	12	12
Number of Services Provided	25	6	12	12
	EC Fawn Ridge	Apartment Las Palmas	EC Marshall LLC	LRC Shady Oaks Manor, LLC
	Fawn Ridge Apartments	Las Palmas Villas	Marshall Apartments	Shady Oaks Manor
Number of Services Required	6	6	6	6
Number of Services Provided	9	13	12	6
	LPM Pine Terrace LP	Dallas Leased Housing Associates XI, LLP	Gardens at Balch Springs, LP	Roers Boerne Apts Owner LLC
	Pine Terrace Apartments	Riverstation	Parmore Arcadia Trails (Balch Springs)	Bluff View (Boerne)
Number of Services Required	12	6	12	12
Number of Services Provided	12	13	12	N/A - New Construction
	W Daniels Towners I, LP	Galveston 3916 Winnie St LP	Market TC II, LP	Eden Court Senior Housing Ltd Partnership
	W. Leo Daniels	Sandpiper Cove	Marketplace at Liberty Crossing	Eden Court (Seguin)
Number of Services Required	12	12	12	12
Number of Services Provided	12	12	17	14
	FC Juniper Creek Housing LP			
	Juniper Creek (Austin)			
Number of Services Required	12			
Number of Services Provided	N/A - New Construction			
Number of Services Required				
Number of Services Provided				
Number of Services Required				
Number of Services Provided				
Number of Services Required				
Number of Services Provided				

Notes:

Tab F

Quarterly Fundraising Report

Texas State Affordable Housing Corporation
2026 Quarterly Fundraising Report
August 11, 2026

2026 Homeownership and Home Buyer Education Initiatives			
Funder	**Amount**	**Status**	**Notes**
Individual Donations	$6,800.00	Received	Received since October 2025 to support 2026 Housing Connection workshops
Wells Fargo/Local Initiatives Support Corporation	$195,148.00	Received	Four year grant awarded in November 2022 to support the research of a mortgage assistance pilot program and to support collaborative efforts to increase homeownership among households of color in the Houston area
Federal Home Loan Bank of Dallas	$100,000.00	Received	Funds will support 2026 Housing Connection workshop and consumer resources to be launched with our new website
Regions Bank	$2,500.00	Received	Funds will support 2026 Housing Connection Training
Frost Bank	$5,000.00	Pending	Funds will support 2026 Housing Connection Training
JPMorgan Chase	$15,000.00	Pending	Funds will support 2026 Housing Connection Training
Bank of America	$10,000.00	Pending	Funds will support 2026 Housing Connection Training
Community Foundation of the Texas Hill Country	$5,510,000.00	Received	Funds will provide additional down payment assistance to households affected by July 4th flooding in Kerr County and Comfort, Texas.
PNC	$7,500.00	Received	Funds awarded to support training and outreach events related to Kerr County down payment assistance opportunity
Total Requests Received/Approved	**$5,851,948.00**		

2026 Texas Supportive Housing Institute			
Charles Schwab Bank	$250,000.00	Received	Funds were awarded in January 2026 and will support 100% of 2026 Institute costs
Total Requests Received/Approved	**$250,000.00**		

TSAHC Grant Making Programs (Texas Foundations Fund, new TxDOT Initiative)			
Funder	**Amount**	**Status**	**Notes**
Texas Department of Transportation	$ 30,000,000.00	Partially received	Entered discussions in October 2020 to administer grant funding to support affordable housing initiatives in Houston neighborhoods affected by I-45 expansion project. Contract approved by TSAHC Board of Directors in June 2024 and executed in July 2024. TSAHC began working with a consultant in May 2025 to identify housing needs and opportunities in impacted neighborhoods and come up with a written revitalization plan to administer the grant funds. The board approved the draft plan for public comment in April 2026, and the final plan is due to TxDOT in June 2026.
Total Requests Received/Approved	**$ 30,000,000.00**		

Texas Housing Impact Fund			
Funder	**Amount**	**Status**	**Notes**
Sisters of Charity of the Incarnate Word	$ 250,000.00	Received	Program Related Investment received in January 2021 to support Texas Housing Impact Fund. Investment renewed in February 2026.
Total Requests Approved/Received/Partially Received	**$ 250,000.00**		

Affordable Communities of Texas (ACT) Program

Funder	Amount	Status	Notes
Texas Community Bank	$10,000.00	Received	Awarded in October 2025 to support the redevelopment of ACT homes for households earning up to 80% AMI
Texas Community Bank	$500,000.00	Received	EQ2 investment received in August 2024

Total Requests Received	**$510,000.00**
Summary	
Total Requests Committed/Received/Partially Received	**$36,861,948.00**

Tab 1

Presentation, Discussion and Possible Approval of Minutes of the Board Meeting held on July 21, 2026.

TEXAS STATE AFFORDABLE HOUSING CORPORATION
BOARD MEETING

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

July 21, 2026
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 Lemuel Williams, Chair, at 10:33 a.m., on June 21, 2026, at the offices of Texas State Affordable Housing Corporation, 6701 Shirley Avenue, Austin, TX 78752. Roll Call certified that a quorum was present.

Members Present:
Lemuel Williams, Chair
Valerie Cardenas, Vice Chair
David Rassin, Member
Ernest Richards, Member
David V. Lewis, Member

Guests Present:
Brooke Bozeman, Coats Rose
Deborah J. Welchel, VOANS
Eric Mitzel, Bank OZK
Pegy Brimhall, VOANS
Rachel Rodriguez, Coats Rose

President's Report **David Long, President**

Tab 1 **Presentation, Discussion and Possible Approval of Minutes of the Board Meeting held on June 16, 2026.**

Mr. Rassin made a motion to approve the minutes of the Board meeting held June 16, 2026. Ms. Cardenas seconded the motion. Mr. Williams asked for public comment, and none was given. A vote was taken, and the motion was approved as presented.

See page 16 in the official transcript.

Tab 2 **Presentation, Discussion and Possible Approval of a Resolution Regarding Applications for Qualified Mortgage Bond Volume Cap related to Qualified Mortgage Revenue Bonds or Mortgage Credit Certificates Associated with 2026 Volume Allocation and Containing Other Matters Incident and Related Thereto.**

Presented by Joniel LeVecque, Senior Director of Single Family Programs

Ms. Cardenas made a motion to approve a Resolution Regarding Applications for Qualified Mortgage Bond Volume Cap related to Qualified Mortgage Revenue Bonds or Mortgage Credit Certificates Associated with 2026 Volume Allocation and Containing Other Matters Incident and Related Thereto. Mr. Richards seconded the motion. Mr. Williams asked for public comment, and none was given. A vote was taken, and the motion was approved as presented.

See page 17 in the official transcript.

Tab 3 Presentation, Discussion and Possible Approval of a Resolution Authorizing Request for Unencumbered State Ceiling; and Containing Other Matters Incident and Related Thereto.

Presented by Joniel LeVecque, Senior Director of Single Family Programs

Ms. Cardenas made a motion to approve a Resolution Authorizing Request for Unencumbered State Ceiling; and Containing Other Matters Incident and Related Thereto. Mr. Lewis seconded the motion. Mr. Williams asked for public comment, and none was given. A vote was taken, and the motion was approved as presented.

See page 22 in the official transcript.

Tab 4 Presentation, Discussion and Possible Approval of a Resolution authorizing 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 Whitetail Ridge.

Presented by Dave Danenfelzer, Senior Director, Development Finance

Mr. Lewis made a motion to approve a Resolution authorizing 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 Whitetail Ridge. Mr. Richards seconded the motion. Mr. Williams asked for public comment, and none was given. A vote was taken, and the motion was approved as presented.

See page 24 in the official transcript.

Tab 5 Closed Executive Session – Discussion pursuant to Texas Government Code § 551.074.

Closed Executive Session from 11:15 a.m. to 12:42 p.m.

See page 38 in the official transcript.

Tab 6 Review, Discussion, and Possible Action regarding matters discussed in Executive Session and any related actions.

No action taken.

See page 39 in the official transcript.

Announcements

Mr. Long and the Board tentatively scheduled the next Board Meeting for Tuesday, August 18, at 10:30 a.m., and will be preceded by an Audit Committee Meeting at 9:00 a.m.

Adjournment

Mr. Williams adjourned the meeting at 12:42 p.m.

Respectfully submitted by____
Rebecca DeLeon, Corporate Secretary

Tab 2

Presentation, Discussion and Possible Approval of the Fiscal Year 2027 Annual Operating Budget.

Texas State Affordable Housing Corporation
Proposed Operating Budget
Fiscal Year 2027

		2026 Budget	2026 Actual	2027 Budget
Revenues				
Single Family	$	6,369,000	7,948,419	7,213,000
Lending Program Revenue		6,262,000	4,897,460	6,148,000
Multifamily Program Revenue		1,022,000	1,026,974	1,089,000
Rental Program Income		1,719,000	1,961,864	1,650,000
Federal & State Grants		2,525,000	361,574	15,250,000
Grants, Donations & Other Awards		535,000	6,045,572	316,000
Land Bank Revenue		3,100,000	1,141,872	1,535,000
Servicing Revenue, Net of Subservicer Fees		42,000	30,027	30,000
Investment Revenue		2,400,000	2,885,152	2,825,000
Unrestricted Reserves		1,520,000	-	5,800,000
	$	25,494,000	26,298,914	41,856,000
Expenditures				
Texas Housing Impact Fund	$	8,040,000	7,954,949	6,850,000
Affordable Communities of Texas		4,618,000	616,466	1,625,000
Other Program Expenditures		3,273,000	850,170	7,277,000
Salaries & Payroll Related Expenditures		5,053,000	5,133,889	5,662,000
Grants		1,616,000	5,248,777	18,340,000
Principal & Interest on Notes Payable		783,000	762,500	13,000
Professional Services		841,000	860,126	876,000
Marketing		354,000	307,105	217,000
Insurance		488,000	542,330	519,000
Travel & Meals		154,000	169,343	165,000
Furniture, Equipment, & Software		52,000	36,172	65,000
Building Maintenance		79,000	73,312	76,000
Professional Dues, Conferences & Training		51,000	54,197	67,000
Sponsorships		30,000	23,775	30,000
Communication		20,000	20,711	19,000
Publications, Subscriptions & Other Office Exp		29,000	32,688	42,000
Freight, Delivery, & Postage		9,000	8,586	9,000
Printing & Office Supplies		4,000	2,498	4,000
	$	25,494,000	22,697,594	41,856,000
Net Income/(Loss)	$	-	3,601,320	-

Tab 3

Presentation, Discussion and Possible Approval of the Fiscal Year 2027 Audit Committee Guidelines.

TEXAS STATE AFFORDABLE HOUSING CORPORATION
AUDIT COMMITTEE GUIDELINES
Fiscal Year 2027

These guidelines are intended to define the purposes, membership, and responsibilities of the Audit Committee of the Texas State Affordable Housing Corporation ("the Corporation").

I. PURPOSES

The Audit Committee is appointed by the Board of Directors to assist the Board in fulfilling its oversight responsibilities. The Audit Committee's primary duties and responsibilities are to:

1. Monitor the integrity of the Corporation's budgeting process, financial reporting process and systems of internal controls regarding finance, accounting, legal and ethics compliance.

2. Monitor the independence and performance of the Corporation's independent financial auditors who shall report directly to the Audit Committee.

3. Facilitate communication among the independent auditors, management, the CFO, and the Board of Directors.

4. Monitor compliance by the Corporation and its directors, officers and employees with applicable laws, regulations, contracts, agreements, and grants and the Corporation's code of ethics and conflict of interest policies.

5. Establish procedures for the receipt, retention and treatment of financial matters complaints and the confidential anonymous submission by employees regarding questionable accounting, fraud, or abuse.

6. Report on its activities to the Board of Directors.

The Audit Committee has the authority to conduct any investigation appropriate to fulfill its responsibilities and it has direct access to the independent auditors as well as anyone at the Corporation. The Audit Committee can retain, at the Corporation's expense, special legal, accounting, or other consultants or experts it deems necessary in the performance of its duties. However, it is not the duty or responsibility of the Audit Committee or its members to conduct auditing or accounting review procedures, and each member of the Audit Committee shall be entitled to rely on (i) the integrity of those persons and organizations within and outside the Corporation from which it receives information and (ii) the accuracy of the financial and other information provided to the Audit Committee by such persons or organizations.

II. COMPOSITON AND MEETINGS

The Audit Committee shall be comprised of four members, as determined by the Board of Directors, two of whom shall be directors of the Corporation. Any other board member will be eligible to serve as an alternate member of the Audit Committee and will serve if one of the other member Board directors is absent from the meeting. The Corporation's President and Chief Financial Officer will serve as Ad Hoc members of the Committee. The two-member board directors shall be free from any relationship that would interfere with the exercise of his or her independent judgment. All members of the Audit Committee shall have a basic understanding of finance and accounting and be able to read and understand fundamental financial statements, and at least one member of the Audit Committee shall have accounting or related financial management expertise.

Audit Committee members shall be appointed on recommendation by the full Board of Directors. If a Chair of the Audit Committee is not designated or present, the members of the Audit Committee may designate a Chair by majority vote of the Audit Committee.

A quorum for a meeting of the Audit Committee shall consist of at least three committee members, two of which must be Board members.

Audit Committee members will be reimbursed for travel and other actual and reasonable expenses incurred in the conduct of official Audit Committee business. No member of the Audit Committee may accept any additional consulting, advisory or other compensatory fee from the Corporation or other organization.

The Audit Committee shall meet a minimum of two times annually or more frequently if circumstances dictate.

III. RESPONSIBILITIES AND DUTIES

The Audit Committee shall have the following duties and responsibilities:

<u>Review Procedures</u>

1. Review and assess the adequacy of these guidelines at least annually and submit any proposed changes to the Board of Directors for approval.

2. Review and approve the Corporation's proposed fiscal year operating budget and any amendments thereto for submission to the Board of Directors for approval.

3. Review and approve the audited financial statements and any amendments thereto for submission to the Board of Directors for approval. The review should include discussion with management and independent auditors of

significant issues regarding accounting and auditing principles, practices, and judgments.

4. In consultation with management, the CFO, and independent auditors, consider the integrity of the company's financial reporting processes and controls. Discuss significant financial and non-financial risk exposures and the steps management has taken to monitor, control, and report such exposures. Review significant findings prepared by the independent auditors together with management's responses.

5. Consider and approve, if appropriate, major changes to the Corporation's accounting principles as suggested by the independent auditors, management or CFO and any items required to be communicated by the independent auditors in accordance with Statement on Auditing Standards No. 115.

Independent Auditors

1. The independent auditors are ultimately accountable to the Audit Committee and the Board of Directors. The Audit Committee shall approve the appointment of auditors, review their independence, qualifications, and performance, and approve any discharge of auditors when circumstances warrant.

2. On an annual basis, the Audit Committee should review and discuss with the independent auditors all significant relationships they have with the Corporation that could impair the auditors' independence.

3. Prior to releasing the audit report, discuss the results of the audit with the independent auditors. Discuss certain matters required to be communicated to the Audit Committee in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Governmental Auditing Standards, issued by the Comptroller General of the United States and any other standards required by applicable federal or state law or regulation.

4. Review with the independent auditor any management letter provided by the auditor and the Corporation's response to that letter.

While the Audit Committee has the responsibilities and powers set forth in these guidelines, it is not the duty of the Audit Committee to plan or conduct audits or to determine that the Corporation's financial statements are complete and accurate and are in accordance with generally accepted accounting principles. This is the responsibility of management and the independent auditor. Nor is it the duty of the Audit Committee to conduct investigations, to resolve disagreements, if any, between management and the independent auditor or to ensure compliance with laws and regulations.

Tab 4

Presentation, Discussion and Possible Approval of the Guidelines, Scoring Criteria and Targeted Housing Needs for the Allocation of Qualified Residential Rental Project Tax Exempt Bonds under the Multifamily Housing Private Activity Bond Program Request for Proposals and the 501(c)(3) Bond Program Policies for Calendar Year 2027.

Development Finance Programs

Agenda Item

Presentation, Discussion and Possible Approval of the Guidelines, Scoring Criteria and Targeted Housing Needs for the Allocation of Qualified Residential Rental Project Tax Exempt Bonds under the Multifamily Housing Private Activity Bond Program Request for Proposals and the 501(c)(3) Bond Program Policies for Calendar Year 2027.

Summary

In accordance with our governing statute, the Corporation releases a Request for Proposals (the "RFP") annually 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 housing needs assessments, including the State Low-Income Housing Plan, 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. Here is a summary of proposed amendments and changes from the draft posted for public comment in July.

- Section 2, the Targeted Housing Needs definition for Senior or Service Enriched Housing has been broken into two separate categories. Staff is proposing that Senior Housing be its own Targeted Housing need, and a new Supportive and Service Enriched Housing category is proposed. The overall definitions of these housing types (as defined in 42 U.S.C. Section 3607(b) of the Fair Housing Act) have not changed, but we believe the proposed changes will make it easier for Applicants to understand the differences between the categories.
- Section 12(c), Professional Fee Deposit: the timing for professional fee deposits is changing so that deposits for legal services are received prior to the submission of a reservation application to the Texas Bond Review Board.
- Section 12(o), Failure to Timely Pay Fees and Costs, has been amended to include additional guidance on what steps TSAHC may take when fees are not paid within a reasonable timeframe.

Staff received verbal and written public comments on the published draft. Here is a summary of the comments and proposed responses.

- In discussions with potential applicants regarding Section 7(d), Small and Mid-Sized Cities scoring criteria, an applicant pointed out a discrepancy for cities with populations lower than 20,000. The RFP and Policies currently score only communities within a PMSA or MSA, not rural communities outside of metropolitan statistical areas. Staff is recommending that the language be updated to use the same definitions provided in Section 2, Targeted Housing Needs, for areas in rural and smaller urban areas.

Additional minor changes to capitalization of terms, dates and phrases are included based on input from Bond Counsel and Municipal Advisor reviews.

Staff Recommendation:

Staff recommends that the Board approve the Guidelines, Scoring Criteria and Targeted Housing Needs for the Allocation of Qualified Residential Rental Project Tax Exempt Bond under the Multifamily Housing Private Activity Bond Program Request for Proposals and the 501(c)(3) Bond Program Policies for Calendar Year 2027, as presented. If approved, staff will accept all changes and post the final approved document.

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 202~~6~~7. 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, or similar obligations (the "bonds") issued by the Corporation. All project applications 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 "Directors") for an Inducement Resolution.

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1. **Introduction**.

   a. 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 residential rental developments ("Developments"). Pursuant to §§2306.554, 564 and 565 of the Texas Government Code, the Corporation is authorized to issue qualified 501(c)(3) bonds and to direct the Texas Bond Review Board (the "TBRB") on the issuance of the portion of the State of Texas' ("State") 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 ~~2026~~2027, the amount is estimated to be approximately $~~98~~ 110 million. This volume cap is available for reservation until August 14, ~~2026~~2027. Thereafter, the Corporation will be able to apply to reserve any additional available volume cap through the 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:

Development Finance Program
Texas State Affordable Housing Corporation
6701 Shirley Avenue
Austin, Texas 78752
Tel. 512-477-3562
Email: MFBonds@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 ("Targeted Housing Needs") for the issuance of qualified residential rental project bonds. 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.

      i. 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 based on USDA census tract designations.

      ~~b.~~ii. Smaller Urban Markets rental housing Developments must be located within a city of less than 150,000 persons; but not within a County of more than 500,000 persons, and not adjacent to an urban area based on USDA census tract designations;

c. *Senior ~~or Service Enriched~~ Housing*. Senior Housing Developments must meet 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));~~Senior or Service Enriched Housing must meet at least one of the following definitions in order to qualify under this Targeted Housing Need category.~~

   ~~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.~~d. Supportive and Serviced Enriched Housing. Supportive and Service Enriched Developments ~~A proposed Development that provides~~ provide 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 households facing homelessness. Such Developments will a) reserve at least 10% or more of their units for households earning 30% or less than the area median income; and b) provide free access to four monthly onsite or off-site services focused on households at risk of homelessness, persons with disabilities or other resident services approved by TSAHC; or

   ~~iii.~~i. ~~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.~~e. *Disaster ~~Relief~~Recovery 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 where the declared disaster resulted in the loss or destruction of housing units to be eligible for financing under this RFP. TSAHC will only consider the time period 18-months after the initial declaration for eligibility.

3. **Housing Needs Set-Aside.** To ensure that bonds will be available for specific housing needs, the Corporation has determined that until March 1, ~~2026~~2027, 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 described by this policy; or

   b. Include at least 10% of housing units built to be accessible for persons with mobility impairments or persons earning less than 30% of the area median income.

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 $2,000 for private activity bonds or $2,500 for 501(c)(3) bonds.

5. **Application Review and Management**.

   a. The Corporation will accept applications on an ongoing basis starting on October ~~6~~5, ~~2025~~2026 and until either 1) all of the anticipated private activity bond volume cap for ~~2026~~2027 has been allocated to applications with approved inducement allocations, or 2) until May 1, ~~2026~~2027. After May 1, ~~2026~~2027, the Corporation may reopen the acceptance window in order to either 1) accept applications for the State of Texas' annual private activity bond volume collapse or 2) to utilize volume cap freed up from previous applications that were not able to close.

   b. Each application will be provided a submission date (Submission Date) based on the date the complete application and all fees were received by the Corporation.

   c. The Corporation requires at least 35 days to review an application for threshold and scoring criteria, before any presentation to the Board for approval. All applications that have completed the review process and fulfill the Corporation's threshold and scoring criteria will be presented to the Board for consideration of the approval of an inducement resolution ("Inducement Resolution").

   d. 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. Once all errors, omissions or insufficient documentation have been corrected, the application will receive a new Submission Date. If an application fails to fulfill the minimum threshold and scoring criteria, the application will be terminated and will not be considered for further review.

e. Once an Inducement Resolution is approved, Developments must be able to move forward with an application for a reservation of private activity bond volume cap within 90-days. If a Development cannot proceed within this timeline, the Corporation may assign the project a new Submission Date and place the application at the end of our application pipeline, behind applications submitted after the original Submission Date.

f. The Corporation may require a Developer to withdraw and resubmit an application for reservation of private activity bond volume cap, if the Developer is unable to submit their application for 4% housing tax credits within 30-days of the date of issuance of the docket number for their reservation from the Texas Bond Review Board. This requirement allows for better management of the Corporation's pipeline and reduces the need to obtain new docket numbers later in the review and approval process.

g. The application and all materials submitted to the Corporation constitute public records subject to Tex. Gov't Code, Chapter 552. The application includes a certification acknowledging that the signatory has the authority to release all materials for publication on the Corporation's website and release them in response to a request for public information and make other use of the information as authorized by law. This includes all third-party reports, which may be posted in their entirety on the Corporation's website, as they constitute a part of the Application.

6. **Threshold Criteria**. All applications submitted to the Corporation must meet the following minimum threshold criteria ("Threshold Criteria") 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 private activity bonds shall agree to the following minimum terms and conditions through a regulatory agreement associated with the Development ("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.

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 Qualified Project Period, as defined in the Regulatory Agreement, for the bonds is in effect.

b. *Experience Threshold*. Developers must demonstrate sufficient experience in the development and ownership of affordable housing. Developers must submit evidence that they have been involved in the development and ownership of at least 50 units of affordable housing using housing tax credits. 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 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 the Corporation's website at: www.tsahc.org. Developers and their affiliates will also be evaluated on prior compliance history with the Corporation's and any other state or federal affordable housing program. The Corporation will require through its application process the submission of compliance information and references in order to 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 may be taken from the Corporation's Resident Services Program Guidelines, available on our website at: https://www.tsahc.org/property-managers/compliance

f. *Energy Efficiency Threshold*. All Developments must adhere to the most recently adopted energy and water conservation design standards published by the Texas Comptroller's State Energy Conservation Office. As of January 1st, 2021 the most recently adopted ~~codes include~~ American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE) ~~90.1-2016~~ or ~~2018~~ International Energy Conservation Code (IECC) standards. Applications must include a certification from the project's architect, engineer or third-party inspector confirming the building plans adhere to this requirement. 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 closing of the financing, the Developer will be required to provide an environmental indemnity in the form satisfactory to the Corporation. For properties located in a Flood Plain with 1-percent annual chance of flooding, as identified by the Federal Emergency Management Agency (FEMA), Developers must provide a mitigation plan drafted by the Development's project engineer. The mitigation plan drafted by the project engineer must be submitted with the initial application and either 1) demonstrate that the Development will be built so that all residential and common use buildings are 18 inches or more above the stated flood plain, or 2) that flood risks can be mitigated through automated systems.

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 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 applications must include a letter from the project architect, engineer or contractor certifying 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 required to collect and submit at least two letters of support with their application. The letters must state that the author is in support of the project, its use as affordable housing and, if applicable, their recognition that the Development may be subject to a property tax exemption. All letters of support or opposition must be provided to the Corporation, as they are received, even after the application has been submitted. 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; Local Housing Finance Agency; Local Public Housing Agency; School District Superintendent; or County Judge, in the jurisdiction in which the Development is located;

ii. An approved resolution of support from the City Council, Local School Board or County Commissioner's Court. An approved resolution fulfilling the requirements for housing tax credits pursuant to section 2306.67021 of the Texas Government Code (aka Resolution of No Objection) 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 in the form of a signed award letter or loan commitment; 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 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 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. *Readiness to Proceed*. Developers must be able to demonstrate that the proposed Development is ready and able to move forward with the proposed financing. To do so the following documents are required to be submitted with the application.

i. A letter from the Developer's counsel stating that there are no known lawsuits or other legal actions against the Developer, Developer's affiliates or involving the proposed Development site; and

ii. A copy of the application, letter of intent or term sheet from the proposed bond purchaser, underwriter, or originator. Letters of intent or term sheets from the proposed tax credit equity purchaser must be submitted prior to submission of an application for reservation of private activity bond volume cap; and

iii. An itemized list of each planned funding source, with application submission dates, approval dates and earliest possible closing dates. All closing dates must be withing the anticipated closing date of the bonds or a capital source has been identified to bridge those funds until available.

n. *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~~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 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 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 $200,000 per unit

B. New construction costs equal to or less than $230,000 per unit; or

ii. 8 points for:

A. Acquisition and rehabilitation costs equal to or less than $225,000 per unit

B. New construction costs equal to or less than $250,000 per unit: or

iii. 15 Points for rehabilitation costs that exceed $40,000 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.:

i. 15 points – at least 10% 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. Applications that propose to ensure the following mixed income guidelines will receive 15 points:

i. At least 20% of the total number of housing units will be available to person earning more than 60% of the area median income; or

ii. At least 15% of the total number of 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.~~located within a city of less than 150,000 persons; but not within a County of more than 500,000 persons, and not adjacent to an urban area based on USDA census tract designations; or for Developments 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 based on USDA census tract designations.

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; or

iii. Receives certification from an alternative local or statewide energy efficiency program, that has been approved by the Corporation. Applicants must submit information regarding the program to be used for scoring along with their application, and the Corporation will determine eligibility, in its sole discretion.

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. *Increased Accessible Housing*. Applications, including those involving the rehabilitation of existing housing units, can receive 10 points for certifying that the Development will provide a higher percentage of units that are accessible for persons with disabilities. Applications must include a letter from the project architect, engineer or contractor certifying that the final construction plans and/or rehab plan will provide twice the minimum federally required accessible units. This equates to at least 10% of units designed for persons with mobility impairments and 4% of units with features for persons with hearing or visual impairments.

h. *Local Public Funding*. Applications will receive 10 points for providing evidence that a commitment or award of financial support of at least $1,000 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, School 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 persons or entities listed in Section 6(j), *Community Support Threshold*.

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. *Competitive Cycles and Tie Breakers.* Applications are accepted on a daily basis and may be scored and ranked with all other applications received by 5pm on the same day. In the event several applications are received on the same day and total requests for volume cap exceed the estimated amount available to the Corporation in ~~2026~~2027, Applications will be prioritized and ranked in the following manner:

   i. First, Applications that meet the Housing Needs Set-Asides of Section 3 of this document will be considered priority 1 projects. All other projects will be labeled as priority 2 projects: then

   ii. Priority 1 applications will be ranked by score and allocated volume cap based on their ranking. If two or more applications have the same score, then the following tie breakers will be used.

      A. The application with the highest percentage of units serving households at or below 50% of area median income will be given priority, if tied then

      B. The application with the highest total unit count, if tied then

      C. The application with the lowest total development costs per unit will be given priority.

   iii. Priority 2 applications will be ranked by score and will only be allocated volume cap if there is enough available. In the event of a tie among Priority 2 applications, the same tie breaker criteria will be used as for Priority 1 applications. Staff may recommend applications be induced to receive a forward commitment of volume cap in the following allocation year (i.e. an application applying for ~~2026~~2027 volume cap would receive 2027 volume cap) only if such reservation will not commit more than 25% of the next year's estimated allocation.

8. **Subsequent Filing Requirements**. Prior to final approval of the bonds or other obligations by the Board or the 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 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 require any Developer to attend a 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 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, 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 ~~2026~~2027 allocation of private activity bonds will have until May 1, ~~2026~~2027 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, ~~2026~~2027, 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, ~~2026~~2027.

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 TBRB.

11. **Bond Review Board Approval**.

a. Bonds, notes or similar obligations issued by the Corporation are subject to approval by the TBRB. TBRB rules provide an optional exemption from the formal approval process for 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 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 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 $2,000 for Private Activity Bonds or $2,500 for 501(c)(3) bonds, made payable to the Corporation, upon submission of the Application. Applications for refunding or restructuring require an application fee of **$5,000** plus deposit for professional fees of **$7,500**.

   b. *Inducement Fee*. Developers shall pay a fee of $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 Reservation Application to the 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~~ Prior to the issuance of a reservation certificate for volume cap from the Texas 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 Counsel, 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, and a $10,000 deposit for Issuer's Counsel fees (collectively, the "Professional Fee Deposit"). If the accrued fees and expenses of Bond Counsel and/or Issuer's Counsel exceed the amount of such Professional Fee 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 Fe*es. The fee to be paid to the Corporation's Municipal Advisor, acting as a financial advisor to the Corporation for its issuance of debt transactions issued for the multifamily bond program, will be equal to 10 basis points (0.10%) on the principal amount of the municipal securities issued, subject to a maximum fee of $40,000 and a minimum fee of $15,000 per transaction. In addition, for an additional fee the Corporation's Municipal Adviser may 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 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 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 approved in the resolution authorizing the issuance of obligations as provided for in Section 16 of this document, 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 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, 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, based upon the maximum par amount approved in the resolution authorizing the issuance of obligations as provided for in Section 16 of this document~~,~~, with a minimum closing fee of $20,000.

i. *Administrative Fee*. Until the final maturity of the obligations, or 15-years from the closing date, whichever is later, 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 will be based upon the maximum par amount approved in the resolution authorizing the issuance of obligations as provided for in Section 16 of this document and 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. The Corporation may require the payment of the Administrative Fee to be guaranteed by the Development owner and/or general partner(s).

j. *Asset Oversight and Compliance Fee*. Until the end of the Qualified Project Period, as defined in the Regulatory Agreement, an annual fee in an amount equal to the greater of $45 per unit or $2,500 for each property included in the Development shall be paid, remitted through the respective bond trustee, or other designee, to the Corporation in advance each calendar year. The first calendar year's fee shall be paid at closing. The second calendar year's fee, and all subsequent year's fees, shall be paid on or before March 10 of the applicable year. Beginning with the third annual payment the fee shall increase by 2% per annum, with a maximum increase of 20% or ten annual increases. The Corporation may require the payment of the Asset Oversight and Compliance Fee to be guaranteed by the Development owner and/or general partner(s).

k. *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.

l. *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.

m. *Continuing Costs.* Developers shall pay to the Corporation, in the manner described in the Development documents, the following amounts:

    i. Any amounts payable pursuant to any indemnity contract or agreement executed in connection with any financing by the Corporation completed as herein contemplated, and

    ii. 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.

n. *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.

o. *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. The Corporation also reserves the right to file a debarment request for nonpayment of any fees or expenses incurred by the Corporation, that are not paid within a reasonable time frame.

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 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 Financing**. Following the public hearing(s) and final approval by the Corporation and the TBRB 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 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 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 “A-/A3” 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 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, 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 Development 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. Termination for Cause.

The Corporation may terminate an application, or deny the acceptance of any application, if one or more of the following conditions has occurred or is occurring:

a. *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 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; or

b. *Ex Parte Communications*. The Corporation may terminate an application, or refuse to consider submissions from a Developer, if the Developer or any related party thereto, attempts to communicate either verbally or through written means with a member of the Corporation's Board after the submission of an application, while the Application is being reviewed, or prior to any decision about the application by the Board. This excludes communications during any Board meeting or public hearing held with respect to the application, but not during a recess or other nonrecorded portion of the meeting or hearing. For any application involving the allocation of low-income housing tax credits, any violation of Section 2306.1113 of the Texas Government Code will also be cause for termination.

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 AND/OR THE TEXAS BOND REVIEW BOARD.

Tab 5

Presentation, discussion, and possible approval of a resolution approving a Texas Housing Impact Fund bridge loan to Easy Street Lofts, LP, or its affiliates and assignees, in an amount not to exceed $550,000 for the Easy Street Lofts apartments.

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 August 18, 2026 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:

Name	Office
Lemuel Williams	Chairperson
Valerie Vargas Cardenas	Vice Chairperson
Ernest Richards, Esq.	Director
David Lewis	Director
David A. Rassin	Director

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

Name	Office
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. 26-__**

TEXAS STATE AFFORDABLE HOUSING CORPORATION

RESOLUTION APPROVING A TEXAS HOUSING IMPACT FUND BRIDGE LOAN TO EASY STREET LOFTS, LP, OR ITS AFFILIATES OR ASSIGNEES, IN AN AMOUNT NOT TO EXCEED $550,000 FOR THE EASY STREET LOFTS 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 18th day of AUGUST, 2026.

____
Rebecca DeLeon, Secretary
Texas State Affordable Housing Corporation

RESOLUTION NO. 26-__

TEXAS STATE AFFORDABLE HOUSING CORPORATION

RESOLUTION APPROVING A TEXAS HOUSING IMPACT FUND BRIDGE LOAN TO EASY STREET LOFTS, LP, OR ITS AFFILIATES OR ASSIGNEES, IN AN AMOUNT NOT TO EXCEED $550,000 FOR THE EASY STREET LOFTS 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

WHERAS, 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 bridge 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 bridge loan to Easy Street Lofts, LP, or its affiliates or assignees, in the maximum principal amount of $550,000 (the "Bridge Loan"), with the loan proceeds to be used by Easy Street Lofts, LP, together with other available funds, to cover site acquisition costs for the purpose of developing 49 units of multifamily housing. The TSAHC loan requires that at least 40% of all units are income and rent restricted to households earning 60% of area median income or less; and

WHEREAS, after due discussion and consideration, the Board of Directors of the Corporation has determined to approve the Bridge 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 Bridge Loan and Related Matters. The Board of Directors approves the Bridge Loan by the Corporation to Easy Street Lofts, LP, or its affiliates or assignees, in the maximum principal amount of $550,000, the proceeds of which are to be used by Easy Street Lofts, LP, together with other available funds, for site acquisition related to the Easy Street Lofts apartments.

The Board has determined that a bridge 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 Bridge 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.

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APPROVED AND EFFECTIVE this 18th day of August, 2026.

TEXAS STATE AFFORDABLE HOUSING CORPORATION

____
Lemuel Williams, Chairperson

ATTEST:

____
Rebecca DeLeon, Secretary
Texas State Affordable Housing Corporation

Agenda:

Presentation, discussion, and possible approval of a resolution approving a Texas Housing Impact Fund bridge loan to Easy Street Lofts, LP, or its affiliates or assignees, in an amount not to exceed $550,000 for the Easy Street Lofts apartments.

Summary:

In July, staff received an application from Easy Street Lofts, LP requesting $550,000 to be used as bridge financing for Easy Street Lofts, a new construction 49-unit multifamily project serving families in Cleveland, Texas.

600 Easy Street Cleveland, TX

Public Benefit:

TSAHC's loan will help finance the site acquisition for a 49-unit mixed-income multifamily property with primary financing through the 9% LIHTC program. The proposed development will consist of two-bedroom units serving families. Of the 49 units, 29 units are planned to be set-aside for households earning 60% or less than the area median income (AMI), eight units for households earning 50% or less than AMI, three units for households earning 30% or less than AMI, and nine units will be market rate.

The borrower's 9% 2026 LIHTC application received the highest score in its region. The project's rural location advances TSAHC's mission to serve rural and underserved markets.

Financial Summary:

The total projected development budget for Easy Street Lofts is roughly $13.6 million. This includes approximately $556,000 for site acquisition costs, $7.7 million for construction ($156,368 per unit), $3.4 million in soft costs, and $2 million in developer fees.

The project's permanent financing includes a $3.9 million permanent loan through PNC Bank (1st lien), $8.8 million in equity from the sale of 9% housing tax credits and a small $500 grant from the City of Cleveland. The borrower is deferring approximately $932,000 in developer fees to meet remaining development costs.

TSAHC's $550,000 loan will be used to secure the project site by October of this year, with a planned closing on construction and tax credit financing by February of 2027. The TSAHC loan will be in second lien position behind PNC, the permanent lender. PNC Bank is also the primary construction lender.

Market Conditions:

The community of Cleveland is known for its railroad and timber history, its Piney Woods setting, and its position as a growing shipping hub 45 miles northeast of Houston. The community has experienced population growth driven by its location on the outer northeastern edge of the Houston metro region. The total population is now 9,700, having grown approximately 28% since 2000. The project site offers easy access to US-59/I-69 and provides efficient commuter connectivity to surrounding employment centers including energy, healthcare, logistics and service sector jobs. Major industrial suppliers and logistics companies support the region, including BNSF Railway and the Union Pacific Railway.

Easy Street Lofts will be located just east of downtown Cleveland. The site is adjacent to other multifamily residential properties and within walking distance of retail, restaurants, banking, a post office, parks, and a 24/7 ER. The project will also be less than one mile from Cleveland's Highschool and Middle School campuses.

Borrower Summary:

Easy Street Lofts, LP, the planned owner entity, will be controlled by Crossroads Housing Development Corporation (non-profit Managing Member) in partnership with CRCD Partners, LLC which is the for-profit development arm of the Coalition for Responsible Community Development (CRCD). The Investor Limited Partner, who will purchase the tax credits, has not yet been confirmed.

Crossroads Housing Development Corporation (CHDC) is a 501(c)(3) non-profit organization that was founded in 1999 and works throughout Texas. CHDC is based in Big Spring, Texas and is dedicated to providing safe and affordable housing for low-income households. Their rental portfolio includes 65 LIHTC properties. They also self-fund and administer programs benefiting low-income homeowners including down payment assistance and housing rehabilitation services.

Founded in 2005 as a 501(c)(3) non-profit, CRCD's mission is to better sustain, coordinate, and improve local planning, development and community services that address the needs of low-income residents and small business. CRCD has developed and operates 917 multifamily rental units located within eighteen rental communities that include new construction, historic rehab, and supportive housing serving the greater Los Angeles area. CRCD has four multifamily developments under construction that include 309 rental units. CRCD is based in Los Angeles, California. Easy Street Lofts is part of their initial expansion to the southwest market. They have also received a 2026 9% LIHTC award for their Ortiz Lofts multifamily development in Robstown. The Lanterns at Robstown, a 2025 9% LIHTC award, started construction in late July 2026.

Stellar Group Construction will serve as general contractor. Stellar has 21 years of experience and more than $275 million in completed multifamily construction across Texas, including six 9% LIHTC developments totaling 673 units, plus seven market-rate or workforce projects totaling 1,586 units. Its active 9% LIHTC pipeline includes five projects totaling 245 units.

Recommendation:

Loan committee recommends the approval of a Texas Housing Impact Fund bridge loan to Easy Street Lofts, LP or its affiliates or assignees, in an amount not to exceed $550,000 for the Easy Street Lofts apartments, subject to the following conditions:

- Interest rate of 6.0% for a 24-month term including monthly interest only payments until loan repayment. The loan qualifies for a .25% interest rate discount because of its rural location;
- TSAHC will include a six-month loan extension option, upon borrower's request, and payment of a TSAHC loan extension fee that is calculated at .25% of the loan amount;
- TSAHC will collect a commitment fee of $5,500 on the date of closing;
- Loan closing and funding are contingent upon receipt of an appraisal/other valuation that supports the sale price;

- Loan closing and funding are contingent upon receipt of a 2026 LIHTC award letter along with other commitments for sources noted in the TSAHC loan application;
- Loan closing and funding are contingent upon receipt of one additional letter of support from one of the sources permitted in our program guidelines; and
- Approval and funding are conditioned on a satisfactory financial review.

Project Summary

Applicant: CRCD Partners LLC
Project Name: Easy Street Lofts

Location

Address: 600 Easy St
City: Cleveland
County: Liberty
State: Texas
77327
Census Tract: 48291700200

Loan Request

Loan Amount: $ 550,000.00
Loan Type: Bridge Loan
Loan Term: 2
Amort: 0

Perm Funding Souces

	Amount	% of Total
TSAHC Construction Loan		0%
PNC	$ 3,910,000	28.72%
PNC HTC Equity	$ 8,774,123	64.44%
City of Cleveland	$ 500	0.00%
Deferred Developer Fee	$ 931,875	6.84%
Totals	**$ 13,616,498**	**100%**

* not included in total

Market Summary

	City	County	State	Census Tract
Population:	8,984	103,380	30,188,424	3,808
Median Age:	34	33	36	41
Diversity Index:	67	60	67	65
% Hispanic:	53%	40%	40%	18%
% Persons with Disability:	19%	14%	12%	26%
% Households that Rent:	37%	18%	37%	58%
Median Rents:	930	1,044	1,403	838
% Renters Who are Cost Burdened:	29%	33%	48%	27%
Median Home Price:	$ 174,400	$ 181,700	$ 283,800	$ 178,300
Median Household Income:	$ 54,519	$ 68,703	$ 78,476	$ 48,750
Unemployment:	N/A	5.40%	4.20%	N/A
Persons w/o Insurance:	24%	26%	17%	21%
Medically Underserved Area:	-	-	N/A	-
% Attending Public Schools:	96%	89%	91%	96%
Graduation Rate (Cleveland ISD):	90%			

CRA Eligible Census Tract: 0
\# of LI Projects and Units: 5 233

Summary of Sources and Uses

Applicant **CRCD Partners LLC**
Project Name **Easy Street Lofts**
Number of Units **49**

Sources	Amount	Amount Per Unit	Percentage of Total
PNC	$ 3,910,000	$ 79,796	29%
PNC HTC Equity	$ 8,774,123	$ 179,064	64%
City of Cleveland	$ 500	$ 10	0%
Deferred Developer Fee	$ 931,875	$ 19,018	7%
Total Sources	$ 13,616,498	$ 277,887.71	100%

Uses			
Acquisition	$ 555,500	$ 11,336.73	4%
Off-Site Construction		$ -	0%
On-Site Work	$ 999,532	$ 20,398.61	7%
Site Amenities	$ 381,767	$ 7,791.16	3%
Building Costs	$ 5,020,069	$ 102,450.39	37%
Other Const/Contingency/Contractor Fees	$ 1,261,069	$ 25,736.10	9%
Soft Costs	$ 1,696,329	$ 34,618.96	12%
Financing Costs	$ 1,371,539	$ 27,990.59	10%
Developer Fees	$ 2,023,000	$ 41,285.71	15%
Reserve Accounts	$ 307,693	$ 6,279.45	2%
Total Uses	$ 13,616,498	$ 277,887.71	100%

(Gap) / Reserve	$ -
Percent of Developer Fee Deferred	46.06%

Easy Street - Underwriting - Operating Proforma

Operating Proforma

Applicant: CRCD Partners LLC

Project Name: Easy Street Lofts

Total Units:	49	30% AMI:	3	% at 30% AMI:	6.12%	80% AMI:	0	% at 80% AMI:	0.00%
Min. Set Aside Election:	40% @ 60% AMI	40% AMI:	0	% at 40% AMI:	0.00%	MR:	9	% at MR:	18.37%
Min. Afford. Units:	20	50% AMI:	8	% at 50% AMI:	16.33%				
Afford. Units:	40	60% AMI:	29	% at 60% AMI:	59.18%	Rental Assist:	Yes - Partial		
% Affordable:	82%	70% AMI:	0	% at 70% AMI:	0.00%	Accessible Unit Min:	3		

Residential Income

Unit Type	Unit Sq. Ft.	Net Sq. Ft.	# units	Rent	Mo. Income	Inflator	Rent Limiter	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15
TC 30% 2-2	861	2,583	3	$ 596	$ 1,788	1.02	30% AMI	$ 21,456	$ 21,885	$ 22,323	$ 22,769	$ 23,225	$ 25,642	$ 28,311
TC 50% 2-2	861	6,888	8	$ 1,051	$ 8,408	1.02	50% AMI	$ 100,896	$ 102,914	$ 104,972	$ 107,072	$ 109,213	$ 120,580	$ 133,130
TC 60% 2-2	861	24,969	29	$ 1,279	$ 37,091	1.02	60% AMI	$ 445,092	$ 453,994	$ 463,074	$ 472,335	$ 481,782	$ 531,926	$ 587,289
MR	861	7,749	9	$ 1,365	$ 12,285	1.02	MR	$ 147,420	$ 150,368	$ 153,376	$ 156,443	$ 159,572	$ 176,181	$ 194,518
								$ -	$ -	$ -	$ -	$ -	$ -	$ -
								$ -	$ -	$ -	$ -	$ -	$ -	$ -
Subtotals:		42,189	49		$ 59,572									
Other income:				$ 20.00	$ 980	1.02		$ 11,760.00	$ 11,995	$ 12,235	$ 12,480	$ 12,729	$ 14,054	$ 15,517
Potential gross income								$ 726,624	$ 741,156	$ 755,980	$ 771,099	$ 786,521	$ 868,383	$ 958,765
Residential vacancy loss						7.50%		$ (54,497)	$ (55,587)	$ (56,698)	$ (57,832)	$ (58,989)	$ (65,129)	$ (71,907)
Effective Gross Residential Income								$ 672,127	$ 685,570	$ 699,281	$ 713,267	$ 727,532	$ 803,254	$ 886,858

Operating Expenses	TSAHC est.	Borrower Yr 1	% EGI	Variance	Per Unit	Inflator	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15
General & Administrative	$ 28,812	$ 29,700	4.42	3%	$ 606	1.03	$ 29,700	$ 30,591	$ 31,509	$ 32,454	$ 33,428	$ 38,752	$ 44,924
Management Fee	$ 33,957	$ 33,606	5.00	-1%	$ 686	1.03	$ 33,606	$ 34,614	$ 35,653	$ 36,722	$ 37,824	$ 43,848	$ 50,832
Payroll and Related	$ 68,845	$ 101,500	15.10	47%	$ 2,071	1.03	$ 101,500	$ 104,545	$ 107,681	$ 110,912	$ 114,239	$ 132,434	$ 153,528
Maintenance & Repair	$ 38,857	$ 29,613	4.41	-24%	$ 604	1.03	$ 29,613	$ 30,501	$ 31,416	$ 32,359	$ 33,330	$ 38,638	$ 44,792
Utilities	$ 53,067	$ 35,118	5.22	-34%	$ 717	1.03	$ 35,118	$ 36,172	$ 37,257	$ 38,374	$ 39,526	$ 45,821	$ 53,119
Insurance	$ 52,381	$ 47,040	7.00	-10%	$ 960	1.03	$ 47,040	$ 48,451	$ 49,905	$ 51,402	$ 52,944	$ 61,377	$ 71,152
Taxes	$ 30,870	$ 41,488	6.17	34%	$ 847	1.03	$ 41,488	$ 42,733	$ 44,015	$ 45,335	$ 46,695	$ 54,132	$ 62,754
Operating Debt Service Reserves	$ -	$ -	0.00	#DIV/0!	$ -	1.03	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Replacement reserves		$ 12,250	1.82	#DIV/0!	$ 250	1.03	$ 12,250	$ 12,618	$ 12,996		$ -	$ -	$ -
HTC/HOME Compliance Fees		$ 1,600	0.24	n/a	$ 33	1.03	$ 1,600	$ 1,648	$ 1,697	$ 1,748	$ 1,801	$ 2,088	$ 2,420
TSAHC Compliance Fees			0.00	#DIV/0!	$ -	1.03	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other (specify):			0.00	#DIV/0!	$ -	1.03	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Operating Expenses	$ 306,789	$ 331,915		8%	$ 6,773.78		$ 331,915	$ 341,872	$ 352,129	$ 349,307	$ 359,786	$ 417,090	$ 483,522
				Regional avg	$ 6,544.00	*per unit*	*$ 16,596*	*$ 17,094*	*$ 17,606*	*$ 17,465*	*$ 17,989*	*$ 20,855*	*$ 24,176*
Operating Expenses as a percentage of Effective Gross Income							*49.4%*	*49.9%*	*50.4%*	*49.0%*	*49.5%*	*51.9%*	*54.5%*
NET OPERATING INCOME							**$ 340,212**	**$ 343,697**	**$ 347,153**	**$ 363,960**	**$ 367,746**	**$ 386,164**	**$ 403,336**

Easy Street - Underwriting - Operating Proforma

	Principal	Rate	Amort	Term		Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15
NET OPERATING INCOME						**$ 340,212**	**$ 343,697**	**$ 347,153**	**$ 363,960**	**$ 367,746**	**$ 386,164**	**$ 403,336**
PRIMARY DEBT SERVICE												
PNC	$ 3,910,000	6.50%	35	18		$ 283,469	$ 283,469	$ 283,469	$ 283,469	$ 283,469	$ 283,469	$ 283,469
						$ -	$ -	$ -	$ -	$ -	$ -	$ -
						$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Primary Debt	$ 3,910,000					$ 283,469	$ 283,469	$ 283,469	$ 283,469	$ 283,469	$ 283,469	$ 283,469
Net Cashflow After Primary Debt						$ 56,743	$ 60,228	$ 63,683	$ 80,491	$ 84,277	$ 102,695	$ 119,866
DSCR Primary Debt						1.20	1.21	1.22	1.28	1.30	1.36	1.42
SOFT SUBORDINATE DEBT & EQUITY												
PNC HTC Equity	$ 8,774,123											
City of Cleveland	$ 500											
Deferred Developer Fee	$ 931,875											
Total Secondary Debt	$ 9,706,498				Net Cash Flow of Secondary Debts	$ 56,743	$ 60,228	$ 63,683	$ 80,491	$ 84,277	$ 102,695	$ 119,866

Tab 6

Presentation, discussion, and possible approval of a resolution approving a Texas Housing Impact Fund bridge loan to Amarillo Lofts, LP, or its affiliates and assignees, in an amount not to exceed $1,000,000 for the Amarillo Lofts apartments.

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 August 18, 2026 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:

Name	Office
Lemuel Williams	Chairperson
Valerie Vargas Cardenas	Vice Chairperson
Ernest Richards, Esq.	Director
David Lewis	Director
David A. Rassin	Director

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

Name	Office
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. 26-__**

TEXAS STATE AFFORDABLE HOUSING CORPORATION

RESOLUTION APPROVING A TEXAS HOUSING IMPACT FUND BRIDGE LOAN TO AMARILLO LOFTS, LP, OR ITS AFFILIATES OR ASSIGNEES, IN AN AMOUNT NOT TO EXCEED $1,000,000 FOR THE AMARILLO LOFTS 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 18th day of AUGUST, 2026.

____
Rebecca DeLeon, Secretary
Texas State Affordable Housing Corporation

RESOLUTION NO. 26-__

TEXAS STATE AFFORDABLE HOUSING CORPORATION

RESOLUTION APPROVING A TEXAS HOUSING IMPACT FUND BRIDGE LOAN TO AMARILLO LOFTS, LP, OR ITS AFFILIATES OR ASSIGNEES, IN AN AMOUNT NOT TO EXCEED $1,000,000 FOR THE AMARILLO LOFTS 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

WHERAS, 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 bridge 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 bridge loan to Amarillo Lofts, LP, or its affiliates or assignees, in the maximum principal amount of $1,000,000 (the “Bridge Loan”), with the loan proceeds to be used by Amarillo Lofts, LP, together with other available funds, to cover site acquisition costs for the purpose of developing 90 units of multifamily housing. The TSAHC loan requires that at least 40% of all units are income and rent restricted to households earning 60% of area median income or less, and at least 10% of the total units are income and rent restricted to households earning 30% of area median income or less; and

WHEREAS, after due discussion and consideration, the Board of Directors of the Corporation has determined to approve the Bridge 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 Bridge Loan and Related Matters. The Board of Directors approves the Bridge Loan by the Corporation to Amarillo Lofts, LP, or its affiliates or assignees, in the maximum principal amount of $1,000,000, the proceeds of which are to be used by Amarillo Lofts, LP, together with other available funds, for site acquisition related to the Amarillo Lofts apartments.

The Board has determined that a bridge 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 Bridge Loan, including but not limited to a promissory note, loan agreement, restrictive covenants, and related security documents (collectively, the "Transaction Documents").

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

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

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

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

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

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

[Remainder of Page Intentionally Left Blank]

APPROVED AND EFFECTIVE this 18th day of August, 2026.

TEXAS STATE AFFORDABLE HOUSING CORPORATION

____

Lemuel Williams, Chairperson

ATTEST:

____

Rebecca DeLeon, Secretary
Texas State Affordable Housing Corporation

Agenda:

Presentation, discussion, and possible approval of a resolution approving a Texas Housing Impact Fund bridge loan to Amarillo Lofts, LP, or its affiliates or assignees, in an amount not to exceed $1,000,000 for the Amarillo Lofts apartments.

Summary:

In June, staff received an application from Amarillo Lofts, LP requesting $1,000,000 to be used as bridge financing for Amarillo Lofts, a new construction 90-unit multifamily project serving families in Amarillo.

Amarillo Lofts – Rendering

Public Benefit:

TSAHC's loan will help finance the site acquisition for a 90-unit mixed-income multifamily property in Amarillo with primary financing through the 9% LIHTC program. The proposed development will consist of a mix of one- and two-bedroom units serving families. Of the 90 units, 60 units will be set-aside for households earning 60% or less than the area median income (AMI), 18 units will be set-aside for households earning 50% or less than AMI, nine units will be set-aside for households earning 30% or less than AMI, and three units will be market-rate units.

The borrower's 9% 2026 LIHTC application received the highest score in the Amarillo region.

Financial Summary:

The total projected development budget for Amarillo Lofts is roughly $21 million. This includes $1 million for site acquisition costs, approximately $13 million for construction ($144,733 per unit), $4.5 million in soft costs, and $2.4 million in developer fees.

The project's permanent financing includes a $4.8 million permanent loan through PNC Bank (1st lien), $15.4 million in equity from the sale of 9% housing tax credits and a small $500 grant from the City of Amarillo. The borrower is deferring approximately $874,000 in developer fees to meet remaining development costs.

TSAHC's $1 million loan will be used to secure the project site by October of this year, with a planned closing on construction and tax credit financing planned by April of 2027. Staff has reviewed financial statements from Mr. Ronnie Gyani, principal of Gyani Capital (Developer/Owner). The TSAHC loan will be in second lien position behind the permanent lender. PNC Bank is also the primary construction lender.

Market Conditions:

Amarillo Lofts will be located in Northwest Amarillo and is surrounded by a variety of amenities including several retail outlets, restaurants, and a public library. The site offers close proximity to green spaces such as Thompson Park, the Amarillo Botanical Gardens, and public hiking trails. The location also provides convenient access to Amarillo College West Campus and the Amarillo VA Health Care System, which provides stable year-round employment and supports area housing demand.

Amarillo is experiencing a significant economic boom and was recently listed as a top Midsized City for Growth by USA Today (Sept 2025). The city has long been a central logistics hub between Denver, Dallas and Oklahoma City for manufacturing and agriculture. Additionally, the region's growing wind power sector has made it an attractive location for data centers and other energy intensive industries.

Borrower Summary:

Amarillo Lofts, LP, the planned owner entity, will be controlled by G2 Equity, Inc., (90% of General Partner) and LIHTC Wiz, LLC, (10% of General Partner). The Investor Limited Partner, who will purchase the tax credits, has not yet been confirmed.

Established in 2010, Gyani Capital has developed and participated in affordable and market-rate real estate projects totaling more than $300 million. The company focuses on multifamily and commercial projects. In 2025, Gyani Capital received two 9% LIHTC awards: Lofts at Birdwell in Big Spring and Lanterns at Robstown in Robstown. Both use a similar sponsor, guarantor, and development team structure, with financing closings expected in June and August of 2026, respectively, and construction completion in December of 2027.

Jonathan Estrada Ortiz is a principal and development partner within Gyani Capital. Jonathan supports all aspects of the development project. His prior work at Madhouse Development included the completion of more than 17 competitive 9% LIHTC developments totaling over 1,100 affordable housing units across Texas.

Stellar Group Construction will serve as general contractor. Stellar has 21 years of experience and more than $275 million in completed multifamily construction across Texas, including six 9% LIHTC developments totaling 673 units, plus seven market-rate or workforce projects totaling 1,586 units. Its active 9% LIHTC pipeline includes five projects totaling 245 units.

Recommendation:

Loan committee recommends the approval of a Texas Housing Impact Fund bridge loan to Amarillo Lofts, LP or its affiliates or assignees, in an amount not to exceed $1 million for the Amarillo Lofts apartments, subject to the following conditions:

- Interest rate of 6.00% for a 24-month term including monthly interest-only payments until loan repayment. The loan qualifies for a .25% interest rate discount because 10% of all units will be reserved for households at or below 30% AMI;
- TSAHC will include a six-month loan extension option, upon borrower's request, and payment of a TSAHC loan extension fee that is calculated at .25% of the loan amount;
- TSAHC will collect a commitment fee of $10,000 on the date of closing;
- Loan closing and funding are contingent upon receipt of a 2026 LIHTC award letter along with other commitments for sources noted in the TSAHC loan application;
- Loan closing and funding are contingent upon receipt of an appraisal/other valuation that supports the sale price;
- TSAHC loan closing and funding is conditioned upon evidence of re-zoning approval prior to closing and funding; and
- Approval and funding are conditioned on a satisfactory financial review.

Project Summary

Applicant	Gyani Capital
Project Name	Amarillo Lofts

Location

Address	6601 Lowes Ln			City	Amarillo
County:	Potter	State	Texas		79106
Census Tract:	48375013300				

Loan Request

Loan Amount:	$ 1,000,000.00	Loan Type:	Bridge Loan
Loan Term:	2	Amort:	0

Perm Funding Souces

	Amount	% of Total
TSAHC Construction Loan		
PNC Perm Loan	$ 4,788,000	22.73%
PNC - Housing Tax Credits	$ 15,398,460	73.11%
City of Amarillo	$ 500	0.00%
Deferred Developer Fee	$ 874,064	4.15%
Totals	**$ 21,061,024**	**100%**

* not included in total

Market Summary

	City	County	State	Census Tract
Population:	109,771	115,975	30,188,424	6,124
Median Age:	36	35	36	45
Diversity Index:	66	65	67	36
% Hispanic:	16%	39%	40%	14%
% Persons with Disability:	15%	15%	12%	9%
% Households that Rent:	45%	43%	37%	4%
Median Rents:	1,086	1,022	1,403	1,425
% Renters Who are Cost Burdened:	43%	46%	48%	53%
Median Home Price:	$ 208,700	$ 147,300	$ 283,800	$ 363,800
Median Household Income:	$ 69,611	$ 53,249	$ 78,476	$ 114,597
Unemployment:	3.10%	19.30%	4.20%	N/A
Persons w/o Insurance:	14%	19%	17%	4%
Medically Underserved Area:	N/A	N/A	N/A	N/A
% Attending Public Schools:	93%	94%	91%	93%
Graduation Rate (Bushland ISD):	90%			

CRA Eligible Census Tract:	N/A	
# of LI Projects and Units:	0	427

Summary of Sources and Uses

Applicant Gyani Capital
Project Name Amarillo Lofts
Number of Units 90

Sources	Amount	Amount Per Unit	Percentage of Total
PNC Perm Loan	$ 4,788,000	$ 53,200	23%
PNC - Housing Tax Credits	$ 15,398,460	$ 171,094	73%
City of Amarillo	$ 500	$ 6	0%
Deferred Developer Fee	$ 874,064	$ 9,712	4%
Total Sources	$ 21,061,024	$ 234,011.38	100%

Uses			
Acquisition	$ 1,010,000	$ 11,222.22	5%
Off-Site Construction		$ -	0%
On-Site Work	$ 1,771,000	$ 19,677.78	8%
Site Amenities	$ 429,000	$ 4,766.67	2%
Building Costs	$ 8,682,496	$ 96,472.18	41%
Other Const/Contingency/Contractor Fees	$ 2,143,852	$ 23,820.58	10%
Soft Costs	$ 1,910,625	$ 21,229.17	9%
Financing Costs	$ 2,157,701	$ 23,974.46	10%
Developer Fees	$ 2,474,936	$ 27,499.29	12%
Reserve Accounts	$ 481,414	$ 5,349.04	2%
Total Uses	$ 21,061,024	$ 234,011.38	100%

(Gap) / Reserve	$ -
Percent of Developer Fee Deferred	35.32%

Amarillo Lofts - Underwriting - Operating Proforma

Operating Proforma

Applicant: Gyani Capital
Project Name: Amarillo Lofts

Total Units:	90	30% AMI:	9	% at 30% AMI:	10.00%	80% AMI:	0	% at 80% AMI:	0.00%
Min. Set Aside Election:	40% @ 60% AMI	40% AMI:	0	% at 40% AMI:	0.00%	MR:	3	% at MR:	3.33%
Min. Afford. Units:	36	50% AMI:	18	% at 50% AMI:	20.00%				
Afford. Units:	87	60% AMI:	60	% at 60% AMI:	66.67%	Rental Assist:	Yes - Partial		
% Affordable:	97%	70% AMI:	0	% at 70% AMI:	0.00%	Accessible Unit Min:	5		

Residential Income

Unit Type	Unit Sq. Ft.	Net Sq. Ft.	# units	Rent	Mo. Income	Inflator	Rent Limiter	**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**	**Year 10**	**Year 15**
1-1	659	1,977	3	$ 448	$ 1,344	1.02	30% AMI	$ 16,128	$ 16,451	$ 16,780	$ 17,115	$ 17,457	$ 19,274	$ 21,281
1-1	659	4,613	7	$ 807	$ 5,649	1.02	50% AMI	$ 67,788	$ 69,144	$ 70,527	$ 71,937	$ 73,376	$ 81,013	$ 89,445
1-1	659	13,839	21	$ 987	$ 20,727	1.02	60% AMI	$ 248,724	$ 253,698	$ 258,772	$ 263,948	$ 269,227	$ 297,248	$ 328,186
2-2	861	5,166	6	$ 529	$ 3,174	1.02	30% AMI	$ 38,088	$ 38,850	$ 39,627	$ 40,419	$ 41,228	$ 45,519	$ 50,256
2-2	862	9,482	11	$ 960	$ 10,560	1.02	50% AMI	$ 126,720	$ 129,254	$ 131,839	$ 134,476	$ 137,166	$ 151,442	$ 167,204
2-2	863	33,657	39	$ 1,176	$ 45,864	1.02	60% AMI	$ 550,368	$ 561,375	$ 572,603	$ 584,055	$ 595,736	$ 657,741	$ 726,199
2-2	864	2,592	3	$ 1,293	$ 3,879	1.02	MR	$ 46,548	$ 47,479	$ 48,429	$ 49,397	$ 50,385	$ 55,629	$ 61,419
Subtotals:		71,326	90		$ 91,197									
Other income:				$ 20.00	$ 1,800	1.02		$ 21,600.00	$ 22,032	$ 22,473	$ 22,922	$ 23,381	$ 25,814	$ 28,501
Potential gross income								$ 1,115,964	$ 1,138,283	$ 1,161,049	$ 1,184,270	$ 1,207,955	$ 1,333,680	$ 1,472,491
Residential vacancy loss						7.50%		$ (83,697)	$ (85,371)	$ (87,079)	$ (88,820)	$ (90,597)	$ (100,026)	$ (110,437)
Effective Gross Residential Income								$ 1,032,267	$ 1,052,912	$ 1,073,970	$ 1,095,450	$ 1,117,359	$ 1,233,654	$ 1,362,054

Operating Expenses		TSAHC est.	Borrower Yr 1	% EGI	Variance	Per Unit	Inflator	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15
General & Administrative		$ 52,020	$ 34,200	3.31	-34%	$ 380	1.03	$ 34,200	$ 35,226	$ 36,283	$ 37,371	$ 38,492	$ 44,623	$ 51,731
Management Fee		$ 35,820	$ 51,613	5.00	44%	$ 573	1.03	$ 51,613	$ 53,161	$ 54,756	$ 56,399	$ 58,091	$ 67,343	$ 78,069
Payroll and Related		$ 133,470	$ 158,188	15.32	19%	$ 1,758	1.03	$ 158,188	$ 162,934	$ 167,822	$ 172,856	$ 178,042	$ 206,399	$ 239,274
Maintenance & Repair		$ 74,790	$ 64,000	6.20	-14%	$ 711	1.03	$ 64,000	$ 65,920	$ 67,898	$ 69,935	$ 72,033	$ 83,505	$ 96,806
Utilities		$ 94,590	$ 53,100	5.14	-44%	$ 590	1.03	$ 53,100	$ 54,693	$ 56,334	$ 58,024	$ 59,765	$ 69,283	$ 80,319
Insurance		$ 74,790	$ 86,400	8.37	16%	$ 960	1.03	$ 86,400	$ 88,992	$ 91,662	$ 94,412	$ 97,244	$ 112,732	$ 130,688
Taxes		$ 60,750	$ 135,224	13.10	123%	$ 1,502	1.03	$ 135,224	$ 139,281	$ 143,459	$ 147,763	$ 152,196	$ 176,437	$ 204,538
Operating Debt Service Reserves				0.00	#DIV/0!	$ -	1.03	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Replacement reserves		$ 22,500	$ 22,500	2.18	0%	$ 250	1.03	$ 22,500	$ 23,175	$ 23,870		$ -	$ -	$ -
HTC/HOME Compliance Fees		$ 3,480	$ 3,480	0.34	n/a	$ 39	1.03	$ 3,480	$ 3,584	$ 3,692	$ 3,803	$ 3,917	$ 4,541	$ 5,264
TSAHC Compliance Fees				0.00	#DIV/0!	$ -	1.03	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other (specify):	supportive services	$ 7,000	$ 7,000	0.68	0	$ 78	1.03	$ 7,000	$ 7,210	$ 7,426	$ 7,649	$ 7,879	$ 9,133	$ 10,588
Total Operating Expenses		$ 559,210	$ 615,705		10%	$ 6,841.17		$ 615,705	$ 634,176	$ 653,201	$ 648,211	$ 667,657	$ 773,998	$ 897,276
					Regional avg	$ 6,088.00	*per unit*	*$ 17,103*	*$ 17,616*	*$ 18,144*	*$ 18,006*	*$ 18,546*	*$ 21,500*	*$ 24,924*
					Operating Expenses as a percentage of Effective Gross Income			*59.6%*	*60.2%*	*60.8%*	*59.2%*	*59.8%*	*62.7%*	*65.9%*
NET OPERATING INCOME								**$ 416,562**	**$ 418,736**	**$ 420,769**	**$ 447,239**	**$ 449,701**	**$ 459,656**	**$ 464,778**

Amarillo Lofts - Underwriting - Operating Proforma

	Principal	Rate	Amort	Term	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15
NET OPERATING INCOME					**$ 416,562**	**$ 418,736**	**$ 420,769**	**$ 447,239**	**$ 449,701**	**$ 459,656**	**$ 464,778**
PRIMARY DEBT SERVICE											
PNC Perm Loan	$ 4,788,000	6.50%	35	15	$ 347,123	$ 347,123	$ 347,123	$ 347,123	$ 347,123	$ 347,123	$ 347,123
					$ -	$ -	$ -	$ -	$ -	$ -	$ -
					$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Primary Debt	$ 4,788,000				$ 347,123	$ 347,123	$ 347,123	$ 347,123	$ 347,123	$ 347,123	$ 347,123
Net Cashflow After Primary Debt					$ 69,439	$ 71,613	$ 73,646	$ 100,116	$ 102,578	$ 112,533	$ 117,655
DSCR Primary Debt					1.20	1.21	1.21	1.29	1.30	1.32	1.34
SOFT SUBORDINATE DEBT & EQUITY											
PNC - Housing Tax Credits	$ 15,398,460										
City of Amarillo	$ 500										
Deferred Developer Fee	$ 874,064										
Total Secondary Debt	$ 16,273,024										
Net Cash Flow of Secondary Debts					$ 69,439	$ 71,613	$ 73,646	$ 100,116	$ 102,578	$ 112,533	$ 117,655

Tab 7

Presentation, Discussion and Possible Approval of the Texas Foundations Fund: FY2027 Disaster Recovery Guidelines.

Tab 7

Presentation, Discussion and Possible Approval of the Texas Foundations Fund: FY2027 Disaster Recovery Guidelines

presented to the Board of Directors of Texas State Affordable Housing Corporation
(August 18, 2026)

Documents

1. Redlined copy of Texas Foundations Fund: FY2027 Disaster Recovery Guidelines
2. Clean copy of Texas Foundations Fund: FY2027 Disaster Recovery Guidelines
3. Public comment received from Connective

Summary of Proposed Changes

1. Total amount of funding has increased from $250,000 to **$350,000.**
    a. *Rationale: This will keep funding consistent with FY2026 levels and enable TSAHC to better respond to both recent and future disasters.*
2. Organizations may apply for disaster recovery funding for disasters that were declared on or after **June 1, 2025** rather than on or after June 1, 2026, giving organizations an extra year to apply for funding.
    a. *Rationale: It can take years for households to complete needed repairs, and this expanded timeline better allows nonprofits to assist households dealing with insurance disputes, FEMA claims, contractor shortages, or other delays.*
3. The maximum amount an organization may receive per disaster has increased from $30,000 to **$50,000.**
    a. *Rationale: This will allow nonprofits to repair more homes with TSAHC funding.*
4. The total amount of funding that can be used per household has increased from $5,000 to **$10,000**.

    a. *Rationale: The cost of home repairs is increasing, and this change better aligns with the actual cost of repairs*.

5. Organizations may now **submit more than one application per declared disaster**, if they submit a report on their previous award and demonstrate sufficient demand for an additional award.
    a. Rationale: This will allow high-capacity organizations to request additional funds, thereby helping ensure that TSAHC disaster recovery funds are fully utilized.

6. TSAHC will require that **households located in designated flood hazard areas obtain and maintain flood insurance for a minimum of 2 years** following the completion of repairs.
    a. Rationale: This requirement will better protect homeowners that live in flood zones and ensure that TSAHC does not fund the repair of homes damaged more than once.

Texas Foundations Fund: FY2027 Disaster Recovery Guidelines

Funding Overview

Through its Texas Foundations Fund (TFF) program, the Texas State Affordable Housing Corporation (TSAHC) is offering grants to eligible organizations providing housing assistance activities in response to disasters. The available funding is determined on an annual basis at the discretion of the TSAHC Board of Directors. The amount of funding available for disaster recovery grants during TSAHC's 2027 Fiscal Year is up to $3~~2~~50,000.

Grant awards will be made for the critical repair of single-family homes located in any one or more counties affected by weather-related natural disasters. The disaster must be declared as such on or after **June 1, 2025~~6~~** by a Federal Emergency Management Agency disaster declaration, a Texas Disaster Declaration, and/or a local city or county disaster declaration**.**

Eligibility Requirements

To qualify for critical repair grant funding, applicants must meet the following requirements:

1. **Organization Type:** Applicant must be a current or former TFF nonprofit partner or have received funding through the Housing and Economic Assistance to Rebuild Texas (HEART) Program. Applicants must be current on all reporting requirements for existing grants to be eligible for this funding opportunity. To ensure geographic coverage across Texas in the wake of a disaster, TSAHC reserves the right to waive this requirement for organizations that otherwise meet all program eligibility requirements. Organizations that receive this exception will be required to meet the same financial requirements as outlined in the annual Texas Foundations Fund guidelines.
2. **Household Requirements:** To ensure the funding reaches those who are most in need, each organization must use critical repair funds only for critical home repairs[1] of single-family homes[2] to households at or below 80% of the area median family income[3].
    ~~2.~~a. Households located in designated flood hazard areas will be required to obtain and maintain flood insurance for a minimum of 2 years following the completion of repairs.
3. **Program Requirements:** Homes receiving repairs must be owner-occupied or single-family rental homes owned and operated by the applicant. All repairs funded by the

[1] TSAHC defines critical repairs as repairs to a failed or inefficient system that is compromised by the natural disaster, including electrical, roofing repairs/replacements, structural damage, plumbing, mechanical systems, and heating and air conditioning. Critical repairs must be vital to the health and safety of the occupants and meet state and local building codes.

[2] TSAHC defines "single family home" as a residential property with an attached or detached dwelling that consists of (i) a single unit on an individual lot; or (ii) a single unit in a condo project, Planned Unit Development, or duplex, triplex or fourplex; or (iii) not more than four connected units, with each unit intended as housing for one family. Dwellings that are not titled as real estate, such as RVs and houseboats, are not eligible.

[3] TSAHC uses the U.S. Department of Housing and Urban Development's Section 8 income limits to determine income eligibility. To review the current income limits, visit: www.huduser.org/portal/datasets/il.html

grant must be provided free of charge and directly related to damage inflicted by the declared disaster.

4. **Geographic Requirements:** Applicant must provide critical repairs to disaster-damaged homes located in counties included as part of the Federal Emergency Management Agency's federal disaster declaration, Texas Disaster Declaration and/or local city or county disaster declaration.

Administration

1. Eligible organizations may complete an online application at any time after there has been a disaster declaration for any county or counties in the organization's service area.
2. Awards will be made on a rolling basis as long as funding is available.
3. The maximum grant per application is $5~~3~~0,000, and the maximum amount that can be used to assist an individual household is $10~~5~~,000.
4. An organization may submit more than one application per each declared disaster, if funding is available. ~~An organization may submit more than one application per declared disaster during FY2027 if they submit a report for their first FY2027 award that shows they've spent the previous TSAHC disaster recovery funding~~Organizations requesting additional funding for the same declared disaster must submit a final report documenting that the prior award has been fully expended, as well as an updated repair wait list demonstrating sufficient demand for an additional award~~.~~ ~~Organizations applying for a second grant award for a declared disaster must also demonstrate demand for additional funding, such as through an updated repair waitlist.~~ If multiple organizations submit an application in response to the same disaster, TSAHC may reduce the amount of funding available to each applicant.

   ~~4. An organization is limited to submitting one application per each declared disaster. In the event a disaster declaration is renewed, an organization may not apply for additional funding if they have already received funding for that disaster. An organization may submit more than one application during FY2027 only if there are multiple declared disasters within the organization's service area. If multiple organizations submit an application in response to the same disaster, TSAHC may reduce the amount of funding available to each applicant.~~
5. Grantees will receive funding as a lump sum award.
6. Grant terms will begin on the date of the federal, state, county or city disaster declaration, whichever is earliest.
7. Grantees must spend 100% of their award and complete all activities proposed in their application within six months of signing their grant agreement.
8. Grantees will be required to submit a final report at the completion of their grant term documenting their utilization of the grant funds.

Grant Agreement

Grantees will be required to execute a grant agreement that outlines:

- a description of how the grant will be used,
- eligible expenditures[4],
- reporting requirements, and
- TSAHC's right to inspect properties or service records and to review financial documents.

[4] Grantees may use up to 10% of their award for administrative expenses. The remaining funds must be used for direct costs for critical home repairs. These costs may include, but are not limited to, contractor fees, materials, salaries for staff performing critical repair work, and building permits and inspection fees for homes to be repaired.

Failure to adhere to the terms of the grant agreement may result in the delay or cancelation of grants, termination of the agreement, or request for repayment of all or part of the grants disbursed.

Questions

Questions regarding these guidelines, funding eligibility or grant administration should be submitted in writing to Anna Orendain-Chavez by email at aorendain-chavez@tsahc.org.

Texas Foundations Fund: FY2027 Disaster Recovery Guidelines

Funding Overview

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grant must be provided free of charge and directly related to damage inflicted by the declared disaster.

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1. Eligible organizations may complete an online application at any time after there has been a disaster declaration for any county or counties in the organization's service area.
2. Awards will be made on a rolling basis as long as funding is available.
3. The maximum grant per application is $50,000, and the maximum amount that can be used to assist an individual household is $10,000.
4. An organization may submit more than one application per each declared disaster, if funding is available. Organizations requesting additional funding for the same declared disaster must submit a final report documenting that the prior award has been fully expended, as well as an updated repair wait list demonstrating sufficient demand for an additional award. If multiple organizations submit an application in response to the same disaster, TSAHC may reduce the amount of funding available to each applicant.
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Questions

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[4] Grantees may use up to 10% of their award for administrative expenses. The remaining funds must be used for direct costs for critical home repairs. These costs may include, but are not limited to, contractor fees, materials, salaries for staff performing critical repair work, and building permits and inspection fees for homes to be repaired.

Houston, Texas | 4201 Main St, Suite 200, Houston, TX 77002| 713-824-9760 | www.connectivetx.org

August 5, 2026

Texas State Affordable Housing Corporation
Attn: Anna Orendain-Chavez
Submitted via email: aorendain-chavez@tsahc.org

Re: Public Comment on the FY2027 Texas Foundations Fund Draft Disaster Recovery Guidelines

Dear Ms. Orendain-Chavez and Members of the Board:

Connective respectfully submits the following comments on the FY2027 Texas Foundations Fund (TFF) Draft Disaster Recovery Guidelines. We appreciate TSAHC's sustained investment in the nonprofits that repair Texans' homes after disaster, and we offer these comments as an organization that works alongside those nonprofits every day.

About Connective. Connective is a Houston-based nonprofit that builds and operates the coordination infrastructure for disaster recovery across Texas. Since our founding as a post-Hurricane Harvey pilot, we have responded to more than ten declared disasters and have coordinated and administered critical home repairs across dozens of nonprofit partner agencies. Together with those partners, we have completed repairs on more than 2,500 single-family homes — precisely the activity the Texas Foundations Fund is designed to support.

The current need. The scale of unmet need remains substantial. In the current disaster season alone, more than 1,200 households have completed a needs assessment through Connective, and 725 of them — roughly three in five — identified home repair as a need. These are Texans whose homes remain damaged and who are waiting on the very repairs this program funds.

With that context, we respectfully offer four recommendations on the draft guidelines.

1. Restore and increase total program funding. The draft reduces total available disaster-recovery funding to $250,000 for FY2027, down from $350,000 the previous fiscal year — a reduction of nearly 30% at a time when the frequency and severity of Texas disasters are increasing, not declining. We respectfully request that TSAHC increase total FY2027 disaster-recovery funding to $500,000. At a minimum, we urge TSAHC to maintain funding at the prior $350,000 level rather than reducing it.

2. Increase the maximum grant per agency to at least $80,000. The draft holds the maximum grant per organization at $30,000. At today's actual repair costs, a $30,000 grant funds fewer than three completed homes. For many capable partners, that return does not justify the administrative investment the program requires — needs assessment and eligibility documentation, a six-month spend-down, and final reporting — which discourages exactly the high-capacity organizations TSAHC most wants to mobilize after a disaster.

We request that TSAHC raise the maximum grant per organization to at least $80,000. At a realistic per-home cost, an $80,000 grant would allow an agency to complete roughly six or seven homes — a commitment large enough to make the administrative lift worthwhile, to concentrate impact through proven partners in the critical early months of recovery, and to meaningfully reduce an agency's waitlist.

3. Increase the maximum assistance per home to at least $12,000. In practice, a TSAHC grant is rarely the only funding that repairs a home — it is an anchor that partners build on, layering donated labor, in-kind materials, and other grants to complete the work. Whether that layering is possible depends on how much of the total repair the anchor covers. A grant that covers only a small fraction of the cost is not a catalyst but a token: too small to justify assembling the rest, so the home is left partially repaired or not repaired at all. The draft holds the per-home cap at $5,000, but actual repair costs — which vary sharply by event type and repair scope — show how rarely $5,000 clears that bar:

Connective Response	Event Type	Program Scope	Partner Agencies	Homes	Avg. Cost / Home
Winter Storm Uri (2021)	Freeze	Emergency	16	1,232	$5,502
Houston Derecho (2024)	Wind	Emergency	6	100	$13,286
Hurricane Beryl (2024)	Wind	Emergency	12	268	$12,841
Central Texas Floods (2025)	Flood	Full repair	3	74	$89,593

These figures are not directly comparable, and that is the point. The stabilization-scope emergency repairs in our recent wind responses already averaged more than $13,000 per home. A full critical repair on a storm-damaged home more typically runs $25,000 to $50,000, and flood recovery runs higher still — the 2025 Central Texas floods averaged nearly $90,000 per home. Against a $25,000–$50,000 repair, a $5,000 grant covers only 10–20% of the cost. That is hardly a dent, and it is well below the point at which a partner can realistically raise the balance.

In our experience, a grant becomes real leverage only when it covers a substantial share of the repair — on the order of half. Below that, the remaining gap is simply too large to close reliably from other sources, and dollars meant to catalyze recovery instead go unused because no home can be finished with them. Raising the cap to at least $12,000 brings TSAHC's grant to roughly a quarter to half of a typical repair — the range in which partners can actually assemble the remaining funds and complete a home. Even at $12,000 the cap remains conservative: it sits at or below the cost of a single storm repair and far below what flood recovery requires, which is why we offer it as a floor rather than a target.

4. Extend eligibility to homes damaged by disasters declared within the previous three years. The draft ties eligibility to disasters declared on or after a single recent date, creating an effective window of roughly one year. In practice, disaster recovery does not resolve on that timeline. Low-income, owner-occupant households — the very families this program prioritizes — routinely wait years to complete repairs, delayed by insurance disputes, contractor availability, the slow sequencing of larger federal recovery programs, and the simple exhaustion of available funds. A family whose home was damaged by the 2024 Derecho or Beryl may only now be positioned to complete critical repairs, yet a one-year window would exclude them.

We request that TSAHC allow grant funds to be used for critical repairs to homes damaged by any qualifying disaster declared within the previous three years. This change would meet families where they actually are in the recovery timeline, reduce the number of homes left with unresolved health-and-safety hazards, and allow TSAHC's partners to reach households who have been waiting precisely because earlier resources ran out.

Connective would welcome the opportunity to serve as a resource to TSAHC as it finalizes these guidelines, including by sharing additional cost and needs data from our partner network. Thank you for your consideration, and for TSAHC's continued commitment to Texans recovering from disaster.

Respectfully submitted,

Elena White
Chief Executive Officer
Connective
ewhite@connectivetx.org
713-824-9760

Tab 8

Closed Executive Session – Personnel Matters (Discussion pursuant to Texas Government Code § 551.074).

Tab 9

Review, Discussion, and Possible Action regarding matters discussed in Executive Session and any related actions.