

**AMENDMENT NO. 1 TO
SERVICE AGREEMENT BETWEEN
THE CITY OF AUSTIN AND THE
AUSTIN HOUSING FINANCE CORPORATION**

On or about October 1, 2011, the City of Austin, a home-rule municipal corporation situated in Hays, Travis and Williamson Counties acting by and through its duly authorized City manager or his designee (City), and the Austin Housing Finance Corporation, a Texas public non-profit corporation and instrumentality of the City of Austin (AHFC), entered in to a "Service Agreement" (Agreement) whereby the City contracted with Austin Housing Finance Corporation (AHFC) and AHFC agreed to provide, oversee, administer and carry out the various housing programs for the City's federal Housing and Urban Development (HUD) funds and local housing funds.

On April 5, 2012, the City Council authorized the execution of this "Amendment No. 1 to Service Agreement" (Amendment) between the City and AHFC to appropriate available cash funds from the Housing Trust Fund (HTF) for the housing developer assistance program. This program offers assistance to for-profit and non-profit developers to create affordable rental and ownership housing.

The City and AHFC (Parties) desire to amend their service agreement pursuant to Section 38 of the Agreement, and NOW THEREFORE, the Parties, for and in consideration of the promises and mutual obligations contained in this Amendment, do agree as follow:

Section 1 PURPOSE OF AMENDMENT

City hereby contracts with AHFC and City agrees to transfer to AHFC Grant Operating Budget Special Revenue Fund funds in the amount of one million seventy-one thousand eight hundred thirty nine dollars (\$1,071,839).

Section 2 TERM OF AMENDMENT

This term of this Amendment shall be effective from execution until September 30, 2012.

Except as explicitly provided otherwise in this Amendment, all other terms and provisions of the Agreement remain the same and shall be given full force and effect.

Executed April __, 2012.

CITY OF AUSTIN

**AUSTIN HOUSING FINANCE
CORPORATION**

By: _____
Marc A. Ott
City Manager

By: _____
Elizabeth Spencer
Treasurer