EXHIBIT A

DMA DEVELOPMENT COMPANY, LLC
4101 PARKSTONE HEIGHTS DRIVE, SUITE 310 AUSTIN, TX 78746 TEL: 512.328.3232 FAX: 512.328.4584

Memorandum

To:	**Betsy Spencer**	**Date:**	**April 13, 2015**
From:	**Janine Sisak**		
CC:	**Diana McIver, Gina Copic, David Potter, Bill Gerhig**		
Re:	**Proposed Joint Venture – Aldrich 51, Austin, Texas**		

This memorandum outlines our proposal regarding a joint venture between DMA Development Company, LLC and/or one of its affiliates ("DMA") and the Austin Housing Finance Corporation and/or one of its affiliates ("AHFC") to develop a 240 unit multifamily development, called Aldrich 51 (the "Development") in the Mueller Redevelopment in Austin. We are expecting that the financing structure will involve 4% housing tax credits, private activity bonds, and City of Austin general obligation funds, which is financially feasible assuming that the property is exempt from property taxes. Based on the foregoing, therefore, we propose the following terms for discussion:

Overview of the Development

Aldrich 51 is proposed as a newly constructed apartment community in the heart of the Mueller Market District in Austin, Travis County. Aldrich 51 will serve working families and provide approximately 240 units comprised of one, two, and three bedroom units. The development site is located on 3.465 acres on the west side of Aldrich Street, between Barbara Jordan Boulevard, and 51st Street.

Aldrich 51 is a mere two blocks away from the new 75,000 square foot HEB that serves as the anchor of the Market District and, as such, has already attracted other new retail and commercial establishments to that area. Existing regional retail is located four blocks west of the site including major national retailers - Home Depot, Bed Bath & Beyond, Old Navy, and several chain restaurants and cafes, including Starbucks and Jamba Juice. The recently announced Alamo Draft House Movie Theater will be three blocks to the south.

Aldrich 51 will be a four-story, elevator served building with structured parking and an interior courtyard. On the street level, the uses will be primarily residential with amenity space and administrative offices also on the ground floor. The units will be a mix of primarily one and two bedrooms, with a small number of three bedroom units. Approximately 90% of the units will be affordable to households earning less than 60% of the median income for the Austin metropolitan statistical area. Aldrich 51 will target a mix of incomes as follows:

# of units	Type	Square Footage	Net Rent	Income Eligibility
6	Studio	524 sq. ft.	$358	30% of Median
6	Studio	535 sq. ft.	$358	30% of Median
10	Studio	535 sq. ft.	$627	50% of Median
16	Studio	535 sq. ft.	$762	60% of Median
2	1 Br/1 Ba	712 sq. ft.	$661	50% of Median
12	1 Br/1 Ba	712 sq. ft.	$669	50% of Median
65	1 Br/1 Ba	712 sq. ft.	$813	60% of Median
8	1 Br/1 Ba	712 sq. ft.	$1,300	Market
6	2 Br/1 Ba	867 sq. ft.	$446	30% of Median
23	2 Br/1 Ba	867 sq. ft.	$792	50% of Median
56	2 Br/1 Ba	1,000 sq. ft.	$965	60% of Median
4	2 Br/2 Ba	1,100 sq. ft.	$965	60% of Median
6	2 Br/2 Ba	1,177 sq. ft.	$965	60% of Median
5	2 Br/2 Ba	1,177 sq. ft.	$1600	Market
7	2 Br/2 Ba	1,223 sq. ft.	$1,750	Market
1	3 Br/2 Ba	1,201 sq. ft.	$979	60% of Median
3	3 Br/2 Ba	1,201 sq. ft.	$1,103	60% of Median
4	3 Br/2 Ba	1,201 sq. ft.	$1,800	Market

The tax exemption achieved by the proposed organization structure results in a deep level of affordability at this exceptional central Austin site. The tax exemption has a value of approximately $250,000 per annum, which results in an extra $4 million in loan proceeds. Without this boost in loan proceeds, the Development could not have any units at 30% or 50% AMI, and instead would have to charge all units the 60% AMI rents. Additionally, without the tax exemption, the Development would need an extra $1,750,000 in G.O. bond funding to make the deal feasible even at all 60% AMI rents. Unlike many bond deals proposed or under construction currently, this site is not located in a qualified census tract and thus does not qualify for the 30% boost available in more impoverished areas. This is another reason that the property tax exemption is critical for the financial feasibility of this development.

Proposed Organizational Structure
See proposed organization chart attached.

Austin DMA Housing II, LLC (the "Owner") is in the process of being formed and will serve as the owner entity that will own the improvements. DMA Aldrich 51, LLC, a to-be formed single purpose entity, will serve as the Special Member, and an investor will be selected to serve as the Investor Member. AHFC, or one of its affiliates, will serve as the Managing Member.

Tax Exemption
The proposed ownership structure is expected to generate ad valorem tax exemption for the Project. AHFC, as proposed owner of the land, will work with Developer to obtain confirmation of the availability of such exemption from the Travis County Central Appraisal District. The parties will structure the construction contract in a manner that assures the sales tax exemption.

Site Control
The City of Austin currently owns the site, which Catellus Austin, LLC has the authority to sell pursuant to the Master Development Agreement between the City of Austin and Catellus Austin, LLC. DMA Development Company, LLC and Catellus Austin, LLC will soon execute a Purchase and Sale Agreement for approximately 3.465 acres located at the northwest intersection of Barbara Jordan and Aldrich Street in Austin, Texas. At the land closing, Catellus Austin, LLC will transfer title to the fee

simple estate to DMA Development Company, LLC. At the closing of the construction financing, DMA will then transfer title to the fee simple estate to AHFC or one of its affiliates. The purchase price is $1,800,000.

AHFC or one of its affiliates will then simultaneously lease the fee simple estate to Austin DMA Housing II, LLC for a term of 65 years or longer for an upfront lease payment of $1,800,000. Austin DMA Housing II, LLC will have a leasehold interest in the land and will own the improvements.

Management of the Partnership

Because AHFC must serve as the Managing Member for purposes of the property tax exemption, the company agreement for the owner entity will state that AHFC will make management decisions, with DMA's consent over the major ones like the development budget, annual operating budgets, and selection of the management company. However, we propose certain ancillary agreements that will enable AHFC to delegate these decisions to DMA. In this way, DMA can manage the risk created by the guaranties that DMA will provide to investors and lenders. Such ancillary agreements will include:

a. An Asset Management Agreement to allow AHFC to delegate the most critical financial responsibilities including those that are traditionally performed by the general partner in a tax credit partnership. The delegated responsibilities can include, for example, preparing development and operating budgets; preparing draw requests; establishing and maintaining bank accounts for the owner; executing contracts and agreements with vendors, suppliers, service companies, utility providers, etc. within the parameters of the budgets; overseeing the selection of the management company and accounting firm and submission of the annual audit.

b. A Master Agreement to provide that the DMA guarantor has the right to approve the budget and all income and expense matters related to the debt service calculation for release of the operating deficit guaranty. It will also provide DMA with authority to sign documents in the event of a default or threatened enforcement action. In the event that a payment has been made under a guaranty for a default caused by AHFC, AHFC will reimburse the DMA guarantor with its share of cash flow and developer fee. To the extent the guarantor pays for any repurchase obligation, the guarantor will have the right to step into the shoes of the investor limited partner/member as 99.99% owner.

Cash Flow Split.

DMA proposes a cash flow split of 70% to DMA; 30% to AHFC after payment of deferred developer fee and any priority cash flow distributions to the investor member.

Development Responsibilities

1. DMA Development Company, LLC (the "Developer") will serve as the lead developer; AHFC or one of its affiliates will serve as co-developer.

2. DMA Development Company, LLC will make all development decisions, although development agreement can provide for certain consent rights over major development decisions, should AFHC desire.

3. DMA Development Company, LLC will provide all guaranties required by the lenders and investors.

4. Developer fee split. DMA proposes a development fee split of 90% to DMA; 10% to AFHC.

5. Bond Issuer and related fees. AHFC will issue the bonds and receive the associated fees.

Financing
The Owner will apply for tax-exempt private activity bond financing (the "**Bonds**") through the Texas Bond Review Board and 4% housing tax credits (the "**HTCs**") through the Texas Department of Housing & Community Affairs ("**TDHCA**").

When the Owner receives the Bonds, the Developer shall be responsible for selecting the lender and negotiating the loan terms on behalf of the Owner, provided that AHFC shall have the right to review and approve the financing arrangements and the terms and conditions of any loan documents. Financing may be secured with a deed of trust lien against the Project leasehold estate created by the Ground Lease and on the fee estate owned by AHFC. The issuer will be AHFC, and AHFC will be entitled to receive the following fees: $5,000.00 at application, and an amount equal to one-half of one percent of the bonds issued at closing.

The Developer shall be responsible for negotiating the sale of the HTCs generated by the Project to one or more HTC investors, and the corresponding HTC equity (the "**Equity**"), provided that AHFC shall have the right to approve (which approval shall not be unreasonably withheld or delayed) the identity of the investor member selected (the "**Investor Member**") and the terms of the letter of intent. The Developer and AHFC shall be jointly responsible for negotiating the terms and conditions of the Amended and Restated Company Agreement (the "**Company Agreement**").

AHFC shall be entitled to thirty percent (30%) of the cash flow, in the form of a Managing Member Supervisory Management Fee annually upon completion of the annual audit. These payment terms will be included in the Company Agreement. Notwithstanding the foregoing, the cash flow provisions must be approved by the Investor Member, and the permanent lender.

All proceeds from sale or refinance of the Project will be shared, at least eighty (80%) to the Special Member.

Annual Monitoring Fee
In accordance with AHFC Bond Financing Rules, an annual monitoring fee will be paid to AHFC in the amount which is the greater of: $1,200 or $12 per unit or an amount equal to 0.003 times the amount of bonds outstanding on January 1 of each year.

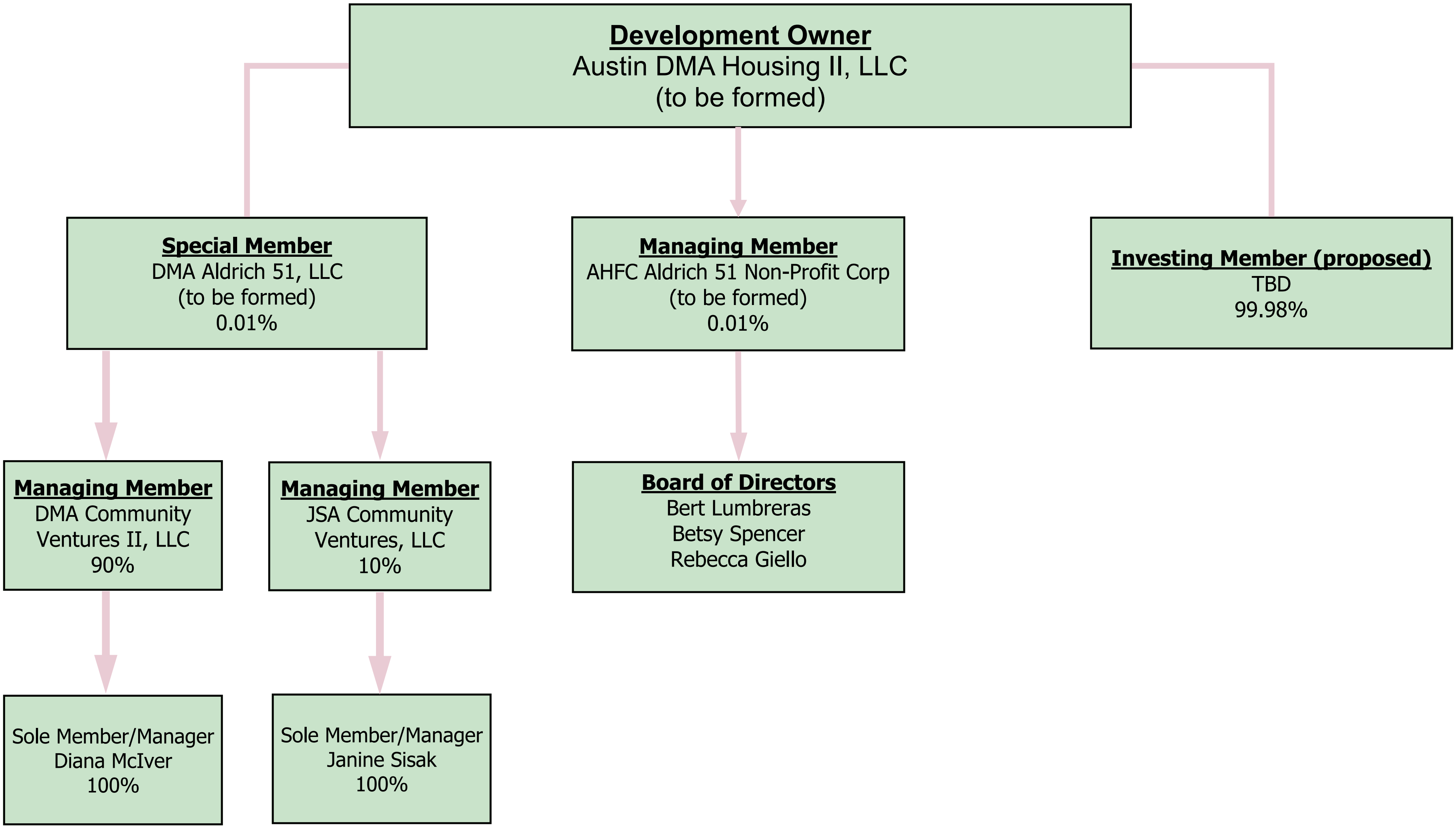
Management and Construction

Developer's management company shall manage the Property. An affiliate of AHFC or another nonprofit entity shall serve as the construction company to achieve the sales tax exemption on construction materials, with the construction work subcontracted to a reputable builder selected by the Developer.

Exit Strategy
In order for the property to obtain an ad valorem tax exemption, the Managing Member shall at all times have an option to compel title to the property. During the initial tax credit compliance period, this option price will be at a price satisfactory to the Investor Member so to reimburse the Investor Member all capital contributions plus costs, expenses and lost profits if in the event the option is exercised. After the investor member has withdrawn from the ownership structure, the purchase option shall be at fair market value. The Special Member shall have a secondary purchase option at the end of the tax credit compliance period to purchase the Project at fair market value in the event the Managing Member declines to exercise its primary purchase option.

In the event that the Managing Member and Special Member elect at the end of the tax credit compliance period to resyndicate the Project to allow for additional improvements and to maintain the Project as affordable housing, the parties will enter into an agreement for the resyndication under substantially the same terms and conditions as contained in this proposal.

Proposed Organizational Chart of Ownership Entity



Organizational Chart of Developer

Co-Developer
DMA Development Company, LLC
(HUB)
90%

Member/Manager
Diana McIver
(individual)
100%

Co-Developer
AHFC Aldrich 51 Non-Profit Corp
(to be formed)
10%

Board of Directors
Bert Lumbreras
Betsy Spencer
Rebecca Giello