



Austin Housing Finance Corporation

P.O. Box 1088, Austin, TX 78767-1088

Application for Financing Qualified Multifamily Residential Rental Project

Please read the instructions before completing and submitting this application.

Section A Application Summary

1. Name, Address, telephone and fax numbers of Applicant

MHP City Heights, Ltd.
c/o McDowell Housing Partners
601 Brickell Key Drive. Suite 700. Miami, FL 33131
Phone (786)257-2774 Fax (786)257-2779

2. Name, address, telephone number, fax number and email address for Applicant's contact person

Christopher Shear
601 Brickell Key Drive. Suite 700. Miami, FL 33131
Phone (786)257-2767 Fax (786)257-2779

3. Amount of Tax-Exempt Bond Issuance Requested?

\$22,000,000

4. What type of bond financing is being requested for this development?

X	Private Activity Bonds		501(c)
---	------------------------	--	--------

5. If Private Activity Bonds, which Priority Election?

	1		2	X	3
--	---	--	---	---	---

6. Brief description of project

<p>City Heights is a a 179-unit new construction development to be located at approximately 4400 Nuckols Crossing Road in Austin, TX. The 100% income-restricted housing is intended to serve seniors and it will have one- and two-bedroom units.</p>
--

The individual signing this Application represents that he or she read and understands the Austin Housing Finance Corporation Multifamily Residential Development Rules and Regulations, that the information contained in the Application form is correct and complete, that the Applicant agrees to the terms and conditions set out in the instructions, and that he or she is legally authorized to sign on behalf of the Applicant.



Signature

Christopher Shear - COO / Managing Director
Of McDowell Housing Partners

Typed Name and Title

5/14/2020

Date

Section B Applicant Information

1. What is the legal form of the Applicant (please check one)

<input type="checkbox"/>	Sole Proprietorship	<input type="checkbox"/>	General Partnership
<input type="checkbox"/>	Business Corporation	X	Limited Partnership
<input type="checkbox"/>	501(c)3 Corporation	<input type="checkbox"/>	Limited Liability Company

2. Is the Applicant a "to be formed" entity?

Yes

3. Participants in the Application

Please attach an organizational chart identifying the Participants in the Application and identify it at "Attachment A". The purpose of this section is to identify and describe the organizations or persons that will own, control and benefit from the Application to be funded with AHFC assistance. The Applicant's ownership structure must be reported down to the level of the individual Principals (natural persons). Persons that will exercise control over a partnership, corporation, limited liability company, trust or any other private entity should be included in the organizational chart. Nonprofit entities, public housing authorities, housing finance corporations and individual board members must be included in this chart.

4. Has the Applicant, any of its officers or directors, or any person who owns a 10% of greater interest in the Applicant ever been found in violation of any rules or regulations of HUD or of any other federal or state agency or been the subject of an investigation by HUD or of any other federal or state agency? If yes, attached a full explanation.

<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	X	<input type="checkbox"/>	No
--------------------------	-----	-------------------------------------	---	--------------------------	----

5. Development Team Members

Please attach a list with the name, address, telephone number, fax number and email address of Applicant's professional development team members. This should include, but is not limited to, legal counsel, financial adviser, investment banker, mortgage banker, architect, general contractor, etc. This should be identified as "Attachment B".

7. Previous Experience

Please attach a summary of the Applicant's (or its principal's) development experience in terms of project types and dates, cost, locations and methods of financing. This should be identified as "Attachment C".

8. Financial Capacity

Please attach copies of the Applicant's most recent audited financial statements including balance sheet and profit and loss statements. This should be identified as "Attachment D".

Section C Development Information

1. Is this Application for (please check one)?

X	New Construction		Acquisition/Rehabilitation
---	------------------	--	----------------------------

2. Describe the location of the project site, including the zip code and its street address (if available). This description will be used in the public hearing advertisement and must be complete enough to permit someone interested in the project to find the site.

4400 Nuckols Crossing Rd.
Austin, TX 70
Travis County

3. Project Location

Please attach a (1) legal description of the site boundaries and (2) map showing the site and surrounding area. Mark on the map any schools, churches, public parks, shopping centers and other relevant services within a half-mile radius of the site. This information should be identified as "Attachment E".

4. If the proposed site is located in a Qualified Census Tract, please give the tract number.

48453002413

5. If the Applicant owns the project site, please provide the:

Purchase date	
Purchase price	
Balance of existing mortgage	
Name of existing mortgage holder	

6. If the Applicant holds an option or contract to purchase the project site, attach a copy of the Agreement. This should be identified as "Attachment E".

7. Please indicate the total number of units in the development and the number of units that will be rent and income restricted.

Total number of units	179	Number of restricted units	179
-----------------------	-----	----------------------------	-----

9. Please attach a financing proposal information package that includes at a minimum:

- A. Rent Schedule
- B. Utility Allowance Sheet

- C. Annual Operating Expense Schedule
- D. Development Cost Schedule (budget)
- E. Sources and Uses of Funds Schedule
- F. 30 year proforma
- G. Financing narrative detailing your development plan

This information package should be identified as "Attachment F".

10. Please check which of the following furnishings and equipment will be included in the individual apartment units:

X	Air conditioning	X	Range
X	Disposal		Carpet
X	Refrigerator	X	Dishwasher
	Fireplace		Cable TV
	Washer/Dryer		Other (describe)

10. Please check which of the following utilities development tenants will be required to pay for on an individual basis:

X	Electricity	X	Water and wastewater
	Gas		Garbage pickup
	Other (describe)		

11. Describe any additional facilities to be included in the project. For example: covered parking, laundry, community space in clubhouse, swimming pool, playground, etc.

Under building covered parking Swimming pool Community room Fitness center Computer room Walking path with fit Trail

12. Describe any restrictions the Applicant intends to impose on project tenants, such as family size, pets, etc.

Senior - 55 years

13. Do you intend to set aside 5% of the units for occupancy by the elderly?

X	Yes		No
---	-----	--	----

14. Do you intend to pay the Texas Department of Aging at closing a one-time fee equal to 0.10% of the total principal amount of the bond issue?

X	Yes		No
---	-----	--	----

15. Has construction or rehabilitation work on the project begun?

	Yes	X	No
--	-----	---	----

If yes, give the beginning and estimated completion date:

--

If no, give the anticipated beginning date and completion date:

April 2021 - April 2022

16. Please give the total cost expended or incurred with respect the project up to the date of this application.

--

17. Please describe briefly the anticipated arrangements for the development management. Attach a resume for the proposed management company and estimate the monthly management fee to be paid. The management company resume should be identified as "Attachment G".

APPENDIX A

AUSTIN HOUSING FINANCE CORPORATION APPLICATION FOR BOND FINANCING OR TRANSFER

I, the undersigned duly authorized representative of Christopher Shear (the "Applicant") of the proposed residential development described in the attached Application for Financing Qualified Multifamily Residential Rental Project, do hereby make application to Austin Housing Finance Corporation (the "Austin HFC") in accordance with the Austin HFC's Rules and Regulations regarding the Financing of Multifamily Rental Residential Developments, dated July 31, 2001 (the "Rules"). In connection therewith, I do hereby declare and represent as follows:

1. The applicant intends to own, construct or rehabilitate and operate a multifamily rental residential development (the "Development") to be located within the City of Austin, Texas, and desires that the Issuer issue obligations to provide financing for such residential developments in accordance with the Rules.
2. The Applicant has received a copy of the Rules, has reviewed the Rules and hereby agrees to comply with all terms and provisions of the Rules, except such provisions as may be expressly waived by the Board of Directors of the Austin HFC. Further Applicant agrees to comply with all terms and provisions of any rules finally approved by the Board prior to approval of an inducement resolution.
3. The Applicant has submitted herewith two completed copies of the Application. To the best of the Applicant's knowledge, the information contained therein is true and correct. Additionally, the Applicant has submitted herewith:
 - o If applying for a portion of the State Bond Cap, a \$5,000 check payable to the Texas Bond Review Board.
 - o A \$5,000 check payable to the Austin HFC to cover staff time for reviewing the application and to compensate Bond Counsel for preparing and filing the Texas Bond Review Board application.

If bonds are not issued, this application fee is non-refundable.

If bonds are issued, the applicant will be required to pay an advance against the Issuance Fee of 10% of the estimated Issuance Fee. This advance will be used to pay for any Third-Party Reports, staff time and other expenses incurred by the Corporation. The advance is payable by the Applicant to the Austin HFC before the public (TEFRA) hearing is scheduled. If bonds are not issued and the total cost of the Third-Party Reports, staff time and expenses is less than the advance, the Austin HFC will refund the difference to the Applicant.

4. the Applicant will (a) pay all Development costs which are not or cannot be paid or reimbursed from the proceeds of the bonds issued to provide funds to finance the Development and (b) at all times, indemnify and hold harmless the Austin HFC against all losses, costs, damages, expenses, and liabilities of whatever nature (including, but not limited to, attorney's fees, litigation and court costs, amounts paid in settlement, and amounts paid to discharge judgments) directly or indirectly resulting from, arising out of or related to this Application, the Development, or the issuance, offering, sale, or delivery of the bonds or other evidences of indebtedness issued to provide funds to finance the Development, or the design, construction, rehabilitation, installation, operation, use, occupancy, maintenance, or ownership of the Development.

Based on the foregoing, the Applicant requests that the Board of Directors of the Austin Housing Finance Corporation grant preliminary approval of this Application for financing in accordance with the Rules.

WITNESS MY HAND ON  _____

MHP City Heights, Ltd.

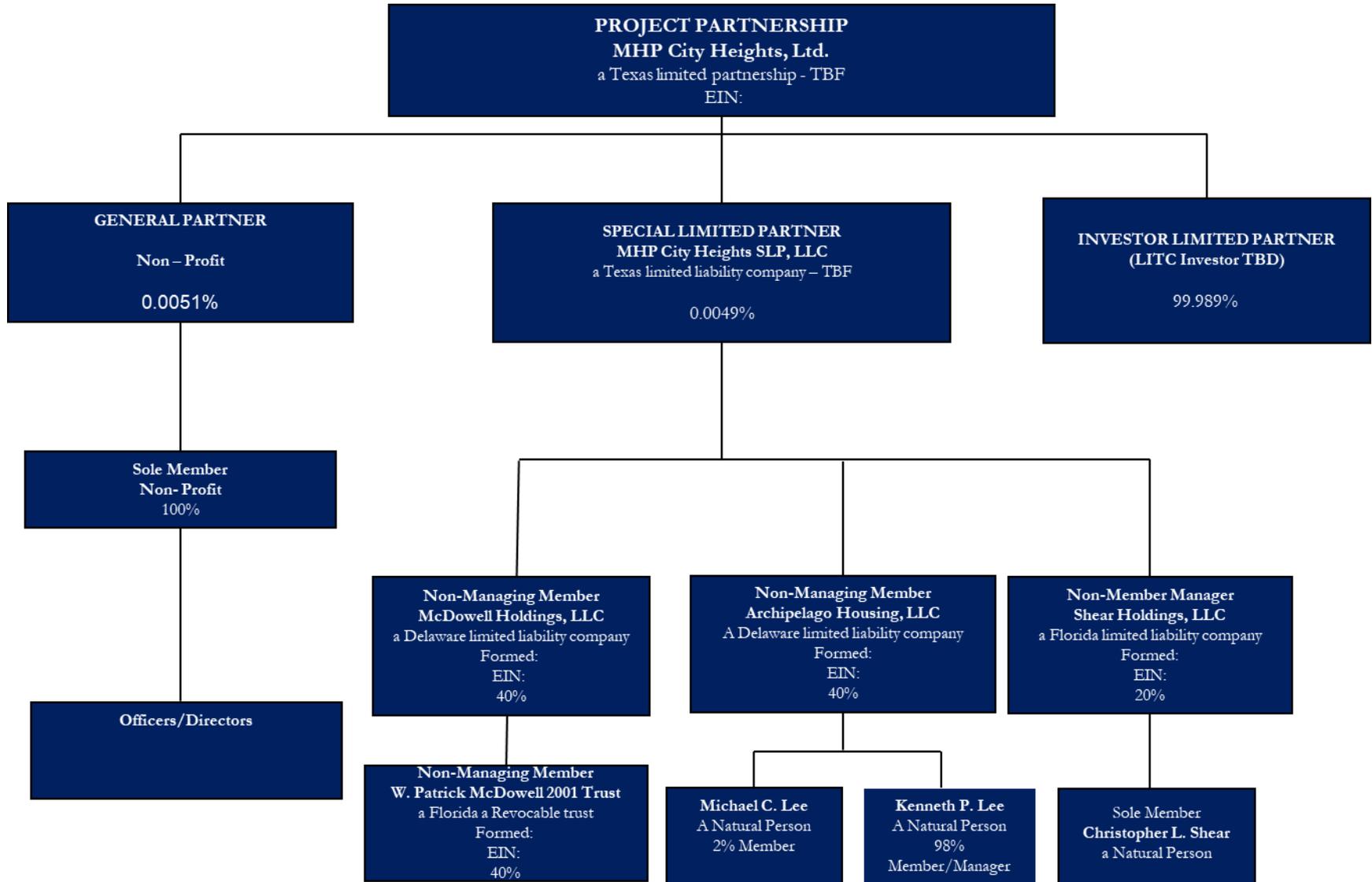
NAME OF APPLICANT

 _____ 5/14/2020
By: Christopher Shear

 _____
Title: Authorized Representative

Attachment A

Proposed Org Chart



**“Attachment B”
Development Team**

Legal Counsel

Cynthia Bast - Locke Lord LLP
600 Congress Avenue
Suite 2200
Austin, Texas 78701
[Tel: 512-305-4707](tel:512-305-4707)
Fax: 512-391-4707
cbast@lockelord.com

Financial Adviser

TBD

Investment Banker

TBD

Mortgage Banker

TBD

Architect

Ted Hunton
Fugleberg Koch, LLC
2555 Temple Trail . Winter Park, FL 32789
Tel: 407-629-0595
Fax: 407-628-1471
TedH@fuglebergkoch.com

Civil Engineer

Cliff Kendall - WGI
2021 East 5th St Suite 200
Austin, Texas 78702
512.669.5560 x1014
Cliff.Kendall@wginc.com

General Contractor

Frank White - Golf Coast Community Builders, LLC
3901 South Lamar, Suite 120
Austin, TX 78704
Tel: 512.808.088

Management Company

Highmark Residential

5429 LBJ Freeway, Suite 800

Dallas, Texas 75240

Phone: 214-561-1200

Fax: 214-561-1380

Attachment C

Previous Experience

Chris Shear - Project Resume						
Carlisle Development Group	Type	Location	Financing Structure	# Units	Year	Total Dev Cost
Northwest Gardens I	Acq/Rehab + New Construction	Fort Lauderdale, FL	4% LIHTC + AHP + TCEP	143	2011	\$ 23,200,619
Northwest Gardens III	New Construction	Fort Lauderdale, FL	9% LIHTC + Broward HOME Loan +TCEP	150	2012	\$ 28,922,764
Kennedy Homes	New Construction	Fort Lauderdale, FL	9% LIHTC + Broward HOME Loan +TCEP	132	2012	\$ 27,754,851
Dixie Court III	New Construction	Fort Lauderdale, FL	9% LIHTC + AHP + Broward HOME Loan	100	2009	\$ 16,537,396
Palafox Landing	New Construction	Pensacola, FL	4% LIHTC, HHRP, SHIP	96	2010	\$ 16,050,461
Dixie Court I/II	New Construction	Fort Lauderdale, FL	9% LIHTC + TCEP+ Escambia Co Hurricane Recovery Loan + TCAP	154	2009	\$ 29,232,751
Village Carver I	New Construction	Miami, FL	9% LIHTC + Miami-Dade Surtax	112	2010	\$ 29,671,543
Elderly Housing Development an						
Type	Location	Financing Structure	# Units	Year Completed	Total Dev Cost	
Mildred & Claude Pepper Towers	Acq/Rehab	Miami, FL	9% LIHTC, FHA Loan + Section 8 HAP	151	2011	\$ 18,979,596
Mayfield Manor	Acq/Rehab	Canton, OH	4% LIHTC, FHA Loan, Section 8 HAP	144	2011	\$ 14,218,746
Jacksonville Towers	Acq/Rehab	Jacksonville, AR	FHA Loan + Section 8 HAP	100	2011	\$ 2,461,593
Johnson Towers	Acq/Rehab	Washington, DC	FHA Loan + Section 8 HAP	55	2012	\$ 2,227,280
Robert Sharp Towers	Acq/Rehab	Miami Gardens, FL	4% LIHTC + Section 8 HAP + Surtax	218	2011	\$ 28,688,000
Edward M. Marx Apartments	Adaptive Reuse (Rehab)	Chicago, IL	HUD Section 202 + City of Chicago Loan	31	2012	\$ 7,011,069
J. Michael Fitzgerald	New Construction	Chicago, IL	HUD Section 202 + City of Chicago Loan	63	2013	\$ 12,500,000
John Piazza Apartments	New Construction	Fontana, CA	HUD Section 202 + Fontana Redevelopment Agency Loan	60	2011	\$ 11,100,000
<i>* amount of hard cost contract only for mod rehab</i>						
Housing Trust Group	Type	Location	Financing Structure	# Units	Year Completed	Total Dev Cost
MLF Tower	Acq/Rehab	St. Petersburg, FL	9% LIHTC	146	2014	\$ 20,000,000
Village Place	New Construction	Fort Lauderdale, FL	9% LIHTC, HOME	112	2014	\$ 25,016,991
Pine Run Villas	New Construction	Greenacres, FL	4% LIHTC, NSP2, HOME	63	2013	\$ 12,850,000
Courtside Family Apartments	New Construction	Miami, FL	4% LIHTC + City of Miami Loan + Surtax + HOME + Miami-Dade County Land	84	2014	\$ 22,632,000
Whispering Palms	New Construction	Pinellas County, FL	9% LIHTC + Pinellas Co. Loan	63	2014	\$ 11,650,000
Cornell Colony	New Construction	Avon Park, FL	HOME + AHP	44	2015	\$ 8,150,000
Wagner Creek Apartments	New Construction	Miami-Dade County, FL	LIHTC, Surtax, HOME	73	2015	\$ 22,800,000
Park at Wellington Apartments	New Construction	Pasco County, FL	9% LIHTC + Pasco Co. Fee Waiver	110	2016	\$ 19,408,969
Park at Wellington Apartments II	New Construction	Pasco County, FL	4% LIHTC + SAIL Loan	110	2016	\$ 18,338,164
Arbor View	New Construction	Broward County, FL	9% LIHTC + HOME	100	2016	\$ 27,000,000
Hammock Ridge	New Construction	Hernando County, FL	9% LIHTC	104	2017	\$ 19,103,716
Hammock Ridge II	New Construction	Hernando County, FL	9% LIHTC	92	2017	\$ 16,400,000
Osprey Pointe	New Construction	Pasco County, FL	4% LIHTC + SAIL Loan	110	Under Const.	

Attachment D

Financial Capability

MHP City Heights, Ltd. is a to be formed entity therefore there are no available

4500 Nuckols Crossing
Austin, Texas

**PURCHASE AND SALE AGREEMENT
(UNIMPROVED LAND)**

THIS PURCHASE AND SALE AGREEMENT (this "**Agreement**") is executed to be effective as of April 25, 2019 (the "**Effective Date**"), by and between **MCDOWELL HOUSING PARTNERS, LLC**, a Delaware limited liability company (601 Brickell Key Drive, Suite 700, Miami, Florida 33131, Attn: Christopher Shear; Telephone: (786) 257-2767; email: cshear@mcdhousing.com) (together with its successors and/or assigns, "**Buyer**"); and **ANGELOS ANGELOU**, an individual (8121 Bee Cave Road, Suite 100, Austin, Texas 78746, Telephone: (512) 225-9320; email: angelos@angeloueconomics.com) and **JOHN SASARIDIS**, an individual (5700 Spurflower Drive, Austin, Texas 78759; Telephone: (512) 750-4550; email: john.sasaridis@gmail.com) (collectively, together with their respective successors and/or assigns, "**Seller**") (Buyer and Seller are collectively referred to as the "**Parties**", and each a "**Party**").

1. **Property.** On the terms herein set forth, Buyer agrees to purchase from Seller, and Seller agrees to sell to Buyer, that certain 9.9970 acre tract of land located near 4500 Nuckols Crossing, Austin, Travis County, Texas, Property ID No. 293209, as more particularly described on Exhibit A, attached hereto and made a part hereof (as may be updated pursuant to the last sentence of this Section 1, the "**Land**"), together with all of Seller's right, title, and interest in and to any and all of the following related to the Land: (a) rights of way, streets, roads, alleys, streets, and/or avenues, open or proposed, abutting the Land, (b) riparian and water rights, (c) air rights, (d) uses, servitudes, licenses, easements, tenements, hereditaments and appurtenances now or hereafter belonging to or benefiting the Land, (e) oil, gas and other minerals lying on or under the Land, (f) buildings, improvements and fixtures located on or under the Land; and (g) licenses, warranties, and permits (collectively, the "**Property**"). The exact legal description and acreage of the Land will be determined by the Survey (hereinafter defined) and will replace the Exhibit A attached to this Agreement.

2. **Purchase Price.** The purchase price for the Property shall be One Million Nine Hundred Thousand and 00/100 Dollars (\$1,900,000.00) (the "**Purchase Price**"), payable at Closing by Buyer.

3. **Title Company and Earnest Money.**

a. **Name and Amount.** Independence Title Company (5900 Shepherd Mountain Cove Bldg. 2, Suite 200, Austin, Texas 78730; attn.: Dan Phares; Telephone: 512.279.7273; Fax: 512.767.6350; email: dphares@independencetitle.com) (the "**Title Company**") will serve as the title company. Within five (5) business days of the date Buyer receives a copy of this Agreement executed by both Parties, Buyer shall deposit the sum of Twenty Thousand and 00/100 Dollars (\$20,000.00) with the Title Company as earnest money to be applied to the Purchase Price (the "**Original Earnest Money**"), subject to the terms and provisions of this Agreement.

b. Original Earnest Money Becoming Non-Refundable. Notwithstanding anything in this Agreement to the contrary, unless Buyer timely terminates this Agreement by delivering written notice thereof to Seller prior to the expiration of the Financing Period (hereinafter defined), the Original Earnest Money shall be non-refundable to Buyer except as otherwise provided by the terms of this Agreement, but shall be applied to the Purchase Price at Closing.

c. Deposit of Additional Earnest Money. If Buyer does not terminate this Agreement by delivering written notice thereof to Seller prior to the expiration of the Due Diligence Period (hereinafter defined), Buyer shall deposit with the Title Company additional earnest money in the amount of Thirty Thousand and 00/100 Dollars (\$30,000.00) (the "**Due Diligence Earnest Money**", and together with the Original Earnest Money, the "**Earnest Money**") in order to keep this Agreement in effect through and until the Closing Deadline (hereinafter defined). The aggregate total of the Earnest Money shall be (i) non-refundable, except as otherwise provided herein, and (ii) applied to the Purchase Price at Closing.

d. Account. Until released to Seller or Buyer pursuant to the terms of this Agreement, the Earnest Money shall be held by the Title Company as escrow agent in an interest bearing account, separate from other accounts, to be handled in accordance with the terms and conditions of this Agreement. All interest earned on the Earnest Money shall be added to and become part of the Earnest Money.

e. INDEPENDENT CONSIDERATION. NOTWITHSTANDING ANYTHING TO THE CONTRARY SET FORTH HEREIN, ONE HUNDRED AND 00/100 DOLLARS (\$100.00) OF THE ORIGINAL EARNEST MONEY SHALL BE DEEMED INDEPENDENT CONSIDERATION AND NON-REFUNDABLE AND RETAINED BY SELLER UNDER ALL CIRCUMSTANCES, FOR AND IN CONSIDERATION OF SELLER'S EXECUTION OF THIS AGREEMENT.

4. Conditions Precedent.

a. Financing Period. Buyer shall have until 6:00 pm (CST) on August 9, 2019 (the "**Financing Period**") to terminate this Agreement if Buyer does not secure financing on terms acceptable to Buyer in Buyer's sole and absolute discretion, by delivering written notice thereof to Seller prior to the expiration of Financing Period, whereupon Buyer shall receive a full and prompt refund of the Original Earnest Money, together with accrued interest thereon without the need for Seller's signature or consent for its release.

b. Due Diligence Period. Beginning on the Effective Date, Buyer shall have until 6:00 p.m. (CST) on October 8, 2019 (as may be extended, the "**Due Diligence Period**") to conduct inspections of the Property (the "**Due Diligence Investigations**") and its suitability, as determined by Buyer in its sole and absolute discretion, for Buyer's intended development of the Property (the "**intended purpose**" or "**proposed development**"). If all of the Due Diligence Materials (hereinafter defined) are not timely delivered by Seller to Buyer, the Due Diligence Period shall be extended by one day for each day after the

Delivery Date (hereinafter defined) until all of the Due Diligence Materials are delivered to Buyer. The right to conduct Due Diligence Investigations includes, without limitation, the right of Buyer and Buyer's employees, agents, affiliates, and contractors to enter upon any portion of the Property to conduct market studies, appraisals, and needs assessments, and to take measurements, inspect, conduct test borings, make boundary and topographical survey maps, and to conduct geotechnical, soil, environmental, groundwater, wetland and other studies required by Buyer in its sole discretion, and to, without limitation, determine the existence and adequacy of utilities serving the Property, zoning and compliance with laws. No Due Diligence Investigations shall constitute a waiver or relinquishment on the part of Buyer of its rights under any covenant, condition, representation, or warranty of Seller under this Agreement.

Buyer and Seller acknowledge that Buyer's intended use of the Property is for multifamily housing, which is not a permitted use under the current zoning for the Property. Seller agrees to pursue, at Seller's sole cost and expense, the re-zoning of the Property as needed to allow for multifamily housing, with a minimum density of one hundred twenty (120) dwelling units on the Property within a building of at least three stories in height as-of-right (the "**Zoning Reclassification**"), including without limitation, Seller's timely execution and delivery of all applications, documents, plats and instruments required by the applicable governmental authorities and/or third parties. Seller shall use its good faith and best efforts to obtain and provide Buyer with a recorded City of Austin ordinance reflecting the Zoning Reclassification (the "**Zoning Reclassification Ordinance**") prior to the expiration of the Financing Period and Seller shall keep Buyer timely informed of the approval process and the status of its efforts to obtain the Zoning Reclassification. Notwithstanding anything to the contrary set forth in this Agreement, in the event the Zoning Reclassification is not obtained on or prior to the Closing Date on terms acceptable to Buyer in Buyer's sole and absolute discretion, Buyer shall have the right to terminate this Agreement by delivering written notice thereof to Seller whereupon Buyer shall receive a full and prompt refund of the Earnest Money (including the Due Diligence Earnest Money and Extension Fees (as defined herein), if any (provided, however, that Buyer shall not be entitled to a refund of the Original Earnest Money to the extent that it has become non-refundable pursuant to Section 3.b above)), together with accrued interest thereon without the need for Seller's signature or consent for its release.

c. Due Diligence Materials. Within ten (10) days of the Effective Date (the "**Delivery Date**"), Seller shall deliver to Buyer, at no cost to Buyer, each of the following items that are in the possession of or available to Seller (collectively, the "**Due Diligence Materials**"):

- (i) Current year and immediately prior year tax bills and evidence of payment of same through the Effective Date;
- (ii) Existing soil and groundwater tests;
- (iii) Title commitments, title policies and surveys;

- (iv) Environmental reports;
- (v) Underground storage tank test results;
- (vi) Waste disposal records; permit records;
- (vii) Code violation notices and records;
- (viii) Traffic studies; and
- (ix) All other engineering tests and other studies, reports, records and notices pertaining to the Property.

In the event the Property is not satisfactory to Buyer for any reason in Buyer's sole and absolute discretion, Buyer shall have the right to terminate this Agreement by delivering written notice thereof to Seller prior to the expiration of the Due Diligence Period, and Buyer shall receive a full and prompt refund of the Earnest Money (with the exception of the Original Earnest Money to the extent that it has become non-refundable pursuant to Section 3.b above), together with accrued interest thereon without the need for Seller's signature or consent for its release. Notwithstanding anything to the contrary set forth in this Agreement, including without limitation the expiration of the Buyer's right to terminate this Agreement as set forth in this Section 4.c, Buyer's right to continue to conduct Due Diligence Inspections shall continue while this Agreement remains in effect.

d. Title and Survey.

(i) Within fifteen (15) days of the Effective Date, Seller shall obtain from the Title Company and deliver to Buyer a current title commitment (the "**Commitment**") for an Owner's Policy of Title Insurance (the "**Title Policy**"), in an amount equal to the Purchase Price, together with full and legible copies of all of the exceptions to title listed in Schedule B of the Title Commitment, and any documents listed in Schedule C of the Title Commitment (collectively, the "**Title Exceptions**").

(ii) Buyer may at its option also obtain a survey of the Property (the "**Survey**") at Buyer's expense. If a Survey is obtained, the field note description set forth on the Survey that is acceptable to the Title Company will replace the depiction of the Land provided in this Agreement and shall be used in the Deed (hereinafter defined), unless a plat of the Land is filed of record prior to Closing, in which event the lot and block description of the Land contained in that recorded plat shall be used in the Deed.

(iii) If any of the Commitment, the Title Exceptions or the Survey are not satisfactory to Buyer, then Buyer may give Seller written notice of the items that Buyer finds unacceptable (the "**Title Objections**") before the later of (A) fifteen (15) days after receipt of the Commitment and full and legible copies of the Title Exceptions, or (B) the expiration of the Financing Period. Seller shall have fifteen

(15) days after such notice from Buyer to deliver written notice to Buyer that it either agrees to cure the Title Objections within thirty (30) days (or such longer period of time agreeable to the Parties) or to advise Buyer that it will not so cure the Title Objections. All Title Exceptions to which Buyer does not object or which are deemed waived and accepted by Buyer, as herein provided, are collectively referred to as the "**Permitted Exceptions**".

(iv) If Seller does not agree to so cure one or more of the Title Objections (and Seller's failure to respond in writing shall be deemed to be an agreement to cure the Title Objections), Buyer may either (A) accept title to the Property subject to the Permitted Exceptions without a reduction in the Purchase Price, or (B) terminate this Agreement by delivering written notice to Seller on or before the earlier to occur of (A) ten (10) days after Buyer's receipt of Seller's written notice that it does not agree to cure one or more of the Title Objections and (B) the expiration of the Due Diligence Period, whereupon Buyer shall receive a full and prompt refund of the Earnest Money (including, without limitation, the Original Earnest Money), together with accrued interest thereon, without the need for Seller's signature or consent for its release.

(v) Notwithstanding any other provision of this Agreement to the contrary, including without limitation whether or not Buyer includes such items in its schedule of Title Objections, Seller shall have the unconditional obligation to remove, discharge, pay or cure, at no cost to Buyer, any title matters that are a lien for the payment of money, any encumbrance that can be removed by the payment of a definite sum of money, and any title matter that arose after the Effective Date not approved by Buyer in writing, and none of such items shall be deemed Permitted Exceptions or appear in the Title Policy.

e. Governmental Approvals. Buyer may, at its option and expense, prepare and submit applications for, and seek to obtain approval by the applicable governmental authorities and/or third parties of, approvals, permits, licenses, easements and agreements required for Buyer's intended development and use of the Property, including without limitation, those for utilities, zoning, special uses, building construction, access, platting, easements, ingress/egress easements, site construction and off-site improvements (collectively, the "**Governmental Approvals**"), including without limitation, appropriate re-zoning if necessary. Seller shall cooperate with Buyer in connection with the preparation of the applications and seeking the Governmental Approvals, including without limitation, Seller's timely execution and delivery of all applications, documents, plats and instruments required by the applicable governmental authorities and/or third parties, provided that Seller shall not be obligated to incur any expense in connection therewith. Notwithstanding anything to the contrary contained herein, Buyer shall not record any easement, restriction, or other encumbrance burdening the Property prior to the Closing Date without obtaining Seller's prior written consent, such consent not to be unreasonably withheld, conditioned, or delayed.

f. Other Conditions. It shall be a condition precedent to Buyer's obligation to close this transaction and purchase the Property that all of the following are timely satisfied:

(i) Title Policy. At Closing, the Title Company shall be prepared to issue the Title Policy to Buyer with all standard or pre-printed exceptions deleted (to the extent such can be deleted), evidencing Buyer owns good and indefeasible fee simple title in and to the Property subject only to the Permitted Exceptions.

(ii) Representations and Warranties. At Closing, all of the representations and warranties of Seller shall be true in all material respects.

(iii) No Liens. At Closing, there shall be no unpaid charges, debts, liabilities, claims or obligations of Seller related to the Property, or any portion thereof, which could give rise to any mechanics', materialmen or other statutory lien against any portion of the Property other than those that will be paid or otherwise satisfied by Seller at Closing, and possession of the Property, free of all tenancies, leases and occupants, shall be delivered to Buyer at Closing.

(iv) Zoning. Prior to Closing, Seller shall deliver to Buyer a recorded copy of the Zoning Reclassification Ordinance.

g. Termination. In the event that any condition precedent in Section 4.f is not satisfied by the date specified in Section 4.f, Buyer shall have the right to terminate this Agreement by delivering written notice thereof to Seller, at which time Buyer shall receive a full and prompt refund of the Earnest Money (including without limitation, the Original Earnest Money and Extension Fees, if any), together with accrued interest thereon without the need for Seller's consent or signature for its release. Notwithstanding the foregoing, in the event that Buyer terminates this Agreement as a result of the condition precedent set forth in Section 4.f.(iv) above is not satisfied, Buyer shall not be entitled to a refund of the Original Earnest Money to the extent that it has become non-refundable pursuant to Section 3.b above.

5. Closing.

a. Delivery of Documents. The conveyance of the Property and the closing of the transaction herein described (the "**Closing**") shall occur on or before November 22, 2019 (as may be extended, the "**Closing Deadline**"), in escrow at the offices of the Title Company (or such other manner and/or location mutually acceptable to Buyer and Seller); provided, however, Buyer may elect to close at any time upon three (3) days' prior written notice to Seller.

(i) Seller shall deliver at Closing: (A) a special warranty deed conveying good, marketable and indefeasible fee simple title in and to the Property to Buyer (or its designee) subject only to the Permitted Exceptions (the "**Deed**"); (B) a lien affidavit acceptable to the Title Company; (C) an affidavit of non-foreign status; (D) any other affidavit or document required by the Title Company to delete the so-called

standard exceptions to the Title Policy; and (E) such other customary documents, instruments, certifications and confirmations as may be reasonably required to fully effect and consummate the transactions contemplated hereby and for the Title Company to issue the Title Policy in the form required by this Agreement.

(ii) Buyer shall deliver at Closing: (A) the remaining balance of the Purchase Price as provided by this Agreement; and (B) such other documents, instruments, certifications and confirmations as may be reasonably required to fully effect and consummate the transaction contemplated hereby.

b. Extensions. Buyer shall have the right to extend the Closing Deadline two (2) times for forty-five (45) days each (i.e. to January 6, 2020 for the first extension option and to February 20, 2020 for the second extension option), by delivering to Seller written notice thereof prior to the end of the then applicable Closing Deadline, and delivering to the Title Company an extension fee in the amount of \$20,000.00 (each, an "**Extension Fee**") for each extension. Each Extension Fee shall become a part of and treated in the same manner as the Earnest Money and shall be (i) non-refundable to Buyer except to the extent the Earnest Money is refundable to Buyer pursuant to the terms of this Agreement, and (ii) applied to the Purchase Price at Closing.

c. Prorations. Subject to the terms of Section 5.f below, Buyer and Seller shall prorate all real estate taxes, personal property taxes and all other assessments related to the Property (collectively, the "**Taxes**") as of the date of Closing, with the date of Closing being treated as a day of ownership by Buyer. If the final tax bill is not available at Closing, the Taxes shall be prorated based upon the latest available tax assessment(s) for the Property, which proration will be re-prorated outside of escrow when the actual Taxes are determined. If the Property is a part of a larger tax parcel or was recently subdivided from a larger tax parcel and a separate tax bill for the Property is unavailable at Closing, then the proration of the Taxes will be based upon the latest available tax bill based upon the percentage of the tax parcel being purchased by Buyer. If there are any improvements on the larger tax parcel that are separately valued or assessed, the value of such improvements shall be assigned to the Buyer only if such improvements are located on the Property. If any of the amounts set forth in the final bill for the Taxes are different than the amounts prorated at Closing, the Taxes shall be re-prorated and the difference shall either be proportionately refunded to Seller or paid by Seller to Buyer, as applicable. Notwithstanding anything to the contrary set forth in this Agreement, Seller shall pay on or before the date of Closing all Taxes for previous tax years and all other preceding periods for which any Taxes are due or payable. Seller shall be solely responsible for any recoupment of any agricultural credit for the Property. This Section 5.c shall not apply to any Rollback Taxes (hereinafter defined) described in Section 5.f below. This Section 5.c shall survive the Closing and delivery of the Deed.

d. Costs. Seller shall pay the taxes and assessments for which Seller is responsible hereunder, the cost for the preparation of the Deed, any conveyance fee or transfer tax, the cost of curing any title or survey defect that Seller agreed to cure or is obligated to cure

pursuant to the terms of this Agreement, the premium for the Title Policy and 100% of any broker's commission or fee in accordance with Section 8.f hereof. Except as may otherwise be stated herein, each Party shall bear its own expenses, including without limitation its own attorneys' fees.

e. Seller's Obligations Prior to Closing. At all times until Closing, Seller shall maintain indefeasible fee simple legal title to the Property free and clear of any and all defects, liens, and encumbrances of every kind and nature (other than the Permitted Exceptions and liens and encumbrances that will be released at Closing). If at any time prior to Closing, Buyer or Buyer's counsel determines that Seller is not or will not be able to convey to Buyer good and indefeasible fee simple title, Buyer shall have the right terminate this Agreement by delivering written notice thereof to Seller and Buyer shall receive a full and prompt refund of the Earnest Money (including without limitation the Original Earnest Money and any Extension Fees), together with accrued interest thereon, without the need for Seller's signature or consent for its release.

f. Rollback Taxes. If (i) the sale contemplated hereby, (ii) a change in the use of the Property, or (iii) a denial of any special use valuation of the Property, would result in the assessment after the Closing of additional taxes and interest applicable to the period of time before the Closing ("**Rollback Taxes**"), then Buyer shall receive a credit against the Purchase Price at the Closing for the amount of the Rollback Taxes (including interest and penalties) that may be assessed after the Closing as reasonably estimated by the Title Company (the "**Estimated Rollback Taxes**"). Buyer shall then be responsible for the payment of the Rollback Taxes (including interest and penalties) if and when assessed after the Closing; provided, however, if after Closing the amount of Rollback Taxes that are actually assessed (the "**Assessed Rollback Taxes**") exceeds the Estimated Rollback Taxes, upon written notice delivered by Buyer to Seller with the appropriate back-up material, Seller shall promptly pay to Buyer the difference between the Assessed Rollback Taxes and the Estimated Rollback Taxes. Notwithstanding anything to the contrary set forth in this Agreement, if any Rollback Taxes are due before the Closing due to Seller's change in use of the Property or a denial of a special use valuation of the Property, then Seller shall pay those Rollback Taxes (including any interest and penalties) at or before the Closing. This Section 5.f shall survive the Closing and delivery of the Deed.

g. Condemnation. If, prior to Closing, condemnation proceedings are commenced against any portion of the Property, Buyer shall have the right to either (i) terminate this Agreement by delivering written notice to Seller within fifteen (15) days of Buyer's receipt of written notice from Seller of such condemnation proceedings, receive a full and prompt refund of the Earnest Money (including without limitation, the Original Earnest Money), together with accrued interest thereon without the need for Seller's signature or consent for its release, and Seller shall reimburse Buyer for Buyer's reasonable out-of-pocket expenses incurred in connection with its due diligence inspection of the Property, provided, however, the amount of such expenses shall not exceed the condemnation proceeds received by Seller; or (ii) elect not to terminate the Agreement and appear and defend in the condemnation proceedings and any award will, at Buyer's election, belong to

(A) Seller and the Purchase Price will be reduced by the same amount at Closing, or (B) Buyer and the Purchase Price will not be reduced. If Buyer elects to terminate this Agreement pursuant to the terms of this Section 5.g, Buyer shall be permitted to seek damages from the condemning authority.

6. **Defaults and Remedies.**

a. **SELLER DEFAULT.** IF SELLER FAILS TO PERFORM IN ACCORDANCE WITH THE TERMS OF THIS AGREEMENT, OR OTHERWISE BREACHES ANY OF THE TERMS, COVENANTS, AGREEMENTS, REPRESENTATION OR WARRANTIES CONTAINED IN THIS AGREEMENT, AND SUCH FAILURE OR BREACH IS NOT CURED BY SELLER WITHIN FIFTEEN (15) DAYS AFTER BUYER'S DELIVERY TO SELLER OF WRITTEN NOTICE THEREOF (AND THE CLOSING DEADLINE AND ALL EXTENSIONS THEREOF WILL BE EXTENDED BY FIFTEEN (15) DAYS), THEN (I) BUYER MAY TERMINATE THIS AGREEMENT BY DELIVERING WRITTEN NOTICE THEREOF TO SELLER, WHEREUPON THE EARNEST MONEY (INCLUDING WITHOUT LIMITATION, THE ORIGINAL EARNEST MONEY, THE DUE DILIGENCE EARNEST MONEY, AND THE EXTENSION FEES (IF ANY)) SHALL BE REFUNDED AND RETURNED TO BUYER, TOGETHER WITH ACCRUED INTEREST THEREON WITHOUT THE NEED FOR SELLER'S CONSENT; OR (II) BUYER MAY ENFORCE THE TERMS AND CONDITIONS OF THIS AGREEMENT AND EXERCISE ANY RIGHTS AND REMEDIES AVAILABLE TO BUYER, AT LAW AND IN EQUITY, INCLUDING WITHOUT LIMITATION AN ACTION FOR DAMAGES AND/OR SPECIFIC PERFORMANCE OF THIS AGREEMENT.

b. **BUYER DEFAULT.** IF BUYER FAILS TO PERFORM IN ACCORDANCE WITH THE TERMS OF THIS AGREEMENT, OR OTHERWISE BREACHES ANY OF THE TERMS, COVENANTS OR AGREEMENTS CONTAINED IN THIS AGREEMENT, AND SUCH FAILURE OR BREACH IS NOT CURED BY BUYER WITHIN FIFTEEN (15) DAYS AFTER SELLER'S DELIVERY TO BUYER OF WRITTEN NOTICE THEREOF, THEN, AS SELLER'S SOLE AND EXCLUSIVE REMEDY, SELLER MAY TERMINATE THIS AGREEMENT BY DELIVERING WRITTEN NOTICE THEREOF TO BUYER, ANY PORTION OF THE EARNEST MONEY THAT HAS BECOME NON-REFUNDABLE PURSUANT TO SECTIONS 3.B AND 3.C ABOVE SHALL BE FORFEITED BY BUYER AND DELIVERED TO SELLER, TOGETHER WITH ACCRUED INTEREST THEREON, AS LIQUIDATED DAMAGES, AND NOT AS A PENALTY. SELLER ACKNOWLEDGES AND AGREES THAT THE EARNEST MONEY IS A FAIR AND EQUITABLE AMOUNT FOR SELLER TO RECEIVE SINCE SELLER WILL HAVE CHANGED ITS POSITION IN RELIANCE ON BUYER COMPLETING THE TRANSACTION HEREIN DESCRIBED, WILL HAVE HELD THE PROPERTY OFF THE MARKET FOR AN EXTENDED PERIOD OF TIME IN RELIANCE UPON BUYER'S ABILITY TO CLOSE THIS TRANSACTION AND THE DAMAGES SUSTAINED BY SELLER IN SUCH CASE WOULD NOT OTHERWISE BE REASONABLY ASCERTAINABLE. SELLER WAIVES THE RIGHT TO EXERCISE ANY OTHER RIGHTS AND REMEDIES AVAILABLE TO SELLER BECAUSE OF A DEFAULT BY BUYER, WHETHER AT LAW AND/OR IN EQUITY, INCLUDING WITHOUT LIMITATION, THE RIGHT TO SUE BUYER FOR ADDITIONAL DAMAGES OR SEEK SPECIFIC PERFORMANCE.

7. **Seller's Representations and Warranties.** Seller represents and warrants to Buyer that:
- a. **Title.** Seller is the owner of good and indefeasible fee simple title in and to the Property, and Seller has been the sole owner of the Property during the 40-month period preceding the Effective Date.
 - b. **Authority; Enforceability.** Seller has the capacity and authority to execute this Agreement and perform its obligations under this Agreement. This Agreement constitutes a legal and valid binding obligation of Seller, enforceable against Seller in accordance with its terms. All action necessary to authorize Seller's execution (and execution by the individual executing this Agreement on behalf of Seller), delivery and performance of this Agreement has been taken and such action has not been rescinded or modified.
 - c. **Hazardous Substances.** To the best of Seller's knowledge, there are no oil or gas wells (capped or uncapped) or underground storage tanks (in use or abandoned) on or about the Property and/or land adjacent to the Property. Neither Seller nor, to the best of Seller's knowledge, any prior owner or occupant of the Property has: (i) caused or permitted, and Seller has received no notice and has no knowledge of, the generation, manufacture, refinement, transportation, treatment, storage, deposit, release, salvage, installation, removal, disposal, transfer, production, burning or processing of Hazardous Substances (as hereinafter defined) on, under or about the Property or any adjacent properties; (ii) caused or permitted, and Seller has received no notice and has no knowledge of, the Release (as hereinafter defined) or existence of any Hazardous Substance on, under or affecting the Property or any adjacent properties; or (iii) caused or permitted, and Seller has received no notice and has no knowledge of, any substances or conditions on, under or affecting the Property or any adjacent properties which may support any claim or cause of action, whether by a governmental agency or any other person or entity, under any applicable federal, state or local law, rule, ordinance or regulation, including without limitation, those related to Hazardous Substances. For the purpose of this Agreement, the terms "**Hazardous Substances**" and "**Release**" shall have the same meaning as set forth in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. Sections 9601 *et seq.*; provided, however, that the definition of Hazardous Substances shall also include petroleum and related by-products, hydrocarbons, radon, asbestos, urea formaldehyde, polychlorinated biphenyl compounds and any other substance considered hazardous to humans or the environment.
 - d. **Leases; Options.** (i) There are no outstanding written or oral leases, easements and/or other types of agreement in any way affecting the Property that are not recorded in the Real Property Records of the county in which the Property is located, (ii) no person or entity has any right with respect to all or any portion of the Property (whether by option to purchase, easement, right of first refusal, contract or otherwise) that may prevent or interfere with Buyer taking title to, and exclusive possession of, all of the Property at Closing, and (iii) Seller shall not enter into any new lease, easement or other contract with respect to the Property during the pendency of this Agreement that is not terminable upon

demand without Buyer's prior written consent, which may be given or withheld by Buyer in Buyer's sole and absolute discretion.

e. No Notices. Seller has not received any notice of, and to the best of its knowledge, there are no (i) proposed special assessments, condemnation or changes in the roads adjacent to the Property; (ii) pending public improvements that will result in any charge being levied or assessed against, or a lien being created upon, the Property; or (iii) pending or threatened eminent domain or condemnation proceedings against or involving any portion of the Property or any adjacent parcel.

f. Access. Seller has not received any written notice of any existing or proposed plans to widen, modify or realign any street adjoining the Property, and the Property has full and free access to and from public highways, streets and roads. Seller has no knowledge of any pending or threatened proceeding by any governmental authority, or any other fact or condition, which would limit or result in the termination of the Property's access to and from such public highways, streets and roads.

g. Utility Availability. To the best of Seller's knowledge, public water, sanitary and storm sewer, electricity, gas, and other required utilities (i) are available to the Property; (ii) enter the Property through adjoining public streets or, if passing through adjoining private land, do so in accordance with recorded public or private easements; and (iii) are serviced and maintained by the appropriate public or quasi-public entity.

h. Utility District. The Property is not situated in a utility or other statutorily created district providing water, sewer, drainage, or flood control facilities and services.

i. Pipelines. To the best of the Seller's knowledge there are no transportation pipelines, including without limitation, pipelines for the transportation of natural gas, natural gas liquids, synthetic gas, liquefied petroleum gas, petroleum or a petroleum product or hazardous substance, located on, under or within the Property.

j. Owners' Association. The Property is not subject to mandatory membership in a property owners' association.

k. Litigation. There is no pending or, to the best of Seller's knowledge, threatened litigation, arbitration, administrative action or examination, claim or demand whatsoever relating to the Property; and no attachments, execution proceedings, liens, assignments or insolvency proceedings are pending or threatened against Seller or the Property or contemplated by Seller.

l. Performance under Leases and Service Contracts. During the pendency of this Agreement, Seller will perform its material obligations under all agreements that affect the Property.

m. Insurance. During the pendency of this Agreement, Seller shall maintain all insurance Seller was carrying on the Effective Date.

n. Exclusive Rights. In consideration of Buyer's efforts and expenses required to perform its review of the Property, Seller agrees that it will not, either directly or indirectly, offer to sell or solicit any offers to purchase or negotiate for the sale or disposition of the Property during the pendency of this Agreement.

o. Foreign Person. Seller is not a "foreign person" as defined in Section 1445 of the Internal Revenue Code of 1986, as amended.

Seller shall fully disclose to Buyer, immediately upon its occurrence, any change in facts, assumptions or circumstances of which Seller becomes aware prior to the date of Closing that may affect the representations and warranties set forth above. The representations and warranties of Seller contained herein shall survive the Closing and delivery of the Deed.

8. Miscellaneous.

a. Plans and Approvals. Buyer shall have the right to file, at Buyer's expense, any and all applications and plans necessary to obtain building permits, rezoning, subdivision or plat (or the vacation of any existing subdivision or plat), and/or any other agreement, assurance, approval or permit from any and all governmental authorities having jurisdiction over the Property that Buyer deems appropriate in connection with the intended purpose of the Property. Seller agrees to join in the execution of any application required in order to obtain any such agreement, assurance, permit or approval (or file such application individually if the relevant governmental authority shall so require). Seller further agrees to cooperate with Buyer or its nominee in all respects, including without limitation, attending and giving favorable testimony at any hearings on the petitions or applications, meeting with and providing information to public and private utilities and governmental and quasi-governmental entities, and otherwise working to obtain the agreements, assurances, approvals and permits required by Buyer or its nominee without additional cost or obligation to Buyer or its nominee. Notwithstanding anything to the contrary contained herein, Buyer shall not record any subdivision or plat affecting the Property prior to the Closing Date without obtaining Seller's prior written consent, such consent not to be unreasonably withheld, conditioned, or delayed.

b. Notices and Deadline Dates. Any notice, request, demand, instruction or other document to be given or served hereunder or under any document or instrument executed pursuant to this Agreement shall be in writing and shall be (i) delivered personally, (ii) sent or by overnight express courier, postage prepaid, or (iii) sent by facsimile or electronically (email), each addressed to the Parties at their respective addresses set forth above, and the same shall be effective upon receipt if delivered personally, by overnight courier or by facsimile or electronically. A Party may change its address for receipt of notices by service of a notice of such change in accordance herewith. If any deadline under this Agreement falls on a Saturday, Sunday or legal holiday (which for purposes of this Agreement shall be not be considered a "**business day**"), the deadline shall be extended to the next business day. The Parties agree that if the Party sending notice requests confirmation of its receipt, the receiving Party shall promptly provide such confirmation.

c. Attorneys' Fees. In the event either Party brings an action at law or other proceeding permitted under the terms of this Agreement against the other Party in order to enforce or interpret any of the terms, covenants or conditions hereof or any instrument executed pursuant to this Agreement or by reason of any breach or default hereunder or thereunder, the Party prevailing in any such action or proceeding shall be paid all reasonable costs and expenses, including without limitation reasonable attorneys' fees, by the non-prevailing Party.

d. Assignment; Binding Agreement. Seller may not assign this Agreement without the written consent of Buyer. Buyer may not assign this Agreement and/or any interest herein to a third party without Seller's consent; provided, however, Buyer may assign this Agreement without Seller's consent to any entity that is controlled by, controls, or is under common control with Buyer, provided such assignee agrees to be bound by all provisions, representations and warranties set forth in this Agreement. In the event of an assignment of this Agreement, the assignor shall be released from any and all of the assignor's obligations under this Agreement, provided the assignee agrees in writing to be fully bound by the terms and conditions of this Agreement as if such assignee had been the original Buyer hereunder. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective heirs, legal representatives, successors and assignees. This Agreement constitutes the entire agreement between the Parties, and supersedes any and all prior agreements, arrangements and understanding between the Parties. This Agreement may only be amended by a written agreement executed by all of the Parties.

e. BROKERS AND COMMISSIONS. EACH PARTY REPRESENTS TO THE OTHER PARTY THAT, OTHER THAN MCALLISTER & ASSOCIATES ("**SELLER'S BROKER**"), NEITHER PARTY HAS ENGAGED OR DEALT WITH ANY BROKER OR OTHER PERSON WHO WOULD BE ENTITLED TO ANY BROKERAGE FEE OR COMMISSION WITH RESPECT TO THE FINDING, NEGOTIATION, OR EXECUTION OF THIS AGREEMENT OR THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED HEREBY. SELLER SHALL PAY ALL BROKER FEES AND COMMISSIONS TO SELLER'S BROKER AT CLOSING PURSUANT TO THE TERMS OF A SEPARATE AGREEMENT BETWEEN SELLER AND SELLER'S BROKER. EACH PARTY INDEMNIFIES THE OTHER AGAINST, AND SHALL HOLD THE OTHER PARTY HARMLESS FROM, ANY AND ALL SUITS, CLAIMS, DEMANDS, JUDGMENTS, DAMAGES, COSTS AND EXPENSES WITH RESPECT TO ANY FEES AND/OR COMMISSIONS OWED TO ANY PERSON CLAIMING TO HAVE BEEN ENGAGED BY SUCH PARTY, AND SHALL PAY ALL COSTS OF DEFENDING ANY ACTION OR LAWSUIT BROUGHT TO RECOVER ANY FEES OR COMMISSIONS INCURRED BY THE OTHER PARTY IN CONNECTION WITH SUCH CLAIMS, INCLUDING WITHOUT LIMITATION REASONABLE ATTORNEYS' FEES.

f. Effect of Termination. This Agreement shall be void and of no further force and effect upon any proper termination under the terms hereof (other than terms herein that specifically provide that they survive the termination of this Agreement).

g. Multiple Counterparts. This Agreement may be executed in one or more counterparts, and all so executed shall constitute one and the same agreement, binding

upon the Parties, and notwithstanding that all of the Parties are not signatories to the same counterparts.

h. Time of the Essence. Time is of the essence of this Agreement and every provision hereof.

i. **CHOICE OF LAW. THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE UNITED STATES OF AMERICA AND THE INTERNAL LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO ITS CHOICE AND CONFLICT OF LAW PRINCIPLES. VENUE AND JURISDICTION FOR ALL CLAIMS UNDER THIS AGREEMENT SHALL BE EXCLUSIVELY IN THE STATE OF TEXAS.**

j. Severability. If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable, and this Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, in lieu of such illegal, invalid or unenforceable provision, there shall be added automatically as a part of this Agreement, a legal, valid and enforceable provision that is as similar in terms to such illegal, invalid or unenforceable provision as is possible.

k. Complete Understanding. This Agreement represents the complete understanding between the Parties as to the subject matter hereof and supersedes all prior negotiations, statements and agreements, either written or oral, between the Parties. No inducements, representations, statements or agreements have been made or relied upon in the making of this Agreement, except those specifically set forth in this Agreement. Neither Party has any right to rely on any other prior or contemporaneous statements and/or agreements made by anyone concerning this Agreement that are not set forth herein.

9. **Texas Disclosures**. By its signature to this Agreement, Buyer hereby acknowledges its receipt of the following notices at or before the execution of this Agreement:

a. Notice Regarding Possible Liability for Additional Taxes. If for the current ad valorem tax year the taxable value of the Property that is the subject of this Agreement is determined by a special appraisal method that allows for appraisal of the Property at less than its market value, Buyer may not be allowed to qualify the Property for that special appraisal in a subsequent tax year and the Property may then be appraised at its full market value. In addition, the transfer of the Property or a subsequent change in the use of the Property may result in the imposition of an additional tax plus interest as a penalty for the transfer or the change in the use of the Property. The taxable value of the Property and the applicable method of appraisal for the current tax year is public information and may be obtained from the tax appraisal district established for the county in which the Property is located.

b. Notice Regarding Possible Annexation. If the Property that is the subject of this Agreement is located outside the limits of a municipality, the Property may now or later be included in the extraterritorial jurisdiction of a municipality and may now or later be subject to annexation by the municipality. Each municipality maintains a map that depicts its boundaries and extraterritorial jurisdiction. To determine if the Property is located within a municipality's extraterritorial jurisdiction or is likely to be located within a municipality's extraterritorial jurisdiction, Buyer should contact all municipalities located in the general proximity of the Property for further information.

c. Property Located in a Certificated Service Area of a Utility Service Provider. The Property may be located in a certificated water or sewer service area, which is authorized by law to provide water or sewer service to the properties in the certificated area. If the Property is located in a certificated area there may be special costs or charges that Buyer will be required to pay before Buyer can receive water or sewer service. There may be a period required to construct lines or other facilities necessary to provide water or sewer service to the Property. Buyer is advised to determine if the Property is in a certificated area and contact the utility service provider to determine the cost that Buyer will be required to pay and the period, if any, that is required to provide water or sewer service to the Property.

d. Notice Regarding Title. The Texas Real Estate License Act requires a real estate agent to advise Buyer that he should have an attorney examine an abstract of title to the Property being purchased; or a title insurance policy should be obtained. Notice to that effect is hereby given to Buyer.

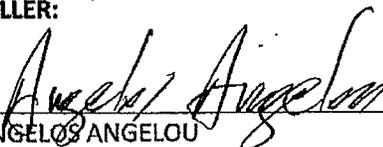
10. Tax Credit and Bond Provisions. The Parties hereby acknowledge that Buyer intends to (i) apply for, syndicate and sell certain housing tax credits (whether under state or federal law, collectively, "**Tax Credits**") with the assistance of the appropriate housing agency of the state in which the Land is located (the "**Housing Agency**"); and/or (ii) apply for an allocation of tax-exempt bond financing ("**Bond Financing**"). Seller hereby agrees to assist Buyer, at Buyer's sole cost and expense, in obtaining and submitting such information as is necessary to apply for or obtain the Tax Credits and/or the Bond Financing to the extent such information is available to Seller and not to Buyer.

[Signatures begin on the next page]

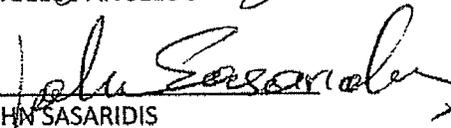
SIGNATURE PAGE

IN WITNESS WHEREOF, the Parties have executed this Agreement to be effective as of the Effective Date.

SELLER:



ANGELOS ANGELOU



JOHN SASARIDIS

BUYER

MCDOWELL HOUSING PARTNERS, LLC,
a Delaware limited liability company

By: _____
Name:
Title:

SIGNATURE PAGE

IN WITNESS WHEREOF, the Parties have executed this Agreement to be effective as of the Effective Date.

SELLER:

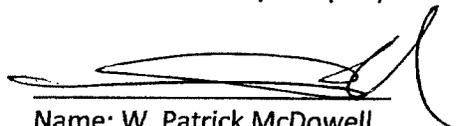
ANGELOS ANGELOU

JOHN SASARIDIS

BUYER

MCDOWELL HOUSING PARTNERS, LLC,
a Delaware limited liability company

By:



Name: W. Patrick McDowell
Title: Managing Partner

TITLE COMPANY'S ACCEPTANCE AND RECEIPT

By signing this Acceptance and Receipt, the Title Company (a) acknowledges that it has received a copy of this Agreement executed by both Buyer and Seller, (b) agrees to act as escrow agent hereunder, and (c) acknowledges that it has received from Buyer a check payable to it in the amount of Twenty Thousand and 00/100 Dollars (\$20,000.00) constituting the Original Earnest Money hereunder, which it has deposited into one of its federally insured interest bearing accounts. The Title Company shall likewise deposit any additional amounts it receives constituting Earnest Money into a federally insured interest bearing account.

INDEPENDENCE TITLE COMPANY

By: 
Name: Dan Phares
Title: Senior Vice President
Commercial Group

Date: April 25, 2019

EXHIBIT A

Legal Description

Approximately 9.997 acres of land out of the Santiago Del Valle Grant, in Travis County, Texas, being all of that certain ~~9.38 acre~~ tract of land conveyed to Charlie Goodnight by Deed recorded in Volume 4400, Page 2288 of the Deed Records of Travis County, Texas, and being more particularly described on Exhibit A-1 attached hereto.

EXHIBIT A-1

DESCRIPTION

9.997 acre tract of land out of the Santiago Del Valle Grant, in Travis County, Texas, being all of that certain 9.38 acre tract of land conveyed to Charlie Goodnight by Deed recorded in Volume 4400, Page 2288 of the Deed Records of Travis County, Texas:

BEGINNING at an iron stake found in the West line of Nuckol's Crossing Road at the Northeast corner of that certain 10.00 acre tract of land conveyed to Joe Pospisil by Deed recorded in Volume 6479, Page 1205 of the Deed Records of Travis County, Texas, and the Southeast corner of that certain 9.38 acre tract of land conveyed to Charlie Goodnight by Deed recorded in Volume 4400, Page 2288 of the Deed Records of Travis County, Texas, for the Southeast corner of the tract herein described;

THENCE with the North line of the said Pospisil 10.00 acre tract and the South line of the said Goodnight 9.38 acre tract of land, as found fenced, North 59 deg. 23 min. West 1378.51 feet to an iron stake found at base of a fence corner post in the East line of that certain 21.366 acre tract of land conveyed to Ed and L. J. McCoy by Deed recorded in Volume 6632, Page 2646 of the Deed Records of Travis County, Texas, same being at the Northwest corner of the said 10.00 acre tract and the Southwest corner of the said 9.38 acre tract, for the Southwest corner of this tract;

THENCE with the East line of said McCoy 21.366 acre tract of land and the West line of the said Goodnight 9.38 acre tract of land, as found fenced, North 30 deg. 44 min. 20 sec. East 311.69 feet to an iron stake found at the Southwest corner of that certain 4.07 acre tract of land conveyed to Samuel B. Smith by Deed recorded in Volume 3724, Page 237 of the Deed Records of Travis County, Texas, and the Northwest corner of the said 9.38 acre tract, for the Northwest corner of this tract;

THENCE with the North line of the said Goodnight 9.38 acre tract and the South line of the said Smith 4.07 acre tract, as found fenced, South 60 deg. 03 min. 20 sec. East 272.64 feet to an iron stake found at the Southeast corner of the said 4.07 acre tract, and the Southwest corner of that certain 8.67 acre tract of land conveyed to Felix Griffin, Jr. by Deed recorded in Volume 5725, Page 1578 of the Deed Records of Travis County, Texas, for an angle point in this tract;

THENCE with the South line of the said Griffin 8.67 acre tract and the North line of the said Goodnight 9.923 acre tract, as found fenced, South 59 deg. 46 min. 40 sec. East 246.90 feet to an iron stake found at the Southeast corner of the said 8.67 acre tract and the Southwest corner of that certain 2.58 acre tract of land conveyed to Hillard F. Moore by Deed recorded in Volume 1964, Page 339 of the Deed Records of Travis County, Texas, for an angle point in this tract;

THENCE with the North line of the said Goodnight 9.38 acre tract, as found fenced, South 59 deg. 15 min. 40 sec. East 858.21 feet to an iron stake found at the Southeast corner of that certain 6.65 acre tract of land conveyed to Patrick J. Dunne, et al. by Deed recorded in Volume 853, Page 118 of the Deed Records of Travis County, Texas, and the Northeast corner of the said 9.38 acre tract for the Northeast corner of this tract, said iron stake being also in the West line of Nuckol's Crossing Road;

THENCE with the West line of Nuckol's Crossing Road and the East line of the said Goodnight 9.38 acre tract, South 30 deg. 36 min. West 314.76 feet to the PLACE OF BEGINNING, containing 9.957 acres of land.

Attachment F

Financial Information

Financial Narrative

The project will be financed with a private activity bonds, 4% tax credits and a soft loan from Austin Housing Finance Corporation (AHFC)

Total project costs are projected at \$35,766,640 which will be funded with the following sources:

- Permanent financing (Tax-Exempt Bonds): \$20 M
- Equity from the sale of tax credits: \$11,14 M
- RHDA gap funding from Austin Housing Finance Corporation (AHFC): \$4M
- Deferred Developer Fee: As needed to balance. Currently estimated at \$621K

The attached proforma includes the following items:

- Rent Schedule
- Annual Operating Expense Schedule
- Development Cost Schedule (budget)
- Sources and Uses of Funds Schedule
- 15-year proforma

City Heights - Austin, TX - Elderly

Project Setup

Project Information			
Project Name	City Heights	Demographic	Elderly
City, State	Austin, TX	Land (Acres)	9.997
County	Travis	Max Density	TBD
Developer	Chris/Ari	Zoning	MF - TBD
Ownership Entity	MHP City Heights, Ltd.	Address	4400 Nuckols Crossing

Timing	Units	Date	Elapsed Months	Cumulative Months
Predevelopment Start Date		Jun-20		
Closing Date		Feb-21		
First Unit Occupied (# of Occupied upon initial C/O)	50	Apr-22	14	14
Last Unit Occupied (# of Occupied per month)	100% QO	Oct-22	6	20
Permanent Loan Closing Date		Feb-23	4	24

Deal Info	
Deal Type:	4%
Acquisition:	No
Project Type:	NC Mid-Rise Wood
# of Buildings:	1
# of Floors:	5
# of Elevators:	1

Unit Type	Sq Ft.	Units	% Units	% Income	UA
Studio	0	0	0%		\$0.00
1/1	646	109	61%		\$79.00
2/2	922	70	39%		\$101.00
3/2	1,050		0%		
4/2			0%		
Total	756	179	100%	0%	

Set Aside	% Units	% Income	% of Sq Ft
30%	6%	3%	6%
50%	61%	65%	64%
70%	0%	0%	0%
80%	33%	32%	30%
% Affordable	100%	100%	100%

Residential Rent Schedule	# of Units	Rent Limit	Unit Sq. Ft.	Market Rents	2020 LIHTC Rent	Net Rent	Total Rent Monthly	Total Rent Annual	Total Sq. Ft.	Rent P.S.F.	Rent Per Unit
1/1	5	30%	646		\$549	\$470	\$2,350	\$28,200	3,230	\$0.73	\$5,640
1/1	55	50%	646		\$915	\$836	\$45,980	\$551,760	35,530	\$1.29	\$10,032
1/1	45	80%	646		\$1,465	\$1,386	\$62,370	\$748,440	29,070	\$2.15	\$16,632
1/1	4	80%	735		\$659	\$580	\$2,320	\$27,840	2,940	\$0.79	\$6,960
2/2	5	30%	922		\$1,098	\$997	\$4,985	\$59,820	4,610	\$1.08	\$11,964
2/2	55	50%	922		\$1,758	\$1,657	\$91,135	\$1,093,620	50,710	\$1.80	\$19,884
2/2	10	80%	922		\$323	\$222	\$2,220	\$26,640	9,220	\$0.24	\$2,664
Total	179	Inc Avg	58.8%	135,310		\$11,027	\$211,360	\$2,536,320	135,310	\$1.56	\$14,169

Operating Expenses	Total	Per Unit	P.S.F. (rentable)	Notes
Management Fee (% of EGI)	122,841	\$686	\$0.00	5.0%
Admin	44,750	\$250	\$0.33	
Contracted Services	44,750	\$250	\$0.33	
Leasing and Marketing	17,900	\$100	\$0.13	
Repairs and Maintenance	107,400	\$600	\$0.79	
Payroll	250,600	\$1,400	\$1.85	
Utilities	102,030	\$570	\$0.75	
Real Estate Taxes	170,050	\$950	\$1.26	50% Exemption 501C3
Insurance	85,025	\$475	\$0.63	
Replacement Reserves	53,700	\$300	\$0.40	
Compliance Monitoring Fee	7,160	\$40	\$0.05	
AHFC Issuer Fee	\$2,148	\$12	\$0.02	
Total	1,008,354	\$5,633		
Senior Debt Service Coverage		1.44x		
Total Debt Service Coverage		1.44x		

Operating Assumptions	Per Year	Total
Vacancy Rate	6.00%	152,179
Rental Income Growth	2%	
Other Income Growth	3%	
Expense Growth	3%	

* TDHCA will underwrite to 7.5%

Other Income	Unit/mo	%	Unit/yr	Per Annum
Washer/Dryer	\$ 35.00	80%	\$336	\$56,535
Ancillary	\$ 5.00	100%	\$60	\$10,096
Trash Valet	\$ 5.00	60%	\$36	\$6,057
Other	\$0	0%	\$0	\$0
Other	\$0	0%	\$0	\$0
Total Other Income	\$45		\$432	\$72,688

* \$20du/mo max underwritten by TDHCA

**City Heights - Austin, TX - Elderly
Capital Stack**

Sources								Amort.							
Debt		Per Unit	Amount	Rate	Constr	Perm	(0=I/O)	Soft	DSC Cap	DSC Yr 1	Orig.	CC	For. Fund	Mo. Pay	Yr. Pay
Hard															
Construction Loan	Construction Loan	Proj.	\$22,000,000	\$22,000,000	3.75%	Yes	No	0			0.75%	0.20%	No	\$68,750	\$825,000
Bridge Loan	Bridge Loan		-		4.15%	Yes	No	0			0.00%	0.00%		\$0	\$0
Permanent Loan	Permanent Loan		\$111,732	\$20,000,000	4.00%	No	Yes	480	1.15x	1.44	0.75%	0.20%	No	\$83,588	\$1,003,052
Soft															
City of Austin	City of Austin		\$41,667	\$4,000,000	0.00%	Yes	Yes	0	Yes	1.10x	1.44	0.00%	0.00%	\$0	\$0
Soft Loan 2	Soft Loan 2			\$0	0.00%	Yes	Yes	0			0.00%	0.00%		\$0	\$0
Grant/Other #2	Grant/Other #2				0.00%	No	Yes	0			0.00%	0.00%	FALSE	\$0	\$0

Tax Credit Equity		Total Credits	Amount	\$/TC	Constr	Perm	TC% 4%	TC% 9%
LIHTC	LIHTC Equity	\$12,246,483	\$11,144,299	\$0.91		Yes	3.08%	9.00%
Historic LP Equity	Historic LP Equity	\$0	\$0	\$0.00	Yes	Yes	Mar-20	

Total Construction Sources 32,686,580
 Total Permanent Sources 35,766,040
Total Permanent Uses \$35,766,040

50% Test	67.72%
----------	--------

**City Heights - Austin, TX - Elderly
Sources & Uses**

Sources	Permanent Phase		
	Total	%	Per Unit
Debt	\$0	0.00%	-
Construction Loan	\$0	0.00%	-
Permanent Loan	\$20,000,000	55.82%	111,732
City of Austin Soft Loan 2	\$4,000,000	11.18%	22,346
LIHTC Equity	\$11,144,299	31.16%	62,259
Deferred Developer Fee	\$621,741	1.74%	3,473
Total Sources	\$35,766,040	100%	199,810

Sources	Construction Phase		
	Total	%	Per Unit
Debt	\$0	0.00%	-
Construction Loan	\$22,000,000	67.31%	122,905
Permanent Loan	\$4,000,000	12.24%	22,346
LIHTC Equity	\$6,686,580	20.46%	37,355
Deferred Developer Fee	\$0	0.00%	-
Total Sources	\$32,686,580	100%	182,607

Uses	Permanent Phase		
	Total	%	Per Unit
Hard Construction Costs	\$20,522,017	57.4%	\$114,648
GC Profit	\$1,231,321	3.4%	\$6,879
GC General Requirements	\$1,231,321	3.4%	\$6,879
GC Overhead	\$410,440	1.1%	\$2,293
Recreational / Owner Items	\$350,000	1.0%	\$1,955
Off-Site Improvements / acre	\$250,000	0.6%	\$1,397
Hard Cost Contingency @:	\$1,169,755	3.3%	\$6,535
Other	\$0	0.0%	\$0
Construction Interest Expense	1,226,545	3.4%	\$6,852
Bridge Loan Interest Expense	-	0.0%	\$0
Other Interest Expense	\$0	0.0%	\$0
Permanent Loan Origination Fee	\$150,000	0.4%	\$838
Permanent Loan Closing Costs	\$40,000	0.1%	\$223
Construction Loan Origination Fee	\$165,000	0.5%	\$922
Construction Loan Closing Costs	\$44,000	0.1%	\$246
COI	\$ 282,600	0.8%	\$1,579
Other	\$ -	0.0%	\$0
Other	\$0	0.0%	\$0
Other	\$0	0.0%	\$0
Accounting Fees	\$35,000	0.1%	\$196
Energy Consumption Study	\$2,998	0.0%	\$17
Appraisal	\$10,000	0.0%	\$56
Architect Fee-Design	\$365,000	1.0%	\$2,039
Architect Fee-Supervision	\$75,000	0.2%	\$419
Builder's Risk Insurance	\$128,915	0.4%	\$720
Building Permit	\$65,000	0.2%	\$363
Architect - Landscape	\$20,000	0.1%	\$112
Credit Underwriting Fee	\$0	0.0%	\$0
Engineering	\$153,450	0.4%	\$857
Environmental Report	\$7,000	0.0%	\$39
TDHCA Determination Fee	48,991	0.1%	\$274
TDHCA Application Fees	\$5,370	0.0%	\$30
TDHCA Compliance Mon. Fee	-	0.0%	\$0
Impact Fees	\$0	0.0%	\$0
Lender Inspection Fees	\$21,000	0.1%	\$117
Insurance- Property/Liability	\$85,025	0.2%	\$475
Legal Fees- Partnership	\$250,000	0.7%	\$1,397
Legal Fees- Other	\$100,000	0.3%	\$559
Market Study	\$10,000	0.0%	\$56
Marketing/Advertising + Lease Up	\$150,000	0.4%	\$838
Property Taxes (During Const + Yr. 1)	170,050	0.5%	\$950
Soil Test Report	\$20,000	0.1%	\$112
Survey(including as-built)	\$80,970	0.2%	\$452
Title Insurance & Recording	\$268,500	0.8%	\$1,500
Utility Connection Fee	\$0	0.0%	\$0
Plan and Cost Review	\$3,000	0.0%	\$17
Green Building Certification	\$0	0.0%	\$0
Material Testing	\$75,000	0.2%	\$419
Rezoning	\$40,000	0.1%	\$223
Other	\$0	0.0%	\$0
Other	\$0	0.0%	\$0
Other	\$0	0.0%	\$0
Contingency (Soft Cost)	\$109,513	0.3%	\$612
Sub-Total	\$29,372,782	82.1%	\$164,094
Existing Buildings, Owned	\$0	0.0%	\$0
Existing Buildings, To be Acquired	\$0	0.0%	\$0
Other Acquisition Costs	\$0	0.0%	\$0
Operating Deficit Reserve (3mo OpEx & Debt Serv)	\$503,389	1.4%	\$2,812
Land, To be Acquired	\$1,900,000	5.3%	\$10,615
Other Land Costs	\$0	0.0%	\$0
Developer's Admin. & Overhead	\$0	0.0%	\$0
Developer's Profit Acquisition	\$0	0.0%	\$0
Developer's Profit	3,989,870	11.2%	\$22,290
Total Project Cost	\$35,766,040	100.0%	\$363,904

Uses	Construction Phase		
	Total	%	Per Unit
Hard Construction Costs	\$20,522,017	62.7%	\$114,648
GC Profit	\$1,231,321	3.8%	\$6,879
GC General Requirements	\$1,231,321	3.8%	\$6,879
GC Overhead	\$410,440	1.3%	\$2,293
Recreational / Owner Items	\$350,000	1.1%	\$1,955
Off-Site Improvements / acre	\$250,000	0.8%	\$1,397
Hard Cost Contingency @:	\$1,169,755	3.6%	\$6,535
Other	\$0	0.0%	\$0
Construction Interest Expense	\$469,405	1.4%	\$2,622
Bridge Loan Interest Expense	\$3,775	0.0%	\$21
Other Interest Expense	\$0	0.0%	\$0
Permanent Loan Origination Fee	\$150,000	0.5%	\$838
Permanent Loan Closing Costs	\$40,000	0.1%	\$223
Construction Loan Origination Fee	\$165,000	0.5%	\$922
Construction Loan Closing Costs	\$44,000	0.1%	\$246
COI	\$282,600	0.9%	\$1,579
Other	\$0	0.0%	\$35
Other	\$0	0.0%	\$0
Other	\$0	0.0%	\$0
Accounting Fees	\$35,000	0.1%	\$196
Energy Consumption Study	\$2,998	0.0%	\$17
Appraisal	\$10,000	0.0%	\$56
Architect Fee-Design	\$365,000	1.1%	\$2,039
Architect Fee-Supervision	\$75,000	0.2%	\$419
Builder's Risk Insurance	\$128,915	0.4%	\$720
Building Permit	\$65,000	0.2%	\$363
Architect - Landscape	\$20,000	0.1%	\$112
Credit Underwriting Fee	\$0	0.0%	\$0
Engineering	\$153,450	0.5%	\$857
Environmental Report	\$7,000	0.0%	\$39
TDHCA Determination Fee	48,991	0.1%	\$274
TDHCA Application Fees	\$5,370	0.0%	\$30
TDHCA Compliance Mon. Fee	-	0.0%	\$0
Impact Fees	\$0	0.0%	\$0
Lender Inspection Fees	\$21,000	0.1%	\$117
Insurance- Property/Liability	\$85,025	0.3%	\$475
Legal Fees- Partnership	\$250,000	0.8%	\$1,397
Legal Fees- Other	\$100,000	0.3%	\$559
Market Study	\$10,000	0.0%	\$56
Marketing/Advertising + Lease Up	\$150,000	0.5%	\$838
Property Taxes (During Const + Yr. 1)	\$170,050	0.5%	\$950
Soil Test Report	\$20,000	0.1%	\$112
Survey(including as-built)	\$80,970	0.2%	\$452
Title Insurance & Recording	\$268,500	0.8%	\$1,500
Utility Connection Fee	\$0	0.0%	\$0
Plan and Cost Review	\$3,000	0.0%	\$17
Green Building Certification	\$0	0.0%	\$0
Material Testing	\$75,000	0.2%	\$419
Rezoning	\$40,000	0.1%	\$223
Other	\$0	0.0%	\$0
Other	\$0	0.0%	\$0
Other	\$0	0.0%	\$0
Contingency (Soft Cost)	\$109,513	0.3%	\$612
Sub-Total	\$28,619,417	87.5%	\$159,885
Existing Buildings, Owned	\$0	0.0%	\$0
Existing Buildings, To be Acquired	\$0	0.0%	\$0
Other Acquisition Costs	\$0	0.0%	\$0
Operating Deficit Reserve (3mo OpEx & Debt Serv)	\$0	0.0%	\$0
Land, To be Acquired	\$1,900,000	5.8%	\$10,615
Other Land Costs	\$0	0.0%	\$0
Developer's Admin. & Overhead	\$0	0.0%	\$0
Developer's Profit Acquisition	\$0	0.0%	\$0
Developer's Profit	\$2,189,284	6.7%	\$12,231
Total Project Cost	\$32,708,701	100.0%	\$342,650

Financing Gap surplus/(short) \$0

(\$22,122)

Developer Fee		
Paid Dev. Fees @ Stabilization	\$3,368,129	84%
DDF	\$621,741	16%
Total Developer's Fees	\$3,989,870	15%
TDC Dev Fee Reduction	\$0	
Total Dev Fees Post Reduction	\$3,989,870	

% Paid at:	%	Date	Amount
Closing	30.0%	Feb-21	\$1,010,439
25%	0%	Jun-21	\$0
50%	15%	Jul-21	\$505,219
75%	0%	Oct-21	\$0
100%	20%	Feb-22	\$673,626
Stabilization	35%	Feb-23	\$1,178,845
Total Paid Fee			\$3,368,129

**City Heights - Austin, TX - Elderly
Eligible Basis/Tax Credit Calculation**

Eligible Costs	Total Costs	LIHTC			Historic		
		Enter Eligible %	Eligible Basis New/Rehab	Eligible Costs Acquisition	Ineligible Costs	Enter Eligible %	Eligible Costs
Hard Construction Costs	20,522,017	98%	20,111,576	-	410,440	0%	-
GC Profit	1,231,321	100%	1,231,321	-	-	0%	-
GC General Requirements	1,231,321	100%	1,231,321	-	-	0%	-
GC Overhead	410,440	100%	410,440	-	-	0%	-
Recreational / Owner Items	350,000	50%	175,000	-	175,000	0%	-
Off-Site Improvements / acre	250,000	0%	-	-	250,000	0%	-
Hard Cost Contingency	1,169,755	100%	1,169,755	-	-	0%	-
Other	-	100%	-	-	-	0%	-
Construction Interest Expense	1,226,545	48%	584,307	-	642,238	0%	-
Bridge Loan Interest Expense	3,775	0%	-	-	3,775	0%	-
PMI Interest Expense	-	0%	-	-	-	0%	-
Permanent Loan Origination Fee	150,000	0%	-	-	150,000	0%	-
Permanent Loan Closing Costs	40,000	0%	-	-	40,000	0%	-
Construction Loan Origination Fee	165,000	100%	165,000	-	-	0%	-
Construction Loan Closing Costs	44,000	100%	44,000	-	-	0%	-
COI	\$282,600	0%	-	-	282,600	0%	-
Other	\$0	0%	-	-	-	0%	-
Other	-	60%	-	-	-	0%	-
Other	-	0%	-	-	-	0%	-
Accounting Fees	\$35,000	100%	35,000	-	-	0%	-
Energy Consumption Study	2,998	0%	-	-	2,998	0%	-
Appraisal	10,000	100%	10,000	-	-	0%	-
Architect Fee-Design	365,000	100%	365,000	-	-	0%	-
Architect Fee-Supervision	75,000	100%	75,000	-	-	0%	-
Builder's Risk Insurance	128,915	100%	128,915	-	-	0%	-
Building Permit	65,000	100%	65,000	-	-	0%	-
Architect - Landscape	20,000	0%	-	-	20,000	0%	-
Credit Underwriting Fee	-	0%	-	-	-	0%	-
Engineering	153,450	100%	153,450	-	-	0%	-
Environmental Report	7,000	100%	7,000	-	-	0%	-
TDHCA Determination Fee	48,991	0%	-	-	48,991	0%	-
TDHCA Application Fees	5,370	0%	-	-	5,370	0%	-
TDHCA Compliance Mon. Fee	-	0%	-	-	-	0%	-
Impact Fees	-	100%	-	-	-	0%	-
Lender Inspection Fees	21,000	100%	21,000	-	-	6%	1,260
Insurance- Property/Liability	85,025	50%	42,513	-	42,513	0%	-
Legal Fees- Partnership	250,000	50%	125,000	-	125,000	0%	-
Legal Fees- Other	100,000	75%	75,000	-	25,000	0%	-
Market Study	10,000	100%	10,000	-	-	0%	-
Marketing/Advertising + Lease Up	150,000	0%	-	-	150,000	0%	-
Property Taxes (During Const + Yr. 1)	170,050	100%	170,050	-	-	0%	-
Soil Test Report	20,000	100%	20,000	-	-	0%	-
Survey(including as-built)	80,970	100%	80,970	-	-	0%	-
Title Insurance & Recording	268,500	0%	-	-	268,500	0%	-
Utility Connection Fee	-	100%	-	-	-	0%	-
Plan and Cost Review	3,000	100%	3,000	-	-	0%	-
Green Building Certification	-	100%	-	-	-	0%	-
Material Testing	75,000	0%	-	-	75,000	0%	-
Reconing	40,000	0%	-	-	40,000	0%	-
Other	-	0%	-	-	-	0%	-
Other	-	0%	-	-	-	0%	-
Other	-	0%	-	-	-	0%	-
Contingency (Soft Cost)	109,513	100%	109,513	-	-	0%	-
Sub-Total	29,376,557		26,599,131.37		2,777,425.20		1,260
Existing Buildings, Owned	-	100%	-	-	-	0%	-
Existing Buildings, To be Acquired	-	100%	-	-	-	0%	-
Other Acquisition Costs	-	100%	-	-	-	0%	-
Operating Deficit Reserve (3mo Op/Ex + Debt Service)	503,389	-	-	-	503,389	-	-
Land, To be Acquired	1,900,000	-	-	-	1,900,000	-	-
Other Land Costs	-	-	-	-	-	-	-
Developer's Admin. & Overhead	-	100%	-	-	-	0%	-
Developer's Profit Acquisition	-	100%	-	-	-	0%	-
Developer's Profit	3,989,870	100%	3,989,870	-	-	0%	-
Total Cost	35,769,815	100%	30,589,001		5,180,814	0%	-

**City Heights - Austin, TX
Eligible Basis/Tax Credit Calculation**

Tax Credit Calculation		County	Factor Applied	Financing Vehicle	Credit %	Tax Credit Calc
County	Travis	0		TE Bonds/4% LIHTC	3.08%	N/A
DDA or OCT - (Yes/No)	Yes	1.3		LIHTC 2%	9.30%	
Maximum Request per unit	55,866			Tax-Exempt Bond Test (50% Test)	Amount	
Per Unit Cap	Not Applicable	10,000,000		Land, To be Acquired	1,900,000	
Applicable Cap	Not Applicable	10,000,000		Total	32,489,001	
LIHTC 2% OR 4%		4%		Tax-exempt bond request	22,000,000	
Eligible Basis (Rehab & New Construction)	30,589,001			As a Percent	Must Be Over 55%	67.72%
Eligible Basis (Acquisition)	-			TC Delivery	Year	Amount
Applicable %	100.00%			2022	\$691,079	
Qualified Basis (Rehab & New Construction)	39,765,701			2023	\$1,224,783	
Qualified Basis (Acquisition)	-			2024	\$1,224,783	
Credit % Rehab & New Construction (enter here)	3.08%			Excess Eligible Basis =	N/A	
Credit % Acquisition (enter here)	0.00%					
Max Annual Credits	1,224,784					
Max Total Credits	1,224,784					
Annual Credits Request (Rounded Down nearest \$1)	1,224,783					
Total Credits (10 years)	12,247,830.00					
% Syndicated to LP (Enter % here -->)	99.99%					
Price per Credit	0.91					
Limited Partner Equity - Rounded nearest \$100	\$ 11,144,299.29					

Tax Credit Equity Pay-in	Enter %	% Pay-in	Equity in \$	Payment Date	Elapsed Months	Cumulative Months	DRAW #
Closing Equity	20.00%	2.228,860	2,228,860	Feb-21			
Equity at 25.00%	25%	0.00%	-	Jun-21	4	4	5
Equity at 50.00%	50%	2.228,860	2,228,860	Jul-21	1	5	6
Equity at 75.00%	75%	0.00%	-	Oct-21	7	8	9
Equity at 98.00%	98%	2.228,860	2,228,860	Feb-22	5	12	13
Stabilization Equity	40.00%	4,457,720	4,457,720	Feb-23	19	24	25
Total	100%	11,144,299.29					
Total Equity During Construction							

**City Heights - Austin, TX - Elderly
Operating Statement**

Income:	Per Unit	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
Housing																
Rental Revenue	\$14,169	\$2,536,320	\$2,587,046	\$2,638,787	\$2,691,563	\$2,745,394	\$2,800,302	\$2,856,308	\$2,913,434	\$2,971,703	\$3,031,137	\$3,091,760	\$3,153,595	\$3,216,667	\$3,281,000	\$3,346,620
Reserve for Vacancy @ 6.0%	(\$850)	(\$152,179)	(\$155,223)	(\$158,327)	(\$161,494)	(\$164,724)	(\$168,018)	(\$171,378)	(\$174,806)	(\$178,302)	(\$181,868)	(\$185,506)	(\$189,216)	(\$193,000)	(\$196,860)	(\$200,797)
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Washer/Dryer	\$316	\$56,535	\$58,231	\$59,978	\$61,778	\$63,631	\$65,540	\$67,506	\$69,531	\$71,617	\$73,766	\$75,979	\$78,258	\$80,606	\$83,024	\$85,515
Ancillary	\$56	\$10,096	\$10,398	\$10,710	\$11,032	\$11,363	\$11,704	\$12,055	\$12,416	\$12,789	\$13,172	\$13,568	\$13,975	\$14,394	\$14,826	\$15,271
Trash Valet	\$34	\$6,057	\$6,239	\$6,426	\$6,619	\$6,818	\$7,022	\$7,233	\$7,450	\$7,673	\$7,903	\$8,141	\$8,385	\$8,636	\$8,895	\$9,162
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Gross Income	\$13,725	\$2,456,829	\$2,506,693	\$2,557,575	\$2,609,498	\$2,662,482	\$2,716,550	\$2,771,723	\$2,828,026	\$2,885,480	\$2,944,111	\$3,003,941	\$3,064,997	\$3,127,303	\$3,190,886	\$3,255,771
Expenses:	Per Unit															
Management Fee (% of EGI)	\$686	\$122,841	\$125,335	\$127,879	\$130,475	\$133,124	\$135,827	\$138,586	\$141,401	\$144,274	\$147,206	\$150,197	\$153,250	\$156,365	\$159,544	\$162,789
Admin	\$250	\$44,750	\$46,093	\$47,475	\$48,900	\$50,367	\$51,878	\$53,434	\$55,037	\$56,688	\$58,389	\$60,140	\$61,944	\$63,803	\$65,717	\$67,688
Contracted Services	\$250	\$44,750	\$46,093	\$47,475	\$48,900	\$50,367	\$51,878	\$53,434	\$55,037	\$56,688	\$58,389	\$60,140	\$61,944	\$63,803	\$65,717	\$67,688
Leasing and Marketing	\$100	\$17,900	\$18,437	\$18,990	\$19,560	\$20,147	\$20,751	\$21,374	\$22,015	\$22,675	\$23,355	\$24,056	\$24,778	\$25,521	\$26,287	\$27,075
Repairs and Maintenance	\$600	\$107,400	\$110,622	\$113,941	\$117,359	\$120,880	\$124,506	\$128,241	\$132,088	\$136,051	\$140,133	\$144,337	\$148,667	\$153,127	\$157,721	\$162,452
Payroll	\$1,400	\$250,800	\$258,118	\$265,862	\$273,837	\$282,053	\$290,514	\$299,230	\$308,206	\$317,453	\$326,976	\$336,785	\$346,889	\$357,296	\$368,015	\$379,055
Utilities	\$570	\$102,030	\$105,091	\$108,244	\$111,491	\$114,836	\$118,281	\$121,829	\$125,484	\$129,249	\$133,126	\$137,120	\$141,233	\$145,470	\$149,834	\$154,330
Real Estate Taxes	\$950	\$170,050	\$175,152	\$180,406	\$185,818	\$191,393	\$197,135	\$203,049	\$209,140	\$215,414	\$221,877	\$228,533	\$235,389	\$242,451	\$249,724	\$257,216
Insurance	\$475	\$85,025	\$87,576	\$90,203	\$92,909	\$95,696	\$98,567	\$101,524	\$104,570	\$107,707	\$110,938	\$114,266	\$117,694	\$121,225	\$124,862	\$128,608
Replacement Reserves	\$300	\$53,700	\$55,311	\$56,970	\$58,679	\$60,440	\$62,253	\$64,121	\$66,044	\$68,026	\$70,066	\$72,168	\$74,333	\$76,563	\$78,860	\$81,226
Compliance Monitoring Fee	\$40	\$7,160	\$7,375	\$7,596	\$7,824	\$8,059	\$8,300	\$8,549	\$8,806	\$9,070	\$9,342	\$9,622	\$9,911	\$10,208	\$10,515	\$10,830
	\$12	\$2,148	\$2,212	\$2,279	\$2,347	\$2,418	\$2,490	\$2,565	\$2,642	\$2,721	\$2,803	\$2,887	\$2,973	\$3,063	\$3,154	\$3,249
Total Expenses	\$5,633	\$1,008,354	\$1,037,413	\$1,067,319	\$1,098,099	\$1,129,777	\$1,162,380	\$1,195,935	\$1,230,471	\$1,266,015	\$1,302,599	\$1,340,252	\$1,379,007	\$1,418,895	\$1,459,950	\$1,502,206
	2,148	\$2,212	\$2,279	\$2,347	\$2,418	\$2,490	\$2,565	\$2,642	\$2,721	\$2,803	\$2,887	\$2,973	\$3,063	\$3,154	\$3,249	
Total Expenses Net	\$5,645	\$1,010,502	\$1,039,625	\$1,069,598	\$1,100,446	\$1,132,194	\$1,164,870	\$1,198,500	\$1,233,112	\$1,268,736	\$1,305,402	\$1,343,139	\$1,381,980	\$1,421,957	\$1,463,104	\$1,505,455
Net Operating Income	\$8,080	\$1,446,327	\$1,467,067	\$1,487,978	\$1,509,054	\$1,530,291	\$1,551,684	\$1,573,229	\$1,594,919	\$1,616,751	\$1,638,717	\$1,660,811	\$1,683,027	\$1,705,357	\$1,727,793	\$1,750,328
Debt Service & Cashflow																
Hard Debt																
Permanent Loan		\$1,003,052	\$1,003,052	\$1,003,052	\$1,003,052	\$1,003,052	\$1,003,052	\$1,003,052	\$1,003,052	\$1,003,052	\$1,003,052	\$1,003,052	\$1,003,052	\$1,003,052	\$1,003,052	\$1,003,052
DSCR		1.44	1.46	1.48	1.50	1.53	1.55	1.57	1.59	1.61	1.63	1.66	1.68	1.70	1.72	1.75
Total Hard Debt	\$5,604	\$1,003,052														
DSCR		1.44	1.46	1.48	1.50	1.53	1.55	1.57	1.59	1.61	1.63	1.66	1.68	1.70	1.72	1.75
Waterfall Cashflow	\$8,897,511	\$443,274	\$464,015	\$484,925	\$506,001	\$527,203	\$548,631	\$570,176	\$591,867	\$613,699	\$635,665	\$657,759	\$679,974	\$702,304	\$724,741	\$747,276
Asset Mgmt Fee	\$5,000	\$5,000	\$5,100	\$5,202	\$5,306	\$5,412	\$5,520	\$5,631	\$5,743	\$5,858	\$5,975	\$6,095	\$6,217	\$6,341	\$6,468	\$6,597
DDF	\$621,741	\$183,466	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Soft Debt																
City of Austin	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Soft Loan 2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Soft Paid	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Cashflow	\$0	\$0	\$275,448	\$479,723	\$500,695	\$521,791	\$543,110	\$564,545	\$586,124	\$607,840	\$629,689	\$651,664	\$673,758	\$695,963	\$718,273	\$740,679
Debt Service Coverage																
Permanent Loan		1.44	1.46	1.48	1.50	1.53	1.55	1.57	1.59	1.61	1.63	1.66	1.68	1.70	1.72	1.75

ALLOWANCES FOR TENANT-FURNISHED UTILITIES & OTHER SERVICES

REPORT DATE: 2020-02-17

PROPERTY: City Heights

LOCATION: Austin, TX

TABLE 1: MONTHLY UTILITY ALLOWANCES

<i>Unit Type</i>	<i>Electricity</i>	<i>Water</i>	<i>Sewer</i>	<i>Total</i>
<i>1 BR</i>	<i>\$47</i>	<i>\$14</i>	<i>\$18</i>	<i>\$79</i>
<i>2 BR</i>	<i>\$58</i>	<i>\$19</i>	<i>\$24</i>	<i>\$101</i>

TABLE 2: MONTHLY UTILITY CONSUMPTION

<i>Unit Type</i>	<i>Electricity (kWh)</i>	<i>Water/Sewer (kGal)</i>
<i>1 BR</i>	<i>466</i>	<i>1.68</i>
<i>2 BR</i>	<i>579</i>	<i>2.36</i>

UApro+™ is compliant with IRS regulation 26 CFR 1.42-10. See technical documentation for further details on compliance, methodology, and additional data.

Attachment G

Management Company Resume

Highmark Residential is one of the country's largest residential property management firms, providing management services throughout the United States. The firm utilizes its in-house expertise to perform leasing, marketing, accounting, legal and financial analysis services. The company also focuses on asset value enhancement through capital improvements and strategic re-positioning programs.

Headquartered in Dallas, Highmark Residential maintains regional offices in Atlanta, Austin, Baltimore, Charlotte, Dallas, Denver, Fort Worth, Houston, Jacksonville, Miami, Nashville, Orlando, Phoenix, and Tampa.

Highmark Residential is led by President Steve Lamberti, a veteran in apartment property acquisition, financing, investing, dispositions and property operations.



HIGHMARK RESIDENTIAL



Corporate Overview

- Highmark Residential, a wholly owned property management company of Starwood Capital, currently manages around 60,000 units located in 12 states with twelve regional offices in Atlanta, Austin, Charlotte, Dallas-Fort Worth, Denver, Miami-Fort Lauderdale, Houston, Jacksonville, Orlando, Phoenix, Tampa, and Washington, DC employing ~1,450 employees nationwide.
- Steve Lamberti serves as President of Highmark Residential, with a senior management team averaging more than thirty-five years of experience. Specializing in the skills of acquisitions, asset management, leasing, repositioning and dispositions of real estate assets with a value of over \$14 billion.
- Our associates and communities have been recognized for their internal and external customer service at the highest levels by numerous companies. Highmark Residential placed in the top 20 of NMHC 50 Largest Apartment Managers and has ranked as one of the Top Places to Work in Dallas and Houston in 8 annual assessments by Work Place Dynamics .

- Institutional quality team at the corporate level, with experienced property management at the site level.
- Highmark's asset and property management focus provides seamless execution for strategic growth, capital investment, and day to day operations and back office reporting.
- Highmark's highly trained professionals operate using an "owners mentality".
- Through national contracts, Highmark is able to pass along significant savings in purchasing power, marketing, payroll and information technology.
- Highmark has the ability and resources to mobilize quickly to complete any necessary property due diligence and asset takeovers.



- Vertically integrated multifamily operating platform creates a strategic competitive advantage
- Manage assets directly, creating a more efficient business plan execution, increased transparency, and a superior risk/return profile for investors
- Ensure the collective benefit of local and national market intelligence, applied on a real-time basis to acquisition opportunities and property business plans



Highmark's platform assures expertise across multiple disciplines, critical to maximizing performance while preserving and enhancing capital value.

Investment Management

- Highmark's senior management team has extensive experience developing and implementing strategies to maximize the value of all property types.
- Highmark provides comprehensive solutions for asset evaluation, management, risk mitigation and resolution.
- Highmark helps clients create value through property repositionings and turnarounds of sub-performing and non-performing assets.

Property Management

- Highmark has proven experience overseeing the management of all major asset classes.
- Highmark Residential manages around 60,000 multifamily units in 12 states.
- Highmark is recognized as a 'Top 50' Manager in the United States by the National Multi Housing Council.
- Highmark Residential's experienced team of regional managers ensures quality property operations via regular inspections, evaluations and supervision of all on-site employees and contractors.
- Regional management's continual analysis of submarket/competitive properties assures that Highmark remains responsive to local market conditions.



Highmark's platform assures expertise across multiple disciplines, critical to maximizing performance while preserving and enhancing capital value.

Construction Management

- Highmark's in-house construction management team ensures certainty of execution and project cost savings while maintaining the highest level of service and quality.
- The construction group has successfully undertaken complete property repositionings, extensive renovations, and value enhancement upgrades.
- Highmark's national vendor relationships and high-volume orders allow construction management to achieve significant cost savings over local competitors.

Human Resources

- Highmark's human resources department oversees the firm's staffing across its varied disciplines and maintains a high level of employee retention.
- Highmark also features an equity participation program wherein all key employees who are responsible for sourcing, enhancing or transacting an asset or portfolio share in the upside realized from that investment.
- This creates employee ownership at all levels of the organization, from acquisitions to asset and property management, reinforcing an alignment of interests throughout the organization.



Highmark's platform assures expertise across multiple disciplines, critical to maximizing performance while preserving and enhancing capital value.

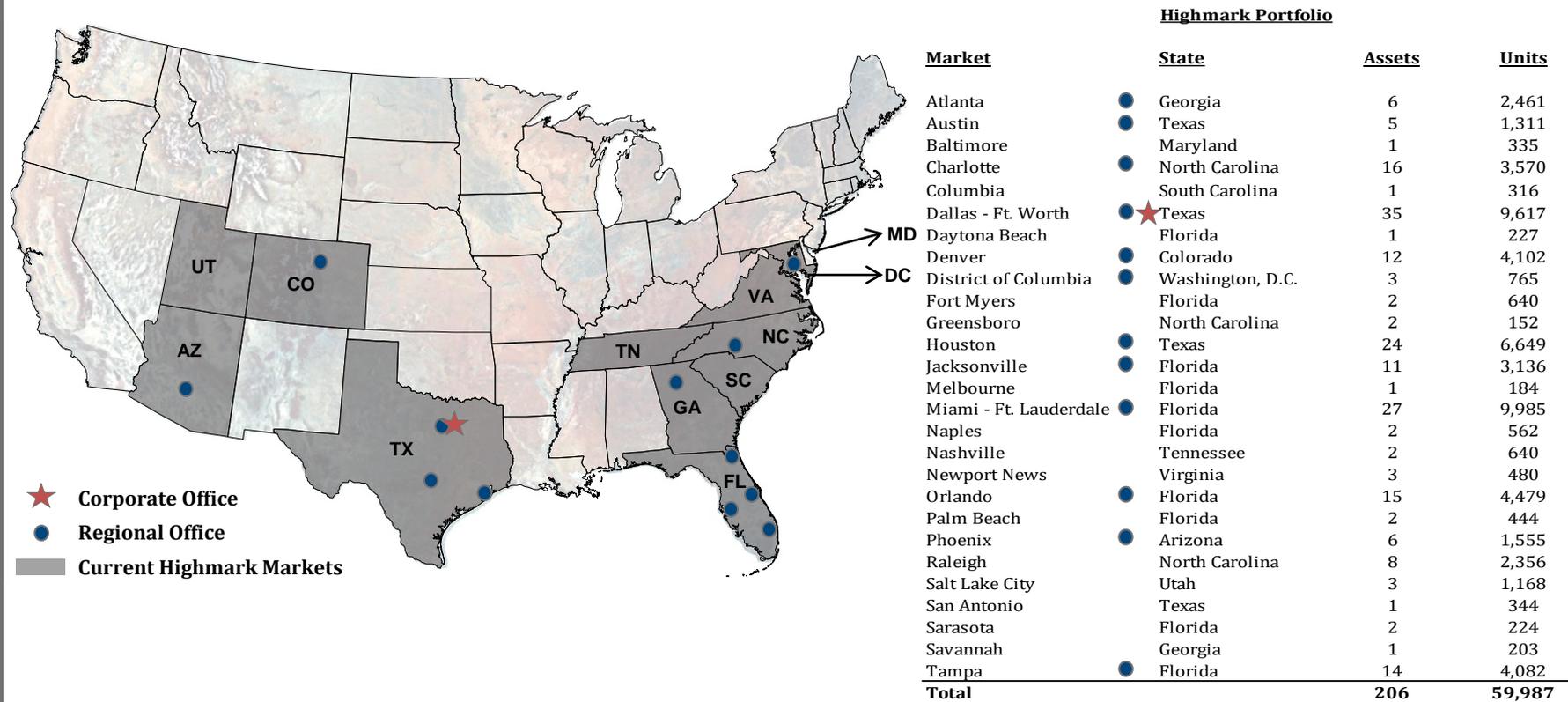
Financial Reporting

- Highmark maintains a deep accounting, administration and financial reporting staff.
- Services include cash management, property, construction and partnership-level accounting, investor reporting and coordination of external audits and tax filings.

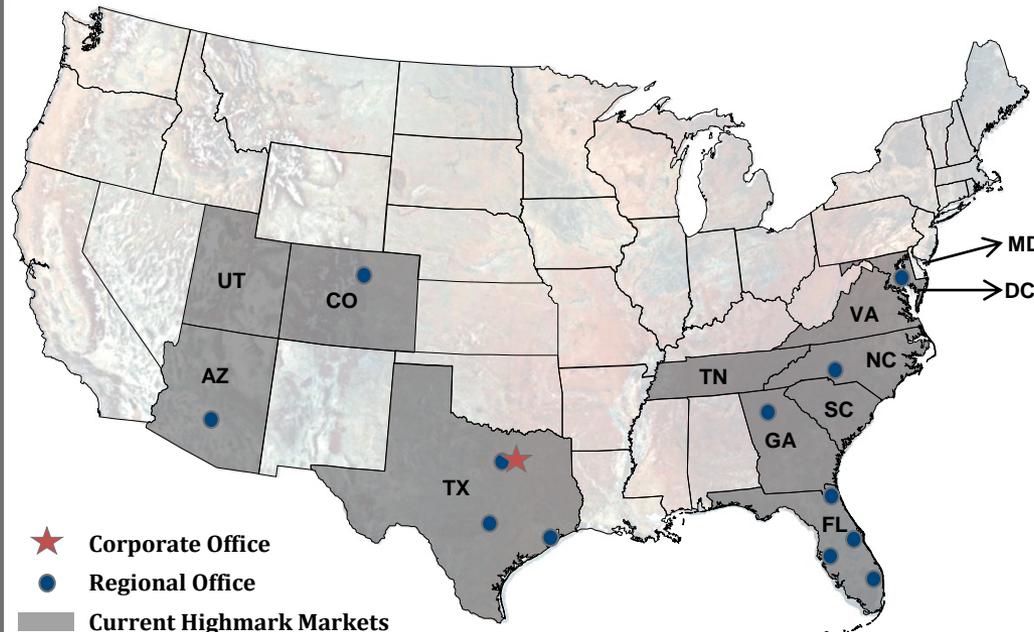
Information Technology

- Highmark's proprietary technology tools benchmarks financial and operational goals, establishes strategic renovation and redevelopment business plans, and monitors expenses to maximize property cash flows.
- These tools enable Highmark to actively contain costs and maximize revenue at each property, and plan for and monitor larger capital expenditures.
- By incorporating current market data in the analytic process, Highmark assures decisions are made on current operating conditions.

Highmark currently owns and/or manages around 60,000 multifamily units with twelve regional offices across the United States



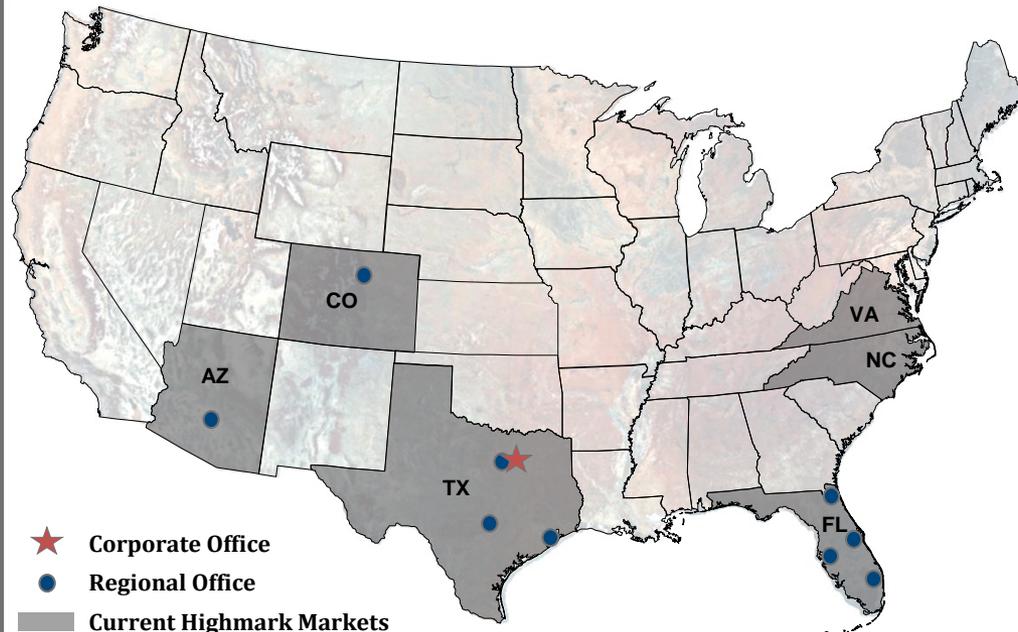
Highmark currently owns and/or manages around 45,000 conventional multifamily units in 12 states within the United States



Highmark Conventional Portfolio

<u>Market</u>	<u>State</u>	<u>Assets</u>	<u>Units</u>
Atlanta	● Georgia	6	2,461
Austin	● Texas	5	1,311
Baltimore	Maryland	1	335
Charlotte	● North Carolina	13	3,294
Columbia	South Carolina	1	316
Dallas - Ft. Worth	●★ Texas	23	6,707
Daytona Beach	Florida	1	227
Denver	● Colorado	11	3,970
District of Columbia	● Washington, D.C.	3	765
Houston	● Texas	21	5,959
Jacksonville	● Florida	2	1,180
Miami - Ft. Lauderdale	● Florida	25	9,697
Nashville	Tennessee	2	640
Newport News	Virginia	1	143
Orlando	● Florida	5	1,535
Phoenix	● Arizona	4	1,207
Raleigh	North Carolina	7	2,092
Salt Lake City	Utah	3	1,168
San Antonio	Texas	1	344
Savannah	Georgia	1	203
Tampa	● Florida	6	1,512
Total		142	45,066

Highmark currently owns and/or manages around 15,000 affordable multifamily units in 6 states within the United States



Highmark Affordable Portfolio

<u>Market</u>	<u>State</u>	<u>Assets</u>	<u>Units</u>
Charlotte	● North Carolina	3	276
Dallas - Ft. Worth	●★ Texas	12	2,910
Denver	● Colorado	1	132
Fort Myers	● Florida	2	640
Greensboro	● North Carolina	2	152
Houston	● Texas	3	690
Jacksonville	● Florida	9	1,956
Melbourne	● Florida	1	184
Miami - Ft. Lauderdale	● Florida	2	288
Naples	● Florida	2	562
Newport News	● Virginia	2	337
Orlando	● Florida	10	2,944
Palm Beach	● Florida	2	444
Phoenix	● Arizona	2	348
Raleigh	● North Carolina	1	264
Sarasota	● Florida	2	224
Tampa	● Florida	8	2,570
Total		64	14,921

- Acquisitions/Due Diligence
 - Office administration and site accounting
 - Resident and associate assessment and retention
 - Maintenance and systems evaluation
 - Marketing and advertising
 - Property inspection
 - Capital expenditures evaluation and recommendations

- Portfolio Management
 - Benchmarking performance against industry standards and internal thresholds
 - Preparation/review of property management reports

- Property Management
 - Development and implementation of business plan
 - Perform due diligence, property renovation or redevelopment and operational oversight
 - Coordinate property inspections, operational audits, demand forecasts and other analyses
 - Define and evaluate property management performance and budget variances
 - Benchmark financial and operational goals
 - Execute renovation and redevelopment business plan
 - Monthly financial reporting (including bond compliance) and budget variances
 - Marketing and leasing
 - Training
 - Revenue management
 - Regular property inspections, evaluations, and supervision
 - Supervision of all on-site employees and contractors
 - Prepare annual budgets

- **Construction Management**
 - Bid, scope and design
 - Bid review and selection
 - Contract execution and administration
 - Job oversight
 - Draw management

- **Information Technology**
 - Corporate and property technical support
 - Software management and development
 - Industry specific custom applications and reporting

- **Human Resources**
 - Payroll services
 - Compensation review and administration
 - Professional development and recruitment
 - Benefits and workers compensation administration
 - Associate communications and relations
 - Property insurance claims administration

- **Accounting**
 - Property, corporate, construction and partnership level accounting
 - Payment of operating and capital expenses and debt service
 - Cash management, debt compliance reporting and financial reporting
 - Maintain back office accounting systems
 - Coordination of external audits and U.S. tax filings

- Access to current and historical asset financial data
 - All financial performance is stored in the Yardi software. This data is available to associates from a cross-section of departments for executing queries and reports on weekly and monthly activity.
 - Month end financial packages are generated and distributed electronically.
 - Debt compliance.

- Software:
 - Yardi Property Management
 - Yardi Financials (AP, GL and Payscan)
 - Hyperion Essbase
 - Hyperion Reports
 - .Net, Visual Basic
 - Crystal Reports

- Capabilities:
 - Supports reporting for multiple owner forecasts.
 - Users can view pre-run reports, run standard reports for user defined variables such as cost centers, accounts or time periods, or create their own report or query via the Intranet or Excel.

- **Active communication and decision making through advanced technology**
 - Operational data (occupancies, inventory, collections, leasing, etc.) is gathered weekly, loaded into a centralized data warehouse and multi-dimensional cube and used by our reporting and query tools
 - YieldStar is a revenue management software platform that delivers current, daily insight into rent, occupancy, and revenue trends as well as competitive market positioning to maximize property level revenue
 - Rev Pak is a set of portfolio level reports that reviews operational performance on a weekly and monthly basis
 - Online access to asset performance data via Yardi and company portal for owners, portfolio managers and site supervisors
 - One Page Score Card encompassing year to date performance results

- **Tools:**
 - Yardi / Residential, Affordable, Commercial
 - YieldStar
 - Microsoft SQL Data Warehouse
 - Hyperion Essbase
 - .Net, Visual Basic
 - Crystal Reports

- The YieldStar and Rev Pak reporting system offers a variety of operational performance metrics which are available through the Highmark Portal or standard email distribution.
- These reports are customized and pushed out to various levels of management from site to corporate on a weekly and monthly basis.

Weekly Reports:

- YieldStar Rate and Activity Report
- AFW Summary
- Weekly Activity Report Summary
- Deposit Summary
- Weekly Action List
- Concessions Summary
- Weekly Transaction Summary
- 13 Week Trend
- Weekly Units Status
- 60+ Day Aged Vacancy Report

April 16, 2019 – Milestone Management announced the rebranding of the company to Highmark Residential in order to better reflect its commitment to delivering unmatched levels of service across all channels. The rebranding will take place in stages throughout the course of 2019, with a full transition expected across all systems in early 2020.

Steve T. Lamberti is President of Highmark Residential. Mr. Lamberti has over 30 years experience in the real estate industry and is responsible for establishing and operating Highmark's platform, asset strategy, property and portfolio acquisition selection, acquisition due diligence, and maximizing property value. He has executed on over \$14 billion in real estate transactions. Prior to his involvement with Milestone Management, Mr. Lamberti served as Vice President of Archon Group & Chief Operating Officer of Archon Management Services, a majority owned subsidiary of Goldman Sachs, where he led the expansion of Archon's owner-managed division from approximately 3,000 multifamily units to over 30,000 units. He spent 14 years with Walden Residential Properties, Inc. (a NYSE Multifamily REIT) as COO. At Walden, Mr. Lamberti was responsible for property management, coordinating acquisition selection, due diligence, asset management, marketing and human resources.

Mr. Lamberti received two Bachelor of Arts degrees from the University of Nevada – Reno. He holds the Certified Property Manager designation from the Institute of Real Estate Management, is on the Board of Directors of the National Multi Housing Council, and has served in various positions with the Apartment Association of Greater Dallas and the National Apartment Association.

Paul D. Cooper is the Chief Accounting Officer for Highmark Residential, a subsidiary of Starwood Capital. As Chief Accounting Officer, Mr. Cooper is responsible for external financial and management reporting, property and corporate accounting, corporate internal controls, corporate financial planning and analysis functions, treasury management, audit and tax coordination and oversight of the Accounting Information Systems. Mr. Cooper brings to his position over 18 years of leadership experience in corporate finance and public accounting, with the last 4 years specializing in the publicly traded market. Mr. Cooper served as the REIT Controller for Milestone Management since the IPO in 2013.

Prior to joining Milestone in 2005, Mr. Cooper worked for PricewaterhouseCoopers, LLP, assisting clients with numerous accounting and business matters primarily related to real estate audits, including Invesco, Archon, and Goldman Sachs' Whitehall Funds. Mr. Cooper began his real estate (accounting) career at Walden Residential Properties, Inc. in 1999 and was responsible for the Corporate Accounting functions, including financial reporting, cash forecasting, budgeting and cash management. Mr. Cooper received a B.B.A. from Abilene Christian University.

Stephen R. Connet serves as Vice President of Operations at Highmark. Mr. Connet is responsible for leading the operations team and overseeing all aspects of property management. Mr. Connet has 30 years' experience in the multifamily industry. Prior to joining the operations team, Mr. Connet served 14 years in multifamily asset management overseeing properties in 10 states. During his years in asset management, Mr. Connet implemented and oversaw various value add projects, the rebuilding of 450 flooded units, and the acquisition and disposition of assets.

Prior to joining Highmark, Mr. Connet served as the Property Controller for WMC Management Company. Mr. Connet started with WMC in 1988. At WMC, Mr. Connet was part of creating much of the operational reports, the chart of accounts, and budgeting process that Highmark uses today.

Eva M. Horn is Regional Vice President of Property Operations for Highmark's Dallas/Fort Worth, Denver and Kansas City regions. She is responsible for overseeing all aspects of property operations. Ms. Horn has over 34 years experience with expertise in all aspects of multifamily real estate ranging from property management, acquisitions, repositioning and new development. Ms. Horn has been involved at the regional and national levels in both conventional and student living management.

Ms. Horn began her career as a Regional Manager with Henry S. Miller, and has held Regional management positions with Fairfield Residential and Trammell Crow Residential. Ms. Horn served as Vice President & Divisional Manager for JPI overseeing the Western Region for the conventional portfolio, then the National Student Housing Division. She has also served as Executive Director of Operations for the student housing division of First Worthing Company.

Kellie E. Jackson is Regional Vice President of Property Operations at Highmark for the eastern United States. Ms. Jackson has spent over 24 years in the multifamily industry in acquisitions, repositions and dispositions. Ms. Jackson serves as the Region 9 Vice President for the National Apartment Association (NAA). As an NAA Board Member, Ms. Jackson currently sits on the Budget/Finance, Revenue and Expense, Nominating, Research and Education Conference committees. She also is Past President of the Board for both the Florida and the First Coast Apartment Associations. 's roles include NAA Lyceum Chairperson, Trustee of NAA's PAC Board and committee member of both the Budget/Finance and Education conference committees.

Ms. Jackson is a 2007 graduate of the NAA Leadership Lyceum Program. Ms. Jackson currently holds her Certified Property Manager (CPM®) designation from the Institution of Real Estate Management as well as the Certified Apartment Manager (CAM) from the National Apartment Association and is a Licensed Florida Real Estate Broker.

Beth Van Winkle is Regional Vice President of Property Operations at Highmark for Houston and the western United States. Ms. Van Winkle's career spans over 30 years, including previous service with such companies as Balcor Property Management and Concierge Management Corporation. Prior to joining Milestone Management, Ms. Van Winkle served as Divisional Vice President of Walden Management Company. She has experience in both conventional and tax-credit property management.

Ms. Van Winkle served as President of the Houston Apartment Association in 2009. She currently serves as President of the Texas Apartment Association. She is a member of the Board of Directors of the Texas Apartment Association Education Foundation and is a delegate to the Board of the National Apartment Association. Additionally, she serves on the Board of Directors of the Westchase Business District and the Greater Houston Area Chapter of the American Red Cross.

Ms. Van Winkle holds the CPM® (Certified Property Manager) designation from the Institute of Real Estate Management as well as the CAM (Certified Apartment Manager) and CAPS (Certified Apartment Property Supervisor) designations from the National Apartment Association. Ms. Van Winkle is a Lyceum graduate of the National Apartment Association and is licensed as a Texas Real Estate Salesperson.

Mary Beth Woodard is Regional Vice President of Property Operations at Highmark for the Northeast United States which includes properties in North Carolina; South Carolina; and the District of Columbia. Ms. Woodard has spent 35 years in the multifamily industry in operations, human resources, marketing and asset management most notably with Lincoln Property, Summit Properties, Colonial Properties Trust and Balfour Beatty. Ms. Woodard is currently active in the Greater Charlotte Apartment Association serving on the Education Foundation Board of Directors. She also is Past President of the National Apartment Association and Greater Charlotte Apartment Association and was the recipient of the Business Journal's Woman of the Year.

A graduate of the University of North Carolina, Ms. Woodard also holds her Certified Property Manager (CPM®) designation from the Institution of Real Estate Management as well as the Certified Apartment Property Supervisor (CAPS) from the National Apartment Association; a CDPM designation which is the Certified Defense Property Manager and is a Licensed North Carolina Real Estate Broker.

Sharon O'Connell is Regional Vice President of Operations at Highmark for the West region that includes Colorado, Arizona, and Utah. Ms. O'Connell has over 30 years of experience in more than 20 markets in the multi-family industry. Prior to joining Highmark Residential, Ms. O'Connell was a Senior Vice President for Simpson Property Group for 17 years responsible for operations of multi-family assets in Denver, Phoenix, Seattle, and Portland. She previously held senior leadership positions in Atlanta, Georgia at Archon Residential Management and Lane Company.

Ms. O'Connell served as President of the Apartment Association of Metro Denver in 2008 and was inducted into the Hall of Fame in 2017. She also served as President of the Colorado Apartment Association in 2011 where she continues to serve on the Board of Directors. Ms. O'Connell holds the CPM® (Certified Property Manager) designation from the Institute of Real Estate Management and has served in leadership positions of the IREM Greater Denver Chapter. Ms. O'Connell graduated from Furman University in Greenville, South Carolina.

Ben D. Bennett is Regional Vice President of Operations at Highmark for the South Florida region in all Miami-Fort Lauderdale-West Palm Beach Metro Areas. Mr. Bennett has almost 25 years' experience in the multi-family industry and has overseen portfolios in most metro areas in the Eastern U.S. Prior to joining Milestone, Mr. Bennett was with Fairfield Residential LLC for over 16 years and served as a Vice President of Property Management. He has also held senior leadership positions with McCormack Baron Management Inc. of St. Louis, Missouri, and began his career with Stonemark Management LLC in Atlanta, Georgia where he earned a Certified Apartment Manager (CAM) designation from the National Apartment Association.

Originally from and educated in North Carolina, Ben later served proudly in the United States Navy.

S. Beck Weathers serves as the Director of Revenue Management at Highmark Residential. Before his present role, he worked at Milestone as a Senior Associate in a variety of functions including financing, portfolio analytics, and equity fundraising. Prior to joining Milestone, Mr. Weathers served as an Investment Analyst at The PNL Companies, a Dallas based private equity firm. He was responsible for identifying, underwriting, and presenting acquisition opportunities related to the purchase of notes secured by distressed real estate. Prior to his tenure at The PNL Companies, Mr. Weathers served as a member of the asset management team at Crescent Real Estate Equities, and was previously with Stream Realty Partners, where he focused on modeling the cash flows of potential real estate acquisitions.

Mr. Weathers holds an MBA from Southern Methodist University and a BS in Computer Science from Duke University.

Jeffrey L. Sherman serves as Vice President of Information Technology at Highmark. Mr. Sherman is responsible for the evaluation and implementation of technology to improve operations. His technology duties include day-to-day supervision of systems operations, business applications, user support and on-going projects. Other responsibilities include overseeing national contracts, energy procurement and utility management.

Prior to joining Milestone Management, Mr. Sherman served as VP of Information Technology for Walden Management Company. Mr. Sherman started with WMC in 1989, gaining years of on-site experience, while playing an integral role in creating the company's information technology department and implementing the company's technical infrastructure and software solutions.

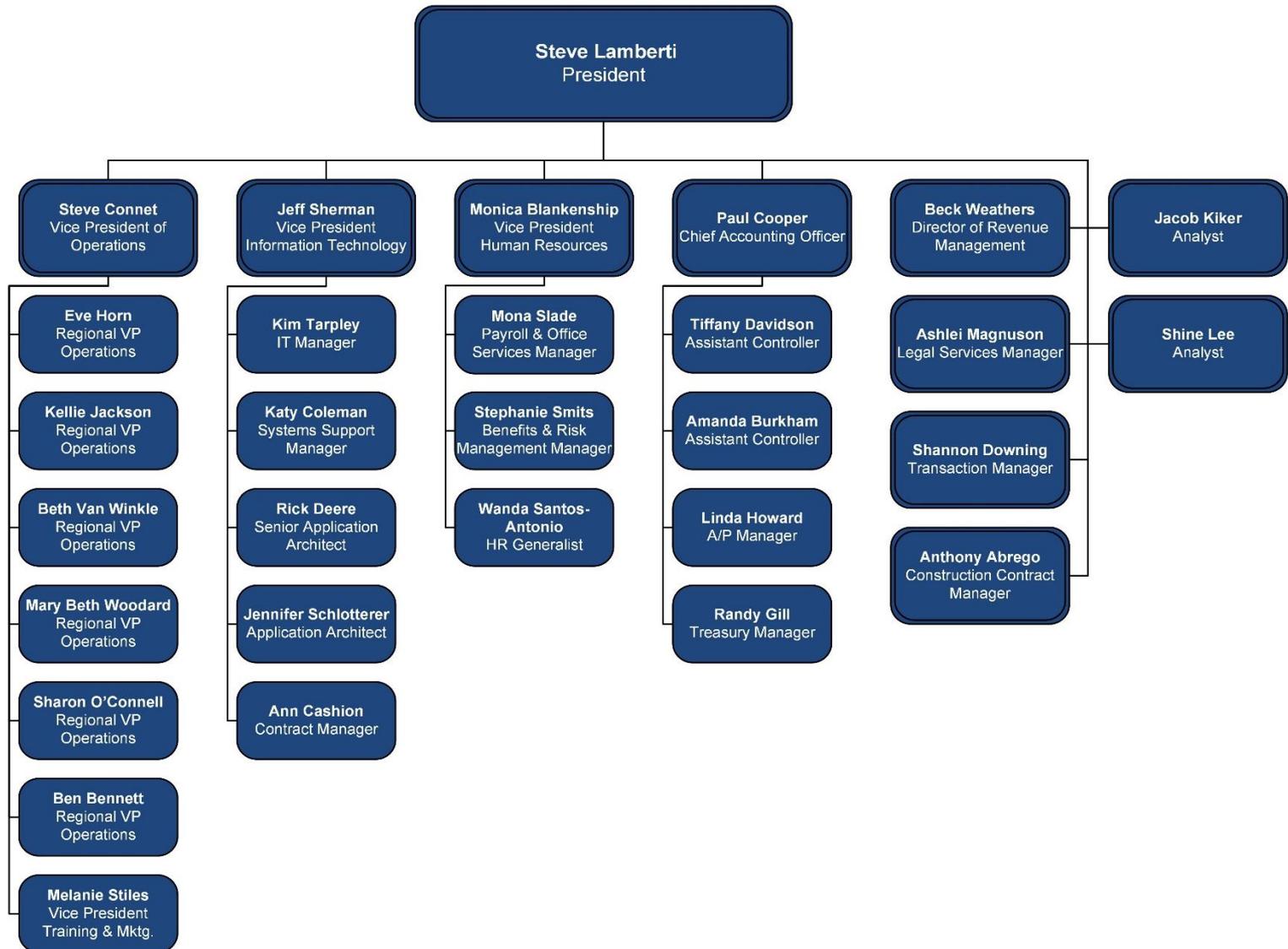
Melanie Stiles is Vice President of Training and Marketing and is responsible for Highmark's professional education programs and national marketing initiatives. Ms. Stiles was promoted to the position of Training Director for Walden Residential Property Trust in 1998, which at the time, was the third largest REIT in the country. During her 20 year multifamily career, she has gained expertise in strategic sales and marketing planning, curriculum development, property management, repositioning and acquisitions.

Ms. Stiles has served on the Board of Directors for both the Apartment Association of Tarrant County and the Texas Apartment Association. Ms. Stiles has served as chair for numerous committees and is a noted speaker and author of articles in national real estate industry publications such as Units magazine, delivering industry related topics including: Social Media, Video Marketing, Fair Housing, Creating Marketing Plans, Employee Turnover, Advertising Effectiveness, and Synergy.

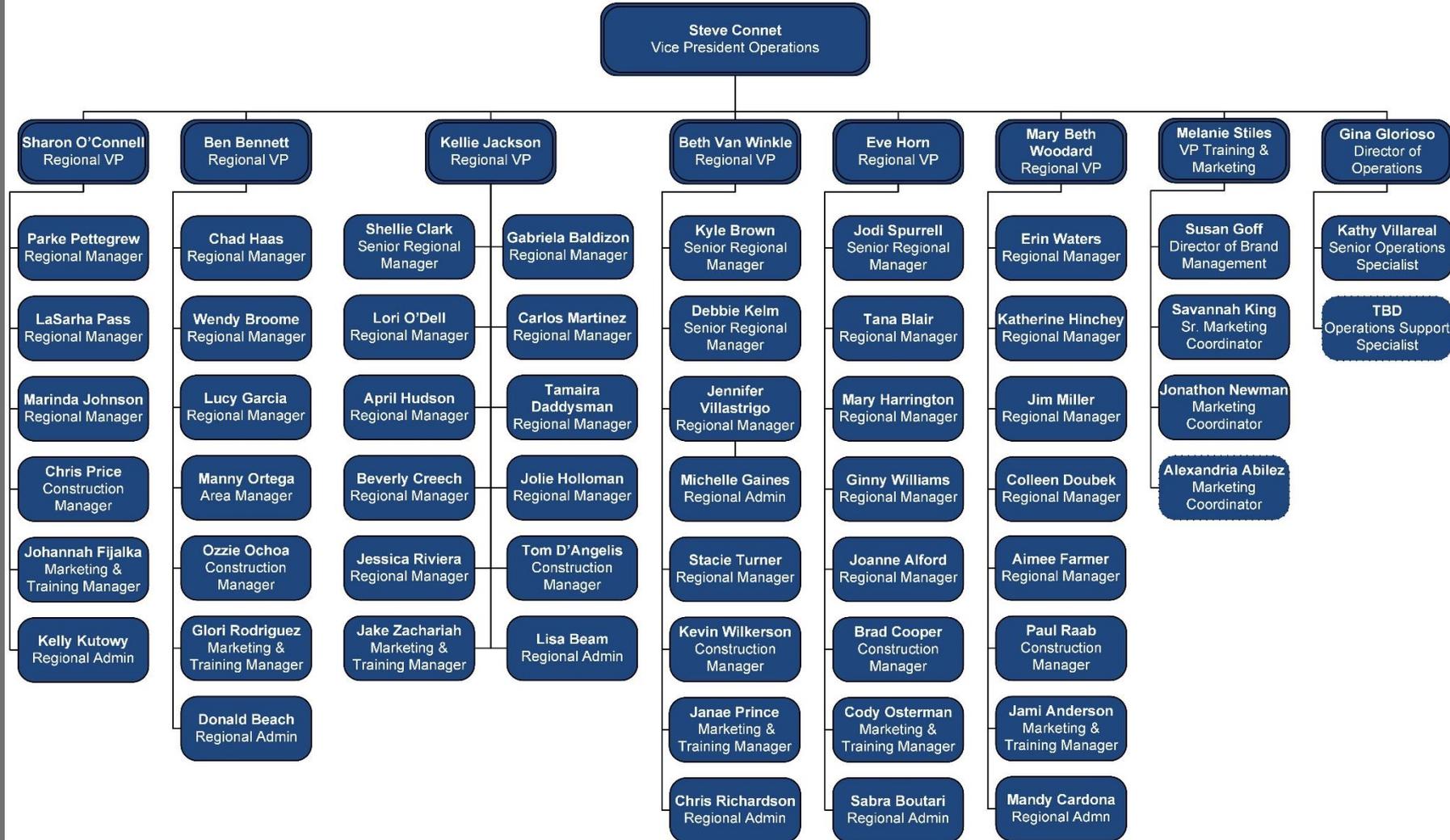
Monica Blankenship, Highmark Residential's Vice President of Human Resources and Risk Management, has over 27 years of HR experience in the real estate industry. Ms. Blankenship is responsible for policies and programs covering employment, compensation and benefits, organizational development, employee relations and retention and compliance with federal, state and local laws.

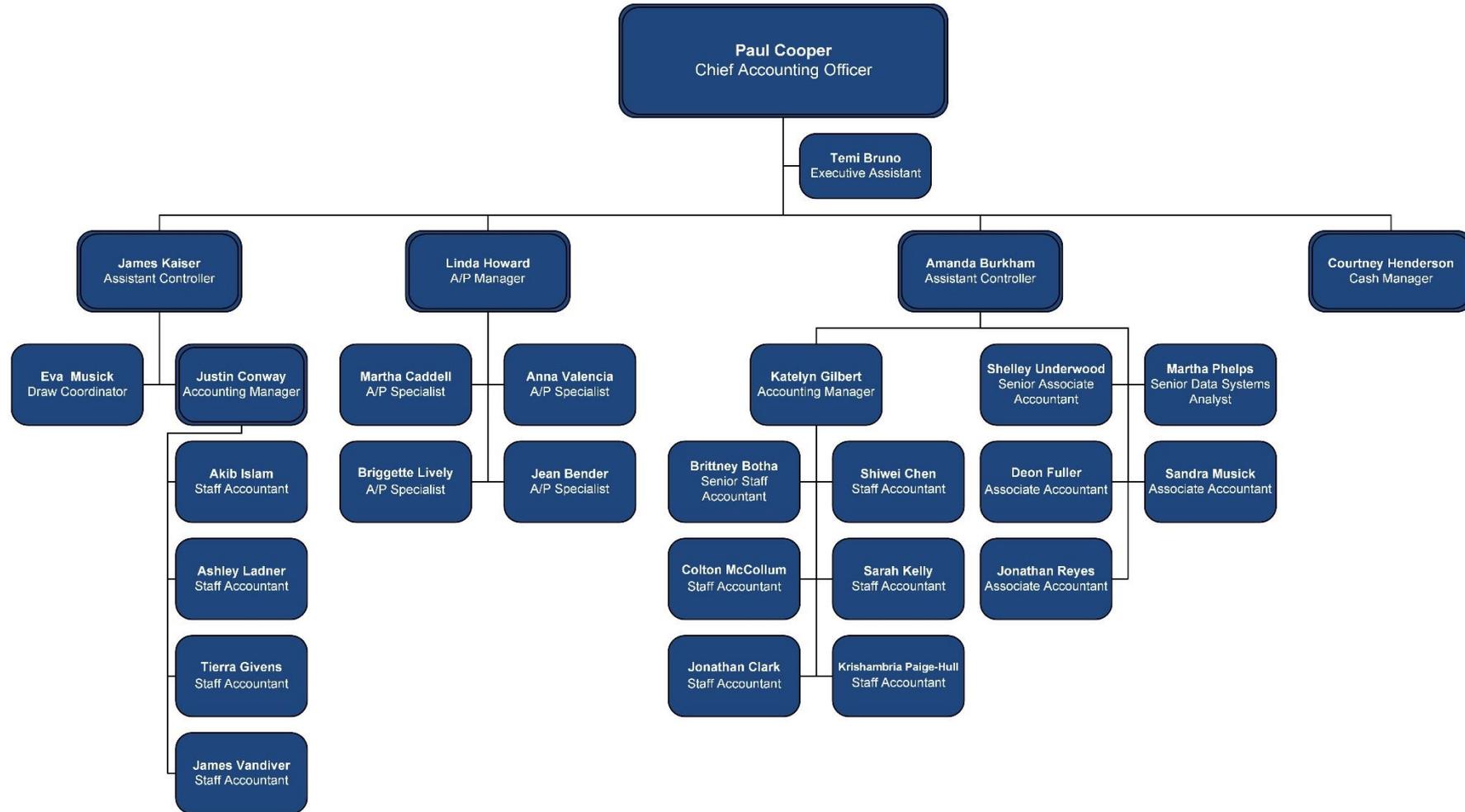
Ms. Blankenship's HR experience includes eight years with Gerald D. Hines Interests, an international commercial real estate development and property management company headquartered in Houston, Texas. She later joined Drever Partners/Concierge Management as HR Director creating the HR department and building the HR/Payroll infrastructure for the property management company. In 1997, Ms. Blankenship became VP of Human Resources for Walden Residential following their merger with Drever Partners and joined their corporate management team in Dallas, Texas. Walden is the predecessor company of Milestone Management.

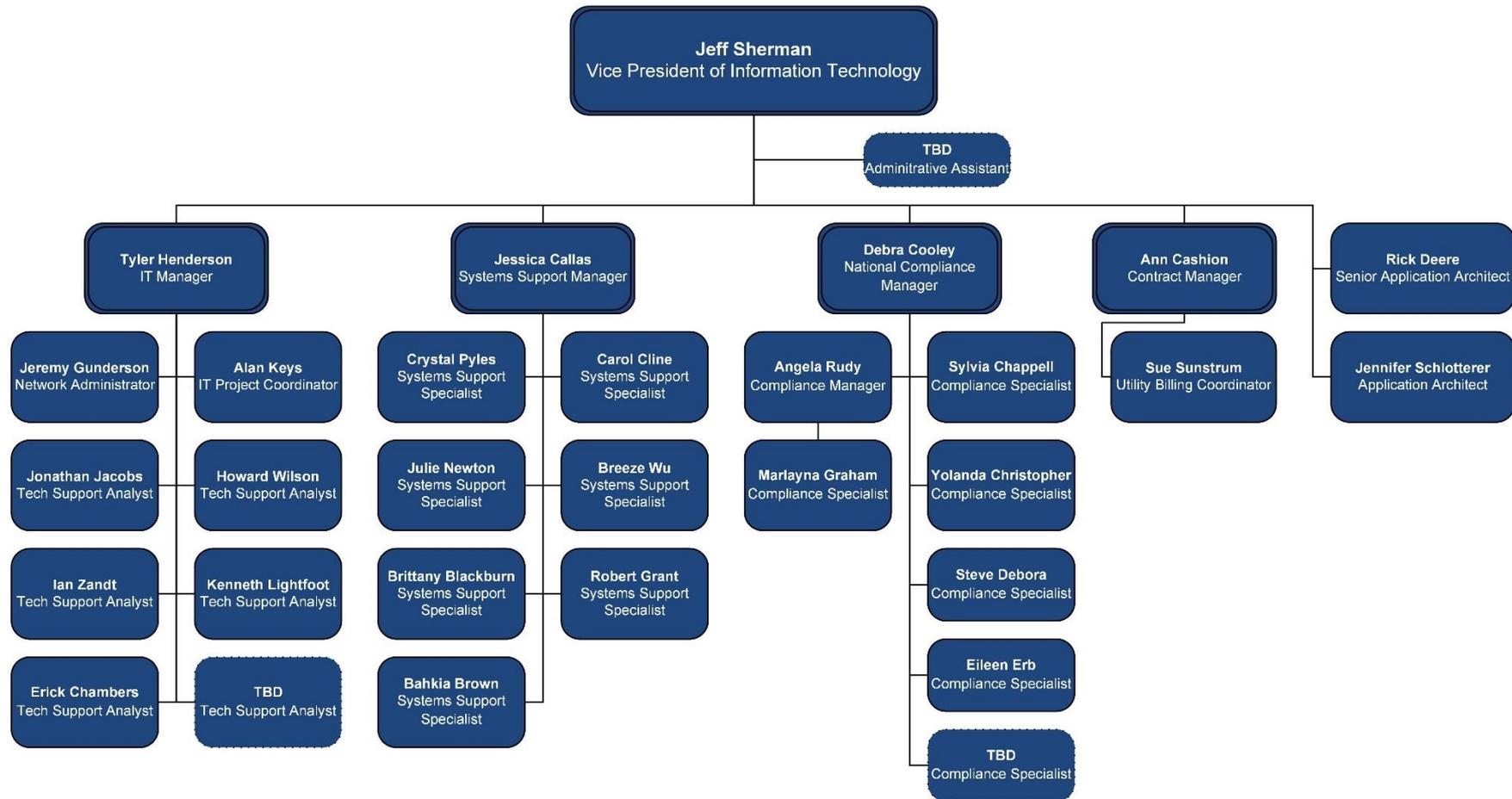
Ms. Blankenship holds a BBA in Finance from The University of Houston and professional designations of Senior Professional in Human Resources and SHRM-SCP.



Operations Organization Chart







- This Confidential Corporate Summary (“Confidential Summary”) is not an offer to sell shares of the Portfolio. Any such offering will be made only by means of a private placement memorandum containing detailed information about the Portfolio, the Portfolio shares being offered at that time, and the merits and risks of investing in the Portfolio. This Confidential Summary is not complete and should not be used as a basis for making an investment decision. Some of the information in this Confidential Summary presents past performance of real estate and real-estate related investments with attributes similar to those anticipated to be applicable to the Portfolio. This performance information is presented without reduction for fees, except where otherwise denoted. In addition, past performance is not a guarantee of comparable results in the future. An investment in the Portfolio will be subject to certain risks related to the nature of the Portfolio’s intended real estate investments and the structure and future operations of the Portfolio. Any investment in the Portfolio should be made only with an appreciation of the applicable risks, which will be described in the private placement memorandum relating to the offering of shares of the Portfolio.
- All projections set forth in this Confidential Summary are based upon assumptions related to the general economy, competition, and other factors beyond the control of the Portfolio or its affiliates, and therefore are subject to variation. No representation is made by the Portfolio or its affiliates as to the accuracy or completeness of the information contained herein, and nothing contained herein is, or shall be relied upon as, a promise or representation as to the future performance of the Portfolio. Although the information contained herein is believed to be correct, the Portfolio and its affiliates and their employees disclaim any and all liability for representations and warranties, expressed and implied, contained in, or for omissions from, the Confidential Summary or any other written or oral communication transmitted or made available to the recipient.
- This Confidential Summary and the contents are of a confidential and proprietary nature. By accepting the Confidential Summary, you agree to hold and treat it in the strictest confidence, and you will not photocopy or duplicate it, or disclose the Confidential Summary or its contents to any other person or entity. You hereby agree to return the Confidential Summary upon written request.