

**Resolution No. SHFC-2018-06:** To Approve the prescription of the form and substance of an Agreement to Issue Bonds for Multifamily Housing Revenue Bonds (Lakeway Apartments) Series 2018, to be located at FM 620 and Storm Drive, Austin, Travis County, Texas; *authorize* the execution of such agreement; *authorize* the filing of an application with the Texas Bond Review Board for a reservation of an allocation of State volume cap for private activity bonds; and *authorize* additional provisions relating thereto.

**WHEREAS**, Strategic Housing Finance Corporation of Travis County (the "Corporation") is authorized by the Texas Housing Finance Corporations Act, Local Government Code, Chapter 394, Vernon's Annotated Texas Civil Statutes, as amended (the "Act"), to issue revenue bonds, as defined in the Act, for the purpose of paying all or part of the cost of a Residential Development as defined in the Act, and to sell or lease the project to others or loan the proceeds of the bonds to others to finance all or part of the cost of the Residential Development; and

**WHEREAS**, the Act authorizes the Corporation: (a) to make loans to any person to provide financing for rental residential developments located within Travis County, Texas (the "County"), and intended to be occupied substantially (at least 90 percent) by persons of low and moderate income, as determined by the Corporation; (b) to issue its revenue bonds for the purpose of obtaining moneys to make such loans and provide such financing, to establish necessary reserve funds and to pay administrative costs and other costs incurred in connection with the issuance of such bonds; and (c) to pledge all or any part of the revenues, receipts or resources of the Corporation, including the revenues and receipts to be received by the Corporation from or in connection with such loans, and to mortgage, pledge or grant security interests in such loans or other property of the Corporation in order to secure the payment of the principal or redemption price of and interest on such bonds; and

**WHEREAS**, the Corporation now desires to authorize, issue and sell its tax-exempt multifamily housing revenue bonds, to the extent authorized by law, to provide funds to defray all or part of the cost of acquiring, developing and/or constructing a certain Residential Development by TX Lakeway Homes, LP, a Texas limited partnership and/or its assigns (the "User"); and

**WHEREAS**, the User and the Corporation desire that the Corporation take some official action toward the issuance of such bonds prior to the commencement of acquisition, development and construction of such Residential Development; and

**WHEREAS**, the County, has authorized and approved creation of the Corporation to act on its behalf to further certain public purposes of the County;

**NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE STRATEGIC HOUSING FINANCE CORPORATION OF TRAVIS COUNTY, THAT:**

Section 1: The Corporation hereby authorizes and agrees that it will issue and sell its multifamily housing revenue bonds (the "Bonds") from time to time in one or more series pursuant to the provisions of Texas law to pay all or part of the cost of acquiring, developing, constructing and equipping the project described in Exhibit "A" to the Agreement to Issue Bonds attached hereto (the "Project"), together with certain costs of authorization, sale and issuance of the Bonds.



The Bonds will be issued and sold as more fully provided in the Agreement to Issue Bonds, and subject to the terms thereof, in a maximum aggregate principal amount now estimated to be not more than \$24,000,000.

Section 2: The proceeds of the Bonds will be used to finance a portion of the acquisition, construction, development and equipping of the Project.

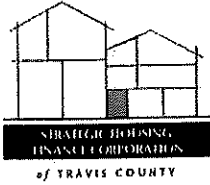
Section 3: The Corporation will enter into a financing agreement with the User providing for financing of all or part of the cost of the Project.

Section 4: The Board of Directors of the Corporation (the "Board of Directors") hereby finds, determines and declares that (i) the Project is required and suitable for the promotion of the construction of new, improved, or expanded residential development in the County, (ii) the User has the business experience, financial resources and responsibility to provide reasonable assurance that the Bonds and the interest thereon to be paid from, or by reason of, payments made by the User under the financing agreement will be paid as the same become due, and (iii) the Project is in furtherance of the public purposes set forth in the Act.

Section 5: That neither the User nor any other party is entitled to rely on this Resolution as a commitment to loan funds, and the Corporation reserves the right not to issue the Bonds either with or without cause and with or without notice, and in such event the Corporation shall not be subject to any liability or damages of any nature. Neither the User nor any one claiming by, through or under the User, nor any investment banking firm or potential purchaser of the Bonds shall have any claim against the Corporation whatsoever as a result of any decision by the Corporation not to issue the Bonds.

Section 6: The Corporation hereby authorizes the filing of one or more Applications For Allocation of Private Activity Bonds with the Texas Bond Review Board ("BRB") for the year 2018 (or a later year if determined by the officer executing such application) for the aggregate amount of up to \$24,000,000 of qualified residential mortgage bonds, and the President of the Corporation, the Executive Vice President of the Corporation, and/or the Director of Real Estate Development of the Corporation are designated as the authorized officers, acting together or individually, to execute and deliver such Application to the BRB and to take any other actions consistent with this Resolution, including the execution of documents necessary to withdraw a reservation, obtain a new reservation, obtain a carry forward of a volume cap reservation or an additional application to the BRB for a new reservation or a volume cap carry forward application for a subsequent calendar year, as may be determined necessary by the officer executing any such document.

Section 7: This Resolution is a Declaration of Official Intent under U.S. Treasury Regulations for purposes of Sections 103 and 141 to 150 of the Internal Revenue Code of 1986, as amended. Based upon the representations of the User, the Corporation reasonably expects that certain of the costs of the Project may be reimbursed with the proceeds of the Bonds.



NOW, THEREFORE, BE IT FURTHER RESOLVED that the Board of Directors of the Corporation hereby:

1. Approves Resolution SHFC-2018-06,
2. Authorizes the Executive Vice President to execute all relevant policies and procedures.

Passed and approved the 21st day of June, 2018.

  
\_\_\_\_\_  
Eddie Karam, President, Board of Directors

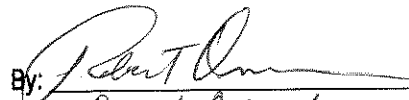
Attested and approved as to form:

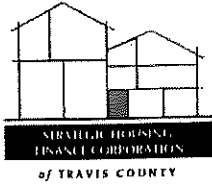
  
\_\_\_\_\_  
Patrick B. Howard, Executive Vice President

**CERTIFICATION**

The above resolution, adopted by the Board of Directors of the Strategic Housing Finance Corporation of Travis County at a meeting held on the 21<sup>st</sup> day of June, 2018, is hereby certified to be a true and correct copy of an official copy thereof on file among the official records of such Corporation.

WITNESS my hand and seal of office this 21<sup>st</sup> day of June, 2018.

By:   
\_\_\_\_\_  
Name: Robert Onian  
Title: Director of Real Estate Development



**STRATEGIC HOUSING FINANCE CORPORATION OF TRAVIS COUNTY**

**JUNE 21, 2018**

**EXHIBIT A  
AGREEMENT TO ISSUE BONDS**

## AGREEMENT TO ISSUE BONDS

THIS AGREEMENT TO ISSUE BONDS, entered into as of the 21st day of June 2018, by and between Strategic Housing Finance Corporation of Travis County (the "Corporation"), created pursuant to the authority of the Texas Housing Finance Corporations Act, Local Government Code, Chapter 394, Tex. Rev. Civ. Stat. (the "Act"), and TX Lakeway Homes, LP, a Texas limited partnership (the "User"), for the purpose of carrying out the public purpose set forth in the Act, including the promotion and development of new, expanded, or improved residential development to provide decent, safe, and sanitary housing for residents of Travis County, Texas.

### WITNESSETH

WHEREAS, Travis County, Texas (the "Unit") has authorized and approved the creation of the Corporation to act on behalf of the Unit for the public purpose of furthering on behalf of the Unit the promotion and development of new, expanded, or improved residential development to provide decent, safe, and sanitary housing for residents of the Unit; and

WHEREAS, the Corporation is authorized by the Act to acquire, construct, improve, maintain, equip and furnish and to lease or sell "residential developments," as that term is defined in the Act, or to make loans for the purpose of providing financing for all or part of the costs of a residential development, and the Corporation is further authorized to issue its bonds for the purpose of paying all or part of the costs of a residential development; and

WHEREAS, the User desires to acquire and construct a residential development, more particularly described in Exhibit "A" attached hereto, within the Unit (the "Project"), which project is suitable for the promotion of new, expanded or improved residential development to provide decent, safe, and sanitary housing for residents of Travis County, Texas; and

WHEREAS, pursuant to the Act, the Corporation is authorized to issue the bonds hereinafter described, which bonds shall never constitute an indebtedness or pledge of the faith and credit of the State of Texas (the "State"), of the Unit, or of any other political corporation, subdivision or agency of the State within the meaning of any State constitutional or statutory provision, shall never be paid in whole or in part out of any funds raised or to be raised by taxation or any other funds of the Unit, and shall never be paid in whole or in part out of any funds of the Corporation except those derived from or in connection with the sale or lease of the Project or the loan of funds to finance the Project; and

WHEREAS, to provide decent, safe, and sanitary housing for residents of Travis County, Texas, the Corporation agrees to issue at the request of the User, one or more series of the Corporation's housing finance revenue bonds (the "Bonds") for the purpose of paying all or part of the costs of constructing and acquiring the Project, or for the purpose of loaning the proceeds to the User in order to provide temporary or permanent financing of all or part of the cost of constructing and acquiring the Project, and the Corporation and the User deem it desirable and proper that this Agreement to Issue Bonds constitutes a formal record of such agreement and

understanding in order that the User may proceed with or provide for the acquisition and construction of the Project; and

WHEREAS, the User has evidenced a desire to cooperate with the Corporation in the acquisition and construction of the Project and for the Corporation to authorize and issue the Bonds in the aggregate principal amount now estimated not to exceed \$24,000,000 to provide the funds to defray all or part of the cost of the acquisition and construction of the Project; and

WHEREAS, the Corporation and the User contemplate that the Project will be sold on an installment payment basis or leased to the User or that proceeds of the Bonds will be loaned to the User in order to provide temporary or permanent financing of all or part of the costs of the Project and that the installment purchase, rental, or loan payments therefor will be sufficient to pay the principal of and any premium and interest on the Bonds; and

WHEREAS, it is the desire of the Corporation that the acquisition and construction of the Project occur at the earliest possible time so as to provide decent, safe, and sanitary housing for residents of Travis County, Texas;

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration and of the mutual benefits, covenants and agreements herein expressed, the Corporation and the User agree as follows:

1. The User shall commence with the acquisition and construction of the Project, which Project will be in furtherance of the public purpose of the Corporation and the Unit as aforesaid, and the User will provide, or cause to be provided, at its expense, the necessary interim financing to expedite the commencement of the acquisition and construction of the Project. On or prior to the issuance of the Bonds, the User will enter into a purchase, lease, or loan agreement on an installment payment basis (herein called the "Agreement") with the Corporation under which the Corporation will sell or lease the Project to the User or make a loan to the User, or to a financial institution designated by the User for the purpose of providing temporary or permanent financing of all or part of the costs of the Project, and the User will make installment payments sufficient to pay the principal of and any premium and interest on such series of Bonds. The Bonds shall never constitute an indebtedness or pledge of the faith and credit of the State, of the Unit, or of any other political corporation, subdivision or agency of the State within the meaning of any State constitutional or statutory provision, and the Bonds shall never be paid in whole or in part out of any funds raised or to be raised by taxation or any other funds of the Unit, and shall be payable from the funds of the Corporation derived from or in connection with the sale or lease of the Project or the loan of the proceeds of the Bonds.

2. On receipt of a ruling from the Internal Revenue Service (or the opinion of nationally recognized bond counsel) that interest paid on the Bonds is exempt from federal income taxation and subject to the requirements of the Policy Guidelines and the Act, and upon receipt of favorable reports from the Corporation's legal and financial advisors concerning the issuance of the Bonds and from the Corporation's engineering consultant concerning the environmental and traffic impact of the Residential Development; the Corporation hereby agrees to issue, pursuant to the terms of the Act, the Bonds, or from time to time, the portion thereof as may be the subject

of such a ruling or opinion as aforesaid, in an appropriate principal amount not exceeding that which is the subject of a ruling or opinion as aforesaid, maturing in such amount and times, bearing interest at the rate, payable on the dates and having such optional and mandatory redemption features and prices as are approved in writing by the User. The Corporation will deliver the Bonds to the purchaser designated by the User and will cooperate to the fullest extent in facilitating delivery of the Bonds.

3. The Corporation and the User agree that the Bonds may be issued either at one time or in several series from time to time as the User shall request in writing; provided, however, that the parties agree that the Bonds will be issued in an aggregate principal amount as will not exceed the amount that is the subject of a ruling or rulings or opinion or opinions as aforesaid. A request in writing for issuance of one or more series of Bonds shall not affect the obligation hereunder of the Corporation to issue the remaining Bonds as written requests therefor are received. It is further agreed that the proceeds of the Bonds or portions thereof, whether or not issued in a series, shall not be invested so as to constitute the Bonds or a portion thereof as arbitrage bonds under the Internal Revenue Code of 1986, as amended, and applicable regulations promulgated pursuant thereto.

4. The payment of the principal of and any premium and interest on the Bonds shall be made solely from moneys realized from the sale or lease of the Project or from moneys realized from the loan of the proceeds of the Bonds to finance all or part of the costs of the Project.

5. The costs of the Project (the "Project Costs") may include any cost of acquiring, constructing, remodeling, repairing, renovating and improving the Project. Without limiting the generality of the foregoing, the Project Costs shall specifically include the cost of: (i) acquiring any land, rights-of-way, options to purchase land, easements, leasehold estates in land and interests of all kinds in land related to such Project; (ii) acquiring, constructing, repairing, renovating, remodeling or improving all buildings and structures to be used as or in connection with the Project; (iii) site preparation, including the cost of demolishing or removing any buildings or structures the removal of which is necessary or incident to providing the Project; (iv) machinery, equipment, furnishings and facilities necessary or incident to the equipping of the Project so that it may be placed in operation; (v) financing charges, start-up costs and interest prior to and during construction and for two years after completion of construction, whether or not capitalized; and (vi) architectural, engineering, legal and related services (including fees for legal counsel and the financial advisor to the Issuer), plans, specifications, surveys, studies, estimates of cost and of revenue, other expenses necessary or incident to planning, providing or determining the feasibility and practicability of acquiring, constructing, reconstructing, improving and expanding the Project, administrative expenses and such other expenses as may be necessary or incident to the acquisition, construction, remodeling, repair, renovation or improvement of the Project, the placing of the Project in operation and all incidental expenses, costs and charges relating to the Project not enumerated above. The parties agree, upon request, to provide or cause to be provided to each other any data or information that may be reasonably required to verify any of the Project Costs enumerated in this paragraph. The User agrees that it will be responsible for and pay any Project Costs incurred whether before or after the date of this Agreement prior to issuance of the Bonds and will pay all Project Costs that are not or cannot be paid or reimbursed from the proceeds of the Bonds.

6. The User agrees that it will at all times indemnify and hold harmless the Corporation, the directors of the Corporation, the Unit, the Commissioners' Court of the Unit (both individually and as a group) and any officers, directors, employees, agents, consultants, servants and any other party acting for or on behalf of the Corporation or the Unit (such parties being hereinafter referred to as the "Indemnified Parties") against all losses, costs, damages, expenses and liabilities (collectively referred to hereinafter as "Losses") of whatsoever 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 relating to one or more Claims, as hereinafter defined, even if such Losses or Claims, or both, directly or indirectly result from, arise out of or relate to, or are asserted to have resulted from, arisen out of or related to, in whole or in part, one or more negligent acts or omissions of anyone or more of the Indemnified Parties in connection with the issuance of the Bonds or that in any way pertain to the duties or activities or lack thereof, whether real or alleged, of any such Indemnified Party incidental to the issuance of the Bonds. The term "Claims" as used herein shall mean all claims, lawsuits, causes of action and other legal actions and proceedings of whatever nature, including, but not limited to, claims, lawsuits, causes of action and other legal actions and proceedings involving bodily or personal injury or death of any person or damage to any property (including, but not limited to, persons employed by the Corporation, the Unit, the User or any other person and all property owned or claimed by the Corporation, the Unit, the User, any affiliate of the User or any other person) or involving damages relating to the issuance, offering, sale or delivery of the Bonds brought against the Corporation or the Unit or to which the Corporation or the Unit is party, even if groundless, false or fraudulent, that directly or indirectly result from, arise out of or relate to the issuance, offering, sale or delivery of the Bonds or the design, construction, installation, operation, use, occupancy, maintenance or ownership of the Project or any part thereof. The obligations of the User shall apply to all Losses or Claims, or both, that result from, arise out of or are related to any event, occurrence, condition or relationship prior to termination of this Agreement to Issue Bonds, whether such Losses or Claims, or both, are asserted prior to termination of this Agreement to Issue Bonds or thereafter. None of the Indemnified Parties shall be liable to the User for, and the User hereby releases each of them from all liability to the User for any injuries, damages or destruction to all or any part or parts of any property owned or claimed by the User that directly or indirectly result from, arise out of or relate to the issuance, offering, sale or delivery of the Bonds or the design, construction, installation, operation, use, occupancy, maintenance or ownership of the Project or any part thereof, even if such injuries, damages or destruction directly or indirectly result from, arise out of or relate to, in whole or in part, one or more negligent acts or omissions of anyone or more of the Indemnified Parties in connection with the issuance of the Bonds or in connection with the Project. Each Indemnified Party, as appropriate, shall reimburse the User for payments made by the User to the extent of any proceeds, net of all expenses of collection, actually received by them from any insurance with respect to the Loss sustained. At the request and expense of the User, each of the Indemnified Parties, as appropriate, shall have the duty to claim any such insurance proceeds and such Indemnified Party, as appropriate, shall assign their respective rights to such proceeds, to the extent of such required reimbursement, to the User. In case any action shall be brought against anyone or more of the Indemnified Parties, such Indemnified Party shall promptly notify the User in writing and the User shall have the right to assume the investigation and defense thereof, including the employment of counsel and the payment of all



expenses. The Indemnified Party shall have the right to employ separate counsel in any such action and participate in the investigation and defense thereof, but the fees and expenses of such counsel shall be paid by the Indemnified Party unless the employment of such counsel has been authorized by the User. The User shall not be liable for any settlement of any such action without its consent, but, if any such action is settled with the consent of the User or if there be final judgment for the plaintiff of any such action, the User agrees to indemnify and hold harmless the Indemnified Parties from and against any Loss by reason of such settlement or judgment.

7. If within three (3) years from the date hereof (or such later date as shall be mutually satisfactory to the Corporation and the User) the Corporation and the User shall not have agreed to mutually acceptable terms for the Bonds and for the sale and delivery thereof and mutually acceptable terms and conditions of the Agreement, the User agrees that it will pay the Corporation for all unpaid Project Costs which the Corporation shall have incurred and this Agreement to Issue Bonds (other than the obligations of the parties under paragraph 6 hereof) shall thereupon terminate. In the event that the User elects, prior to any such termination, not to proceed with the issuance of the Bonds for any reason, it shall so notify the Corporation in writing and shall promptly pay to the Corporation all Project Costs incurred by the Corporation prior to such notification, and if payment is so made, the User's obligations under paragraph 5 above shall terminate from and after the date of such notification.

8. The User may, without the consent of the Corporation, transfer or assign this Agreement to Issue Bonds or transfer or assign any or all of its rights and delegate any or all of its duties hereunder to any of its subsidiaries or affiliates currently existing or hereafter created, but no such transfer, assignment or delegation shall, without the written consent and approval of the Corporation, relieve the User of its liability for payment of Project Costs under paragraphs 5 and hereof or indemnification under paragraph 6 hereof.

9. The provisions of paragraphs 5 and 6 of this agreement shall survive the expiration or termination of this Agreement to Issue Bonds and the closing of the transactions contemplated by the Agreement.

IN WITNESS WHEREOF, the Corporation, acting pursuant to a resolution of its Board of Directors, and the User have caused this Agreement to Issue Bonds to be executed by their duly authorized officers as of the year and date first above written.

CORPORATION:

Strategic Housing Finance Corporation of Travis County

By: Patrick Howard  
Patrick Howard, Executive Vice President

USER:

TX Lakeway Homes, LP

By: \_\_\_\_\_  
\_\_\_\_\_

## **Exhibit A**

### **Description of the Project**

Lakeway Family Living will be a mixed income affordable housing community comprised of +/-200 new living units on +/-5.83 useable acres at the intersection of Ranch Road (620) and Storm Drive, Austin ETJ, Travis County, Texas 78734. The residential units will be marketed to families earning 30% to 60% of the area median incomes. The development will offer housing convenient to the fast-growing West Austin and Lakeway area, all accessible to downtown Austin via the tollway. This site is an SADDA with exceptional schools (**Lake Travis ISD**) and amenities in reasonable driving to Lake Travis. The City of Austin has published a report calling for more than 40,000 new affordable housing units as soon as possible. Few family units have been offered in West Austin and none in this school district until this development.

The community will provide family supportive services like student achievement reading programs, adult education, homebuyer education, counseling services, credit education classes, health and nutritional courses, latchkey programs for school age children and other appropriate programs, at no additional cost to residents. Residents at the property will also enjoy a +/-4,000 square foot club house with a fitness center, business center with computers and internet access, and a large community room. The developments will also offer a swimming pool, spa, barbecue/picnic areas, and controlled access to the properties.



STRATEGIC HOUSING  
FINANCE CORPORATION

of TRAVIS COUNTY

**SHFC Action Item 6B  
June 21, 2018**

**Resolution No. SHFC-2018-06:** To Approve the prescription of the form and substance of an Agreement to Issue Bonds for Multifamily Housing Revenue Bonds (Lakeway Apartments) Series 2018, to be located at FM 620 and Storm Drive, Austin, Travis County, Texas, and to Authorize the filing of an application with the Texas Bond Review Board for a reservation of an allocation of State volume cap for private activity bonds and to Authorize additional provisions relating thereto.

**Background Information:** At the May 4<sup>th</sup> Board Meeting, Staff made the Commissioners aware of an opportunity to participate in a partnership to develop approximately 200 Affordable Apartment Units near the incorporated City of Lakeway. SHFC has received an application fee for this development and the developer is requesting that SHFC induce the tax-exempt bonds that is a requirement to file an application to the Texas Bond Review Board. This Resolution does not bind SHFC to any partnership arrangement but, merely allows the Developer to move forward with an application to pursue Tax exempt Bond Financing.

**Recommended Action:**

Consider the appropriate action regarding **Resolution No. SHFC-2018-06:** To Approve the prescription of the form and substance of an Agreement to Issue Bonds for Multifamily Housing Revenue Bonds (Lakeway Apartments) Series 2018, to be located at FM 620 and Storm Drive, Austin, Travis County, Texas, and to Authorize the filing of an application with the Texas Bond Review Board for a reservation of an allocation of State volume cap for private activity bonds and to Authorize additional provisions relating thereto.

**Alternate Option:**

The Board of Directors could elect to Not Approve the following resolution:

- **Resolution No. SHFC-2018-06**

**Fiscal Impact:**

This transaction will greatly enhance the financial position of SHFC through the collection of Bond issuance fees, Construction Administration fees, Developer's fees, and cash flow of the property upon stabilization.

**Attachments:**

- Project Narrative
- Location Maps
- Apartment Features
- Resolution No. SHFC-2018-06



STRATEGIC HOUSING  
FINANCE CORPORATION

of TRAVIS COUNTY

**Prepared by:**  
Robert Onion, Director of Real Estate Development

**Approval:**  
*Patrick Howard*  
Patrick B. Howard, *Executive Vice President*

# Lakeway Family Living

## Project Financing Narrative



Lakeway Family Living will be a mixed income affordable housing community comprised of +/-200 new living units on +/-5.83 useable acres at the intersection of Ranch Road (620) and Storm Drive, Austin ETJ, Travis County, Texas 78658. The residential units will be marketed to families earning 30% to 60% of the area median incomes. The development will offer housing convenient to the fast-growing West Austin and Lakeway area, all accessible to DT Austin via the tollway. This site is an SADDA with exceptional schools (Lake Travis ISD) and amenities in reasonable driving to Lake Travis. The City of Austin has published a report calling for more than 40,000 new affordable housing units as soon as possible. Few family units have been offered in West Austin and none in this school district until this development.

Lakeway Family Living will offer residents more than a roof over their head. The community provides family supportive services like student achievement reading programs, adult education, homebuyer education, counseling services, credit education classes, health and nutritional courses, latchkey programs for school age children and other appropriate programs, at no additional cost to residents. Residents at the property will also enjoy a +/-4,000 square foot club house with a fitness center, business center with computers and internet access, and a large community room. The developments will also offer a swimming pool, spa, barbecue/picnic areas, and controlled access to the properties. The project sponsor is an experience development team including Strategic Housing Finance

# Lakeway Family Living

Corporation and Rise Residential Construction Lakeway, L.P. (as the Prime sub to the STHFC GC).

Unit Type	Rent Level	# of Units	% of Mix	Net SF per Unit	Total Net Sq Ft	Maximum Gross Rent	Utility Allowance	Maximum Net Rent	Proposed Rent
studio	60%	48	23%	560	25,780	\$ 903	\$ 51	\$ 852	\$ 852
%		48	23%		25,780				
1bd/1ba	60%	110	53%	720	79,200	\$ 987	\$ 60	\$ 907	\$ 907
%		110	53%		79,200				
2bd/2ba	60%	32	16%	1,070	34,240	\$ 1,161	\$ 72	\$ 1,089	\$ 1,089
%		32	16%		34,240				
3bd/2ba	60%	12	6%	1,280	15,120	\$ 1,341	\$ 82	\$ 1,249	\$ 1,249
%		12	6%		15,120				
<b>Project Totals</b>		<b>200</b>	<b>100%</b>		<b>154,320</b>				
<b>Project Averages</b>					<b>772</b>	<b>\$ 1,006</b>			<b>\$ 943.99</b>

As shown in the Sources and Uses charts below, the total community cost is approximately \$33.0 million. Land acquisition with closing costs represents \$2.0 million of the development cost. The hard cost construction with GC fees and costs total just under \$20.6 million. The balance represents soft costs, indirect construction including design, financing costs and developer fee.

Uses of Funds	Total Costs	Per Unit	Per Sq. Ft.	% of TIDev Cost
Land & Buildings	2,010,000	10,050	13.02	6.09%
Construction	20,520,540	102,803	132.97	62.18%
Architecture & Engineering	842,000	4,210	5.46	2.55%
Permits & Fees	250,000	1,250	1.62	0.76%
Financing	810,000	4,050	5.25	2.45%
Construction Period Interest	2,262,500	11,313	14.88	6.88%
Bond Costs	841,500	4,208	5.45	2.55%
Tax Credit Costs	62,750	314	0.41	0.19%
Soft Costs	226,500	1,133	1.47	0.69%
Legal	162,500	813	1.05	0.49%
Legal	271,500	1,358	1.76	0.82%
FF&E	400,000	2,000	2.59	1.21%
Pre Stabilization Costs	665,000	3,325	4.31	2.01%
Reserves	665,000	3,325	4.31	2.01%
Developer Fee	3,677,706	18,389	23.83	11.14%
<b>Total Uses of Funds</b>	<b>33,002,496</b>	<b>165,012</b>	<b>213.86</b>	<b>100.00%</b>

The costs will be financed from several sources of funding. Approximately \$24.0 million will be financed with an interim period, tax exempt loan TEL\bond financing from IBC Bank, Key Bank or another qualified lender. A competitive syndicator will purchase the full amount (99.99%) of Tax Credits. The tax credits will provide approximately \$11.9 million in total equity funds, of which, approximately 60% will be made available during the construction phase of the community, 15% at construction completion, 10% at cost certification and 14% at stabilization, 1%, paid in at the later of cost certification, conversion of the interim TEL debt to perm TEL and\or issuance of 8609's. The tax exempt interim loan is retired with a Freddie Mac rate locked TEL or rate locked TEL (tax exempt loan) conversion with the interim lender. The TEL allows for interest only for the first 24 months following conversion. It also allows the loan to be upsized at conversion up to 10%. With these features the sponsor believes the final sources will fund all the costs including all developer fee and allow for any adjusters to insure investor yield.

The final source of financing to insure a balanced source and use of funds is from a deferral of the developer fee, \$945K (26% of the fee). The developer will take back a note for the

# Lakeway Family Living

deferred developer fee, to be repaid at AFR or 4% interest out of cash flow from the community after all other debt service and reserves are paid in full. There is no fixed debt service obligation for the deferred developer fee note. It is strictly a cash flow note. The deferred fee is expected to be paid in full, with interest, in less than 5 years.

The HTC equity combined with the tax-exempt bond interim construction loan, the permanent tax-exempt loan financing plus a deferral of some of the developer fee by the Co-Developer will successfully complete and fully fund the project as presented below.

Sources of Funds		<u>Permanent Amount</u>	<u>% of Tot Dev. Cost</u>	<u>Construction</u>	<u>% of Tot Dev. Cost</u>
<b>Debt</b>					
Tax-exempt Bonds		-	0.0%	-	0%
Tax-exempt Loan		20,100,000	80.9%	24,000,000	73%
Other soft debt		-	0.0%	-	0%
SMART Waivers		15,000	0.0%	-	0%
TDHCA TCAP Loan	0%, 35 yr, 15 term	-	0.0%	-	0%
Weatherization		-	0.0%	-	0%
NOI During Construction		-	0.0%	-	0%
GIC Income		-	0.0%	-	0%
Loan Earn out	5% of TEL per docs	-	0.0%	-	0%
<b>Equity</b>					
Tax Credit Equity @	\$ 0.950	11,942,865	36.2%	7,165,599	22%
Deferred Developer Fee	26%	944,831	2.9%	1,336,897	4%
Reserves at Perm		-	0.0%	500,000	2%
Interest Rate Buydown	\$0.000	-	0.0%	-	0%
<b>Total Sources of Funds</b>		<u>33,002,496</u>	<u>100%</u>	<u>33,002,496</u>	<u>100%</u>



# Lakeway Family 4%

Subject Site

Subject Site - Approximate

1 mile

Subject Site





Navigation icons: Home, Back, Forward, Search, and a magnifying glass icon.



## Lakeway Family Living, Ranch Road (620) and Storm Dr., Austin ETJ, Travis County, TX 78768

Enjoy the best of both worlds...new construction, urban design, stone and brick accented exterior design located only minutes from shopping, entertainment, high quality schools, and easy access to West Austin and Lake Travis. Short drive to DT Austin using the tollway. This upscale community offers spacious, studios, one, two, and three-bedroom floor plans with Class A-amenities in each unit. The site offers a large clubhouse with pools, spa, sports courts, age appropriate play-grounds and related amenities. This is a mixed income, elevator served, housing development offering well-appointed and fully equipped living units. Whatever your lifestyle, these apartments offer something for everyone in the family.

### *Apartment Features*

- Private patios and balconies with storage
- Ceiling fans in every room
- **Walk-in showers (2 bath units)**
- Garden tubs
- Built in wood cabinets
- **Washer/dryers provided**
- Gourmet kitchens with built in microwaves
- GE, Kenmore or Whirlpool appliance package (black)
- **Designer countertops w Granite- or equivalent**
- Decorative niches with **wood plank flooring** or equivalent
- Tile entryways

### *Community Features*

- Resort style swimming pool
- Playgrounds (age appropriate)
- Fully equipped clubhouse
- Endless Pool\Spa and Swimming Pool
- Fully Equipped Fitness center
- Game Room w\WIFI for video games
- Shopping & restaurants just a short driving distance
- Carports for lease (limited by rule)
- Community entertainment services and recreational activities for residents
- Gated Entry with controlled access
- Opticom laser emergency system at entry gates

## Lakeway Family Living, Ranch Road (620) and Storm Dr., Austin ETJ, Travis County, TX 78768

### Aesthetics and Design Features

- Enhanced architectural styles
- Interior landscaping and seasonal color planting
- 15 to 25 interior shade trees
- 4 story building height
- Meets the Travis Co. design standards
- 100% masonry w\faux stone accent
- Over 25,000 square feet (1/2~ acres) of transitional buffer area with 30 evergreen and deciduous trees
- Decorative wrought iron perimeter fencing around the pool and front of the property
- Gated community with controlled access

### Facts

Item		Key Metrics
Units		200 (35.0 units/acre actual)
Structures		6 buildings
Structure Types		4 Story Elevator served
Parking		290/48/10
Covered Parking		140 +-available
Transitional Buffer Area		43,800 1/300
Transitional Buffer Trees		30
Street Trees		10
Interior Trees		20
Parking Trees	Screening parking	Covered parking
Entryway		Opticom laser emergency system
Fence	LIMITED IN THIS CITY\CO DESIGN STANDARD	Double sided wood and 6.5 masonry columns with 6' metal post
<b>Amenities</b>		<b>Swimming Pool and Spa</b> <b>Indoor Fitness Area</b> <b>All-Sport Courts</b> <b>Playground Areas</b> <b>Garden Pavillion</b> <b>Clubhouse 4000 sq. ft.</b> <b>(lounge, kitchen, WIFI</b>

**Lakeway Family Living, Ranch Road (620) and Storm  
Dr., Austin ETJ, Travis County, TX 78768**

		<b>computer center, fitness center, business center, mngt &amp; leasing office)</b>
<b>Minimum Masonry</b>		<b>Minimum 100% Brick, Hardy, Faux Stone and/or Stucco accent</b>
<b>Gross acreage</b>		<b>5.83</b>
<b>Net Area</b>		<b>5.50</b>
<b>Density Requested</b>		<b>35 units per acre or less</b>

**All amenities, fixtures and sizing are conditioned upon approvals from Travis  
County and or the City of Austin.**