

BOARD MEETING OF JULY 28, 2004

Beth Anderson, Chair
C. Kent Conine, Vice-Chair



Patrick R. Gordon, Member
Vidal Gonzalez, Member
Shadrick Bogany, Member
Norberto Salinas, Member

MISSION

***TEXAS DEPARTMENT OF HOUSING AND COMMUNITY
AFFAIRS***

***TO HELP TEXANS ACHIEVE AN IMPROVED QUALITY OF
LIFE THROUGH THE DEVELOPMENT OF BETTER
COMMUNITIES***

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

BOARD MEETING

JULY 28, 2004

ROLL CALL

	Present	Absent
Anderson, Beth, Chair	_____	_____
Conine, C. Kent, Vice-Chair	_____	_____
Bogany, Shadrick, Member	_____	_____
Gonzalez, Vidal, Member	_____	_____
Gordon, Patrick, Member	_____	_____
Salinas, Norberto, Member	_____	_____
Number Present	_____	
Number Absent		_____

_____, Presiding Officer

BOARD MEETING
TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
State Capitol Extension Auditorium, 1100 Congress, Austin, Texas 78701
Wednesday, July 28, 2004 8:00 am

A G E N D A

**CALL TO ORDER, ROLL CALL
CERTIFICATION OF QUORUM**

Elizabeth Anderson
Chair of Board

PUBLIC COMMENT

The Board will solicit Public Comment at the beginning of the meeting and will also provide for Public Comment on each agenda item after the presentation made by the department staff and motions made by the Board.

The Board of the Texas Department of Housing and Community Affairs will meet to consider and possibly act on the following:

ACTION ITEMS

Item 1 Presentation, Discussion and Possible Approval of Minutes of Board Meeting of June 28, 2004 Elizabeth Anderson

Item 2 Presentation, Discussion and Possible Approval of Housing Tax Credit Items: Elizabeth Anderson

a) Appeals to Board from Housing Tax Credit Applicants on Application Matters:

Project #	Project Name
04-024	South Union Place, Houston, Reg. 6
04-032	Los Milagros, Weslaco, Reg. 11
04-052	Chisholm Trail Senior Village, Belton, Reg. 8
04-057	Stone Hollow Village, Lubbock, Reg. 1
04-079	Baybrook Park Retirement, Webster, Reg. 6
04-085	Redwood Heights, Houston, Reg. 6
04-121	Sedona Springs Village. Odessa, Reg. 12
04-158	Windrock Apartments, Midland, Reg. 12
04-162	Travis Place Apartments, Lubbock, Reg. 1
04-163	Riverview Apartments, San Angelo, Reg. 12
04-191	Providence at Boca Chica, Brownsville, Reg. 11
04-192	Providence at UT Southwestern, Dallas, Reg. 3
04-193	Providence at Edinburgh, Edinburg, Reg. 11
04-255	Freeport Oaks, Freeport, Reg. 6
04-261	Gruene Oaks, New Braunfels, Reg. 9

Any Other Appeals Timely Filed

b) Board Action on Staff Recommendations Concerning Developments for the 2004 Housing Tax Credit Program Application Round Final Commitments for Allocations of Tax Credits and Waiting List From the **List of All Applications** Submitted (Final Commitments May be Made in an Amount not to Exceed the Requested Amount With The Exact Amount Being the Amount Recommended by Staff in the Underwriting Analysis and Subject to Underwriting Conditions and Subsequent Board Decisions on Underwriting Appeals)

Project Number	Project Name	Region	Project City	Credit Amount Requested
04007	Oaks Of Bandera	9	Bandera	\$473,144
04008	Friendship Place	9	Fredericksburg	\$473,144
04012	Tyler Square Apartments	4	Tyler	\$652,315
04013	Kingswood Village	11	Edinburg	\$352,618
04014	La Villita Apartments Phase II	11	Brownsville	\$453,311
04017	Country Lane Seniors-Temple	8	Temple	\$762,879
04018	Terrace Pines	8	College Station	\$589,664
04024	South Union Place	6	Houston	\$739,345
04026	Oak Timbers-White Settlement II	3	White Settlement	\$417,280
04028	Heritage Park	3	Denison	\$501,577
04030	Park Estates	5	Nacogdoches	\$393,033
04032	Los Milagros	11	Weslaco	\$1,002,175
04033	Bethany Gates Apartments	1	Lubbock	\$887,418
04036	Villa del Sol	11	Brownsville	\$485,000
04037	Las Canteras Apartments	11	Pharr	\$577,000
04041	Mesa Senior's Apartments	6	Houston	\$1,132,759
04047	Stratton Oaks	9	Seguin	\$590,539
04050	San Diego Creek Apartments	10	Alice	\$49,000
04051	Frontier Trail Senior Village	2	Abilene	\$530,000
04052	Chisholm Trail Senior Village	8	Belton	\$415,000
04054	Vista Serena Court	1	Plainview	\$828,278
04057	Stone Hollow Village	1	Lubbock	\$845,849
04058	Spring Oaks Apartments	3	Balch Springs	\$850,235
04059	Asbury Commons Apartments	6	Houston	\$706,862
04060	Providence Place Apartments	6	Katy	\$772,798
04062	Corrigan Gardens	5	Corrigan	\$591,135
04063	Depriest Gardens	6	Houston	\$1,136,358
04064	Ramah Village	6	Houston	\$924,991
04065	Waterford Place	4	Longview	\$314,334
04066	Pineywoods Community Orange	5	Orange	\$411,155
04067	Beverly Place Apartments	5	Groves	\$185,762
04069	Plaza Del Rio Townhomes	13	El Paso	\$568,919
04070	Cedar Oak Townhomes	13	El Paso	\$985,523
04071	Sea Breeze	10	Corpus Christi	\$943,037
04072	Nacogdoches Senior Village	5	Nacogdoches	\$256,888
04073	Avenue Park Villas	9	San Antonio	\$757,796
04074	Las Palmas Garden Apartments	9	San Antonio	\$639,786
04077	Bayforest Ranch	6	La Porte	\$707,177
04079	Baybrook Park Retirement	6	Webster	\$450,043
04082	Fenner Square	10	Goliad	\$195,062
04084	Chelsea Place Apartments	9	Selma	\$870,953

04085	Redwood Heights Apartments	6	Houston	\$600,146
04086	Timber Village Apartments	4	Marshall	\$640,277
04088	South Plains Apartments	1	Lubbock	\$379,812
04089	Villas of Forest Hill	3	Forest Hill	\$424,859
04091	Roselawn Manor	5	Orange	\$800,000
04093	Villas of Seagoville	3	Seagoville	\$428,270
04094	Big Country Senior Village	2	Abilene	\$611,410
04095	Green Briar Village	2	Wichita Falls	\$851,219
04096	Villa Main Apartments	5	Port Arthur	\$192,811
04098	Copperwood Apartments	6	The Woodlands	\$1,057,335
04100	O.W. Collins Apartments	5	Port Arthur	\$406,999
04101	Pleasant Hill Apartments	7	Austin	\$493,633
04103	Countryside Village	6	Humble	\$414,315
04104	Lexington Square	6	Angleton	\$272,917
04105	Preston Trace Apartments	3	Frisco	\$140,298
04107	Whitefield Place Apartments	9	San Antonio	\$430,196
04108	Tamarac Pines Apartments	6	The Woodlands	\$911,804
04109	Frazier Fellowship	3	Dallas	\$547,378
04112	Crestmont Village	6	Houston	\$474,346
04117	Longview Senior Apartment	4	Longview	\$656,458
04118	Churchill at Commerce	3	Commerce	\$727,212
04120	Sedona Springs Village	12	Odessa	\$652,451
04121	Tyler Senior Apt. Community	4	Tyler	\$638,196
04122	Temple Senior Apartment	8	Temple	\$658,555
04123	Amarillo Apartment Community	1	Amarillo	\$676,605
04124	San Juan Village	11	San Juan	\$319,327
04129	Pelican Landing Townhomes	10	Rockport	\$504,173
04130	Villas at Costa Biscaya	9	San Antonio	\$1,000,000
04131	Alhambra	9	San Antonio	\$932,296
04137	Villas At Costa Verde	9	San Antonio	\$1,000,000
04139	Villas at Costa Almadena	9	San Antonio	\$1,000,000
04140	Villa at Costa Cadiz	9	San Antonio	\$1,000,000
04141	Spring Creek Station Apartments	3	Saginaw	\$1,011,969
04142	Western Trail Apartments	9	San Antonio	\$881,285
04143	Courtland Square Apartments	12	Odessa	\$779,673
04145	Village at Meadowbend Apt. II	8	Temple	\$656,486
04146	Casa Korima	11	Mercedes	\$1,182,999
04147	Shiloh Village Apartments	3	Dallas	\$800,000
04149	Seton Home Ctr. for Teen Moms	9	San Antonio	\$368,360
04150	Alician Manor Apartments	10	Alice	\$253,038
04151	Renaissance Courts	3	Denton	\$993,822
04152	Bluffview Villas	8	Brenham	\$453,021
04154	Plainview Vistas	1	Plainview	\$668,428
04156	College Street Apartments	6	Richmond	\$507,651

04157	Samaritan House	3	Fort Worth	\$819,331
04158	Windrock Apartments	12	Midland	\$642,689
04160	Village on Hobbs Road	6	League City	\$552,528
04161	Fair Mist Apartments	6	La Porte	\$507,398
04162	Travis Place Apartments	1	Lubbock	\$764,539
04163	Riverview Apartments	12	San Angelo	\$735,023
04167	Oxford Place	6	Houston	\$1,200,000
04168	Lincoln Park	6	Houston	\$1,200,000
04170	Gardens of Athens	4	Athens	\$245,888
04172	Gardens of Tye	2	Tye	\$245,557
04173	Gardens of Burkburnett	2	Burkburnett	\$229,311
04174	Gardens of Early	2	Early	\$230,137
04175	Gardens of Mabank	3	Mabank	\$215,498
04176	Gardens of Gladewater	4	Gladewater	\$260,918
04180	Hanford Square	3	Granbury	\$414,945
04182	Montopolis Senior Pavilion	7	Austin	\$206,339
04183	Riverside Senior Pavilion	7	Austin	\$206,339
04185	Greater Angelina Apartments	5	Diboll	\$441,500
04186	Nacogdoches Loop Apartments	5	Nacogdoches	\$472,500
04187	Chandler's Cove Retirement	7	Round Rock	\$457,724
04188	Ambassador North Apartments	6	Houston	\$486,067
04189	Villa Bonita Apartments	9	San Antonio	\$900,924
04191	Providence at Boca Chica	11	Brownsville	\$1,034,927
04192	Providence at UT Southwestern	3	Dallas	\$909,255
04193	Providence at Edinburg	11	Edinburg	\$445,854
04194	Lexington Court	4	Kilgore	\$549,640
04195	Park Madison	3	Corsicana	\$578,569
04196	Americas Palms	13	El Paso	\$635,064
04197	Horizon Palms	13	Horizon City	\$431,206
04198	Socorro Palms	13	El Paso	\$206,359
04200	Alvin Manor Estates	6	Alvin	\$251,978
04202	Freeport Manor	6	Freeport	\$251,978
04203	Alvin Manor	6	Alvin	\$177,273
04206	Lake Jackson Manor	6	Lake Jackson	\$409,155
04207	Brookside Village Manor	6	Brookside Village	\$409,155
04210	Westview Place	6	Conroe	\$228,852
04211	Arbors at Rose Park	2	Abilene	\$542,577
04212	Village at Forest Grove	4	Mount Pleasant	\$540,697
04213	Village at Morningstar	6	Texas City	\$537,331
04214	Las Villas de Magnolia	6	Houston	\$681,856
04216	Thomas Ninke Senior Village	10	Victoria	\$439,626
04218	Converse Village Apartments	9	Converse	\$458,035
04220	Arbor Bend Villas	3	Fort Worth	\$725,017
04222	Primrose at Highland	3	Dallas	\$935,153

04223	Cherrycrest Villas	3	Dallas	\$1,159,343
04224	Commons of Grace Senior	6	Houston	\$759,068
04225	Villa San Benito Apartments	11	San Benito	\$207,171
04226	Arbor Cove	11	Donna	\$1,152,552
04228	Stone Hearst	5	Beaumont	\$685,739
04229	Villages	6	Huntsville	\$691,442
04235	Crescent Moon	6	Texas City	\$754,845
04239	Crescent Rivers	8	Waco	\$955,575
04240	Deer Creek Apartments	1	Levelland	\$454,573
04241	Anson Park II	2	Abilene	\$535,250
04243	Hampton Chase Apartments	4	Palestine	\$556,158
04244	Camden Crossing Apartments	1	Brownfield	\$455,296
04246	Wildwood Trails Apartments	2	Brownwood	\$558,403
04247	Hawthorne Hills Apartments	4	Marshall	\$455,467
04250	Knollwood Heights Apartments	12	Big Spring	\$457,678
04252	Waxahachie Senior Apartments	3	Waxahachie	\$490,000
04255	Freeport Oaks Apartments	6	Freeport	\$721,599
04258	Vista Del Sol-The Rudy C Perez	9	San Antonio	\$700,000
04259	Villa del Arroyo Apartments	12	Midland	\$385,000
04260	Towne Park in Fredericksburg II	9	Fredericksburg	\$257,151
04261	Gruene Oaks Apartments	9	New Braunfels	\$534,693
04267	Brentwood Apartments	6	Aldine City	\$799,000
04268	Lansborough Apartments	6	Houston	\$1,084,983
04270	Essex Gardens Apartments	6	Sealy	\$654,654
04272	Crosby Terrace	6	Crosby	\$230,149
04275	Bahia Palms Apartments	11	LaGuna Vista	\$123,922
04276	Country Terrace Village	6	Highland	\$254,325
04277	Western Oaks Apartments	6	West Columbia	\$98,755
04279	Golden Manor Apartments	6	Bay City	\$116,099
04280	Country Square Apartments	4	Lone Star	\$78,006
04281	Tomball Square Apartments	6	Tomball	\$84,662
04282	Danbury Manor Apartments	6	Danbury	\$148,809
04283	Shady Oaks Apartments	6	Prairie View	\$128,636
04284	Katy Manor Apartments	6	Katy	\$123,768
04285	Ole Town Apartments	4	Jefferson	\$117,328
04286	Country Place Apartments	4	Atlanta	\$219,663
04287	Vista Hermosa Apartments	11	Eagle Pass	\$63,097
04288	Briarwood Apartment	3	Kaufman	\$173,148
04289	Hacienda Santa Barbara	13	Socorro	\$103,788
04290	L.U.L.A.C. Village Park	10	Corpus Christi	\$899,429
04291	Saltgrass Landing Apartments	10	Rockport	\$95,218
04292	West Side Place Apartments	6	West Columbia	\$84,339
04293	Lantana Ridge Apartments South	6	Beeville	\$51,980
04294	Lantana Ridge Apartments	6	Beeville	\$66,535

04295	La Mirage Villas	1	Perryton	\$173,281
04296	Vista de Amistad Apartments	11	Donna	\$585,793
04297	Joaquin Apartments	5	Joaquin	\$64,492
04298	Paloma Blanca Apartments	11	Pharr	\$634,815
04299	Harvest Apartments	11	Mercedes	\$624,436
04300	Vida Encanto	11	Rio Grande City	\$414,059
04301	Villa de la Sombra Apartments	11	Donna	\$183,434
04302	Sierra Royale Apartments	10	Robstown	\$529,620
04310	Rosemont at Riverside	3	Fort Worth	\$1,094,189

c) Issuance of Determination Notice on Tax Exempt Bond Transactions with Other Issuer:

04-426 Kensington Place Apartments, Houston, Texas
Houston Housing Finance Corporation is the Issuer
(Requested Amount of \$542,560 and Recommended Amount of \$542,560)

04-432 Willow Springs Senior Residences, San Marcos, Texas
Capital Area Housing Finance Corporation is the Issuer
(Requested Amount of \$485,866 and Recommended Amount of \$0)

04-434 The Village at Cornerstone, Houston, Texas
Harris County Housing Finance Corporation is the Issuer
(Requested Amount of \$420,188 and Recommended Amount of \$420,188)

Item 3 Presentation, Discussion and Possible Approval of Programmatic Items:

C. Kent Conine

a) Board Action on Staff Recommendations of Developments For the 2004 Housing Trust Fund Rental Awards From the **List of All Applications** Submitted

Project Number	Project Name	Region	Project City	HTF Requested Amount
04211	Arbors at Rose Park	2	Abilene	\$75,000
04212	Village at Forest Grove	4	Mount Pleasant	\$100,000
04213	Village at Morningstar	6	Texas City	\$200,000
04214	Las Villas de Magnolia	6	Houston	\$200,000
04271	Cornerstone	7	Austin	\$36,624
04278	Vistas Apartments	7	Marble Falls	\$473,235
04289	Hacienda Santa Barbara	13	Socorro	\$93,938
04062	Corrigan Gardens	5	Corrigan	\$78,000
04063	Depriest Gardens	6	Houston	\$184,751
04064	Ramah Village	6	Houston	\$200,000

b) Board Action on Staff Recommendations of Developments For The 2004 Housing Trust Fund Capacity Building Awards From the

List of All Applications Submitted

Application Number	Organization	Region	City	Amount Requested
04901	Opportunity Center for the Homeless	13	El Paso	\$30,000
04902	FUTURO Communities, Inc.	11	Uvalde	\$30,000
04903	Habitat for Humanity of Wichita Falls	2	Wichita Falls	\$30,000
04904	Alianza Para El Desarrollo Comunitario	13	San Elizario	\$30,000
04905	The Marvellous Light Corporation	13	El Paso	\$30,000
04906	United Cerebral Palsy of Texas	7	Austin	\$30,000
04907	Montgomery County Women's Center	6	The Woodlands	\$30,000
04908	South East Texas Economic Dev. District	5	Beaumont	\$30,000
04909	Affordable Housing of Parker County	3	Springtown	\$30,000
04910	Midland Community Development Corp.	12	Midland	\$30,000
04911	South Plains Community Action Assoc.	1	Levelland	\$30,000
04912	Denton Affordable Housing Corporation	3	Denton	\$30,000
04913	Ability Resources Inc.	3	Fort Worth	\$30,000
04914	Austin Revitalization Authority	7	Austin	\$25,150
04915	Accessible Communities Inc.	10	Corpus Christi	\$29,480
04916	Habitat for Humanity of Denton County	3	Denton	\$34,500

- c) Board Action on Staff Recommendation of Development For the 2004 HOME Rental Awards for Community Housing Development Organizations From the **List of All Applications Submitted**

Project Number	Project Name	Region	Project City	HOME Loan Amount	CHDO Operating
04194	Lexington Court	4	Kilgore	\$1,500,000	\$75,000

- d) Board Action on Staff Recommendations of Developments For The 2004 HOME Rental Awards for Preservation From the **List of All Applications Submitted**

TDHCA #	Project Name	Region	City	Amount of Request
04295	La Mirage Villas	1	Perryton	\$500,000
04288	Briarwood Apartments	3	Kaufman	\$500,000
04283	Shady Oaks Apartments	6	Prairie View	\$465,000
04279	Golden Manor Apartments	6	Bay City	\$400,000
04275	Bahia Palms Apartments	11	Laguna Vista	\$650,000
04287	Vista Hermosa Apartments	11	Eagle Pass	\$320,000

- e) Board Action on Staff Recommendations of Disaster Relief Funds from The HOME Program Deobligated Funds for:

App. No.	Applicant	Region	Activity	\$ Requested	\$ Admin
DR2004-0269	Cameron County	11	Owner Occupied	\$ 500,000	\$ 20,000
DR2004-0272	City of Falfurrias	10	Owner Occupied	\$ 495,000	\$ 19,800
DR2004-0273	Brooks County	10	Owner Occupied	\$ 495,000	\$ 19,800
DR2004-0274	Newton County	5	Owner Occupied	\$ 421,600	\$ 16,864

DR2004-0276	Inst. Of Rural Dev.	10	Owner Occupied	\$ 495,000	\$ 19,800
DR2004-0277	Hands of Hope	10	Owner Occupied	\$ 495,000	\$ 19,800
DR2004-0278	Falfurrias PHA	10	Owner Occupied	\$ 495,000	\$ 19,800
Totals				\$3,396,600	\$135,864

- f) Board Action on Staff Recommendation of An Olmstead Award From HOME Program Funds

App. No.	Applicant	Region	Activity	\$ Requested	\$ Admin
2004-0067	ARCIL, Inc.	7	Tenant Based Rental	\$103,194	\$6,192

- g) Board Action on Housing Preservation Incentive Program:
- 1) Ole Town Apartments, Jefferson, Texas, Requested Amount of \$280,000; Recommended Amount of \$280,000
 - 2) West Side Place Apartments, West Columbia, Texas Requested Amount of \$385,000; Recommended Amount of \$0
 - 3) Katy Manor Apartments, Katy, Texas, Requested Amount of \$475,000; Recommended Amount of \$475,000

EXECUTIVE SESSION

Elizabeth Anderson

If permitted by law, the Board may discuss any item listed on this agenda in Executive Session

Consultation with Attorney Pursuant to §551.071, Texas Government Code, Concerning an Investigation by the Brazoria County Criminal District Attorney on Forged Letters Concerning Tranquility Bay Apartments

Consultation with Attorney Pursuant to §551.071, Texas Government Code, Concerning Pending or Contemplated Litigation

OPEN SESSION

Elizabeth Anderson

Action in Open Session on Items Discussed in Executive Session

REPORT ITEMS

Executive Directors Report

1. Report on Urban Affairs Committee Meeting of July 16, 2004
2. Report on Senate Intergovernmental Relations Committee Meeting on July 27, 2004

ADJOURN

Elizabeth Anderson

To access this agenda and details on each agenda item in the board book, please visit our website at www.tdhca.state.tx.us or contact the Board Secretary, Delores Groneck, TDHCA, 507 Sabine, Austin, Texas 78701, 512-475-3934 and request the information.

Individuals who require auxiliary aids, services or sign language interpreters for this meeting should contact Gina Esteves, ADA Responsible Employee, at 512-475-3943 or Relay Texas at 1-800-735-2989 at least two days before the meeting so that appropriate arrangements can be made.

Non-English speaking individuals who require interpreters for this meeting should contact Delores Groneck, 512-475-3934 at least three days before the meeting so that appropriate arrangements can be made.

Personas que hablan español y requieren un intérprete, favor de llamar a Jorge Reyes al siguiente número (512) 475-4577 por lo menos tres días antes de la junta para hacer los preparativos apropiados.

EXECUTIVE OFFICE
BOARD ACTION REQUEST
July 28, 2004

Action Item

Board Minutes of June 28, 2004.

Required Action

Review of the minutes of the Board Meeting and make any necessary corrections.

Background

The Board is required to keep minutes of each of their meetings. Staff recommends approval of the minutes.

Recommendation

Approve the minutes with any requested corrections.

BOARD MEETING
TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
1100 Congress Avenue, State Capitol Extension Auditorium, Austin, Texas 78701
June 28, 2004 9:00 a. m.

Summary of Minutes

CALL TO ORDER, ROLL CALL

CERTIFICATION OF QUORUM

The Board Meeting of the Texas Department of Housing and Community Affairs of June 28, 2004 was called to order by the Chair of the Board Elizabeth Anderson at 9:20 a.m. It was held at the State Capitol Extension Auditorium, 1100 Congress, Austin, Texas 78701. Roll call certified a quorum was present.

Members present:

Elizabeth Anderson – Chair

C. Kent Conine – Vice Chair

Shadrick Bogany – Member

Patrick Gordon – Member (joined the meeting in progress)

Vidal Gonzalez – Member

Norberto Salinas – Member (joined the meeting in progress)

Staff of the Texas Department of Housing and Community Affairs was also present.

Ms. Anderson noted that Scott Sims from the Speakers Office, Liza Gonzales from the Governors Office, Beau Rothchild from the Urban Affairs Committee and Jeremy Mazur from Representative Callegari's Office were in attendance at this meeting.

Ms. Anderson thanked Senator Estes for sponsoring the department for the use of the Auditorium.

Ms. Anderson stated an employee of the Department who is one of the longstanding, highly professional and a great contributor to the agency is retiring.

Ms. Carrington stated that Sara Newsom has been at the Texas Department of Housing and Community Affairs for 15 years and she is retiring from the Department and leaving for a job in the private sector. She has made great contributions to the State of Texas and to the multi-family portfolio. Some of her many accomplishments are implementation, working and training on the Fair Housing Act inspections. The Department has a contract with the Affordable Housing Disposition Program and has not received one finding from this program. Sara has made tremendous contributions to the State of Texas and everyone will miss her greatly. A plaque was presented to her which stated: "Presented to Sara Newsom, with deep appreciation for your many years of outstanding leadership and devotion as Compliance Manager, Texas Department of Housing and Community Affairs Board of Directors and Department Staff."

PUBLIC COMMENT

The Board will solicit Public Comment at the beginning of the meeting and will also provide for Public Comment on each agenda item after the presentation made by department staff and motions made by the Board.

Ms. Anderson called for public comment and the following either gave comments at this time or preferred to wait until the agenda item was presented.

The Honorable Dora Olivo, State Representative, Austin, Texas

The Representative spoke on behalf of College Street Apartments in Richmond, Texas. She stated this community has people living in poverty and the proposed apartments would be available for lower income people to rent. She asked the Board to consider awarding tax credits to this complex.

Alan Burrows, Office of State Representative Arlene Wohlegmuth, Austin, Texas

Mr. Burrows was in attendance to show support for Country Lane Seniors Temple project. He stated this project will have a positive impact in Temple and asked the Board to grant tax credits to the project.

Matthew Doyle, Mayor, Texas City, Texas

Mr. Doyle spoke in favor of the Village of Morningstar in Texas City. This project is needed in Texas City as they have over 300 people on their waiting list and the city could use up to 700 units of affordable housing. They have tried to get tax credits in the past year for this project but were denied so they are asking for needed tax credits for their city.

Robert Garza, Legislative Director for Senator Gallegos, Austin, Texas

Mr. Garza read a letter into the record from Senator Gallegos which stated: "I am pleased to offer my strong support for Las Villas at Magnolia, a 100-unit senior community proposed for east Houston. Almond Development Corporation, the organization proposing this tax credit development is requesting an allocation of housing tax credits from TDHCA as well as funding from the state's Housing Trust Fund. As a State Senator, I am well aware of the shortage of suitable affordable rental housing for east Houston seniors, especially those on fixed incomes. Las Villas at Magnolia is a particularly well-conceived development. Its location in the heart of east-end Houston provides direct access to public transportation and many commercial amenities and this development is strongly supported by various community groups and local elected officials, including Mayor Bill White and State Representative Joe Moreno.

The tremendous need for this senior housing, along with the quality of the proposal warrants my enthusiastic support. I encourage you to give every consideration to awarding tax credits for this much-needed senior housing in my district. Sincerely, Mario Gallegos."

Carlos Garza, Former Mayor, Texas City, Texas

Mr. Garza was in favor of the Village of Morningstar and asked for support for this project. This project will help the senior citizens with housing and is desperately needed.

Helen Freeman, Corrigan, Texas

Ms. Freeman gave her time to Mr. Freeman who will speak later in the meeting.

John Garvin, Executive Director, Texas Association of Affordable Housing Providers, Austin, Texas

Mr. Garvin thanked the Board members for volunteering to serve as a member and thanked Edwina Carrington and Brooke Boston for their hard work in revising the scores in a fast manner (due to the recent Attorney General ruling). He stated they submitted written comments which asked for more consistency in the points given. On the affordable housing needs score they asked that the Board consider giving quarter incremental points. He asked for forward commitments for those projects that were removed from the list as they submitted their applications under the original rules.

Granger McDonald, Kerrville, Texas

Mr. McDonald stated that Region 9 has been misallocated in receiving tax credits for several years. There are 11 counties that make up the rural section of this region and have had only 672 units approved during the last 10 years. There is employment growth in this rural area and there will not be enough housing for these workers to live in these cities. He asked for more credits for this region.

Judy Morales, Temple, Texas

Ms. Morales represented Citizens for Progress and they are supporting the Country Lane Seniors Project. They have been very active in helping educate their citizens and asked the Board to consider tax credits for this project for senior citizens.

Dr. Lee Crossley, Temple, Texas'

Dr. Crossley stated they received a letter saying they had not submitted sufficient documentation to prove they are a neighborhood organization. This organization was recorded as a neighborhood organization which is Citizens for Progress and submitted three documents to show they are on record and are a neighborhood organization.

Patsy Luna, Temple City Council, Temple, Texas

Ms. Luna represents District 2 in Temple and was in favor of the Country Lane Seniors Project. She stated there is an urgent need for housing for senior citizens with supportive services.

The Honorable Geanie Morrison, State Representative, Austin, Texas

Representative Morrison spoke on behalf of the Thomas Ninke Senior Village in Victoria. There are an increasing number of elderly people in this area and this housing is needed. This project was the highest scoring project in the State but is not being recommended by staff to receive tax credits. She asked the Board to award tax credits to this much needed project.

Roy Navarro, Pharr Housing Development Corporation, Pharr, Texas

Mr. Navarro spoke in favor of Las Canteras which is a proposed 100 unit development which will have 40 units of public housing. This project is not being recommended by staff but he asked the Board to award tax credits to the project. There were many support letters submitted.

Ms. Carrington stated there is \$4,725,727 available for Region 11 in which Pharr is located.

Mayor Salinas stated this one of the poorest areas of the state and asked to have a forward commitment for this needed project.

Leopolo Palacios, Mayor of Pharr, Texas

Mayor Palacios stated the City of Pharr requests the Board to reconsider the staff recommendation and to award tax credits for this needed project.

Roney Powell, Mayor Pro-Tem, Goliad, Texas

Mayor Pro-Tem Powell stated that the Fenner Square in Goliad has opposition from the City Council and asked the Board to not approve tax credits for this project as the Council questions the validity of some of the points claimed in the application.

Gary Driggers, Legacy Regional, San Antonio, Texas

Mr. Driggers stated he is the developer for the Fenner Square Apartments, a 32 unit rural housing project planned for Goliad. He has worked with the County of Goliad on this project and the County owns the site where the proposed development will be but the site is located in the city limits.

James Myers, PACE, San Antonio, Texas

Mr. Myers stated they are in opposition to No. 04142, Western Trail Apartments in San Antonio. They received notice from the 4910 Southwest Partners L.P. to their intent to construct an apartment complex to be located at 4910 Southwest Military Drive. The address is not Medina Base Road. The property is located within the defined boundaries of the homeowner's association and they do not support this project. After viewing the site, and taking photos of the subject property, it is apparent that it is adjacent to an adult entertainment facility known as the Tom Cat Lounge. In their opinion this property is not suitable for the tenants, and especially the school age children who will reside there. They believe these tax credits would more wisely be used at a different location in the same area. Of all the projects considered for approval, this should be at the bottom of the list. If there is any documentation in the files file that states the homeowners association, the city council, or the school district supports this project, it is entirely false.

Don Jones, Chief of Staff, State Representative Ken Mercers Office, Austin, Texas

Mr. Jones stated that Rep. Mercer did endorse the Western Trails Apartments. PACE did provide a letter of support for this project but the project was never briefed thoroughly and completely to the entire neighborhood organization. A public hearing was held and notices went out on this hearing but no one showed up to testify.

Jim Wyatt, City Council, Victoria, Texas

Mr. Wyatt was in favor of the Thomas Ninke project. This project received the highest score and he asked for reconsideration of this project and to award tax credits to it.

Roger Clark, Housing Authority of Victoria, Texas

Mr. Clark stated they are in favor of the Thomas Ninke project and there is a huge need for housing in Victoria. These 80 units would help greatly to cut the waiting time for housing down to less than a year.

William Brown, Alice, Texas

Mr. Brown represented the San Diego Creek Apartments and was in favor of the project. The city needs many affordable housing units and this complex has great community support. He asked for a forward commitment for this project.

Manual Garza, Edgewood Community, Texas

Mr. Garza asked the Board to consider tax credits for the Rudy C. Perez Vista Del Sol project. They submitted a letter of support and that they were a neighborhood association.

A letter was read into the record from State Representative Jose Menendez which stated: "I am writing regarding the Vista Del Sol – Rudy C. Perez, Sr. Apartments. The Edgewood Neighborhood Association and the Community Workers' Council, which are part of my district were denied points for neighborhood organization support for not being "on record" with the state. Edgewood is on record with TDHCA and with the City of San Antonio, and the Community Workers Council is on record with the Secretary of State and the City of San Antonio. If you have any questions please feel free to contact me."

Lucy Hall, San Antonio, Texas

Ms. Hall stated she is the president of the Community Workers' Council of San Antonio, and this council is in support of the Vista Del Sol - R. C. Perez, Sr., Apartments. This apartment complex will be constructed between Southwest 36th Street, Southwest 37th Street and Old Highway 90 West and is in their area. They are an organization which is recognized by the city but the state said they were inactive, but they provided information on their status. The Council and the Edgewood Community do support this project. This complex is needed and will give people an opportunity to live in a top-rated apartment complex. The complex will help increase the student enrollment in the Edgewood school district. She asked for a forward commitment if there is no funding available this year.

Jesse Alcala, Edgewood, Texas

Mr. Alcala stated he was in support of the Rudy C. Perez project and approval was critical to their community. They need affordable housing greatly and this would be good for their housing and economic development.

Stephanie Johnson, Houston, Texas

Ms. Johnson stated she was in support of tax credits for Oxford Place as it needs to be upgraded and she asked for tax credits for this project.

Maggie Bess, Houston, Texas

Ms. Bess stated she was in favor of tax credits for Oxford Place as the rehab is needed. There are deserving people living at this place and they need help in having a clean and decent place to live. There is huge community support for the project.

Cora Morris, Houston, Texas

Ms. Morris stated that Oxford Place has started a cop patrol and attendance in school is improving. The people at Oxford Place deserve a better environment as better housing creates better residents and better productive citizens.

Tracy Jenkins, Houston, Texas

Ms. Jenkins stated Oxford Place is a good place and they need tax credits to rehab the project.

Minnie Irving, Houston, Texas

Ms. Irving stated Oxford Place needs tax credits to rebuild it and this would make it 100% better.

Rhonda Bobino, Houston, Texas

Ms. Bobino stated Oxford Place is a good place to live but it needs repairs and tax credits could help them.

Emanuel Glockzin, Kilgore, Texas

Mr. Glockzin stated he represented Lexington Courts in Kilgore, Texas and thanked the staff for a recommendation for tax credits.

M. Taylor, Houston, Texas

Mr. Taylor spoke on Commons of Grace and stated they prepared their application on the rules and they spent a great amount of money putting the project together. Now, the rules have changed and they lost the points. This project is needed and he asked the Board to award the points back to this project.

Rogelio Santos, Houston, Texas

Mr. Santos stated he was in support of Las Villas de Magnolia which is a senior project. They have appealed the staff treatment of letters from the City of Houston. They never received the original deficiency letter and they traced all their fax logs and it was not located anywhere. He asked the Board to award tax credits to this project.

Peter Clemente, Houston, Texas

Mr. Clemente stated they submitted an appeal on the denial of points for Las Villas de Magnolia. In this appeal they objected to the deduction of points for submitting the deficiency response a day late. They did not receive the deficiency notice until the day a response was due and could not respond in such a short time.

ACTION ITEMS

(1) Presentation, Discussion and Possible Approval of Minutes of the Board Meetings of May 13, 2004

Motion made by C. Kent Conine and seconded by Shad Bogany to approve the minutes of the May 13, 2004.
Passed Unanimously

(2) Presentation, Discussion and Possible Approval of Housing Tax Credit Items:

**(a) Appeals to Board from Housing Tax Credit Applicants on Applications as follows:
04-062 Corrigan Gardens, Corrigan, Texas**

Ms. Carrington stated that Corrigan Gardens application was terminated by the department on May 6 for failure to present the environmental site assessment and market study by March 31, 2004. Those 2 documents are required to be submitted by that date. Corrigan is an area that has twice the state average of units per capita and there is an exception that an application can get to this provision in the statute, with the cities approval and a statement of support from the city; however, neither of those documents were submitted. Staff is recommending denial of the appeal.

Alvin Freeman, Corrigan, Texas'

Mr. Freeman stated they did not get their documentation in on time as their consultant from another state decided to hand deliver their documents but was picked up by the police and incarcerated for 72 hours and he could not deliver the documents on time. No one from Corrigan knew he was in police custody so no one could get the documents and deliver them. He stated there is a need for affordable housing in Corrigan. There was fear that criminals and drug pushers might come in with this project and the city council was intimidated by this. He asked the Board to restate the application so they can get the project on the agenda of the city council meeting for action.

Frank Baldwin, Former Mayor, Corrigan, Texas

Mr. Baldwin stated this project was not allowed the chance to get the proper documents for the City Council to put it on their agenda. They tried to follow the proper steps and asked the Board to reconsider this project.

Motion made by Norberto Salinas and seconded by C. Kent Conine to accept the recommendation of staff and not approve the appeal for Corrigan Gardens.
Passed Unanimously

(b) Report and Discussion on Quantifiable Community Participation from Neighborhood Organizations

Ms. Carrington stated staff is providing information to the Board and to the public on how they approached the scoring of the letters for quantifiable community participation. This is the first year that TDHCA was required to score letters and there was a list of criteria that the Legislature said the Department would use to score and rank applications. Quantifiable community participation is the second highest scoring criteria in the legislation and in the Qualified Allocation Plan. A neighborhood organization was required to be on record with the state or county and staff can not waive these rules. The neighborhood organizations also had to be in the boundaries of the development site. The department held a meeting to discuss the quantifiable community participation and there were many different ideas on scoring of letters.

There were many good ideas and comments from the many people who attended this meeting. Staff did develop guidelines for the scoring of letters for quantifiable community participation and EARAC reviewed the letters that were received for meeting the requirements of quantifiable community participation. There were 234 letters received that gave input on 75 applications but 220 of those letters did not satisfy one or more of the submission requirements. The remaining 14 letters were scored and received points from a plus 12 to a minus 12. EARAC met for 5 different days for 3 ½ hours each day and the same members were in attendance each day. They considered neighborhood organizations as groups of people living near one another.

There will be appeals to the board at the July 8th board meeting on the quantifiable community participation letters that were not scored.

**(c) Housing Tax Credit Applications:
Board Review of Recommendations of Department Staff and Issuance of the List of Approved Applications From the Following List of All Applications Submitted for the Housing Tax Credit Program**

App. #	Name	Region	Location	Req. Amount
04007	Oaks of Bandera	9	Bandera	\$ 473,144
04008	Friendship Place	9	Fredericksburg	\$ 473,144
04012	Tyler Square Apts.	4	Tyler	\$ 652,315
04013	Kingswood Village	11	Edinburg	\$ 352,618
04014	La Villita Apts. Phase 11	11	Brownsville	\$ 453,311
04017	Country Lane Sr. Apts.	8	Temple	\$ 762,879
04018	Terrace Pines	8	College Station	\$ 589,664

04024	South Union Place	6	Houston	\$ 739,345
04026	Oak Timbers-White Set.	3	White Settlement	\$ 417,280
04028	Heritage Park	3	Denison	\$ 501,577
04030	Park Estates	5	Nacogdoches	\$ 393,033
04032	Los Milagros	11	Weslaco	\$1,002,175
04033	Bethany Gates Apts.	1	Lubbock	\$ 887,418
04036	Villa del Sol	11	Brownsville	\$ 485,000
04037	Las Canteras Apts.	11	Pharr	\$ 577,000
04041	Mesa Seniors Apts.	6	Houston	\$1,132,759
04047	Stratton Oaks	9	Seguin	\$ 590,539
04050	San Diego Creek	10	Alice	\$ 49,000
04051	Frontier Trail Sr. Apts.	2	Abilene	\$ 530,000
04052	Chisholm Trail Srs.	8	Belton	\$ 415,000
04054	Vista Serena Court	1	Plainview	\$ 828,278
04057	Stone Hollow Village	1	Lubbock	\$ 845,849
04058	Spring Oaks Apts.	3	Balch Springs	\$ 850,235
04059	Asbury Commons Apt.	6	Houston	\$ 706,862
04060	Providence Place Apts.	6	Katy	\$ 772,798
04062	Corrigan Gardens	5	Corrigan	\$ 591,135
04063	Depriest Gardens	6	Houston	\$1,136,358
04064	Ramah Village	6	Houston	\$ 924,991
04065	Waterford Place	4	Longview	\$ 314,334
04066	Pineywoods Community	5	Orange	\$ 411,155
04067	Beverly Place Apts.	5	Groves	\$ 185,762
04069	Plaza Del Rio Apts.	13	El Paso	\$ 568,919
04070	Cedar Oak Townhomes	13	El Paso	\$ 985,523
04071	Sea Breeze	10	Corpus Christi	\$ 943,037
04072	Nacogdoches Sr. Apts.	5	Nacogdoches	\$ 256,888
04073	Avenue Park Villas	9	San Antonio	\$ 757,796
04074	Las Palmas Garden Apts.	9	San Antonio	\$ 639,786
04077	Bayforest Ranch	6	La Porte	\$ 707,177
04079	Baybrook Park Retirement	6	Webster	\$ 450,043
04082	Fenner Square	10	Goliad	\$ 195,062
04084	Chelsea Place Apts.	9	Selma	\$ 870,953
04085	Redwood Heights Apts.	6	Houston	\$ 600,146
04086	Timber Village Apts.	4	Marshall	\$ 640,277
04088	South Plains Apts.	1	Lubbock	\$ 379,812
04089	Villas of Forest Hill	3	Forest Hill	\$ 424,859
04091	Roselawn Manor	5	Orange	\$ 800,000
04093	Villas of Seagoville	3	Seagoville	\$ 428,270
04094	Big Country Sr. Village	2	Abilene	\$ 611,410
04095	Green Briar Village	2	Wichita Falls	\$ 851,219
04096	Villa Main Apts.	5	Port Arthur	\$ 192,811
04098	Copperwood Apts.	6	The Woodlands	\$1,057,335
04100	O.W. Collins Apts.	5	Port Arthur	\$ 406,999
04101	Pleasant Hill Apts.	7	Austin	\$ 493,633
04103	Countryside Village	6	Humble	\$ 414,315
04104	Lexington Square	6	Angleton	\$ 272,917
04105	Preston Trace Apts.	3	Frisco	\$ 140,298
04107	Whitefield Place Apts.	9	San Antonio	\$ 430,196
04108	Tamarac Pines Apts.	6	The Woodlands	\$ 911,804
04109	Frazier Fellowship	3	Dallas	\$ 547,378
04112	Crestmont Village	6	Houston	\$ 474,346
04117	Longview Sr. Apts.	4	Longview	\$ 656,458
04118	Churchill at Commerce	3	Commerce	\$ 727,212
04120	Sedona Springs Village	12	Odessa	\$ 652,451

04121	Tyler Sr. Apt. Comm.	4	Tyler	\$ 638,196
04122	Temple Sr. Apts.	8	Temple	\$ 658,555
04123	Amarillo Apt. Comm.	1	Amarillo	\$ 676,605
04124	San Juan Village	11	San Juan	\$ 319,327
04129	Pelican Landing Town.	10	Rockport	\$ 504,173
04130	Villas at Costa Biscaya	9	San Antonio	\$1,000,000
04131	The Alhambra	9	San Antonio	\$ 932,296
04137	Villas at Costa Verde	9	San Antonio	\$1,000,000
04139	Villas at Costa Alameda	9	San Antonio	\$1,000,000
04140	Villas at Costa Cadiz	9	San Antonio	\$1,000,000
04141	Spring Creek St.	3	Saginaw	\$1,011,969
04142	Western Trail Apts.	9	San Antonio	\$ 881,285
04143	Courtland Square Apts.	12	Odessa	\$ 779,673
04145	Village at Meadowbend II	8	Temple	\$ 656,486
04146	Casa Korima	11	Mercedes	\$1,182,999
04146	Wildwood Trails	2	Brownwood	\$ 558,403
04147	Shiloh Village Apts.	3	Dallas	\$ 800,000
04149	Seton Home Center for Teen Moms	9	San Antonio	\$ 368,360
04150	Alician Manor Apts.	10	Alice	\$ 253,038
04151	Renaissance Courts	3	Denton	\$ 993,822
04152	Bluffview Villas	8	Brenham	\$ 453,021
04154	Plainview Vistas	1	Plainview	\$ 668,428
04156	College Street Apts.	6	Richmond	\$ 507,651
04157	Samaritan House	3	Ft. Worth	\$ 819,331
04158	Windrock Apts.	12	Midland	\$ 642,689
04160	Village on Hobbs Rd.	6	League City	\$ 552,528
04161	Fair Mist Apts.	6	LaPorte	\$ 507,398
04162	Travis Place Apts.	1	Lubbock	\$ 764,539
04163	Riverview Apts.	12	San Angelo	\$ 735,023
04167	Oxford Place	6	Houston	\$1,200,000
04168	Lincoln Park	6	Houston	\$1,200,000
04170	Gardens of Athens	4	Athens	\$ 245,888
04172	Gardens of Tye	2	Tye	\$ 245,557
04173	Gardens of Burkburnett	2	Burkburnett	\$ 229,311
04174	Gardens of Early	2	Early	\$ 230,137
04175	Gardens of Mabank	3	Mabank	\$ 215,498
04176	Gardens of Gladewater	4	Gladewater	\$ 260,918
04180	Hanford Square	3	Granbury	\$ 414,945
04182	Montopolis Sr. Pavilion	7	Austin	\$ 206,339
04183	Riverside Sr. Pavilion	7	Austin	\$ 206,339
04185	Greater Angelina Apts.	5	Diboll	\$ 441,500
04186	Nacogdoches Loop Apts.	5	Nacogdoches	\$ 472,500
04187	Chandler's Cove Apts.	7	Round Rock	\$ 457,724
04188	Ambassador North Apts.	6	Houston	\$ 486,067
04189	Villa Bonita Apts.	9	San Antonio	\$ 900,924
04191	Providence at Boca Ch.	11	Brownsville	\$1,034,927
04192	Providence at UT SW	3	Dallas	\$ 909,255
04193	Providence at Edinburg	11	Edinburg	\$ 445,854
04194	Lexington Court	4	Kilgore	\$ 549,640
04195	Park Madison	3	Corsicana	\$ 578,569
04196	Americas Palms	13	El Paso	\$ 635,064
04197	Horizon Palms	13	Horizon City	\$ 431,206
04198	Socorro Palms	13	El Paso	\$ 206,359
04200	Alvin Manor Estates	6	Alvin	\$ 251,978
04202	Freeport Manor	6	Freeport	\$ 251,978

04203	Alvin Manor	6	Alvin	\$ 177,273
04206	Lake Jackson Manor	6	Lake Jackson	\$ 409,155
04207	Brookside Village Manor	6	Brookside Vill.	\$ 409,155
04210	Westview Place	6	Conroe	\$ 228,852
04211	Arbors at Rose Park	2	Abilene	\$ 542,577
04212	Village At Forest Grove	4	Mt. Pleasant	\$ 540,697
04213	Village at Morningstar	6	Texas City	\$ 537,331
04214	Las Villas de Magnolia	6	Houston	\$ 681,856
04216	Thomas Ninke Sr. Village	10	Victoria	\$ 439,626
04218	Converse Village Apts.	9	Converse	\$ 458,035
04220	Arbor Bend Villas	3	Ft. Worth	\$ 725,017
04222	Primrose at Highland	3	Dallas	\$ 935,153
04223	Cherrycrest Villas	3	Dallas	\$1,159,343
04224	Commons of Grace Sr.	6	Houston	\$ 759,068
04225	Villa San Benito Apts.	11	San Benito	\$ 207,171
04226	Arbor Cove	11	Donna	\$1,152,552
04228	Stone Hearst	5	Beaumont	\$ 685,739
04229	The Villages	6	Huntsville	\$ 691,442
04235	Crescent Moon	6	Texas City	\$ 754,845
04239	Crescent Rivers	8	Waco	\$ 955,575
04240	Deer Creek Apartments	1	Levelland	\$ 454,573
04241	Anson Park 11	2	Abilene	\$ 535,250
04243	Hampton Chase Apts.	4	Palestine	\$ 556,158
04244	Camden Crossing Apts.	1	Brownfield	\$ 455,296
04247	Hawthorne Hills Apts.	4	Marshall	\$ 455,467
04250	Knollwood Heights Apts.	12	Big Spring	\$ 457,678
04252	Waxahachie Sr. Apts.	3	Waxahachie	\$ 490,000
04255	Freeport Oaks Apts.	6	Freeport	\$ 721,599
04258	Vista Del Sol-R.C. Perez	9	San Antonio	\$ 700,000
04259	Villa del Arroyo	12	Midland	\$ 385,000
04260	Towne Park in Fredericksburg 11	9	Fredericksburg	\$ 257,151
04261	Gruene Oaks Apts.	9	New Braunfels	\$ 534,693
04267	Brentwood Apts.	6	Aldine City	\$ 799,000
04268	Lansbourough Apts.	6	Houston	\$1,084,983
04270	Essex Gardens Apts.	6	Sealy	\$ 654,654
04272	Crosby Terrace	6	Crosby	\$ 230,149
04275	Bahia Palms Apts.	11	LaGuna Vista	\$ 123,922
04276	Country Terrace Village	6	Highland	\$ 254,325
04277	Western Oaks Apts.	6	West Columbia	\$ 98,755
04279	Golden Manor Apts.	6	Bay City	\$ 116,099
04280	Country Square Apts.	4	Lone Star	\$ 78,006
04281	Tomball Square Apts.	6	Tomball	\$ 84,662
04282	Danbury Manor Apts.	6	Danbury	\$ 148,809
04283	Shady Oaks Apts.	6	Prairie View	\$ 128,636
04284	Katy Manor Apts.	6	Katy	\$ 123,768
04285	Ole Town Apts.	4	Jefferson	\$ 117,328
04286	Country Place Apts.	4	Atlanta	\$ 219,663
04287	Vista Hermosa Apts.	11	Eagle Pass	\$ 63,097
04288	Briarwood Apartment	3	Kaufman	\$ 173,148
04289	Hacienda Santa Barbara	13	Socorro	\$ 103,788
04290	L.U.L.A.C. Village Park	10	Corpus Christi	\$ 899,429
04291	Saltgrass Landing Apts.	10	Rockport	\$ 95,218
04292	West Side Place Apts.	6	West Columbia	\$ 84,339
04293	Lantana Ridge Apts. S.	6	Beeville	\$ 51,980
04294	Lantana Ridge Apts.	6	Beeville	\$ 66,535

04295	La Mirage Villas	1	Perryton	\$ 173,281
04296	Vista de Armistad Apts.	11	Donna	\$ 585,793
04297	Joaquin Apts.	5	Joaquin	\$ 64,492
04298	Paloma Blanca Apts.	11	Pharr	\$ 634,815
04299	Harvest Apts.	11	Mercedes	\$ 624,436
04300	Vida Encanto	11	Rio Grande Cty.	\$ 414,059
04301	Villa de la Sombra	11	Donna	\$ 183,434
04302	Sierra Royale Apts.	10	Robstown	\$ 529,620
04310	Rosemont at Riverside	3	Ft. Worth	\$1,094,189

Ms. Carrington stated the Department received 264 pre-applications and 182 full applications. Of those, 149 are competing for an allocation of 2004 tax credits. There were 5 forward commitments that the Board recommended last year for a total of 154 applications. The credit ceiling total is \$40,366,280. The Board receives the list at this meeting and then the Board will be asked to approve the applications after 30 days has passed which will be at the July meeting. The staff had a revised list of applications that were given to the public that is a reflection of the Attorney General opinion received on Thursday of last week.

Printice Gary, Managing Director, Carlton Residential Properties, Dallas, Texas

Mr. Gary stated they are working in coordination with the Denton Housing Authority for the development of Renaissance Courts in Denton which will have 150 townhomes. He appealed to the Board to find a way to help them get an allocation of tax credits either for an award this year or for a forward commitment. This is an outstanding project and is well supported in the community

Susana Benavides, Congressman Charles Gonzalez' Office, Austin, Texas

Ms. Benavides stated an appeal has been submitted for #04-074, Las Palmas Garden Apartments, San Antonio, Texas. The Congressman wanted the Board to know that he continues his support for this application and he asked that all due consideration be given for a forward commitment for this application.

Margarita James, San Antonio, Texas

Ms. James spoke on behalf of Las Palmas Garden Apartments in San Antonio, Texas. She asked for consideration for tax credits for the project. There are certain amenities that are needed at this complex such as central air and heat and major repairs are needed. They could benefit from energy efficiency appliances, etc.

Avelina Barrientos, San Antonio, Texas

Ms. Barrientos asked the board and staff to consider Las Palmas Garden Apartments for funding of tax credits. This apartment complex was built about 39 years ago and needs repairs such as efficient appliances, fans, carpeting, better floors and other amenities.

Rosario Marty, San Antonio, Texas

Ms. Marty stated they had lived at Las Palmas Garden Apartments for 20 years and it needs the basic amenities that many of the new properties have. They like the area and their children have done well in school and she asked for funding for this project.

Joe Roque, San Antonio, Texas

Mr. Roque stated they have lived at Las Palmas Garden Apartments for 13 years and it is time to rehabilitate the apartments and he asked for tax credits for this project.

Bonita Williams, Nacogdoches, Texas

Ms. Williams asked for tax credits for Nacogdoches Senior Village which is located in Rural Region 5. She stated there was a discrepancy in score between some of the higher scoring ones and theirs. In their city there are two senior housing developments and one in a smaller town in the county. There is a long waiting list for housing in Nacogdoches and asked the staff and board to review this application for accuracy of the application.

EXECUTIVE SESSION

If permitted by law, the Board may discuss any item listed on this agenda in Executive Session Consultation with Attorney Pursuant to §551.071, Texas Government Code, on §2306.6710(b)(1)(B), Texas Government Code, and the 2004 Qualified Allocation Plan and Rules §50.9(g)(2), Concerning "Quantifiable Community Participation" from "Neighborhood Organizations" On Record with the State or County in Which the Development is to be Located and Whose Boundaries Contain the Development Site"; Appeals; 2004 Qualified Allocation Plan and Rules

Ms. Anderson stated that at this time the Board would take a lunch break and go into Executive Session at 12:20 pm. She further stated that "On this day, June 28, 2004, a regular meeting of the Governing Board of the Texas Department of Housing and Community Affairs held in Austin, Texas; the Board adjourned into a closed Executive Session as evidenced by the following. The board will begin its Executive Session today, June 28, 2004 at 12:20. The subject matter of this Executive Session is consultation with attorney pursuant to section 551.071 Texas Government Code on 2306.6710(b)(1)(B) Texas Government Code and the 2004 Qualified Allocation Plan and rules, Section 50.9(g)(2) concerning quantifiable community participation from neighborhood organizations on record with the state or the county in which the development is to be located and whose boundaries contain the proposed development site. Appeals and the 2004 qualified allocation plan and rules. If permitted by law, the board may discuss any item listed on this agenda in executive session."

OPEN SESSION

Action in Open Session on Items Discussed in Executive Session

The Board returned to Open Session at 1:00 pm and Ms. Anderson stated: "The Board of the Texas Department of Housing and Community Affairs, and that meeting concluded at approximately 1:00. Action taken was none. I hereby certify that this agenda of an Executive Session of the Governing Board of the Texas Department of Housing and Community Affairs was properly authorized, pursuant to Section 55.103 of the Texas Government Code. The agenda was posted at the Secretary of State's office seven days prior to the meeting, pursuant to Section 551.044 of the Texas Government Code, that all of the members of the board were present, with the exception of Pat Gordon, and that this is a true and correct record of the proceedings pursuant to the Texas Open Meetings Act, Chapter 551, Texas Government Code."

Margaret Starkey, Corpus Christi, Texas

Ms. Starkey stated she was speaking on behalf of Seton Home Center for Teen Moms. They provide housing and support for homeless teens who wish to keep and raise their children. These moms have no source of income and pay no rent. They serve all of south central Texas and there is a need for this project. She was happy to hear that staff was still recommending this project for funding and asked the Board to fund them.

Tamea Dula, Corpus Christi, Texas

Ms. Dula did not give any comments.

Henry Gail, Corpus Christi, Texas

Mr. Gail did not give any comments.

Robert Joy, Corpus Christi, Texas

Mr. Joy did not give any comments.

Scott McGuire, Austin, Texas

Mr. McGuire did not give any comments.

Mark Luft, Converse, Texas

Mr. Luft stated they have an appeal for their city council minutes as they do not transcribe the minutes. They review them according to the tape. They submitted the actual tape as well as the minutes certified by the city and the Secretary of the City of Converse. He asked for consideration of their application for the appeal.

Gene Watkins, Austin, Texas

Mr. Watkins stated he has two projects in Region 7 and both received the highest scores for Region 7. He requested that the board consider forward commitments for these two projects as the forward commitment from last year took over 75% of the regions allocation.

Anthony Bertucci, Austin, Texas

He also asked for support for the two projects in Region 7 and he asked the Board to consider these two projects for funding.

Neil Rackleft, General Counsel, Housing Authority of Houston, Texas

Mr. Rackleft thanked everyone for support of their project and stated there was opposition to the project but they are working with the community in support of Oxford Place and now have about 848 expressions of support.

Brenda Takahashi, Houston, Texas

Ms. Takasashi did not give any comments.

Denise Joshua, Houston, Texas

Ms. Joshua did not give any comments.

Horace Allison, Houston, Texas

Mr. Allison did not give any comments.

Ms. Anderson asked staff to check on the application of Provident at UT Southwestern to review who is doing the supportive services. This should reflect New Horizons.

Motion made by C. Kent Conine and seconded by Shad Bogany to accept the conditional list of low-income housing tax credits.
Passed Unanimously

**(d) Proposed Amendments to Housing Tax Credit Projects:
03-145 Sterling Springs Villas, Midland, Texas**

Ms. Carrington stated that this request to a change in this application is a material change of the site plan. There is no change in the number of the units or the net rentable area. The project is in Midland and staff is recommending that the Board approve the amendment.

Motion made by Shad Bogany and seconded by C. Kent Conine to approve the amendment for 03-145 Sterling Springs Villas, Midland, Texas
Passed Unanimously

(3) Presentation, Discussion and Possible Approval of Programmatic Items:

(a) Forgiveness of Housing Trust Fund Predevelopment Loan for City of Orange for \$50,000

Ms. Carrington stated this item was presented at the previous Board meeting and the department funded this pre-development loan of March, 2003. Funds were used to develop a neighborhood redevelopment plan. As a result of this redevelopment plan, the City determined that they have a need for economic development, for small businesses, but there was not going to be any new construction involved with the redevelopment of this area and the City of Orange is requesting forgiveness of this loan.

Staff did research at the Board's request where the provision for forgiveness was provided in the document and in Section 51.62 of the Housing Trust Fund rules that were in place at that time, provided that the pre-development loans were to be repaid, but the board could waive repayment of the loan if there are impediments to project development that the board determines are reasonably beyond the control of the applicant. Staff is recommending that the loan to the City of Orange in the amount of \$50,000 be forgiven.

Motion made by Shad Bogany and seconded by Norberto Salinas to forgiveness the Housing Trust Fund Predevelopment Loan for the City of Orange in the amount of \$50,000.
Passed Unanimously

(b) Strategic Plan for Fiscal Years 2005-2009

Ms. Carrington stated the Board received the draft of the Strategic Plan at the previous Board meeting and this is a plan that is prepared for the Governors Office of Budget and Planning and the Legislative Budget Board. This includes information from the State Low Income Housing Plan, the Consolidated Plan and Performance Measures. This report stated that a new board was appointed who brought a refreshing perspective and credibility to its customers in support of the initiatives that the Department was implementing.

Ms. Anderson commended staff for this report as it is very well done. She was interested in the results of the attitude survey that was completed last fall. She was pleased with these ratings that came out of the employee survey. On the fair pay area and the TDHCA score of 273, she asked if the department has any data about how this compares to the score in other state agencies on that topic.

Ms. Carrington stated we did not know how this compares to other state agencies but it is an issue and a concern internally for the department. The department is establishing a pay equity committee and that committee is working internally to look at these issues.

Ms. Anderson had questions on the number of vacancies in the department and asked that the statement of needing additional FTEs be removed from the report until this board is given information by staff on why the department would need additional FTEs.

Ms. Carrington stated that the lack of funding is a reason that the department is below the FTE count and it is an overall funding issue.

Ms. Anderson asked the language be removed on the department needing additional FTEs.

Motion made by C. Kent Conine and seconded by Shad Bogany to approve the Strategic Plan for Fiscal Years 2005-2009 with the change of removal of the language requested.
Passed Unanimously

**(4) Presentation, Discussion and Possible Approval of Department Rules:
Final Adoption of New Title 10, Part 1, Chapter 35 – Multifamily Housing Revenue Bond Rules for 2005**

Ms. Carrington stated these are the Multifamily Housing Revenue Bond Rules for 2005. The Board reviewed the draft at the May 13 board meeting and after that, 3 public hearings were held. Only 2 people attended those hearings and no one spoke. There were some written comments provided. There have been minor changes in these new proposed rules. The chapter number was changed from Chapter 33 to Chapter 35. Language was added that says is that if there are changes to an application from the time of scoring to the time of receiving the reservation, that the department will terminate the application and return the reservation to the Bond Review Board. There are few exceptions with the exception of changes to deferred developers fees and support or opposition points, that the department will allow substitution of amenities as long as the overall score is not affected. There is a staff administrative change related to tenant services which says

the application in which developments provide specific qualities in amenities at no extra charge to the tenant will be awarded points.

Motion made by C. Kent Conine and seconded by Vidal Gonzalez to approve the Multifamily Housing Revenue Bond Rules for 2005.

Bill Fisher, Dallas, Texas

Mr. Fisher asked the Board to consider a point addition for preference to acquisition rehabs of perhaps ten points so there would not be any new housing but that would involve redevelopment projects. This raises the acquisition rehabs further up the scoring list and they will receive bond cap first.

Mr. Conine accepted Mr. Fishers request to add ten points for acquisition rehab in the rules as an amendment to his motion. Mr. Bogany accepted the request for his second to the motion. Motion tied with 2 ayes (Mr. Conine and Mr. Bogany) and 2 nos (Mr. Salinas and Mr. Gonzalez). Motion padded with Ms. Anderson voting aye for a final vote of 3 ayes and 2 nos.

Motion made by C. Kent Conine and seconded by Shad Bogany to approve the body of the Multifamily Housing Revenue Bond Rules for 2005.
Passed Unanimously

**(5) Presentation, Discussion and Possible Approval of Multi-Family:
Mortgage Revenue Bonds and Four Percent (4%) Housing Tax Credits With TDHCA as the Issuer:**

Proposed Issuance of Multifamily Mortgage Revenue Bonds for Sphinx at Delafield, Dallas, Texas in an Amount Not to Exceed \$11,500,000 and Issuance of Determination Notice (Requested Amount of \$729,073 and Recommended Amount of \$729,073) for Housing Tax Credits for Sphinx at Delafield, Dallas, Texas, #04-419

This item was deferred to the next board meeting.

**(6) Presentation and Discussion of:
(a) FY 2005 Draft Operating Budget**

Ms. Carrington stated that this is the 2005 draft operating budget for the department for the period of September 1, 2004 through August 31, 2005. The Board will be presented with the final budget at the July 8th Board Meeting.

Mr. Bill Dally, Chief of Agency Administration, stated the first part of the process for a budget is to solicit information from the directors and managers for their requests for the budget. There were organization charts, comparisons of budgets and variances on the line by line items. The budget is \$442,000 less than last year and the majority of that is in the professional fees. The \$400,000 that was a part of SB 1664 which the Bond Review Board collected fees with multi-family applications; however, the appropriations committees did not give TDHCA authority or the Bond Review Board authority to spend those funds. They have been collected into the Treasury and until TDHCA gets permission to spend those funds, they will remain in the Treasury. There was also a pie chart reflecting the expenditures for 2004.

Ms. Anderson asked if the department received a letter asking TDHCA to be prepared to cut the budgets by 5% for next year.

Mr. Dally stated the Department received the letter and this is for the Legislative Appropriation Requests which will be presented to the Board in August.

(b) FY 2005 Draft Housing Finance Operating Budget

Mr. Dally stated this is the revenues that are being projected from the fees at \$11.2 million and where it will be utilized.

REPORT ITEMS

Executive Directors Report

1. Biennial Operating Plan and Legislative Appropriations Request Process
Ms. Carrington stated this plan is being worked on at this time and it will be presented to the Board at the August Board Meeting.
2. Speaking Engagement on June 14, 2004 at National Association of Real Estate Brokers in Houston, Texas on *Making Money With Low Income Housing Tax Credits*
Ms. Carrington stated that she was asked to speak at this conference but had to miss it so Michael Lyttle filled in for her and the Department did receive a proclamation from the Governor and several items from the conference.
3. Speaking Engagement on July 14, 2004 at National Advisory Group in Washington, D.C. *On State Allocating Agencies: Priorities and Issues*
Ms. Carrington stated she is scheduled to speak at a meeting in Washington DC in July.
4. House Committee on Urban Affairs Interim Hearings
Ms. Carrington stated the Department has received word that the Urban Affairs may hold their meeting on July 16. She will advise the Board members on the exact time and place of the meeting.

ADJOURN

Motion made by C. Kent Conine and seconded by Vidal Gonzalez to adjourn.
Passed Unanimously

The meeting adjourned at 2:20 p.m.

Respectfully submitted,

Delores Groneck
Board Secretary

Bdmijun2

MULTIFAMILY FINANCE PRODUCTION DIVISION

BOARD ACTION REQUEST

July 28, 2004

Action Item

Appeal denial of Quantifiable Community Participation (QCP) points of one 2004 Housing Tax Credit (HTC) Application

Requested Action

Issue a determination on the appeal.

Background and Recommendations

I. South Union Place, #04024

The Applicant submitted an appeal to the Executive Director on June 14, 2004, disputing the denial of Quantifiable Community Participation (QCP) points for the Application. The Applicant requested reconsideration of QCP point allocation for letters from two organizations, the South Union Civic Club and the Old Spanish Trail Community Partnership. On June 28, 2004, the Executive Director responded to the appeal stating that pursuant to Section 50.9(g)(2) of the 2004 Qualified Allocation Plan (QAP), neither letter met the requirements to be scored. No documentation was provided in the letter from South Union Civic Club to prove that the organization's boundaries included the Development site, as is required by this section of the QAP. Additionally, the letter failed to give a brief description of the process used to determine the members' position of support. Likewise, the letter from Old Spanish Trail Community Partnership was not eligible for the same two reasons. Additionally, it was not eligible because it was determined that it is not a "neighborhood organization," rather, it is a self described, "...coalition of 52 civic clubs and sixty-seven businesses organized to promote economic development..." of the area it serves. Therefore, the organization is not a "neighborhood organization" within the meaning of the requirement. The Applicant submitted an appeal to the Board on July 14, 2004, regarding QCP point scoring for the letters from South Union Civic Club and Old Spanish Trail Community Partnership.

Additionally, the Applicant submitted an appeal to the Executive Director on July 5, 2004, regarding the eligibility of the Application to receive seven Pre-Application points. On July 20, 2004, the Executive Director responded to the appeal stating that the Pre-Application which the Applicant submitted included seven Pre-Application points in the self score portion of the application. However, the full Application submitted to the Department did not include seven Pre-Application points. The Executive Director noted that in the appeal the Applicant asserted that he forfeited these points in lieu of requesting fifteen points for transitional housing at full application. The Department recognized that the Applicant may not have made the same decision had he known that the Attorney General would rule in a way that would reduce these points, but the Department could not award points that the Applicant did not request in the Application. The Applicant submitted an appeal to the Board on July 19, 2004, regarding points for the Pre-Application.

Relevant documentation related to this appeal is provided behind the Board Action Request. It should be noted that some of the documentation included with this Application was submitted past the deadline and was not considered during the Executive Director's review of the appeal.

Applicant:	South Union Place L.P.
Site Location:	7210 Scott Street
City/County:	Houston/Harris
Regional Allocation Category:	Urban/Exurban
Set-Aside:	General
Population Served:	Elderly/Transitional
Region:	6
Type of Development:	New Construction
Units:	125
Credits Requested:	\$739,345.00

Staff Recommendation: The Executive Director denied the original appeal. Staff is recommending that the Board also deny the appeal of the termination.

Board Appeal

South Union Place Limited Partnership

Home Office:
806 Bering Drive, Suite 410
Houston, TX 77057

Phone: (713) 425-2960
Fax: (713) 917-0965

July 19, 2004

Via fax, Fed Ex, E-mail

Elizabeth Anderson, Board Chairman
Texas Department of Housing and Community Affairs
c/o Dolores Groneck, Board Secretary
507 Sabine, Suite 400
Austin, TX 78711-3941

Re: South Union Place Apartments
HTC Application #04024

Dear Ms. Anderson:

This is to appeal TDHCA's revised scoring on the reference project posted on July 15, 2004, which reduced its total points from its original 153 to 142 due to the recent Attorney General opinion. Under the new point system, this application would have been and now should be eligible for restoration of the seven (7) points provided by the QAP for Pre-Application submission.

We submitted a separate appeal to the Executive Director on this same issue on July 5, 2004, but as of this date have had no response. Accordingly, due to the filing deadline and as advised by TDHCA staff, we are making this separate appeal to the Board to be heard, if necessary, at the meeting on July 28, 2004.

Our Pre-Application submitted in January 2004 projected a self score of 139 points. Due to the published 15 points attributable to adding a 25% transitional housing component in our final application, we were compelled to select "Option B" in Tab 4P, thereby forfeiting the seven (7) Pre-Application points. The additional 15 points exceeded the 5% limit allowed by the QAP for changes in point scoring from the Pre-Application to Final Application. Based on TDHCA's subsequently announced Pre-Application scores of other applications, we reasoned and concluded at the time that the net addition of eight (8) points in the final Application (15 transitional points minus 7 Pre-Application points) was a reasonable trade-off and incentive to increase the application's competitiveness.

Now, in view of the after the fact point reduction for 25% transitional housing from 15 to 5 points (resulting from the AG opinion) the Pre-Application scoring calculus has changed significantly. The new point scores for Housing Needs in Houston (from 13 to 5) and for mixed income (from 8 to 7) would result in our original Pre-Application, as submitted, being re-scored from 139 to 130 points (9 fewer points) as the revised "Pre-Application benchmark". Adding five (5) points more for the new transitional housing feature instead of

15 would not exceed the 5% variation allowed from the Pre-Application to the Final Application. And we, unquestionably, would chose, or would have chosen, "Option A" in Tab 4P to maintain eligibility for the seven (7) Pre-Application points.

Accordingly, this is to appeal and request that the project's current scoring be increased from 142 points to 149 points to reflect the restoration of our eligibility under the OAP to retain the seven (7) Pre-Application points.

Thank you for your consideration of this appeal.

Sincerely,



Pamela P. Barineau
President, Scott Street Group, LLC
Managing General Partner

cc: Brooke Boston, TDHCA
Willie J. Alexander
John N. Barineau, III

South Union Place Limited Partnership

Home Office: Phone: (713) 425-2960
800 Bering Drive, Suite 410 Fax: (713) 917-0965
Houston, TX 77057

RECEIVED
JUL 14 2004
EXECUTIVE

July 13, 2004

VIA FAX AND FEDERAL EXPRESS OVERNIGHT

Ms. Elizabeth Anderson, Board Chairman
Texas Department of Housing and Community Development
c/o Delores Groneck, Board Secretary
507 Sabine, Suite 400
Austin, TX 78711

Re: South Union Place Apartments TDHCA #04024
Appeal on Quantifiable Community Support Points (QCP)

Dear Ms. Anderson:

This is to appeal TDHCA's staff decision to deny scoring points for Quantifiable Community Participation (QCP) as described in Ms. Edwina Carrington's appeal response letter dated June 28, 2004 in reply to our appeal on this matter dated June 10, 2004. Attached are copies of our appeal and Ms. Carrington's reply.

TDHCA's staff denial of QCP points is based on cited technical deficiencies in the support letters submitted from South Union Civic Club and Old Spanish Trail Community Partnership as follows: (1) "No documentation was provided in the letter that provided proof that the boundaries include the Development site..."; (2) "...failed to give brief description of the process used to determine the members' position of support"; and (3) "... Old Spanish Trail Community Partnership was not a "neighborhood organization"..."

We feel that TDHCA's staff reviews of these letters were in error relative to the boundary information included in these letters and the absence of a "process description" was a legitimate omission given the lack of clear language in the QAP. Moreover in light of the discussions at the July 8, 2004 Board meeting on QCP, we request these letters be re-evaluated.

1. **Boundary Documentation** – Both letters defined, stated and document by signature of the organization's Presidents the boundaries of their neighborhood organizations and that these boundaries included the project site.. The South Union Civic Club letter from Dorothy Hughes-Stevenson certifies her group's boundary as "*the area starting where Alice Street meets Scott Street, to the 610 Loop, then up the feeder to Bacon Street and back north along Hwy 288 to Alice Street.*" Furthermore, this letter specifically states that "*Our civic club's boundaries include the South Union Place Apartments.*" The Old Spanish Trail Community Partnership letter from Dr. Teddy McDavid certifies that their boundary "*includes all of zip code 77021*"; this is the zip code of the proposed development. Enclosed are copies of the original letters for your review (with underlines added)

2. Description of Members' Position – After reading Ms. Carrington's denial letter and observances at the July 8th TDHCA Board Meeting, we now understand that TDHCA staff intended differently from our understanding of the QAP requirement for "letter must also provide the total number of members of the organization and a brief description of the process used to determine the members' position". We understood "members' position" using the context of this sentence to mean how the letter's author came into position of representing the organization. Each of these letters state "duly elected" or "elected or re-elected to serve a two year term". Ms. Carrington's denial letter stated the letters "failed to give a brief description of the process used to determine the members' position of support". The QAP does not include the words "of support". If so, it would have been more clear what process was used for determining the members' (or memberships') position (or "opinion") on the project, rather than that of the president's, was what the QAP had in mind.

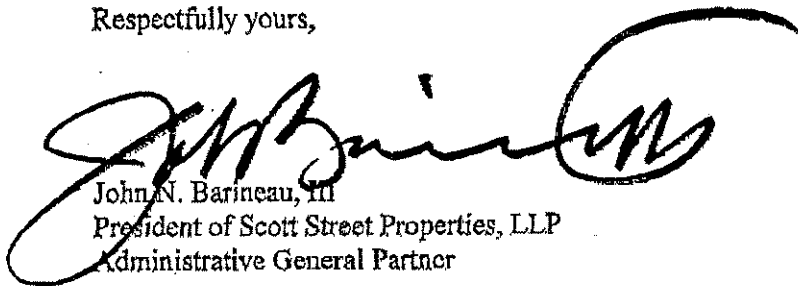
In any case, following the practice of TDHCA to allow Applicants to correct or clarify "Administrative Deficiencies" additional clarification is being provided herewith by the attached follow-up letters to TDHCA from Ms. Stevenson and Dr. McDavid on how their organizations as a group came to support the project. You can see that they attended the public information sessions, discussed the project among other members and had clear consensus for their support

3. Old Spanish Trail Community Partnership (Neighborhood Organization) – Similarly to the Board's approval of Lansbrough Apartment TDHCA #04268 appeal to accept "Superneighborhoods" and "Coalitions" as "neighborhood organization" that are unique and common to the Houston area as stated by TDHCA Board member Mr. Shadrick Bogany during the July 8, 2004 Board meeting, we feel Dr. McDavid's organization, Old Spanish Trail Community Partnership, should also be accepted as a "neighborhood organization".

Based on this information we respectfully request that the Board reconsider TDHCA staff's negative evaluation of these two QCP letters and grant our application the maximum allowable 12 points

Thank you for your consideration and please let me know if you have any further questions.

Respectfully yours,



John N. Barineau, III
President of Scott Street Properties, LLP
Administrative General Partner

cc: Willie J. Alexander (Scott Street Group, LLC)
Pamela P. Barineau (Scott Street Group, LLC)

Enclosures:

- Copy of letter to TDHCA from Old Spanish Trail Community Partnership dated 3-5-04 (without enclosures)
- Copy of letter to TDHCA from South Union Civic Club dated 3-17-04 (without enclosures)
- Copy of appeal letter from Applicant dated 6-10-04 (without enclosures)
- Copy of TDHCA appeal denial letter dated 6-28-04
- Letter to TDHCA from Old Spanish Trail Community Partnership dated 7-12-04 (with enclosures)
- Letter to TDHCA from South Union Civic Club dated 7-13-04 (with enclosures)

Old Spanish Trail Community Partnership
3746 Charleston
Houston, Texas 77021
(713) 748-4679 Phone
(713) 748-0493 Fax

Teddy A. McDavid, Ed.D.
President

Amanda Caldwell
Vice President

Betty Thomas
Secretary

Ali Ashan
Treasurer

July 12, 2004

Ms. Elizabeth Anderson, Board Chairman
Texas Department of Housing and Community Development
507 Sabine
Austin, TX 78711

Re: South Union Place TDHCA #04024
Appeal for Quantifiable Community Support Points

Dear Ms. Anderson:

I am in receipt of TDHCA's letter dated June 7, 2004 (copy attached) stating the Old Spanish Trail Community Partnership's letter failed to meet the requirements to be scored based on the following reasons:

- Insufficient documentation was provided to show that the organizations boundaries include the proposed development site.
- Your letter did not provide either the total number of members of the organization or a brief description of the process used to determine the members' position, or did not provide both.
- Insufficient documentation was provided to show that the organization is a neighborhood organization within the meaning of this requirement.

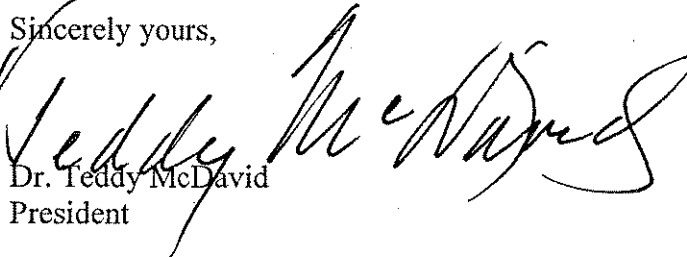
The boundaries of the Old Spanish Trail Community Partnership (as stated in our March 5, 2004 Community Support Letter to TDHCA- copy attached) includes the OST corridor of Houston and surrounding neighborhoods including the Scott Street corridor and all of zip code 77021, which is the same zip code of the proposed site. Please see attached key map clearly defining our boundaries which include the South Union Place Apartments.

As also stated in above referenced letter to TDHCA, the Old Spanish Community Partnership is a coalition of 52 civic clubs and 67 businesses organized to promote economic development in our area. Our support for the South Union Place Apartments was determined by first meeting with several of the club Presidents including Lillian Parker (Scott Terrace Civic Club), Alice Frazier (Southland Civic Club) and Martha McGriff (Southern Village Civic Club) to discuss the issue of "rooftops" to support the goal of bringing new retail to the area. In addition, the above stated individuals and myself also attended the Applicant's hosted public meeting held on February 19, 2004 as noted on the South Union Place list of attendees (attached). On February 23, 2004 South Union Place was listed on the Old Spanish Trail Community Partnership's Agenda for the regular monthly Board meeting for the decision to support the project. (attached)

In conclusion, Old Spanish Trail Community Partnership is documented as a Texas registered non-profit corporation as of July 26, 2001 (see attached Certificate of Incorporation) with many of its civic club members having Assumed Name Certificates filed on record with Harris County.

Please feel free to contact me at the phone number listed above if additional information is needed.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Teddy McDavid", written over a horizontal line.

Dr. Teddy McDavid
President



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

Teddy A. McDavid
Old Spanish Trail Community Partnership
3746 Charleston
Houston, TX 77021

RE: Neighborhood Input on 2004 Housing Tax Credit Application South Union Place
TDHCA Number: 04024

Attention: Teddy A. McDavid

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

Insufficient documentation was provided to show that the organization's boundaries include the proposed development site.

Your letter did not provide either the total number of members of the organization or a brief description of the process used to determine the members' position, or did not provide both.

Insufficient documentation was provided to show that the organization is a 'neighborhood organization' within the meaning of this requirement.


While your letter will not be scored, your comments will still be summarized and provided to the Governing Board of the Department as they make decisions regarding which applications will receive an allocation of credits. You are also welcome to provide public comment at the Board's meetings on these developments which take place on June 28, 2004 and July 28, 2004 in Austin. If you have any questions, please do not hesitate to contact the Department at 512.475.3800. Also, on Friday June 18, 2004 at 10:00 a.m. the Department will conduct an Open Forum at its office in Austin. If you have any questions or comments about the evaluation of your letter you are invited to attend this forum.

Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division

MAPQUEST.

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7210 Scott St
Houston TX
77021-5632 US

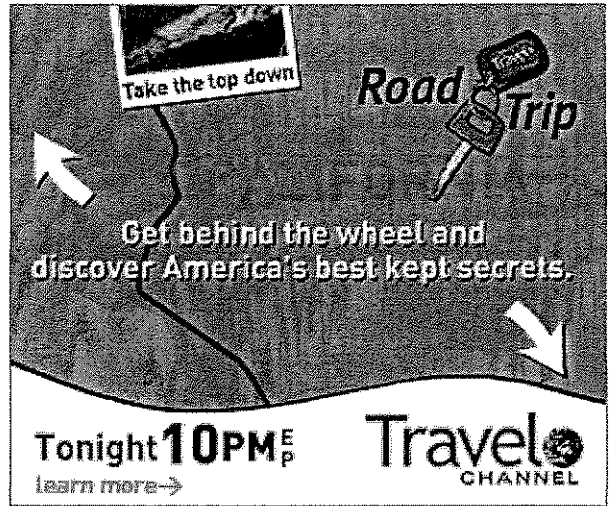
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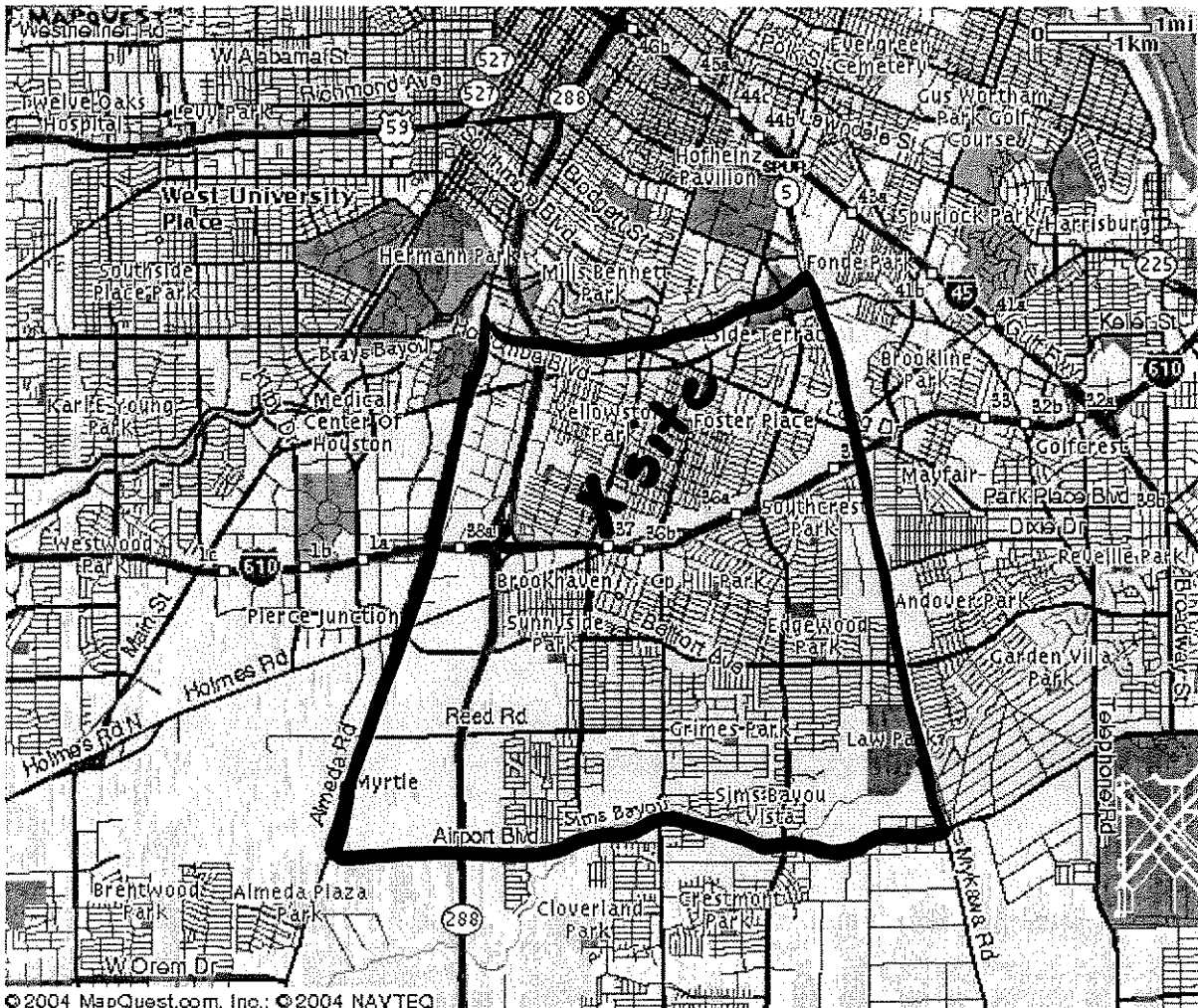
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Old Spanish Trail Community Partnership Boundaries

<http://www.mapquest.com/maps/print.adp?mapdata=ISH7onY3BgR6u7kUuZt4E14qGGTZ...> 7/13/2004

Old Spanish Trail Community Partnership

3746 Charleston

Houston, Texas 77021

(713) 748-4679 Phone

(713) 748-0493 Fax

Teddy A. McDavid, Ed.D.
President

Amanda Caldwell
Vice President

Betty Thomas
Secretary

Ali Ashan
Treasurer

March 5, 2004

Texas Department of Housing and Community Affairs
Attn: Director of Multifamily Finance Production Division
(Neighborhood Input)
P.O. Box 13941
Austin, Texas 78711-3941

Re: South Union Place Apartment, 7210 Scott Street, Houston, Texas 77021

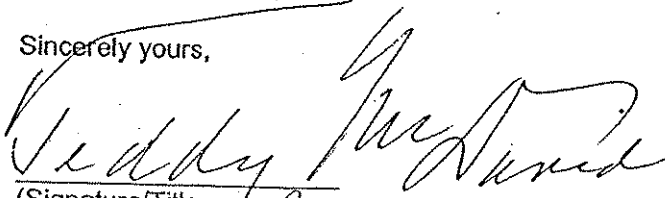
Dear Sir or Madame:

We are writing on behalf of the Old Spanish Trail Community Partnership as its duly elected President to express our support for the development of South Union Place Apartments, a proposed 125 unit elderly housing community. There is a definite shortage of high affordable rental housing in our area, especially targeting senior citizens. We are familiar with the developer group proposing this project, and have been impressed by their previous housing projects. We also feel that the South Union Place Apartments will contribute significantly to the commercial revitalization of the surrounding neighborhood.

The Old Spanish Trail Community Partnership is a coalition of 52 civic clubs and sixty-seven businesses organized to promote economic development along the OST corridor of Houston and surrounding neighborhoods, including Scott Street corridor in and around Loop 610 south. This includes all of zip code 77021. Our organization has a total of 52 presidents, representing civic clubs and sixty-seven business owners. All of our officers, including myself as President, are elected. Attached is a copy of our certificate of incorporation as further evidence of our formal status.

We urge you to support the application for developing South Union Place Apartments. Please let me know if you have questions or if we can provide additional information.

Sincerely yours,


(Signature/Title)
President

SOUTH UNION PLACE

HOSTED PUBLIC MEETING

THURSDAY, FEBRUARY 19, 2004

Attendees:

(PLEASE PRINT)

Name	Address	Civic Club (if applicable)
1 Mr. J. L. Brown	6731 South St. Hwy. TX 77021	
2 Anthony Sykes	15906 Renbrook Dr. TX 77489	
3 Mercedes Howard	4701 Anderson Rd 172	
4 JOHN BARINEAU	800 BERING, Am 77057	
5 Gene Jackson	800 Bering Dr. Houston 77057	
6 Marina J. Hall	8017 Garnell St Houston, TX 77057	Sevenside Civic Cl
7 Gene A. Jones	7445 Sott St Houston TX 77024	
8 Vicki D. W. W. W.	3746 Charleston	
9 William J. Jones	4227 DACCA / A00, TX, 77047	
10 Charles X. White	8607 MILK 77047	Severy Southfork Sugar Mfg.
11 Dorothy Hughes Swanson	3654 Rebecca 77024	South Union Civic Club

12	<i>DN 2/11/16 Clark</i>	<i>4440 G. Perry St SA 77055</i>	<i>Sing Saie Cui - Clerk</i>
13	<i>Jillian Fuller</i>	<i>3819 Luca 77052</i>	<i>Scott Ferraco, CC President</i>
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DOROTHY A. RULL, CSR
REGISTERED PROFESSIONAL REPORTER



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HOUSTON, TEXAS 77006-5203
AARICALLIEDADVANCEDREPORTING.COM
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TOLL FREE: 800.223.9409

30	Karen Barnes	4939 Ridge Harbor Dr	Houston, Tx. 77053
31	Dianne Anderson	4002 Cordier St.	Houston, TX 77021
32	Angene Watkins	8117 Cornal St	Houston Tx 77051
33	Debbie Cooper	3509 Mt Pleasant	Houston Tx 77021
34	Willie Alex 27062	50 Birch Hollow Suite 320	77027
35	Judi Nash	3512 Seabrook St 77024	Houston Tex 77024
36	Margaret Hooper	3541 Dreyfus st. 77021	Houston TX. 77021
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The State of Texas
Secretary of State

CERTIFICATE OF INCORPORATION
OF

OLD SPANISH TRAIL COMMUNITY PARTNERSHIP
CHARTER NUMBER 01564943

THE UNDERSIGNED, AS SECRETARY OF STATE OF THE STATE OF TEXAS,
HEREBY CERTIFIES THAT THE ATTACHED ARTICLES OF INCORPORATION FOR THE
ABOVE NAMED CORPORATION HAVE BEEN RECEIVED IN THIS OFFICE AND ARE
FOUND TO CONFORM TO LAW.

ACCORDINGLY, THE UNDERSIGNED, AS SECRETARY OF STATE, AND BY VIRTU
OF THE AUTHORITY VESTED IN THE SECRETARY BY LAW, HEREBY ISSUES THIS
CERTIFICATE OF INCORPORATION.

ISSUANCE OF THIS CERTIFICATE OF INCORPORATION DOES NOT AUTHORIZE
THE USE OF A CORPORATE NAME IN THIS STATE IN VIOLATION OF THE RIGHTS O
ANOTHER UNDER THE FEDERAL TRADEMARK ACT OF 1946, THE TEXAS TRADEMARK L
THE ASSUMED BUSINESS OR PROFESSIONAL NAME ACT OR THE COMMON LAW.

DATED JAN. 6, 2000
EFFECTIVE JAN. 6, 2000



Elton Bomer
Elton Bomer, Secretary of State

Old Spanish Trail Community Partnership

Monday, February 23, 2004

6:00 p.m.

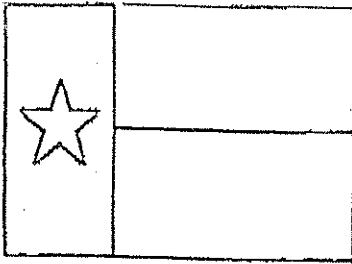
Welcome – Dr. Teddy McDavid

Community Updates

- South Union Apartments Project
Mr. John Barrineau
Mr. Willie Alexander
- Third Ward Connectivity
M2L Corporation
- STEP Grant (OST/Griggs)
M2L Corporation
- Other

Announcements

Adjournment



South Union Civic Club

Dorothy Hughes - Stevenson, President

Ola. M. West, Vice President

Linda Manuel - Nash, Secretary

July 13, 2004

Ms. Elizabeth Anderson, Board Chairman
Texas Department of Housing and Community Development
507 Sabine
Austin, TX 78711

Re: South Union Place TDHCA #04024 / Quantifiable Community Support Points

Dear Ms. Anderson:

I understand that TDHCA has determined that my previous letter supporting South Union Place Apartments failed to meet TDHCA's scoring requirements based on (1) Insufficient documentation was provided to show that our organization's boundaries include the proposed development site and (2) Our letter did not provide our support for the project. This letter is to clarify our earlier letter and request further consideration.

Attached is a copy of our letter to TDHCA dated March 17, 2004 stating the boundaries of our civic club as "...the area starting where Alice Street meets Scott Street, to the 610 Loop, then up the feeder to Bacon Street and back north along Hwy. 288 to Alice Street". This letter also states, "Our civic club boundaries include the South Union Place Apartments." Enclosed is a map showing our club's boundaries which clearly reconfirms these boundaries include the proposed development site.

The decision of our civic club to support this project came from members attending the public meeting on the project held on Thursday, February 19, 2004 at St. Mary's United Methodist Church. After this meeting was concluded, key members of our club held a side meeting to determine a consensus of support for the project due to the growing number of senior citizens and their need for affordable housing.

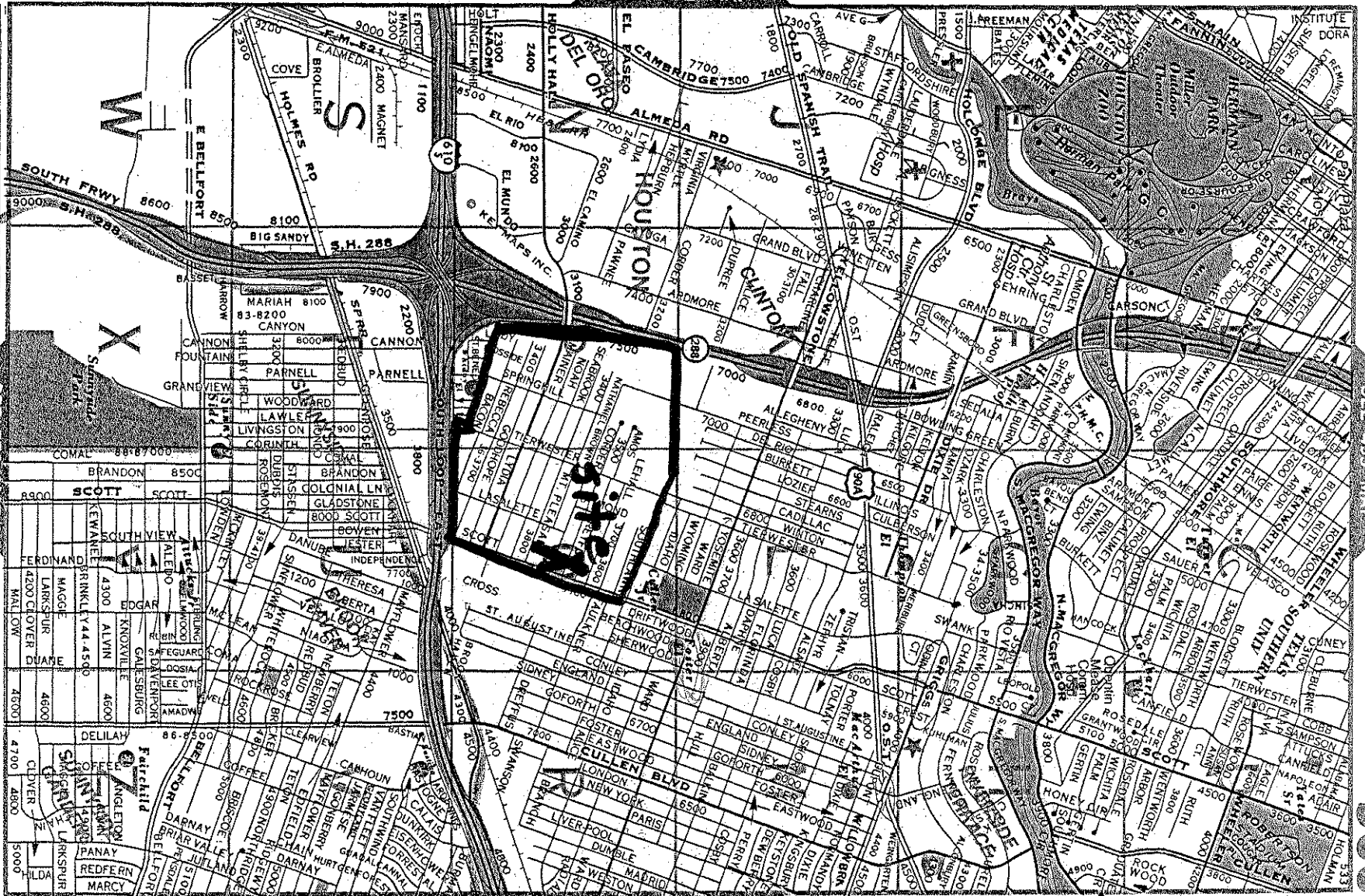
Please give me a call at (713) 748-1999 if you have any questions.

Sincerely yours,

Dorothy Hughes-Stevenson
Dorothy Hughes-Stevenson
President

3654 Rebecca St - Houston, Texas 77021-6133
713-748-1999 > E-Mail dotleeste@aol.com

SEE 532 MAP



533

SEE 534 MAP

© KEY MAPS INC.

South Union Civic Club Boundaries

Old Spanish Trail Community Partnership

3746 Charleston

Houston, Texas 77021

(713) 748-4679 Phone

(713) 748-0493 Fax

RECEIVED

JUL 14 2004

EXECUTIVE

Teddy A. McDavid, Ed.D.
President

Amanda Caldwell
Vice President

Betty Thomas
Secretary

Ali Ashan
Treasurer

July 12, 2004

Ms. Elizabeth Anderson, Board Chairman
Texas Department of Housing and Community Development
507 Sabine
Austin, TX 78711

Re: South Union Place TDHCA #04024
Appeal for Quantifiable Community Support Points

Dear Ms. Anderson:

I am in receipt of TDHCA's letter dated June 7, 2004 (copy attached) stating the Old Spanish Trail Community Partnership's letter failed to meet the requirements to be scored based on the following reasons:

- Insufficient documentation was provided to show that the organizations boundaries include the proposed development site.
- Your letter did not provide either the total number of members of the organization or a brief description of the process used to determine the members' position, or did not provide both.
- Insufficient documentation was provided to show that the organization is a neighborhood organization within the meaning of this requirement.

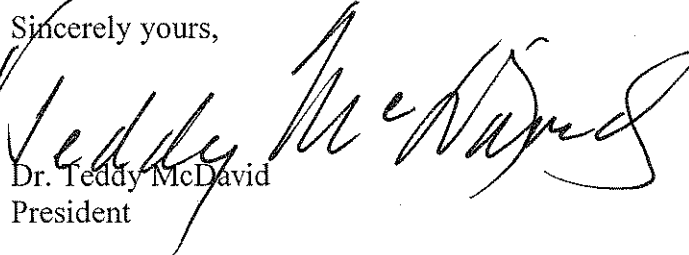
The boundaries of the Old Spanish Trail Community Partnership (as stated in our March 5, 2004 Community Support Letter to TDHCA- copy attached) includes the OST corridor of Houston and surrounding neighborhoods including the Scott Street corridor and all of zip code 77021, which is the same zip code of the proposed site. Please see attached key map clearly defining our boundaries which include the South Union Place Apartments.

As also stated in above referenced letter to TDHCA, the Old Spanish Community Partnership is a coalition of 52 civic clubs and 67 businesses organized to promote economic development in our area. Our support for the South Union Place Apartments was determined by first meeting with several of the club Presidents including Lillian Parker (Scott Terrace Civic Club), Alice Frazier (Southland Civic Club) and Martha McGriff (Southern Village Civic Club) to discuss the issue of "rooftops" to support the goal of bringing new retail to the area. In addition, the above stated individuals and myself also attended the Applicant's hosted public meeting held on February 19, 2004 as noted on the South Union Place list of attendees (attached). On February 23, 2004 South Union Place was listed on the Old Spanish Trail Community Partnership's Agenda for the regular monthly Board meeting for the decision to support the project. (attached)

In conclusion, Old Spanish Trail Community Partnership is documented as a Texas registered non-profit corporation as of July 26, 2001 (see attached Certificate of Incorporation) with many of its civic club members having Assumed Name Certificates filed on record with Harris County.

Please feel free to contact me at the phone number listed above if additional information is needed.

Sincerely yours,

A handwritten signature in cursive script that reads "Teddy McDavid". The signature is written in dark ink and is positioned to the right of the typed name.

Dr. Teddy McDavid
President



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

Teddy A. McDavid
Old Spanish Trail Community Partnership
3746 Charleston
Houston, TX 77021

RE: Neighborhood Input on 2004 Housing Tax Credit Application South Union Place
TDHCA Number: 04024

Attention: Teddy A. McDavid

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

Insufficient documentation was provided to show that the organization's boundaries include the proposed development site.

Your letter did not provide either the total number of members of the organization or a brief description of the process used to determine the members' position, or did not provide both.

Insufficient documentation was provided to show that the organization is a 'neighborhood organization' within the meaning of this requirement.

While your letter will not be scored, your comments will still be summarized and provided to the Governing Board of the Department as they make decisions regarding which applications will receive an allocation of credits. You are also welcome to provide public comment at the Board's meetings on these developments which take place on June 28, 2004 and July 28, 2004 in Austin. If you have any questions, please do not hesitate to contact the Department at 512.475.3800. Also, on Friday June 18, 2004 at 10:00 a.m. the Department will conduct an Open Forum at its office in Austin. If you have any questions or comments about the evaluation of your letter you are invited to attend this forum.

Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division



Send To Printer Back to Map

7210 Scott St
Houston TX
77021-5632 US

Notes:

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Take the top down

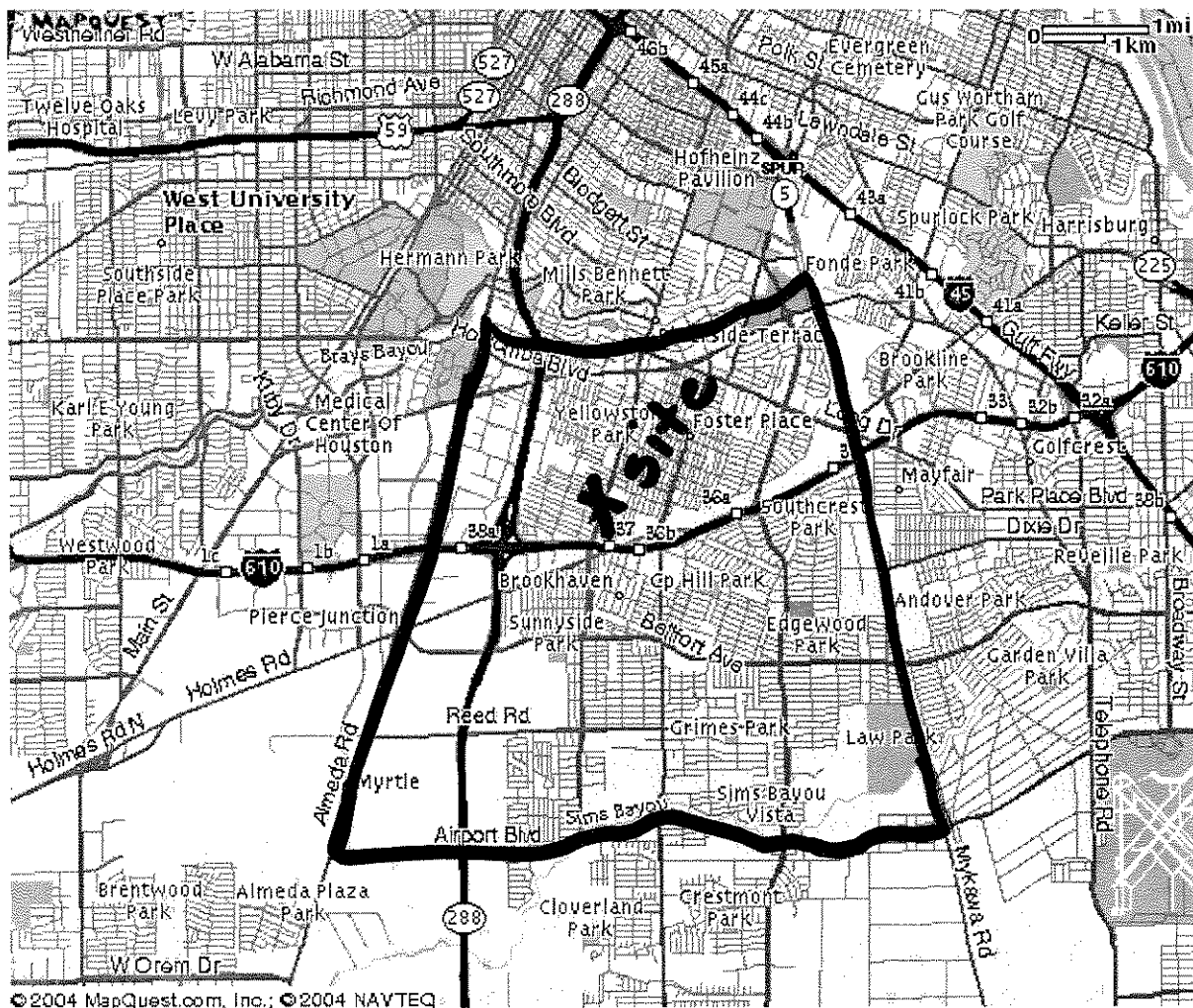
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Old Spanish Trail Community Partnership Boundaries

Old Spanish Trail Community Partner 3

3746 Charleston

Houston, Texas 77021

(713) 748-4679 Phone

(713) 748-0493 Fax

Teddy A. McDavid, Ed.D.
President

Amanda Caldwell
Vice President

Betty Thomas
Secretary

Ali Ashan
Treasurer

March 5, 2004

Texas Department of Housing and Community Affairs
Attn: Director of Multifamily Finance Production Division
(Neighborhood Input)
P.O. Box 13941
Austin, Texas 78711-3941

Re: South Union Place Apartment, 7210 Scott Street, Houston, Texas 77021

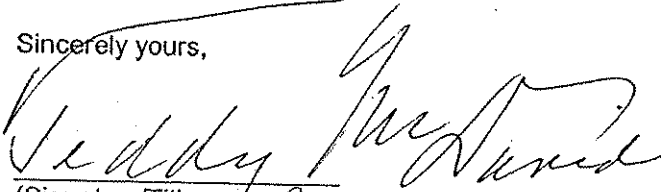
Dear Sir or Madame:

We are writing on behalf of the Old Spanish Trail Community Partnership as its duly elected President to express our support for the development of South Union Place Apartments, a proposed 125 unit elderly housing community. There is a definite shortage of high affordable rental housing in our area, especially targeting senior citizens. We are familiar with the developer group proposing this project, and have been impressed by their previous housing projects. We also feel that the South Union Place Apartments will contribute significantly to the commercial revitalization of the surrounding neighborhood.

The Old Spanish Trail Community Partnership is a coalition of 52 civic clubs and sixty-seven businesses organized to promote economic development along the OST corridor of Houston and surrounding neighborhoods, including Scott Street corridor in and around Loop 610 south. This includes all of zip code 77021. Our organization has a total of 52 presidents, representing civic clubs and sixty-seven business owners. All of our officers, including myself as President, are elected. Attached is a copy of our certificate of incorporation as further evidence of our formal status.

We urge you to support the application for developing South Union Place Apartments. Please let me know if you have questions or if we can provide additional information.

Sincerely yours,


(Signature/Title)
President

SOUTH UNION PLACE

HOSTED PUBLIC MEETING

THURSDAY, FEBRUARY 19, 2004

Attendees:

(PLEASE PRINT)

	Name	Address	Civic Club (if applicable)
1	Rev. J. L. Brown	6731 Scott St, Houston, TX 77021	
2	Anthony Bynum	15906 Kenbrook Dr, TX 77489	
3	Messias Howard	4701 Anderson Rd 192	
4	JOHN BARINEAU	800 BERING, Hm 77057	
5	Julie Jackson	800 Bering Dr. Houston 77057	
6	Marije J. Hall	8017 Parnell St Houston, TX 77051	Sunnyside Civic Cl.
7	Ernie A. Moore	2245 Scott St Hw. TX 77021	
8	W. Buddy McWor	3746 Charleston	
9	William Johnson	4227 DACCA/HOO, TX, 77047	
10	Charles X. White	8607 MLK 77047	Sunny Side Plaza Sugar Mfg.
11	Gertrude Hughes-Jewenson	3654 Rebecca 77021	South Union Civic Club

12	DN 21st Club	4406 Pinet ST 7765	SunSide Civi Club
13	Julian Fuller	3819 Luca 77021	Scott Terrace CC President
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DOROTHY A. RULL, CSR
REGISTERED PROFESSIONAL REPORTER



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HOUSTON, TEXAS 77006-5203
AARI@ALLIEDADVANCEDREPORTING.COM
PH: 713.524.6777 - FAX: 713.524.6888
TOLL FREE: 800.223.9409

30	Karen Barnes	4939 Ridge Harbor Dr	Houston, TX. 77053
31	Dianne Anderson	4002 Corder St.	Houston, TX. 77021
32	Inogene Jenkins	8117 Cornal St	Houston TX 77051
33	Beadie Cooper	3509 Mt. Pleasant	Houston TX 77021
34	Willie Alexander	50 Birch Hollow Suite 320	77027
35	Jude Nash	3512 Sealbrook St 77024	Houston TX 77024
36	Margaret Johnson	3541 Dreyfus St. 77021	Houston TX. 77021
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The State of Texas
Secretary of State

CERTIFICATE OF INCORPORATION
OF

OLD SPANISH TRAIL COMMUNITY PARTNERSHIP
CHARTER NUMBER 01564943

THE UNDERSIGNED, AS SECRETARY OF STATE OF THE STATE OF TEXAS,
HEREBY CERTIFIES THAT THE ATTACHED ARTICLES OF INCORPORATION FOR THE
ABOVE NAMED CORPORATION HAVE BEEN RECEIVED IN THIS OFFICE AND ARE
FOUND TO CONFORM TO LAW.


ACCORDINGLY, THE UNDERSIGNED, AS SECRETARY OF STATE, AND BY VIRTU
OF THE AUTHORITY VESTED IN THE SECRETARY BY LAW, HEREBY ISSUES THIS
CERTIFICATE OF INCORPORATION.

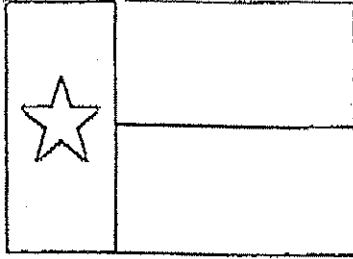
ISSUANCE OF THIS CERTIFICATE OF INCORPORATION DOES NOT AUTHORIZE
THE USE OF A CORPORATE NAME IN THIS STATE IN VIOLATION OF THE RIGHTS O
ANOTHER UNDER THE FEDERAL TRADEMARK ACT OF 1946, THE TEXAS TRADEMARK L
THE ASSUMED BUSINESS OR PROFESSIONAL NAME ACT OR THE COMMON LAW.

DATED JAN. 6, 2000

EFFECTIVE JAN. 6, 2000




Elton Bomer, Secretary of State



South Union Civic Club

Dorothy Hughes - Stevenson, President
Ola. M. West, Vice President
Linda Manuel - Nash, Secretary

RECEIVED
JUL 14 2004
EXECUTIVE
July 13, 2004

Ms. Elizabeth Anderson, Board Chairman
Texas Department of Housing and Community Development
507 Sabine
Austin, TX 78711

Re: South Union Place TDHCA #04024 / Quantifiable Community Support Points

Dear Ms. Anderson:

I understand that TDHCA has determined that my previous letter supporting South Union Place Apartments failed to meet TDHCA's scoring requirements based on (1) Insufficient documentation was provided to show that our organization's boundaries include the proposed development site and (2) Our letter did not provide our support for the project. This letter is to clarify our earlier letter and request further consideration.

Attached is a copy of our letter to TDHCA dated March 17, 2004 stating the boundaries of our civic club as "...the area starting where Alice Street meets Scott Street, to the 610 Loop, then up the feeder to Bacon Street and back north along Hwy. 288 to Alice Street". This letter also states, "Our civic club boundaries include the South Union Place Apartments." Enclosed is a map showing our club's boundaries which clearly reconfirms these boundaries include the proposed development site.

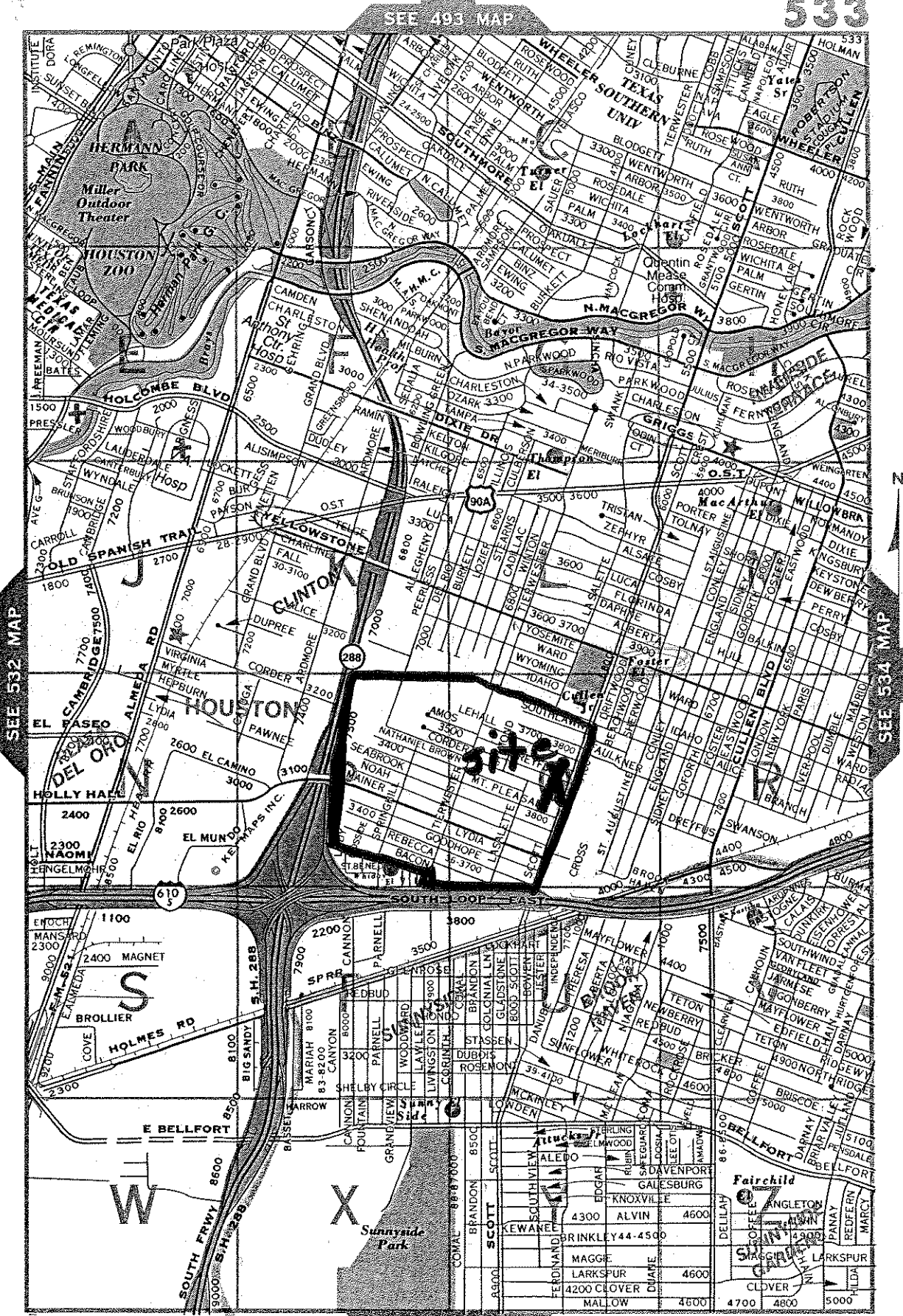
The decision of our civic club to support this project came from members attending the public meeting on the project held on Thursday, February 19, 2004 at St. Mary's United Methodist Church. After this meeting was concluded, key members of our club held a side meeting to determine a consensus of support for the project due to the growing number of senior citizens and their need for affordable housing.

Please give me a call at (713) 748-1999 if you have any questions.

Sincerely yours,

Dorothy Hughes-Stevenson
Dorothy Hughes-Stevenson
President

3654 Rebecca St - Houston, Texas 77021-6133
713-748-1999 > E-Mail dotleeste@aol.com



SEE 532 MAP

SEE 534 MAP

South Union Civic Club Boundaries

Executive Director's Response



WWW.TDHCA.STATE.TX.US

July 20, 2004

John N. Barineau, III
South Union Limited Partnership
800 Bering Dr., Suite 4
Houston, TX 77057
Telephone: (713) 425-2960
Fax: (713) 917-0965

**Re: Response to appeal received July 5, 2004
South Union Place TDHCA Project No. 04024**

Dear Mr. Barineau:

Appeal Review

I have carefully reviewed the application you submitted, as well as your appeal that we received on July 5, 2004 on the above-referenced development, regarding the eligibility of your application to receive seven pre-application points.

The pre-application you submitted included seven pre-application points in the self score portion of the application. However, your full application submitted to the Department did not include seven pre-application points. In your appeal you assert that you forfeited these points in lieu of requesting fifteen points for transitional housing at full application. Although the Department recognizes that you may not have made the same decision had you known that the Attorney General would rule in a way that would reduce these points, the Department cannot award you points that you did not apply for in your application.

Appeal Determination

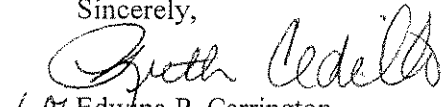
Because of the above-mentioned reason, the appeal is denied.

Section 50.18(b)(4) of the 2004 QAP states that if you are not satisfied with this response to your appeal, you may appeal directly in writing to the Board of the Texas Department of Housing and Community Affairs. Please note that an appeal filed with the Board must be received by the Board before the third day preceding the date of the Board meeting at which the relevant commitment decision is expected to be made. You will be eligible to file an appeal with the Board for the July 28, 2004 Board meeting. You must file your appeal with the Department no later than 5:00 p.m., Thursday, July 22, 2004; however, you are strongly encouraged to file your appeal by 5:00 p.m. July 21, 2004.

Mr. John Barineau III
July 20, 2004

If you have questions or comments, please call (512) 475-3340.

Sincerely,


for Edwina P. Carrington
Executive Director

EPC/BLB/MFMU

 *** TX REPORT ***

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WWW.TDHCA.STATE.TX.US

July 20, 2004

.....
 RICK PERRY
 Governor

John N. Barineau, III
 South Union Limited Partnership
 800 Bering Dr., Suite 4
 Houston, TX 77057
 Telephone: (713) 425-2960
 Fax: (713) 917-0965

EDWINA P. CARRINGTON
 Executive Director

BOARD MEMBERS
 Elizabeth Anderson, Chair
 Shadrick Bogany
 C. Kent Conine
 Vidal Gonzalez
 Patrick R. Gordon
 Norberto Salinas

Re: Response to appeal received July 5, 2004
South Union Place TDHCA Project No. 04024

Dear Mr. Barineau:

Appeal Review

I have carefully reviewed the application you submitted, as well as your appeal that we received on July 5, 2004 on the above-referenced development, regarding the eligibility of your application to receive seven pre-application points.

The pre-application you submitted included seven pre-application points in the self score portion of the application. However, your full application submitted to the Department did not include seven pre-application points. In your appeal you assert that you forfeited these points in lieu of requesting fifteen points for transitional housing at full application. Although the Department recognizes that you may not have made the same decision had you known that the Attorney General would rule in a way that would reduce these points, the Department cannot award you points that you did not apply for in your application.

Appeal Determination

Because of the above-mentioned reason, the appeal is denied.



WWW.TDHCA.STATE.TX.US

June 28, 2004

RICK PERRY
Governor

EDWINA P. CARRINGTON
Executive Director

BOARD MEMBERS
Elizabeth Anderson, Chair
Shadrick Bogany
C. Kent Conine
Vidal Gonzalez
Patrick R. Gordon
Norberto Salinas

John Barineau, III
South Union Place Limited Partnership
800 Bering Drive, Suite 410
Houston, TX 77057
Telephone: (713) 425-2960
Fax: (713) 917-0965

Re: Response to appeal received June 14, 2004
South Union Place Apartments TDHCA Project No. 04024

Dear Mr. Barineau:

Appeal Review

I have carefully reviewed the application you submitted, as well as your appeal that we received on June 14, 2004 on the above-referenced Development, regarding the eligibility of your application to receive points for Quantifiable Community Support and Low Income Targeting Points.

Regarding your appeal for Quantifiable Community Participation ("QCP"), Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules ("QAP"), allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the Development noted above. Consistent with this section of the QAP, all letters regarding this Development were reviewed to determine if all submission requirements were met.

Unfortunately, the letter from South Union Civic Club did not meet the requirements to be scored. No documentation was provided in the letter that provided proof that the boundaries include the Development site, as required by this section of the QAP. Additionally, the letter failed to give a brief description of the process used to determine the members' position of support. Likewise, the letter from Old Spanish Trail Community Partnership was not eligible for the same two reasons. Additionally, it was not eligible because it was determined that it is not a "neighborhood organization," rather, it is a self described, "...coalition of 52 civic clubs and sixty-seven businesses organized to promote economic development..." of the area it serves. Therefore, the organization is not a "neighborhood organization" within the meaning of the requirement.

(2)

(need corrected pg.)

These ~~pts~~
not
intended
for
#04024

Regarding your appeal for Low Income Targeting Points, in your appeal you assert that the 2004 Qualified Allocation Plan ("QAP") is specific in its directions and that it should be interpreted so that no more than 15% of the low income units can be designated for people at 40% of AMGI (not including 30% units). As you know, on December 16, 2003, the Department released the ~~2004 Qualified Allocation Plan and Rules (QAP) Frequently Asked Questions & Answer~~ (the "Q&A") document. It was posted both to the Department's website and electronically mailed to the Department's extensive contact list. As you recognize in your appeal, this published set of Q&A presented a response to a hypothetical that addressed very point mentioned above. In the response, the Department clarified the 2004 QAP by stating that units at 30% of AMGI should be considered in the calculations mentioned in your appeal.

While you assert in your appeal that the Department's language released in the Q&A is, "contrary to the clear language of the 2004 QAP," many other 2004 Housing Tax Credit ("HTC") applicants did not feel that the language was clear, and requested clarification in the Q&A. The Department answered with clear guidance in the Q&A. Once released, most of the 2004 HTC Applicants calculated their scores as required by the Department's clarification in the Q&A. In fact, out of the 126 active HTC Applications that requested points for this particular point item, only 16 Applicants did not calculate the item as instructed in the Q&A. If the Department were to have interpreted this item as you suggest in your appeal, 110 Applicants would have lost points, rather than 16.

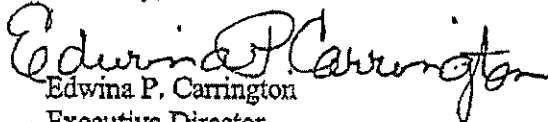
Appeal Determination

Because of the reasons above, your appeal denied.

Section 50.18(b)(4) of the 2004 QAP states that if you are not satisfied with this response to your appeal, you may appeal directly in writing to the Board of the Texas Department of Housing and Community Affairs. Please note that an appeal filed with the Board must be received by the Board before the seventh day preceding the date of the Board meeting at which the relevant commitment decision is expected to be made. To have an appeal considered by the Board at the July 8 Board meeting, the appeal must be received by Delores Groneck, Board Secretary, no later than June, although it is strongly suggested that you submit it by June 29, 2004.

If you have questions or comments, please call (512) 475-3340.

Sincerely,


Edwina P. Carrington
Executive Director

EPC/BLB/MFMU

EXECUTIVE DIRECTOR'S
ACTION ITEM

DATE: July 20, 2004

(please highlight if applicable)

RUSH

ITEM: Appeal Response South Union Place TDHCA Project No. Staff to Contact: Jennifer Joyce
04024

Phone No: 5-3995

BACKGROUND: An appeal was received July 5, 2004. In accordance with the Appeals Policy in the QAP, a response from the Executive Director must be provided by today at 5:00 pm.


PROPOSAL: Please review the attached appeal response letter.

ACTION REQUESTED: Please sign this action item and the appeal response letter.

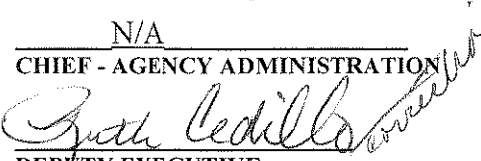
ATTACHMENTS:

- Appeal letter for signature.
- Copy of appeal

APPROVED BY:


DIVISION DIRECTOR

N/A
CHIEF - AGENCY ADMINISTRATION


DEPUTY EXECUTIVE
DIRECTOR - PROGRAMS

N/A
DIRECTOR OF HOUSING
CENTER


REVIEWING ATTORNEY 7/20

GENERAL COUNSEL


EXECUTIVE DIRECTOR

7/20/04
DATE APPROVED

COMMENTS:

Executive Director's Appeal

South Union Place Limited Partnership

800 Bering Drive, Suite 410, Houston, TX 77057 Phone: (713) 425-2960 Fax: (713) 917-0965

July 5, 2004

Via Fax and Email

Ms. Edwina Carrington
Executive Director
Texas Department of Housing
And Community Affairs
501 Sabine, Suite 400
Austin, Texas 78711-3941

Ref: South Union Place Apartments
HTC Application #04024

Dear Ms. Carrington:

This is to appeal TDHCA's revised scoring on the reference project posted on June 28, 2004, which reduced its total points from 153 to 134 due to the recent Attorney General opinion. Under the new point system, this application would have been and now should be eligible for restoration of the seven (7) points provided by the QAP for Pre-Application submission.

Our Pre-Application submitted in January, 2004 projected a self score of 139 points. Due to the 15 points attributable to adding a 25% transitional housing component in our final application, we were compelled to select "Option B" in Tab 4P, thereby forfeiting the seven (7) Pre-Application points. The additional 15 points exceeded the 5% limit allowed by the QAP for changes in point scoring from the Pre-Application to Final Application. Based on TDHCA's subsequently announced Pre-Application scores of other applications, we reasoned and concluded at the time that the net addition of eight (8) points in the final Application (15 transitional points minus 7 Pre-Application points) was a reasonable trade-off and incentive to increase the application's competitiveness.

Now, in view of the after the fact point reduction for 25% transitional housing from 15 to 5 points (resulting from the AG opinion) the Pre-Application scoring calculus has changed dramatically. The new point scores for Housing Needs in Houston (from 13 to 5) and for mixed income (from 8 to 7) would result in our original Pre-Application, as submitted, being re-scored from 139 to 130 points (9 fewer points) as the revised "Pre-Application benchmark". Adding five (5) points more for the new transitional housing feature instead of 15 would not exceed the 5% variation allowed from the Pre-Application to the Final Application. And we, unquestionably, would chose, or would have chosen, "Option A" in Tab 4P to maintain eligibility for the seven (7) Pre-Application points.

Accordingly, this is to appeal and request that the project's current scoring be increased from 134 points to 141 points to reflect the restoration of our eligibility under the QAP to retain the seven (7) Pre-Application points.

Incidentally, and in retrospect, had it been known that changing plans to include a 25% transitional housing element would provide only five (5) additional points, it is likely that we would not have added this component in the Final Application. And in that case, we would also have preserved our seven (7) Pre-Application points. The supporting community leaders, the City of Houston (source of local funding) and we, the developers, preferred in fact, to develop a "pure" elderly project without transitional units. However, due to the community's strong support for elderly housing, all the parties were prepared (based on the original 15 transitional points) to compromise this desire to increase chances for obtaining a tax credit award. *(Please note that last year's application for elderly housing on this same site fell short on points).*

Thank you for your consideration of this appeal.

Sincerely,



Pamela P. Barineau,
President, Scott Street Group, LLC
Managing General Partner

cc: Willie J. Alexander
John N. Barineau, III

South Union Place Limited Partnership

Home Office:
800 Bering Drive, Suite 410
Houston, TX 77057

Phone: (713) 425-2960
Fax: (713) 917-0965

June 10, 2004

FEDERAL EXPRESS OVERNIGHT

Ms. Edwina Carrington, Executive Director
Texas Department of Housing and Community Development
507 Sabine
Austin, TX 78711

Re: South Union Place Apartments TDHCA #04024
Appeal on Quantifiable Community Support Points (QCP)

Dear Ms. Carrington:

This is to appeal and request TDHCA reconsider the points awarded to the South Union Place Application regarding QCP. As indicated in the June 7, 2004 scoring log this project received zero points in this category.

Nine letters of support from a variety of neighborhood organizations, local community leaders and pastors in the surrounding neighborhood of the proposed project site were submitted to TDHCA on April 23, 2004. The majority of these organizations were identified as a result of and from the responses obtained from the Harris County Clerk and City of Houston Secretary as required for notification pursuant to subparagraph (B) (ii) (I) on page 23 of 56 of the QAP. As evidenced by the copies of both the County and City Clerk's responses included in Tab 3D of our application, and as declared by us in said Tab 3D, neighborhood organizations in Harris County generally are not recorded with the county but listed or recorded with the City of Houston. Consequently we obtained the list from the city (also enclosed in Tab 3D) and notified all organizations within the project site zip code and zip codes within a one half mile of the proposed site.

Although not all organizations writing letters were documented as registered with the "county or state" as referenced in the QAP, and/or have boundaries containing the project site, the following specific organizations and the letters they wrote do in fact meet these registration and boundary requirements as well as meet the other criteria specified for scoring consideration as set forth in subparagraph (g) (2) on page 28 of 56 of the QAP:

1. South Union Civic Club letter from President, Dorothy Hughes-Stevenson dated March 17, 2004. Ms. Hughes-Stevenson's letter stated clearly her group's purpose as a neighborhood organization; included an attachment of her organization's Assumed Name Certificate filed with Harris County confirming its registration with the county; stated clearly its number of members; gave a brief description of how she as president was elected; defined its boundaries and confirmed that its boundaries included the project site; and stated concisely the reasons for support of the project. By contrast, however, your letter dated June 7,

2004 to Ms. Hughes-Stevenson, states that TDHCA declined to give points for this letter on the grounds that in TDHCA's view her letter (a) failed to state that the boundaries included the project site and (b) failed to quantify the number of members of the organization and/or the process for electing Ms. Hughes-Stevenson. Please have your staff reread and reconsider this letter for points.

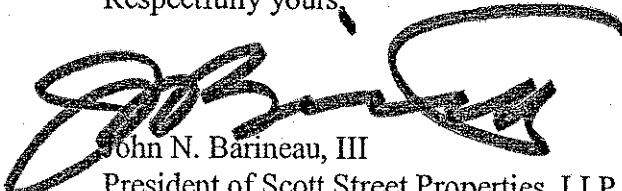
2. Old Spanish Trail Community Partnership letter from President, Teddy McDavid, dated March 5, 2004. Dr. McDavid's letter clearly stated her group's purpose as a coalition of 52 local civic clubs and 67 local businesses organized to promote neighborhood development in the surrounding area of the project; included an attachment of her organization's filing and registration with the Texas Secretary of State; clearly stated the number of civic clubs and businesses who are members of the organization; gave a brief description that she as president was elected by the members; defined its boundaries and confirmed its boundaries include all of zip code 77021 (which is the same zip code as the project site); and states concisely the reasons for support of the project. By contrast, however, your letter dated June 7, 2004 to Dr. McDavid, stated that TDHCA declined to give points for this letter on the grounds that the letter (a) failed to give sufficient documentation to show that the organization's boundaries include the proposed site; (b) failed to provide either the total number of members of the organization and/or a brief description of the process used to determine the member's position; and (c) failed to give sufficient documentation that the organization is a neighborhood organization. Please reread and reconsider this letter for points.

Enclosed for your convenience are copies of the letters noted above from Ms. Hughes-Stevenson and Dr. McDavid with attachments as submitted and acknowledged by TDHCA receipt dated on April 23, 2004.

In reviewing the TDHCA scoring log, we see that TDHCA has actually given a full 12 points for even one QCP letter written in support of certain developments. While we have not examined the letters on the other projects, to compare the content to our own letters noted above, we feel that the nature and content of one or both of the aforementioned specific letters supporting our project are fully consistent and in compliance with the QAP language and should be given full score.

Thank you for your consideration and please let me know if you have any further questions.

Respectfully yours,



John N. Barineau, III
President of Scott Street Properties, LLP
Administrative General Partner

cc: Brooke Boston. (TDHCA)
Willie J. Alexander (Scott Street Group, LLC)
Pamela P. Barineau (Scott Street Group, LLC)

QCP Documentation



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

Dorothy Hughes-Stevenson
South Union Civic Club
3654 Rebecca St.
Houston, TX 77021

RE: Neighborhood Input on 2004 Housing Tax Credit Application South Union Place
TDHCA Number: 04024

Attention: Dorothy Hughes-Stevenson

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

Insufficient documentation was provided to show that the organization's boundaries include the proposed development site.

Your letter did not provide either the total number of members of the organization or a brief description of the process used to determine the members' position, or did not provide both.

While your letter will not be scored, your comments will still be summarized and provided to the Governing Board of the Department as they make decisions regarding which applications will receive an allocation of credits. You are also welcome to provide public comment at the Board's meetings on these developments which take place on June 28, 2004 and July 28, 2004 in Austin. If you have any questions, please do not hesitate to contact the Department at 512.475.3800. Also, on Friday June 18, 2004 at 10:00 a.m. the Department will conduct an Open Forum at it's office in Austin. If you have any questions or comments about the evaluation of your letter you are invited to attend this forum.

Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

Teddy A. McDavid
Old Spanish Trail Community Partnership
3746 Charleston
Houston, TX 77021

RE: Neighborhood Input on 2004 Housing Tax Credit Application South Union Place
TDHCA Number: 04024

Attention: Teddy A. McDavid

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

Insufficient documentation was provided to show that the organization's boundaries include the proposed development site.

Your letter did not provide either the total number of members of the organization or a brief description of the process used to determine the members' position, or did not provide both.

Insufficient documentation was provided to show that the organization is a 'neighborhood organization' within the meaning of this requirement.

While your letter will not be scored, your comments will still be summarized and provided to the Governing Board of the Department as they make decisions regarding which applications will receive an allocation of credits. You are also welcome to provide public comment at the Board's meetings on these developments which take place on June 28, 2004 and July 28, 2004 in Austin. If you have any questions, please do not hesitate to contact the Department at 512.475.3800. Also, on Friday June 18, 2004 at 10:00 a.m. the Department will conduct an Open Forum at it's office in Austin. If you have any questions or comments about the evaluation of your letter you are invited to attend this forum.

Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division

Old Spanish Trail Community Partner

3746 Charleston

Houston, Texas 77021

(713) 748-4679 Phone

(713) 748-0493 Fax

Teddy A. McDavid, Ed.D.
President

Amanda Caldwell
Vice President

Betty Thomas
Secretary

Ali Ashan
Treasurer

March 5, 2004

Texas Department of Housing and Community Affairs
Attn: Director of Multifamily Finance Production Division
(Neighborhood Input)
P.O. Box 13941
Austin, Texas 78711-3941

Re: South Union Place Apartment, 7210 Scott Street, Houston, Texas 77021

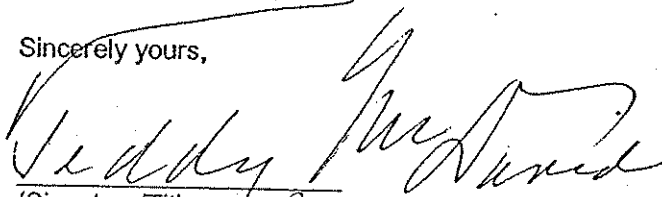
Dear Sir or Madame:

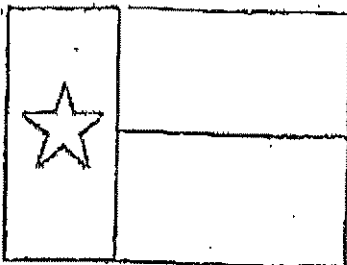
We are writing on behalf of the Old Spanish Trail Community Partnership as its duly elected President to express our support for the development of South Union Place Apartments, a proposed 125 unit elderly housing community. There is a definite shortage of high affordable rental housing in our area, especially targeting senior citizens. We are familiar with the developer group proposing this project, and have been impressed by their previous housing projects. We also feel that the South Union Place Apartments will contribute significantly to the commercial revitalization of the surrounding neighborhood.

The Old Spanish Trail Community Partnership is a coalition of 52 civic clubs and sixty-seven businesses organized to promote economic development along the OST corridor of Houston and surrounding neighborhoods, including Scott Street corridor in and around Loop 610 south. This includes all of zip code 77021. Our organization has a total of 52 presidents, representing civic clubs and sixty-seven business owners. All of our officers, including myself as President, are elected. Attached is a copy of our certificate of incorporation as further evidence of our formal status.

We urge you to support the application for developing South Union Place Apartments. Please let me know if you have questions or if we can provide additional information.

Sincerely yours,


(Signature/Title)
President



South Union Civic Club

Dorothy Hughes - Stevenson, President

Ola. M. West, Vice President

Linda Manuel - Nash, Secretary

March 17, 2004

Texas Department of Housing and Community Affairs
Attention: Director of Multifamily Finance Production Division
(Neighborhood Input)
800 Bering Drive, Suite 410
Houston, Texas 77057

Re: *South Union Place Apartments, 7210 Scott Street
Houston, TX 77021*

Dear Sirs:

I am writing to support the construction of South Union Place Apartments. I am the duly elected President of South Union Civic Club, which is a registered civic organization with the City of Houston. Attached is a copy of our organization's registration certificate. Our President must be elected or re-elected to serve a two year term.

Our group has forty-five active members and our boundaries include the area starting where Alice Street meets Scott Street, to the 610 Loop, then up the feeder to Bacon Street and back north along Hwy 288 to Alice Street. Our civic club's boundaries include the South Union Place Apartments.

Our civic club's mission is to work together to improve the quality of our community. We believe South Union Place Apartments would be a very positive addition to our neighborhood by providing needed housing for senior citizens.

Please contact me at (713) 748-1999 if I can provide more information.

Sincerely,

Dorothy Hughes - Stevenson
Dorothy Hughes-Stevenson
President

3654 Rebecca St - Houston, Texas 77021-6133
713-748-1999 > E-Mail dotleeste@aol.com

MULTIFAMILY FINANCE PRODUCTION DIVISION
BOARD ACTION REQUEST
July 28, 2004

Action Item

Appeal the final score and the denial of Quantifiable Community Participation (QCP) points of one 2004 Housing Tax Credit (HTC) Application.

Requested Action

Issue a determination on the appeal.

Background and Recommendations

I. Los Milagros Apartments, #04032

The Applicant submitted an appeal to the Executive Director on June 10, 2004, disputing the denial of Quantifiable Community Participation (QCP) points for the Application. The Applicant requested an award of the one-point statewide average for communities without neighborhood organizations. On June 24, 2004, the Executive Director responded to the appeal stating that in order to be eligible for the point, the Development must not have received any QCP letters. Because nine letters were received for this Development, the Application was ineligible for the one point requested. It should be noted that while the Applicant initially appealed to the Executive Director for the average QCP point award because none of the Applicant's QCP letters were eligible, the Applicant has now submitted an appeal to the Board, appealing the eligibility of the letters. This appeal was submitted July 13, 2004. Additionally, the Applicant submitted an appeal to the Board on July 16, 2004, regarding the final score of the Application. This Board appeal also included a request to reconsider a decision regarding another Applicant. However, pursuant to Section 50.18(b)(2) of the 2004 Qualified Allocation Plan ("QAP"), an applicant cannot appeal a decision by the Department on behalf of another applicant.

Relevant documentation related to this appeal is provided behind the Board Action Request.

Applicant:	Los Milagros Apartments L.P.
Site Location:	3600 Block of E. Mile 8 North
City/County:	Weslaco/Hidalgo County
Regional Allocation Category:	Urban/Exurban
Set-Aside:	General
Population Served:	Family
Region:	11
Type of Development:	New Construction
Units:	160
Credits Requested:	\$1,002,175

Staff Recommendation:

The Executive Director denied the original appeal. Staff is recommending that the Board also deny the appeal of the termination.

Board Appeal

LOS MILAGROS APARTMENTS
17336 W. Little York Road
Houston, Texas 77084
(281) 550-7111
(281) 550-1941

RECEIVED
JUL 13 2004
LIHTC

July 12, 2004

Brook Boston
TDHCA
507 Sabine, Suite 300
Austin, Texas 78701

Re: TDHCA# 04032, Los Milagros Apartments

Dear Ms. Boston:


This letter is to notify you that the Los Milagros Apartments L.P. is appealing the states scoring for points on the neighborhood organizations for the referenced project TDHCA # 04032 in Weslaco, TX. We intend to seek a change in the scoring by the TDHCA board of directors at the next meeting. Under the statue of the law we feel that these neighborhood organizations meet the criteria for scoring. The following neighborhood organizations are listed below:

La Estancia Apartments Neighborhood Organization
Pueblo de Paz Apartments Neighborhood Organization
Island Palms Apartments Neighborhood Organization
La Herencia Apartments Neighborhood Organization
El Patrimonio Apartments Neighborhood Organization
El Pueblo Dorado Apartments Neighborhood Organization
Padre De Vida Apartments Neighborhood Organization
Amistad Apartments Neighborhood Organization

★ { Furthermore we are appealing the decision of the board on the July 8, 2004 board meeting to restore the 6 points for the Las Canteras Apartments TDHCA #04037 in Pharr Texas. In our opinion the board violated the requirements of the QAP by allowing there points to be restored based on the fact that the applicant had a malfunctioning tape recorder and did not submit the required transcript of the meeting. Also we are protesting points for the Los Milpus residence council neighborhood organization letter of support defining there boundaries and including the map defining the boundaries, if this map was not supplied in the original application we are asking the board to reverse the decision on giving them the points. }

If you have any questions, please feel free to contact me at (281) 550-7111 ext. 102.

Thank you,


Rowan Smith
Los Milagros Apartments

Executive Director's Response

04032



WWW.TDHCA.STATE.TX.US

June 24, 2004

Rowan Smith
Los Milagros Apartments L.P.
17336 W. Little York Road
Houston, TX 77084
Telephone: (281) 550-7077
Fax: (281) 550-1941

**Re: Response to appeal received June 14, 2004
Los Milagros Apartments TDHCA Project No. 04032**

Dear Mr. Smith:

Appeal Review

I have carefully reviewed the application you submitted, as well as your appeal that we received on June 10, 2004 on the above-referenced development, regarding the eligibility of your application to receive points for Quantifiable Community Participation (QCP) under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP).

As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, nine letters regarding your Development were reviewed to determine if all submission requirements were met. None of the nine letters met the requirements to be scored.

In your appeal, you request, "the 1 point given for community participation." In speaking with Katinna Livingston from your office in a telephone call yesterday, it was determined that the one point you are requesting is the point that was the final average number of QCP points received by all Applications who met the requirements of §50.9(g)(2)(C)(i). Unfortunately, in order to be eligible for the point, your Development must have received no QCP letters. The nine letters received for the Development makes this application ineligible for the one point requested.

Appeal Determination

Because of the reasons above, your appeal is denied.

.....
RICK PERRY
Governor

EDWINA P. CARRINGTON
Executive Director

BOARD MEMBERS
Elizabeth Anderson, Chair
Shadrick Bogany
C. Kent Conine
Vidal Gonzalez
Patrick R. Gordon
Norberto Salinas

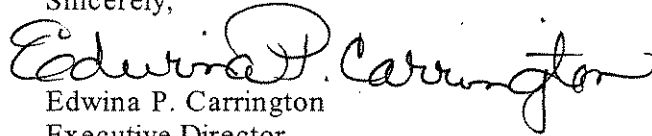
Mr. Rowan Smith
June 24, 2004

Section 50.18(b)(4) of the 2004 QAP states that if you are not satisfied with this response to your appeal, you may appeal directly in writing to the Board of the Texas Department of Housing and Community Affairs. Please note that an appeal filed with the Board must be received by the Board before the seventh day preceding the date of the Board meeting at which the relevant commitment decision is expected to be made. To have an appeal considered by the Board at the July 8 Board meeting, the appeal must be received by Delores Groneck, Board Secretary, no later than July 2, although it is strongly suggested that you submit it by June 28, 2004.

For additional questions as to how QCP was scored, please see the attached, "Introductory Statement for Housing Tax Credit Application Scoring Log-Revised June 16, 2004".

If you have questions or comments, please call (512) 475-3340.

Sincerely,


Edwina P. Carrington
Executive Director

EPC/BLB/MFMU



2004 HTC APPLICATION CYCLE

Introductory Statement for Housing Tax Credit Application Scoring Log - Revised June 16, 2004

THE BELOW STATEMENT WAS REVISED AS IT RELATES TO THE CALCULATION OF QCP POINTS AND LETTERS.

Following this statement is a Housing Tax Credit Application Scoring Log that reflects final scores as of Monday, June 7, 2004. The log does not include any applications that have been withdrawn or terminated. Several applications (as noted) show their requested score, in lieu of the final score, because the application is still under review and pending receipt of additional information. For those showing a final score, the final score includes points awarded for letters of support or opposition from state senators and representatives. Additionally, it includes points awarded for Quantifiable Community Participation (QCP). Below is a brief description of how the QCP scores were calculated by the Department.

The scores on the log do not reflect point deductions that may still be made for extensions on construction loan closings for 2003 applications consistent with Section 50.9(g)(18)(A) of the QAP. The scores also do not reflect possible point losses that may occur from applications that were awarded points for targeting units at 30% of AMGI or leveraging, consistent with Section 50.9(g)(13) or (14), and for which no evidence of a funding source is provided to the Department by June 14, 2004.

Description of Calculation of QCP Scores

Consistent with §50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP), the Executive Award and Review Advisory Committee ("the Committee") evaluated every letter received for consideration for QCP - there were 234 letters received giving input on 75 applications. This includes some letters that were not originally included in our review released on June 7, 2004, but that were submitted for evaluation under this item. Letters were first evaluated to determine if all of the submission requirements of the statute and QAP were satisfied. Of the 234 letters, 220 did not satisfy one or more of the submission requirements. While not an inclusive list, some examples of requirements that were not met include: the letter and enclosures not showing that the organization was on record with the state or county; the letter and enclosures not showing that the boundaries of the organization contain the proposed Development; the letter not providing the total number of members of the organization and/or a brief description of the process used to determine the members position; and the letter and enclosures not showing that the organization is a "neighborhood organization." The remaining 14 letters and enclosures (and other documentation received by the Department) were evaluated and assigned a score by the Committee, ranging from +12 to 0 to -1. Those 14 letters provided input scores for 13 applications - in other words, one application received two letters. The score assigned to each letter became the score for the application; in the case of the application for which two letters were scored, the score was calculated by taking the sum of the score for each letter.

The sum of the scores for these 14 letters totaled 91 points. The QAP states, "Applicants that accurately certify that they do not know of any neighborhood organizations that are on record with the state or county in which the Development is to be located and whose boundaries contain the proposed Development, and for which no letters were received, will be awarded the higher of zero points or the average number of points received by all Applications for this exhibit." Thus, those applications for which no letters were received and for which a certification was submitted, receive the average; there were 83 of these applications. Therefore, of 182 total applications received, less the 13 that were assigned a score and less the 83 getting the average, there are a remaining 86 applications - those that received a letter and those that did not have a certification - that received a zero. See calculation below:

Total Applications	182
Less Applications with Scored Letters	-13
Less Applications Receiving Average	<u>-83</u>
Applications Receiving Zero Points	86

In calculating the "average" for the group with no letters and a certification, the numerator is the number points awarded to all applications -- 91 points total as noted above. The denominator is the total number of applications (182) less the number of applications that had no letter and did have a certification (83) for a net denominator of 99. This population was removed because they are the group the average is being calculated for so they would not be used in the denominator. This calculation then yields an average score per application of 0.9191, which when rounded using basic mathematic principles, is a score of 1. Thus, the Applications that accurately certified that they do not know of any neighborhood organizations that are on record with the state or county in which the Development is proposed to be located and for which no letters were received are awarded the score of 1. See calculation below:

$$\frac{\text{Total Point Awarded}}{\text{Total \# Applications - Number to Receive Average}} = \frac{91}{182 - 83} = \frac{91}{99} = 0.9191 = 1$$

EXECUTIVE DIRECTOR'S
ACTION ITEM

DATE: June 24, 2004

(please highlight if applicable)

RUSH

ITEM: Appeal Response Los Milagros #04032

Staff to Contact: Brooke Boston

Phone No: 5-3296

BACKGROUND: An appeal was received June 10, 2004. In accordance with the Appeals Policy in the QAP, a response from the Executive Director must be provided by TODAY.

PROPOSAL: Please review the attached appeal response letter.

ACTION REQUESTED: Please sign this action item and the appeal response letter.

ATTACHMENTS:

- Appeal letter for signature.
- Copy of appeal

APPROVED BY:

~~N/A~~
DIVISION DIRECTOR

~~N/A~~
CHIEF - AGENCY ADMINISTRATION

→ *Ruth Cedillo*
DEPUTY EXECUTIVE
DIRECTOR - PROGRAMS

~~N/A~~
DIRECTOR OF HOUSING
CENTER

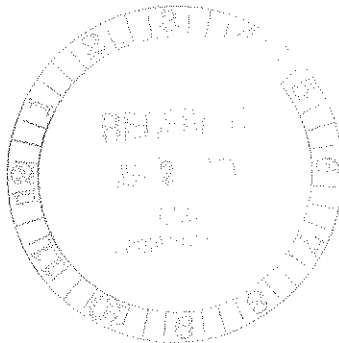
REVIEWING ATTORNEY

Ad 6/24/04
GENERAL COUNSEL

E. Parrington
EXECUTIVE DIRECTOR

6/24/04
DATE APPROVED

COMMENTS:



#04032

*** TX REPORT ***

TRANSMISSION OK

TX/RX NO 2237
CONNECTION TEL 92815501941
CONNECTION ID
ST. TIME 06/24 16:27
USAGE T 01.02
PGS. SENT 2
RESULT OK

#04032

Printed on recycled paper

507 SABINE-SUITE 400 ■ P.O. BOX 13941 ■ AUSTIN, TEXAS 78711-3941 ■ (512) 475-3800

Appeal Determination
Because of the reasons above, your appeal is denied.

In your appeal, you request, "the 1 point given for community participation." In speaking with Katrina Livingston from your office in a telephone call yesterday, it was determined that the one point you are requesting is the point that was the final average number of QCF points received by all Applications who met the requirements of §50.9(g)(2)(C)(i). Unfortunately, in order to be eligible for the point, your Development must have received no QCF letters. The nine letters received for the Development makes this application ineligible for the one point requested.

As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, nine letters regarding your Development were reviewed to determine if all submission requirements were met. None of the nine letters met the requirements to be scored.

I have carefully reviewed the application you submitted, as well as your appeal that we received on June 10, 2004 on the above-referenced development, regarding the eligibility of your application to receive points for Quantifiable Community Participation (QCP) under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP).

Appeal Review

Dear Mr. Smith:

Re: Response to appeal received June 14, 2004
Los Milagros Apartments TDHCA Project No. 04032

Los Milagros Apartments L.P.
17336 W. Little York Road
Houston, TX 77084
Telephone: (281) 550-7077
Fax: (281) 550-1941

Edwina P. CARINGTON
Executive Director
BOARD MEMBERS
Elizabeth Anderson, Chair
Shadrack Bogany
C. Kent Conline
Vidal Gonzalez
Patrick R. Gordon
Norberto Salinas

*** TX REPORT ***

TRANSMISSION OK

TX/RX NO	2238	
CONNECTION TEL		92815501941
CONNECTION ID		
ST. TIME	06/24 16:31	
USAGE T	01'06	
PGS. SENT	2	
RESULT	OK	



2004 HTC APPLICATION CYCLE

Introductory Statement for Housing Tax Credit Application Scoring Log - Revised June 16, 2004

THE BELOW STATEMENT WAS REVISED AS IT RELATES TO THE CALCULATION OF QCP POINTS AND LETTERS.

Following this statement is a Housing Tax Credit Application Scoring Log that reflects final scores as of Monday, June 7, 2004. The log does not include any applications that have been withdrawn or terminated. Several applications (as noted) show their requested score, in lieu of the final score, because the application is still under review and pending receipt of additional information. For those showing a final score, the final score includes points awarded for letters of support or opposition from state senators and representatives. Additionally, it includes points awarded for Quantifiable Community Participation (QCP). Below is a brief description of how the QCP scores were calculated by the Department.

The scores on the log do not reflect point deductions that may still be made for extensions on construction loan closings for 2003 applications consistent with Section 50.9(g)(18)(A) of the QAP. The scores also do not reflect possible point losses that may occur from applications that were awarded points for targeting units at 30% of AMGI or leveraging, consistent with Section 50.9(g)(13) or (14), and for which no evidence of a funding source is provided to the Department by June 14, 2004.

Description of Calculation of QCP Scores

Consistent with §50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP), the Executive Award and Review Advisory Committee ("the Committee") evaluated every letter received for consideration for QCP - there were 234 letters received giving input on 75 applications. This includes some letters that were not originally included in our review released on June 7, 2004, but that were submitted for evaluation under this item. Letters were first evaluated to determine if all of the submission requirements of the statute and QAP were satisfied. Of the 234 letters, 220 did not satisfy one or more of the submission requirements. While not an inclusive list, some examples of requirements that were not met include: the letter and enclosures not showing that the organization was on record with the state or county; the letter and enclosures not showing that the boundaries of

Executive Director's Appeal

RECEIVED
JUN 10 2004
LIHTC

LOS MILAGROS APARTMENTS
17336 W. Little York Road
Houston, Texas 77084
(281) 550-7111
(281) 550-1941

June 8, 2004

Brook Boston
TDHCA
507 Sabine, Suite 300
Austin, Texas 78701

Re: TDHCA# 04032, Los Milagros Apartments

Dear Ms. Boston:

This letter is an appeal to the final score for Los Milagros Apartments TDHCA#04032. On the final score sheet on the TDHCA web page I noticed we did not get our points for State Representative support letter and also State Senator support letter which was included in our application. We would like our points to be added in our final score for these letters. Also we would like to appeal the 1 point given for community participation. Can you please explain to us how this was calculated? I am attaching a copy of the two letters which was included in the application behind tab number 4B. If you have any questions please contact me at 281-550-7111 ext. 102.

points
reinstated
already!

Appeal is
only over

Thank you,


Rowan Smith

QCP Documentation



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

Carlos Flores
El Patrimonio Neighborhood Organization
2601 Sarah Ave.
McAllen, TX 78503

RE: Neighborhood Input on 2004 Housing Tax Credit Application Los Milagros
TDHCA Number: 04032

Attention: Carlos Flores

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

Insufficient documentation was provided to show that the organization is a 'neighborhood organization' within the meaning of this requirement.

While your letter will not be scored, your comments will still be summarized and provided to the Governing Board of the Department as they make decisions regarding which applications will receive an allocation of credits. You are also welcome to provide public comment at the Board's meetings on these developments which take place on June 28, 2004 and July 28, 2004 in Austin. If you have any questions, please do not hesitate to contact the Department at 512.475.3800. Also, on Friday June 18, 2004 at 10:00 a.m. the Department will conduct an Open Forum at it's office in Austin. If you have any questions or comments about the evaluation of your letter you are invited to attend this forum.

Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

Y. Sials

Island Palms Neighborhood Organization
302 S. Doolittle Rd.
Edinberg, TX 78539

RE: Neighborhood Input on 2004 Housing Tax Credit Application Los Milagros
TDHCA Number: 04032

Attention: Y. Sials

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

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Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

D. Gonzalez
Padre de Vida Neighborhood Organization
3900 S. Ware Rd.
McAllen, TX 78503

RE: Neighborhood Input on 2004 Housing Tax Credit Application Los Milagros
TDHCA Number: 04032

Attention: D. Gonzalez

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

Your letter did not provide either the total number of members of the organization or a brief description of the process used to determine the members' position, or did not provide both.

Insufficient documentation was provided to show that the organization is a 'neighborhood organization' within the meaning of this requirement.

While your letter will not be scored, your comments will still be summarized and provided to the Governing Board of the Department as they make decisions regarding which applications will receive an allocation of credits. You are also welcome to provide public comment at the Board's meetings on these developments which take place on June 28, 2004 and July 28, 2004 in Austin. If you have any questions, please do not hesitate to contact the Department at 512.475.3800. Also, on Friday June 18, 2004 at 10:00 a.m. the Department will conduct an Open Forum at it's office in Austin. If you have any questions or comments about the evaluation of your letter you are invited to attend this forum.

Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

Jessica Armendariz
El Pueblo Dorado Neighborhood Organization
901 East Thomas Rd.
Pharr, TX 78574

RE: Neighborhood Input on 2004 Housing Tax Credit Application Los Milagros
TDHCA Number: 04032

Attention: Jessica Armendariz

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

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Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

Betty Arevalo
La Herencia Neighborhood Organization
100 La Herencia Dr.
Mercedes, TX 78570

RE: Neighborhood Input on 2004 Housing Tax Credit Application Los Milagros
TDHCA Number: 04032

Attention: Betty Arevalo

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

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Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

Vanessa C.
Amistad Neighborhood Organization
202 W. South Avenue
Donna, TX 78537

RE: Neighborhood Input on 2004 Housing Tax Credit Application Los Milagros
TDHCA Number: 04032

Attention: Vanessa C.

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

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Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

Alexandra Balderas
Pueblo De Paz Neighborhood Organization
3401 N. Mayberry Rd.
Mission, TX 78574

RE: Neighborhood Input on 2004 Housing Tax Credit Application Los Milagros
TDHCA Number: 04032

Attention: Alexandra Balderas

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

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Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

Y. Garcia
La Estancia Neighborhood Organization
3601 E. Mile 8 N.
Mercedes, TX 78570

RE: Neighborhood Input on 2004 Housing Tax Credit Application Los Milagros
TDHCA Number: 04032

Attention: Y. Garcia

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

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Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

Gary Lenz
Rio Grande Habitat For Humanity
PO Box 4318
McAllen, TX 78502

RE: Neighborhood Input on 2004 Housing Tax Credit Application Los Milagros
TDHCA Number: 04032

Attention: Gary Lenz

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

Your letter was not addressed to the Department.

Your letter did not provide either the total number of members of the organization or a brief description of the process used to determine the members' position, or did not provide both.

Insufficient documentation was provided to show that the organization is a 'neighborhood organization' within the meaning of this requirement.

While your letter will not be scored, your comments will still be summarized and provided to the Governing Board of the Department as they make decisions regarding which applications will receive an allocation of credits. You are also welcome to provide public comment at the Board's meetings on these developments which take place on June 28, 2004 and July 28, 2004 in Austin. If you have any questions, please do not hesitate to contact the Department at 512.475.3800. Also, on Friday June 18, 2004 at 10:00 a.m. the Department will conduct an Open Forum at it's office in Austin. If you have any questions or comments about the evaluation of your letter you are invited to attend this forum.

Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division

ISLAND PALMS NEIGHBORHOOD ORGANIZATION

302 S. Doolittle Road
EDINBURG, TEXAS 78539
(956)386-0663 PHONE
(956) 386-0669 FAX

April 28, 2004

Texas Department of Housing & Community Affairs
Attn: Director of Multi-Family Finance Production
Division (Neighborhood Input)
507 Sabine, Suite 400
Austin, Texas 78701

RECEIVED
APR 29 2004
LIHTC

Re: TDHCA # 04032 Los Milagros Apartments- Weslaco, Texas
TDHCA # 04298 Paloma Blanca Apartments- Pharr, Texas
TDHCA # 04299 The Harvest Apartments- Mercedes, Texas

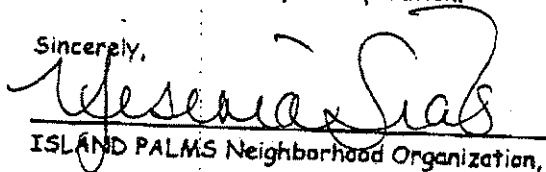
Dear Director:

The ISLAND PALMS Neighborhood Organization was created to be a vehicle where concerned citizens living in Hidalgo County could organize to address affordable housing issues and advance their input and concerns about the need for affordable housing as well as to improve living conditions of families located in Hidalgo County.

This organization is duly formed as a Texas corporation (see attached organizational documents). We have filed our documents with the Hidalgo County Clerks office with Ms. Anette Muniz. These proposed projects are located within the boundaries of this organization which is in Hidalgo County. (See attached maps). This organization is made up of approximately 250 members. (See attached list of members and officers). This organization and its members support the referenced projects and we feel that these projects will provide needed quality affordable housing for working families residing in Hidalgo County. There location will distribute the needed housing in areas where it will be convenient for the families to get to work. These locations are in areas that have good schools and are close to elementary schools reducing the drive time for the residents who take small children to school. These projects will offer 30% and 40% median income units to the family sector of greatest need in Hidalgo County. Attached is a letter of opposition for two other projects located within the boundaries of the organizations. (See attached letters of opposition). Also attached is our letter of support for the three referenced projects.

We respectfully request that you award these projects the funds needed to develop these proposed projects in Hidalgo County in the 2004 Low-Income Housing Tax Credit Allocation Cycle. Thank you for you corporation.

Sincerely,


ISLAND PALMS Neighborhood Organization, President



Office of the Secretary of State

The undersigned, as Secretary of State of Texas, does hereby certify that the document, Articles of Organization for Island Palms Neighborhood Organization, L.L.C. (filing number: 800305825), a Domestic Limited Liability Company (LLC), was filed in this office on February 17, 2004.

It is further certified that the entity status in Texas is active.

In testimony whereof, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in Austin, Texas on April 28, 2004.



A handwritten signature in black ink, appearing to read "G. S. Connor".

Geoffrey S. Connor
Secretary of State



Office of the Secretary of State

The undersigned, as Secretary of State of Texas, does hereby certify that the attached is a true and correct copy of each document on file in this office as described below:

Island Palms Neighborhood Organization, L.L.C.
Filing Number: 800305825

Articles of Organization

February 17, 2004

In testimony whereof, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in Austin, Texas on April 28, 2004.




Geoffrey S. Connor
Secretary of State

FILED
In the Office of the
Secretary of State of Texas

ARTICLES OF ORGANIZATION
OF
ISLAND PALMS NEIGHBORHOOD ORGANIZATION, L.L.C.
Corporations Section

FEB 17 2004

The undersigned, acting as the sole organizer of a limited liability company under the Texas Limited Liability Company Act (the "Act"), does hereby adopt the following Articles of Organization for Island Palms Neighborhood Organization, L.L.C. (the "Company"):

ARTICLE ONE

The name of the Company is Island Palms Neighborhood Organization, L.L.C.

ARTICLE TWO

The period of duration of the Company is perpetual, unless the Company dissolves in accordance with the provisions of its regulations

ARTICLE THREE

The purpose for which the Company is organized is to better serve the residents of Hidalgo County in providing quality affordable housing and community support. Our Neighborhood Organization is limited to Hidalgo County.

ARTICLE FOUR

The address of the initial registered office of the Company is 302 S. Doolittle Road, Edinburg, Texas 785539 and the name of its initial registered agent at that address is Yesenia Sias.

ARTICLE FIVE

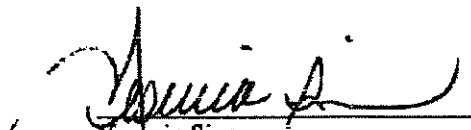
The Company is to be managed by one or more managers. The number of initial managers, who shall serve as managers until the first annual meeting of members of the Company or until successors are duly elected, shall be one (1). The name and address of the initial manager is:

Yesenia Sias
302 S. Doolittle Road
Edinburg, TX 78539

Omission for which the liability of a manager is expressly provided by an applicable statute. Any repeal or amendment of this Article Ten by the members of the Company shall be prospective only and shall not adversely affect any limitation on the liability of a manager of the Company existing at the time of such repeal or amendment. In addition to the circumstances in which the manager of the Company is not liable as set forth in the preceding sentences, the manager shall not be liable to the fullest extent permitted by any provisions of the statutes of Texas hereafter enacted that further limits the liability of a manager or of a director of a corporation.

IN WITNESS WHEREOF, these Articles of Organization have been executed on February 3, 2004 by the undersigned.

SOLE ORGANIZER

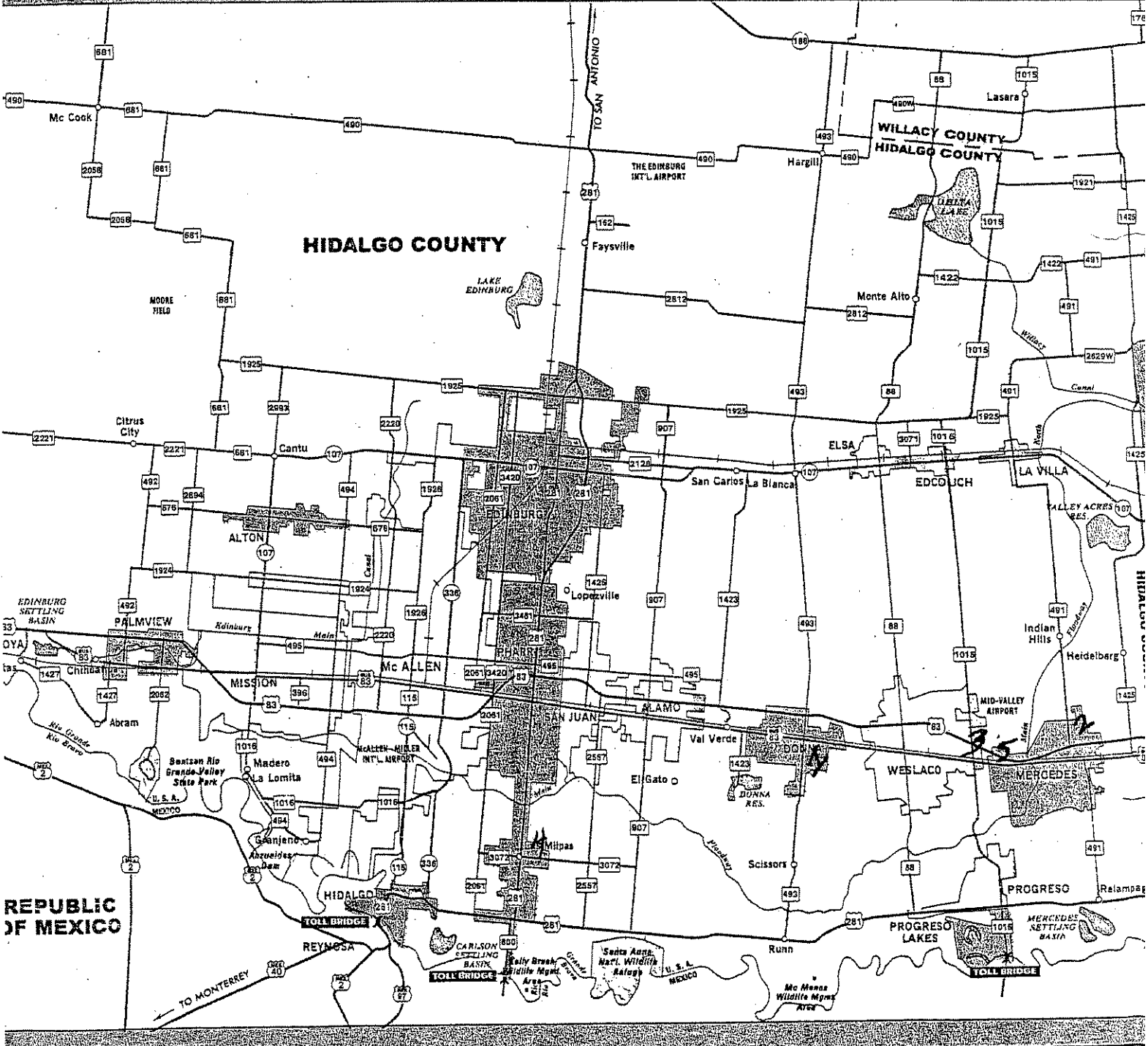


Yesenia Sias

MAP

- 1. ARBOR COVE #04226
- 2. CASA KORIMA #04146
- 3. LOS MILAGROS #04032
- 4. PALOMA BLANCA #04298
- 5. THE HARVEST #04299

RIO GRANDE VALLEY



**Members of Island Palms
Neighborhood Organization
February 1, 2004**

Yesenia Sias President
Angeia Morales Vice President/Secretary

1. **Ronnie Stimmel**
2. **Clarissa Hernandez**
3. **Denisse Guzman**
4. **Francisco Gamez**
5. **Martha Villareal**
6. **Domingo Yanez**
7. **Vannessa Gonzalez**
8. **Claudio Flores**
9. **Rogelio Garcia**
10. **Margarita Sanchez**
11. **Melissa Sanchez**
12. **Jennifer Gonzalez**
13. **Leticia Beltran**
14. **Francisco Zuniga**
15. **Lucinda Gaona**
16. **Juan Rodriguez**
17. **Connie De La Cruz**
18. **Cristina Quintanilla**
19. **Ida Bustos**
20. **Josua Eguia**
21. **Alexadria Hernandez**
22. **Lorenza Mentos**
23. **Linda Rosales**
24. **Leodili Winkle**
25. **David Villadares**
26. **Enrique Escalante**
27. **Omar Rocha**
28. **Jeanette Olvera**
29. **Jessica Vera**
30. **Onoria Cantu**
31. **Richard Murga**
32. **Jose Rodriguez**
33. **Alma Sido**
34. **Miguel Bautista**
35. **Veronica Maldonado**
36. **Mirelda Garza**

37. Rosa Contreras
38. Suiiry Tijerina
39. San Juanita Salinas
40. San Juanita Flores
41. Patricia Martinez
42. Cassandra Gomez
43. Fatima Saldana
44. Lisa Salinas
45. Enedina Turrubiardez
46. Aurora Garcia
47. Jessica Varela
48. Angie Cantu
49. Rosalinda Vargas
50. Angel Villanueva
51. Katherine Diono
52. Gloria Perez
53. Elvia Lopez
54. Esmer Medina
55. Jessica Loera
56. Blanca Garza
57. Rosalinda Pedrosa
58. Micaela Alvarado
59. Deborah Rodriguez
60. Dorotea Elizondo
61. Melissa Ramirez
62. Rachel Mendoza
63. Leticia Camarillo
64. Rebecca Hernandez
65. Miguel Adame
66. Rhonda Rocha
67. Suzanna Diaz
68. Bobbi Munguia
69. Dalia Salazar
70. Eliso Reyes
71. Juanita Montes
72. Lori Rodriguez
73. Vincent De La Cruz
74. Lency Mundo
75. Diana Rodriguez
76. Jaqueline Flores
77. Daniel Garcia
78. Yadira Lopez
79. Guadalupe Briaales
80. Nora Mendez
81. Irma Saucedo
82. Matilda Herrera

83. Melissa Sampson
84. Erica Arce
85. Veronica Garcia
86. Salvador Paez
87. Jorge Garza
88. Diana Villegas
89. Mario Perez
90. Sudaporn Kinched
91. Veronica Trejo
92. Ruby Cortez
93. Jose Hernandez
94. Maria Palacios
95. Lety Rivera
96. Elida Gutierrez
97. Elizena Diaz
98. Josefina Garcia
99. Maria Garcia
100. Juana Hernandez
101. Jessica Mariscal
102. Claudia Hernandez
103. Rosario Izaguirre
104. Cruz Garza
105. Chrisabel Vasquez
106. Berlinda Morales
107. Maria Elena Silva
108. Nohemy Ortiz
109. Luis Robledo
110. Diana Gaona
111. Norma Serna
112. Caroline Hinojosa
113. Amanda Garza
114. Helen Cameron
115. Janet Hernandez
116. David Villanueva
117. Guadalupe Alaniz
118. Blanca Villarreal
119. Ezequiel Carvajal
120. Hilda Casarez
121. Angelica Ayala
122. Yolanda Rodriguez
123. Ramiro Alejandro
124. Norma Rodriguez
125. Maria C. Gomez
126. Patricia Badillo
127. Rebecca Lozano
128. Francisca Beltran

129. Rebekah Luther
130. Eligio Lopez Jr
131. Dora Leal
132. Anita Trejo
133. Martha Gonzalez
134. Veronica Sada
135. Maria Aleman
136. Rocio Cano
137. Gerardo Martinez
138. Aurora Sanchez
139. Marlene Rodriguez
140. Maximina Gaitan
141. Annette Muniz
142. Rosario Venegas
143. Peter Schelstrate
144. Sylvia Schelstrate
145. Elizabeth Rivera
146. Elizabeth Espiricuerta
147. Mayra Villegas
148. Sandra Phillips
149. Flora Ahumada
150. Maria Ibarra
151. Melissa Cantu
152. Rosa Romo
153. Maria Rodriguez
154. Norma De laCruz
155. Gladys Segovia
156. Allen McCleaf
157. David McCleaf
158. Samuel Guerrero
159. Bertha Ortiz
160. Rosemary DelToro
161. William Smithwick
162. Pamela Smithwick
163. Edward Gonzalez
164. Maria Garcia
165. Guadalupe Pena
166. Eva Martinez
167. Katy Morales
168. Rogelio Laca
169. Cynthia Navarro
170. Diana Zepeda
171. Florencio Garcia
172. Oliva Torres
173. Gabriela Velasquez
174. Abel Garcia

175. Jessica Bernal
176. Eric Sanchez
177. Yvette Cantu
178. San Juanita Estrada
179. Monica Vasquez
180. Maria De Lourdes Aranda
181. Kathleen Robinson
182. Adriana Espinoza
183. Mirna Guevara
184. Robert Veliz
185. Veronica Veliz
186. Marisa Badillo
187. Roberto Ortiz
188. Marciela Delgado
189. Debra Pierce
190. Idalia Ortegon
191. Fernando Maciel
192. Jennifer January
193. Arlene Gonzalez
194. Rebecca Brewster
195. Maria Martinez
196. Priscilla Garcia
197. Consuelo Rodriguez
198. Zuhey Maya
199. Karen Teverosky
200. Yesenia Chavez
201. Ricky Garza
202. Erika Gonzalez
203. Ofelia Casa
204. Kristy Pena
205. Lisa Martinez
206. Adriana Amaya
207. Michelle Bezeceny
208. Rosalinda Casanova
209. Christina Cavazos
210. Catarina Guerra
211. Yolanda Gutierrez
212. Loren Colin
213. Jessica Ramirez
214. Isela Vega
215. Nerieda Salazar
216. Veronica Adriano
217. Annette Guttierrez
218. Ana Marie Moreno
219. Odilon Cavazos
220. Bertha Gonzalez

221. **Barbara Lopez**
222. **Maria Ninfa Garcia**
223. **Jennifer Soto**
224. **Cristina Urbina**
225. **Gloria Villarreal**
226. **Cynthia Sarmiento**
227. **Raul Reyes**
228. **Debbie Bautista**
229. **Horacio Sanchez**
230. **Yvonne Molina**
231. **Virginia Rodriguez**
232. **Alfredo Sanchez**
233. **Rigo Morales**
234. **Rudy Garza**
235. **Hugo Gallegos**
236. **Hector Gomez**
237. **Eleno Castillo**
238. **Julian Rosas**
239. **Jose Venegas**
240. **Adan Castillo**
241. **Patricia Barillas**
242. **Maria Palacios**
243. **Enrique Mederes**
244. **Gloria Perez**
245. **Leticia Beltran**
246. **Luptia Briales**
247. **Gabriela Davila**
248. **Jose Casas**
249. **Susanna Flores**
250. **Roberto Tamez**

Island Palms Neighborhood Organization, L.L.C.
302 S. Deolittle Road
Edinburg, Texas 78539
(956) 386-0663

March 5, 2004

Ms. Brooke Boston
Texas Department of Housing and Community Affairs
507 Sabine, Suite 400
Austin, Texas 78701

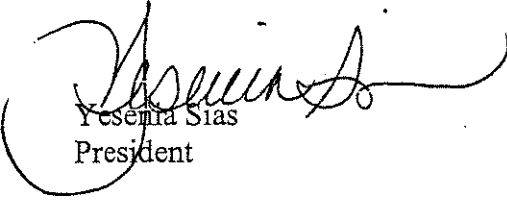
Re: Arbor Cove Apartments, TDHCA #04226
Casa Corima Apartments, TDHCA #04146

Dear Ms. Boston,

This letter is in opposition to the above projects. These two projects do not equitably distribute tax credit units to the residents of Hidalgo County. These two projects are very large for rural communities. Our organization members feel like a more equitable distribution of the Low Income Tax Credit housing to rural areas in Hidalgo County is more acceptable to the residents of the county. Dispensing affordable housing to numerous rural areas of Hidalgo County will cause less of a travel burden on the working families who work in many areas of the county. Concentrating large projects in one or two small rural areas will add to the travel burden of many families seeking affordable housing.

Thank you for your time.

Regards,



Yesenia Sias
President

Island Palms Apartments Neighborhood Organization
Hidalgo County, Texas

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DATE Feb. 26, 02

Name

Address

1. Clarissa Hernandez 302 S. Doolittle Rd. Apt. 12
2. Cynthia Navarro 302 S. Doolittle Rd # 471
3. Annette Ruiz 308 S Doolittle # 411
4. Janet Hernandez 302 S. Doolittle Apt 342
5. Lorenza Montes # 63
6. Rosa Maria Romo 302 S. Doolittle Rd. Apt. 433
7. Letty Vega Rivas 302 S. Doolittle Apt 283
8. Bethesda Rodriguez 302 S. Doolittle Apt # 634
9. Bertha Ortiz 302 S Doolittle Apt # 451
10. Geney Aguilar 302 S. Doolittle Apt # 221
11. Mary Jo 302 S Doolittle Apt # 321
12. Raquel Davila 502 S Doolittle Apt 481
13. Ulrich Rodriguez 302 S. Doolittle Rd Apt. 174
14. Mirna Quintero 302 S. Doolittle Rd Apt # 504
15. MK 302 S. Doolittle Apt # 384

Island Palms Apartments Neighborhood Organization
Hidalgo County, Texas

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DATE Feb 27 02

Name

Address

1. maria m. Bautista #94
2. Zuley Maya #543
3. Chrisabel Vasquez 302 S. Doolittle Rd Apt # 312
4. Haria D-Garcia 302-S Doolittle Apt 461
5. UNMIK DADO #594 302 S. Doolittle
6. FLORA AHUMADA 302-S Doolittle Apt 424
7. Colanina Duenas 302. S. Doolittle Apt 581
8. Alfonso Olvera 302 S Doolittle Rd Apt 81
9. Janet Vill 302 S Doolittle Rd Apt 343
10. Dorella Garcia 302 S. Doolittle Rd Apt 50
11. Francisco Sanchez Jr. 302 S Doolittle Rd apt 14
12. Melina Carter 302 S Doolittle Rd Apt 432
13. Veronica Trijo 302 S Doolittle Rd Apt 273
14. Oliver Comtin 302. S. Doolittle Rd Apt #42
15. Elvia Lopez 302 S. Doolittle Rd #161

Island Palms Apartments Neighborhood Organization
Hidalgo County, Texas

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DATE Feb 28, 84

Name

Address

1. Odile Cavazos 302 Doolittle 604 APT
2. Liz & Roberto 323^{APT} 302 Santa Rosa
3. Yvonne B. Medina 302 5th Doolittle Rd - #1032 Edinburg TX
4. Cristobal Rodriguez 302 - S Doolittle APT # 542
5. David Valdez APT # 72
6. Rebecca Brewster Apt # 533
7. Alma Lido 302^S Doolittle Rd Apt 92 Edinburg TX
8. Rhonda Rocha 302 S. Doolittle APT 201 Edinburg TX
9. Fernando Maciel 302 S. Doolittle APT. 524 Edinburg TX
10. Juan R. Rodriguez # 51
11. Elizera Adame # 291
12. Olivia Flores # 471
13. Urbelda Yara Apt # 103
14. Tuby Cortez Apt 244
15. Marie Elena Garcia

**Island Palms Apartments Neighborhood Organization
Hidalgo County, Texas**

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DATE Feb 27, 2014

- | Name | Address |
|-------------------------------|---|
| 1. <u>Rebekah Luther</u> | <u>302 So. Doolittle Rd #374 Edinburg Tx</u>
78539 |
| 2. <u>Adriana P. Espinoza</u> | <u>302 S. Doolittle #503 / Edinburg Tx</u>
78539 |
| 3. <u>Yvette Cardo</u> | <u>302 S Doolittle Apt 492</u> |
| 4. <u>Loni Rodriguez</u> | <u>302 S. Doolittle #213 Edinburg, Tx.</u> |
| 5. <u>Claudia Hernandez</u> | <u>302 S Doolittle Rd Apt 303 Edinburg TX 785</u> |
| 6. <u>Hilda Chavez</u> | <u>302 S. Doolittle Apt 353</u> |
| 7. <u>Kathy Morales</u> | <u>302 S. Doolittle Apt 464</u> |
| 8. <u>Maria Salceda</u> | <u>302 S. Doolittle Rd. Apt 333</u> |
| 9. <u>Diana Rodriguez</u> | <u>302 S. Doolittle Rd. apt 222</u> |
| 10. <u>Concepcion Medina</u> | <u>302 S. Doolittle Rd apt 163</u> |
| 11. <u>Miguel ADAME</u> | <u>302 S Doolittle 194</u> |
| 12. <u>CHRISTINA Cava</u> | <u>302 S Doolittle Apt 57</u> |
| 13. <u>Janica Vazela</u> | <u>302 S. Doolittle Apt. 141</u> |
| 14. <u>Raimundo</u> | <u>302 S. Doolittle Apt 394</u> |
| 15. <u>Bertha A. Gonzalez</u> | <u>302 Doolittle APT. 604</u> |

Island Palms Apartments Neighborhood Organization
Hidalgo County, Texas

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DATE Feb 27 04

Name	Address
1. Elena Rodriguez	302 S. Doolittle Rd Apt #91
2. Maria A. Martinez	302 S. Doolittle Rd #534
3. Rosalinda R. Pedroso	302 S Doolittle Rd #172
4. Peter Schelstrate	302 S Doolittle Rd #413
5. Yvette Davila	302 S. Doolittle #514
6. Jessica Herrera	302 S. Doolittle #1164
7. Rocío Cano	302 S. Doolittle #393
8. Alex Raus	#362
9. Daniel Garcia	302 S. Doolittle #223
10. Lisa Salinas	302 S. Doolittle Rd #124
11. Ricky Gm	302 S. Doolittle Rd #552
12. Cristina Deluna	302 S Doolittle Rd #614
13. IGAOC 382	
14. Maria Lovato	302 S. Doolittle Rd #122
15. Isabel Pera	302 S. Doolittle Rd #462

**Island Palms Apartments Neighborhood Organization
Hidalgo County, Texas**

The Island Palms Apartments Neighborhood Organization and it's member support the development of the Vista De Amistad, The Harvest Apartments, Los Milagros Apartments and Paloma Blanca Apartments located in Hidalgo County, Texas. These projects will enhance the quality of life for the resident of Hidalgo County and are located in an area that will achieve the goal of equitable distribution of affordable housing to this community.

DATE 3-5-2004

Name	Address
1. Melissa Simpson	302 S. Doolittle Rd Apt 241 Edinburg, Tx 78539
2. Yvette Pae Zapata	302 S. Doolittle Rd Apt 381
3. Juanita Monter	302 S. Doolittle Rd Apt 212
4. Trinidad Lopez James	302 S Doolittle Rd Apt 44 Edinburg Tx 78539
5. Donato Elizalde	302 S Doolittle Rd Apt 181 Edinburg Tx
6. Maldonado Veronica	302 S. Doolittle Rd Apt 101
7. MARlene Rodriguez	302 S Doolittle Rd Apt 402
8. Delle Baratta	302 S. Doolittle Apt 624
9. X Francisco Zamora	302 S Doolittle Apt 43
10. Juana Hernandez	302 S Doolittle Apt 301
11. Maria N. Garcia	302 S Doolittle Rd Apt 6
12. Eric G. Sanchez	302 S. Doolittle Rd. Apt. 484
13. Mary S. Aleman	392 S. Doolittle Rd. Hch. 392
14. Samuel Borrero	302 S. Doolittle Apt # 444
15. Sonia Rodriguez	204 E Edinburg Etx Tx

Island Palms Apartments Neighborhood Organization
Hidalgo County, Texas

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DATE 3.5.04

Name	Address
1. Dina Pulido	302 S. Doolittle #132
2. San Juanita Estrada	302 S. Doolittle #493
3. Dina Pulido	302 S. Doolittle #132
4. Dina Pulido	" " #121
5. Vivian Delgado	#214
6. Rosa Contreras	#104
7. Louise L. G.	#52
8. Ricardo Mendez	302 S. Doolittle RD #84
9. Casanova Rosa Ordoñez	302 S. Doolittle #573
10. Norma Serna	312 S. Doolittle #351
11. Mary Lou Champion	E.H.A 910 S. Sugar RD
12. Leticia Camacho	302 S. Doolittle Rd Apt. 192
13. Angela Martinez	910 S. Sugar Rd #
14. [Signature]	Doolittle R #304
15. Arlee Vargas	#539

Island Palms Apartments Neighborhood Organization
Hidalgo County, Texas

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DATE 3/11/04

Name	Address
1. <u>Rigo Morales</u>	<u>3019 Cassie, Edinburg Tx. 78539</u>
2. <u>Rudy Garza</u>	<u>804 Hilda St. Mission, TX 78572</u>
3. <u>Hugo Gallegos</u>	<u>400 Flores St. Pharr, TX 78577</u>
4. <u>Hector Doming</u>	<u>3502 N 41st McAllen, TX 78501</u>
5. <u>Elena Castillo</u>	<u>100th Cummings, Mission Tx. 78572</u>
6. <u>Julian Rosas</u>	<u>27th N 1610 McAllen Tx, 78501</u>
7. <u>Jon Alvarez</u>	
8. <u>Adan Castillo</u>	<u>2200 Pecan Blvd, McAllen, TX 78501</u>
9. <u>Patricia Barillas</u>	<u>309 S Doolittle APT 371</u>
10. <u>Maria A Palacios</u>	<u>302 S. Doolittle APT 282</u>
11. <u>Enrique Mederes</u>	<u>#73</u>
12. <u>Gloria Perez</u>	<u>153</u>
13. <u>Joe Lopez</u>	<u>302 - S. Doolittle Rd Apt. 13</u>
14. <u>Belinda Pettran</u>	<u>302 S Doolittle #42 Edinburg Tx</u>
15. <u>Yolanda Bruals</u>	<u>302 S. Doolittle #231 Edinburg Tx</u>

Island Palms Apartments Neighborhood Organization Hidalgo County, Texas

The Island Palms Apartments Neighborhood Organization and it's member support the development of the Vista De Amistad, The Harvest Apartments, Los Milagros Apartments and Paloma Blanca Apartments located in Hidalgo County, Texas. These projects will enhance the quality of life for the resident of Hidalgo County and are located in an area that will achieve the goal of equitable distribution of affordable housing to this community.

DATE 3/1/04

Name	Address
1. <u>Luisana de</u>	<u>302 S Doolittle apt # 202</u>
2. <u>SANDRA G Phillips</u>	<u>302 S Doolittle # 423</u>
3. <u>Patricia Martinez</u>	<u>302 S. Doolittle # 114</u>
4. <u>Imghra Ayala</u>	<u>302 S Doolittle # 354</u>
5. <u>Elene Salinas</u>	<u>5 1003 W. Cherokee Apt 8</u>
6. <u>Ebet Beltran</u>	<u>2224 Betty</u>
7. <u>Mania Tbarra</u>	<u>#431</u>
8. <u>Diana Brown</u>	<u>#324</u>
9. <u>Joe Mena</u>	<u>302 S. Doolittle Apt 424</u>
10. <u>Bob Vega</u>	<u>302 S Doolittle Apt 592</u>
11. <u>Valia Salazar</u>	<u>" " Apt 204</u>
12. <u>Heronica Sada</u>	<u>302 S. Doolittle Rd # 391</u>
13. <u>Raul Rodriguez</u>	<u>315 S. Tio Meslaco, TX.</u>
14. <u>Erica Martinez</u>	<u>2022 W. Beaumont</u>
15. <u>Alma Martinez</u>	<u>2024 W. Beaumont</u>

Island Palms Apartments Neighborhood Organization Hidalgo County, Texas

The Island Palms Apartments Neighborhood Organization and it's member support the development of the Vista De Amistad, The Harvest Apartments, Los Milagros Apartments and Paloma Blanca Apartments located in Hidalgo County, Texas. These projects will enhance the quality of life for the resident of Hidalgo County and are located in an area that will achieve the goal of equitable distribution of affordable housing to this community.

DATE 7. 17. 04

Name

Address

- | | |
|----------------------------------|--------------------------------------|
| 1. Mrs. C. Cantú | 2127 E. Rogers Rd. Ed., TX |
| 2. Rosa I mata | 822 E. Schunior "Apt #"
Edinburg, |
| 3. Victor Cant | 2127 E. Rogers Rd, Ed. TX. |
| 4. ... | 143 N. Tx Blvd |
| 5. ... | 1909 Dallas Drive Waco TX 76796 |
| 6. Jaime Dimas | 111 S 4th Ave Edinburg 78539 |
| 7. ... | 804 N. 10th St Edinburg TX 78539 |
| 8. Frank Sheip | 4901 E Hwy 107 Edinburg, TX 78539 |
| 9. Fatima Saldana | 302 S. Dobbelle #123 |
| 10. Jessica Bernal | # 483 |
| 11. ... | # 61 |
| 12. ... | # 053 |
| 13. Roy Lopez | # 471 |
| 14. ... | # 463 |
| 15. Don ^a Elena Silva | # 314 |

Island Palms Apartments Neighborhood Organization
Hidalgo County, Texas

The Island Palms Apartments Neighborhood Organization and it's member support the development of the Vista De Amistad, The Harvest Apartments, Los Milagros Apartments and Paloma Blanca Apartments located in Hidalgo County, Texas. These projects will enhance the quality of life for the resident of Hidalgo County and are located in an area that will achieve the goal of equitable distribution of affordable housing to this community.

DATE 3.12.04

Name	Address
1. <u>Melissa Sanchez</u>	<u>302 S. Doolittle #34</u>
2. <u>Diels Lopez</u>	<u>#304</u>
3. <u>Virginia Rodriguez</u>	<u>#633.</u>
4. <u>Mat Lopez</u>	<u>#224</u>
5. <u>Susana Flores</u>	<u>914 St. MARIE,</u>
6. <u>JOSE CANTU</u>	<u>403 W. CLOSER</u>
7. <u>Van Virginia</u>	<u>2403 Sprague</u>
8. <u>Ernesto Martinez</u>	<u>201 Minnesota Rd.</u>
9. <u>Yolanda Rodriguez</u>	<u>3025 Doolittle Apt 363</u>
10. <u>EFREN CANTU</u>	<u>3025 DOOLITTLE APT 472</u>
11. <u>Monica Adame</u>	
12. <u>Islet Cantu</u>	
13. <u>Jessica (Pam) Cantu</u>	<u>3025 Doolittle Apt #372</u>
14. <u>Samanta Cantu</u>	<u>Apt #423</u>
15. <u>Roberto TANEZ</u>	<u>Apt N Cesar Chavez #21</u>

16's members

Juan D. Salinas III

HIDALGO COUNTY CLERK'S OFFICE



FAX COVER SHEET

WWW.HIDALGOCOUNTYCLERK.US

Post Office Box 58

Edinburg, Texas 78540

Phone: (956) 318 - 2100 Fax: (956) 318 - 2067

To: Roland Smith

From: Annette C. McCoy

Fax: 281-550-1930

Pages: 2

Phone: _____

Date: _____

Re: _____

Cc: _____

Comments: So Date this is the list of organizations
that have filed in our office

CONFIDENTIALITY NOTICE: This facsimile message and accompanying documents contain information from the Hidalgo County Clerk's Office, which may be confidential and/or privileged. The information is intended to be for the use of the individual or entity named on this transmittal sheet. If you are not the intended recipient, be aware that any disclosure, copying, distribution or use of the contents of this information is prohibited. If you have received this facsimile in error, please notify us by telephone or fax immediately.

Thank you.

**NEIGHBORHOOD ORGANIZATIONS
LISTED WITH THE
HIDALGO COUNTY CLERK'S OFFICE**

NAME OF ORGANIZATION	ADDRESS	DATE FILED
LAS MILPAS RESIDENT COUNCIL	215 UNIVERSAL DR. PHARR, TX., 78577	03/01/2004
RIO GRANDE HABITAT FOR HUMANITY	P.O. BOX 4318 McALLEN, TX., 78502	03/01/2004
PROJECT ARISE - LAS MILPAS	125 E. DENNY DR. PHARR, TX., 78577	03/01/2004
SUNSET TERRACE RESIDENT COUNCIL	920 WEST VILLEGAS PHARR, TX., 78577	03/01/2004
PADRE DE VIDA NEIGHBORHOOD ORGANIZATION, LCC	3900 SO. WARE RD. McALLEN, TX., 78503	02/18/2004
LA ESTANCIA NEIGHBORHOOD ORGANIZATION, LCC	3601 E. MILE 8 NO. WESLACO, TX., 78596	02/18/2004
EL PATRIMONIO NEIGHBORHOOD ORGANIZATION, LCC	2601 SARAH AVE. McALLEN, TX., 78503	02/18/2004
LA HERENCIA NEIGHBORHOOD ORGANIZATION, LCC	100 LA HERENCIA DR. MERCEDES, TX., 78570	02/18/2004
ISLAND PALM NEIGHBORHOOD ORGANIZATION, LCC	302 S. DOOLITTLE RD. EDINBURG, TX., 78539	02/18/2004
PUEBLO DE PAZ NEIGHBORHOOD ORGANIZATION, LCC	3401 N MAYBERRY RD. MISSION, TX., 78574	02/18/2004
AMISTAD NEIGHBORHOOD ORGANIZATION, LCC	202 S. AVE. WEST DONNA, TX., 78537	02/18/2004
EL PUEBLO DORADO NEIGHBORHOOD ORGANIZATION, LCC	901 E. THOMAS PHARR, TX., 78577	02/18/2004
LAS CONTERAS HOUSING PARTNERS, LTD	211 WEST AUDREY PHARR, TX., 78577	12/19/2003

LA HERENCIA NEIGHBORHOOD ORGANIZATION
100 LA HERENCIA DRIVE
MERCEDES, TEXAS 78570
(956) 541-1800 PHONE
(956) 541-1226 FAX

April 28, 2004

RECEIVED
APR 29 2004
LIHTC

Texas Department of Housing & Community Affairs
Attn: Director of Multi-Family Finance Production
Division (Neighborhood Input)
507 Sabine, Suite 400
Austin, Texas 78701

Re: TDHCA # 04032 Los Milagros Apartments- Weslaco, Texas
TDHCA # 04298 Paloma Blanca Apartments- Pharr, Texas
TDHCA # 04299 The Harvest Apartments- Mercedes, Texas

Dear Director:

The LA HERENCIA Neighborhood Organization was created to be a vehicle where concerned citizens living in Hidalgo County could organize to address affordable housing issues and advance their input and concerns about the need for affordable housing as well as to improve living conditions of families located in Hidalgo County.

This organization is duly formed as a Texas corporation (see attached organizational documents). We have filed our documents with the Hidalgo County Clerks office with Ms. Anetta Muniz. These proposed projects are located within the boundaries of this organization which is in Hidalgo County. (See attached maps). This organization is made up of approximately 147 members. (See attached list of members and officers). This organization and its members support the referenced projects and we feel that these projects will provide needed quality affordable housing for working families residing in Hidalgo County. Their location will distribute the needed housing in areas where it will be convenient for the families to get to work. These locations are in areas that have good schools and are close to elementary schools reducing the drive time for the residents who take small children to school. These projects will offer 30% and 40% median income units to the family sector of greatest need in Hidalgo County. Attached is a letter of opposition for two other projects located within the boundaries of the organizations. (See attached letters of opposition). Also attached is our letter of support for the three referenced projects.

We respectfully request that you award these projects the funds needed to develop these proposed projects in Hidalgo County in the 2004 Low-Income Housing Tax Credit Allocation Cycle. Thank you for your corporation.

Sincerely,



LA HERENCIA Neighborhood Organization, President

Corporations Section
P.O.Box 13697
Austin, Texas 78711-3697



Geoffrey S. Connor
Secretary of State

Office of the Secretary of State

CERTIFICATE OF ORGANIZATION
OF

La Herencia Neighborhood Organization, L.L.C.
Filing Number: 800305841

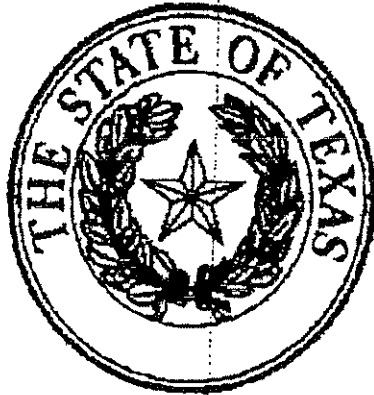
The undersigned, as Secretary of State of Texas, hereby certifies that Articles of Organization for the above named company have been received in this office and have been found to conform to law.

ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the Secretary by law, hereby issues this Certificate of Organization.

Issuance of this Certificate of Organization does not authorize the use of a name in this state in violation of the rights of another under the federal Trademark Act of 1946, the Texas trademark law, the Assumed Business or Professional Name Act, or the common law.

Dated: 02/17/2004

Effective: 02/17/2004



Geoffrey S. Connor
Geoffrey S. Connor
Secretary of State

**ARTICLES OF ORGANIZATION
OF
LA HERENCIA NEIGHBORHOOD ORGANIZATION, L.L.C.**

The undersigned, acting as the sole organizer of a limited liability company under the Texas Limited Liability Company Act (the "Act"), does hereby adopt the following Articles of Organization for La Herencia Neighborhood Organization, L.L.C. (the "Company"):

ARTICLE ONE

The name of the Company is La Herencia Neighborhood Organization, L.L.C.

ARTICLE TWO

The period of duration of the Company is perpetual, unless the Company dissolves in accordance with the provisions of its regulations

ARTICLE THREE

The purpose for which the Company is organized is to better serve the residents of Hidalgo County in providing quality affordable housing and community support. Our Neighborhood Organization is limited to Hidalgo County.

ARTICLE FOUR

The address of the initial registered office of the Company is 100 La Herencia Drive, Mercedes, Texas 78570 and the name of its initial registered agent at that address is Betty Arevalo.

ARTICLE FIVE

The Company is to be managed by one or more managers. The number of initial managers, who shall serve as managers until the first annual meeting of members of the Company or until successors are duly elected, shall be one (1). The name and address of the initial manager is:

Betty Arevalo
100 La Herencia Drive
Mercedes, TX 78570

SENT BY: TEXAS REGIONAL;

2818550488;

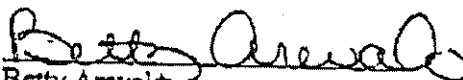
APR-17-04 11:38AM;

PAGE 4/4

Omission for which the liability of a manager is expressly provided by an applicable statute. Any repeal or amendment of this Article Ten by the members of the Company shall be prospective only and shall not adversely affect any limitation on the liability of a manager of the Company existing at the time of such repeal or amendment. In addition to the circumstances in which the manager of the Company is not liable as set forth in the preceding sentences, the manager shall not be liable to the fullest extent permitted by any provisions of the statutes of Texas hereafter enacted that further limits the liability of a manager or of a director of a corporation.

IN WITNESS WHEREOF, these Articles of Organization have been executed on Feb 12, 2004 by the undersigned.

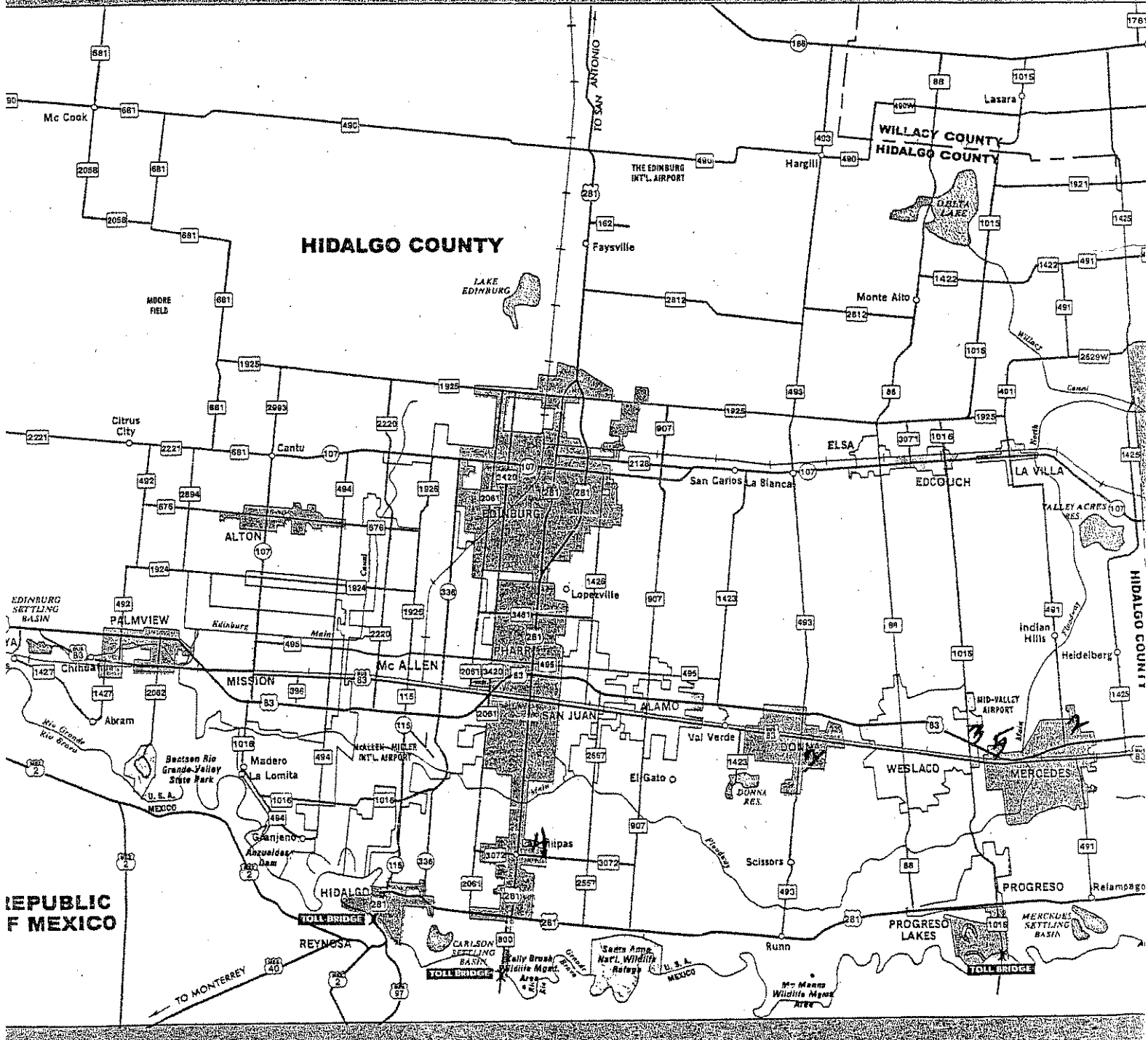
SOLE ORGANIZER


Betty Arevalo

MAP

1. ARBOR COVE #04226
2. CASA KORIMA #04146
3. LOS MILAGROS #04032
4. PALOMA BLANCA #04298
5. THE HARVEST #04299

RIO GRANDE V



Members of La Herencia Neighborhood Organization

February 1, 2004

President: Betty Arevalo

Vice-President: Mickie Pesina

Secretary: Alicia Palomo

Members are as follows;

Enith Cuadrado	Gloria Noriega	Miguela Pesina	Armando Rivas
Gilbert Garza	Sandra Hernandez	Leonor Pinon	Rosalba Mata
Mike Anzaldua	Sonary Nay	Reymundo Zamora	Hilda Rodriguez
Eunice Luna	Rosa Trevino	Monica Rodriguez	Elizabeth Huerta
Miriam Iturbe	Linda Alvarez	Dolores Gomez	David Palomo
Maria Zapata	Cynthia Ahumada	Janelle Clements	Maria Cantrell
Daniel Lopez	Christine Garza	Rosalinda Torres	Lourdes Sanchez
Carlos Flores	Rosa Lopez	Bernice Mata	Olga Rivers
Rachel Valdez	Melinda Kirven	Angela Herrera	Mirta Reza
Adriana Lara	Veronica Gonzalez	Deidre Ybarra	Debbie Robledo
Joel Lopez	Annabel Azoca	Alicia Renteria	Nancy Ortega
Lily Fernandez	Denise Martinez	Rebecca Reyes	Max Trevino
Felicitas Trevino	Sandra Villarreal	Margarita Tapia	Maria Villanueva
Maribel Alvarez	Enedina Garcia	Luis Ibarra	Trisha Perez
Ouida West	Christina Medina	Aroldo Sandoval	Christi Cisneros
Gumaro Rodriguez	Rosalia Medina	Denise Lopez	Ana Sanchez
Maria Leal	Ninfa Cordova	Cynthia Zavala	Olga Cisneros
Crystal Noriega	Angelic Cavazos	Lilia Salinas	Valerie Garcia
Maria Perales	Ramiro Yanez	Joyce Leal	John Villarreal
Maria Landaverde	Angelic Marquez	Ana Garcia	Silvia Moreno
Nora Martinez	Michele Casares	Anita Ramos	Monica Benally
Olga Huerta	Lizeth Alejandro	Ovidia Valdivia	Enrique Hernandez
Mary Gonzalez	Yolanda Gonzales	Inez Montes	Connie Trevino
Antonio Caballero	Julie Adams	Lori Pineda	Smiria Pulido
Dolores Meza	Pearl Garza	Leticia Herenandez	John Arevalo
Elida Martinez	Juana Cervantes	Daisy Ramirez	Leonila Aguilar
Alicia Palomo	Irene Gonzales	Elia Quintanilla	Beatriz Gonzales
Evelyn Macias	Teresa Salazar	Jacqueline Gonzales	Yvonne Garcia
Fatima Fernandez	Rosa Gomez	Sandra Tafolla	Evette Martinez
Angelica Serrano	Blanca Santana	Irene Garcia	Jose Galindo
Juan Magana Jr.	Maria Gonzales	Flor Gonzalez	Minerva Flandes
Martin Zamora	Mary Mendez	Marisol Garza	Dianna Sanchez
Patricia Carreon	Raquel Martinez	Elva Garza	Rosa Rivera

Dianna Sanchez
Rosa Rivera
Tony Sanchez
Roy Medrano, Jr.
Jose Manuel Garza
Elvira Leal
Meddmar Vega
Angelic Salinas
Tanya Peralez
Eddie Thompson
Encarnacion Flores
Joe Zamora

La Herencia Neighborhood Organization, L.L.C.
100 La Herencia Drive
Mercedes, Texas 78570
(956) 514-1800

March 5, 2004

Ms. Brooke Boston
Texas Department of Housing and Community Affairs
507 Sabine, Suite 400
Austin, Texas 78701

Re: Arbor Cove Apartments, TDHCA #04226
Casa Corima Apartments, TDHCA #04146

Dear Ms. Boston,

This letter is in opposition to the above projects. These two projects do not equitably distribute tax credit units to the residents of Hidalgo County. These two projects are very large for rural communities. Our organization members feel like a more equitable distribution of the Low Income Tax Credit housing to rural areas in Hidalgo County is more acceptable to the residents of the county. Dispensing affordable housing to numerous rural areas of Hidalgo County will cause less of a travel burden on the working families who work in many areas of the county. Concentrating large projects in one or two small rural areas will add to the travel burden of many families seeking affordable housing.

Thank you for your time.

Regards,



Betty Arevalo
President

La Herencia Neighborhood Organization

Hidalgo County, Texas

The La Herencia Neighborhood Organization and its members support the development of the Vista de Amistad Apartments, The Harvest Apartments, Los Milagros Apartments and Paloma Blanca Apartments located in Hidalgo County, Texas. These projects will enhance the quality of life for the residents of Hidalgo County and are located in an area that will achieve the goal of equitable distribution of affordable housing to this community.

DATE 3/02/04

NAME	ADDRESS
1. <u>JOHN G. Reyes</u>	<u>1635 Progress</u>
2. <u>David Dalano</u>	<u># 302</u>
3. <u>Amalia G. Rodriguez</u>	<u># 192</u>
4. <u>Michelle Cadaver</u>	<u># 36</u>
5. <u>Ernesto Gonzalez</u>	<u>3102</u>
6. <u>Michelle Stafford</u>	<u>#00 Apt 223</u>
7. <u>Michelle Stafford</u>	<u>283</u>
8. <u>Mary Mejia</u>	<u>apt 193 phone 514-997</u>
9. <u>JANISLE CLEMENTS</u>	<u>apt 213 514-9734</u>
10. <u>Christina Villalobos</u>	<u>apt 113 4103-3210</u>
11. <u>EDWOR PINON</u>	<u>apt 203 514-1431</u>
12. <u>Jose L. Gomez</u>	<u>apt 151</u>
13. <u>Veronica Gonzalez</u>	<u>APT 403</u>
14. <u>Dolores Meza</u>	<u>APT #83</u>
15. <u>Crystal Nausea</u>	<u>APT #61</u>
16. <u>Inbra Vera</u>	<u>APT 304</u>
17. <u>Michelle Lopez</u>	<u>#</u>
18. <u>Amalia Rodriguez</u>	<u># 53</u>
19. <u>Michelle Lopez</u>	<u># 312</u>
20. <u>Jerry Lopez</u>	<u># 382</u>
21. <u>Lisa Ramirez</u>	<u>204</u>
22. <u>Orlando Cavala</u>	<u>#234</u>
23. <u>Rosa Elia Lopez Ponce</u>	<u>appt 381</u>
24. <u>Michelle Lopez</u>	<u>Westland Texas</u>
25. <u>Michelle Lopez</u>	<u>lot E411 Westland</u>
26. <u>Michelle Lopez</u>	<u># 242</u>
27. <u>Michelle Lopez</u>	<u># 242</u>
28. <u>Michelle Lopez</u>	<u># 242</u>
29. <u>Michelle Lopez</u>	<u>Westland Tex.</u>
30. <u>Michelle Lopez</u>	

La Herencia Neighborhood Organization Hidalgo County, Texas

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DATE 3/9/04

<u>NAME</u>	<u>ADDRESS</u>
1. <u>SEVINA SANDOVAL (FOR)</u>	<u>APT # 113</u>
2. <u>Mrs. Zamora</u>	<u>APT. # 102</u>
3. <u>Mauricio J. Jaza</u>	<u>APT # 215A</u>
4. <u>[Signature]</u>	<u>APT 143</u>
5. <u>[Signature]</u>	<u>APT 143</u>
6. <u>Yanndi A. Sanchez</u>	<u>APT. 374</u>
7. <u>Yana M. Sanchez</u>	<u>APT. 332</u>
8. <u>Taney Job</u>	<u>509 S. Bridge Weslaco</u>
9. <u>Linda Rodriguez</u>	<u>120 Rebel Dr. Mercedes</u>
10. <u>Sylvia Matamoros</u>	<u>618 S. Nebraska Apt 3</u>
11. <u>Rosalie Marroquin</u>	<u>Rt 7 Box 24 P Weslaco, TX</u>
12. <u>Martha L. Meha</u>	<u>Rt 1 Box 83 AB Mercedes TX 78570</u>
13. <u>Melinda Ayala</u>	<u>Rt 9 Box 412 E. Weslaco TX</u>
14. <u>Olivia Hernandez</u>	<u>2000 W. Corpus Christi Weslaco, TX</u>
15. <u>Eduardo Cerda</u>	<u>Weslaco TX</u>
16. <u>Juan Chapoy</u>	<u>" "</u>
17. <u>[Signature]</u>	<u>" "</u>
18. <u>Belinda Garcia</u>	<u>" "</u>
19. <u>ERNESTO Garcia</u>	<u>" "</u>
20. <u>[Signature]</u>	<u>" "</u>
21. <u>Amelia Guerrero</u>	<u>" "</u>
22. <u>Isela Guerrero</u>	<u>" "</u>
23. <u>Juan Pasina</u>	<u>" "</u>
24. <u>[Signature]</u>	<u>" "</u>
25. <u>Ucky [Signature]</u>	<u>" "</u>
26. <u>[Signature]</u>	<u>" "</u>
27. <u>[Signature]</u>	<u>" "</u>
28. <u>Yanid Morella</u>	<u>" "</u>
29. <u>[Signature]</u>	<u>" "</u>
30. <u>Debra Villareal</u>	<u>608 Seane, Cile # 78404</u>

La Herencia Neighborhood Organization Hidalgo County, Texas

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DATE 3/10/04

NAME

ADDRESS

1. <i>[Signature]</i>	3610 UPAS, McAllen
2. <i>[Signature]</i>	2417 UPAS, McAllen, TX
3. <i>[Signature]</i>	1900 S. Case, Pharr, TX
4. <i>[Signature]</i>	1900 S. Case Pharr, TX
5. <i>[Signature]</i>	1900 S. Case Pharr, TX
6. <i>[Signature]</i>	1900 S. Case Pharr, TX
7. <i>[Signature]</i>	2742 N. Westward
8. <i>[Signature]</i>	208 Coreg Pharr, TX
9. <i>[Signature]</i>	417 W. Hwy 83 #16 San Juan
10. <i>[Signature]</i>	1900 S. Case Blvd Pharr, TX 78577
11. <i>[Signature]</i>	149 W. Dicker Rd, Pharr TX. 78577
12. <i>[Signature]</i>	7209 San Joaquin Pharr, Tx. 78577
13. <i>[Signature]</i>	901 E. Thomas Pharr
14. <i>[Signature]</i>	417 W. Hwy 83
15. <i>[Signature]</i>	7420 Dianna Dr
16. <i>[Signature]</i>	2701 UPAS McAllen
17. <i>[Signature]</i>	1329 Hampton San Juan
18. <i>[Signature]</i>	2801 W. Maple #228 McAllen
19. <i>[Signature]</i>	202 East Clark Pharr TX 78577
20. <i>[Signature]</i>	1900 S - Case Pharr, TX 78577
21. <i>[Signature]</i>	2501 Buddy Owens McAllen TX
22. <i>[Signature]</i>	7066 Los Berms of La Carlisle TX 78577
23. <i>[Signature]</i>	315 E. Cattery Pharr TX 78577
24. <i>[Signature]</i>	1900 S. Case Pharr TX 78577
25. <i>[Signature]</i>	1900 S. Case Pharr TX 78577
26. <i>[Signature]</i>	1202 W. Cattery Pharr TX 78577
27. <i>[Signature]</i>	
28. <i>[Signature]</i>	San Benito, TX
29. <i>[Signature]</i>	
30. <i>[Signature]</i>	1900 S Case Pharr TX

La Herencia Neighborhood Organization Hidalgo County, Texas

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DATE 3/12/04

NAME	ADDRESS
1. <u>[Signature]</u>	
2. <u>Rocio Gomez</u>	<u>La Herencia Dr. Apt. 351</u>
3. <u>Enrique Hernandez</u>	<u>Apt 124</u>
4. <u>[Signature]</u>	<u># 344</u>
5. <u>[Signature]</u>	<u>100 La Herencia</u>
6. <u>[Signature]</u>	<u># 404</u>
7. <u>[Signature]</u>	<u>3117 Mangonillo W</u>
8. <u>[Signature]</u>	<u>3817 Mangonillo W</u>
9. <u>[Signature]</u>	<u># 24</u>
10. <u>Mancey Beal</u>	<u>Mangonillo West</u>
11. <u>[Signature]</u>	<u>Mangonillo West</u>
12. <u>[Signature]</u>	<u>Mangonillo West, West</u>
13. <u>[Signature]</u>	<u>Weslaco TX</u>
14. <u>[Signature]</u>	<u># 322</u>
15. <u>[Signature]</u>	<u>Mercedon St</u>
16. <u>[Signature]</u>	<u># 54</u>
17. <u>[Signature]</u>	<u>100 La Herencia #244</u>
18. <u>[Signature]</u>	<u># 244</u>
19. <u>[Signature]</u>	<u># 333</u>
20. <u>[Signature]</u>	<u>124</u>
21. <u>[Signature]</u>	<u>124</u>
22. <u>[Signature]</u>	<u>114</u>
23. <u>[Signature]</u>	<u>Hurlingham W</u>
24. <u>[Signature]</u>	<u>4510 Anthony, CC W</u>
25. <u>[Signature]</u>	<u>4510 Anthony, CC W</u>
26. <u>[Signature]</u>	<u>Corpus Christi TX</u>
27. <u>[Signature]</u>	<u>Panama St CC TX</u>
28. <u>[Signature]</u>	<u>Hurlingham W</u>
29. <u>[Signature]</u>	<u>Wingate CC TX</u>
30. <u>[Signature]</u>	<u>Wingate CC TX</u>
	<u>San Antonio, CC TX</u>

La Herencia Neighborhood Organization Hidalgo County, Texas

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DATE 3-12-04

<u>NAME</u>	<u>ADDRESS</u>
1. <u>Amanda Villagomez</u>	<u>Apt # 194</u>
2. <u>Elcitas Trujillo</u>	<u>Apt # 74</u>
3. <u>DANICE MORA</u>	<u>APT # 221</u>
4. <u>Denise Martinez</u>	<u>APT # 142</u>
5. <u>Rosalinda Torres</u>	<u>Apt # 219</u>
6. <u>Rosalva Mata</u>	<u>Apt 292</u>
7. <u>Elaine Bessuch</u>	<u>*Apt 258 San Benito TX</u>
8. <u>Ana Garcia</u>	<u>5 Apt 252</u>
9. <u>GARY M. WILTA</u>	<u>Box 332 Brooks Ton MN 55711</u>
10. <u>Diana Sanchez</u>	<u># 374</u>
11. <u>Mike Angellina</u>	<u># 13</u>
12. <u>Lin K. Kim</u>	<u># 242</u>
13. <u>Gabriel Lopez</u>	<u># 244</u>
14. <u>David Ramirez</u>	<u># 244</u>
15. <u>Isabel Munoz</u>	<u>San Diego, TX</u>
16. <u>Juan Mendez</u>	<u>San Diego, TX</u>
17. <u>Elisio Mendez</u>	<u>San Diego, TX</u>
18. <u>Naggie Escalante</u>	<u>Clubbway St Corpus Christi,</u>
19. <u>Pabla Pecina</u>	<u>Harris Co, TX.</u>
20. <u>Johnny Bonagales</u>	<u>2394 Altas Palmas</u>
21. <u>Cheryl Lopez</u>	<u>5311 Puerto Linda</u>
22. <u>Maria Lopez</u>	<u>3900 Kippie Way</u>
23. <u>Amilb Langaria</u>	<u>" "</u>
24. <u>Roberto Martinez</u>	<u>" "</u>
25. <u>Julio Gonzalez</u>	<u>2394 Altas Palmas</u>
26. <u>Josef Lopez</u>	<u>" "</u>
27. <u>Jose Luis Lopez</u>	<u>1423 Cleveland St.</u>
28. <u>Jose Lopez</u>	<u>" "</u>
29. <u>Jose Lopez</u>	<u>" "</u>
30. <u>Laura Jimenez</u>	<u>25341 Hollow Oak</u>

150 members

Juan D. Salinas III

HIDALGO COUNTY CLERK'S OFFICE



FAX COVER SHEET

WWW.HIDALGOCOUNTYCLERK.US

Post Office Box 58
Edinburg, Texas 78540

Phone: (956) 318 - 2100 Fax: (956) 318 - 2067

To: Roland Smith

From: Annette C. Mearns

Fax: 281-550-1930

Pages: 2

Phone: _____

Date: _____

Re: _____

Cc: _____

Comments: So Date this is the list of organizations
that have filed in our office

CONFIDENTIALITY NOTICE: This facsimile message and accompanying documents contain information from the Hidalgo County Clerk's Office, which may be confidential and or privileged. The information is intended to be for the use of the individual or entity named on this transmittal sheet. If you are not the intended recipient, be aware that any disclosure, copying, distribution or use of the contents of this information is prohibited. If you have received this facsimile in error, please notify us by telephone or fax immediately.

Thank you.

NEIGHBORHOOD ORGANIZATIONS
LISTED WITH THE
HIDALGO COUNTY CLERK'S OFFICE

NAME OF ORGANIZATION	ADDRESS	DATE FILED
LAS MILPAS RESIDENT COUNCIL	215 UNIVERSAL DR. PHARR, TX., 78577	03/01/2004
RIO GRANDE HABITAT FOR HUMANITY	P.O. BOX 4318 McALLEN, TX., 78502	03/01/2004
PROJECT ARISE - LAS MILPAS	125 E. DENNY DR. PHARR, TX., 78577	03/01/2004
SUNSET TERRACE RESIDENT COUNCIL	920 WEST VILLEGAS PHARR, TX., 78577	03/01/2004
PADRE DE VIDA NEIGHBORHOOD ORGANIZATION, LCC	3900 SO. WARE RD. McALLEN, TX., 78503	02/18/2004
LA ESTANCIA NEIGHBORHOOD ORGANIZATION, LCC	3601 E. MILE 8 NO. WESLACO, TX., 78596	02/18/2004
EL PATRIMONIO NEIGHBORHOOD ORGANIZATION, LCC	2601 SARAH AVE. McALLEN, TX., 78503	02/18/2004
LA HERENCIA NEIGHBORHOOD ORGANIZATION, LCC	100 LA HERENCIA DR. MERCEDES, TX., 78570	02/18/2004
ISLAND PALM NEIGHBORHOOD ORGANIZATION, LCC	302 S. DOOLITTLE RD. EDINBURG, TX., 78539	02/18/2004
PUEBLO DE PAZ NEIGHBORHOOD ORGANIZATION, LCC	3401 N MAYBERRY RD. MISSION, TX., 78574	02/18/2004
AMISTAD NEIGHBORHOOD ORGANIZATION, LCC	202 S. AVE. WEST DONNA, TX., 78537	02/18/2004
EL PUEBLO DORADO NEIGHBORHOOD ORGANIZATION, LCC	901 E. THOMAS PHARR, TX., 78577	02/18/2004
LAS CONTERAS HOUSING PARTNERS, LTD	211 WEST AUDREY PHARR, TX., 78577	12/19/2003

Rio Grande Habitat for Humanity

Advisory Council

Pat Blunt

Douglas C. Brandy

Klein de la Garza

Mario Garza

Gregg La Menta

Murray Moore

Leo Pineda

Rose Reyno

Neal Runnels

A. Ford Sasser III

Mary Jane Schwertz

Karen Valdez

Sam Wake

Chris Van Buike

Stephan Wingot

Board of Directors

Gary Lenz, President

Toni Haughey, Vice-President

Thelma M. Garza, Secretary

Jay W. Knapp, Treasurer

John Abraham

Fred Biel

William Clayton

Melinda Guzman

Fred Kuth

Elias Longoria, Jr.

Robert McLenish

Rosa Valencia

February 24, 2004

Los Milagros Apartments L.P.
17336 W. Little York Road
Houston, Texas 77084

04032

RECEIVED

APR 30 2004

LIHTC

RE: Los Milagros Apartments L.P. 160 Units Weslaco, Texas

Dear Mr. Smith,

We support the development of the proposed Los Milagros Apartments in Weslaco Texas. This apartment community will bring quality affordable housing to our community as well as positive economic impact. We support your efforts to accomplish this goal. If you have any further questions please feel free to contact me at (956) 686-7455.

Sincerely,



Gary Lenz
President

Nio Grande Habitat for Humanity

Members of

Pat Blum

Douglas G. Branch

Rita de la Cruz

Monica Carzon

Cecilia La Mantia

Murray Moore

Leo Pruneda

Rose Rayna

Neal Kunnels

A. Ford Sasser, III

Mary Jane Schmitz

Karen Voldler

Sam Vale

Chris Van Buitten

Stephan Wingert

Board of Directors

Gary Lenz, President

Tom Haughey, Vice-President

Thelma M. Garza, Secretary

Jay W. Kropp, Treasurer

John Abubakar

Fred Biel

William Clayton

Melinda Guzman

Fred Kurth

Elias Lovigoria, Jr

Robert McLeish

Rosa Valencia

February 24, 2004

The Harvest Apartments L.P.
17336 W. Little York Road
Houston, Texas 77084

04299

RE: The Harvest Apartments L.P. 100 Units Mercedes, Texas

Dear Mr. Smith,

We support the development of the proposed The Harvest Apartments in Mercedes Texas. This apartment community will bring quality affordable housing to our community as well as positive economic impact. We support your efforts to accomplish this goal. If you have any further questions please feel free to contact me at (956) 686-7455.

Sincerely,

Gary Lenz
President



Rio Grande Habitat for Humanity

Who's Who

Pat Blum

Douglas C. Bready

Kils de la Garza

Memo Garcia

Careg La Merced

Munoy Nogue

Los Pineda

Rose Keyser

Neal Runnels

A. Ford Sasser, III

Mary Jane Schwetz

Kevin Valdez

Sam Vile

Chris Van Buren

Stephen Wingert

Board of Directors

Gary Lenz, President

Terr Houghton, Vice President

Thelma M. Garza, Secretary

Jay W. Knapp, Treasurer

John Alshari

Fred Biel

William Clayton

Melida Guzman

Fred Kurh

Elias Longoria, Jr

Robert McLeish

Rosa Valencia

February 24, 2004

Paloma Blanca Apartments L.P.
17336 W. Little York Road
Houston, Texas 77084

04298

RE: Paloma Blanca Apartments L.P. 100 Units Pharr, Texas

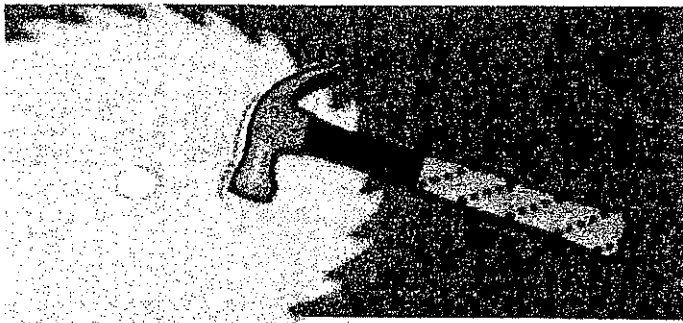
Dear Ms. Livingston,

We support the development of the proposed The Paloma Blanca Apartments in Pharr Texas. This apartment community will bring quality affordable housing to our community as well as positive economic impact. We support your efforts to accomplish this goal. If you have any further questions please feel free to contact me at (956) 686-7455.

Sincerely,

Gary Lenz
President





Ph (956) 686-7455
Fax (956) 631-3595



P.O. Box 4318
McAllen, TX 78502

Fax Cover Sheet

Page 1 of 3

To: _____

Attn: _____

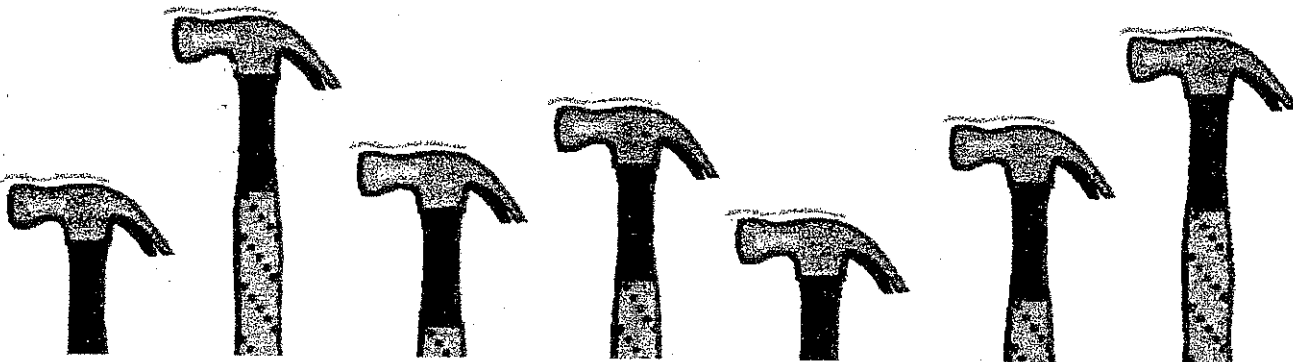
Fax Number: 281 550 1930

From: Rio Grande Habitat

Fax Number: 956 631 3595

Comments:

Daisy 956 6682 8024





The State of Texas

Secretary of State

MAY 19, 1988

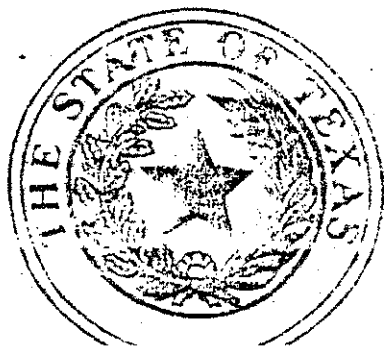
JUDY LEE WONG--EWERS, TOOTHAKER, ABBOTT, T+
1111 NOLANA
MCALLEN ,TX 78501

RE:
RIO GRANDE HABITAT FOR HUMANITY, INC.
CHARTER NUMBER 01077675-01

IT HAS BEEN OUR PLEASURE TO APPROVE AND PLACE ON RECORD THE ARTICLES OF INCORPORATION THAT CREATED YOUR CORPORATION. WE EXTEND OUR BEST WISHES FOR SUCCESS IN YOUR NEW VENTURE.

AS A CORPORATION, YOU ARE SUBJECT TO STATE TAX LAWS. SOME NON-PROFIT CORPORATIONS ARE EXEMPT FROM THE PAYMENT OF FRANCHISE TAXES AND MAY ALSO BE EXEMPT FROM THE PAYMENT OF SALES AND USE TAX ON THE PURCHASE OF TAXABLE ITEMS. IF YOU FEEL THAT UNDER THE LAW YOUR CORPORATION IS ENTITLED TO BE EXEMPT YOU MUST APPLY TO THE COMPTROLLER OF PUBLIC ACCOUNTS FOR THE EXEMPTION. THE SECRETARY OF STATE CANNOT MAKE SUCH DETERMINATION FOR YOUR CORPORATION.

IF WE CAN BE OF FURTHER SERVICE AT ANY TIME, PLEASE LET US KNOW.



VERY TRULY YOURS,

Carl M. Reims

Secretary of State



TEXAS COMPTROLLER OF PUBLIC ACCOUNTS
CAROLE KEETON STRAYHORN • COMPTROLLER • AUSTIN, TEXAS 78774

June 17, 2003

RIO GRANDE HABITAT FOR HUMANITY INC
PO BOX 4318
MCALLEN, TX 78502-4318

CERTIFICATE OF ACCOUNT STATUS

THE STATE OF TEXAS
COUNTY OF TRAVIS

I, Carole Keeton Strayhorn, Comptroller of Public Accounts of the State of Texas,
DO HEREBY CERTIFY that according to the records of this office

RIO GRANDE HABITAT FOR HUMANITY INC

is exempt from payment of franchise tax and consequently is in good standing
with this office.

GIVEN UNDER MY HAND AND
SEAL OF OFFICE in the City of
Austin, this 17th day of
June, 2003 A.D.

Carole Keeton Strayhorn
Texas Comptroller

Taxpayer number: 17425046764
File number: 0107767501



The State of Texas
Secretary of State

CERTIFICATE OF INCORPORATION
OF

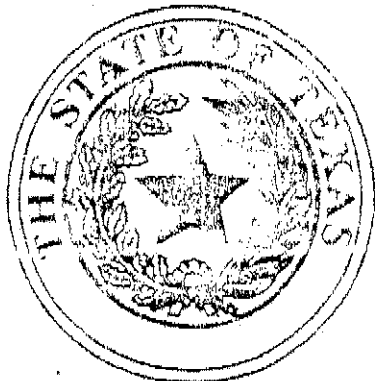
RIO GRANDE HABITAT FOR HUMANITY, INC.
CHARTER NUMBER 01077675


THE UNDERSIGNED, AS SECRETARY OF STATE OF THE STATE OF TEXAS,
HEREBY CERTIFIES THAT ARTICLES OF INCORPORATION FOR THE ABOVE
CORPORATION, DULY SIGNED AND VERIFIED HAVE BEEN RECEIVED IN THIS
OFFICE AND ARE FOUND TO CONFORM TO LAW.

ACCORDINGLY THE UNDERSIGNED, AS SUCH SECRETARY OF STATE, AND BY
VIRTUE OF THE AUTHORITY VESTED IN THE SECRETARY BY LAW, HEREBY ISSUES
THIS CERTIFICATE OF INCORPORATION AND ATTACHES HERETO A COPY OF THE
ARTICLES OF INCORPORATION.

ISSUANCE OF THIS CERTIFICATE OF INCORPORATION DOES NOT AUTHORIZE THE
USE OF A CORPORATE NAME IN THIS STATE IN VIOLATION OF THE RIGHTS OF ANOTHER
UNDER THE FEDERAL TRADEMARK ACT OF 1946, THE TEXAS TRADEMARK LAW, THE
ASSUMED BUSINESS OR PROFESSIONAL NAME ACT OR THE COMMON LAW.

DATED MAY 19, 1988




Secretary of State

ARTICLES OF INCORPORATION

OF

RIO GRANDE HABITAT FOR HUMANITY, INC.FILED
to the Office of the
Secretary of State of Texas

MAY 19 1988

Corporations Section

I, the undersigned natural person, who is of the age of eighteen (18) years or more, acting as incorporator of a corporation under the Texas Non-Profit Corporation Act, do hereby adopt the following Articles of Incorporation for such corporation:

ARTICLE ONE

The name of the corporation is "Rio Grande Habitat for Humanity, Inc."

ARTICLE TWO

The corporation is a non-profit organization.

ARTICLE THREE

The period of its duration is perpetual.

ARTICLE FOUR

The corporation is organized exclusively for charitable purposes as established in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended. Specific purposes of the corporation are:

(a) To implement the Gospel of Jesus Christ in the lower Rio Grande Valley area of Texas, throughout the United States, and around the world by working with economically disadvantaged people to help them created a better human habitat in which to live and work.

(b) To cooperate with other charitable organizations, through grants and otherwise, which are working to develop a better habitat for economically disadvantaged people.

(c) To make and execute such contracts, leases, options, loans or other arrangements as may be necessary to carry out the foregoing purposes, to sponsor campaigns and solicitations, to acquire and secure property, real, personal or mixed, and funds, from donations, contributions, grants, bequests, fees or charges and other lawful means, to be expended to accomplish the above set out purposes and to take any other actions authorized by the Texas Non-Profit Corporation Act; provided, however, in no event shall the corporation engage in any activity which is not permitted for

a qualified entity under the provisions of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended.

(d) To counsel and assist families: in budgeting and finance, nutrition, family relationships, parenting, and in other areas of home and family living.

(e) To communicate the Gospel of Jesus Christ by means of the spoken word, and by distribution of Bibles and other Christian literature.

ARTICLE FIVE

1

No part of the net earnings of the corporation shall inure to the benefit of any director of the corporation, officer of the corporation, or any private individual, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered to or for the corporation and to make payments and distributions in furtherance of the purposes set forth in Article Four hereof. No director or officer of the corporation, or any private individual, shall be entitled to share in the distribution of any of the corporate assets on dissolution of the corporation. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office.

2

Notwithstanding any other provision of these Articles, the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue 1986 (or the corresponding provision of any future United States Internal Revenue law) or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue law).

ARTICLE SIX

The street address of the initial registered office of the corporation is 1400 North 10th, McAllen, Texas, 78501 and the name of its initial registered agent at such address is Rev. Ernest W. Miller.

ARTICLE SEVEN

The number of directors constituting the initial board of directors of the corporation is three (3) and the names and addresses of persons who are to serve as the initial directors are:

1. Rafael Guerra
3600 N. 23rd St., #206
McAllen, Texas 78501
2. Gary Lenz
1320 N. 10th Street
McAllen, Texas 78501
3. Rev. Ernest W. Miller
1400 N. 10th Street
McAllen, Texas 78501

ARTICLE EIGHT

The initial board of directors will adopt bylaws to provide for terms of office and election of officers of the corporation and for terms of office and election of the succeeding boards of directors as well as the method and manner of conducting the affairs of the corporation.

ARTICLE NINE

Upon the dissolution of the corporation, the board of directors shall, after paying or making provision for the payment of all the liabilities of the corporation, dispose of all the assets of the corporation, dispose of all the assets of the corporation exclusively for the purposes of the corporation in such a manner or to such organization or organizations organized and operated exclusively for charitable, educational, religious, or scientific purposes as shall at the time qualify as an exempt organization or organization under Section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue

law), as the board of directors shall determine. Any such assets not so disposed of shall be disposed of by the court having jurisdiction in Hidalgo County, Texas, exclusively for such purposes or to such organization or organizations, as said court shall determine, which are organized and operated exclusively for such purposes.

IN WITNESS WHEREOF, I have hereunto set my hand, this 13th day of May, 1988.

Rev. Ernest W Miller
Rev. Ernest W. Miller (incorporator)

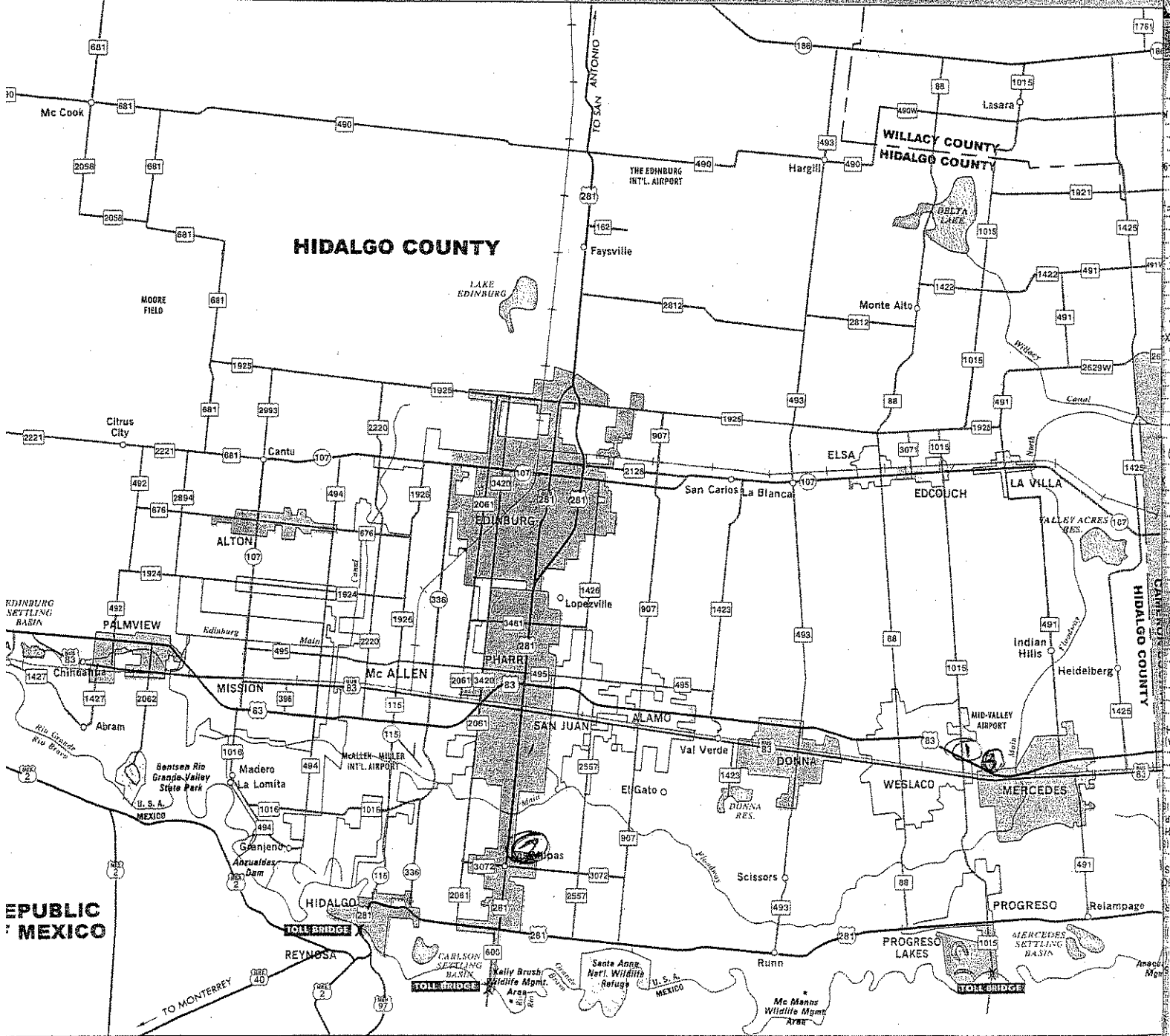
THE STATE OF TEXAS §
 §
COUNTY OF Hidalgo §

SUBSCRIBED AND SWORN TO BEFORE ME, a Notary Public, by the said Rev. Ernest W. Miller, this 13th day of May, 1988.

Annette Chapa
Notary Public, State of Texas
Annette Chapa
My Commission Expires: 5/3/92

- 1. LOS MILAGROS #04032
- 2. PALOMA BLANCA #04298
- 3. THE HARVEST #04299

RIO GRANDE VALLEY



REPUBLIC OF MEXICO

PADRE DE VIDA NEIGHBORHOOD ORGANIZATION
3900 S. WARE ROAD
McALLEN, TEXAS 78503
(956) 668-0008 PHONE
(956) 668-0023 FAX

RECEIVED
APR 30 2004
LIHTC

April 29, 2004

Texas Department of Housing & Community Affairs
Attn: Director of Multi-Family Finance Production
Division (Neighborhood Input)
507 Sabine, Suite 400
Austin, Texas 78701

Re: TDHCA # 04032 Los Milagros Apartments- Weslaco, Texas
TDHCA # 04298 Paloma Blanca Apartments- Pharr, Texas
TDHCA # 04299 The Harvest Apartments- Mercedes, Texas

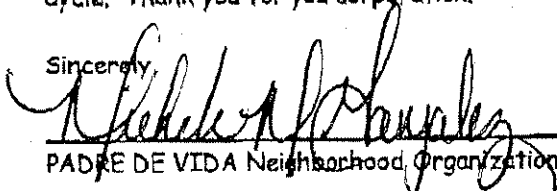
Dear Director:

The PADRE DE VIDA Neighborhood Organization was created to be a vehicle where concerned citizens living in Hidalgo County could organize to address affordable housing issues and advance their input and concerns about the need for affordable housing as well as to improve living conditions of families located in Hidalgo County.

This organization is duly formed as a Texas corporation (see attached organizational documents). We have filed our documents with the Hidalgo County Clerks office with Ms. Anette Muniz. These proposed projects are located within the boundaries of this organization which is in Hidalgo County. (See attached maps). This organization is made up of approximately 82 members. (See attached list of members and officers). This organization and its members support the referenced projects and we feel that these projects will provide needed quality affordable housing for working families residing in Hidalgo County. There location will distribute the needed housing in areas where it will be convenient for the families to get to work. These locations are in areas that have good schools and are close to elementary schools reducing the drive time for the residents who take small children to school. These projects will offer 30% and 40% median income units to the family sector of greatest need in Hidalgo County. Attached is a letter of opposition for two other projects located within the boundaries of the organizations. (See attached letters of opposition). Also attached is our letter of support for the three referenced projects.

We respectfully request that you award these projects the funds needed to develop these proposed projects in Hidalgo County in the 2004 Low-Income Housing Tax Credit Allocation Cycle. Thank you for your cooperation.

Sincerely,



PADRE DE VIDA Neighborhood Organization, President

Corporations Section
P.O.Box 13697
Austin, Texas 78711-3697



Geoffrey S. Connor
Secretary of State

Office of the Secretary of State

CERTIFICATE OF ORGANIZATION OF

Padre de Vida Neighborhood Organization, L.L.C.
Filing Number: 800305604

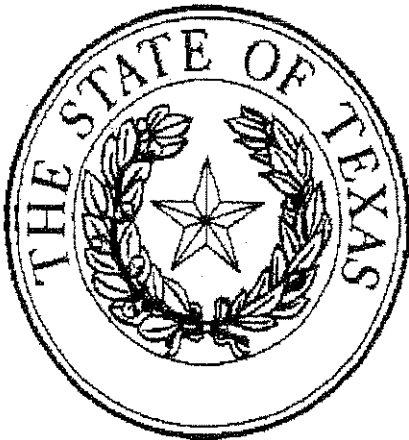
The undersigned, as Secretary of State of Texas, hereby certifies that Articles of Organization for the above named company have been received in this office and have been found to conform to law.

ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the Secretary by law, hereby issues this Certificate of Organization.

Issuance of this Certificate of Organization does not authorize the use of a name in this state in violation of the rights of another under the federal Trademark Act of 1946, the Texas trademark law, the Assumed Business or Professional Name Act, or the common law.

Dated: 02/17/2004

Effective: 02/17/2004



A handwritten signature in black ink, appearing to read "G. Connor".

Geoffrey S. Connor
Secretary of State

**ARTICLES OF ORGANIZATION
OF
PADRE DE VIDA NEIGHBORHOOD ORGANIZATION, L.L.C.**

The undersigned, acting as the sole organizer of a limited liability company under the Texas Limited Liability Company Act (the "Act"), does hereby adopt the following Articles of Organization for Padre de Vida Neighborhood Organization, L.L.C. (the "Company"):

ARTICLE ONE

The name of the Company is Padre de Vida Neighborhood Organization, L.L.C.

ARTICLE TWO

The period of duration of the Company is perpetual, unless the Company dissolves in accordance with the provisions of its regulations

ARTICLE THREE

The purpose for which the Company is organized is to better serve the residents of Hidalgo County in providing quality affordable housing and community support. Our Neighborhood Organization is limited to Hidalgo County.

ARTICLE FOUR

The address of the initial registered office of the Company is 3900 S. Ware Road, Mc Allen, Texas 78503 and the name of its initial registered agent at that address is Michele Gonzalez.

ARTICLE FIVE

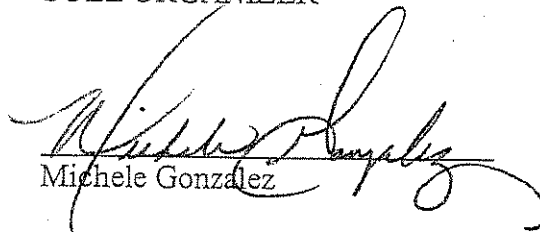
The Company is to be managed by one or more managers. The number of initial managers, who shall serve as managers until the first annual meeting of members of the Company or until successors are duly elected, shall be one (1). The name and address of the initial manager is:

Michele Gonzalez
3900 S. Ware Road
Mc Allen, TX 78503

Omission for which the liability of a manager is expressly provided by an applicable statute. Any repeal or amendment of this Article Ten by the members of the Company shall be prospective only and shall no adversely affect any limitation on the liability of a manager of the Company existing at the time of such repeal or amendment. In addition to the circumstances in which the manager of the Company is not liable as set forth in the preceding sentences, the manager shall not be liable to the fullest extent permitted by any provisions of the statutes of Texas hereafter enacted that further limits the liability of a manager or of a director of a corporation.

IN WITNESS WHEREOF, these Articles of Organization have been executed on February 2, 2004 by the undersigned.

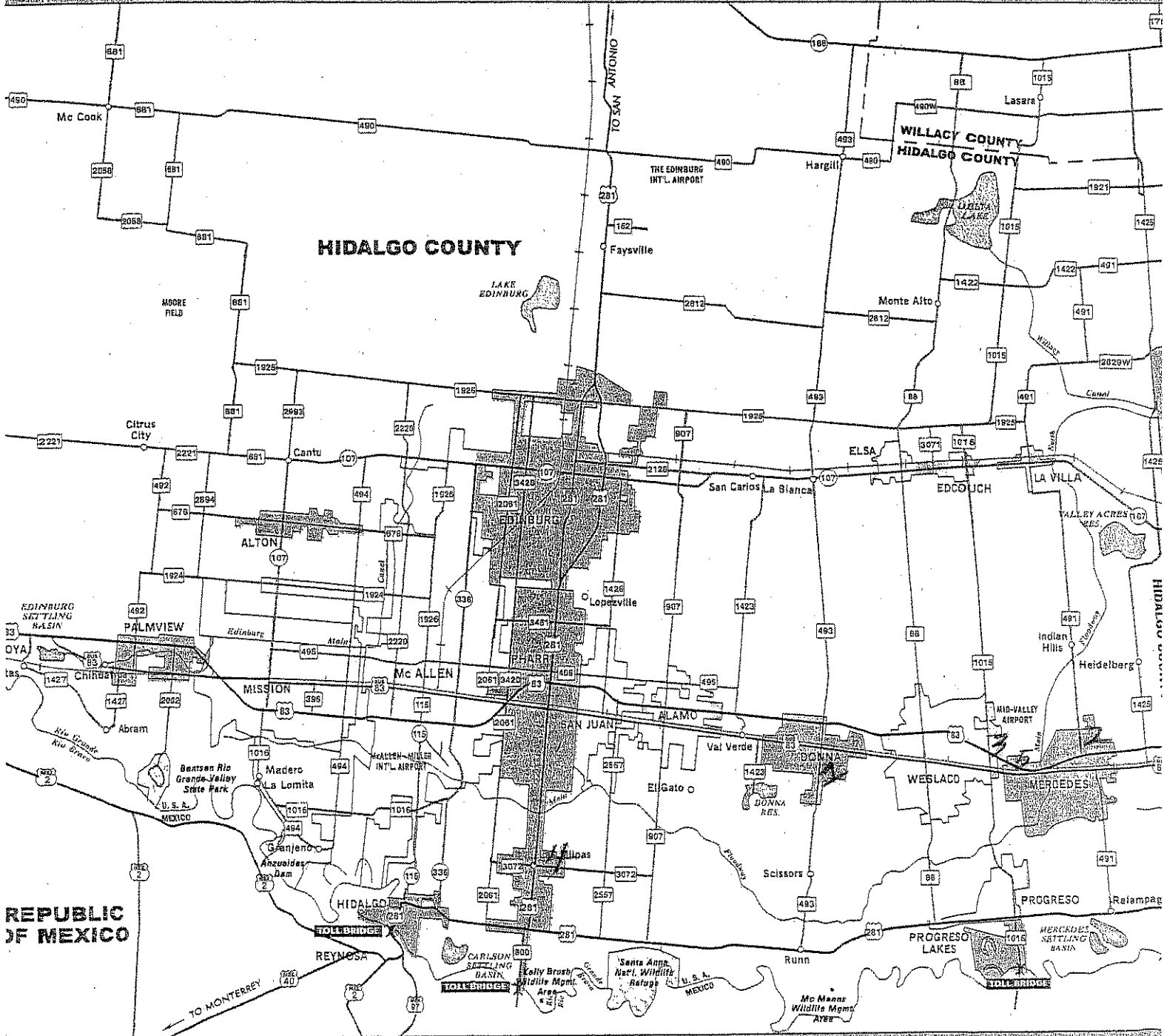
SOLE ORGANIZER


Michele Gonzalez

MAP

- 1. ARBOR COVE #04226
- 2. CASA KORIMA #04146
- 3. LOS MILAGROS #04032
- 4. PALOMA BLANCA #04298
- 5. THE HARVEST #04299

RIO GRANDE V



Padre de Vida Neighborhood Organization, L.L.C.
3900 South Ware Rd.
McAllen, Texas 78503
Phone: (956) 668-0008 Fax: (956) 514-5166

April 29, 2004

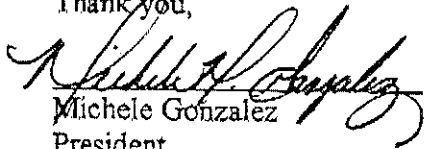
Members of Padre de Vida Neighborhood Organization

President: Michele Gonzalez
Vice President: Veronica Cantu
Secretary: Jaime Nieto

Members are as follows:

Patricia Maya, Juliana Sandoval, Claudia Morales, Jose Alvarado, Jesse Moreno, Maribel Valdez, Jessica Velma, Esteban Villarreal, Yesinia Pena, Julia Escobar, Deanna Guerra, Sandra Fonseca, Diana Solis, Lorena Morin, Rodney Blackshear, Jesus Ortiz, Mauro Diaz, Guadalupe Paez, Austin Hyde, Zoila Contreras, Davis Contreras, Napoleon Coca, Rosa Villarreal, Luisa Luna, Carolina Gonzalez, Romel Hinojosa, Maria Chavez, Hilda Sanchez, Beatrice Garza, Jose Luis Castillo, Mayra Rivera, Jose Cárdenas, Juliana Alavez, Lora Hernandez, Rosemarie Flores, Modesta Carrillo, Maribel Rodriguez, Patrick Hyde, Josha Hyde, Jennifer Estrada, Marcus Bradley, Manuel Montemayor, Clement, Clement Marquez, Helen Belaquez, Frieda Delgado, Juan Sosa, Clara Leal, Eduardo Garza, Sylvia Esquivel, Aaron Chavarria, Jesus Caballero, Miguel Rangel, Maria Elena Arrendondo, Myra Medina, Cesar Gaitan, Reyna Lara, Maria Penaloza, Marylou Escobedo, Yadia Valdez, Pedro Izquierdo, Belinda Solis, Guadalupe Gonzalez, Jose Luis Fernandez, Adrianna, Bonnie Smith, San Juana Trevino, Elvia Garcia, Leonorilda Ochoa, Maria Prieto, Jose Argil, Claudia Riveria, Luico Pruneda, Kendall Williams, Jimel Cofer, Lucious Davis, Preston Hartfield, Ron Pierce, Timothy Cook, Micheal Clay, Lovette Herman, Eric Houle, Cedric Stewart, Manwell.

Thank you,


Michele Gonzalez
President

EL PUEBLO DORADO NEIGHBORHOOD ORGANIZATION

901 E. THOMAS ROAD
PHARR, TEXAS 78574
(956) 782-9400 PHONE
(956) 782-9433 FAX

RECEIVED

APR 29 2004

LIHTC

April 28, 2004

Texas Department of Housing & Community Affairs
Attn: Director of Multi-Family Finance Production
Division (Neighborhood Input)
507 Sabine, Suite 400
Austin, Texas 78701

Re: TDHCA # 04032 Los Milagros Apartments- Westlaco, Texas
TDHCA # 04298 Paloma Blanca Apartments- Pharr, Texas
TDHCA # 04299 The Harvest Apartments- Mercedes, Texas

Dear Director:

The EL PUEBLO DORADO Neighborhood Organization was created to be a vehicle where concerned citizens living in Hidalgo County could organize to address affordable housing issues and advance their input and concerns about the need for affordable housing as well as to improve living conditions of families located in Hidalgo County.

This organization is duly formed as a Texas corporation (see attached organizational documents). We have filed our documents with the Hidalgo County Clerks office with Ms. Anette Muniz. These proposed projects are located within the boundaries of this organization which is in Hidalgo County. (See attached maps). This organization is made up of approximately 43 members. (See attached list of members and officers). This organization and its members support the referenced projects and we feel that these projects will provide needed quality affordable housing for working families residing in Hidalgo County. Their location will distribute the needed housing in areas where it will be convenient for the families to get to work. These locations are in areas that have good schools and are close to elementary schools reducing the drive time for the residents who take small children to school. These projects will offer 30% and 40% median income units to the family sector of greatest need in Hidalgo County. Attached is a letter of opposition for two other projects located within the boundaries of the organizations. (See attached letters of opposition). Also attached is our letter of support for the three referenced projects.

We respectfully request that you award these projects the funds needed to develop these proposed projects in Hidalgo County in the 2004 Low-Income Housing Tax Credit Allocation Cycle. Thank you for your corporation.

Sincerely,


EL PUEBLO DORADO Neighborhood Organization, President



Office of the Secretary of State

**CERTIFICATE OF ORGANIZATION
OF**

El Pueblo Dorado Neighborhood Organization, L.L.C.
Filing Number: 800305829

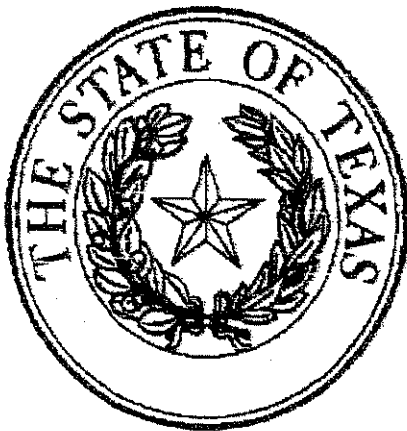
The undersigned, as Secretary of State of Texas, hereby certifies that Articles of Organization for the above named company have been received in this office and have been found to conform to law.

ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the Secretary by law, hereby issues this Certificate of Organization.

Issuance of this Certificate of Organization does not authorize the use of a name in this state in violation of the rights of another under the federal Trademark Act of 1946, the Texas trademark law, the Assumed Business or Professional Name Act, or the common law.

Dated: 02/17/2004

Effective: 02/17/2004



A handwritten signature in black ink, appearing to read "G. Connor".

Geoffrey S. Connor
Secretary of State

**ARTICLES OF ORGANIZATION
OF
EL PUEBLO DORADO NEIGHBORHOOD ORGANIZATION, L.L.C.**

The undersigned, acting as the sole organizer of a limited liability company under the Texas Limited Liability Company Act (the "Act"), does hereby adopt the following Articles of Organization for El Pueblo Dorado Neighborhood Organization, L.L.C. (the "Company"):

ARTICLE ONE

The name of the Company is El Pueblo Dorado Neighborhood Organization, L.L.C.

ARTICLE TWO

The period of duration of the Company is perpetual, unless the Company dissolves in accordance with the provisions of its regulations

ARTICLE THREE

The purpose for which the Company is organized is to better serve the residents of Hidalgo County in providing quality affordable housing and community support. Our Neighborhood Organization is limited to Hidalgo County.

ARTICLE FOUR

The address of the initial registered office of the Company is 901 E. Thomas, Pharr, Texas 78577 and the name of its initial registered agent at that address is Jessica Armendariz.

ARTICLE FIVE

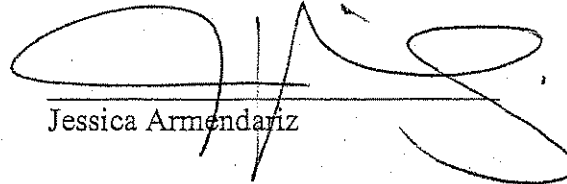
The Company is to be managed by one or more managers. The number of initial managers, who shall serve as managers until the first annual meeting of members of the Company or until successors are duly elected, shall be one (1). The name and address of the initial manager is:

Jessica Armendariz
901 E. Thomas
Pharr, TX 78577

Omission for which the liability of a manager is expressly provided by an applicable statute. Any repeal or amendment of this Article Ten by the members of the Company shall be prospective only and shall not adversely affect any limitation on the liability of a manager of the Company existing at the time of such repeal or amendment. In addition to the circumstances in which the manager of the Company is not liable as set forth in the preceding sentences, the manager shall not be liable to the fullest extent permitted by any provisions of the statutes of Texas hereafter enacted that further limits the liability of a manager or of a director of a corporation.

IN WITNESS WHEREOF, these Articles of Organization have been executed on February 3, 2004 by the undersigned.

SOLE ORGANIZER

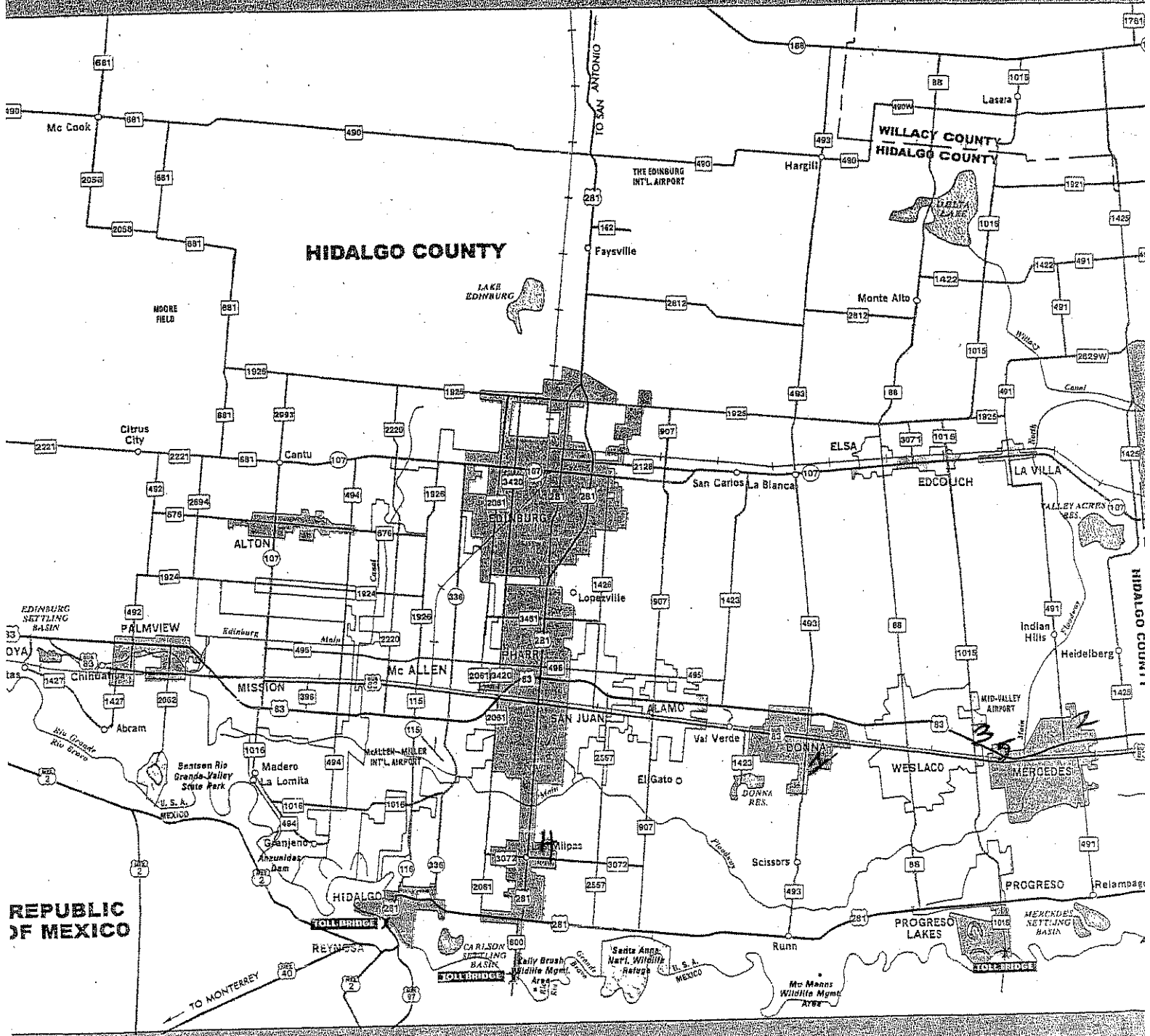


Jessica Armendariz

MAP

1. ARBOR COVE #04226
2. CASA KORIMA #04146
3. LOS MILAGROS #04032
4. PALOMA BLANCA #04298
5. THE HARVEST #04299

RIO GRANDE VALLEY



**Members of El Pueblo Dorado Apartments
Neighborhood Organization**

President: Jessica Armendariz
Vice President: Noemi DeLeon
Secretary: Rosa O Molina
Members are as follows:

Rachel Oliva
Rachel Mendez
Cynthia Garcia
Lorenzo Monrreal
Pedro Esparza
Vilma Calderon
Deborah Robertson
Maria O Alvear
Sandra Archer
Rosalva Ramirez
Karina Gonzalez
Rosario Ramirez
Roberto Ortiz
Pablo Gutierrez
Flor Ontiveros
Aida M Carr
Claudia Stevens
Ludivina Soliz
Jesus Chavez / Yolanda Saldana
Loretta Lynn Morales
Dawn Cloud
Everardo Soto
Magda Gonzalez
Annabell Gonzalez
Norberto Garza
Jorge H Hernandez
Eric Cubas
Julio Gomez
Irma Garcia
Marisol Rivera
Luz Ma. Ventura
Catarina Herrera
Anissa Cabrera
Xochitl Rocuba
Blanca Casas
Javier Mejorado / Sandra Quintero
Jesus Trejo
Francisco Montoya

El Pueblo Dorado Neighborhood Organization, L.L.C.
901 E. Thomas Road
Pharr, Texas 78577
(956) 782-9400

March 5, 2004

Ms. Brooke Boston
Texas Department of Housing and Community Affairs
507 Sabine, Suite 400
Austin, Texas 78701

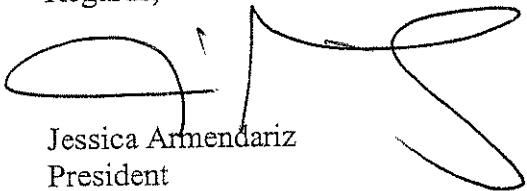
Re: Arbor Cove Apartments, TDHCA #04226
Casa Corima Apartments, TDHCA #04146

Dear Ms. Boston,

This letter is in opposition to the above projects. These two projects do not equitably distribute tax credit units to the residents of Hidalgo County. These two projects are very large for rural communities. Our organization members feel like a more equitable distribution of the Low Income Tax Credit housing to rural areas in Hidalgo County is more acceptable to the residents of the county. Dispensing affordable housing to numerous rural areas of Hidalgo County will cause less of a travel burden on the working families who work in many areas of the county. Concentrating large projects in one or two small rural areas will add to the travel burden of many families seeking affordable housing.

Thank you for your time.

Regards,


Jessica Armendariz
President

El Pueblo Dorado Neighborhood Organization Hidalgo County, Texas

The El Pueblo Dorado Neighborhood Organization and its members support the development of the Vista de Amistad Apartments, The Harvest Apartments, Los Milagros Apartments and Paloma Blanca Apartments located in Hidalgo County, Texas. These projects will enhance the quality of life for the residents of Hidalgo County and are located in an area that will achieve the goal of equitable distribution of affordable housing to this community.

DATE 03/10/04

293
members

NAME	ADDRESS
1. <u>Christina Armenta</u>	<u>115 W Martha Louise Pharr</u>
2. <u>Mary Contreras</u>	<u>4801 N Thomas Rd</u>
3. <u>Isabel Peña</u>	<u>P.O. Bx 28 Pharr</u>
4. <u>Maria Rodriguez</u>	<u>1916 Pharr</u>
5. <u>Rodro Escamilla</u>	<u>286 Comanche</u>
6. <u>Vicky Pedraza</u>	<u>504 Alta Pharr</u>
7. <u>Sarah Martinez</u>	<u>3617 Henry L. McAllen</u>
8. <u>"Chuy" Vasquez</u>	<u>902 N. Adams, Pharr</u>
9. <u>Juan Medina</u>	<u>Ectorberg. TX</u>
10. <u>[Signature]</u>	<u>Pharr</u>
11. <u>Victoria Arcevedo</u>	<u>Pharr Tx.</u>
12. <u>Marcos Vila</u>	<u>412 Victoria</u>
13. <u>[Signature]</u>	<u>Waylaco TX.</u>
14. <u>Amanda Rodriguez</u>	<u>West Dicken.</u>
15. <u>Rene Alvarez</u>	<u>San Juan</u>
16. <u>Armando Mtz</u>	<u>Pharr TX</u>
17. <u>Dulce Rueda</u>	<u>3800 Charco Cas Milpas.</u>
18. <u>Ninta Felipa</u>	<u>Pharr TX</u>
19. <u>Sora Guerrero</u>	<u>Ectorberg TX</u>
20. <u>Rogelio Garza</u>	<u>64 S. Femen St.</u>
21. <u>[Signature]</u>	<u>704 Tyler McAllen</u>
22. <u>Jacobo Peña</u>	<u>408 E Aren Alamo TX</u>
23. <u>Flavio Villareal</u>	<u>San Juan</u>
24. <u>Samuel Jimenez</u>	<u>5567 CR Alamo</u>
25. <u>[Signature]</u>	<u>5510 CR Alamo</u>
26. <u>Alvaro Diaz</u>	<u>Pharr TX.</u>
27. <u>Yajaira Bonifacio</u>	<u>301 Chapo Pharr</u>
28. <u>[Signature]</u>	<u>700 S. Tolce Sandun.</u>
29. <u>Valencia Guerra</u>	<u>709 N. Mier Sandun</u>
30. <u>[Signature]</u>	<u>709 N Mier Sandun.</u>

El Pueblo Dorado Neighborhood Organization Hidalgo County, Texas

The El Pueblo Dorado Neighborhood Organization and its members support the development of the Vista de Amistad Apartments, The Harvest Apartments, Los Milagros Apartments and Paloma Blanca Apartments located in Hidalgo County, Texas. These projects will enhance the quality of life for the residents of Hidalgo County and are located in an area that will achieve the goal of equitable distribution of affordable housing to this community.

DATE 03/11/03

<u>NAME</u>	<u>ADDRESS</u>
1. Y. S.	2947 Crockett
2. Cindy P. ...	1412 Consuelo St.
3. ...	Pharr
4. ...	Pharr
5. Jedro Villanueva	1210 W. 1 st Blvd.
6. ...	3120 Las Palmas Mission
7. Luz ...	# 314
8. ...	# 314
9. ...	725 Loma Mission.
10. ...	725 Loma Mission.
11. ...	1010 Gibson McAllen
12. ...	2116 Reynolds
13. ...	824 Calita
14. ...	1321 Rose Dr.
15. ...	194 Cameron Hidalgo
16. ...	504 Sierra Hidalgo.
17. ...	1415 Zamora St. Hidalgo.
18. ...	Pharr, TX
19. ...	Pharr, TX
20. ...	504 Escobar
21. ...	504 Escobar
22. ...	P.O. BOX 52
23. ...	281 W. 3 rd
24. ...	1816 Com Rd.
25. ...	117 Beckman
26. ...	FM 325
27. ...	122 Flores.
28. ...	Pharr
29. ...	801 Texas
30. ...	801 Texas

El Pueblo Dorado Neighborhood Organization Hidalgo County, Texas

The El Pueblo Dorado Neighborhood Organization and its members support the development of the Vista de Amistad Apartments, The Harvest Apartments, Los Milagros Apartments and Paloma Blanca Apartments located in Hidalgo County, Texas. These projects will enhance the quality of life for the residents of Hidalgo County and are located in an area that will achieve the goal of equitable distribution of affordable housing to this community.

DATE 03/11/03

<u>NAME</u>	<u>ADDRESS</u>
1. <u>Mayra J. De Leon</u>	<u>2913 Gayle Edinburg TX</u>
2. <u>Jorge De Leon</u>	<u>2913 Gayle Edinburg TX 78541</u>
3. <u>Alfredo De Leon</u>	<u>3705 W. Maple Ave McAllen TX 78501</u>
4. <u>Michelle Guerrero</u>	<u>2617 Pecan Ave. McAllen, TX 78501</u>
5. <u>Herman Hernandez III</u>	<u>2617 Pecan Ave. McAllen, TX 78501</u>
6. <u>Wesley W. Hernandez</u>	<u>2617 Pecan Ave. McAllen, TX 78501</u>
7. <u>Jose M. De Leon</u>	<u>308 W. Maple Ave McAllen, TX 78501</u>
8. <u>David Salazar</u>	<u>McAllen, Texas</u>
9. <u>Ramiro R. Roldan</u>	<u>1123 E. Van Hook Edinburg TX</u>
10. <u>Michael Jimenez</u>	<u>McAllen, Texas</u>
11. <u>Alfonso Jimenez, Jr. A</u>	<u>412 Iowa PHARR, Texas</u>
12. <u>Robt J. Cantu</u>	<u>McAllen TX</u>
13. <u>Carroll Hoy</u>	<u>McAllen, TX</u>
14. <u>Richard Villareal</u>	<u>McAllen TX</u>
15. <u>Juan Carlos Lujan</u>	<u>Mission TX</u>
16. <u>Cathie Goya</u>	<u>McAllen, TX</u>
17. <u>Rafael Ramos</u>	<u>McAllen, Texas</u>
18. <u>Juan Goya</u>	<u>McAllen, Texas</u>
19. <u>Julian Cantu</u>	<u>McAllen, TEXAS</u>
20. <u>Jules Roldan</u>	<u>Pharr Texas</u>
21. <u>Carlos Rodriguez</u>	<u>San Juan Texas</u>
22. <u>Pedro Ramirez</u>	<u>MISSION TX</u>
23. <u>Rolando Sepulveda</u>	<u>McAllen, Texas</u>
24. <u>Juan Gomez</u>	<u>Pharr TX</u>
25. <u>Rafael Flores</u>	<u>Pharr, TX</u>
26. <u>Carlos Barrientos</u>	<u>McAllen, TX</u>
27. <u>Edan Garcia</u>	<u>Alamo, TX</u>
28. <u>Rafael Flores</u>	<u>Edinburg, TX</u>
29. <u>Rosie Flores</u>	<u>Edinburg, TX</u>
30. <u>Julian Salinas</u>	<u>MISSION, TX</u>

El Pueblo Dorado Neighborhood Organization Hidalgo County, Texas

The El Pueblo Dorado Neighborhood Organization and its members support the development of the Vista de Amistad Apartments, The Harvest Apartments, Los Milagros Apartments and Paloma Blanca Apartments located in Hidalgo County, Texas. These projects will enhance the quality of life for the residents of Hidalgo County and are located in an area that will achieve the goal of equitable distribution of affordable housing to this community.

DATE 03/11/03

NAME

ADDRESS

<u>NAME</u>	<u>ADDRESS</u>
1. [Signature]	1141 Bell St. Pharr TX
2. [Signature]	48001 Canton Rd
3. [Signature]	Box 314
4. [Signature]	Edinburg TX
5. [Signature]	Pharr TX
6. [Signature]	569 Thomas
7. [Signature]	Pharr TX
8. [Signature]	Pharr TX
9. [Signature]	Pharr TX
10. [Signature]	Pharr TX
11. [Signature]	San Juan, TX
12. Marcos Velazquez	McAllen TX
13. Keyette Juarez	Alamo TX
14. Clarissa Alvarado	Alamo TX
15. Alma D. Vazquez	1305 Park
16. [Signature]	San Juan TX
17. Kelvin Trevino	Edinburg TX.
18. Jacob Perez	10th Street McAllen
19. [Signature]	W. Low Edinburg TX.
20. [Signature]	Pharr TX
21. [Signature]	Pharr TX
22. [Signature]	West Schenier
23. [Signature]	1305 Park Pharr
24. [Signature]	San Juan TX
25. Eric Ryan	San Juan, TX
26. Leonardo Alvarez	San Juan TX
27. [Signature]	Edinburg
28. [Signature]	9th Street Pharr
29. [Signature]	Pharr TX.
30. [Signature]	Pharr TX

El Pueblo Dorado Neighborhood Organization Hidalgo County, Texas

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DATE 03/12/03

NAME

ADDRESS

- | | |
|-----------------------------------|--------------------------------------|
| 1. <u>Jose R. Pazo</u> | <u>2708 Quebec McAllen, TX 78503</u> |
| 2. <u>Arnulfo Gonzalez</u> | <u>McAllen, TX</u> |
| 3. <u>Olivera</u> | <u>Donna, TX</u> |
| 4. <u>Leovardo Colon</u> | <u>San Juan, TX</u> |
| 5. <u>Martin Peña</u> | <u>McAllen, TX</u> |
| 6. <u>Julio Magallan</u> | <u>Pharr, TX</u> |
| 7. <u>Francisco Vallejo</u> | <u>HIDALGO TEXAS</u> |
| 8. <u>Celia Alvarado</u> | <u>Edinburg, TX</u> |
| 9. <u>Rufina Barreiros</u> | <u>McAllen Texas</u> |
| 10. <u>Teodoro Sanchez</u> | <u>McAllen TX</u> |
| 11. <u>Raul Olivarez</u> | <u>Pharr, TX</u> |
| 12. <u>Martha Gonzalez</u> | <u>Pharr Texas</u> |
| 13. <u>Jalmirya Laura</u> | <u>Cruised St Pharr TX</u> |
| 14. <u>Javier Peña</u> | <u>2809 Tyler</u> |
| 15. <u>Delia Digna Vega</u> | <u>2700 Richmond</u> |
| 16. <u>Andres Flores</u> | <u>Pharr, Texas - Las Milpas</u> |
| 17. <u>Jose Jimenez</u> | <u>503 Taylor</u> |
| 18. <u>Galvan</u> | <u>McAllen, TX</u> |
| 19. <u>Julio Soto</u> | <u>Pharr Texas</u> |
| 20. <u>Jose Galvan</u> | <u>Las Milpas</u> |
| 21. <u>Jorge Saenz</u> | <u>McAllen, TX</u> |
| 22. <u>Roberto Paez</u> | <u>San Juan, TX</u> |
| 23. <u>Jose Galvan</u> | <u>Mission Texas</u> |
| 24. <u>Laura Jones</u> | <u>Pharr, TX</u> |
| 25. <u>Orinda Tulez</u> | <u>Hawk Pharr TX</u> |
| 26. <u>Veronica Torres</u> | <u>Hawk Pharr Texas</u> |
| 27. <u>Scelia Silvia Mendez</u> | <u>2613 Tyler</u> |
| 28. <u>Jose Galvan</u> | <u>1100 Columbus St</u> |
| 29. <u>Madalena Salinas</u> | <u>2603 Quile</u> |
| 30. <u>Jose Galvan</u> | <u>Pharr, TX</u> |

El Pueblo Dorado Neighborhood Organization Hidalgo County, Texas

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DATE 03/12/03

NAME

ADDRESS

- | | |
|-------------------------------|--------------------------------|
| 1. <u>Juanita Rojas</u> | <u>Quassa Rd Pharr, TX</u> |
| 2. <u>Alvaro Rodriguez</u> | <u>Motels Dr Pharr, Texas</u> |
| 3. <u>Delia Salazar</u> | <u>McAllen, Tx</u> |
| 4. <u>Genaro Salinas</u> | <u>Pharr, Texas</u> |
| 5. <u>Edgar Sidel</u> | <u>Edingburg Texas</u> |
| 6. <u>Kevin Dequero</u> | <u>McAllen, TX</u> |
| 7. <u>Miles Anderson</u> | <u>Pharr, TX</u> |
| 8. <u>Carla S. Sandoz</u> | <u>MISSION TEXAS</u> |
| 9. <u>Genaida Flores</u> | <u>2813 Sonora</u> |
| 10. <u>Teresa Ruelas</u> | <u>McAllen TX</u> |
| 11. <u>Alexandra Jimenez</u> | <u>Mission Texas</u> |
| 12. <u>Ofensia Jurado</u> | <u>Pharr Texas</u> |
| 13. <u>Patricia Perez</u> | <u>Alamo Texas</u> |
| 14. <u>Laura Castro</u> | <u>McAllen, TX</u> |
| 15. <u>Helena Huerta</u> | <u>Pharr, Texas</u> |
| 16. <u>Lucy Ruelas</u> | <u>Pharr, TX</u> |
| 17. <u>Teresa Ruelas</u> | <u>Pharr, Texas</u> |
| 18. <u>Maria Jimenez</u> | <u>Pharr TX</u> |
| 19. <u>Maria Jimenez</u> | <u>Pharr Texas</u> |
| 20. <u>JAN FANSEA</u> | <u>Pharr Texas (Las Alpas)</u> |
| 21. <u>Maria Jimenez</u> | <u>Pharr, Texas</u> |
| 22. <u>Rosario Jimenez</u> | <u>Pharr, Texas</u> |
| 23. <u>Maria Jimenez</u> | <u>Pharr TX</u> |
| 24. <u>Maria Jimenez</u> | <u>Crown St Pharr, Tx.</u> |
| 25. <u>Maria Jimenez</u> | <u>Crown St Pharr, Tx.</u> |
| 26. <u>Maria Jimenez</u> | <u>3505 Pine St</u> |
| 27. <u>Maria Jimenez</u> | <u>Maple St Pharr, TX</u> |
| 28. <u>Maria Jimenez</u> | <u>Maple St Pharr, TX</u> |
| 29. <u>Guillermo Quintero</u> | <u>Maple St Pharr, TX</u> |
| 30. <u>Maria Jimenez</u> | <u>Maple St Pharr, TX</u> |

El Pueblo Dorado Neighborhood Organization Hidalgo County, Texas

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DATE 03/13/03

NAME	ADDRESS
1. Yvonne Jimenez	Pharr, TX
2. MELISSA MONTEVAJORD	1800 Parken Chover Edinburg.
3. Samuel Cortez	4300 Elsa St. McAllen
4. Ernesto Sanchez	P.O. BOX 37 San Juan
5. Jorge Sanchez	P.O. BOX 37, San Juan
6. Yvonne Jimenez	2209 East Alamo TX
7. CRISTINA TEL	5108 CR Pharr
8. Yvonne Jimenez	4103rd McAllen
9. Ana Segura	4110 Inca Hidalgo, TX
10. Yvonne Jimenez	4110 Inca Hidalgo
11. LUIS JIMENEZ	606 Lopez Pharr
12. Yvonne Jimenez	325 Retama Pharr
13. Yvonne Jimenez	1031 Santa Anita Los Milpas
14. Yvonne Jimenez	1031 Santa Anita
15. Yvonne Jimenez	228 Gen. Garza San Juan, TX
16. Yvonne Jimenez	1808 Corral Pharr
17. Pedro Lopez	Hidalgo, TX
18. Yvonne Jimenez	Hidalgo, TX
19. Yvonne Jimenez	2301 E. Shelton McAllen
20. Yvonne Jimenez	2301 E. Shelton McAllen
21. ELIDA PONCE	2901 Santa Clara
22. Cristoval Sanchez	2901 Santa Clara
23. Yvonne Jimenez	402 E. 34 Alamo
24. Doménico Sanchez	701 Ave D. Pharr
25. Yvonne Jimenez	Pharr, TX
26. Ana F. Gomez Todor	3301 Palacios St.
27. Yvonne Jimenez	800 Ramirez Rd.
28. JIMMY REYES	McAllen TX
29. Yvonne Jimenez	McAllen TX
30. Yvonne Jimenez	McAllen TX

El Pueblo Dorado Neighborhood Organization Hidalgo County, Texas

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DATE 03/13/03

<u>NAME</u>	<u>ADDRESS</u>
1. Pedro Camarillo	Edinburg
2. Valeria Mendez	Edinburg TX
3. Christina Lopez	Weslaco
4. Valeria Morales Lopez	Pharr TX
5. Pedro Gutierrez	Edinburg TX
6. Anne Martinez	Edinburg TX
7. Jeronica Perez	McAllen TX
8. Esra Montemayor	Jackson Ave 101 Pharr TX
9. Lidia Lopez	Edinburg TX
10. Justa Gomez	Edinburg TX
11. Laura Hernandez	Edinburg TX
12. [Signature]	Alamo TX
13. [Signature]	Alamo TX
14. Thom. Morales	McAllen TX
15. [Signature]	Alamo TX
16. Susana Flores	McAllen
17. [Signature]	Edinburg TX
18. Smashed Gtz.	Pharr TX
19. [Signature]	Edinburg TX
20. [Signature]	Edinburg TX
21. Plata Rojas	Pharr TX
22. Luis Montoya	Weslaco TX
23. Antonio Montoya	McAllen TX
24. [Signature]	Edinburg TX
25. Impedora Ponce	Pharr TX
26. Fedra Garcia	San Juan TX
27. [Signature]	San Juan TX
28. [Signature]	Weslaco TX
29. [Signature]	Weslaco TX
30. [Signature]	Weslaco TX

El Pueblo Dorado Neighborhood Organization

Hidalgo County, Texas

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DATE 03/13/04

NAME

ADDRESS

- | | |
|------------------------------|--------------------------------------|
| 1. <u>Rufo Velazquez</u> | <u>Po Box 968 - McAllen, Tx</u> |
| 2. <u>[Signature]</u> | <u>Po Box 15 - La Joya</u> |
| 3. <u>[Signature]</u> | <u>Po Box 61 Pham, Tx</u> |
| 4. <u>Mary Lorel Serrano</u> | <u>963 Bluebonnet Pham, Tx</u> |
| 5. <u>[Signature]</u> | <u>317 N. Park Pham, Tx</u> |
| 6. <u>[Signature]</u> | <u>31713 Apt. 1 Hidalgo, Tx</u> |
| 7. <u>[Signature]</u> | <u>Po Box 347 Hidalgo, Tx</u> |
| 8. <u>[Signature]</u> | <u>2101 N. Pham Pham</u> |
| 9. <u>[Signature]</u> | <u>6231 N. Ave. B - Pham</u> |
| 10. <u>[Signature]</u> | <u>112 N. Ashby Hidalgo, Tx</u> |
| 11. <u>[Signature]</u> | <u>Apt. 1345 Pham, Tx</u> |
| 12. <u>[Signature]</u> | <u>211 Southside Pham, Tx</u> |
| 13. <u>[Signature]</u> | <u>239 [unclear] Pham, Tx</u> |
| 14. <u>[Signature]</u> | <u>Po Box 536 Pham, Texas 78503</u> |
| 15. <u>[Signature]</u> | <u>Po Box 418 Pham, Tx</u> |
| 16. <u>[Signature]</u> | <u>313 N. McAllen, Tx</u> |
| 17. <u>[Signature]</u> | <u>8383 Apt. 1 Pham, Hidalgo, Tx</u> |
| 18. <u>[Signature]</u> | <u>216 Apt. 341 Pham, Tx</u> |
| 19. <u>[Signature]</u> | <u>413 W. [unclear] 83</u> |
| 20. <u>[Signature]</u> | <u>6217 E. Pham, Tx</u> |
| 21. <u>[Signature]</u> | <u>2121 Santa Nurula, Pham, Tx</u> |
| 22. <u>[Signature]</u> | <u>817 S. Schumard Pham, Tx</u> |
| 23. <u>[Signature]</u> | <u>613 S. Sharp Pham, Texas</u> |
| 24. <u>[Signature]</u> | <u>8316 Calhoun Rd Pham, Tx</u> |
| 25. <u>[Signature]</u> | <u>5284 North Gate Pham, Tx</u> |
| 26. <u>[Signature]</u> | <u>Po Box 1026 Pham, Tx</u> |
| 27. <u>[Signature]</u> | <u>712 [unclear] Pham, Tx</u> |
| 28. <u>[Signature]</u> | <u>8702 N. Case Pham, Tx</u> |
| 29. <u>[Signature]</u> | <u>Po Box 1151 Pham, Tx</u> |
| 30. <u>[Signature]</u> | <u>Po Box 151 Pham, Tx</u> |

El Pueblo Dorado Neighborhood Organization Hidalgo County, Texas

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DATE 3/13/04

NAME	ADDRESS
1. <u>Elva Chusando</u>	<u>7802 N. FM 493 Donna, Tx 78537</u>
2. <u>Rosa Molina</u>	<u>900 W 25 St</u>
3. <u>Rodrigo Molina</u>	<u>Pharr, TX</u>
4. <u>Das Maria Antonio</u>	<u>89</u>
5. <u>Edmir A Villarreal</u>	<u>222 Hidalgo ty</u>
6. <u>William Garcia</u>	<u>222 Hidalgo Ty</u>
7. <u>Shirley Hernandez</u>	<u>212 Bell Pharr TX</u>
8. <u>Laura Dore</u>	<u>914 S Shufford, San Juan, TX</u>
9. <u>Angela Mireles</u>	<u>Lucas Pharr, TX</u>
10. <u>Walter J.</u>	<u>5017 Sth. McAllen, TX</u>
11. <u>Jose Rodriguez</u>	<u>Lucas Pharr Texas</u>
12. <u>Maria G. Gomez</u>	<u>Lucas Pharr TX</u>
13. <u>Carlota Bedra</u>	<u>Ebonu Pharr Texas</u>
14. <u>Saulina Garcia</u>	<u>Bernal Pharr TX</u>
15. <u>Das So</u>	<u>344 St. Anne Dr.</u>
16. <u>Blanca A. Bautista</u>	<u>McAllen, TX</u>
17. <u>Nancy G. Perez</u>	<u>2518 Rusty Dr.</u>
18. <u>Victor H. Pena</u>	<u>124 West Guerra</u>
19. <u>Wendy Bowers</u>	<u>124 West Guerra</u>
20. <u>Myra King</u>	<u>604 W Corpus St.</u>
21. <u>Guadalupe Rodriguez</u>	<u>604 W Corpus St.</u>
22. <u>Lucas Garcia</u>	<u>3511 W. Santa</u>
23. <u>Rodolfo Garcia</u>	<u>2608 Tampico</u>
24. _____	_____
25. _____	_____
26. _____	_____
27. _____	_____
28. _____	_____
29. _____	_____
30. _____	_____

Juan D. Salinas III

HIDALGO COUNTY CLERK'S OFFICE



FAX COVER SHEET

WWW.HIDALGOCOUNTYCLERK.US

Post Office Box 58

Edinburg, Texas 78540

Phone: (956) 318 - 2100 Fax: (956) 318 - 2067

To: Roland Smith

From: Annette C. Macey

Fax: 281-550-1930

Pages: 2

Phone: _____

Date: _____

Re: _____

Cc: _____

Comments: So Date this is the list of organizations
that have filed in our office

CONFIDENTIALITY NOTICE: This facsimile message and accompanying documents contain information from the Hidalgo County Clerk's Office, which may be confidential and/or privileged. The information is intended to be for the use of the individual or entity named on this transmittal sheet. If you are not the intended recipient, be aware that any disclosure, copying, distribution or use of the contents of this information is prohibited. If you have received this facsimile in error, please notify us by telephone or fax immediately.

Thank you.

NEIGHBORHOOD ORGANIZATIONS
LISTED WITH THE
HIDALGO COUNTY CLERK'S OFFICE

NAME OF ORGANIZATION	ADDRESS	DATE FILED
LAS MILPAS RESIDENT COUNCIL	215 UNIVERSAL DR. PHARR, TX., 78577	03/01/2004
RIO GRANDE HABITAT FOR HUMANITY	P.O. BOX 4318 McALLEN, TX., 78502	03/01/2004
PROJECT ARISE - LAS MILPAS	125 E. DENNY DR. PHARR, TX., 78577	03/01/2004
SUNSET TERRACE RESIDENT COUNCIL	920 WEST VILLEGAS PHARR, TX., 78577	03/01/2004
PADRE DE VIDA NEIGHBORHOOD ORGANIZATION, LCC	3900 SO. WARE RD. McALLEN, TX., 78503	02/18/2004
LA ESTANCIA NEIGHBORHOOD ORGANIZATION, LCC	3601 E. MILE 8 NO. WESLACO, TX., 78596	02/18/2004
EL PATRIMONIO NEIGHBORHOOD ORGANIZATION, LCC	2601 SARAH AVE. McALLEN, TX., 78503	02/18/2004
LA HERENCIA NEIGHBORHOOD ORGANIZATION, LCC	100 LA HERENCIA DR. MERCEDAS, TX., 78570	02/18/2004
ISLAND PALM NEIGHBORHOOD ORGANIZATION, LCC	302 S. DOOLITTLE RD. EDINBURG, TX., 78539	02/18/2004
PUEBLO DE PAZ NEIGHBORHOOD ORGANIZATION, LCC	3401 N MAYBERRY RD. MISSION, TX., 78574	02/18/2004
AMISTAD NEIGHBORHOOD ORGANIZATION, LCC	202 S. AVE. WEST DONNA, TX., 78537	02/18/2004
EL PUEBLO DORADO NEIGHBORHOOD ORGANIZATION, LCC	901 E. THOMAS PHARR, TX., 78577	02/18/2004
LAS CONTERAS HOUSING PARTNERS, LTD	211 WEST AUDREY PHARR, TX., 78577	12/19/2003

PUEBLO DE PAZ NEIGHBORHOOD ORGANIZATION
3401 N. MAYBERRY ROAD
MISSION, TEXAS 78574
(956)585-6444 PHONE
(956) 585-6515 FAX

RECEIVED

APR 29 2004

LIHTC

April 28, 2004

Texas Department of Housing & Community Affairs
Attn: Director of Multi-Family Finance Production
Division (Neighborhood Input)
507 Sabine, Suite 400
Austin, Texas 78701

Re: TDHCA # 04032 Los Milagros Apartments- Weslaco, Texas
TDHCA # 04298 Paloma Blanca Apartments- Pharr, Texas
TDHCA # 04299 The Harvest Apartments- Mercedes, Texas

Dear Director:

The PUEBLO DE PAZ Neighborhood Organization was created to be a vehicle where concerned citizens living in Hidalgo County could organize to address affordable housing issues and advance their input and concerns about the need for affordable housing as well as to improve living conditions of families located in Hidalgo County.

This organization is duly formed as a Texas corporation (see attached organizational documents). We have filed our documents with the Hidalgo County Clerks office with Ms. Anette Muniz. These proposed projects are located within the boundaries of this organization which is in Hidalgo County. (See attached maps). This organization is made up of approximately 262 members. (See attached list of members and officers). This organization and its members support the referenced projects and we feel that these projects will provide needed quality affordable housing for working families residing in Hidalgo County. Their location will distribute the needed housing in areas where it will be convenient for the families to get to work. These locations are in areas that have good schools and are close to elementary schools reducing the drive time for the residents who take small children to school. These projects will offer 30% and 40% median income units to the family sector of greatest need in Hidalgo County. Attached is a letter of opposition for two other projects located within the boundaries of the organizations. (See attached letters of opposition). Also attached is our letter of support for the three referenced projects.

We respectfully request that you award these projects the funds needed to develop these proposed projects in Hidalgo County in the 2004 Low-Income Housing Tax Credit Allocation Cycle. Thank you for your corporation.

Sincerely,


PUEBLO DE PAZ Neighborhood Organization, President

Corporations Section
P.O.Box 13697
Austin, Texas 78711-3697



Geoffrey S. Connor
Secretary of State

Office of the Secretary of State

**CERTIFICATE OF ORGANIZATION
OF**

Pueblo de Paz Neighborhood Organization, L.L.C.
Filing Number: 800305816

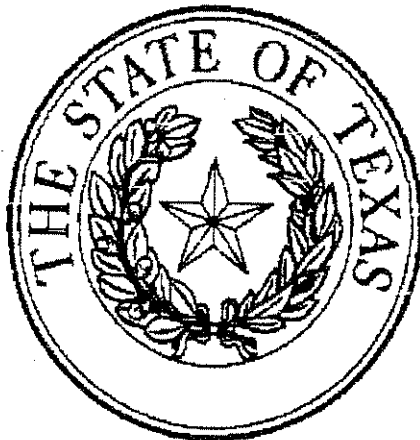
The undersigned, as Secretary of State of Texas, hereby certifies that Articles of Organization for the above named company have been received in this office and have been found to conform to law.

ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the Secretary by law, hereby issues this Certificate of Organization.

Issuance of this Certificate of Organization does not authorize the use of a name in this state in violation of the rights of another under the federal Trademark Act of 1946, the Texas trademark law, the Assumed Business or Professional Name Act, or the common law.

Dated: 02/17/2004

Effective: 02/17/2004



A handwritten signature in black ink, appearing to read "G. Connor".

Geoffrey S. Connor
Secretary of State

**ARTICLES OF ORGANIZATION
OF
PUEBLO DE PAZ NEIGHBORHOOD ORGANIZATION, L.L.C.**

The undersigned, acting as the sole organizer of a limited liability company under the Texas Limited Liability Company Act (the "Act"), does hereby adopt the following Articles of Organization for Pueblo de Paz Neighborhood Organization, L.L.C. (the "Company"):

ARTICLE ONE

The name of the Company is Pueblo de Paz Neighborhood Organization, L.L.C.

ARTICLE TWO

The period of duration of the Company is perpetual, unless the Company dissolves in accordance with the provisions of its regulations

ARTICLE THREE

The purpose for which the Company is organized is to better serve the residents of Hidalgo County in providing quality affordable housing and community support. Our Neighborhood Organization is limited to Hidalgo County.

ARTICLE FOUR

The address of the initial registered office of the Company is 3401 N. Mayberry Road, Mission, Texas 78574 and the name of its initial registered agent at that address is Alexandra Balderas.

ARTICLE FIVE

The Company is to be managed by one or more managers. The number of initial managers, who shall serve as managers until the first annual meeting of members of the Company or until successors are duly elected, shall be one (1). The name and address of the initial manager is:

Alexandra Balderas
3401 N. Mayberry Road
Mission, TX 78574

Omission for which the liability of a manager is expressly provided by an applicable statute. Any repeal or amendment of this Article Ten by the members of the Company shall be prospective only and shall not adversely affect any limitation on the liability of a manager of the Company existing at the time of such repeal or amendment. In addition to the circumstances in which the manager of the Company is not liable as set forth in the preceding sentences, the manager shall not be liable to the fullest extent permitted by any provisions of the statutes of Texas hereafter enacted that further limits the liability of a manager or of a director of a corporation.

IN WITNESS WHEREOF, these Articles of Organization have been executed on February 4, 2004 by the undersigned.

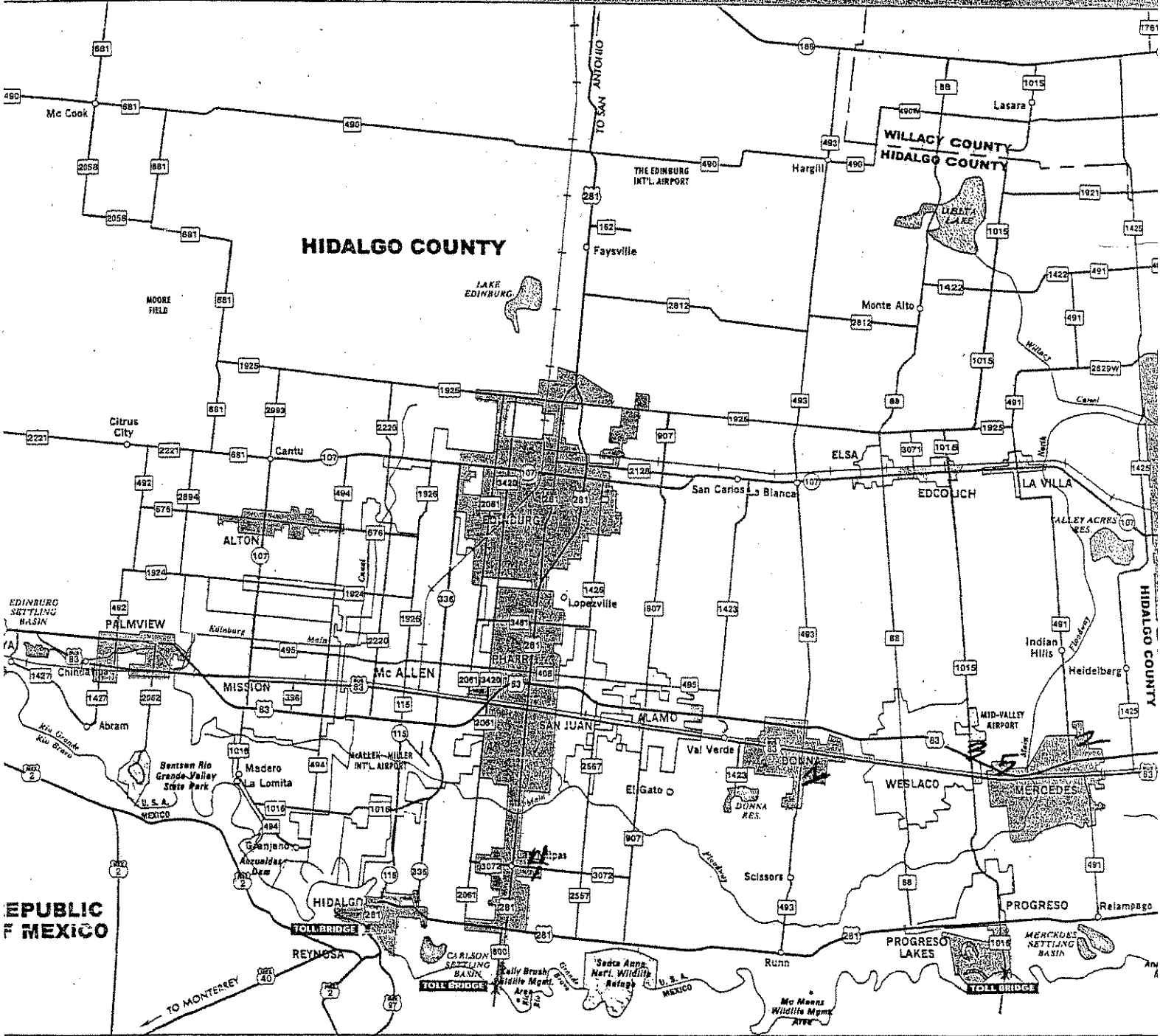
SOLE ORGANIZER


Alexandra Balderas

MAP

- 1. ARBOR COVE #04226
- 2. CASA KORIMA #04146
- 3. LOS MILAGROS #04032
- 4. PALOMA BLANCA #04298
- 5. THE HARVEST #04299

RIO GRANDE VALLEY



Members of Pueblo De Paz Apartments Neighborhood Organization

February 1, 2004

Alexandra Balderas, President
Bertha Tamez, Vice-President
Jose Salazar, Secretary

Members are as Follows,

1. Anabel Moreno
2. Rolando Maldonado
3. Francisco Garcia
4. Cesar Rivera
5. Maria A Calvillo
6. Juan Silva
7. Jesus Rodriguez
8. Teresa Martinez
9. Victor Castellanos
10. Valente Zuniga
11. Shaine Lee Mata
12. Dalia Villalobos
13. Sylvia Rodriguez
14. Lidia Garza
15. Claudia Lopez
16. Joanna Marravilla
17. Ricardo Gutierrez
18. Norma Nelly Garcia
19. Sonia Loreda
20. Maria Ibarra
21. Edward Acevedo
22. Coy Epley
23. Jesse Iglesias
24. David Zuniga
25. Hector Molina
26. Orlando Lozano
27. Jose Salgado
28. Isaias Vidal
29. San Juanita Trevino

30. Carolyn Buthe
31. Norma De La Garza
32. Priscilla Cerda
33. Dora Rodriguez
34. Gerardo Jimenez
35. Jacob Viialon
36. Jesus Deleon
37. Iris Montelongo
38. Joseph Palomo
39. Erudina Martinez
40. Daniel Ochoa
41. Maria Villarreal
42. Hilda Varela
43. Miguel Angel Ramos
44. Yadira Lozano
45. Paloma Zuniga
46. Elia Gonzalez
47. Gilberto Perez
48. Alberto Garza
49. Blanca Navarro
50. Claudia Aguillon
51. Joe Lopez
52. Nelida Sanchez
53. Amy De La Garza
54. Maribel Sanchez
55. Javier Ancer
56. Aurora Hernandez
57. Marissa Doster
58. Oralia Salinas
59. Laura Bowser
60. Jolee Tucker
61. Noe Medrano
62. Luis Velásquez
63. Flor Salazar
64. Richard Rodríguez
65. Charles Pruitt
66. Reyna Cavaoz
67. Joel Galvan
68. Olga Carrizales
69. Virginia Garcia
70. Mario Rodríguez
71. Arima Garza
72. Sylvia Gutierrez
73. Venisse Fuentes
74. Letty Trevino
75. Priscilla Deleon
76. Armando Guerrero
77. Sonia Varela
78. Sylvia Garcia

79. San Juanita Bourbois
80. Juan Carlos Montnez
81. Marisol Ibarra
82. Steven Salinas
83. Stephannie Sanchez
84. Micheal Post
85. Yolanda Espinoza
86. Summer Guillory
87. Nancy Garza
88. Editza Gomez
89. Sylvia Duron
90. Rafaela Gomez
91. Araceli Garcia
92. Guillermina Mata
93. Adriana Calderon
94. Maria Rangel
95. Cecilia Torres
96. Ruby Olguin
97. Karla Luna
98. Claudia Garza
99. Lee Cantu
100. Ismena Pulido
101. Maria calvillo
102. Grabiela Razo
103. Alejandro Tamez
104. Joshua Alaniz
105. Jorge Alba
106. Dianne Gerlach
107. Jennifer Montes
108. Sonia Colunga
109. Karla C Pena
110. Adriana Flores
111. Irma Pena
112. Jessica Domínguez
113. Roberto Aguirre
114. Felipe Benavides
115. Rafael Cautelan
116. Celia Saldana
117. Frank De Santiago
118. Javier Garcia
119. Jeremy Williamson
120. Jesse Saiz
121. Jose Alfredo Medina

Carlos Garza
Oralia Suarez
Melissa Garza
Diana Elizondo
Viola Medelez
Rosa Arellano
Adriana Aboytes
Esmeralda Cortez
Diana Becerril
Daisy Valdez
Javier Bernal / Ricardo Garcia
Edith Bocanegra
Sasha Moran
Anaid Costilla
Patricia Arratia
Lorena Cox
Laura Perez
Jesse Magallan
Mauro Avendano
Eliezer Aldape
Eduardo Cuellar
Martha Vera
Araceli Garza
Sairea Trevino
Nancy Gutierrez
Elena Hernandez
Yasser Flores
Maribel Coronado
Yolanda Garcia
Erica J Rocha
Mireya Hinojosa
Rogelio Hernandez
Rodrigo A Cruz / Juan L Macias
Rosa Briones
Teresa Meza
Mayra Camarillo
Lorenzo Manquero / Jaime Garcia / Jaime Gonzalez
Belia Guzman
Aimee Huerta
Jessica Diaz-DeLeon
Leslie Ross
Belinda Gutierrez
Mary Villarreal
Tanika Shelton
Emilio Guerrero
Irma Jaquez

Cesar Morales
Irma Cuellar
Juana Turrrubiarres
Manuela Pasillas
Erica Martinez
Idalia Reboloso
Pedro Tonche
Jesus Alvarado
Olivia Davis / Robert Allen
Angelica Garza
Denisse I / Maria D McCoy
Lilia Aleman
Erika Barraza
Esmeralda Rodriguez
Vanessa Mendez
Nancy Lara
Maria Rodriguez
Maria Del Carmen Sosa
Alma Garcia
Ruth Leza
Rosalinda Barbosa
Alejandra Perez
Celia Palacios
Edith Osio
America Marez
Irene Vasquez
Dolores Villanueva
Gilbert Guerra
Alma Tijerina
Silvia Rodriguez
Ivonne Munoz
Elissa Villarreal
Emmanuel Ruiz
Carlos / Sally Griffith
Elizabeth Tuttle
Mauricio McCoy
Gloria B Garza
Magda Gonzalez
Ignacio Quinones
Sonia Salazar
Francisco Salazar / Gina Saenz
Erica Molina
Juanita Gonzalez
Gualberto Miquiabas
Mel Solis / Luis F Cantu
Maria A Garza

Iris Valero
Crystal Duran / Edelmira Alvarado
Roberto Gomez
Maria V Gonzalez
Deynira Bocanegra
Carolina Ayala
Elsa Montellano
Maria Briones
Elida Hurtado
Rene / Melba Salas
Maria T Ramos
Mario / Norma Cruz
Mary Rodriguez
Roberto Lerma
Veronica Garcia
Yadira Galvan
Maria / Andrew Yoo
Jessica Armendariz
Rafael Flores
Ana L Canales
Carolina Gonzalez
Maria Monroy
Rachel Balderas
Maria Mendez
Martin / Letty Soto
William B Newson
Roger Holeczy
Len Buckbearl
Kevin Harp
Travis Dillon
Daniel A Odegard
Ryan Taylor
Troy Linna
Jason Tessier
Kevin Mackie
Justin Van Parys
Patrick Stevens
Brandy Lee
Matic Kralj
Jacque Vezina
Darcy Smith
Annabel Duncan-Webb
Jason Hawes
Mary Hungerford

Pueblo de Paz Neighborhood Organization, L.L.C.
3401 N. Mayberry Road
Mission, Texas 78574
(956) 585-6444

March 5, 2004

Ms. Brooke Boston
Texas Department of Housing and Community Affairs
507 Sabine, Suite 400
Austin, Texas 78701

Re: Arbor Cove Apartments, TDHCA #04226
Casa Corima Apartments, TDHCA #04146

Dear Ms. Boston,

This letter is in opposition to the above projects. These two projects do not equitably distribute tax credit units to the residents of Hidalgo County. These two projects are very large for rural communities. Our organization members feel like a more equitable distribution of the Low Income Tax Credit housing to rural areas in Hidalgo County is more acceptable to the residents of the county. Dispensing affordable housing to numerous rural areas of Hidalgo County will cause less of a travel burden on the working families who work in many areas of the county. Concentrating large projects in one or two small rural areas will add to the travel burden of many families seeking affordable housing.

Thank you for your time.

Regards,



Alexandra Balderas
President

Pueblo De Paz Neighborhood Organization Hidalgo County, Texas

The Pueblo De Paz Neighborhood Organization and its members support the development of the Vista de Amistad Apartments, The Harvest Apartments, Los Milagros Apartments and Paloma Blanca Apartments located in Hidalgo County, Texas. These projects will enhance the quality of life for the residents of Hidalgo County and are located in an area that will achieve the goal of equitable distribution of affordable housing to this community.

DATE 7.7.04

<u>NAME</u>	<u>ADDRESS</u>
1. <u>Diana Solino</u>	<u>RT 7 Box 705 Edinburg</u>
2. <u>Ally Lee</u>	<u>321 EDAN WALK Edinburg</u>
3. <u>Gene Smith</u>	<u>484 Beach, Mission</u>
4. <u>Elisa Maldonado</u>	<u>907 Vista Alamita</u>
5. <u>Guarino Rojas</u>	<u>708 Stone St. Westlaco, TX 7859</u>
6. <u>Alma Garcia</u>	<u>3105 Jefferson McAllen TX 7859</u>
7. <u>Augusta Mendez</u>	<u>2814 Kent St. Lot 30 Mission TX 78574</u>
8. <u>Victoria Castro</u>	<u>3502 Garibaldan Edwin TX.</u>
9. <u>Silvia Guzmanilla</u>	
10. <u>Rosa Gabriela</u>	<u>7100 Brandon St</u>
11. <u>Ray de Leon</u>	<u>1476 Chapin Edg. TX</u>
12. <u>Ernestina Sanchez</u>	<u>RR13 BOX 123 Edinburg TX 78539</u>
13. <u>Francisco</u>	<u>507 NP Harlow TX 78550</u>
14. <u>Clara Torres</u>	<u>3400 Norma Malley 78503</u>
15. <u>Long Torres</u>	<u>Box 736 Hidalgo TX 78507</u>
16. <u>Urbano Moron</u>	<u>369 E. Jay Stanley TX</u>
17. <u>Willy Kuzel</u>	<u>2204 GRAMBLING AVE</u>
18. <u>Angela M Castellanos</u>	<u>P.O. BOX 115 LA BARRA 78558</u>
19. <u>Mark Tabera</u>	<u>615 S Sugar RD #1 Edinburg TX</u>
20. <u>Maura Fernandez</u>	<u>1811 W John Apt #18 Edinburg TX</u>
21. <u>Mark Dawson</u>	<u>9104 Adams St. Mission TX 78541</u>
22. <u>Michael Garcia</u>	<u>Donna TX</u>
23. <u>Rosemaria Hernandez</u>	<u>Pharr TX</u>
24. <u>Isabella Zavala</u>	<u>mmite Callas</u>
25. <u>Paola Otero</u>	<u>3212 Sycamore McAllen TX</u>
26. <u>Jose L Salazar</u>	<u>3605 E. Hermosillo, Mission, TX 78574</u>
27. <u>Joanna Maravilla</u>	<u>3401 N. Mayberry Apt 216</u>
28. <u>James Pineda</u>	<u>806 Stone Gate Mission, TX 7857</u>
29. <u>Sean Gomez</u>	<u>208 E 30th Mission</u>
30. <u>Willy Durazo</u>	<u>3100 N 5th Apt 18 McAllen</u>

12 members

Pueblo De Paz Neighborhood Organization Hidalgo County, Texas

The Pueblo De Paz Neighborhood Organization and its members support the development of the Vista de Amistad Apartments, The Harvest Apartments, Los Milagros Apartments and Paloma Blanca Apartments located in Hidalgo County, Texas. These projects will enhance the quality of life for the residents of Hidalgo County and are located in an area that will achieve the goal of equitable distribution of affordable housing to this community.

DATE 2-20-04

NAME

ADDRESS

- | | |
|---|---|
| <ol style="list-style-type: none"> 1. <u>Crystal Manzanal</u> 2. <u>[unclear]</u> 3. <u>Jelanda Esmeralda</u> 4. <u>Maggi Garcia</u> 5. <u>[unclear]</u> 6. <u>[unclear]</u> 7. <u>[unclear]</u> 8. <u>[unclear]</u> 9. <u>[unclear]</u> 10. <u>[unclear]</u> 11. <u>Melina Pineda</u> 12. <u>[unclear]</u> 13. <u>[unclear]</u> 14. <u>[unclear]</u> 15. <u>[unclear]</u> 16. <u>[unclear]</u> 17. <u>[unclear]</u> 18. <u>[unclear]</u> 19. <u>[unclear]</u> 20. <u>[unclear]</u> 21. <u>[unclear]</u> 22. <u>[unclear]</u> 23. <u>[unclear]</u> 24. <u>[unclear]</u> 25. <u>[unclear]</u> 26. <u>[unclear]</u> 27. <u>[unclear]</u> 28. <u>[unclear]</u> 29. <u>[unclear]</u> 30. <u>[unclear]</u> | <p><u>RRH BSR 175 - Embarcadero TX 78570</u>
 <u>2411 Timwood Mission TX 78572</u>
 <u>1509 E 2 mile PD</u>
 <u>1301 S. 11th Apt 3 Mission TX 78572</u>
 <u>1407 Colosio Ln. Mission, TX 78572</u>
 <u>80 W Flores Pharr, TX 78577</u>
 <u>2207 Tamarack Mission TX 78570</u>
 <u>Rt 8 Box 270 Alton TX 78578</u>
 <u>206 South Nicholson #3</u>
 <u>200 S. Nicholson #3</u>
 <u>101 KERALUM AVE.</u>
 <u>101 Keralum Ave</u>
 <u>803 Bruce Dr Mission TX 78572</u>
 <u>1806 W 1st Str Mission TX 78572</u></p> <hr/> <p><u>166 S. Bayou Apt #1 Mission 78572</u>
 <u>1232 Chris Circle Edinburg, TX 78515</u>
 <u>808 E. 2nd St Mission TX</u>
 <u>324 N. 2a paloma R.G.C, TX</u>
 <u>2711 Malibu TX 78578</u></p> <hr/> <p><u>624 N Keralum Ave. Apt 3 Mission, TX</u>
 <u>7800 Naranya Ln Pharr TX, 78578</u>
 <u>Mx.</u>
 <u>Mx.</u>
 <u>809 Sunrise Lane Mission, TX</u>
 <u>2601 Sarah Ave. Apt 601</u>
 <u>3208 Sycamore</u>
 <u>3200 Sycamore</u>
 <u>3208 Sycamore</u></p> |
|---|---|

Pueblo De Paz Neighborhood Organization Hidalgo County, Texas

The Pueblo De Paz Neighborhood Organization and its members support the development of the Vista de Amistad Apartments, The Harvest Apartments, Los Milagros Apartments and Paloma Blanca Apartments located in Hidalgo County, Texas. These projects will enhance the quality of life for the residents of Hidalgo County and are located in an area that will achieve the goal of equitable distribution of affordable housing to this community.

DATE 2.20.04

NAME

ADDRESS

1.	<u>Ismael Salinas</u>	<u>2736 Lucille McAllen, TX</u>
2.	<u>NORI TORRES</u>	<u>SAN JUAN</u>
3.	<u>TOMASO CRUZ</u>	<u>2402 Coma ST. Hidalgo TX</u>
4.	<u>Amador Alonzo</u>	<u>102 W. Ruiz Pharr TX</u>
5.	<u>RH D SOLIS</u>	<u>DALLAS ST MCKINNEY TX</u>
6.	<u>Lorenzo Martinez</u>	<u>1108 Nte 20 McAllen TX TX</u>
7.	<u>ALERDO PADILLA</u>	<u>701 S. 9TH AVE J14 EDINBURG TX.</u>
8.	<u>Olga Acuna</u>	<u>805 north 15 McAllen Texas 78</u>
9.	<u>Margie Salinas</u>	<u>Edinburg, TX</u>
10.	<u>Candelupe Martinez</u>	<u>Down</u>
11.	<u>Susan Brown</u>	<u>Edinburg, TX</u>
12.	<u>!</u>	<u>MISSION</u>
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Pueblo De Paz Neighborhood Organization Hidalgo County, Texas

The Pueblo De Paz Neighborhood Organization and its members support the development of the Vista de Amistad Apartments, The Harvest Apartments, Los Milagros Apartments and Paloma Blanca Apartments located in Hidalgo County, Texas. These projects will enhance the quality of life for the residents of Hidalgo County and are located in an area that will achieve the goal of equitable distribution of affordable housing to this community.

DATE 7.20.04

<u>NAME</u>	<u>ADDRESS</u>
1. <u>[Signature]</u>	Apt 371
2. _____	<u>2601 Sarah Avenue</u>
3. _____	_____
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30. _____	_____

Juan D. Salinas III

HIDALGO COUNTY CLERK'S OFFICE



FAX COVER SHEET

WWW.HIDALGOCOUNTYCLERK.US

Post Office Box 58

Edinburg, Texas 78540

Phone: (956) 318 - 2100 Fax: (956) 318 - 2067

To: Roland Smith

From: Annette C. Macey

Fax: 281-550-1930

Pages: 2

Phone: _____

Date: _____

Re: _____

Cc: _____

Comments: So Date this is the list of organizations that have filed in our office

CONFIDENTIALITY NOTICE: This facsimile message and accompanying documents contain information from the Hidalgo County Clerk's Office, which may be confidential and/or privileged. The information is intended to be for the use of the individual or entity named on this transmittal sheet. If you are not the intended recipient, be aware that any disclosure, copying, distribution or use of the contents of this information is prohibited. If you have received this facsimile in error, please notify us by telephone or fax immediately.

Thank you.

NEIGHBORHOOD ORGANIZATIONS
LISTED WITH THE
HIDALGO COUNTY CLERK'S OFFICE

NAME OF ORGANIZATION	ADDRESS	DATE FILED
LAS MILPAS RESIDENT COUNCIL	215 UNIVERSAL DR. PHARR, TX., 78577	03/01/2004
RIO GRANDE HABITAT FOR HUMANITY	P.O. BOX 4318 McALLEN, TX., 78502	03/01/2004
PROJECT ARISE - LAS MILPAS	125 E. DENNY DR. PHARR, TX., 78577	03/01/2004
SUNSET TERRACE RESIDENT COUNCIL	920 WEST VILLEGAS PHARR, TX., 78577	03/01/2004
PADRE DE VIDA NEIGHBORHOOD ORGANIZATION, LCC	3900 SO. WARE RD. McALLEN, TX., 78503	02/18/2004
LA ESTANCIA NEIGHBORHOOD ORGANIZATION, LCC	3601 E. MILE 8 NO. WESLACO, TX., 78596	02/18/2004
EL PATRIMONIO NEIGHBORHOOD ORGANIZATION, LCC	2601 SARAH AVE. McALLEN, TX., 78503	02/18/2004
LA HERENCIA NEIGHBORHOOD ORGANIZATION, LCC	100 LA HERENCIA DR. MERCEDES, TX., 78570	02/18/2004
ISLAND PALM NEIGHBORHOOD ORGANIZATION, LCC	302 S. DOOLITTLE RD. EDINBURG, TX., 78539	02/18/2004
PUEBLO DE PAZ NEIGHBORHOOD ORGANIZATION, LCC	3401 N MAYBERRY RD. MISSION, TX., 78574	02/18/2004
AMISTAD NEIGHBORHOOD ORGANIZATION, LCC	202 S. AVE. WEST DONNA, TX., 78537	02/18/2004
EL PUEBLO DORADO NEIGHBORHOOD ORGANIZATION, LCC	901 E. THOMAS PHARR, TX., 78577	02/18/2004
LAS CONTERAS HOUSING PARTNERS, LTD	211 WEST AUDREY PHARR, TX., 78577	12/19/2003

AMISTAD NEIGHBORHOOD ORGANIZATION
202 W. SOUTH AVENUE
DONNA, TEXAS 78537
(956)461-2555 PHONE
(956) 461-3344 FAX

April 28, 2004

Texas Department of Housing & Community Affairs
Attn: Director of Multi-Family Finance Production
Division (Neighborhood Input)
507 Sabine, Suite 400
Austin, Texas 78701

RECEIVED

APR 29 2004

LHFC

Re: TDHCA # D4032 Los Milagros Apartments- Weslaco, Texas
TDHCA # 04298 Paloma Blanca Apartments- Pharr, Texas
TDHCA # 04299 The Harvest Apartments- Mercedes, Texas

Dear Director:

The Amistad Neighborhood Organization was created to be a vehicle where concerned citizens living in Hidalgo County could organize to address affordable housing issues and advance their input and concerns about the need for affordable housing as well as to improve living conditions of families located in Hidalgo County.

This organization is duly formed as a Texas corporation (see attached organizational documents). We have filed our documents with the Hidalgo County Clerks office with Ms. Anette Muniz. These proposed projects are located within the boundaries of this organization which is in Hidalgo County. (See attached maps). This organization is made up of approximately 78 members. (See attached list of members and officers). This organization and its members support the referenced projects and we feel that these projects will provide needed quality affordable housing for working families residing in Hidalgo County. Their location will distribute the needed housing in areas where it will be convenient for the families to get to work. These locations are in areas that have good schools and are close to elementary schools reducing the drive time for the residents who take small children to school. These projects will offer 30% and 40% median income units to the family sector of greatest need in Hidalgo County. Attached is a letter of opposition for two other projects located within the boundaries of the organizations. (See attached letters of opposition). Also attached is our letter of support for the three referenced projects.

We respectfully request that you award these projects the funds needed to develop these proposed projects in Hidalgo County in the 2004 Low-Income Housing Tax Credit Allocation Cycle. Thank you for your corporation.

Sincerely,


Amistad Neighborhood Organization, President



Office of the Secretary of State

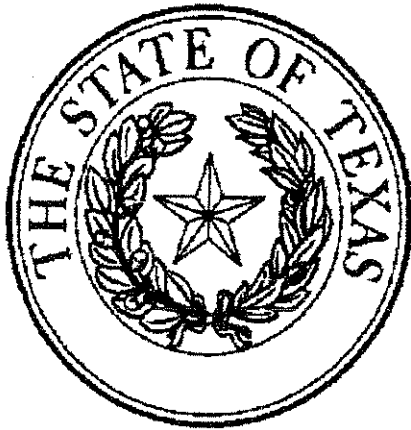
The undersigned, as Secretary of State of Texas, does hereby certify that the attached is a true and correct copy of each document on file in this office as described below:


Amistad Neighborhood Organization, L.L.C.
Filing Number: 800305835

Articles of Organization

February 17, 2004

In testimony whereof, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in Austin, Texas on April 28, 2004.




Geoffrey S. Connor
Secretary of State

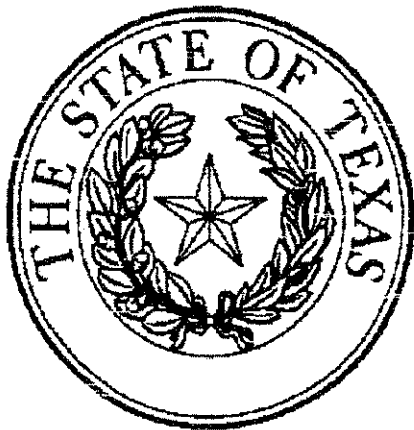


Office of the Secretary of State

The undersigned, as Secretary of State of Texas, does hereby certify that the document, Articles of Organization for Amistad Neighborhood Organization, L.L.C. (filing number: 800305835), a Domestic Limited Liability Company (LLC), was filed in this office on February 17, 2004.

It is further certified that the entity status in Texas is active.

In testimony whereof, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in Austin, Texas on April 28, 2004.



A handwritten signature in black ink, appearing to read "G. Connor".

Geoffrey S. Connor
Secretary of State

Come visit us on the internet at <http://www.sos.state.tx.us/>

FILED
In the Office of the
Secretary of State of Texas

FEB 17 2004

ARTICLES OF ORGANIZATION
OF
AMISTAD NEIGHBORHOOD ORGANIZATION, L.L.C. Corporations Section

The undersigned, acting as the sole organizer of a limited liability company under the Texas Limited Liability Company Act (the "Act"), does hereby adopt the following Articles of Organization for Amistad Neighborhood Organization, L.L.C. (the "Company"):

ARTICLE ONE

The name of the Company is Amistad Neighborhood Organization, L.L.C.

ARTICLE TWO

The period of duration of the Company is perpetual, unless the Company dissolves in accordance with the provisions of its regulations

ARTICLE THREE

The purpose for which the Company is organized is to better serve the residents of Hidalgo County in providing quality affordable housing and community support. Our Neighborhood Organization is limited to Hidalgo County.

ARTICLE FOUR

The address of the initial registered office of the Company is 202 South Avenue West, Donna, Texas 78537 and the name of its initial registered agent at that address is Vanessa Rivas.

ARTICLE FIVE

The Company is to be managed by one or more managers. The number of initial managers, who shall serve as managers until the first annual meeting of members of the Company or until successors are duly elected, shall be one (1). The name and address of the initial manager is:

Vanessa Rivas
202 South Avenue West
Donna, TX 78537

Omission for which the liability of a manager is expressly provided by an applicable statute. Any repeal or amendment of this Article Ten by the members of the Company shall be prospective only and shall not adversely affect any limitation on the liability of a manager of the Company existing at the time of such repeal or amendment. In addition to the circumstances in which the manager of the Company is not liable as set forth in the preceding sentences, the manager shall not be liable to the fullest extent permitted by any provisions of the statutes of Texas hereafter enacted that further limits the liability of a manager or of a director of a corporation.

IN WITNESS WHEREOF, these Articles of Organization have been executed on February 03, 2004 by the undersigned.

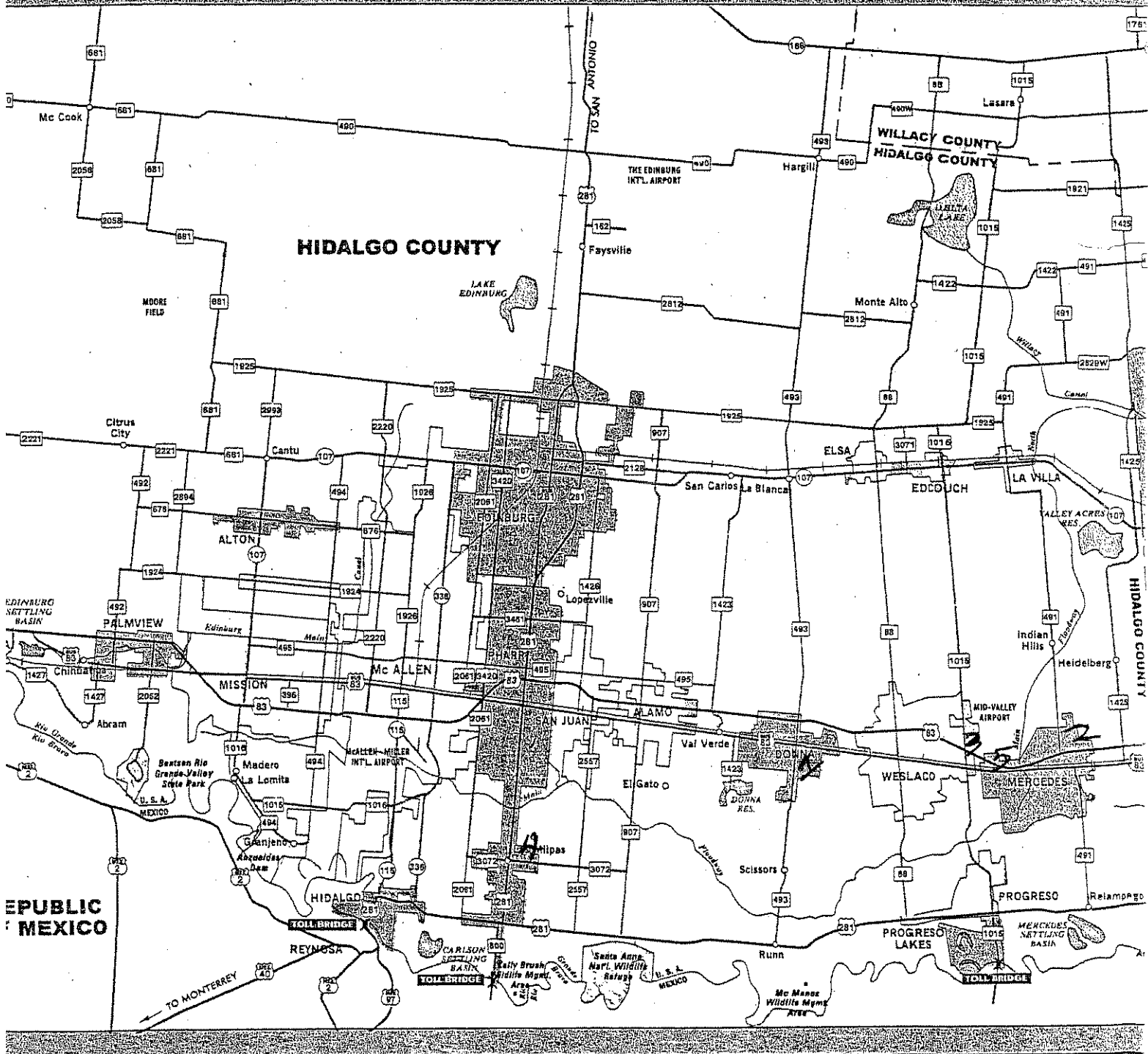
SOLE ORGANIZER

Vanessa C. Rivas
Vanessa Rivas

MAP

- 1. ARBOR COVE #04226
- 2. CASA KORIMA #04146
- 3. LOS MILAGROS #04032
- 4. PALOMA BLANCA #04298
- 5. THE HARVEST #04299

RIO GRANDE VALLEY



Members of Amistad Neighborhood Organization

February 1, 2004

President: Vanessa C. Rivas
Vice-President: Rene Alaniz
Secretary: San Juana Calderas

Members are as follow:

Gloria Saldivar
Esmeralda Salazar
Vanessa Yáñez
Isquel García
Darlene Garza
Thelma Turner
Ada Pérez
Carlos Caballero
Joanne Carrizales
Melinda Hernández
Fernando Zambrano
Manuel Epperson
Pedro Aguilar
Jenny Rodríguez
Lorena Mendoza
José Velásquez
Corina Santoy
Rogelio De Los Ríos
Gladys Galán
Elizabeth DeLosSantos
Rubén Salinas
Imelda Campa
Vanessa Rivas
Rosa Treviño
Patricia Stainke
Paul Guerra
Courtney Dealy
Rolando Rodríguez
Judy Vásquez
Brenda Rodríguez
Mayra Gómez
Geneva Muñoz
Ada DelilahMaldonado
Juan Martínez
Julián Carrillo

Idalia Cantu
Sandra López
Diana García
Mónica Castillo
Mario Crifo
Juana Rodríguez
Esmeralda Pérez
John Blackburn
Rosemary González
Thelma Avila
Elizabeth Vásquez
Diana González
Marissa Salazar
Sandra Ledesma
José Garza
Israel Muñoz
Maria Castillo
Jesús Arrequin
Ester Brito
Norma Torres
Lanny Swanson
Victor Yáñez
Elda Guerrero
Gracie Miramontes
Mayra Castillo
Daniel Treviño
Eulogía Barrera
Melissa González
Nelly Ballez
Verónica Rosales
San Juana Leos
Claudia Rodríguez
Rene Alaniz
Verónica Alegría
Amy Villa
Angélica Cardoza

Eduardo Armijo
Aída De Los Santos
Diana Casarez
Melissa Torres

Amistad Neighborhood Organization, L.L.C.
202 South Avenue West
Donna, Texas 78537
(956) 461-2555

March 5, 2004

Ms. Brooke Boston
Texas Department of Housing and Community Affairs
507 Sabine, Suite 400
Austin, Texas 78701

Re: Arbor Cove Apartments, TDHCA #04226
Casa Corima Apartments, TDHCA #04146

Dear Ms. Boston,

This letter is in opposition to the above projects. These two projects do not equitably distribute tax credit units to the residents of Hidalgo County. These two projects are very large for rural communities. Our organization members feel like a more equitable distribution of the Low Income Tax Credit housing to rural areas in Hidalgo County is more acceptable to the residents of the county. Dispensing affordable housing to numerous rural areas of Hidalgo County will cause less of a travel burden on the working families who work in many areas of the county. Concentrating large projects in one or two small rural areas will add to the travel burden of many families seeking affordable housing.

Thank you for your time.

Regards,



Vanessa Rivas
President

Amistad Apartments Neighborhood Organization Hidalgo County, Texas

The Amistad Apartments Neighborhood Organization and it's members support the development of the Vista De Amistad, The Harvest Apartments, Los Milagros Apartments and Paloma Blanca Apartments located in Hidalgo County, Texas. These projects will enhance the quality of life for the residents of Hidalgo County and are located in an area that will achieve the goal of equitable distribution of affordable housing to this community.

DATE 3-15-04

<u>Name</u>	<u>Address</u>
1. 74. <u>[Signature]</u>	<u>124 N. St</u>
2. 75. <u>Christian Cavazos</u>	<u>328 Palm St</u>
3. 76. <u>Ruby Lu Cispe</u>	<u>300 Tracker Ln Houston</u>
4. 77. <u>Eredine Cruz</u>	<u>P.O. Box 883 La Feria</u>
5. 78. <u>Josep Agudo</u>	<u>Whalene Rd Donna</u>
6. 79. <u>Domingo Rivas</u>	<u>Ht. 2 Box 138 E.</u>
7. 80. <u>Catalia Acosta</u>	<u>202 A. W. South Ave.</u>
8. 81. <u>Mary Moreno</u>	<u>202 A. W. South Ave</u>
9. 82. <u>Mauma Mariz</u>	<u>202 A. W. South Ave</u>
10. 83. <u>Hik Carr</u>	<u>1045 Dallas St</u>
11. 84. <u>[Signature]</u>	<u>1311 S. Juniper - Brown TX</u>
12. 85. <u>[Signature]</u>	<u>3012 Sycamore McAllen</u>
13. 86. <u>[Signature]</u>	<u>932 N. Herdwick</u>

- 14. 87. Norma Mendez
- 15 88. Mano R
- 16 89. Jaed Noyes*
- 17 90. Marisela Covarrubias
- 18 91. San Joana Calderas
- 19 92. Manuela Alaniz
- 20 93. Manuel Alaniz
- 21 94. Celina Gonzalez
- 22 95. Elizabeth Prante
- 23 96. Diana Moreno
- 24 97. Arturo Ponce
- 25 98. Jane M. Orosa
- 26 99. Jan Jimenez
- 27 100. Label Zamora
- 28 101. Gezi Cruz
- 29 102. Genigol Cruz
- 30 103. Rolando Montes
- 31 104. Luisa Montes
- 32 105. Elisa C. Martinez
- 33 106. Rufino Lopez
- 34 107. Ima Lopez

- 2244 Cedar Mallen TX
78501
- 202 A. W. South Avenue Donna
- 202 A. W. S. Ave Donna
TX
- 202 A. W. S. Ave, Donna, TX
- RR 1 Box 1386 D
- 1034 James Mercedes TX 78570
- 1034 James Mercedes TX 78570
- Box 5 South 4933 Diamond St
- 2115 Ridley Ave.
- Pharr TX
- Jose A. Ponce
- Santa Rosa TX
- Donna TX
- 1901 Rusher Ln Donna
- Country Side Park Donna
- Donna School
- 602 N. Victoria Rd
- 602 N. Victoria Rd
- Rt 1 Box 236 Donna
- 512 Webb Mercedes
- 121 Collins St.

- 35 108. ~~QJ~~
- 36 109. Tina May Langula
- 37 110. Yolanda O. Rodriguez
- 38 111. Melinda C. Ramirez
- 39 112. Tanya Guadalupe
- 40 113. Diane Gomez
- 41 114. Rocío Ponce
- 42 115. Lydia Prado
- 43 116. María Luna
- 44 117. Ramón Gonzalez
- 45 118. Blanca Flores
- 46 119. John Williams
- 47 120. Lorenzo Gutierrez
- 48 121. Georgina Lopez
- 49 122. Juan A. Narez
- 50 123. Ignacio Lopez
- 51 124. Francisco Jesus
- 52 125. José de Jesús

- Remington St Donna
- 1104 Miller Ave Donna
- Victoria Rd Donna
- West Roosevelt Donna
- Miller Rd Donna
- Robles Rd Donna
- Granite St Donna
- Hibiscus Rd Donna
- Waller Rd Donna
- 2701 E. Hwy 83. Donna, TX
- 2807 Lissner
- Mary Ciele Donna
- N main St Donna
- Redwood St Donna
- Ruby St Donna
- 1505 Road Runna Donna
- Texas Lane
- Thelma St Donna

Amistad Apartments Neighborhood Organization Hidalgo County, Texas

The Amistad Apartments Neighborhood Organization and it's members support the development of the Vista De Amistad, The Harvest Apartments, Los Milagros Apartments and Paloma Blanca Apartments located in Hidalgo County, Texas. These projects will enhance the quality of life for the residents of Hidalgo County and are located in an area that will achieve the goal of equitable distribution of affordable housing to this community.

DATE 3-16-09

<u>Name</u>	<u>Address</u>
53 74. <u>Susan L. Martin</u>	<u>Market Donna</u>
54 75. <u>Georgina Lopez</u>	<u>progreso St Donna</u>
55 76. <u>Natalia Uribe</u>	<u>839 Cherokee St Donna</u>
56 77. <u>Wilma Lopez</u>	<u>Valverde Rd Donna</u>
57 78. <u>Martin Perez</u>	<u>Delora St Donna</u>
58 79. <u>Renee Lopez</u>	<u>Santa Lucia Donna</u>
59 80. <u>[Signature]</u>	<u>Jam Rd Donna</u>
60 81. <u>Angela Ramirez</u>	<u>305 Casiano St Donna</u>
61 82. <u>Yol Cruz</u>	<u>Carling Rd Donna</u>
62 83. <u>Monica Pena</u>	<u>Lucio Dr Donna</u>
63 84. <u>Vicky Hernandez</u>	<u>River St Donna</u>
64 85. <u>Cassie Montiel</u>	<u>Malibu Dr Donna</u>
65 86. <u>EUGENE EPPS</u>	<u>N. Alto Dr Donna</u>

66. ~~87. CASEY CARVIN~~
 67. ~~88. Jason Reddick~~
 68. ~~89. John Carter~~
 69. ~~90. Otis Gorman~~
 70. ~~91. Kevin Randolph~~
 71. ~~92. ALEJANDRO ORDO~~
 72. ~~93. ~~Donna Garcia~~~~
 73. ~~94. Cassandra Kelly~~
 74. ~~95. ~~Donna Garcia~~~~
 75. ~~96. ~~Donna Garcia~~~~
 76. ~~97. Maria Garcia~~
 77. ~~98. Rosa Sotelo~~
 78. ~~99. Guadalupe Castillo~~
 79. ~~100. Sanguana Lopez~~
 80. ~~101. Lidraime Hasso~~
 81. ~~102. Rupike Alvarez~~
 82. ~~103. Maria Ruelas~~
 83. ~~104. Eliado Gutierrez~~
 84. ~~105. Mabel Gutierrez~~
 85. ~~106. ~~Donna Garcia~~~~
 86. ~~107. ~~Donna Garcia~~~~

- Sanise Blvd Donna
Arks Ave Donna
Butter St Donna
Salinas St Donna
Portage Rd Donna
588 10th St Donna
Utaha Rd Donna
Mill 10th N Rd Donna
23rd St Donna
N 3rd St Donna
Rt 8 Box 4653 Donna TX 78557
2035 Linden, Pharr 78577
283 Scoobe St Donna
1604 Donna Ave.
1601 N. Orange Pharr TX
204 4th St Westlaco TX
N Hutto Rd Donna TX.
401 9th St. TX
961 S. Ave 14 Donna TX
Earley St Donna
316 S. 9th St Donna

- 87. 108. Claudia D. Lafont
- 88. 109. [scribble]
- 89. 110. Martha & Lewis
- 90. 111. [scribble]
- 91. 112. Maria J. Castillo
- 92. 113. Juan Rene Merroquin
- 93. 114. Ernestina Hernandez
- 94. 115. Teresa [scribble]
- 95. 116. [scribble]
- 96. 117. [scribble]
- 97. 118. [scribble]
- 98. 119. [scribble]
- 99. 120. [scribble]
- 100. 121. [scribble]
- 101. 122. Jose Cortez
- 102. 123. Esteban Calderon
- 103. 124. Jesus Mung
- 104. 125. Hector Hernandez

- S. 7th St Donna
- Seewell Ave Donna
- 901 N. Airport Dr
- 741 Ellis Alamo, TX
- 109 W. + Hwy 83 Donna
- 205 S. 25th Donna
- 1875 Poma
- 9124 S + West CO
- [scribble]
- 111 Boxwood St Donna
- 742 Kings Lane Donna
- Yauery St Donna
- Leanne Rd Donna
- Guermosa Rd Donna
- 301 6th St.
- RRI Box 7386 Donna
- Whisper Rd Donna
- Missouri Lane Donna

Amistad Apartments Neighborhood Organization Hidalgo County, Texas

The Amistad Apartments Neighborhood Organization and its members support the development of the Vista De Amistad, The Harvest Apartments, Los Milagros Apartments and Paloma Blanca Apartments located in Hidalgo County, Texas. These projects will enhance the quality of life for the residents of Hidalgo County and are located in an area that will achieve the goal of equitable distribution of affordable housing to this community.

DATE 3-16-04

<u>Name</u>	<u>Address</u>
105. <u>Jose Dominguez</u>	<u>4th Street Donna Tx</u>
106. <u>[Signature]</u>	<u>Highway</u>
107. <u>[Signature]</u>	<u>Amor Blvd Donna</u>
108. <u>Wayne Clark</u>	<u>Colorado Ave Donna</u>
109. <u>[Signature]</u>	<u>Valencia Donna</u>
110. <u>Evangelina Sarty</u>	<u>mile 1 1/4 east old 83</u>
111. <u>[Signature]</u>	<u>mile 1 1/4 east old 83</u>
112. <u>Jose Serrata</u>	<u>mile 1 1/4 east old 83</u>
113. <u>Monica Trujillo</u>	<u>1820 So. 4th St.</u>
114. <u>[Signature]</u>	<u>West Hidalgo St Donna</u>
115. <u>[Signature]</u>	<u>Quinta del Sur Donna</u>
116. <u>KATHRYN BLACK BURN</u>	<u>Juan Juvenila St Donna</u>
117. <u>Carlos Gonzalez</u>	<u>Temple St Donna</u>
118. <u>Jaime Laa</u>	<u>RR + Box 32 Donna</u>

119	111. <u>Spic Martinengo</u>	<u>Salviano Blvd,</u>
120	112. <u>Fanelde Campa</u>	<u>N. 493 Formosa Ave</u>
121	113. <u>Tomasa I Campa</u>	<u>718 S. 23rd St.</u>
122	114. <u>Fernando Campa</u>	<u>Fm 493 Donna</u>
123	115. <u>Victor M Campa</u>	<u>Fm 493 Donna</u>
124	116. <u>Jaquelyne Gonzalez</u>	<u>Fm 495 Donna</u>
125	117. <u>Victoria Gonzalez</u>	<u>Fm 493 Donna</u>
126	118. <u>Brenda Gonzalez</u>	<u>Fm 493 Donna</u>
127	119. <u>Ronica Prady</u>	<u>4th St Donna</u>
128	120. <u>Wendy Herrera</u>	<u>Palm St Donna</u>
129	121. <u>[Signature]</u>	<u>11th St</u>
130	122. <u>[Signature]</u>	<u>Serij Blvd</u>
131	123. <u>Rubén Douglas</u>	<u>8th St Donna</u>
132	124. <u>Amanda Serata</u>	<u>Apollo In Donna</u>
133	125. <u>Diagon Castro</u>	<u>Jam Rd Donna</u>
134	126. <u>[Signature]</u>	<u>Armstrong St</u>
135	127. <u>[Signature]</u>	<u>Donna</u>
136	128. <u>[Signature]</u>	<u>5775 7th St Donna</u>
137	129. <u>[Signature]</u>	<u>4th Donna</u>
138	130. <u>Rosa V. Perez</u>	<u>Whalms Donna</u>
139	131. <u>[Signature]</u>	<u>Ypsi Lane Donna</u>

140 162. ~~John [unclear]~~
 141 163. ~~Jason P. Scagg's~~
 142 164. ~~Justin Scagg's~~
 143 165. Rosa Veronica Truina
 144 166. ~~Agripita [unclear]~~
 145 167. ~~[unclear]~~
 146 168. ~~[unclear]~~
 147 169. ~~[unclear]~~
 148 170. ~~[unclear]~~
 149 171. ~~Harold Antonio Rodriguez~~
 150 172. ~~Barbara Bernal~~
 151 173. ~~Merardo Garza~~
 152 174. ~~[unclear]~~
 153 175. ~~[unclear]~~
 154 176. ~~[unclear]~~
 155 177. ~~[unclear]~~
 156 178. ~~[unclear]~~
 157 179. ~~[unclear]~~
 158 180. ~~[unclear]~~
 159 181. ~~David Royal~~
 160 182. ~~[unclear]~~
 161 183. ~~X~~

N Hutto Rd Donna
 Whalen Donna
 Line Dr Donna
 120 Armstrong Donna
 18 Sur Donna
 1204 Valley View Donna
 3115 1/2 W. Donna
 RR 7 Box 542 W. Donna
 Armstrong Donna
 Champion Donna
 Jalisco Dr
 4th St
 4th Street Donna
 Early Rd Donna
 Donna TX
 Westaco TX
 Westaco TX
 Donna TX
 Westaco TX
 Donna TX
 Donna TX
 Donna TX

162. Nathaly Rangel

163. Angela Hillman

164. Chia Mios

165. Barbara R. Gonzalez

166. [Crossed out]

167. Wendy Baggio

168. Chandrix

169. Jianer Luza

170. Yvoni Aguero

171. Carlos Costa

172. Yvanti Ortiz

173. Felicia Luis

174. [Crossed out]

175. Ramen Ortiz

176. Jeanne Zupan

177. Jose M. Amigo

178. Maria Hernandez

179. Donna Dardley

180. Wendy Dierck

181. Estela Pizarro

182. [Crossed out]

183. [Crossed out]

International Westaco

Nebraska Westaco

Sundare Westaco

Allen's Westaco

Barclay Westaco

Airport R Westaco

Iowa R Westaco

Borderline Westaco

Tx St Westaco

Bumuda Westaco

Chapple R Westaco

Domatx

Domatx -

Domatx

Beto Garcia R Doma

Ohio Ave Doma

18 Ser Para

Muada Ave

Ueno Grande Westac

P R I Box 32 Doma

High Point Sub Westaco

High Point Sub Westaco

- 184. Paul Rodriguez
- 185. David Lopez
- 186. Donna Raytan
- 187. Ruth Ma
- 188. Juan Lopez
- 189. Janet Torres
- 190. Belem Lopez
- 191. Margie Delinda
- 192. Ramona Diaz
- 193. Neupla Maitoz
- 194. Joan C. Pabak
- 195. Jose
- 196. Janet Lopez
- 197. Janet Lopez
- 198. Martha
- 199. Eda Salazar
- 200. Eda Salazar

- Linda Donna
- Helen De Donna
- Republic Donna
- Wesgate Wil Slao
- 1601 4th Donna
- South Main Donna
- Donna TX
- Wesgate Dr Weslao
- Weslao TX
- North Anderson West
- Donna TX
- Apstadt Dr Weslao
- Phau TX
- Greasantine Weslao
- Donna TX
- Ballard Weslao
- Weslao TX

Juan D. Salinas III

HIDALGO COUNTY CLERK'S OFFICE



FAX COVER SHEET

WWW.HIDALGOCOUNTYCLERK.US

Post Office Box 58
Edinburg, Texas 78540

Phone: (956) 318 - 2100 Fax: (956) 318 - 2067

To: Roland Smith

From: Annette M. Macey

Fax: 281-550-1930

Pages: 2

Phone: _____

Date: _____

Re: _____

Cc: _____

Comments: Do Date this is the list of organizations
that have filed in our office

CONFIDENTIALITY NOTICE: This facsimile message and accompanying documents contain information from the Hidalgo County Clerk's Office, which may be confidential and/or privileged. The information is intended to be for the use of the individual or entity named on this transmittal sheet. If you are not the intended recipient, be aware that any disclosure, copying, distribution or use of the contents of this information is prohibited. If you have received this facsimile in error, please notify us by telephone or fax immediately.

Thank you.

**NEIGHBORHOOD ORGANIZATIONS
LISTED WITH THE
HIDALGO COUNTY CLERK'S OFFICE**

NAME OF ORGANIZATION	ADDRESS	DATE FILED
LAS MILPAS RESIDENT COUNCIL	215 UNIVERSAL DR. PHARR, TX., 78577	03/01/2004
RIO GRANDE HABITAT FOR HUMANITY	P.O. BOX 4318 McALLEN, TX., 78502	03/01/2004
PROJECT ARISE - LAS MILPAS	125 E. DENNY DR. PHARR, TX., 78577	03/01/2004
SUNSET TERRACE RESIDENT COUNCIL	920 WEST VILLEGAS PHARR, TX., 78577	03/01/2004
PADRE DE VIDA NEIGHBORHOOD ORGANIZATION, LCC	3900 SO. WARE RD. McALLEN, TX., 78503	02/18/2004
LA ESTANCIA NEIGHBORHOOD ORGANIZATION, LCC	3601 E. MILE 8 NO. WESLACO, TX., 78596	02/18/2004
EL PATRIMONIO NEIGHBORHOOD ORGANIZATION, LCC	2601 SARAH AVE. McALLEN, TX., 78503	02/18/2004
LA HERENCIA NEIGHBORHOOD ORGANIZATION, LCC	100 LA HERENCIA DR. MERCEDES, TX., 78570	02/18/2004
ISLAND PALM NEIGHBORHOOD ORGANIZATION, LCC	302 S. DOOLITTLE RD. EDINBURG, TX., 78539	02/18/2004
PUEBLO DE PAZ NEIGHBORHOOD ORGANIZATION, LCC	3401 N MAYBERRY RD. MISSION, TX., 78574	02/18/2004
AMISTAD NEIGHBORHOOD ORGANIZATION, LCC	202 S. AVE. WEST DONNA, TX., 78537	02/18/2004
EL PUEBLO DORADO NEIGHBORHOOD ORGANIZATION, LCC	901 E. THOMAS PHARR, TX., 78577	02/18/2004
LAS CONTERAS HOUSING PARTNERS, LTD	211 WEST AUDREY PHARR, TX., 78577	12/19/2003

LA ESTANCIA NEIGHBORHOOD ORGANIZATION
3601 E. MILE 8 N
MERCEDES, TEXAS 78570
(956) 514-2900 PHONE
(956) 514-5166 FAX

April 28, 2004

RECEIVED
APR 29 2004
LIHTC

Texas Department of Housing & Community Affairs
Attn: Director of Multi-Family Finance Production
Division (Neighborhood Input)
507 Sabine, Suite 400
Austin, Texas 78701

Re: TDHCA # 04032 Los Milagros Apartments- Weslaco, Texas
TDHCA # 04298 Palma Blanca Apartments- Pharr, Texas
TDHCA # 04299 The Harvest Apartments- Mercedes, Texas

Dear Director:

The LA ESTANCIA Neighborhood Organization was created to be a vehicle where concerned citizens living in Hidalgo County could organize to address affordable housing issues and advance their input and concerns about the need for affordable housing as well as to improve living conditions of families located in Hidalgo County.

This organization is duly formed as a Texas corporation (see attached organizational documents). We have filed our documents with the Hidalgo County Clerks office with Ms. Anette Muniz. These proposed projects are located within the boundaries of this organization which is in Hidalgo County. (See attached maps). This organization is made up of approximately 124 members. (See attached list of members and officers).

and we feel that these projects will provide needed quality affordable housing for working families residing in Hidalgo County. There location will distribute the needed housing in areas where it will be convenient for the families to get to work. These locations are in areas that have good schools and are close to elementary schools reducing the drive time for the residents who take small children to school. These projects will offer 30% and 40% median income units to the family sector of greatest need in Hidalgo County.

(See attached letters of opposition). Also attached is our letter of support for the three referenced projects.

We respectfully request that you award these projects the funds needed to develop these proposed projects in Hidalgo County in the 2004 Low-Income Housing Tax Credit Allocation Cycle. Thank you for you corporation.

Sincerely,

Yasida Garcia
LA ESTANCIA Neighborhood Organization, President



Office of the Secretary of State

**CERTIFICATE OF ORGANIZATION
OF**

La Estancia Neighborhood Organization, L.L.C.
Filing Number: 800305810

The undersigned, as Secretary of State of Texas, hereby certifies that Articles of Organization for the above named company have been received in this office and have been found to conform to law.

ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the Secretary by law, hereby issues this Certificate of Organization.

Issuance of this Certificate of Organization does not authorize the use of a name in this state in violation of the rights of another under the federal Trademark Act of 1946, the Texas trademark law, the Assumed Business or Professional Name Act, or the common law.

Dated: 02/17/2004

Effective: 02/17/2004



A handwritten signature in black ink, appearing to read "G. Connor".

Geoffrey S. Connor
Secretary of State

**ARTICLES OF ORGANIZATION
OF
LA ESTANCIA NEIGHBORHOOD ORGANIZATION, L.L.C.**

The undersigned, acting as the sole organizer of a limited liability company under the Texas Limited Liability Company Act (the "Act"), does hereby adopt the following Articles of Organization for La Estancia Neighborhood Organization, L.L.C. (the "Company"):

ARTICLE ONE

The name of the Company is La Estancia Neighborhood Organization, L.L.C.

ARTICLE TWO

The period of duration of the Company is perpetual, unless the Company dissolves in accordance with the provisions of its regulations

ARTICLE THREE

The purpose for which the Company is organized is to better serve the residents of Hidalgo County in providing quality affordable housing and community support. Our Neighborhood Organization is limited to Hidalgo County.

ARTICLE FOUR

The address of the initial registered office of the Company is 3601 E. Mile 8 North, Weslaco, Texas 78570 and the name of its initial registered agent at that address is Yesika Garcia.

ARTICLE FIVE

The Company is to be managed by one or more managers. The number of initial managers, who shall serve as managers until the first annual meeting of members of the Company or until successors are duly elected, shall be one (1). The name and address of the initial manager is:

Yesika Garcia
3601 E. Mile 8 North
Weslaco, TX 78570

Omission for which the liability of a manager is expressly provided by an applicable statute. Any repeal or amendment of this Article Ten by the members of the Company shall be prospective only and shall not adversely affect any limitation on the liability of a manager of the Company existing at the time of such repeal or amendment. In addition to the circumstances in which the manager of the Company is not liable as set forth in the preceding sentences, the manager shall not be liable to the fullest extent permitted by any provisions of the statutes of Texas hereafter enacted that further limits the liability of a manager or of a director of a corporation.

IN WITNESS WHEREOF, these Articles of Organization have been executed on February 3, 2004 by the undersigned.

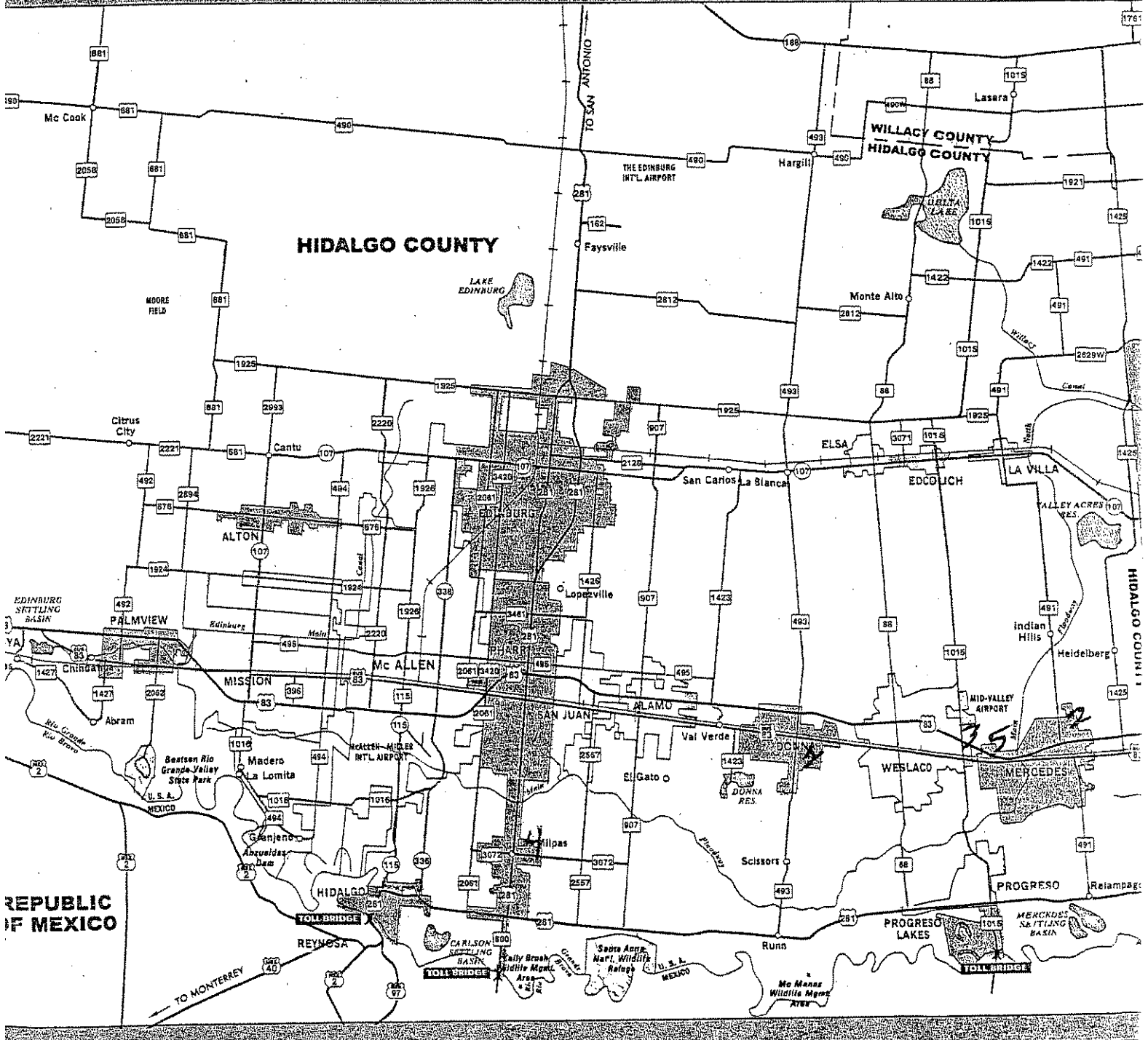
SOLE ORGANIZER

Yesika Garcia
Yesika Garcia

MAP

1. ARBOR COVE #04226
2. CASA KORIMA #04146
3. LOS MILAGROS #04032
4. PALOMA BLANCA #04298
5. THE HARVEST #04299

RIO GRANDE VALLEY



La Estancia Neighborhood Organization, L.L.C.

3601 East Mile 8 North

Mercedes, TX 78570

Phone: (956) 514-2900 Fax: (956) 514-5166

February 1, 2004

Members of La Estancia Neighborhood Organization

President: Yesika Garcia
Vice President: Dolores Gomez
Secretary: David Palomo

Members are as follows:

Sandra Closner, Steve Dunivan, Adalia Reyna, Connie Ramos, Maria I. Garcia,
San Juanita Maldonado, Sheryl Martínez, Verónica Casas, Maria I. Flores,
Marisela Salazar, Derek Anzaldua, Priscilla Morales, Yolanda Zapata, Susana Martin,
Esmeralda Valderas, Luis Saldaña, Douglas Dawson, Verónica Fernández,
Valentino Díaz, Mildred Garza, Maria G. San Roman, Juliet Salinas, Norma Segura,
Orlando Flores, Maria M. Garza, Vangie Dueñas, Norma Camargo, Roberto Villarreal,
Claudia Sánchez, Sara Garza, Alma Martínez, Linda González, Chris Martínez,
Jacob Regalado, Janie Medrano, Rodolfo Fonseca, Maria Castelan, Alicia García,
Juan A. Vásquez, Reynaldo Villarreal, Elizabeth Texidor, Jenny González,
Norma González, Ruby Valadez, Michelle Estevanes, Dolores García, Ivette Varela,
Graciela Pecina, Angie Vargas, Maria E. García, Pauline Martínez, Ruby Arispe,
Juan Briceño, Yvonne De Los Santos, Miguel Cámara, John García, Michael Desiga,
Fidel Peña, Clinton Helebey, Tony González, Laura Aguilar, Hermelinda Salinas,
Anthony Garza, James Severn, Claudia López, Erica Ortega, Patricia Barrera,
Debbie Noriega, Melinda López, Sylvia Martínez, Ruby Zamora, Nathan Cavazos,
Mariana Gaytan, Linda Calvillo, Daniel Hernández, Larissa Molina, Chris Ramírez,
Luis Arredondo, Nora Villarreal, Eunezka Vera, Alejandro Rubio, Jerry Carrizales,
Raquel Moreno, Edelmira González, Rosia Vásquez, Benita Nilo, Verónica Belmares,
Adalia Puente, Lucy Morales, Erica Hernández, Marina Galaviz, Adrian Cortez,
Manuel Pulido, Rudy Muñoz, Dolores Almanza, Consuelo Silva, Pebbie Moncada,
Jodie Cosme, Heather Martinez, Marla Yañes, Jaime Puga, Anna García,
Erica Sánchez, Patricia Cardoza, Orlando Alaniz, Hector Mejia, Velma Hernández,
Pablo Mata, Esmer Magaña, Julissa Maldonado, Priscilla Jiménez, Britany Holt,
Angelica Arrevalo, Jesús Galván, Sylvia Fonseca, Cynthia Rodríguez,
Roxanne Serrano, Gilbert Leal, Liza Treviño, Cynthia García, Sylvia Maya.

Thank you,



Yesika Garcia
President

La Estancia Neighborhood Organization, L.L.C.
3601 E. Mile 8 N
Mercedes, Texas 78570
(956) 514-2900

March 5, 2004

Ms. Brooke Boston
Texas Department of Housing and Community Affairs
507 Sabine, Suite 400
Austin, Texas 78701

Re: Arbor Cove Apartments, TDHCA #04226
Casa Corima Apartments, TDHCA #04146

Dear Ms. Boston,

This letter is in opposition to the above projects. These two projects do not equitably distribute tax credit units to the residents of Hidalgo County. These two projects are very large for rural communities. Our organization members feel like a more equitable distribution of the Low Income Tax Credit housing to rural areas in Hidalgo County is more acceptable to the residents of the county. Dispensing affordable housing to numerous rural areas of Hidalgo County will cause less of a travel burden on the working families who work in many areas of the county. Concentrating large projects in one or two small rural areas will add to the travel burden of many families seeking affordable housing.

Thank you for your time.

Regards,


Yesika Garcia
President

Yesika Garcia
manager

La Estancia Neighborhood Organization Hidalgo County, Texas

The La Estancia Neighborhood Organization and its members support the development of the Vista de Amistad Apartments, ~~The Harvest Apartments, Los Mitayos Apartments and Paloma Blanca Apartments~~ located in Hidalgo County, Texas. These projects will enhance the quality of life for the residents of Hidalgo County and are located in an area that will achieve the goal of equitable distribution of affordable housing to this community.

DATE Feb 21, 2004

<u>NAME</u>	<u>ADDRESS</u>
1. <u>[Signature]</u>	<u>3001 E. Mile 8 N. #203 Weslaco Texas.</u>
2. <u>[Signature]</u>	<u>3016 E. Mile 8 N. #152 Mercedes, TX.</u>
3. <u>[Signature]</u>	<u>3601 E. Mile 8 N. #321 Mercedes, Tx.</u>
4. <u>[Signature]</u>	<u>#252 #17</u>
5. <u>[Signature]</u>	<u>Apt #252</u>
6. <u>[Signature]</u>	<u>Apt #304</u>
7. <u>[Signature]</u>	<u>Apt #294</u>
8. <u>[Signature]</u>	<u>Apt #222</u>
9. <u>[Signature]</u>	<u>Apt #222</u>
10. <u>[Signature]</u>	<u>apt. 292</u>
11. <u>[Signature]</u>	<u>apt. 184</u>
12. <u>[Signature]</u>	<u>Apt- 272</u>
13. <u>[Signature]</u>	<u>#164</u>
14. <u>[Signature]</u>	<u>looking for apartment</u>
15. <u>[Signature]</u>	<u>#183</u>
16. <u>[Signature]</u>	<u>#204</u>
17. <u>[Signature]</u>	<u>apt # 291</u>
18. <u>[Signature]</u>	<u>apt # 184</u>
19. <u>[Signature]</u>	<u>apt # 27</u>
20. <u>[Signature]</u>	<u>APT # 102</u>
21. <u>[Signature]</u>	<u>3601 E. Mile 8 N. Apt 81</u>
22. <u>[Signature]</u>	<u>Apt 201</u>
23. <u>[Signature]</u>	<u>#214</u>
24. <u>[Signature]</u>	<u>#72</u>
25. <u>[Signature]</u>	<u>#244</u>
26. <u>[Signature]</u>	<u>#12</u>
27. <u>[Signature]</u>	<u>new apt #51 [still in process]</u>
28. <u>[Signature]</u>	<u>#91</u>
29. <u>[Signature]</u>	<u>#231</u>
30. <u>[Signature]</u>	<u>#34</u>

Yesika Garcia

La Estancia Neighborhood Organization Hidalgo County, Texas

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DATE March 1, 2004

<u>NAME</u>	<u>ADDRESS</u>
1. Veronica Belmares	3601 E Mi 8 N # 241
2. Whetle Segura	3601 E Mi 8 N # 273
3. BS	3601 E M. B. N # 22
4. Sylvia G Fonseca	3601 E Mi 8 N. 511 #
5. Maria Salomon	360 E Mi 8 N Apt 64
6. Linda Padilla	3601 E Mi 8 N Apt # 322
7. Ruben J. Morcote	3601 E Mi 8 N apt # 263
8. MB	3601 E. Mi. 8 N # 253
9. Gaura 1/3	3601 E Mi 8 N # 182
10. Anna Garcia	3601 E Mi 8 N # 274
11. Maria Lopez	3601 E Mi 8 N # 93
12. Maria Lopez	3601 E. Mi. 8 N # 161
13. Maria Lopez	3601 E mi 8 N # 251
14. Carolina Gutierrez	looking for apartment
15. Lyline Rodriguez	3601 E Mi 8 N. # 144
16. Alma Martha	3601 E. Mi. 8 N # 94
17. Concepcion	looking for apt.
18. Alex Lopez	3601 E Mi. 8 N # 223
19. Alma Lopez	3601 E Mi. 8 N # 92
20. Marietta Lopez	will move to apt. # 322
21. Concepcion	3601 E. Mi. 8 N. # 103
22. Nichelle U. Estevan	3601 E M 8 N. Rd. # 131
23. Alfonso Jimenez	310 S Pedro Rd. Mission, TX.
24. Maria Garcia	3416 Christopher Ln. Edinburg, TX
25. Betha Wolfe	3417 Nikke Ln. Edinburg
26. Susan L. Martin	3601 East M 8 N
27. April M. O.	apply for apt.
28. Melizabeth Lopez	moving for apt # 142
29. Rodriguez Gomez	3601 East Mi 8 N # 13
30. Agnes	403 W 7 St Mission, TX

Yesika Garcia

La Estancia Neighborhood Organization Hidalgo County, Texas

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DATE March 5, 2004

NAME

ADDRESS

1. Alejo Rendon
2. Yolanda Lopez
3. Estelita Lopez
4. Genova Gonzalez
5. Angela Villanueva
6. Victor Mireles
7. Juan Garza Jr.
8. Humberto Carrasco
9. Carla Garza
10. Julian Olajun
11. CARIN SANDOVAL
12. Sandra Garza
13. Robert Gonzalez
14. Mansella
15. _____
16. _____
17. _____
18. _____
19. _____
20. _____
21. _____
22. _____
23. _____
24. _____
25. _____
26. _____
27. _____
28. _____
29. _____
30. _____

- 3418 Christopher Ln Edinburg, TX.
- 3410 Veronica Ln Edinburg
- 4511 Prado Encantado "
- 3410 Veronica Ln
- 3414 Nikki Ln Edinburg
- Rt. 1 Box 171-A Mercedes
- 7830 AVENIDA DEL PASO Mission
- 511 Rio Grande de Mission
- looking for apt
- 404 N. Cesar Chavez Rd Apt 72
- 104 SUNRISE LN MISSION
- looking for apt
- 910 S. Colorado
- 1812 FOREST LN Weslaco TX

74 members

Juan D. Salinas III

HIDALGO COUNTY CLERK'S OFFICE



FAX COVER SHEET

WWW.HIDALGOCOUNTYCLERK.US

Post Office Box 58

Edinburg, Texas 78540

Phone: (956) 318 - 2100 Fax: (956) 318 - 2067

To: Roland Smith

From: Annette M. M...

Fax: 281-550-1930

Pages: 2

Phone: _____

Date: _____

Re: _____

Cc: _____

Comments: Do Date this is the list of organizations
that have filed in our office!

CONFIDENTIALITY NOTICE: This facsimile message and accompanying documents contain information from the Hidalgo County Clerk's Office, which may be confidential and/or privileged. The information is intended to be for the use of the individual or entity named on this transmittal sheet. If you are not the intended recipient, be aware that any disclosure, copying, distribution or use of the contents of this information is prohibited. If you have received this facsimile in error, please notify us by telephone or fax immediately.

Thank you.

Juan D. Salinas III

HIDALGO COUNTY CLERK'S OFFICE



FAX COVER SHEET

WWW.HIDALGOCOUNTYCLERK.US

Post Office Box 58
Edinburg, Texas 78540

Phone: (956) 318 - 2100 Fax: (956) 318 - 2067

To: Rolene Smith

From: Annette C. McCoy

Fax: 281-550-1930

Pages: 2

Phone: _____

Date: _____

Re: _____

Cc: _____

Comments: Do Date this is the list of organizations
that have filed in our office

CONFIDENTIALITY NOTICE: This facsimile message and accompanying documents contain information from the Hidalgo County Clerk's Office, which may be confidential and/or privileged. The information is intended to be for the use of the individual or entity named on this transmittal sheet. If you are not the intended recipient, be aware that any disclosure, copying, distribution or use of the contents of this information is prohibited. If you have received this facsimile in error, please notify us by telephone or fax immediately.

Thank you.



5/10-
CW

2004 HTC APPLICATION CYCLE
REVIEW OF QUANTIFIABLE COMMUNITY PARTICIPATION - PER LETTER
§50.9(g)(2) OF THE 2004 QAP

Development Number: 04032
04298 Dev. Name: Los M. 129104
04299 Paloma Blanca
The Harvest
Neighborhood Organization Name: El Patrimonio Nbrhd Org.

Part I: Eligibility Requirements (must be met to be scored)

- 1. Was the letter received by the Department no later than April 30, 2004? Yes No
- 2. Was the organization on record as of March 1, 2004, with the state or county in which the development is proposed to be located? Yes No
 - Stated in letter
 - Documentation provided
- 3. Do the organization's boundaries include the development site? Yes No
 - Stated in letter
 - Documentation provided

IF THE ANSWERS TO 1, 2 OR 3 ARE "NO", DO NOT PROCEED.

- 4. Was the letter addressed to the Department? Yes No
- 5. Was it received directly from the neighborhood organization or with the application? Yes No
- 6. Does the letter identify the specific Development? Yes No
- 7. Is the letter signed by the organization's chairman of the board, chief executive officer or comparable head of the organization and does it include the signer's address and phone number? (For scoring purposes, each neighborhood organization may submit one letter to represent their input.) Yes No
- 8. Does the letter provide the total number of members of the organization and a brief description of the process used to determine the members' position? Yes No

IF THE ANSWERS TO 4 THROUGH 8 ARE "NO", DO NOT PROCEED.

- 9. Is this organization a "neighborhood organization"? Neighborhood organizations are organizations that have a primary purpose of working to affect matters related to the welfare of the neighborhood that contains the proposed development site, not including governmental entities. "Neighborhood" is defined as "people living near one another." Property or homeowners associations are clear examples of neighborhood organizations. Yes No
 - Stated in letter
 - Documentation provided

Handwritten notes:
"Hidalgo County"
not n.o.
CW

IF THE ANSWER TO 9 IS "NO", DO NOT PROCEED. SCORING IS NOT REQUIRED.

04/28/2004 12:55 2815501930

PAGE 02

EL PATRIMONIO NEIGHBORHOOD ORGANIZATION

2601 Sarah Avenue
McAllen, TEXAS 78503
(956)928-1300 PHONE
(956) 928-1303 FAX

RECEIVED

APR 29 2004

LIHTC

April 28, 2004

Texas Department of Housing & Community Affairs
Attn: Director of Multi-Family Finance Production
Division (Neighborhood Input)
507 Sabine, Suite 400
Austin, Texas 78701

Re: TDHCA # 04032 Los Milagros Apartments- Weslaco, Texas
TDHCA # 04298 Paloma Blanca Apartments- Pharr, Texas
TDHCA # 04299 The Harvest Apartments- Mercedes, Texas

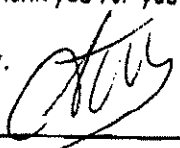
Dear Director:

The El Patrimonio Neighborhood Organization was created to be a vehicle where concerned citizens living in Hidalgo County could organize to address affordable housing issues and advance their input and concerns about the need for affordable housing as well as to improve living conditions of families located in Hidalgo County.

This organization is duly formed as a Texas corporation (see attached organizational documents). We have filed our documents with the Hidalgo County Clerks office with Ms. Anette Muniz. These proposed projects are located within the boundaries of this organization which is in Hidalgo County. (See attached maps). This organization is made up of approximately 187 members. (See attached list of members and officers). This organization and its members support the referenced projects and we feel that these projects will provide needed quality affordable housing for working families residing in Hidalgo County. There location will distribute the needed housing in areas where it will be convenient for the families to get to work. These locations are in areas that have good schools and are close to elementary schools reducing the drive time for the residents who take small children to school. These projects will offer 30% and 40% median income units to the family sector of greatest need in Hidalgo County. Attached is a letter of opposition for two other projects located within the boundaries of the organizations. (See attached letters of opposition). Also attached is our letter of support for the three referenced projects.

We respectfully request that you award these projects the funds needed to develop these proposed projects in Hidalgo County in the 2004 Low-Income Housing Tax Credit Allocation Cycle. Thank you for you corporation.

Sincerely,



El Patrimonio Neighborhood Organization, President

Corporations Section
P.O.Box 13697
Austin, Texas 78711-3697

Geoffrey S. Connor
Secretary of State



Office of the Secretary of State

**CERTIFICATE OF ORGANIZATION
OF**

**El Patrimonio Neighborhood Organization, L.L.C.
Filing Number: 800305596**

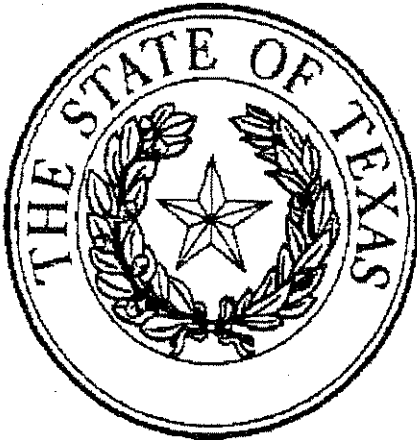
The undersigned, as Secretary of State of Texas, hereby certifies that Articles of Organization for the above named company have been received in this office and have been found to conform to law.

ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the Secretary by law, hereby issues this Certificate of Organization.

Issuance of this Certificate of Organization does not authorize the use of a name in this state in violation of the rights of another under the federal Trademark Act of 1946, the Texas trademark law, the Assumed Business or Professional Name Act, or the common law.

Dated: 02/17/2004

Effective: 02/17/2004



A handwritten signature in black ink, appearing to read "G. Connor".

Geoffrey S. Connor
Secretary of State

**ARTICLES OF ORGANIZATION
OF
EL PATRIMONIO NEIGHBORHOOD ORGANIZATION, L.L.C.**

The undersigned, acting as the sole organizer of a limited liability company under the Texas Limited Liability Company Act (the "Act"), does hereby adopt the following Articles of Organization for El Patrimonio Neighborhood Organization, L.L.C. (the "Company"):

ARTICLE ONE

The name of the Company is El Patrimonio Neighborhood Organization, L.L.C.

ARTICLE TWO

The period of duration of the Company is perpetual, unless the Company dissolves in accordance with the provisions of its regulations

ARTICLE THREE

The purpose for which the Company is organized is to better serve the residents of Hidalgo County in providing quality affordable housing and community support. Our Neighborhood Organization is limited to Hidalgo County.

ARTICLE FOUR

The address of the initial registered office of the Company is 2601 Sarah Avenue, McAllen, Texas 78503 and the name of its initial registered agent at that address is Carlos Flores.

ARTICLE FIVE

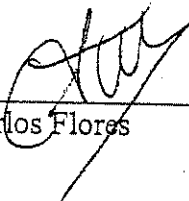
The Company is to be managed by one or more managers. The number of initial managers, who shall serve as managers until the first annual meeting of members of the Company or until successors are duly elected, shall be one (1). The name and address of the initial manager is:

Carlos Flores
2601 Sarah Avenue
McAllen, TX 78503

Omission for which the liability of a manager is expressly provided by an applicable statute. Any repeal or amendment of this Article Ten by the members of the Company shall be prospective only and shall not adversely affect any limitation on the liability of a manager of the Company existing at the time of such repeal or amendment. In addition to the circumstances in which the manager of the Company is not liable as set forth in the preceding sentences, the manager shall not be liable to the fullest extent permitted by any provisions of the statutes of Texas hereafter enacted that further limits the liability of a manager or of a director of a corporation.

IN WITNESS WHEREOF, these Articles of Organization have been executed on February 3, 2004 by the undersigned.

SOLE ORGANIZER

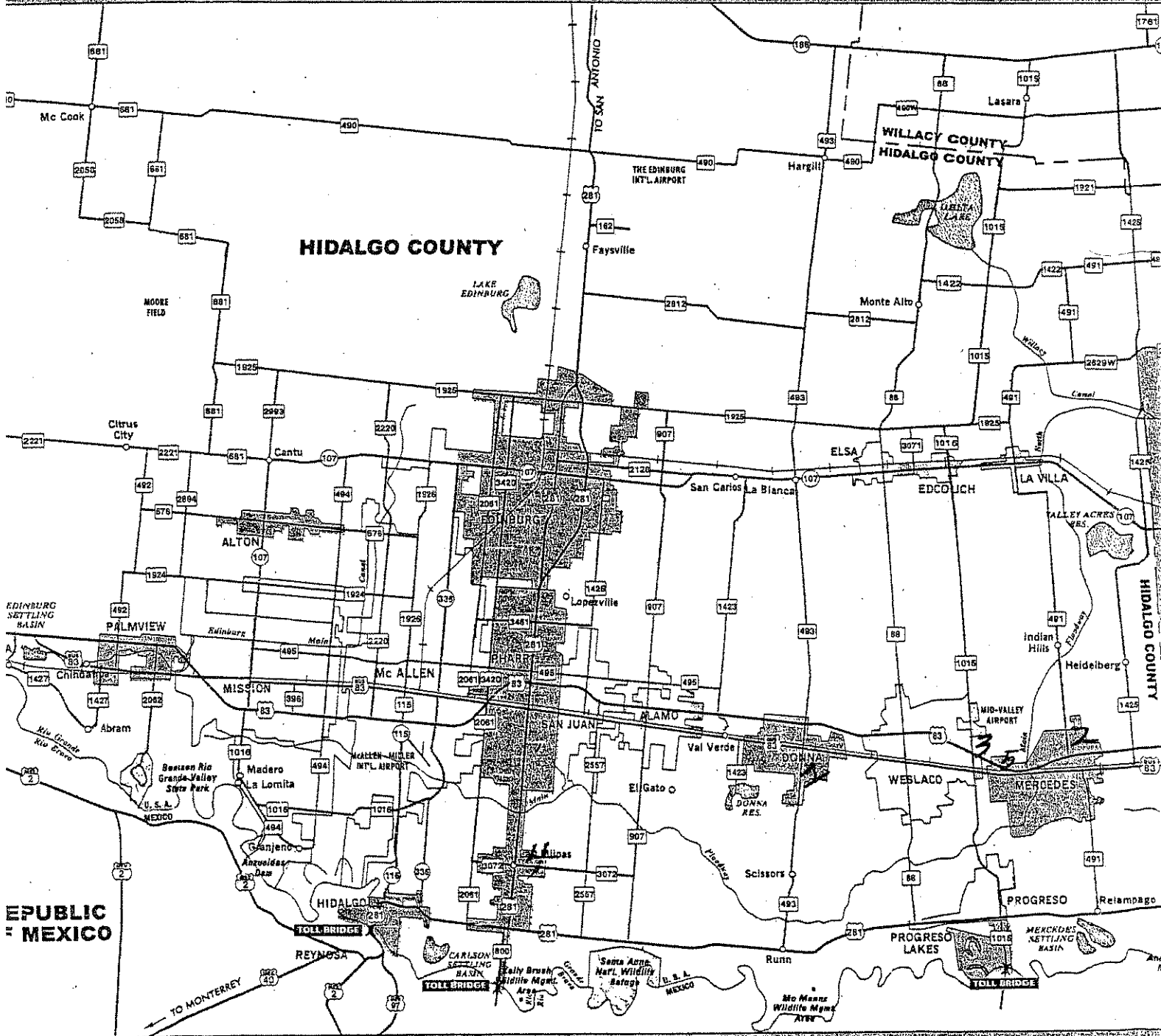


Carlos Flores

MAP

1. ARBOR COVE #04226
2. CASA KORIMA #04146
3. LOS MILAGROS #04032
4. PALOMA BLANCA #04298
5. THE HARVEST #04299

RIO GRANDE VALLEY



REPUBLIC OF MEXICO

Memo

To: Texas Regional Asset Management
From: Carlos Flores
CC: Kim Hatfield
Date: March 18, 2004
Re: El Patrimonio Neighborhood Organization

The El Patrimonio Neighborhood Organization and its members are:

President: Carlos Flores
Vice-president: Rosa Tamez
Secretary: Horacio Gonzalez
Members:

Lupita Bryson	Hugo Frias
Sonia Ramos	Patricia Zavala
Sonia Delgado	Leonardo Ibarra
Maria E. Salinas	Silvia Guerra
Cinthia Garza	Humberto Adame
Yuhana Rodriguez	Gustavo Sustaita
Corina Gutierrez	Eory Ibarra
Dinora Padron Pinto	Matias Rivera
Noe Portillo	Maritza Sanchez
Nora Alvarado Guzman	Juan Bautista
Violeta Cantu	Ricardo Galido
Alicia Guzman	Martha Ortega
Ruben Guerra	Yadira Gonzalez

Salvador martinez	Rafael Jaramillo
Carlos Yanes	Jose Federico Martinez
Gerardo Megia	Abisai Martinez
Ricardo Ugalde	Noe Pena
Roberto Martinez	Erika Flores
Ima Garcia	Juan Cavazos
Rosbelt Martinez	Eva Mendoza
Elizabeth Gauna	Reeta Bazaz
Juan E Flores	Monica Gomez
Gilbert Silva	Janeth Vallejo
Luis Adame	Bishakha Mukherji
Kimberly Echavaria	Santa Garcia
Paula Cavadas	Juan Soto
Carlos Flores	
Del Camron Sarafian	
Curt Harris	
Thomas McBride	
Janelle Cavazos	
Norma Palacios	
Mario Urdaneta	
Hugo Carlo Landburg	
Delcio Gomez	
Victor Hernandez	
Jorge Pereyra	
Maria Bernal	
Gabriel Aragon	
Juan Fuentes	
Alicia Valdez	
Priscilla Garcia	

Israel Mendiola	Amy Neff
Gina Reed	Kevin Kunce
Leticia Torres	Lisa Contreras
Alejandro Martinez	David Lira
Norma Macias	Ruby Echazarreta
Maria Martinez	Toni Schick
Maria Vela	Karla Rodriguez
Omar Lopez	Maria Garza
Maria Fonseca	Patricia Longoria
Ivonne Elizondo	Brenda Falcon
Alejandro Gonzalez	Melissa Carreon
Claudia Flores	Eloy Solis
Iris Cavazos	Evelina Torres
Veronica Flores	Sonia Arredondo
Brenda Soledad Castillo	Eric Lorens
Walter Diaz	Mario Bermudez
Ricardo Domingez	Federico Moron
Salazar Samano	Efren Sanchez
Salvador Hernandez	Jessica Rodriguez
Maria Hernandez	Martha Cano
Noel Hernandez	Daniel Ingersol
Nidia Garza	Cesar Molina
Manuel Reyes	Roberto Garza
Marcos Carillo	Uma Puri
Jose de Leon	Daniel Chapa
Agustin Flores	Cynthia Gutierrez
Yesmin Martinez	Luis Velazquez
Alexsus Garza	Dora Leal
Luis Abrego	Jose Valencia

Michelle Puente	Ricardo Rodriguez
Daniel Perez	Maria Galindo
Liliana Cavazos	Cesar de leon
Linda Figueroa	Teobaldo Carrasco
Judy Precup	Ana Delia Hernandez
David Perez	Alberto Pena
Rocio Tueme	Juan Angel Trevino
Marlene Ballesteros	Sanjuanita Zavala
Nora Delgadillo	David Torrez
Erica Garcia	Estella Toker
Eduardo Frias	Noe Garcia
Maria Ibarra	Juan Francisco Guerra
Juan Carlos Chena	Ana Juarez
Jason Whited	Maria Herrera
Rocio Robledo	Alejandra Castro
Elvira Coles	Evaristo Escamilla
Benjamin Fuentes	Luis Ramirez
Graciela Saenz	Marco Padilla
Mercedes Lopez	Cynthia Ochoa
Anna Duquette	Juan Enrique Fuentes
Anna Murphy	Yesenia Hernandez
Marilu Lozoya	Jaqueline Perez
Everardo Morales	Ricardo Garza
Melina Gutierrez	Florencio Muniz
Ana Garcia	Rosa Rodriguez
Gerardo Martinez	Erisela Lozano
Sonia Velasquez	Cynthia C. Gutierrez
Erika Zapata	Juan M. Flores
Anita Clemente	Sherrill Archer

El Patrimonio Neighborhood Organization, L.L.C.
2601 Sarah Avenue
Mc Allen, Texas 78503
(956) 928-1300

March 5, 2004

Ms. Brooke Boston
Texas Department of Housing and Community Affairs
507 Sabine, Suite 400
Austin, Texas 78701

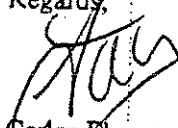
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Casa Corima Apartments, TDHCA #04146

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Thank you for your time.

Regards,


Carlos Flores
President

El Patrimonio Neighborhood Organization Hidalgo County, Texas

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DATE March

<u>NAME</u>	<u>ADDRESS</u>
1. Marco Carrillo	2601 Sarah Ave. McAllen
2. Anita Clemente	Opt 151
3. Armando Torres	2601 Sarah Avenue
4. JEFFREY CHAU	473
5. Marshal Mendez	2601 Sarah Avenue
6. Maria Perez	2601 Sarah
7. Annette M. Grogólez	Mission
8. Carlos C. Isera	2601 Sarah Ave Apt #052
9. Adela D. Ireta	2601 Sarah Ave Apt #00
10. Yarla A. Ireta	2601 Sarah Ave Apt #53
11. Mariah Yelina	McAllen Tx 78501, 9810 S 23rd
12. Leda Belenice Segura	Highway Expressway 8300
13. Neodan Lugo	
14. Jose Federico Martinez	2601 Sarah Ave Apt 453
15. Luz E. Lira	PO Box #143
16. Maria Martinez	2601 Sarah 453
17. Luis Lora	Idea St. McAllen
18. Thomas Cerda	2601 Sarah Avenue Apt 81
19. Altaida Cerda	#81
20. Jose Luis Cerda	2601 Sarah #84
21. F. ...	2601 Sarah #211
22. ...	201 E. Esperanza
23. ...	2215 Quince Apt #023
24. ...	Apartment #44
25. ...	2601 Sarah Ave #442
26. ...	1820 SO. 10th ST #188
27. Rafael Seville	3801 WEST MILITARY HWY.
28. Norma Seville	
29. Jesus Jaime Garcia	Dona Tx. Victoria Rd
30. Jessica Miramontes	McAllen Tx.

El Patrimonio Neighborhood Organization Hidalgo County, Texas

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DATE March

NAME

ADDRESS

- | | |
|---|---|
| <ol style="list-style-type: none"> 1. <u>Jorge B. Beckler</u> 2. <u>Marta Vazquez</u> 3. <u>Marta Vazquez</u> 4. <u>Marta Vazquez</u> 5. <u>Raquel Morales</u> 6. <u>Liliana Pittenger</u> 7. <u>Omrisol Hernandez</u> 8. <u>MARIA HERRERA</u> 9. <u>Justo Felix</u> 10. <u>Abelardo Clemente</u> 11. <u>ADRIAN CANTU</u> 12. <u>Robert Herrera Jr.</u> 13. <u>Bertha Gomez Gonzalez</u> 14. <u>Lizeth Leija</u> 15. <u>MARTA VIZZIARI NEVA</u> 16. <u>Cherrie Adams</u> 17. <u>Estelita Sanchez</u> 18. <u>Marta Vazquez</u> 19. <u>Marta Vazquez</u> 20. <u>Marta Vazquez</u> 21. <u>Carlos Flores</u> 22. <u>Rosy Tamez</u> 23. <u>ESAR FAZAN</u> 24. <u>VICTOR QUERRERO</u> 25. <u>Josephine Camacho</u> 26. <u>Marta Vazquez</u> 27. <u>Rosa de los Angeles</u> 28. <u>George Sandoval</u> 29. <u>Marta Vazquez</u> 30. <u>Marta Vazquez</u> | <ol style="list-style-type: none"> <u>2601 SARAH AVE #64</u> <u>2601 SARAH AVE #63</u> <u>2601 SARAH AVE #64</u> <u>2601 SARAH AVE #64</u> <u>2601 SARAH AVE #64</u> <u>2601 S. SARAH AVE #22</u> <u>2601 SARAH AVE #181</u> <u>2601 SARAH APT #183</u> <u>Mission St.</u> <u>2209 Dallas NE Allen TX 75001</u> <u>1100 Zeida Ave McAllen TX</u> <u>5904 Heron Ct</u> <u>725 Apt # 224</u> <u>2024 Cortez</u> <u>7708 N. Los Charcos</u> <u>Uthmaniyah</u> <u>680 Maple St.</u> <u>2601 Sarah</u> <u>1818 S. 2nd Edinburg</u> <u>2601 Sarah</u> <u>2601 Sarah Ave # 411</u> <u>2601 Sarah Ave # 061</u> <u>Apt # 061</u> <u>Military Hwy</u> <u>512 S 28th Ave #37 Edinburg TX</u> <u>512 S 28th Ave #37 Edinburg TX</u> <u>2904 Uca McAllen TX</u> <u>Palm View</u> <u>Apt # 325</u> <u>3149 Center Pointe Dr. Stud.</u> |
|---|---|

Juan D. Salinas III

HIDALGO COUNTY CLERK'S OFFICE



FAX COVER SHEET

WWW.HIDALGOCOUNTYCLERK.US

Post Office Box 58
Edinburg, Texas 78540

Phone: (956) 318 - 2100 Fax: (956) 318 - 2067

To: Roland Smith

From: Annette M. M...

Fax: 281-550-1930

Pages: 2

Phone: _____

Date: _____

Re: _____

Cc: _____

Comments: So Date this is the list of organizations
that have filed in our office

CONFIDENTIALITY NOTICE: This facsimile message and accompanying documents contain information from the Hidalgo County Clerk's Office, which may be confidential and/or privileged. The information is intended to be for the use of the individual or entity named on this transmittal sheet. If you are not the intended recipient, be aware that any disclosure, copying, distribution or use of the contents of this information is prohibited. If you have received this facsimile in error, please notify us by telephone or fax immediately.

Thank you.

NEIGHBORHOOD ORGANIZATIONS
LISTED WITH THE
HIDALGO COUNTY CLERK'S OFFICE

NAME OF ORGANIZATION	ADDRESS	DATE FILED
LAS MILPAS RESIDENT COUNCIL	215 UNIVERSAL DR. PHARR, TX, 78577	03/01/2004
RIO GRANDE HABITAT FOR HUMANITY	P.O. BOX 4318 McALLEN, TX, 78502	03/01/2004
PROJECT ARISE - LAS MILPAS	125 E. DENNY DR. PHARR, TX, 78577	03/01/2004
SUNSET TERRACE RESIDENT COUNCIL	920 WEST VILLEGAS PHARR, TX, 78577	03/01/2004
PADRE DE VIDA NEIGHBORHOOD ORGANIZATION, LCC	3900 SO. WARE RD. McALLEN, TX, 78503	02/18/2004
LA ESTANCIA NEIGHBORHOOD ORGANIZATION, LCC	3601 E. MILE 8 NO. WESLACO, TX, 78596	02/18/2004
EL PATRIMONIO NEIGHBORHOOD ORGANIZATION, LCC	2601 SARAH AVE. McALLEN, TX, 78503	02/18/2004
LA HERENCIA NEIGHBORHOOD ORGANIZATION, LCC	100 LA HERENCIA DR. MERCEDES, TX, 78570	02/18/2004
ISLAND PALM NEIGHBORHOOD ORGANIZATION, LCC	302 S. DOOLITTLE RD. EDINBURG, TX, 78539	02/18/2004
PUEBLO DE PAZ NEIGHBORHOOD ORGANIZATION, LCC	3401 N MAYBERRY RD. MISSION, TX, 78574	02/18/2004
AMISTAD NEIGHBORHOOD ORGANIZATION, LCC	202 S. AVE. WEST DONNA, TX, 78537	02/18/2004
EL PUEBLO DORADO NEIGHBORHOOD ORGANIZATION, LCC	901 E. THOMAS PHARR, TX, 78577	02/18/2004
LAS CONTERAS HOUSING PARTNERS, LTD	211 WEST AUDREY PHARR, TX, 78577	12/19/2003

MULTIFAMILY FINANCE PRODUCTION DIVISION

BOARD ACTION REQUEST

July 28, 2004

Action Item

Appeal denial of Quantifiable Community Participation (QCP) points of one 2004 Housing Tax Credit (HTC) Application.

Requested Action

Issue a determination on the appeal.

Background and Recommendations

I. Chisholm Trail Senior Village, #04052

The Applicant submitted an appeal to the Executive Director on June 14, 2004, disputing the denial of QCP points for the Application. The Applicant requested reconsideration of QCP point allocation for a letter from the Nolan Creek Neighborhood Association. On June 28, 2004, the Executive Director responded to the appeal stating that pursuant to Section 50.9(g)(2) of the 2004 Qualified Allocation Plan (QAP), the letter did not meet the requirements to be scored. The Executive Director noted that the reasons the letter did not qualify were outlined by the Applicant herself in the appeal, and were therefore not repeated in the Director's response. The Applicant submitted an appeal to the Board on July 14, 2004, regarding QCP point scoring for the letter from the Nolan Creek Neighborhood Association.

Relevant documentation related to this appeal is provided behind the Board Action Request.

Applicant:	DF Chisholm Trail Senior Village, L.P.
Site Location:	9th Street at Harris Street
City/County:	Belton/Bell
Regional Allocation Category:	Urban/Exurban
Set-Aside:	General
Population Served:	Elderly
Region:	8
Type of Development:	New Construction
Units:	60
Credits Requested:	\$415,000.00

Staff Recommendation: The Executive Director denied the original appeal. Staff is recommending that the Board also deny the appeal of the termination.

Board Appeal



LESLIE HOLLEMAN
4640 FM 3021
Brownwood, TX 76801
325.784.9797 ph
325.784.9777 fax

BEVERLY FUNDERBURGH
20183 FM 914
Stephenville, TX 76401
254.965.6317 ph
254.764.4177 fax

June 29, 2004

Honorable Members of the Board of Directors
Texas Department of Housing and Community Affairs
507 Sabine Street, Suite 600
Austin, Texas 78701

Re: HTC #04052, Chisholm Trail Senior Village of Belton
Appeal of denial of points for Quantifiable Community Participation

Dear Members of the Board:

The purpose of this letter is to respectfully appeal the denial of our request for a re-evaluation of the points for Quantifiable Community Participation for HTC #04052 Chisholm Trail Senior Village in Belton, Texas. We received denial of our appeal from the Executive Director on June 28, 2004. As with the majority of the applications which requested points for Quantifiable Community Participation, the above referenced application did not receive points for failure to meet *all* of the technical requirements which the Department required for scoring.

I would like to provide some background information to preface the basis for our appeal. The City of Belton, a small community of just over 10,000 residents, does not have *any* developments supported by Housing Tax Credits. When multiple developers expressed a desire to develop in the City of Belton, the City Council held a special meeting and requested that each developer make a presentation for purposes of educating the City and the interested public, as well as determining the City's support for one or more applications. That meeting was attended by members of the neighborhood which surrounds the proposed Chisholm Trail Senior Village. As the neighborhood members explained to us after the City Council presentation, our tract of land was one of the only remaining significant tracts of undeveloped land in downtown Belton. The neighbors were interested and concerned about the future plans for the development of that tract of land. Subsequently, we had the opportunity to meet extensively with neighborhood members. We answered numerous questions, they viewed photographs of our previous completed developments and spoke with one of our current tenants who resides at Bunker Hill Senior Village in Stephenville, an LIHTC seniors community similar to the one we are proposing in Belton. Over this approximate two month period, the neighborhood, including those residents bordering the proposed Chisholm Trail site, embraced the proposal as one that would be beneficial to their neighborhood specifically, and the community as a whole.

In the course of educating the City and the community about the Housing Tax Credit application process, we explained the Department's desire to ascertain the support of the local neighborhood. The City of Belton, as with most small rural communities, did not have formalized neighborhood groups recognized by the City. However, due to their desire to help bring this housing to their community, the neighborhood ultimately formed an Association under an Assumed Name Certificate and filed with the County Clerk just days before the Application deadline. Ultimately, the newly formed group, under the name the Nolan Creek Neighborhood Association, wrote into TDHCA expressing their support for the Chisholm Trail Senior Village.

The letter was reviewed by TDHCA and was not awarded points for failure to meet the following requirements:

1. Insufficient documentation provided to show that the organization's boundaries include the proposed development site;
2. The letter did not provide either the total number of members of the organization or a brief description of the process used to determine the members' position, or did not provide both;
3. Insufficient documentation provided to show that the organization is a "neighborhood organization" within the meaning of the requirement.

In conjunction with our appeal, I would like to express my disappointment that the stringent legal interpretation of the measurement of "Quantifiable Community Support" seems to overshadow the spirit and intent of the legislation. Because the section of the QAP dealing with Quantifiable Community Support required clarification, on numerous occasions the developer community as a whole requested guidance in meeting this criteria. This was discussed at the application workshops, in the open forums and at the QAP working groups. The denial of our appeal states "However, the Department is required to follow the plain language of legislation and its rules when evaluating the scoring criteria." I respectfully disagree that the language was in fact plain. We believe it left room for considerable interpretation on behalf the developer and the neighborhood organization.

The specific scenario I described above involving the Nolan Creek Neighborhood Association and the proposed Chisholm Trail Senior Village seems to embody what the Department was in effect trying to encourage, and is consistent with what was described in the Application Workshops presented by the Department in late 2003 as "working with the local community". Although the Department provided guidance on its website to the neighborhoods wishing to comment on applications, I don't believe the technical requirements were described in a manner that definitively laid out each specific requirement beyond a reasonable doubt. I was surprised to see that TDHCA required every one of several technical requirements to be met, then evaluating and awarding points on an "all or nothing" scenario.

We believe the Nolan Creek Neighborhood Association letter of support has met the criteria set forth in the QAP as follows:

1. The Nolan Creek Neighborhood letter narratively described their boundaries and stated that the subject site was in the heart of their community. Although the Nolan Creek Neighborhood Association did not include a map with their letter, the Guidelines posted by TDHCA states that the Department also "requests" that a map be submitted

– not that one was *required* and if not included would result in a technical “default”. Confirmation could have easily been achieved by reviewing any one of the numerous maps including in the application.

2. We believe the neighborhood provided information on their membership in the following statement that “*as we are a newly formed association in a small community, our membership is voluntary and we make decisions by mutual agreement or simple majority vote of the members*”. This seems to imply a good faith effort to comply with the second reason (stated above) described in the TDHCA reply letter.
3. Finally, as the neighborhood organized under an Assumed Name Certificate filed with the County Clerk, it is unrealistic to assume that they would have expended funds for formal organizational documents proving their status as a “neighborhood association”. Again, we believe this was not a *requirement* as stated in the QAP. Certainly the name “Nolan Creek Neighborhood Association” implies the purpose of the organization; furthermore the letter clearly describes their goal of working to affect matters within the boundaries of their local community.

If the Department was trying to obtain independent third-party commentary direct from the community, then I believe the standards for this commentary were unrealistic. The neighbors I met and visited with are not housing professional or consultants, skilled in the complex requirements of a Housing Tax Credit Application, but rather individuals and families concerned about the impact of growth in their community. Furthermore, if the Application process is complex to the point where the Department allows Applicants the opportunity to correct administrative deficiencies within a reasonable period of time, it seems unreasonable to expect the general public to meet every specific item on the first attempt.

It is apparent from the dialog posted from Open Forum Meetings and other public information, that the new requirements resulting from the Legislative Session should be followed to the letter of the law. However, without any definitive interpretation at the beginning of the application process, it is difficult for the HTC Applicants to meet these standards. We, too, must proceed on a “good faith effort” based on guidance from TDHCA. In closing, we respectfully request that the Board reconsider awarding points for Quantifiable Community Participation in response to letter of support from the Nolan Creek Neighborhood Association. However, as I stated in my original appeal letter, if the Department is bound by their initial interpretation, then it is my hope that my comments will be considered in the shaping of the Qualified Allocation Plan in future years.

As always, my thanks to the Board and staff for your consideration and the work you do to bring housing to those Texans in need.

Sincerely,



Leslie Donaldson Holleman

Executive Director's Response



TEXAS
DEPARTMENT OF HOUSING
AND COMMUNITY AFFAIRS

WWW.TDHCA.STATE.TX.US

June 28, 2004.

RICK PERRY
Governor

EDWINA P. CARRINGTON
Executive Director

BOARD MEMBERS
Elizabeth Anderson, Chair
Shadrick Bogany
C. Kent Conine
Vidal Gonzalez
Patrick R. Gordon
Norberto Salinas

Leslie Donaldson Holleman
DF Chisholm Trail Senior Village, L.P.
4640 FM 3021
Brownwood, TX 76801
Telephone: (325) 784-9797
Fax: (325) 784-9777

Re: Response to appeal received June 14, 2004
Chisholm Trail Senior Village TDHCA Project No. 04052

Dear Ms. Holleman:

Appeal Review

I have carefully reviewed the application you submitted, as well as your appeal that we received on June 14, 2004 on the above-referenced Development, regarding the eligibility of your application to receive points for Quantifiable Community Participation (QCP) under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the Development noted above.

Consistent with that section of the QAP, the letter from Nolan Creek Neighborhood Association was reviewed to determine if all submission requirements were met. Unfortunately, the letter did not meet the requirements to be scored for the reasons that you refer to in your appeal. Your appeal expresses your general disappointment that the stringent legal interpretation of the measurement of QCP seems to overshadow legislation. However, the Department is required to follow the plain language of legislation and its rules when evaluating the scoring criteria. In this case, the QAP, as the rule for the Housing Tax Credit Program, has outlined required content for QCP letters. Unfortunately, this content was not included in the QCP letter submitted for this application.

Appeal Determination

Because of the above mentioned reasons, your appeal is denied.

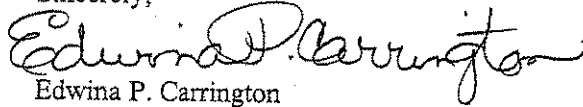
Section 50.18(b)(4) of the 2004 QAP states that if you are not satisfied with this response to your appeal, you may appeal directly in writing to the Board of the Texas Department of Housing and Community Affairs. Please note that an appeal filed with

Ms. Leslie Donaldson Holleman
June 28, 2004

the Board must be received by the Board before the seventh day preceding the date of the Board meeting at which the relevant commitment decision is expected to be made. To have an appeal considered by the Board at the July 8 Board meeting, the appeal must be received by Delores Groneck, Board Secretary, no later than June 30, although it is strongly suggested that you submit it by June 29, 2004.

If you have questions or comments, please call (512) 475-3340.

Sincerely,

A handwritten signature in cursive script that reads "Edwina P. Carrington". The signature is written in black ink and is positioned above the printed name and title.

Edwina P. Carrington
Executive Director

EPC/BLB/MFMU

04052

*** TX REPORT ***

TRANSMISSION OK

TX/RX NO 2282
CONNECTION TEL 913257849777
CONNECTION ID
ST. TIME 08/28 12:01
USAGE T 01'06
PGS. SENT 2
RESULT OK



WWW.TDHCA.STATE.TX.US

June 28, 2004

RICK PERRY
Governor

Leslie Donaldson Holleman
DF Chisholm Trail Senior Village, L P.
4640 FM 3021
Brownwood, TX 76801
Telephone: (325) 784-9797
Fax: (325) 784-9777

EDWINA P. CARRINGTON
Executive Director

BOARD MEMBERS
Elizabeth Anderson, Chair
Shadrick Bogany
C. Kent Conine
Vidal Gonzalez
Patrick R. Gordon
Norberto Salinas

Re: Response to appeal received June 14, 2004
Chisholm Trail Senior Village TDHCA Project No. 04052

Dear Ms. Holleman:

Appeal Review

I have carefully reviewed the application you submitted, as well as your appeal that we received on June 14, 2004 on the above-referenced Development, regarding the eligibility of your application to receive points for Quantifiable Community Participation (QCP) under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the Development noted above.

Consistent with that section of the QAP, the letter from Nolan Creek Neighborhood Association was reviewed to determine if all submission requirements were met. Unfortunately, the letter did not meet the requirements to be scored for the reasons that you refer to in your appeal. Your appeal expresses your general disappointment that the stringent legal interpretation of the measurement of QCP seems to overshadow legislation. However, the Department is required to follow the plain language of

EXECUTIVE DIRECTOR'S
ACTION ITEM

DATE: June 25, 2004

(please highlight if applicable)

RUSH

ITEM: Appeal Response Chisholm Trail # 04052

Staff to Contact: Brooke Boston

Phone No: 5-3296

BACKGROUND: An appeal was received June 14, 2004. In accordance with the Appeals Policy in the QAP, a response from the Executive Director must be provided by 5:00 June 28.

PROPOSAL: Please review the attached appeal response letter.

ACTION REQUESTED: Please sign this action item and the appeal response letter.

ATTACHMENTS:

- Appeal letter for signature.
- Copy of appeal

APPROVED BY:


DIVISION DIRECTOR

N/A
CHIEF - AGENCY ADMINISTRATION


DEPUTY EXECUTIVE
DIRECTOR - PROGRAMS

N/A
DIRECTOR OF HOUSING
CENTER


REVIEWING ATTORNEY *see correction.*
6/25
GENERAL COUNSEL

COMMENTS:


EXECUTIVE DIRECTOR

6/27/04
DATE APPROVED

LESLIE HOLLEMAN
4640 FM 3021
Brownwood, TX 76801
325.784.9797 ph
325.784.9777 fax



DF AFFORDABLE HOUSING PARTNERS, INC.
DFAHP DEVELOPMENT, L.P.

BEVERLY FUNDERBURGH
20183 FM 914
Stephenville, TX 76401
254.965.6317 ph
254.764.4177 fax

FAX TRANSMITTAL

DATE: 6/14/04
TO: JENNIFER JOYCE - TDHCA
FAX #: 475-0764
PAGES: 4
(including cover)

RECEIVED
JUN 14 2004
LIHTC

Appeal of OCT points for
HTC #04052
Chisholm Trail Senior Village
in Belton

Executive Director's Appeal

Executive Director's Appeal



RECEIVED
JUN 14 2004
LIHTC

LESLIE HOLLEMAN
4640 FM 3021
Brownwood, TX 76801
325.784.9797 ph
325.784.9777 fax

BEVERLY FUNDERBURGH
20183 FM 914
Stephenville, TX 76401
254.965.6317 ph
254.764.4177 fax

June 14, 2004

Ms. Jennifer Joyce
Multifamily Finance Production
Texas Department of Housing and Community Affairs
507 Sabine Street, Suite 600
Austin, Texas 78701

Re: HTC #04052, Chisholm Trail Senior Village of Belton
Appeal of denial of points for Quantifiable Community Participation

Dear Jennifer:

The purpose of this letter is to request a re-evaluation of the points for Quantifiable Community Participation for HTC #04052 Chisholm Trail Senior Village in Belton, Texas. As with the majority of the applications which requested points for Quantifiable Community Participation, the above referenced application did not receive points for failure to meet all of the technical requirements which the Department required for scoring.

I would like to provide some background information to preface the basis for our appeal. The City of Belton, a small community of just over 10,000 residents, does not have any developments supported by Housing Tax Credits. When multiple developers expressed a desire to develop in the City of Belton, the City Council held a special meeting and requested that each developer make a presentation for purposes of educating the City and the interested public, as well as determining the City's support for one or more applications. That meeting was attended by members of the neighborhood which surrounds the proposed Chisholm Trail Senior Village. As the neighborhood members explained to us after the City Council presentation, our tract of land was one of the only remaining significant tracts of undeveloped land in downtown Belton. The neighbors were interested and concerned about the future plans for the development of that tract of land. Subsequently, we had the opportunity to meet extensively with neighborhood members. We answered numerous questions, they viewed photographs of our previous completed developments and spoke with one of our current tenants who resides at Bunker Hill Senior Village in Stephenville, an LIHTC seniors community similar to the one we are proposing in Belton. Over this approximate two month period, the neighborhood, including those residents bordering the proposed Chisholm Trail site, embraced the proposal as one that would be beneficial to their neighborhood specifically, and the community as a whole.

In the course of educating the City and the community about the Housing Tax Credit application process, we explained the Department's desire to ascertain the support of the local neighborhood. The City of Belton, as with most small rural communities, did not have formalized neighborhood groups recognized by the City. However, due to their desire to help bring this housing to their community, the neighborhood ultimately formed an Association under an Assumed Name Certificate and filed with the County Clerk just days before the Application deadline. Ultimately, the newly formed group, under the name the Nolan Creek Neighborhood Association, wrote into TDHCA expressing their support for the Chisholm Trail Senior Village.

The letter was reviewed by TDHCA and was not awarded points for failure to meet the following requirements:

1. Insufficient documentation provided to show that the organization's boundaries include the proposed development site;
2. The letter did not provide either the total number of members of the organization or a brief description of the process used to determine the members' position, or did not provide both;
3. Insufficient documentation provided to show that the organization is a "neighborhood organization" within the meaning of the requirement.

My purpose in writing this letter is to express my disappointment that the stringent legal interpretation of the measurement of "Quantifiable Community Support" seems to overshadow the spirit and intent of the legislation. The specific scenario I described above involving the Nolan Creek Neighborhood Association and the proposed Chisholm Trail Senior Village seems to embody what the Department was in effect trying to encourage, and is consistent with what was described in the Application Workshops presented by the Department in late 2003 as "working with the local community". Although the Department provided guidance on its website to the neighborhoods wishing to comment on applications, I don't believe the technical requirements were described in a manner that definitively laid out each specific requirement beyond a reasonable doubt. I was surprised to see that TDHCA required every one of several technical requirements to be met, then evaluating and awarding points on an "all or nothing" scenario.

For example, the Nolan Creek Neighborhood letter narratively described their boundaries and stated that the subject site was in the heart of their community. Although the Nolan Creek Neighborhood Association did not include a map with their letter, the Guidelines posted by TDHCA states that the Department also "requests" that a map be submitted – not that one was *required* and if not included would result in a technical "default". Similarly, the Neighborhood's statement that "*as we are a newly formed association in a small community, our membership is voluntary and we make decisions by mutual agreement or simple majority vote of the members*" seems to imply a good faith effort to comply with the second reason (stated above) described in the TDHCA reply letter. Finally, as the neighborhood organized under an Assumed Name Certificate filed with the County Clerk, it is unrealistic to assume that they would have expended funds for formal organizational documents proving their status as a "neighborhood association" within the meaning of TDHCA's requirement. Certainly the name "Nolan Creek Neighborhood Association" implies the purpose of the organization.

If the Department was trying to obtain independent third-party commentary direct from the community, then I believe the standards for this commentary were unrealistic. The neighbors I met and visited with are not housing professional or consultants, skilled in the complex requirements of a Housing Tax Credit Application, but rather individuals and families concerned about the impact of growth in their community. Furthermore, if the Application process is complex to the point where the Department allows Applicants the opportunity to correct administrative deficiencies within a reasonable period of time, it seems unreasonable to expect the general public to meet every specific item on the first attempt.

It is apparent from the dialog posted from Open Forum Meetings and other public information, that the new requirements resulting from the Legislative Session should be followed to the letter of the law. However, without any definitive interpretation at the beginning of the application process, it is difficult for the HTC Applicants to meet these standards. We, too, must proceed on a "good faith effort" based on guidance from TDHCA. In closing, it is my hope that if TDHCA has any latitude to evaluate the Quantifiable Community Participation, the Nolan Creek Neighborhood Association letter in support of Chisholm Trail Senior Village in Belton will be re-evaluated and awarded points under this section. However, if the Department is bound by their initial interpretation, then it is my hope that my comments will be considered in the shaping of the Qualified Allocation Plan in future years.

As always, thank you for your consideration and the work you do to bring housing to those Texans in need.

Sincerely,



Leslie Donaldson Holleman

QCP Documentation



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

James W. Hill Jr.
Nolan Creek Neighborhood Association
101 W. 7th Avenue
Belton, TX 76513

RE: Neighborhood Input on 2004 Housing Tax Credit Application Chisholm Trail Senior Village
TDHCA Number: 04052

Attention: James W. Hill Jr.

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

Insufficient documentation was provided to show that the organization's boundaries include the proposed development site.

Your letter did not provide either the total number of members of the organization or a brief description of the process used to determine the members' position, or did not provide both.

Insufficient documentation was provided to show that the organization is a 'neighborhood organization' within the meaning of this requirement.

While your letter will not be scored, your comments will still be summarized and provided to the Governing Board of the Department as they make decisions regarding which applications will receive an allocation of credits. You are also welcome to provide public comment at the Board's meetings on these developments which take place on June 28, 2004 and July 28, 2004 in Austin. If you have any questions, please do not hesitate to contact the Department at 512.475.3800. Also, on Friday June 18, 2004 at 10:00 a.m. the Department will conduct an Open Forum at it's office in Austin. If you have any questions or comments about the evaluation of your letter you are invited to attend this forum.

Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division

NOLAN CREEK NEIGHBORHOOD ASSOCIATION
1001 W. 7TH AVENUE BELTON, TX 76513

April 28, 2004

Ms. Brooke Boston
Director of Multifamily Programs
Texas Department of Housing and Community Affairs
507 Sabine Street, 6th Floor
Austin, Texas 78701

04052

RECEIVED
APR 29 2004
LIHTC

Re: Chisholm Trail Senior Village in Belton

Dear Ms. Boston:

On behalf of the Nolan Creek Neighborhood Association, I am writing today to express our support for the Chisholm Trail Senior Village, which has recently applied to the Housing Tax Credit Program. The Nolan Creek Neighborhood Association is a newly formed association of residents in Belton's Nolan Creek area, located between the Nolan Creek and Main Street, and bounded by Campus Drive and 2nd Avenue on the north and south. As we are a newly formed association in a small community, our membership is voluntary and we make decisions by mutual agreement or simple majority vote of the members.

In early 2004, the City of Belton announced that several developers were seeking the City's approval to building new apartments in Belton that would benefit low income tenants. The application for the Chisholm Trail Senior Village caught our attention, as the location of the proposed development is in the heart of our neighborhood. Belton is growing, and the site of the development at 9th Avenue and Harris Street, behind Mary Hardin Baylor University is one of few larger acreage tracts in the heart of downtown Belton. Naturally, we are very concerned and interested in what is built around us and what the plans are for that tract of land.

Over the last few months, we have attended several meeting regarding the development: the presentations to the City Council, the Planning and Zoning Commission, and the public meeting held by the developer. In addition, we have had the opportunity to visit with the developers and look at photographs of their other properties, which are nearly identical to the one the proposed here in Belton. At one of the meetings, an elderly resident of their apartments in Stephenville came and spoke highly of the apartments and the services and attention she receives as a resident of that community. We are comfortable that the apartments would be high quality with meaningful amenities and services, and affordable to our seniors, many of whom live on fixed incomes. It would be the only thing like it in our community.

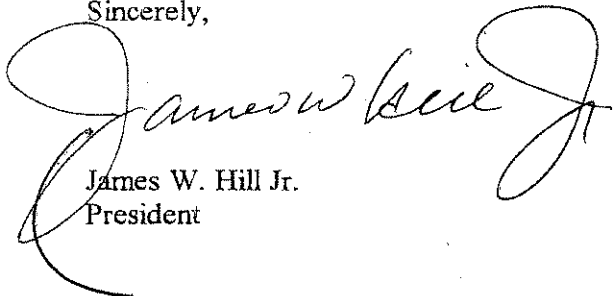
NOLAN CREEK NEIGHBORHOOD ASSOCIATION
1001 W. 7TH AVENUE BELTON, TX 76513

In these meetings, the City of Belton has stated that should this tract of land be developed, that plans for the extension of 9th Avenue west across Nolan Creek will be expedited. The road expansion would be a tremendous benefit to our community – and it all starts with the development of this proposed apartment complex.

We formed the Nolan Creek Neighborhood Association after learning more about the competitive Housing Tax Credit Program from the Developers. They stated that one of the key criteria was receiving support from the community and the elected officials. Because the Chisholm Trail development will compete against applications in Temple and other much larger cities with more formal community and neighborhood organizations than are typically found in the smaller communities, we wanted to help do everything we could to help. The City Council of Belton passed a Resolution of Support for this development – and we wish to add our support as well. In closing, we feel the Chisholm Trail Senior Village would be an asset to our community, and we urge the Texas Department of Housing and Community Affairs to award the funding that will make this development a reality.

If you have any questions, please call me at (254) 718-9454, or Norma Jean Hill at (254) 939-5907.

Sincerely,



James W. Hill Jr.
President

FAX COVER SHEET
RECEIVER DATA

DATE 4/30/04

FACSIMILE CORRESPONDENCE

Please deliver the following pages (s) to: Ms. Brooke Boston /
NAME Director of Multifamily Programs, Texas Dept. of Housing & Community Affairs
507 Sabine Street, 6th Floor, Austin, Texas 78701
FAX # 1-512-475-0764

These pages are being transmitted from:

NAME James W. Hill, Jr - Nolan Creek Neighborhood Association
1001 West 7th Avenue, Belton, Texas 76513

Total number of pages including this cover letter 4

MESSAGE:





Assumed Name Records

2004000404

Certificate of Ownership for Unincorporated Business or Profession

Name in which business will be conducted: NOLAN CREEK NEIGHBORHOOD ASSOCIATION

Business address: 1001 W 7TH AVE
BELTON, TX 76513

This business will be conducted as: Sole Proprietor

Period during which assumed name will be used: 10 YEARS

I/WE, the undersigned am/are the owner(s) of the above business and my/our name and address given is/are true and correct, and there is/are no other ownership(s) in said business other than those listed below.

James W Hill Jr
Number of owners included
No others follow.

JAMES W. HILL, JR
1001 W 7TH AVE, BELTON, TX 76513

FILED FOR RECORD

FEB 27 2004

VADA SUTTON
COUNTY CLK, BELL CO. TEXAS

CERTIFIED COPY
DOCUMENT ATTACHED IS A
TRUE & CORRECT COPY
OF THE ORIGINAL ON FILE

FEB 27 2004



VADA SUTTON
CO. CLERK, BELL CO., TX
BY *[Signature]* DEPUTY

State of Texas
County of Bell

BEFORE ME, the Undersigned Authority, on this day personally appeared the above named individual(s) known to me to be the person(s) whose name(s) is/are subscribed to the forgoing instrument and acknowledged to me that he/she/they are the owner(s) of the above named business and that he/she/they signed the same for the propose and consideration therein expressed.

Given under my hand and seal of office on February 27th, 2004

Vada Sutton
County Clerk in and for Bell County, Texas

Deputy *[Signature]*
L. CLARK

MULTIFAMILY FINANCE PRODUCTION DIVISION

BOARD ACTION REQUEST

July 28, 2004

Action Item

Appeal denial of Quantifiable Community Participation (QCP) points of one 2004 Housing Tax Credit (HTC) Application.

Requested Action

Issue a determination on the appeal.

Background and Recommendations

I. Stone Hollow Village, #04057

The Applicant submitted an appeal to the Executive Director on June 14, 2004, disputing the denial of QCP points for the Application. The Applicant requested reconsideration of QCP point allocation for letters sent from three organizations, the Family Guidance and Outreach Center of Lubbock, The Children's Home of Lubbock, and the Lubbock Meals on Wheels. On June 28, 2004, the Executive Director responded to the appeal stating that pursuant to Section 50.9(g)(2) of the 2004 Qualified Allocation Plan (QAP), none of the three letters met requirements for scoring. The Executive Director specifically addressed the letter from the Family Guidance and Outreach Center, noting that it did not provide a brief description of the process used to determine the members' position of support. Additionally, documentation indicated that the organization serves an entire county, not the specific neighborhood. Therefore, the Executive Director concluded, the organization is not a "neighborhood organization" within the meaning of the requirement. The Applicant's appeal also referenced eight additional support letters and requested, in regard to the 11 total letters, the right to "adopt all arguments made by all applicants" in the event that the Department should "change its mind on how it evaluates support letters." In the appeal response, the Executive Director noted that the Applicant cannot appeal this way, and that, pursuant to Section 50.18(b)(3) of the 2004 QAP, an Applicant's appeal "must specifically identify the applicant's grounds for appeal". The Applicant submitted an appeal to the Board on June 29, 2004, specifically regarding QCP point scoring for the letters from the Family Guidance and Outreach Center of Lubbock, The Children's Home of Lubbock, and the Lubbock Meals on Wheels, as well as requesting to "adopt all arguments made by all applicants" in regard to QCP scoring.

Relevant documentation related to this appeal is provided behind the Board Action Request.

Applicant:	LHA Stone Hollow, LP.
Site Location:	E. Cornell & Martin Luther King Jr. Blvd.
City/County:	Lubbock/Lubbock
Regional Allocation Category:	Urban/Exurban

Set-Aside:	Non-Profit
Population Served:	Family
Region:	1
Type of Development:	New Construction
Units:	140
Credits Requested:	\$845,849

Staff Recommendation:

The Executive Director denied the original appeal. Staff is recommending that the Board also deny the appeal of the termination.

Board Appeal

STONE HOLLOW VILLAGE

June 29, 2004

Ms. Delores Groneck
Board of Directors - Secretary
Texas Department of Housing and Community Affairs
507 Sabine, Suite 400
Austin, TX 78701

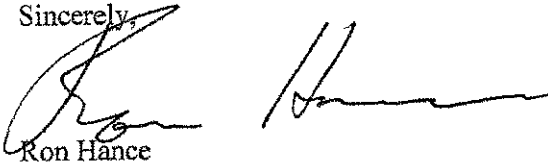
Re: Stone Hollow Village, # 04057 -- QCP Appeal

Dear Ms. Groneck:

Attached please find a letter of appeal for Quantifiable Community Support for Stone Hollow Village, #04057. This appeal has been denied by Ms. Carrington and the applicant is now appealing to the Board of the Texas Department of Housing and Community Affairs.

Should you have any further suggestions or questions, please do not hesitate to call me.

Sincerely,



Ron Hance
Authorized Representative

STONE HOLLOW VILLAGE

8140 N. MOPAC
Suite 4-270
Austin, Texas 78759

(512) 527-9335
Fax: (512) 527-9337

June 14, 2004

Ms. Brooke Boston
Texas Department of Housing and Community Affairs
507 Sabine
Suite 400
Austin, Texas 78701

Re: Stone Hollow Village in Lubbock
TDHCA No. 04057

Dear Brooke:

The Applicant has received a notice of scoring for its low-income housing tax credit application and desires to appeal that scoring in accordance with the 2004 Qualified Allocation Plan (the "QAP"). The Applicant received eleven letters of support from neighborhood organizations, and none of those letters received a score. We will address the letters in general by first listing the letters:

Family Guidance & Outreach Center of Lubbock; The Children's Home of Lubbock; and the Lubbock Meals on Wheels.

The Department did not score these support letters based on some of all of the following grounds:

Reason #1: *Your letter did not provide either the total number of members of the organization or a brief description of the process used to determine the members' position, or did not provide both.*

Reason #2: *Insufficient documentation was provided to show that the organization is a "neighborhood organization" within the meaning of this requirement.*

To generally respond to the rejections of applicants letters, applicant believes that the spirit of the agencies QAP this year was to make sure that the applicant obtained the communities support. We believe that these eleven letters are a sign that applicant has obtained the communities support.

Response #1: Each of the letters is from an organization that does not have "members". Each letter noted the number of recipients and/or how applications are made to be associated with the organization and/or that they have board members.

Brooke Boston
June 10, 2004
Page 2

Response #2: The TDHCA did not and has not provided a specific definition or meaning of "neighborhood organization". We appeal this criteria based on the fact there was no criteria presented. As far as we know there is still no definition for "neighborhood organization".

In reference to all of the support letters for Stone Hollow Village in Lubbock, specifically listed below, we would like to adopt all arguments made by all applicants in reference to their letters of support for the following reasoning: should the agency change its mind on how it evaluated the support letters for any reason we want to be included in that change. Therefore we adopt all arguments made by all applicants. Thank you for your consideration on this point.

Family Guidance & Outreach Center of Lubbock; Housing Authority of Lubbock; The Children's Home of Lubbock; Community health center of Lubbock; Work Source of the South Plains; Marian Moss; Women's Protective Services of Lubbock; Small Business Development Center at Texas Tech; Planned Parenthood Association of Lubbock; The Parenting Cottage; and the Lubbock Meals on Wheels.

We appreciate your consideration of the matters presented in this appeal letter. The Applicant believes that its score should be adjusted for these letters of support from neighborhood organizations. If you have any questions about the discussion in this appeal letter, please feel free to contact me.

Sincerely,



Ron Hance

Authorized Representative

Executive Director's Response



TEXAS
DEPARTMENT OF HOUSING
AND COMMUNITY AFFAIRS

WWW.TDHCA.STATE.TX.US

June 28, 2004

.....
RICK PERRY
Governor

EDWINA P. CARRINGTON
Executive Director

BOARD MEMBERS
Elizabeth Anderson, Chair
Shadrick Bogany
C. Kent Conine
Vidal Gonzalez
Patrick R. Gordon
Norberto Salinas

Ron Hance
LHA Stone Hollow, LP
8140 N. Mopac, Ste. 4-270
Austin, TX 78759
Telephone: (512) 527-9335
Fax: (512) 527-9337

Re: Response to appeal received June 14, 2004
Stone Hollow Village TDHCA Project No. 04057

Dear Mr. Hance:

Appeal Review

I have carefully reviewed the application you submitted, as well as your appeal that we received on June 14, 2004 on the above-referenced Development, regarding the eligibility of your application to receive points for Quantifiable Community Participation (QCP) under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the Development noted above. Consistent with that section of the QAP, the letter was reviewed to determine if all submission requirements were met.

Unfortunately, as you indicate in your appeal, none of the QCP letters for this application meet the requirements to be scored. Specifically you have appealed the letter from Family Guidance and Outreach Center of Lubbock ("the Center"). This letter did not provide a brief description of the process used to determine the members' position of support. Additionally, documentation indicates the organization serves an entire county, not the specific neighborhood. Therefore, the organization is not a "neighborhood organization" within the meaning of the requirement.

You also reference all support letters in your appeal and state, "we would like to adopt all arguments made by all applicants in reference to their letters of support for the following reason: should the agency change its mind on how it evaluated the support letters for any reason we want to be included in that change. Therefore we adopt all arguments made by all applicants." Please note that you cannot appeal by adopting "all arguments made by all applicants". §50.18(b)(3) of the 2004 QAP requires that an Applicant's appeal "must specifically identify the applicant's grounds for appeal". To the extent your appeal fails to do so, your appeal is denied.

Mr. Ron Hance
June 28, 2004

Appeal Determination

Because of the above-mentioned reasons, your appeal is denied.

Section 50.18(b)(4) of the 2004 QAP states that if you are not satisfied with this response to your appeal, you may appeal directly in writing to the Board of the Texas Department of Housing and Community Affairs. Please note that an appeal filed with the Board must be received by the Board before the seventh day preceding the date of the Board meeting at which the relevant commitment decision is expected to be made. To have an appeal considered by the Board at the July 8 Board meeting, the appeal must be received by Delores Groneck, Board Secretary, no later than June 30, although it is strongly suggested that you submit it by June 29, 2004.

If you have questions or comments, please call (512) 475-3340.

Sincerely,



Edwina P. Carrington
Executive Director

EPC/BLB/MFMU

Executive Director's Appeal

STONE HOLLOW VILLAGE

8140 N. MOPAC
Suite 4-270
Austin, Texas 78759

(512) 937-9335
Fax: (512) 937-9337

JUN 14 PM 2:32

June 14, 2004

Ms. Brooke Boston
Texas Department of Housing and Community Affairs
507 Sabine
Suite 400
Austin, Texas 78701

Re: Stone Hollow Village in Lubbock
TDHCA No. 04057

Dear Brooke:

The Applicant has received a notice of scoring for its low-income housing tax credit application and desires to appeal that scoring in accordance with the 2004 Qualified Allocation Plan (the "QAP"). The Applicant received eleven letters of support from neighborhood organizations, and none of those letters received a score. We will address the letters in general by first listing the letters:

Family Guidance & Outreach Center of Lubbock; The Children's Home of Lubbock; and the Lubbock Meals on Wheels.

The Department did not score these support letters based on some of all of the following grounds:

Reason #1: *Your letter did not provide either the total number of members of the organization or a brief description of the process used to determine the members' position, or did not provide both.*

Reason #2: *Insufficient documentation was provided to show that the organization is a "neighborhood organization" within the meaning of this requirement.*

To generally respond to the rejections of applicants letters, applicant believes that the spirit of the agencies QAP this year was to make sure that the applicant obtained the communities support. We believe that these eleven letters are a sign that applicant has obtained the communities support.

Response #1: Each of the letters is from an organization that does not have "members". Each letter noted the number of recipients and/or how applications are made to be associated with the organization and/or that they have board members.

Brooke Boston
June 10, 2004
Page 2

Response #2: The TDHCA did not and has not provided a specific definition or meaning of "neighborhood organization". We appeal this criteria based on the fact there was no criteria presented. As far as we know there is still no definition for "neighborhood organization".

In reference to all of the support letters for Stone Hollow Village in Lubbock, specifically listed below, we would like to adopt all arguments made by all applicants in reference to their letters of support for the following reasoning: should the agency change its mind on how it evaluated the support letters for any reason we want to be included in that change. Therefore we adopt all arguments made by all applicants. Thank you for your consideration on this point.

Family Guidance & Outreach Center of Lubbock; Housing Authority of Lubbock; The Children's Home of Lubbock; Community health center of Lubbock; Work Source of the South Plains; Marian Moss; Women's Protective Services of Lubbock; Small Business Development Center at Texas Tech; Planned Parenthood Association of Lubbock; The Parenting Cottage; and the Lubbock Meals on Wheels.

We appreciate your consideration of the matters presented in this appeal letter. The Applicant believes that its score should be adjusted for these letters of support from neighborhood organizations. If you have any questions about the discussion in this appeal letter, please feel free to contact me.

Sincerely,



Ron Hance

Authorized Representative

QCP Documentation



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

Oscar Jones
Housing Authority of The City of Lubbock
P.O.Box 2568
Lubbock, TX 79401

RE: Neighborhood Input on 2004 Housing Tax Credit Application Stone Hollow Village
TDHCA Number: 04057

Attention: Oscar Jones

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

Insufficient documentation was provided to show that the organization's boundaries include the proposed development site.

Your letter did not provide either the total number of members of the organization or a brief description of the process used to determine the members' position, or did not provide both.

Insufficient documentation was provided to show that the organization is a 'neighborhood organization' within the meaning of this requirement.

While your letter will not be scored, your comments will still be summarized and provided to the Governing Board of the Department as they make decisions regarding which applications will receive an allocation of credits. You are also welcome to provide public comment at the Board's meetings on these developments which take place on June 28, 2004 and July 28, 2004 in Austin. If you have any questions, please do not hesitate to contact the Department at 512.475.3800. Also, on Friday June 18, 2004 at 10:00 a.m. the Department will conduct an Open Forum at it's office in Austin. If you have any questions or comments about the evaluation of your letter you are invited to attend this forum.

Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

Michael P. Sullivan
Community Health Center of Lubbock
1313 Broadway, Ste.5
Lubbock, TX 79401

RE: Neighborhood Input on 2004 Housing Tax Credit Application Stone Hollow Village
TDHCA Number: 04057

Attention: Michael P. Sullivan

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

Insufficient documentation was provided to show that the organization's boundaries include the proposed development site.

Your letter did not provide either the total number of members of the organization or a brief description of the process used to determine the members' position, or did not provide both.

Insufficient documentation was provided to show that the organization is a 'neighborhood organization' within the meaning of this requirement.

While your letter will not be scored, your comments will still be summarized and provided to the Governing Board of the Department as they make decisions regarding which applications will receive an allocation of credits. You are also welcome to provide public comment at the Board's meetings on these developments which take place on June 28, 2004 and July 28, 2004 in Austin. If you have any questions, please do not hesitate to contact the Department at 512.475.3800. Also, on Friday June 18, 2004 at 10:00 a.m. the Department will conduct an Open Forum at it's office in Austin. If you have any questions or comments about the evaluation of your letter you are invited to attend this forum.

Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

Roger Cardenas
Work Source of the South Plains
1212 13th St.
Lubbock, TX 79401

RE: Neighborhood Input on 2004 Housing Tax Credit Application Stone Hollow Village
TDHCA Number: 04057

Attention: Roger Cardenas

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

Insufficient documentation was provided to show that the organization was on record as of March 1, 2004 with the state or county in which the development is proposed to be located.

Insufficient documentation was provided to show that the organization's boundaries include the proposed development site.

Your letter was not signed by the organization's chairman of the board, chief executive officer, or comparable head of the organization, and/or did not include the signer's address and phone number.

Your letter did not provide either the total number of members of the organization or a brief description of the process used to determine the members' position, or did not provide both.

Insufficient documentation was provided to show that the organization is a 'neighborhood organization' within the meaning of this requirement.

While your letter will not be scored, your comments will still be summarized and provided to the Governing Board of the Department as they make decisions regarding which applications will receive an allocation of credits. You are also welcome to provide public comment at the Board's meetings on these developments which take place on June 28, 2004 and July 28, 2004 in Austin. If you have any questions, please do not hesitate to contact the Department at 512.475.3800. Also, on Friday June 18, 2004 at 10:00 a.m. the Department will conduct an Open Forum at it's office in Austin. If you have any questions or comments about the evaluation of your letter you are invited to attend this forum.

Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

Mike McDaniel
Marian Moss
501 E. 42nd St.
Lubbock, TX 79404

RE: Neighborhood Input on 2004 Housing Tax Credit Application Stone Hollow Village
TDHCA Number: 04057

Attention: Mike McDaniel

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

Insufficient documentation was provided to show that the organization's boundaries include the proposed development site.

Your letter did not provide either the total number of members of the organization or a brief description of the process used to determine the members' position, or did not provide both.

Insufficient documentation was provided to show that the organization is a 'neighborhood organization' within the meaning of this requirement.

While your letter will not be scored, your comments will still be summarized and provided to the Governing Board of the Department as they make decisions regarding which applications will receive an allocation of credits. You are also welcome to provide public comment at the Board's meetings on these developments which take place on June 28, 2004 and July 28, 2004 in Austin. If you have any questions, please do not hesitate to contact the Department at 512.475.3800. Also, on Friday June 18, 2004 at 10:00 a.m. the Department will conduct an Open Forum at it's office in Austin. If you have any questions or comments about the evaluation of your letter you are invited to attend this forum.

Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

Fritzi Moreman
Women's Protective Services of Lubbock
P.O.Box 54089
Lubbock, TX 79453

RE: Neighborhood Input on 2004 Housing Tax Credit Application Stone Hollow Village
TDHCA Number: 04057

Attention: Fritzi Moreman

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

Your letter did not provide either the total number of members of the organization or a brief description of the process used to determine the members' position, or did not provide both.

Insufficient documentation was provided to show that the organization is a 'neighborhood organization' within the meaning of this requirement.

While your letter will not be scored, your comments will still be summarized and provided to the Governing Board of the Department as they make decisions regarding which applications will receive an allocation of credits. You are also welcome to provide public comment at the Board's meetings on these developments which take place on June 28, 2004 and July 28, 2004 in Austin. If you have any questions, please do not hesitate to contact the Department at 512.475.3800. Also, on Friday June 18, 2004 at 10:00 a.m. the Department will conduct an Open Forum at it's office in Austin. If you have any questions or comments about the evaluation of your letter you are invited to attend this forum.

Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

Efren Villanueva
Small Business Development Center at Texas Tech
2579 S. Loop 289, Suite 114
Lubbock, TX 79423

RE: Neighborhood Input on 2004 Housing Tax Credit Application Stone Hollow Village
TDHCA Number: 04057

Attention: Efren Villanueva

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

Insufficient documentation was provided to show that the organization's boundaries include the proposed development site.

Your letter was not addressed to the Department.

Your letter was not signed by the organization's chairman of the board, chief executive officer, or comparable head of the organization, and/or did not include the signer's address and phone number.

Your letter did not provide either the total number of members of the organization or a brief description of the process used to determine the members' position, or did not provide both.

Insufficient documentation was provided to show that the organization is a 'neighborhood organization' within the meaning of this requirement.

While your letter will not be scored, your comments will still be summarized and provided to the Governing Board of the Department as they make decisions regarding which applications will receive an allocation of credits. You are also welcome to provide public comment at the Board's meetings on these developments which take place on June 28, 2004 and July 28, 2004 in Austin. If you have any questions, please do not hesitate to contact the Department at 512.475.3800. Also, on Friday June 18, 2004 at 10:00 a.m. the Department will conduct an Open Forum at it's office in Austin. If you have any questions or comments about the evaluation of your letter you are invited to attend this forum.

Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

Tonu R. Thornton
Planned Parenthood Association of Lubbock
14 Briercroft Office Park
Lubbock, TX 79412

RE: Neighborhood Input on 2004 Housing Tax Credit Application Stone Hollow Village
TDHCA Number: 04057

Attention: Tonu R. Thornton

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

Your letter did not provide either the total number of members of the organization or a brief description of the process used to determine the members' position, or did not provide both.

Insufficient documentation was provided to show that the organization is a 'neighborhood organization' within the meaning of this requirement.

While your letter will not be scored, your comments will still be summarized and provided to the Governing Board of the Department as they make decisions regarding which applications will receive an allocation of credits. You are also welcome to provide public comment at the Board's meetings on these developments which take place on June 28, 2004 and July 28, 2004 in Austin. If you have any questions, please do not hesitate to contact the Department at 512.475.3800. Also, on Friday June 18, 2004 at 10:00 a.m. the Department will conduct an Open Forum at it's office in Austin. If you have any questions or comments about the evaluation of your letter you are invited to attend this forum.

Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

Denese Thetford
The Parenting Cottage
3818 50th St.
Lubbock, TX 79413

RE: Neighborhood Input on 2004 Housing Tax Credit Application Stone Hollow Village
TDHCA Number: 04057

Attention: Denese Thetford

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

Your letter was not addressed to the Department.

Your letter did not provide either the total number of members of the organization or a brief description of the process used to determine the members' position, or did not provide both.

Insufficient documentation was provided to show that the organization is a 'neighborhood organization' within the meaning of this requirement.

While your letter will not be scored, your comments will still be summarized and provided to the Governing Board of the Department as they make decisions regarding which applications will receive an allocation of credits. You are also welcome to provide public comment at the Board's meetings on these developments which take place on June 28, 2004 and July 28, 2004 in Austin. If you have any questions, please do not hesitate to contact the Department at 512.475.3800. Also, on Friday June 18, 2004 at 10:00 a.m. the Department will conduct an Open Forum at it's office in Austin. If you have any questions or comments about the evaluation of your letter you are invited to attend this forum.

Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

Lynn R. Hamms
The Children's Home Of Lubbock
PO Box 2824
Lubbock, TX 79408

RE: Neighborhood Input on 2004 Housing Tax Credit Application Stone Hollow Village
TDHCA Number: 04057

Attention: Lynn R. Hamms

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

Your letter did not provide either the total number of members of the organization or a brief description of the process used to determine the members' position, or did not provide both.

Insufficient documentation was provided to show that the organization is a 'neighborhood organization' within the meaning of this requirement.

While your letter will not be scored, your comments will still be summarized and provided to the Governing Board of the Department as they make decisions regarding which applications will receive an allocation of credits. You are also welcome to provide public comment at the Board's meetings on these developments which take place on June 28, 2004 and July 28, 2004 in Austin. If you have any questions, please do not hesitate to contact the Department at 512.475.3800. Also, on Friday June 18, 2004 at 10:00 a.m. the Department will conduct an Open Forum at it's office in Austin. If you have any questions or comments about the evaluation of your letter you are invited to attend this forum.

Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

Lorrie Lushnat Bellair
Lubbock Meals On Wheels
2304 34th St.
Lubbock, TX 79411

RE: Neighborhood Input on 2004 Housing Tax Credit Application Stone Hollow Village
TDHCA Number: 04057

Attention: Lorrie Lushnat Bellair

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

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Insufficient documentation was provided to show that the organization is a 'neighborhood organization' within the meaning of this requirement.

While your letter will not be scored, your comments will still be summarized and provided to the Governing Board of the Department as they make decisions regarding which applications will receive an allocation of credits. You are also welcome to provide public comment at the Board's meetings on these developments which take place on June 28, 2004 and July 28, 2004 in Austin. If you have any questions, please do not hesitate to contact the Department at 512.475.3800. Also, on Friday June 18, 2004 at 10:00 a.m. the Department will conduct an Open Forum at it's office in Austin. If you have any questions or comments about the evaluation of your letter you are invited to attend this forum.

Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

Lynnette Wilson
Family Guidance & Outreach Center of Lubbock
#5 Briercroft Office Park
Lubbock, TX 79412

RE: Neighborhood Input on 2004 Housing Tax Credit Application Stone Hollow Village
TDHCA Number: 04057

Attention: Lynnette Wilson

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

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While your letter will not be scored, your comments will still be summarized and provided to the Governing Board of the Department as they make decisions regarding which applications will receive an allocation of credits. You are also welcome to provide public comment at the Board's meetings on these developments which take place on June 28, 2004 and July 28, 2004 in Austin. If you have any questions, please do not hesitate to contact the Department at 512.475.3800. Also, on Friday June 18, 2004 at 10:00 a.m. the Department will conduct an Open Forum at it's office in Austin. If you have any questions or comments about the evaluation of your letter you are invited to attend this forum.

Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division



Family Guidance & Outreach Center of Lubbock

#5 Briercroft Office Park
Lubbock, Texas 79412

806/747-5577
Fax 806/747-5119

04057

March 30, 2004

RECEIVED

APR 30 2004

LIHTC

Texas Department of Housing and Community Affairs
Ms. Brooke Boston
Attention: Director of Multifamily Finance Production Division (Neighborhood Input)
P. O. Box 13941
Austin, TX 78711-3941

Re: Application by LHA Stone Hollow, LP, a to-be-formed Texas Limited Partnership, to the Texas Department of Housing and Community Affairs for a Tax Credit Allocation to Build Affordable Rental Housing for Families and Individuals in Lubbock, Texas.

Dear Ms. Boston:

On behalf of Family Guidance & Outreach Center of Lubbock, I would like to express our support of the Stone Hollow Village development. Family Guidance Center currently has 21 members who could apply to become members. The boundaries of Family Guidance Center are Lubbock county which includes the site of Stone Hollow Village to be located southwest of E. Cornell and Martin Luther King, Jr. Blvd.

The site is in an area of Lubbock that is growing and new housing would assist in the further economic expansion to the area.

On behalf of Family Guidance & Outreach Center of Lubbock and its members, I respectfully request your favorable consideration of this project. Please feel free to contact me if I can provide further assistance in this regard.

Sincerely,

Lynnette Wilson
Lynnette Wilson
Executive Director

ACCEPTED BY GRANTEE:

VOL 7834 PAGE 328

LUBBOCK FAMILY OUTREACH CENTER, INC.

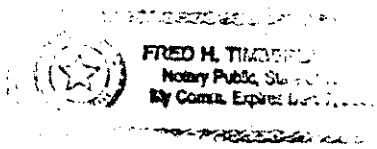
By: *Larry Lowe*
Printed Name: LARRY K. LOWE
Title: VICE PRESIDENT

THE STATE OF TEXAS

COUNTY OF LUBBOCK

BEFORE ME, the undersigned, being a Notary Public in and for the State of Texas, on this day personally appeared DANE CHURCH, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the instrument as the act of PRONTO CHECK CASHING, INC., that he executed the instrument on behalf of the corporation for the purposes and consideration expressed, and in the capacity hereinabove stated; said corporation acting as General Partner on behalf of PRONTO CHECK CASHING I, LTD., a Texas limited partnership.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 29th day of AUGUST, 2002.



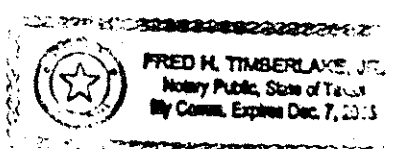
SEAL

[Signature]
Notary Public, State of Texas

THE STATE OF TEXAS

COUNTY OF LUBBOCK

This instrument was acknowledged before me on the 29th day of AUGUST, 2002, by LARRY K. LOWE, VICE PRESIDENT of LUBBOCK FAMILY OUTREACH CENTER, INC., a Texas corporation, on behalf of said corporation.



SEAL

[Signature]
Notary Public, State of Texas

FILED FOR RECORD

2002 AUG 30 A 11: 25

Doris Ruff

STATE OF TEXAS
COUNTY OF LUBBOCK

I hereby certify that this instrument was FILED on the date and at the time stamped hereon by me and was duly RECORDED in the Volume and Page of the Official Public Records of Lubbock County, Texas as stamped hereon by me.

AUG 30 2002

int

Return to: Lubbock Family Outreach Center, Inc.
#5 Briercroft Office Park
Lubbock, Texas 79412

Attn: Lynette Wilson

VOL 7834 PAGE 327

5.00
5.00
1.00 CA
STX

WARRANTY DEED
(STC-mk/GF#80,521B)

34505

Date: August 29, 2002

Grantor: PRONTO CHECK CASHING I, LTD., a Texas limited partnership, acting herein by and through its General Partner, Pronto Check Cashing, Inc., a Texas corporation

Grantee: LUBBOCK FAMILY OUTREACH CENTER, INC.

Grantee's Mailing Address: #5 Briercroft Office Park, Lubbock, Lubbock County, Texas 79412

Consideration:

\$10.00 and other good and valuable consideration, to Grantor paid by Grantee, the receipt and sufficiency of which is hereby acknowledged and confessed, and the further consideration of the ASSUMPTION AND AGREEMENT to pay, as it becomes due, the unpaid balance due on that one certain promissory note dated March 31, 2000, in the original principal sum of \$105,500.00, executed by Pronto Check Cashing I, Ltd., and payable to the order of James Earl Walker as therein provided, which note is more fully described in deed of trust of even date therewith recorded in Volume 6630, Page 252 of the Real Property Records of Lubbock County, Texas, to which reference is here made for a more complete description of the terms, conditions, and stipulations therein contained. As further consideration, Grantee promises to keep and perform all of the covenants and obligations of the grantor named in that deed of trust and to indemnify Grantor against any damages caused by Grantee's breach of its obligations under this assumption.

Property (including any improvements):

LOT FIVE (5), BRIERCROFT OFFICE PARK, an Addition to the City of Lubbock, Lubbock County, Texas, according to the Map, Plat and/or Dedication Deed thereof recorded in Volume 880, Page 293 of the Deed Records of Lubbock County, Texas.

Reservations from Conveyance: None

Exceptions to Conveyance and Warranty:

SUBJECT TO restrictive covenants as shown of record in Volume 908, Page 603 of the Deed Records of Lubbock County, Texas.

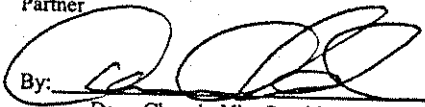
SUBJECT TO easement as shown of record on the Plat in Volume 880, Page 293 of the Deed Records of Lubbock County, Texas.

Grantee herein assumes the payment of all taxes for the year 2002.

Grantor, for the Consideration and subject to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty, grants, sells, and conveys to Grantee the Property, together with all and singular the rights and appurtenances thereto in any way belonging, to have and hold it to Grantee and Grantee's heirs, successors, and assigns forever. Grantor binds Grantor and Grantor's heirs and successors to warrant and forever defend all and singular the Property to Grantee and Grantee's heirs, successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, except as to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty.

When the context requires, singular nouns and pronouns include the plural.

PRONTO CHECK CASHING I, LTD., a Texas limited partnership
BY: PRONTO CHECK CASHING, INC., General Partner

By: 
Dane Church, Vice President



CERTIFICATION:
TRUE AND CORRECT
COPY OF ORIGINAL ON
FILE IN LUBBOCK
COUNTY CLERK'S OFFICE

ACCEPTED BY GRANTEE:

VOL 7834 PAGE 328

LUBBOCK FAMILY OUTREACH CENTER, INC.

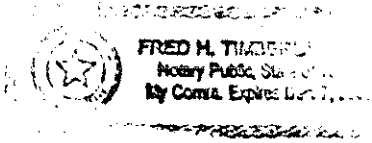
By: Larry Lowe
Printed Name: LARRY K. LOWE
Title: VICE PRESIDENT

THE STATE OF TEXAS

COUNTY OF LUBBOCK

BEFORE ME, the undersigned, being a Notary Public in and for the State of Texas, on this day personally appeared DANE CHURCH, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the instrument as the act of PRONTO CHECK CASHING, INC., that he executed the instrument on behalf of the corporation for the purposes and consideration expressed, and in the capacity hereinabove stated; said corporation acting as General Partner on behalf of PRONTO CHECK CASHING I, LTD., a Texas limited partnership.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 29th day of AUGUST, 2002.



SEAL

[Signature]
Notary Public, State of Texas

THE STATE OF TEXAS

COUNTY OF LUBBOCK

This instrument was acknowledged before me on the 29th day of AUGUST, 2002, by LARRY K. LOWE, VICE PRESIDENT of LUBBOCK FAMILY OUTREACH CENTER, INC., a Texas corporation, on behalf of said corporation.

[Signature]

THE STATE OF TEXAS }
COUNTY OF LUBBOCK }

I, DORIS RUFF, County Clerk in
and for said County and State, do hereby

certify that the above and foregoing is a true and correct copy of _____

Warranty Deed

as the same appears on file and/or of record in my office in Vol. 1834

pages 327-328 of the Official Public records of Lubbock County, Texas.

Witness my hand and seal of office at Lubbock, Texas, this 22nd

day of April, A.D. 2004

DORIS RUFF, County Clerk, Lubbock County, Texas

By *Kameron Duthery* Deputy



inf
Return to: Lubbock Family Outreach Center, Inc.
#5 Briercroft Office Park
Lubbock, Texas 79412

Attn: Lynette Wilson

WARRANTY DEED
(STC-mk/GF#80,521B)

VOL 7834 PAGE 327

5.00
5.00
1.00 CA
STX
Date: August 29, 2002

34505

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Grantee: LUBBOCK FAMILY OUTREACH CENTER, INC.

Grantee's Mailing Address: #5 Briercroft Office Park, Lubbock, Lubbock County, Texas 79412

Consideration:

\$10.00 and other good and valuable consideration, to Grantor paid by Grantee, the receipt and sufficiency of which is hereby acknowledged and confessed, and the further consideration of the ASSUMPTION AND AGREEMENT to pay, as it becomes due, the unpaid balance due on that one certain promissory note dated March 31, 2000, in the original principal sum of \$105,500.00, executed by Pronto Check Cashing I, Ltd., and payable to the order of James Earl Walker as therein provided, which note is more fully described in deed of trust of even date therewith recorded in Volume 6630, Page 252 of the Real Property Records of Lubbock County, Texas, to which reference is here made for a more complete description of the terms, conditions, and stipulations therein contained. As further consideration, Grantee promises to keep and perform all of the covenants and obligations of the grantor named in that deed of trust and to indemnify Grantor against any damages caused by Grantee's breach of its obligations under this assumption.

Property (including any improvements):

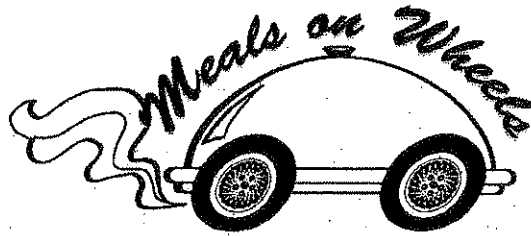
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Reservations from Conveyance: None

Exceptions to Conveyance and Warranty:

SUBJECT TO restrictive covenants as shown of record in Volume 908, Page 603 of the Deed Records of Lubbock County, Texas.

SUBJECT TO easement as shown of record on the Plat in Volume 880, Page 293 of the Deed Records of Lubbock County, Texas.



April 7, 2004

RECEIVED

APR 30 2004

LIHTC

04057

Texas Department of Housing and Community Affairs
 Ms. Brooke Boston
 Attn: Director of Multifamily Finance Production Division (Neighborhood Input)
 P.O. Box 13941
 Austin, Texas 78711-3941

RE: Application by LHA Stone Hollow, LP, to-be-formed Texas Limited Partnership, to the Texas Department of Housing and Community Affairs for a Tax Credit Allocation to build affordable rental housing for families and individuals in Lubbock, Texas.

Dear Ms. Boston:

On behalf of Lubbock Meals on Wheels, I would like to express our support of the Stone Hollow Village development. Lubbock Meals on Wheels has numerous recipients who would qualify for the application process to become members. The boundaries served by Lubbock Meals on Wheels encompasses the entire county and this would include the site of Stone Hollow Village to be located southwest of East Cornell and Martin Luther King Blvd.

The site is an area of Lubbock that is growing and new housing would assist in the further economic expansion to the area. Since the beginning of the year, the majority of growth for the Meals on Wheels program has been in east Lubbock.

Lubbock has an immediate need for safe, clean, affordable low-income housing for its citizens. Lubbock Meals on Wheels believes that the Housing Authority of the City of Lubbock is the best qualified to bring this housing to the area especially for seniors.

On behalf of Lubbock Meals on Wheels and its members, I respectfully request your favorable consideration of this project. Please contact me if I can provide further assistance in this matter.

Regards,

Lorrie Lushnat Bellair
 Executive Director

Prepared by the State Bar of Texas for use by lawyers only.
Revised 10-85.
© 1983 by the State Bar of Texas

13521

WARRANTY DEED

Date: May 9, 1991

Grantor: AAA Properties, Inc.

Grantor's Mailing Address (including county):
1000 AAA Drive
Heathrow, Seminole County, Florida 32746-5063

Grantee: LUBBOCK MEALS ON WHEELS, INC.

Grantee's Mailing Address (including county):
3303 67th No. 101
Lubbock, Lubbock County, Texas 79413

Consideration: \$10.00 and other good and valuable consideration, cash in hand paid, the receipt of which is hereby acknowledged and confessed;

Property (including any improvements):

LOTS 5, 6 and the West 4 feet of LOT 7, BLOCK 11, HIGHLAND PARK, an addition to the City of Lubbock, Lubbock County, Texas, according to the map, plat and/or dedication deed thereof, recorded in Volume 225, Page 410, Deed Records, Lubbock County, Texas. SAVE AND EXCEPT that portion lying along the South side now lying within 34th Street.

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF AS IF FULLY COPIED HEREIN.

Reservations from and Exceptions to Conveyance and Warranty:

Taxes for the current year having been pro-rated, Grantee assumes payment thereof.

Grantor, for the consideration and subject to the reservations from and exceptions to conveyance and warranty, grants, sells, and conveys to Grantee the property, together with all and singular the rights and appurtenances thereto in any wise belonging, to have and hold it to Grantee, Grantee's heirs, executors, administrators, successors, or assigns forever. Grantor binds Grantor and Grantor's heirs, executors, administrators, and successors to warrant and forever defend all and singular the property to Grantee and Grantee's heirs, executors, administrators, successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, except as to the reservations from and exceptions to conveyance and warranty.

When the context requires, singular nouns and pronouns include the plural.



CERTIFICATION:
TRUE AND CORRECT
COPY OF ORIGINAL ON
FILE IN LUBBOCK
COUNTY CLERK'S OFFICE

13521

AAA PROPERTIES, INC.

By: Norman R. Stachura
Norman R. Stachura, Vice President

(Acknowledgment)

STATE OF ~~FLORIDA~~ Florida
COUNTY OF Seminole

This instrument was acknowledged before me on the 13 day of May, 19 91
by Norman R. Stachura, Vice President of AAA Properties, Inc., a Texas corporation,
on behalf of said corporation.

SEAL

Suzanne L. Zappitello

Notary Public, State of ~~Texas~~ Florida
Notary's name (printed):

Suzanne L. Zappitello
Notary's commission expires:
NOTARY PUBLIC, STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES MAY 21, 1994
BONDED THRU HUCKLEBERRY & ASSOCIATES

(Corporate Acknowledgment)

STATE OF TEXAS
COUNTY OF

This instrument was acknowledged before me on the _____ day of _____, 19 91
by _____
of AAA Properties, Inc.
a _____
corporation, on behalf of said corporation.

Notary Public, State of Texas
Notary's name (printed):

Notary's commission expires:

AFTER RECORDING RETURN TO:

PREPARED IN THE LAW OFFICE OF:



CERTIFICATION:
TRUE AND CORRECT
COPY OF ORIGINAL ON
FILE IN LUBBOCK
COUNTY CLERK'S OFFICE

1361

THE STATE OF TEXAS |
COUNTY OF LUBBOCK |

THAT I, HENRY J. SCARFO, Secretary of AAA Properties, Inc., a Texas corporation, do certify the following to be a true and correct copy of a Resolution as passed by the Board of Directors, said Resolution passed by unanimous vote, to-wit:

"WHEREAS the corporation is the owner of the following described real property, to-wit:

LOTS FIVE (5), SIX (6) AND THE WEST 4 FEET OF LOT SEVEN (7), BLOCK ELEVEN (11), HIGHLAND PARK ADDITION to the City of Lubbock, Lubbock County, Texas, according to the map, plat and/or dedication deed thereof, recorded in Volume 225, Page 410, Deed Records, Lubbock County, Texas. SAVE AND EXCEPT that portion lying along the South side now lying within 34th Street;

AND WHEREAS, the corporation desires to sell said property to Lubbock Meals on Wheels, Inc.;

NOW, THEREFORE, BE IT RESOLVED, that the Vice President, Norman R. Stachura, be empowered to execute upon behalf of and as the act and deed of said corporation, said conveyance and in said capacity, hereby ratifying and confirming all acts said officer may perform to effectuate the premises."

I hereby certify the foregoing to be a true and correct copy of the Resolution as passed by the Board of Directors as the same appears on the corporate minute books of said corporation.

Henry J. Scarfo, Secretary of AAA Properties, Inc.

THE STATE OF FLORIDA |
COUNTY OF |

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day did appear Henry J. Scarfo, known to me to be the Secretary of AAA Properties, Inc., a corporation, and known to me to be the person whose name is subscribed hereto, and being duly sworn, did state that the foregoing is a true and correct Resolution of the Board of Directors, as appearing upon the minute books of said corporation, and that he did execute the foregoing for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 16th day of May, 1991.

Colleen J. Moore
Notary Public, State of Florida

Notary Public
State of Florida at Large
My Commission Expires:
December 29, 1992



CERTIFICATION:
TRUE AND CORRECT
COPY OF ORIGINAL ON
FILE IN LUBBOCK
COUNTY CLERK'S OFFICE

FILED FOR RECORD

91 MAY 16 P 4: 01

County Clerk, Lubbock County, Texas

STATE OF TEXAS
COUNTY OF LUBBOCK

I hereby certify that this instrument was FILED on the
date and at the time stamped hereon by me and was duly
RECORDED in the Volume and Page of the Official Real Property
Records of Lubbock County, Texas as stamped hereon by me.

MAY 16 1904



Edwin Harrison
COUNTY CLERK
LUBBOCK COUNTY, TEXAS

THE STATE OF TEXAS }
COUNTY OF LUBBOCK }

I, DORIS RUFF, County Clerk in
and for said County and State, do hereby
certify that the above and foregoing is a true and correct copy of _____

Warranty Deed
as the same appears on file and/or of record in my office in Vol. 3599
page 1-4 of the Real Property records of Lubbock County, Tex.

Witness my hand and seal of office at Lubbock, Texas, this 22nd
day of April, A.D. 2004



DORIS RUFF, County Clerk, Lubbock County, Texas

By Hanson Dethers Deputy



CERTIFICATION:
TRUE AND CORRECT
COPY OF ORIGINAL ON
FILE IN LUBBOCK
COUNTY CLERK'S OFFICE

Prepared by the State Bar of Texas for use by lawyers only.
Revised 10-85.

© 1985 by the State Bar of Texas

13521

WARRANTY DEED

Date: May 9, 1991

Grantor: AAA Properties, Inc.

Grantor's Mailing Address (including county):
1000 AAA Drive
Heathrow, Seminole County, Florida 32746-5063

Grantee: LUBBOCK MEALS ON WHEELS, INC.

Grantee's Mailing Address (including county):
3303 67th No. 101
Lubbock, Lubbock County, Texas 79413

Consideration: \$10.00 and other good and valuable consideration, cash in hand paid, the receipt of which is hereby acknowledged and confessed;

Property (including any improvements):

LOTS 5, 6 and the West 4 feet of LOT 7, BLOCK 11, HIGHLAND PARK, an addition to the City of Lubbock, Lubbock County, Texas, according to the map, plat and/or dedication deed thereof, recorded in Volume 225, Page 410, Deed Records, Lubbock County, Texas. SAVE AND EXCEPT that portion lying along the South side now lying within 34th Street.

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF AS IF FULLY COPIED HEREIN.

04/01/2004 16:35 8867625574

CHILDRENS HOME LBKLB

PAGE 02

THE Children's Home OF LUBBOCK

P.O. Box 2824 • Lubbock, Texas 79408 • 806-762-0481 • fax 762-6574
www.childshome.org

50th Anniversary

April 1, 2004

04057

RECEIVED

APR 21 2004

LIHTC

Texas Dept. of Housing and Community Affairs
Attn: Ms. Brooke Boston
Director of Multi-family Finance Production Division (Neighborhood Input)
PO Box 13941
Austin, TX 78711-3941

RE: Application by LHA Stone Hollow, LP, a to-be-formed Texas Limited Partnership, to the Texas Dept. of Housing and Community Affairs for a Tax Credit Allocation to Build Affordable Rental Housing for families & individuals in Lubbock, Texas.

Dear Ms. Boston:

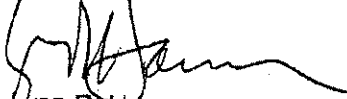
On behalf of The Children's Home of Lubbock, I would like to express our support of the Stone Hollow Village development. The boundaries of The Children's Home of Lubbock are Lubbock County and the surrounding 15 counties, which includes the site of Stone Hollow Village to be located southwest of East Cornell & MLK Boulevard.

The site is in an area of Lubbock that is growing and new affordable housing would assist in the further economic expansion to that area.

Lubbock has a need for safe, clean, affordable housing for its citizens. The Children's Home of Lubbock has an average of 14 women (and their children) each year who go through our Family Care program. Affordable housing is integral to the success of the women who complete our Family Care program and need good housing when they leave our campus. The Children's Home of Lubbock believes that the Housing Authority of the City of Lubbock is best qualified to bring this housing to the area.

On behalf of The Children's Home of Lubbock, I respectfully request your favorable consideration of this project. Please feel free to contact me if I can provide further assistance in this regard.

Sincerely,



Lynn R. Harms
President



ACCREDITED

by the Council on Accreditation of Services for Families and Children, Inc.

Lubbock CAD Real Property Information

Lubbock Account Number: N72573

Cross Reference Number: 85060663030R001264

View Tax Information

Owner's Name and Mailing Address	CHILDRENS HOME OF LUBBOCK PO BOX 2824 LUBBOCK, TX 79408-2824			
Location Zone Map ID	N/A N/A			
Description Subdiv/Abstract Ind. Subdiv/Abstract No.	WEST LEE HARRISON UN TR# 3 85060663 TAMARACK PETRO/LEE HARRISON BLK A SEC 25 /TTRR (SE PT SW4) SUR 0.0625000 R			
Taxing Entities	Code	Entity Name	Tax Rate	2003 Tax
	GLB	LUBBOCK COUNTY	0.25954	26.16
	WHP	High Plains Water District	0.00830	0.84
	HSP	HOSPITAL DISTRICT	0.10896	10.98
	SRS	ROOSEVELT ISD	1.50000	151.20
	CLB	LUBBOCK	0.54570	55.01
		Totals:	2.42250	244.19

Data up to date as of 2003-12-31.

PROPERTY		'2003 Certified' INFORMATION	
Exemption Codes		Ag Use	\$0
Freeze Amount	0.00		

		Total Improvement Value	\$10,080
Number of Improvements			
Land Acres	0.0000	Land Market Value	\$0
		AG Market	\$0
Deed Date			
Deed Volume		Total Market Value	\$10,080
Deed Page			

Note: If your value is 0, a change of ownership may have occurred since certification.

IMPROVEMENT INFORMATION

Improv ID	Improvement Type Code	Homesite	State Property Tax Board Code	Seg Cnt
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SEGMENT INFORMATION

Imp ID	Seg ID	Segment Type Code	Class	Effective Yr Blt	Area
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LAND INFORMATION

Land ID	Land Type Code	State Property Tax Board Code	Appraisal Method	Homesite	Eff. Frontage	Eff. Depth	Size-Acres	Size-Sqft
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CERTIFIED VALUE HISTORY

Tax Year	2002	2001	2000	1999	1998	1997	1996	1995	1994
Improvements	\$11,170	\$8,940	\$7,540	\$4,960	\$7,880	\$8,780			
Land Market									
Ag. Land Market									
TOTAL MARKET	\$11,170	\$8,940	\$7,540	\$4,960	\$7,880	\$8,780			
Land Ag. Use									
10% Limited									

Adjustment									
TOTAL MARKET	\$11,170	\$8,940	\$7,540	\$4,960	\$7,880	\$8,780			
Exemptions									
Special Exemptions									
Over-65 Freeze Year									
Over-65 Freeze Amount									

Improvement Sketch

In order to view and print the sketches, you must use a Java enabled browser that supports printing of Java applets, such as Internet Explorer 4.01 OR Netscape 4.03-4.04 with the JDK 1.1 patch OR Netscape 4.05 with JDK built in. Earlier releases of browsers may be able to view but not print the sketches. See [FAQs](#) for more details.

MULTIFAMILY FINANCE PRODUCTION DIVISION

BOARD ACTION REQUEST

July 28, 2004

Action Item

Appeal denial of Quantifiable Community Participation (QCP) points of one 2004 Housing Tax Credit (HTC) Application.

Requested Action

Issue a determination on the appeal.

Background and Recommendations

I. Baybrook Park Retirement Center, #04079

The Applicant submitted an appeal to the Executive Director on July 11, 2004, disputing the denial of QCP points for the Application. The Applicant requested reconsideration of QCP point allocation for a letter from the Baybrook Park Owners' Association. On July 16, 2004, the Executive Director responded to the appeal stating that, pursuant to Section 50.9(g)(2) of the 2004 Qualified Allocation Plan (QAP), the letter did not meet the requirements to be scored. The Executive Director noted that insufficient documentation was submitted to establish that the organization was a "neighborhood organization." The letter stated that "there are eight members of the association." The boundary map included with the letter showed that it included, "CarSpa," "Self Storage," "Suburban Lodge," "Carabba's," "Metro National Corporation," and "Seven Palms." These names did not establish that they were members of the organization that live in the neighborhood. Also, another boundary map provided with the letter showed different boundaries. This evidence, the Executive Director stated, was insufficient to demonstrate that the organization was a "neighborhood organization" within the meaning of the requirement. The Applicant submitted an appeal to the Board on July 20, 2004, regarding QCP point scoring for the letter from the Baybrook Park Owners' Association.

Relevant documentation related to this appeal is provided behind the Board Action Request.

Applicant:	Baybrook Park Retirement Center, Ltd.
Site Location:	500 Texas Avenue West
City/County:	Webster/Harris
Regional Allocation Category:	Urban/Exurban
Set-Aside:	General
Population Served:	Elderly
Region:	6
Type of Development:	New Construction
Units:	100
Credits Requested:	\$450,043.00

Staff Recommendation:

The Executive Director denied the original appeal. Staff is recommending that the Board also deny the appeal of the termination.

Board Appeal

LOCKE LIDDELL & SAPP LLP

ATTORNEYS & COUNSELORS

100 CONGRESS AVENUE
Suite 300
Austin, Texas 78701-4042

AUSTIN • DALLAS • HOUSTON • NEW ORLEANS

(512) 305-4700
Fax: (512) 305-4800
www.lockeliddell.com

Direct Number: (512) 305-4707
email: cbast@lockeliddell.com

July 19, 2004

Ms. Elizabeth Anderson
Texas Department of Housing and Community Affairs
507 Sabine
Suite 400
Austin, Texas 78701

JUL 20 AM 9:08

Re: Baybrook Park Retirement Center (the "**Project**")
TDHCA No. 04079

Dear Ms. Anderson:

We represent Baybrook Park Retirement Center, Ltd. (the "**Applicant**"). The Applicant appeals a determination of the Executive Director to deny points for a letter of support by a neighborhood organization under the Quantifiable Community Participation category.

Background Information

This appeal involves a letter of support from Baybrook Park Owners Association, Inc. (the "**Organization**"). The Organization's letter was submitted timely, in the form required by the Qualified Allocation Plan (the "**QAP**"). The Organization's letter was addressed properly. It identified the Project and was signed by an appropriate party. It included documentation verifying the purpose of the Organization, the fact that the Organization is on record with the state or county, and that the Organization's boundaries include the Project. It provided the number of members of the Organization, the process by which the members' decision was made, and the reason for the Organization's support of the Project.

Unfortunately, the Department concluded that the Organization did not submit sufficient documentation to establish itself as a "neighborhood organization."¹ The Applicant timely filed an appeal of the Department's decision with the Executive Director. The Executive Director denied the Applicant's appeal, and now the Applicant submits this appeal to the Board.

¹ According to Mr. Chris Wittmayer, the Department's General Counsel, the Department used a definition of "neighborhood" as "people living near one another" (4th definition, Webster's New Universal Unabridged Dictionary). It is interesting to note that the same dictionary defines a neighborhood as "a community, region, area, or territory, especially with regard to some characteristic; as, they live in an attractive *neighborhood*" (3rd definition, Webster's New Universal Unabridged Dictionary). Had the Department utilized the latter definition of "neighborhood", we might not be presenting this appeal today.

Argument Presented

The Applicant believes that the Organization does constitute a neighborhood organization within the requirements of the QAP and, therefore, its letter of support should be scored. The Organization was created to maintain, preserve, and manage a designated area of approximately 44 acres in Webster, Texas (the "Neighborhood"). The Neighborhood consists of developed and undeveloped property, both commercial and residential, and incorporates the property on which Baybrook Park Retirement Center will be built. The residential use of the property in the Neighborhood includes a current multifamily complex with 360 units. The tenants in these units are, without doubt, "people living near one another," pursuant to the definition of the Department. The members of the Organization are working together to try to impact the conditions of the Neighborhood, including the conditions that impact the residents of the existing multifamily housing. The members of the Organization have caused its articles of incorporation to be filed with the Secretary of State and restrictive covenants for the Neighborhood to be filed with the Harris County clerk.

The term "neighborhood organization" is not defined in the QAP or in the Department's enabling statute. There is nothing in the QAP or the Department's enabling statute to indicate that owners of real property that is intended for residential development cannot be part of a bona fide neighborhood organization. There is nothing in the QAP or the Department's enabling statute to indicate that commercial property owners cannot be part of a bona fide neighborhood organization. There is nothing in the QAP or the Department's enabling statute to indicate that the members of the Organization have to live in the Neighborhood. There is nothing in the QAP or the Department's enabling statute to indicate that this Organization's letter of report was unworthy of a score.

As we understand it, the purpose of the Quantifiable Community Participation requirement is to: (a) ensure that the people who will be most immediately affected by a tax credit development have some input on the selection process and (b) determine whether there is any area opposition to the development, and if so, the basis for the opposition. As surrounding property owners, the members of the Organization are the people who will be most immediately affected by the development of Baybrook Park Retirement Center. They are people with vested property rights who have a legitimate interest and concern with regard to how development proceeds in their area, and they supported the Applicant's Project.

The Applicant worked very closely with the Organization and its members in developing the site plan for Baybrook Park Retirement Center and accepted the Organization's input in the planning process. The Applicant is proud to have the support of the Organization and believes this support is deserving of points on the tax credit application.

Supporting Materials

Supportive materials for this appeal are attached as follows:

- Exhibit A** -- Letter of Support from the Organization (the "**Neighborhood Support Letter**")
- Exhibit B** -- Map showing the boundaries of the Organization, with indication that Applicant's proposed site is contained within the boundaries of the Organization²
- Exhibit C** -- Articles of Incorporation for the Organization filed with the Texas Secretary of State, showing that the Organization's boundaries are determined by a Declaration of Restrictive Covenants, Conditions and Restrictions filed in the Harris County real property records
- Exhibit D** -- Declaration of Restrictive Covenants, Conditions and Restrictions filed in the Harris County real property records³
- Exhibit E** -- Response Letter of TDHCA Staff, declining to score the Organization's Letter of Support
- Exhibit F** -- Appeal Letter to TDHCA Executive Director (the "**Initial Appeal**")
- Exhibit G** -- Response Letter from TDHCA Executive Director⁴

Exhibits B through D were included with the Neighborhood Support Letter when it was originally delivered to the Department. This appeal does not provide new information but asks the Department to appropriately consider the information already provided.

² The map presented shows the current configuration of the Neighborhood. Previously, the Neighborhood contained additional parcels, but certain land was subsequently deannexed. See FN 3, below.

³ While complete copies of the Declaration was originally provided to the Department, for purposes of this appeal, only the first few pages and signature pages of the Declaration and its various amendments are being provided here. The Applicant is trying to minimize the amount of paper contained in the Board Book. Complete copies of the Declaration with its various amendments can be obtained from the Department's staff or the Applicant.

⁴ The Executive Director's letter notes that the package submitted contained two maps with inconsistent boundaries. This is because, as noted above, the land area of the Neighborhood changed after the Organization was created, due to deannexation. The map contained with the Declaration constituted the original configuration of the Neighborhood. The map attached as Exhibit B constitutes the current configuration of the Neighborhood. This information can be substantiated by a review of the Declaration and various amendments previously submitted to the Department.

Ms. Elizabeth Anderson
July 19, 2004
Page 4

Request

The Applicant and the Organization complied with all of the requirements of the QAP and the Department's enabling statute to ensure that the Organization's support letter could be duly considered and scored. Therefore, the Applicant respectfully requests that Baybrook Park Owners Association, Inc. be deemed a neighborhood organization under the QAP so that its letter or support can be scored as Quantifiable Community Participation with regard to this tax credit application.

Sincerely,



Cynthia L. Bast

CLB/saf

cc: Baybrook Park Retirement Center, Ltd.

EXHIBIT A

Baybrook Park Retirement Center

TDHCA No. 04079

Neighborhood Support Letter

Texas Department of Housing and Community Affairs
507 Sabine Street
P. O. Box 13941
Austin, Texas 78711-3941
Attn: Director of Multifamily Finance Production Division (Neighborhood Input)

Re: Baybrook Park Retirement Center
500 Texas Avenue
Webster, TX

Dear Ladies and Gentlemen:

The annual meeting of Baybrook Park Owners Association, Inc. was held on February 23, 2004. This is an association covering approximately 44 acres and whose restrictions are recorded under Clerk's file # R176162, as amended by Clerk's File #R262272, S604504 and T245725, in the Harris County Deed records. One of the agenda items was a discussion of Baybrook Park Retirement Center. An approximate 5.6 acre site in the boundaries of this association is the site on which the proposed development is to be built. The restrictions include provisions that each owner in the association is obligated to maintain, repair, replace and renew all improvements on a tract so as to keep same in a clean, sightly, safe, and first-class condition consistent with the original intended appearance.

Members owning a majority of the voting rights for the association were present at the annual meeting and supported the Baybrook Park Retirement Center. The members in attendance felt the development would be a positive addition to the area. Currently, there are eight members of the association. The elderly development is suitable for the location and complements another elderly multifamily development with rents substantially higher than the proposed development. The development will also benefit the other merchants that are part of the association and should encourage development of the remaining undeveloped land covered by the boundaries of the association.

Should you have any further questions please do not hesitate to call us.

BAYBROOK PARK OWNERS ASSOCIATION, INC.


BY: 
Michael Rose, President

EXHIBIT B

Baybrook Park Retirement Center

TDHCA No. 04079

Map

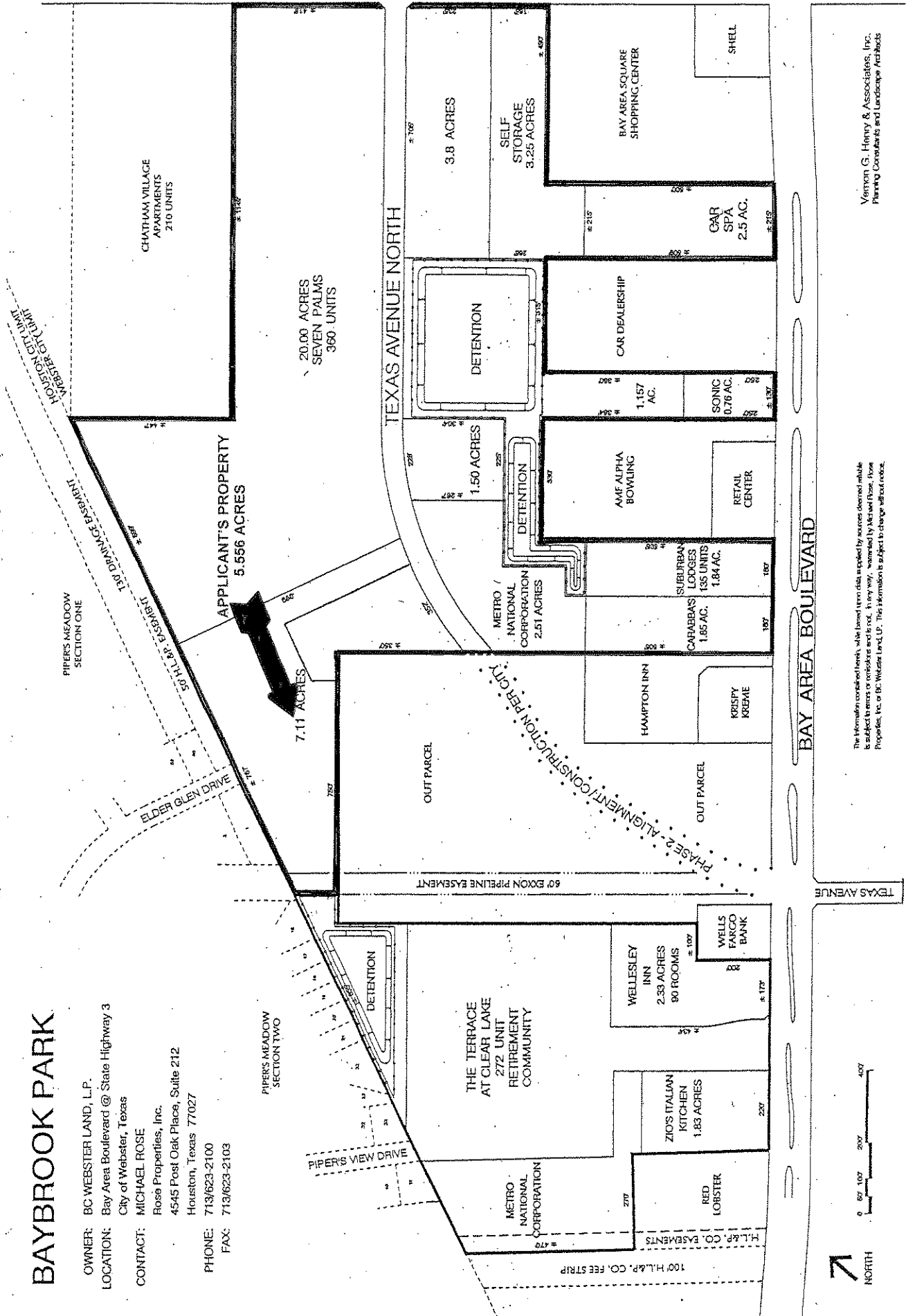
* As noted in Footnotes 1 and 3 of the attached letter, this map represents the current configuration of the Neighborhood, according to the Declaration of Restrictive Covenants, Conditions and Restrictions filed in the Harris County Real Property Records. Owners of real property within these boundaries are members of the Organization by virtue of the Declaration.

**BOUNDARIES OF
NEIGHBORHOOD ASSOCIATION
ARE OUTLINED IN RED**

TDHCA #04079

BAYBROOK PARK

OWNER: BC WEBSTER LAND, L.P.
LOCATION: Bay Area Boulevard @ State Highway 3
 City of Webster, Texas
CONTACT: MICHAEL ROSE
 Rose Properties, Inc.
 4545 Post Oak Place, Suite 212
 Houston, Texas 77027
PHONE: 713/623-2100
FAX: 713/623-2103



Yarmon G. Henry & Associates, Inc.
 Planning Consultants and Landscape Architects

The information contained herein, while based on data supplied by sources deemed reliable, is subject to errors or omissions and is not, in any way, warranted by Michael Rose, Rose Properties, Inc. or BC Webster Land, LP. This information is subject to change without notice.

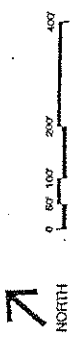


EXHIBIT C

Baybrook Park Retirement Center

TDHCA No. 04079

Organizational Documents for Neighborhood Organization

Filed with the Secretary of State of Texas

ARTICLES OF INCORPORATION
OF
BAYBROOK PARK OWNERS ASSOCIATION, INC.

SECRETARY
AUG 26 1998
CORPORATIONS SECTION

The undersigned, a natural person of the age of eighteen (18) years or more, acting as incorporator of the corporation under the Texas Non-Profit Corporation Act (the "Act"), hereby adopts the following Articles of Incorporation for such corporation. All terms as used herein shall have the same meanings as set forth in the Declaration (as hereinafter defined) unless otherwise specified and defined herein.

ARTICLE I

The name of the corporation is Baybrook Park Owners Association, Inc. (hereinafter referred to as the "Association").

ARTICLE II

The Association is a non-profit corporation.

ARTICLE III

The period of its duration shall be perpetual.

ARTICLE IV

The Association is organized pursuant to the Act and does not contemplate pecuniary gain or profit to the members thereof and is organized for non-profit purposes. The purposes for which the Association is formed are to provide for the maintenance, preservation and management of the Maintenance Area, as defined in that certain Declaration of Covenants, Conditions and Restrictions dated December 1, 1994, and filed for record under Harris County Clerk's File No. R176162, as amended by that certain Correction Declaration of Covenants, Conditions and Restrictions dated December 1, 1994, and filed for record under Harris County Clerk's File No. R262272 and by that certain First Amendment to Declaration of Covenants, Conditions and Restrictions dated August 21, 1997, and filed for record under Harris County Clerk's File No. S604504, all in the Official Public Records of Real Property of Harris County, Texas (together with any further amendments, collectively, the "Declaration"), together with any related documents filed of record. The term "Property" shall mean the Property as such term is defined in the Declaration and any and all other property which is accepted from time to time by the Association for similar purposes, and to promote the health, safety and welfare of the Owners within the Property and any and all other property which is accepted by the Association for similar purposes. Without limiting the foregoing, the purposes of the Association shall include, without limitation, the following:

(a) The Association may exercise all of the powers and privileges and perform all of the duties and obligations of the Association as set forth in the Declaration, as same may be amended from time to time, the Declaration being incorporated herein by reference as if set forth at length herein.

(b) The Association may (i) fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration and/or Bylaws adopted by the Board of Directors of the Association (the "Bylaws"), (ii) as agent, pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association including all licenses, taxes or governmental charges levied or imposed against the property of the Association, (iii) make disbursements, expenditures and payments on behalf of the Owners as required by the Declaration and the Bylaws, and (iv) hold as agent for Owners reserves for periodic repairs, maintenance and capital improvements to be made as directed by the Owners acting through the Board of Directors of the Association.

(c) The Association may acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association subject to the limitations, if any, set forth in the Declaration.

(d) The Association may borrow money, mortgage, pledge or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred, subject to the limitations, if any, set forth in the Declaration.

(e) The Association may provide management, upkeep, maintenance, repair, care of and general sanitation and cleanliness of the Maintenance Area as provided in the Declaration.

(f) The Association may incur or assume obligations and duties of the City of Webster, Texas, or any other governmental authority, regarding the development, operation and maintenance of the Maintenance Area and any improvements within the Maintenance Area.

(g) The Association may enter into and perform any contract and exercise all powers which may be necessary or convenient to the operation, management, maintenance and administration of the affairs of the Association in accordance with the Declaration.

(h) The Association may dedicate, sell or transfer all or any part of the Maintenance Area to any public agency, authority or utility company for such purposes and subject to such conditions as may be agreed to by the members.

(i) The Association may participate in mergers and consolidations with other non-profit corporations organized for the same purposes or annex additional property and Maintenance Area.

(j) The Association may additionally have and exercise any and all powers, rights and privileges that a corporation organized under the Act may now or hereafter exercise.

ARTICLE V

Every Owner shall be a member of the Association. Membership shall be appurtenant to and shall not be separated from ownership of a portion of the Property. Every member shall have the right at all reasonable times during business hours to inspect the books of the Association. The foregoing is not intended to include mortgage companies or other persons or entities holding an interest in any portion of the Property merely as security for the performance of an obligation.

ARTICLE VI

The Association shall have two (2) classes of voting membership:

(a) The Class A Members shall be all Owners with the exception of Declarant. Class A Members shall be entitled to one (1) vote for each 7,500 square feet of land area of the Property owned. In the case of fractional votes, the vote shall be rounded off to the nearest whole number. When more than one (1) person holds an interest in any Tract, all such persons shall be members, but the vote for each Tract shall be exercised as they, among themselves, determine. Any Owner of a Tract which is leased may, in the lease or other instrument, assign the voting rights appurtenant to the Tract to the lessee, provided that a copy of the instrument is furnished to the secretary of the Association prior to any meeting.

(b) The Class B Member shall be the Declarant who shall be initially entitled to three hundred-sixty (360) votes; this number shall be decreased by one (1) vote for each Class A vote existing at any one time. The Class B membership shall cease and be converted to Class A membership on the earlier of: (i) one hundred-twenty (120) days after the conveyance of the Tract which causes the total votes outstanding in Class B to equal or be less than the total votes outstanding in Class A, or (ii) thirty (30) days after Declarant's written notice to the Association of its election to convert its Class B membership to Class A membership.

(c) All voting rights of an Owner shall be suspended during any period in which such Owner is delinquent in the payment of any assessment duly established pursuant to the Declaration or is otherwise in default under the Declaration or the Bylaws or any rules or regulations of the association and such suspension shall apply to the proxy authority of any voting representative, if any.

All notice requirements and other matters relating to voting in other matters of the Association shall be as set forth in the Bylaws of the Association.

ARTICLE VII

The street address of the initial registered office of the Association is 4545 Post Oak Place, Suite 212, Houston, Texas 77027, and the name of its initial registered agent at such address is J. Michael Rose.

ARTICLE VIII

The members of the Association shall elect the Board of Directors of the Association (the "Board"), and the Board shall, by majority rule, conduct all of the business of the Association, except when membership votes are required pursuant to the Declaration, the Articles of Incorporation or Bylaws of the Association. The number of Directors constituting the initial Board is three (3), and the names and addresses of the persons who are to serve as the initial Board are:

<u>Name</u>	<u>Address</u>
J. Michael Rose	4545 Post Oak Place, Suite 212 Houston, Texas 77027
Brian A. Kueker	3131 McKinney Avenue, Suite 404 Dallas, Texas 75204
William Heap	3131 McKinney Avenue, Suite 404 Dallas, Texas 75204

The Board may make whatever rules and Bylaws it deems necessary to govern the Association and its members; provided, however, any conflict between such Bylaws and the provisions hereof shall be controlled by the provisions of the Declaration.

ARTICLE IX

The name and street address of the incorporator is:

<u>Name</u>	<u>Address</u>
Gardner Savage	600 N. Pearl Street Suite 1600 Dallas, Texas 75201

ARTICLE X

No Director of the Association shall be personally liable to the Association for monetary damages for any act or omission in the Director's capacity as a Director, except that this Article does not eliminate or limit the liability of a Director for (1) a breach of a Director's duty of loyalty to the Association, (2) an act or omission not in good faith or that involves intentional misconduct or a knowing violation of the law, (3) a transaction from which a Director received an improper benefit, whether or not the benefit resulted from an action taken within the scope of the Director's office, or (4) an act or omission for which the liability of a Director is expressly provided for by statute. Neither the amendment nor repeal of this Article shall eliminate or reduce the effect of this Article in respect of any matter occurring, or any cause of action, suit or claim that, but for this Article, would accrue or arise, prior to such amendment or repeal. If the Act or the Texas Miscellaneous Corporation Laws Act (the "TMC Act") is hereafter amended to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a Director of the Association shall be eliminated or limited to the fullest extent permitted by the Act or the TMC Act, as so amended from time to time. Without limiting the foregoing, the following shall apply:

(a) The Association shall indemnify, to the extent provided in the following paragraphs, any person who is or was a director, officer, agent or employee of the Association. In the event the provisions of indemnification set forth below are more restrictive than the provisions of indemnification allowed by Article 1396-2.22A of the TMC Act, then such persons named above shall be indemnified to the full extent permitted by Article 1396-2.22A of the TMC Act as it may exist from time to time.

(b) In case of a threatened or pending suit, action or proceeding (whether civil, criminal, administrative or investigative) against a person named in paragraph (a) above by reason of such person's holding a position named in such paragraph (a), the Association shall indemnify such person if such person satisfies the standard contained in paragraph (c) below, for amounts actually and reasonably incurred by such person in connection with the defense or settlement of the suit as expenses (including court costs and attorneys' fees), amounts paid in settlement, judgments, penalties (including excise and similar taxes), and fines.

(c) A person named in paragraph (a) above will be indemnified unless it is determined in accordance with paragraph (d) below that such person failed to:

(i) act in good faith in the transaction which is the subject of the suit; and

(ii) reasonably believe:

(A) if acting in his or her official capacity as director, officer, agent or employee of the Association, that his or her conduct was in the best interests of the Association; and

(B) in all other cases, that his or her conduct was not opposed to the best interests of the Association; and

(iii) in the case of any criminal proceeding, have reasonable cause to believe that his or her conduct was unlawful.

The termination of a proceeding by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, will not, of itself, create a presumption that such person failed to satisfy the standard contained in this paragraph (c).

(d) A determination that the standard in paragraph (c) above has been satisfied must be made:

(i) by a majority vote of a quorum consisting of Directors who at the time of the vote are not named defendants or respondents in the proceeding; or

(ii) if such quorum cannot be obtained, by a majority vote of a committee of the Board, designed to act in the matter by a majority vote of all Directors, consisting solely of two (2) or more Directors who at the time of the vote are not named defendants or respondents in the proceeding; or

(iii) by special legal counsel selected by the Board or a committee of the Board by vote as set forth in subparagraphs (i) or (ii) above, or, if such quorum cannot be obtained and such a committee cannot be established, by a majority vote of all Directors.

(e) Determination as to reasonableness of expenses must be made in the same manner as the determination that indemnification is permissible, except that if the determination that indemnification is permissible is made by special legal counsel, determination as to reasonableness of expenses must be made in the manner specified by subparagraph (d)(iii) above for the selection of special legal counsel.

(f) The Association may reimburse or pay in advance any reasonable expenses (including court costs and attorneys' fees) which may become subject to indemnification under paragraphs (a) through (e) above, but only in accordance with the provisions as stated in paragraph (d) above, and only after the person to receive the payment (i) signs a written affirmation of his or her good faith belief that he or she has met the standard of conduct necessary for indemnification under paragraph (c), and (ii) undertakes in writing to repay such advances if it is ultimately determined that such person is not entitled to indemnification by the Association. The written undertaking required by this paragraph must be a general obligation of the person but need not be secured. It may be accepted without reference to financial ability to make repayment.

(g) The indemnification provided by paragraphs (a) through (e) above will not be exclusive of any other rights to which a person may be entitled to by law, bylaws, agreement, vote of Members or disinterested Directors, or otherwise.

(b) The indemnification and advance payment provided by paragraphs (a) through (f) above will continue as to a person who has ceased to hold a position named in paragraph (a) above and will inure to such person's heirs, executors and administrators.

(i) The Association may purchase and maintain insurance on behalf of any person who holds or has held any position named in paragraph (a) above against any liability incurred by such person in any such position, or arising out of such person's status as such, whether or not the Association would have power to indemnify such person against such liability under paragraphs (a) through (f) above.

(j) Indemnification payments and advance payments made under paragraphs (a) through (i) above are to be reported in writing to the Members of the Association in the next notice or waiver of notice of annual meeting, or within twelve (12) months after the payments are made, whichever is sooner.

(k) All liability, loss, damage, cost and expense incurred or suffered by the Association by reason of or arising out of, or in connection with, the foregoing indemnification provisions shall be treated and handled by the Association as an expense subject to special assessment.

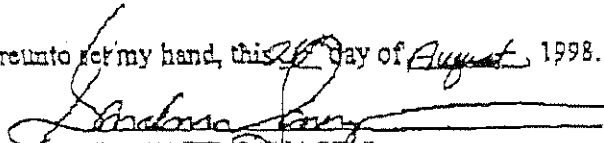
ARTICLE XI

The Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of each class of voting members. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which the Association was created. In the event such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to such similar purposes.

ARTICLE XII

Amendment of these Articles shall require the assent of two-thirds (2/3rds) of the entire membership.

IN WITNESS WHEREOF, I have hereunto set my hand, this 22 day of August, 1998.


 GARDNER SAVAGE, Incorporator



The State of Texas
Secretary of State

CERTIFICATE OF INCORPORATION

OF

BAYBROOK PARK OWNERS ASSOCIATION, INC.
CHARTER NUMBER 01503529

THE UNDERSIGNED, AS SECRETARY OF STATE OF THE STATE OF TEXAS,
HEREBY CERTIFIES THAT THE ATTACHED ARTICLES OF INCORPORATION FOR THE
ABOVE NAMED CORPORATION HAVE BEEN RECEIVED IN THIS OFFICE AND ARE
FOUND TO CONFORM TO LAW.

ACCORDINGLY, THE UNDERSIGNED, AS SECRETARY OF STATE, AND BY VIRTUE
OF THE AUTHORITY VESTED IN THE SECRETARY BY LAW, HEREBY ISSUES THIS
CERTIFICATE OF INCORPORATION.

ISSUANCE OF THIS CERTIFICATE OF INCORPORATION DOES NOT AUTHORIZE
THE USE OF A CORPORATE NAME IN THIS STATE IN VIOLATION OF THE RIGHTS OF
ANOTHER UNDER THE FEDERAL TRADEMARK ACT OF 1946, THE TEXAS TRADEMARK LAW,
THE ASSUMED BUSINESS OR PROFESSIONAL NAME ACT OR THE COMMON LAW.

DATED AUG. 26, 1998

EFFECTIVE AUG. 26, 1998



Alberto R. Gonzales, Secretary of State



[UCC](#) | [Business Organizations](#) | [Trademarks](#) | [Account](#) | [Help/Fees](#) | [Briefcase](#) | [Logout](#)

BUSINESS ORGANIZATIONS INQUIRY - VIEW ENTITY

Filing Number: 150352901 **Entity Type:** Domestic Nonprofit Corporation
Original Date of Filing: August 26, 1998 **Entity Status:** In existence
Formation Date: N/A **Non-Profit Type:** N/A
Tax ID: 32000914799 **FEIN:**
Duration: Perpetual
Name: BAYBROOK PARK OWNERS ASSOCIATION, INC.
Address: 4545 POST OAK PLACE DR SUITE 212
 HOUSTON, TX 77027-3105 USA

<u>REGISTERED AGENT</u>	<u>FILING HISTORY</u>	<u>NAMES</u>	<u>MANAGEMENT</u>	<u>ASSUMED NAMES</u>	<u>ASSOCIATED ENTITIES</u>
View	Document			Effective Date	Eff. Cond Page Count
N/A	6920113	Articles Of Incorporation	Filing Date	August 26, 1998	No N/A
<input checked="" type="checkbox"/>	775310002	9.01 Periodic Report	Filing Date	August 16, 2001	No 1
N/A	7751152	Public Information Report (PIR)	Filing Date	December 31, 2001	No N/A
<input checked="" type="checkbox"/>	26815140001	Public Information Report (PIR)	Filing Date	December 31, 2002	February 12, 2003 No 1
<input checked="" type="checkbox"/>	49735810001	Public Information Report (PIR)	Filing Date	December 31, 2003	December 18, 2003 No 1

Instructions:

● To place an order for additional information about a filing press the 'Order' button.

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Address: 4545 POST OAK PLACE DR SUITE 212
 HOUSTON, TX 77027-3105 USA

<u>REGISTERED AGENT</u>	<u>FILING HISTORY</u>	<u>NAMES</u>	<u>MANAGEMENT</u>	<u>ASSUMED NAMES</u>	<u>ASSOCIATED ENTITIES</u>
Last Update	Name	Title	Address		
December 18, 2003	J MICHAEL ROSE	PRESIDENT	4545 POST OAK PLACE DR SUITE 212 HOUSTON, TX 77027-3105 USA		
December 18, 2003	J MICHAEL ROSE	DIRECTOR	4545 POST OAK PLACE DR SUITE 212 HOUSTON, TX 77027-3105 USA		
December 18, 2003	WILLIAM HEAP	VICE PRESIDENT	3767 FOREST LANE SUITE 124 LB 445 DALLAS, TX 75244 USA		
December 18, 2003	WILLIAM HEAP	DIRECTOR	3767 FOREST LANE SUITE 124 LB 445 DALLAS, TX 75244 USA		
December 18, 2003	BRIAN A KUEKER	SECRETARY	3767 FOREST LANE SUITE 124 LB 445 DALLAS, TX 75244 USA		
December 18, 2003	BRIAN A KUEKER	TREASURER	3767 FOREST LANE SUITE 124 LB 445 DALLAS, TX 75244 USA		
December 18, 2003	BRIAN A KUEKER	DIRECTOR	3767 FOREST LANE SUITE 124 LB 445 DALLAS, TX 75244 USA		

[Order](#) [Return to Search](#)

Instructions:

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EXHIBIT D

Baybrook Park Retirement Center

TDHCA No. 04079

Declaration of Restrictive Covenants for Neighborhood Organization

* As noted in Footnotes 1 and 3 of the attached letter, the Declaration has been amended over time to deannex certain land originally contained within the boundaries of the Neighborhood. Real property owners within the boundaries of the Declaration are automatically members of the Organization.

R176162

01-4617

Restv

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

12/07/94 00176394 R176162 \$ 24.00

THIS DECLARATION is made on the 1st day of December, 1994 by BC Webster Land,

L.P., a Texas limited partnership, hereinafter referred to as the "Declarant."

501-00-3653

WITNESSETH

WHEREAS, the Declarant is the owner of certain real property in the City of Webster (the "City"), Harris County, Texas, which is described in Exhibit "A" attached hereto and made a part hereof (the "Property");

WHEREAS, Declarant desires to impose upon the Property certain covenants, conditions and restrictions for the purpose of enhancing and protecting the value, quality, and desirability of the Property;

NOW THEREFORE, the Declarant declares that the Property shall be held, sold and conveyed subject to the restrictions, covenants and conditions declared below, which shall be deemed to be covenants running with the land and imposed on and binding on all Owners and Occupants and any other parties having or acquiring any right, title, or interest in or to any portion of the Property, their respective heirs, personal representatives, successors and assigns, and shall inure to the benefit of each Owner thereof.

64
7

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to Baybrook Park Owners Association, Inc., a Texas not-for-profit corporation established for the purpose set forth herein.

RETURN TO:
Texas State Title
10000 Memorial Drive
Suite 400
Houston, Texas 77024

501-00-3676

cost basis in an amount not less than one hundred percent (100%) of the insurable value (based on current replacement costs).

(d) All personal pronouns used in this Declaration, whether used in the masculine, feminine or neuter gender, shall include all other genders; the singular shall include the plural, and vice versa.

Section 9. Headings. The headings contained in this Declaration are for reference purposes only and shall not in any way affect the meaning or interpretation of this Declaration.

Section 10. Conflicts. In the event of conflict between the terms of this Declaration and the By-Laws, rules, regulations or Articles of Incorporation of the Association, this Declaration shall control.

IN WITNESS WHEREOF, the Declarant has caused this instrument to be executed on its behalf, attested and its corporate seal to be hereto affixed as of the day and year first above written.

DECLARANT:

BC WEBSTER LAND, L.P., a Texas
limited partnership

By: BC/Rose, Inc.
General Partner

By: 
Michael Rose, President

①
COUNCIL

R262272

1-4619
RETURN TO:
Texas State Title
10000 Memorial Drive
Suite 400
Houston, Texas 77024

CORRECTION
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

92/07/95 10:1237 R26272 \$ 79.00

THIS DECLARATION is made on the 1st day of December, 1994 by BC Webster Land,

L.P., a Texas limited partnership, hereinafter referred to as the "Declarant."

502-72-1025

WITNESSETH

WHEREAS, the Declarant is the owner of certain real property in the City of Webster (the "City"), Harris County, Texas, which is described in Exhibit "A" attached hereto and made a part hereof (the "Property");

WHEREAS, Declarant desires to impose upon the Property certain covenants, conditions and restrictions for the purpose of enhancing and protecting the value, quality, and desirability of the Property;

NOW THEREFORE, the Declarant declares that the Property shall be held, sold and conveyed subject to the restrictions, covenants and conditions declared below, which shall be deemed to be covenants running with the land and imposed on and binding on all Owners and Occupants and any other parties having or acquiring any right, title, or interest in or to any portion of the Property, their respective heirs, personal representatives, successors and assigns, and shall inure to the benefit of each Owner thereof.

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to Baybrook Park Owners Association, Inc., a Texas not-for-profit corporation established for the purpose set forth herein.

IN WITNESS WHEREOF, the Declarant has caused this instrument to be executed on its behalf, attested and its corporate seal to be hereunto affixed as of the day and year first above written.

502-72-1049

DECLARANT:

BC WEBSTER LAND, L.P., a Texas limited partnership

By: BC/Rose, Inc.
General Partner

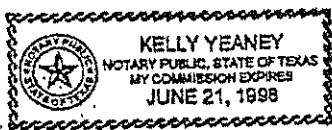
By: J. Michael Rose
J. Michael Rose, President

207

STATE OF TEXAS

COUNTY OF HARRIS

The foregoing instrument was acknowledged before me on this 2nd day of February, 1995, by J. Michael Rose, President of BC/Rose, Inc., a Texas corporation, general partner of BC Webster Land, L.P., a Texas limited partnership, on behalf of said partnership.



Kelly Yeaney
Notary Public in and for
the State of Texas
Printed Name: Kelly Yeaney
My Commission Expires: 6-21-98

EXHIBITS:

- Exhibit A - Description of Property
- Exhibit B - Detention Area

CTIC/MGC/461566

505-17-2599

Restrictive

RESTRICTIVE COVENANT

R556572

08/31/95 100053251 R 556572 \$41.00

This Restrictive Covenant (this "Restrictive Covenant") is made as of this 29 day of August, 1995, by BC WEBSTER LAND, L.P. ("BC Webster"), a Texas limited partnership, owner of the restricted property described herein.

RECITALS

BC Webster is the owner of a certain tract of real property located in Harris County, Texas described on Exhibit A attached hereto (the "Property").

BC Webster desires to restrict the use of the Property as described herein for the benefit of the property described on Exhibit B attached hereto (the "Benefitted Property").

NOW THEREFORE, BC Webster hereby makes and declares the following restrictive covenant:

1. Restrictive Covenant. The Property shall hereafter be held, sold, conveyed and occupied subject to the following covenants, conditions and restrictions, which shall run with the Property, and shall be binding on all parties having any right, title or interest in or to the Property or any part thereof, their heirs, successors and assigns. The following covenants, conditions and restrictions shall apply to the use, improvement, occupancy and conveyance of all of the Property; and each instrument which may be recorded in the Official Records of Harris County, Texas after recordation of this Restrictive Covenant with regard to the Property or any portion thereof shall conclusively be held to have been executed, delivered and accepted subject to the following (regardless of whether or not the same are set out in full or by reference in any said instrument):

41
C

As long as El Chico Realty Corporation or an affiliated entity ("El Chico") owns the Benefitted Property or is operating a full-service, sit down restaurant of which the primary menu items consist of "Mexican" or "Tex-Mex" food, no portion of the Property other than the Benefitted Property shall be used as a full-service, sit down restaurant of which the primary menu items consist of "Mexican" or "Tex-Mex" food. Any violation of the foregoing restriction on any portion of the Property other than the Benefitted Property will be enforceable by El Chico.

2. Covenant Runs With Land. This Restrictive Covenant shall run with the land and shall be binding upon BC Webster, and its successors and assigns, and all subsequent owners of any portion of the Property.

D1/160719.1

*El Chico Title
550 N. Paul St 250
Dallas, TX 75201*

FILED FOR RECORD
8:00 AM

AUG 31 1995

Quincy C. Taylor
County Clerk, Harris County, Texas

505-17-2601

IN WITNESS WHEREOF, this Restrictive Covenant has been executed and delivered as of the date and year first above written.

BC WEBSTER LAND, L.P.,
a Texas limited partnership

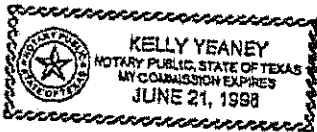
By: BC/Rose, Inc.,
General Partner

Handwritten initials

By: *J. Michael Rose*
J. Michael Rose
President

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on August 29, 1995, by J. Michael Rose, President of BC/Rose, Inc., a Texas Corporation, General Partner of BC Webster Land, L.P., a Texas limited partnership, on behalf of said partnership.



Kelly Yeaney
Notary Public in and for
the State of T E X A S
Printed Name: Kelly Yeaney
My commission expires: 6-21-98

505-17-2602

EXHIBIT A
RESTRICTED PROPERTY

D1/160719.1

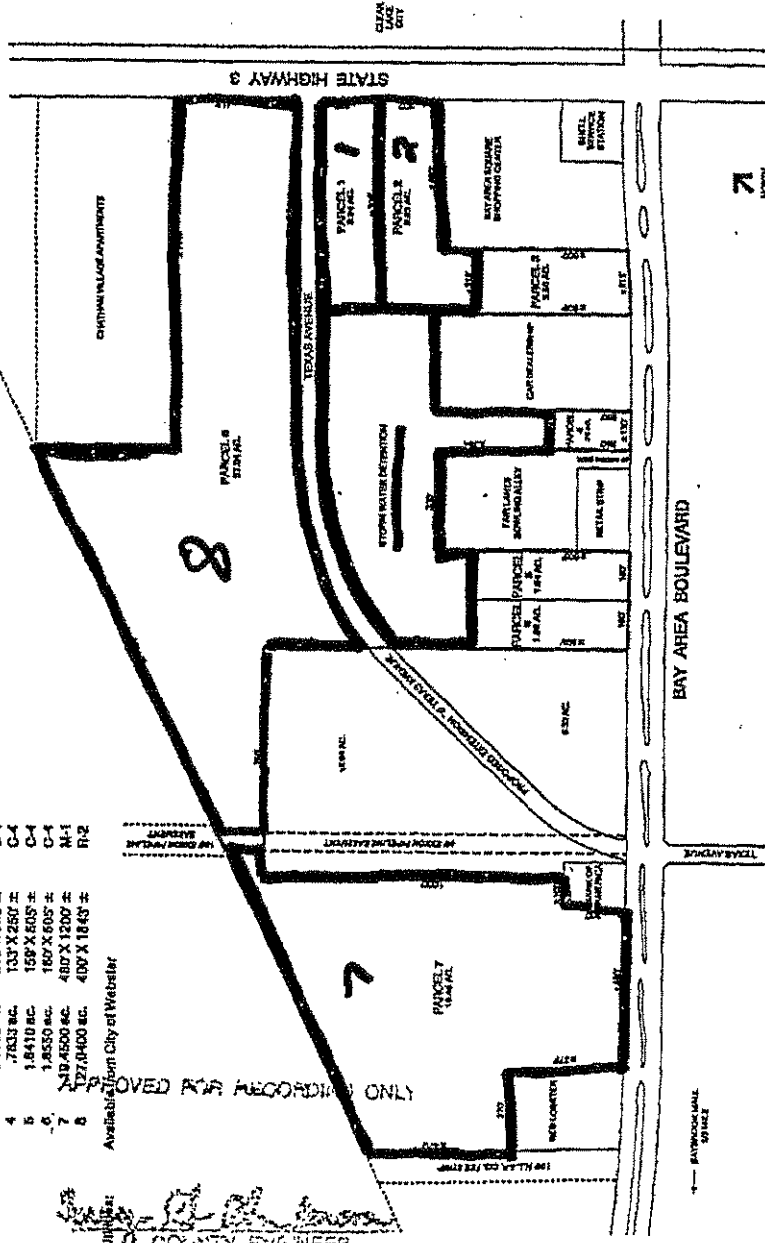
505-17-2603

Location: Bay Area Blvd. @ State Highway 3
City of Webster, Texas

Description:	PARCEL	SIZE	DIMENSION	ZONING
	1	3,2370 ac.	200' X 705' ±	C-4
	2	3,8250 ac.	200' X 705' ±	C-4
	3	2,6000 ac.	216' X 600' ±	C-4
	4	.7833 ac.	133' X 250' ±	C-4
	5	1,8410 ac.	159' X 605' ±	C-4
	6	1,8530 ac.	169' X 605' ±	C-4
	7	19,4500 ac.	480' X 1200' ±	M-1
	8	127,0400 ac.	400' X 1845' ±	R-2

APPROVED FOR RECORDING ONLY

Available from City of Webster
COUNTY ENGINEER



Although the information contained herein has been obtained from sources believed to be reliable, there is no assurance or guarantee as to its accuracy, completeness or currency. The providing of such information does not constitute a representation or warranty of any kind with regard to such information or the property. The property is sold to the purchaser without notice. Reliance by the recipient of any information contained herein is solely at the risk of the recipient.

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S604504

08/22/97 100547302 S604504 \$31.00

FIRST AMENDMENT TO
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

514-46-3520

THE STATE OF TEXAS
COUNTY OF HARRIS

§
§
§

KNOW ALL MEN BY THESE PRESENTS:

THIS FIRST AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (this "Amendment") is made as of August 21, 1997, by BC WEBSTER LAND, L.P., a Texas limited partnership as Declarant under that certain Declaration of Covenants, Conditions and Restrictions dated December 1, 1994 filed for record under Harris County Clerk's File No. 176162, as amended by that certain Correction Declaration of Covenants, Conditions and Restrictions dated as of December 1, 1994 filed for record under Harris County Clerk's File No. 262272 (as amended, the "Declaration"). All initially capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to such terms in the Declaration.

RECITALS

- A. Declarant is the owner of certain real property located in the City of Webster, Harris County, Texas.
- B. Declarant entered into the Declaration to impose upon the Property certain covenants, conditions and restrictions for the purpose of enhancing and protecting the value, quality, and desirability of the Property.
- C. Declarant now desires to amend the Declaration to de-annex certain property from the Declaration, which property is more particularly described on Exhibit A and Exhibit A1 attached hereto and made a part hereof for all purposes (the "De-annexed Property").

NOW THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Declarant hereby amends the Declaration as follows:

- 1. The De-annexed Property is hereby released from the Declaration and shall no longer be considered a part of the Property.
- 2. All other provisions of the Declaration pertaining to the Property are hereby amended to release the De-annexed Property from such provision.
- 3. A new Section 1.1 is hereby added to Article VIII of the Declaration which shall read as follows:

Hold for Partners Title Company
GF # 9725967/CB

514-46-3521

"a. Re-annexation by Metro National Corporation. At any time within eighteen (18) months from the date of this Amendment, Metro National Corporation, or its successor or assign, may unilaterally elect to have the property described on Exhibit A attached hereto re-annexed to the Declaration. Such re-annexation shall be accomplished upon the filing of a notice of re-annexation in the Real Property Records of Harris County, Texas. Nothing further shall be required for the re-annexation of such property.

b. Re-annexation of 3 Acres. In the event that title to the 3 acre tract of land described on Exhibit A-1 attached hereto reverts to Declarant, or its successor or assign, or is conveyed to Declarant, or its successor or assign, after the date of this Amendment, such 3 acre tract will automatically be re-annexed to the Declaration. Nothing further shall be required for the re-annexation of such property."

Declarant hereby confirms and ratifies each of the provisions of the Declaration as amended herein.

IN WITNESS WHEREOF, Declarant does hereby execute this Amendment as of the date first written above.

DECLARANT:

BC WEBSTER LAND, L.P.,
a Texas limited partnership

By: BC/Rose, Inc., a Texas corporation,
general partner

By: 
J. Michael Rose
President

Received Aug 21 04:53PM (07:52) on Line (4) for 'DL1260'
AUG 21 '97 16:53 FR LIDDELL SAPP LLP

WORKSYS printed DL133FC745148DB on Aug 21 04:01PM * Pg 5/13
2142204639 TO 876-17136155260H P.05

EXHIBIT A
(DE-ANNEXED PROPERTY)

514-46-3523

EXHIBIT A

D1998A:69406-1
041186.0000

Amend

T245725

520-86-3707

SECOND AMENDMENT TO
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

THE STATE OF TEXAS
COUNTY OF HARRIS

§
§
§

09/02/98 200745085 T245725 125.00

KNOW ALL MEN BY THESE PRESENTS:

THIS SECOND AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (this "Amendment") is made as of August, 31, 1998, by BC WEBSTER LAND, L.P., a Texas limited partnership, as Declarant under that certain Declaration of Covenants, Conditions and Restrictions dated December 1, 1994, filed for record under Harris County Clerk's File No. 176162, as amended by that certain Correction Declaration of Covenants, Conditions and Restrictions dated as of December 1, 1994, filed for record under Harris County Clerk's File No. 262272 and that certain First Amendment to Declaration of Covenants, Conditions and Restrictions (the "First Amendment") dated August 21, 1997, and filed for record under Harris County Clerk's File No. S604504 (as amended, the "Declaration"). All initially capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to such terms in the Declaration.

RECITALS

- A. Declarant is the owner of certain real property located in the City of Webster, Harris County, Texas.
- B. Declarant entered into the Declaration to impose upon the Property certain covenants, conditions and restrictions for the purposes of enhancing and protecting the value, quality and desirability of the Property.
- C. Declarant now desires to amend the Declaration as set forth below.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Declarant hereby amends the Declaration as follows:

- 1. Exhibit B to the Declaration is hereby deleted in its entirety and the new Exhibit "B" which is attached to this Amendment is substituted in its place. It is the intention of the Declarant to limit the term Detention Area to the actual area in use as detention ponds which is the area described on the new Exhibit "B".
- 2. Section 1.1 of the Declaration is hereby deleted in its entirety. Any and all right of Metro National Association to re-annex to the coverage of the Declaration the property described on Exhibit "A" to the First Amendment is hereby released and terminated so that Metro National Association shall have no further unilateral right to re-annex said property.

SECOND AMENDMENT TO DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS - Page 1

Holl for Partners Title Company
GF# 9926 845 105

520-06-3708

3. J. Michael Rose ("Rose") shall have the unilateral right to re-annex to the coverage of the Declaration, the three (3) acre tract of land described on Exhibit "A-1" to the First Amendment. Rose may exercise said right by (i) filing an amendment to the Declaration (which amendment shall not require the vote of the membership of the Association and any provision in the Declaration to the contrary being hereby amended by this Amendment) stating that such tract is annexed to the coverage of the Declaration and (ii) by giving written notice of such annexation to the acting President or Board of Directors of the Association.

4. Rose shall have the unilateral right to annex to the coverage of the Declaration, the tract of land containing approximately 4.5 acres and which is commonly known on the date of this Amendment as the Ferstl car dealership land. Rose may exercise said right by (i) filing an amendment to the Declaration (which amendment shall not require the vote of the membership of the Association and any provision in the Declaration to the contrary being hereby amended by this Amendment) stating that such tract is annexed to the coverage of the Declaration and (ii) by giving written notice of such annexation to the acting President or Board of Directors of the Association.

5. Rose shall have the unilateral right to de-annex from the coverage of the Declaration the tract of land containing 1.157 acres and which is described on Exhibit "A" attached hereto. Rose may exercise said right by (i) filing an amendment to the Declaration (which amendment shall not require the vote of the membership of the Association and any provision in the Declaration to the contrary being hereby amended by this Amendment) stating that such tract is de-annexed from the coverage of the Declaration and (ii) by giving written notice of such de-annexation to the acting President or Board of Directors of the Association.

6. Article IX, Section 2 of the Declaration is hereby amended to provide that the provisions of Sections 3, 4 and 5 of this Amendment cannot be modified, amended, or deleted and the rights of Rose cannot be abrogated, terminated or diminished by any further amendment of the Declaration without the written consent of Rose.

Declarant hereby confirms and ratifies each of the provisions of the Declaration as amended herein.

IN WITNESS WHEREOF, Declarant does hereby execute this Amendment as of the date first written above.

DECLARANT:

BC WEBSTER LAND, L.P., a Texas limited partnership

By: BC/Rose, Inc., a Texas corporation,
general partner

By: J. Michael Rose
J. Michael Rose
President

520-66-3709

Metro National Corporation joins in the execution of this Amendment for the sole purpose of agreeing to release its rights as set forth in Section 2 of this Amendment.

METRO NATIONAL CORPORATION, a Texas corporation

By: 
Name: WILLIAM L. PEEL, JR.
Title: CHIEF ADMINISTRATIVE OFFICER

16

EXHIBIT E

Baybrook Park Retirement Center

TDHCA No. 04079

TDHCA Response to Neighborhood Organization

Support Letter – Declining to Score



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

Michael Rose
Baybrook Park Owners Association
4545 Post Oak Place, Suite 212
Houston, TX 77027

RE: Neighborhood Input on 2004 Housing Tax Credit Application Baybrook Park Retirement Center
TDHCA Number: 04079

Attention: Michael Rose

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

Insufficient documentation was provided to show that the organization is a 'neighborhood organization' within the meaning of this requirement.

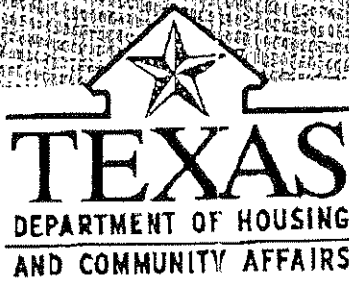
While your letter will not be scored, your comments will still be summarized and provided to the Governing Board of the Department as they make decisions regarding which applications will receive an allocation of credits. You are also welcome to provide public comment at the Board's meetings on these developments which take place on June 28, 2004 and July 28, 2004 in Austin. If you have any questions, please do not hesitate to contact the Department at 512.475.3800. Also, on Friday June 18, 2004 at 10:00 a.m. the Department will conduct an Open Forum at it's office in Austin. If you have any questions or comments about the evaluation of your letter you are invited to attend this forum.

Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division

Executive Director's Response



WWW.TDHCA.STATE.TX.US

June 28, 2004

RICK PERRY
Governor

EDWINA P. CARRINGTON
Executive Director

BOARD MEMBERS
Elizabeth Anderson, Chair
Shadrick Bogany
C. Kent Conine
Vidal Gonzalez
Patrick R. Gordon
Norberto Salinas

Barry Kahn
Baybrook Park Retirement Center, Ltd.
5325 Katy Freeway, Suite One
Houston, TX 77007
Telephone: (713) 871-0063
Fax: (713) 871-1916

Re: Response to appeal received June 14, 2004
Baybrook Park Retirement Center TDHCA Project No. 04079

Dear Mr. Kahn:

Appeal Review

I have carefully reviewed the application you submitted, as well as your appeal that we received on June 14, 2004 on the above-referenced Development, regarding the eligibility of your application to receive points for Quantifiable Community Participation (QCP) under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the Development noted above.

Consistent with that section of the QAP, all letters were reviewed to determine if all submission requirements were met. Unfortunately, the letters did not meet the requirements to be scored.

Insufficient documentation was submitted to establish that the organization is a "neighborhood organizations". The letter states that "there are eight members of the association". The boundary map included with the letter shows that it includes, "CarSpa", "Self Storage", "Suburban Lodges", "Carabba's", "Metro National Corporation", and "Seven Palms". These names do not establish that they are members of the organization that live in the neighborhood. Also, another boundary map provided with the letter showed different boundaries. This evidence was insufficient to demonstrate that the organization is a "neighborhood organization" within the meaning of the requirement.

Appeal Determination

Because of the above mentioned reasons, your appeal is denied.

JUN 29 2004 11:10 AM
00.00 00.00 00.00 00.00 00.00
Mr. Barry Kahn
June 28, 2004

Section 50.18(b)(4) of the 2004 QAP states that if you are not satisfied with this response to your appeal, you may appeal directly in writing to the Board of the Texas Department of Housing and Community Affairs. Please note that an appeal filed with the Board must be received by the Board before the seventh day preceding the date of the Board meeting at which the relevant commitment decision is expected to be made. To have an appeal considered by the Board at the July 8 Board meeting, the appeal must be received by Delores Gronck, Board Secretary, no later than June 30, although it is strongly suggested that you submit it by June 29, 2004.

If you have questions or comments, please call (512) 475-3340.

Sincerely,



Edwina P. Carrington
Executive Director

EPC/BLB/MFMU

Executive Director's Appeal

LOCKE LIDDELL & SAPP LLP

ATTORNEYS & COUNSELORS

100 CONGRESS AVENUE
Suite 300
Austin, Texas 78701-4042

AUSTIN • DALLAS • HOUSTON • NEW ORLEANS

(512) 305-4700
Fax: (512) 305-4800
www.lockeliddell.com

Direct Number: (512) 305-4707
email: cbast@lockeliddell.com

June 10, 2004

Ms. Brooke Boston
Texas Department of Housing and Community Affairs
507 Sabine
Suite 400
Austin, Texas 78701

Re: Baybrook Park Retirement Center (the "Project")
TDHCA No. 04079

Dear Brooke:

We represent Baybrook Park Retirement Center, Ltd. (the "Applicant"). The Applicant has received a notice of scoring for its low-income housing tax credit application and desires to appeal that scoring to the Executive Director in accordance with the 2004 Qualified Allocation Plan (the "QAP"). The Applicant received no points for a letter of support by a neighborhood organization under the Quantifiable Community Participation category.

The Applicant submitted a letter of support from Baybrook Park Owners Association, Inc. (the "Organization"). The Organization's letter was addressed properly. It identified the Project and was signed by an appropriate party. It included documentation verifying the purpose of the Organization, the fact that the Organization is on record with the state or county, and that the Organization's boundaries include the Project. It provided the number of members of the Organization, the process by which the members' decision was made, and the reason for the Organization's support of the Project.

However, the Department has concluded that the Organization is not a "neighborhood organization," and therefore its letter cannot be scored. Based on the Department's letter to the Organization, the Applicant believes that the Organization and its letter meet all of the requirements of the QAP except for the conclusion that it is not a "neighborhood organization."

In response to the Applicant's inquiry as to why the Organization's letter was not scored, Mr. Chris Wittmayer, General Counsel, stated that the Department used a dictionary definition of "neighborhood" as "people living near one another."¹ Thus, the Department defined a neighborhood organization as "an organization of people living near one another and having a primary purpose of

¹ 4th definition, Webster's New Universal Unabridged Dictionary.

working to affect matters related to the welfare of the neighborhood." He asserted that the Department believed the Organization did not meet this definition. The Department's reasoning seemed to include the fact that the Organization's members are owners of both commercial and residential properties and that owners of commercial properties do not constitute "people living near one another."

The Applicant believes that the Organization does constitute a neighborhood organization within the requirements of the QAP and, therefore, its letter of support should be scored. The Organization was created to maintain, preserve, and manage a designated area of approximately 44 acres in Webster, Texas (the "Neighborhood"). The Neighborhood consists of developed and undeveloped property, both commercial and residential, and incorporates the property on which Baybrook Park Retirement Center will be built. The residential use of the property in the Neighborhood includes a current multifamily complex with 360 units. The members of the Organization are working together to try to impact the conditions of the Neighborhood, including the conditions that impact the residents of the existing multifamily housing.

The term "neighborhood organization" is not defined in the QAP or in the Department's enabling statute. Consequently, the Department's staff has struggled with the implementation of a definition for this term that will be suitable for the scoring process. The Applicant sees the interpretation implemented by the Department as being too restrictive and narrow. There is nothing in the QAP or the Department's enabling statute to indicate that commercial property owners cannot be part of a bona fide neighborhood organization. There is nothing in the QAP or the Department's enabling statute to indicate that owners of real property that is intended for residential development cannot be part of a bona fide neighborhood organization. As we understand it, the purpose of the Quantifiable Community Participation requirement was to ensure that the people who will be most immediately affected by a tax credit development have some input on the selection process and to determine whether there was any area opposition to the development, and if so, the basis for the opposition. The members of the Organization for this Neighborhood are such people. They are people with vested property rights who have a legitimate interest and concern with regard to how development proceeds in their area and supported the Applicant's development.

The dictionary used by the Department to establish its definition of "neighborhood" contains an alternative definition as follows: "a community, region, area, or territory, especially with regard to some characteristic; as, they live in an attractive *neighborhood*."² The Neighborhood clearly meets this definition. Had the Department selected this definition (the third definition in the dictionary) versus the chosen definition (the fourth definition in the dictionary), we would not be writing this letter. The Applicant sincerely believes that a broader definition would do service to the applicants in the tax credit program, to the people who own real estate and want to have a voice as to the development of their community and to the legislative intent of the statute that imposed the Quantifiable Community Participation requirement.

However, even if the Department continues to use the definition of "people living near one another", the Applicant asserts that the existing multifamily complex constitutes "people living near one

² 3rd definition, Webster's New Universal Unabridged Dictionary.

Brooke Boston
June 10, 2004
Page 3

another" and, thus, the Organization should be considered a valid neighborhood organization for scoring purposes.

The Applicant worked very closely with the Organization and its members in developing the site plan for Baybrook Park Retirement Center and accepted the Organization's input in the planning process. The Applicant is proud to have the support of the Organization and believes this support is deserving of points on the tax credit application. Therefore, we respectfully request that Baybrook Park Owners Association, Inc. be deemed a neighborhood organization under the QAP so that its letter or support can be counted as Quantifiable Community Participation with regard to this tax credit application. Thank you for your consideration of this matter.

Sincerely,



Cynthia L. Bast

CLB/saf

cc: Baybrook Park Retirement Center, Ltd.

QCP Documentation



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

Michael Rose
Baybrook Park Owners Association
4545 Post Oak Place, Suite 212
Houston, TX 77027

RE: Neighborhood Input on 2004 Housing Tax Credit Application Baybrook Park Retirement Center
TDHCA Number: 04079

Attention: Michael Rose

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

Insufficient documentation was provided to show that the organization is a 'neighborhood organization' within the meaning of this requirement.

While your letter will not be scored, your comments will still be summarized and provided to the Governing Board of the Department as they make decisions regarding which applications will receive an allocation of credits. You are also welcome to provide public comment at the Board's meetings on these developments which take place on June 28, 2004 and July 28, 2004 in Austin. If you have any questions, please do not hesitate to contact the Department at 512.475.3800. Also, on Friday June 18, 2004 at 10:00 a.m. the Department will conduct an Open Forum at it's office in Austin. If you have any questions or comments about the evaluation of your letter you are invited to attend this forum.

Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division

BAYBROOK PARK RETIREMENT CENTER

TDHCA #04079

Neighborhood Support Letter

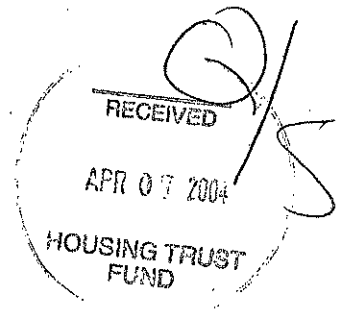


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Contact: W. Barry Kahn
(713) 871-0063
Fax (713) 871-1916

Texas Department of Housing and Community Affairs
507 Sabine Street
P. O. Box 13941
Austin, Texas 78711-3941
Attn: Director of Multifamily Finance Production Division (Neighborhood Input)

Re: Baybrook Park Retirement Center
500 Texas Avenue
Webster, TX

Dear Ladies and Gentlemen:

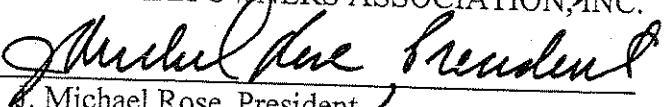
The annual meeting of Baybrook Park Owners Association, Inc. was held on February 23, 2004. This is an association covering approximately 44 acres and whose restrictions are recorded under Clerk's file # R176162, as amended by Clerk's File #R262272, S604504 and T245725, in the Harris County Deed records. One of the agenda items was a discussion of Baybrook Park Retirement Center. An approximate 5.6 acre site in the boundaries of this association is the site on which the proposed development is to be built. The restrictions include provisions that each owner in the association is obligated to maintain, repair, replace and renew all improvements on a tract so as to keep same in a clean, sightly, safe, and first-class condition consistent with the original intended appearance.

Members owning a majority of the voting rights for the association were present at the annual meeting and supported the Baybrook Park Retirement Center. The members in attendance felt the development would be a positive addition to the area. Currently, there are eight members of the association. The elderly development is suitable for the location and complements another elderly multifamily development with rents substantially higher than the proposed development. The development will also benefit the other merchants that are part of the association and should encourage development of the remaining undeveloped land covered by the boundaries of the association.

Should you have any further questions please do not hesitate to call us.

BAYBROOK PARK OWNERS ASSOCIATION, INC.

BY:

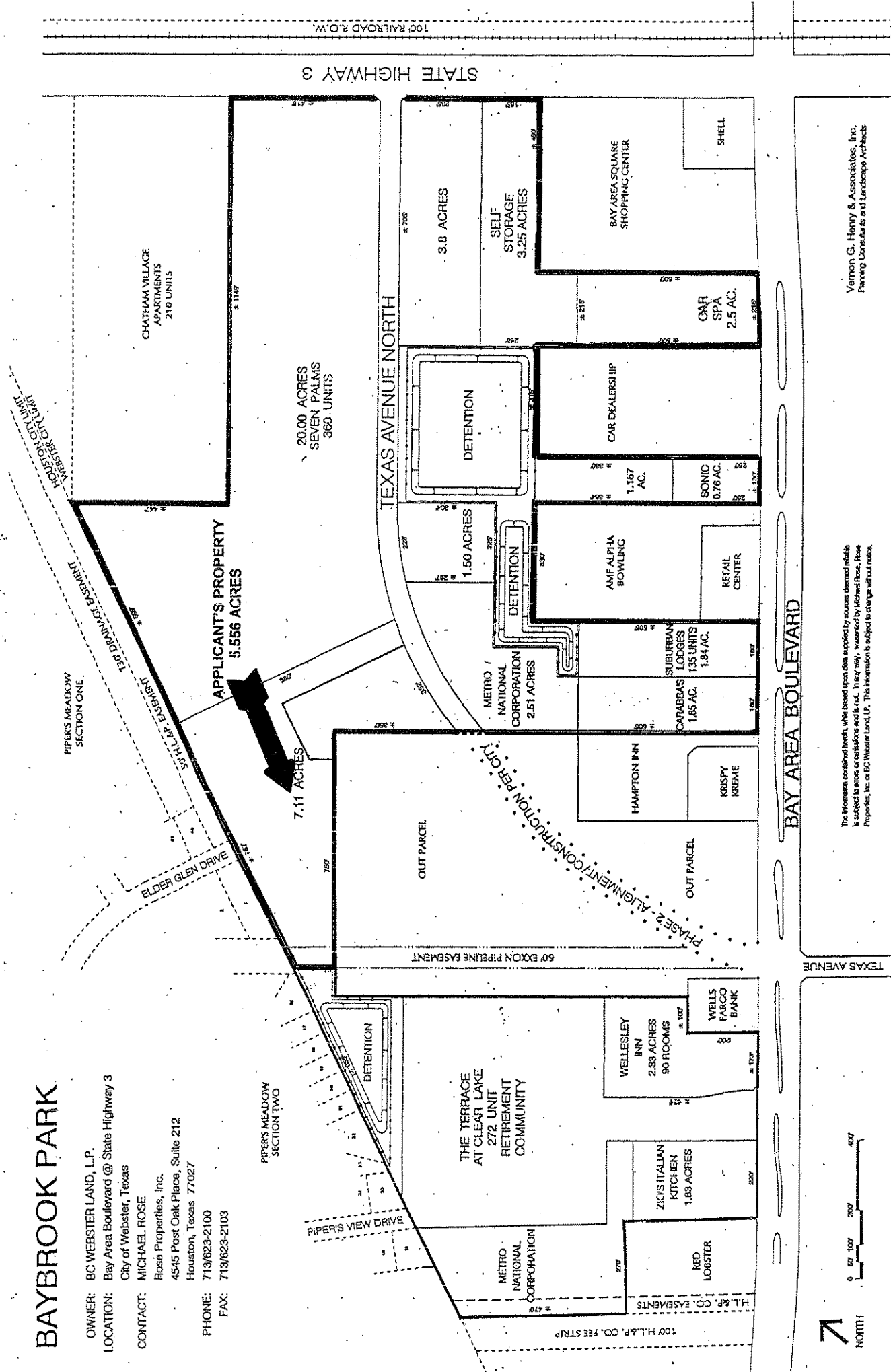

Michael Rose, President

**BOUNDARIES OF
NEIGHBORHOOD ASSOCIATION
ARE OUTLINED IN RED**

TDHCA #04079

BAYBROOK PARK

OWNER: BC WEBSTER LAND, L.P.
 LOCATION: Bay Area Boulevard @ State Highway 3
 City of Webster, Texas
 CONTACT: MICHAEL ROSE
 Rosé Properties, Inc.
 4545 Post Oak Place, Suite 212
 Houston, Texas 77027
 PHONE: 713/623-2100
 FAX: 713/623-2103



Vernon G. Henry & Associates, Inc.
 Planning Consultants and Landscape Architects

The information contained herein, while based upon data supplied by sources deemed reliable is subject to errors or omissions and is not, in any way, warranted by Michael Rose, Rose Properties, Inc. or BC Webster Land, L.P. This information is subject to change without notice.

ARTICLES OF INCORPORATION
OF
BAYBROOK PARK OWNERS ASSOCIATION, INC.

SECRETARY
AUG 26 1998
Corporations Section

The undersigned, a natural person of the age of eighteen (18) years or more, acting as incorporator of the corporation under the Texas Non-Profit Corporation Act (the "Act"), hereby adopts the following Articles of Incorporation for such corporation. All terms as used herein shall have the same meanings as set forth in the Declaration (as hereinafter defined) unless otherwise specified and defined herein.

ARTICLE I

The name of the corporation is Baybrook Park Owners Association, Inc. (hereinafter referred to as the "Association").

ARTICLE II

The Association is a non-profit corporation.

ARTICLE III

The period of its duration shall be perpetual.

ARTICLE IV

The Association is organized pursuant to the Act and does not contemplate pecuniary gain or profit to the members thereof and is organized for non-profit purposes. The purposes for which the Association is formed are to provide for the maintenance, preservation and management of the Maintenance Area, as defined in that certain Declaration of Covenants, Conditions and Restrictions dated December 1, 1994, and filed for record under Harris County Clerk's File No. R176162, as amended by that certain Correction Declaration of Covenants, Conditions and Restrictions dated December 1, 1994, and filed for record under Harris County Clerk's File No. R262272 and by that certain First Amendment to Declaration of Covenants, Conditions and Restrictions dated August 21, 1997, and filed for record under Harris County Clerk's File No. S604504, all in the Official Public Records of Real Property of Harris County, Texas (together with any further amendments, collectively, the "Declaration"), together with any related documents filed of record. The term "Property" shall mean the Property as such term is defined in the Declaration and any and all other property which is accepted from time to time by the Association for similar purposes, and to promote the health, safety and welfare of the Owners within the Property and any and all other property which is accepted by the Association for similar purposes. Without limiting the foregoing, the purposes of the Association shall include, without limitation, the following:

10421 (REV. 7/1985)

(a) The Association may exercise all of the powers and privileges and perform all of the duties and obligations of the Association as set forth in the Declaration, as same may be amended from time to time, the Declaration being incorporated herein by reference as if set forth at length herein.

(b) The Association may (i) fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration and/or Bylaws adopted by the Board of Directors of the Association (the "Bylaws"), (ii) as agent, pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association including all licenses, taxes or governmental charges levied or imposed against the property of the Association, (iii) make disbursements, expenditures and payments on behalf of the Owners as required by the Declaration and the Bylaws, and (iv) hold as agent for Owners reserves for periodic repairs, maintenance and capital improvements to be made as directed by the Owners acting through the Board of Directors of the Association.

(c) The Association may acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association subject to the limitations, if any, set forth in the Declaration.

(d) The Association may borrow money, mortgage, pledge or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred, subject to the limitations, if any, set forth in the Declaration.

(e) The Association may provide management, upkeep, maintenance, repair, care of and general sanitation and cleanliness of the Maintenance Area as provided in the Declaration.

(f) The Association may incur or assume obligations and duties of the City of Webster, Texas, or any other governmental authority, regarding the development, operation and maintenance of the Maintenance Area and any improvements within the Maintenance Area.

(g) The Association may enter into and perform any contract and exercise all powers which may be necessary or convenient to the operation, management, maintenance and administration of the affairs of the Association in accordance with the Declaration.

(h) The Association may dedicate, sell or transfer all or any part of the Maintenance Area to any public agency, authority or utility company for such purposes and subject to such conditions as may be agreed to by the members.

(i) The Association may participate in mergers and consolidations with other non-profit corporations organized for the same purposes or annex additional property and Maintenance Area.

(j) The Association may additionally have and exercise any and all powers, rights and privileges that a corporation organized under the Act may now or hereafter exercise.

ARTICLE V

Every Owner shall be a member of the Association. Membership shall be appurtenant to and shall not be separated from ownership of a portion of the Property. Every member shall have the right at all reasonable times during business hours to inspect the books of the Association. The foregoing is not intended to include mortgage companies or other persons or entities holding an interest in any portion of the Property merely as security for the performance of an obligation.

ARTICLE VI

The Association shall have two (2) classes of voting membership:

(a) The Class A Members shall be all Owners with the exception of Declarant. Class A Members shall be entitled to one (1) vote for each 7,500 square feet of land area of the Property owned. In the case of fractional votes, the vote shall be rounded off to the nearest whole number. When more than one (1) person holds an interest in any Tract, all such persons shall be members, but the vote for each Tract shall be exercised as they, among themselves, determine. Any Owner of a Tract which is leased may, in the lease or other instrument, assign the voting rights appurtenant to the Tract to the lessee, provided that a copy of the instrument is furnished to the secretary of the Association prior to any meeting.

(b) The Class B Member shall be the Declarant who shall be initially entitled to three hundred-sixty (360) votes; this number shall be decreased by one (1) vote for each Class A vote existing at any one time. The Class B membership shall cease and be converted to Class A membership on the earlier of: (i) one hundred-twenty (120) days after the conveyance of the Tract which causes the total votes outstanding in Class B to equal or be less than the total votes outstanding in Class A, or (ii) thirty (30) days after Declarant's written notice to the Association of its election to convert its Class B membership to Class A membership.

(c) All voting rights of an Owner shall be suspended during any period in which such Owner is delinquent in the payment of any assessment duly established pursuant to the Declaration or is otherwise in default under the Declaration or the Bylaws or any rules or regulations of the association and such suspension shall apply to the proxy authority of any voting representative, if any.

All notice requirements and other matters relating to voting in other matters of the Association shall be as set forth in the Bylaws of the Association.

ARTICLE VII

The street address of the initial registered office of the Association is 4545 Post Oak Place, Suite 212, Houston, Texas 77027, and the name of its initial registered agent at such address is J. Michael Rose.

ARTICLE VIII

The members of the Association shall elect the Board of Directors of the Association (the "Board"), and the Board shall, by majority rule, conduct all of the business of the Association, except when membership votes are required pursuant to the Declaration, the Articles of Incorporation or Bylaws of the Association. The number of Directors constituting the initial Board is three (3), and the names and addresses of the persons who are to serve as the initial Board are:

<u>Name</u>	<u>Address</u>
J. Michael Rose	4545 Post Oak Place, Suite 212 Houston, Texas 77027
Brian A. Kueker	3131 McKinney Avenue, Suite 404 Dallas, Texas 75204
William Heap	3131 McKinney Avenue, Suite 404 Dallas, Texas 75204

The Board may make whatever rules and Bylaws it deems necessary to govern the Association and its members; provided, however, any conflict between such Bylaws and the provisions hereof shall be controlled by the provisions of the Declaration.

ARTICLE IX

The name and street address of the incorporator is:

<u>Name</u>	<u>Address</u>
Gardner Savage	600 N. Pearl Street Suite 1600 Dallas, Texas 75201

ARTICLE V

No Director of the Association shall be personally liable to the Association for monetary damages for any act or omission in the Director's capacity as a Director, except that this Article does not eliminate or limit the liability of a Director for (1) a breach of a Director's duty of loyalty to the Association, (2) an act or omission not in good faith or that involves intentional misconduct or a knowing violation of the law, (3) a transaction from which a Director received an improper benefit, whether or not the benefit resulted from an action taken within the scope of the Director's office, or (4) an act or omission for which the liability of a Director is expressly provided for by statute. Neither the amendment nor repeal of this Article shall eliminate or reduce the effect of this Article in respect of any matter occurring, or any cause of action, suit or claim that, but for this Article, would accrue or arise, prior to such amendment or repeal. If the Act or the Texas Miscellaneous Corporation Laws Act (the "TMC Act") is hereafter amended to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a Director of the Association shall be eliminated or limited to the fullest extent permitted by the Act or the TMC Act, as so amended from time to time. Without limiting the foregoing, the following shall apply:

(a) The Association shall indemnify, to the extent provided in the following paragraphs, any person who is or was a director, officer, agent or employee of the Association. In the event the provisions of indemnification set forth below are more restrictive than the provisions of indemnification allowed by Article 1396-2.22A of the TMC Act, then such persons named above shall be indemnified to the full extent permitted by Article 1396-2.22A of the TMC Act as it may exist from time to time.

(b) In case of a threatened or pending suit, action or proceeding (whether civil, criminal, administrative or investigative) against a person named in paragraph (a) above by reason of such person's holding a position named in such paragraph (a), the Association shall indemnify such person if such person satisfies the standard contained in paragraph (c) below, for amounts actually and reasonably incurred by such person in connection with the defense or settlement of the suit as expenses (including court costs and attorneys' fees), amounts paid in settlement, judgments, penalties (including excise and similar taxes), and fines.

(c) A person named in paragraph (a) above will be indemnified unless it is determined in accordance with paragraph (d) below that such person failed to:

- (i) act in good faith in the transaction which is the subject of the suit; and
- (ii) reasonably believe:

(A) if acting in his or her official capacity as director, officer, agent or employee of the Association, that his or her conduct was in the best interests of the Association; and

(B) in all other cases, that his or her conduct was not opposed to the best interests of the Association; and

(iii) in the case of any criminal proceeding, have reasonable cause to believe that his or her conduct was unlawful.

The termination of a proceeding by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, will not, of itself, create a presumption that such person failed to satisfy the standard contained in this paragraph (c).

(d) A determination that the standard in paragraph (c) above has been satisfied must be made:

(i) by a majority vote of a quorum consisting of Directors who at the time of the vote are not named defendants or respondents in the proceeding; or

(ii) if such quorum cannot be obtained, by a majority vote of a committee of the Board, designed to act in the matter by a majority vote of all Directors, consisting solely of two (2) or more Directors who at the time of the vote are not named defendants or respondents in the proceeding; or

(iii) by special legal counsel selected by the Board or a committee of the Board by vote as set forth in subparagraphs (i) or (ii) above, or, if such quorum cannot be obtained and such a committee cannot be established, by a majority vote of all Directors.

(e) Determination as to reasonableness of expenses must be made in the same manner as the determination that indemnification is permissible, except that if the determination that indemnification is permissible is made by special legal counsel, determination as to reasonableness of expenses must be made in the manner specified by subparagraph (d)(iii) above for the selection of special legal counsel.

(f) The Association may reimburse or pay in advance any reasonable expenses (including court costs and attorneys' fees) which may become subject to indemnification under paragraphs (a) through (e) above, but only in accordance with the provisions as stated in paragraph (d) above, and only after the person to receive the payment (i) signs a written affirmation of his or her good faith belief that he or she has met the standard of conduct necessary for indemnification under paragraph (c), and (ii) undertakes in writing to repay such advances if it is ultimately determined that such person is not entitled to indemnification by the Association. The written undertaking required by this paragraph must be a general obligation of the person but need not be secured. It may be accepted without reference to financial ability to make repayment.

(g) The indemnification provided by paragraphs (a) through (e) above will not be exclusive of any other rights to which a person may be entitled to by law, bylaws, agreement, vote of Members or disinterested Directors, or otherwise.

(h) The indemnification and advance payment provided by paragraphs (a) through (f) above will continue as to a person who has ceased to hold a position named in paragraph (a) above and will inure to such person's heirs, executors and administrators.

(i) The Association may purchase and maintain insurance on behalf of any person who holds or has held any position named in paragraph (a) above against any liability incurred by such person in any such position, or arising out of such person's status as such, whether or not the Association would have power to indemnify such person against such liability under paragraphs (a) through (f) above.

(j) Indemnification payments and advance payments made under paragraphs (a) through (i) above are to be reported in writing to the Members of the Association in the next notice or waiver of notice of annual meeting, or within twelve (12) months after the payments are made, whichever is sooner.

(k) All liability, loss, damage, cost and expense incurred or suffered by the Association by reason of or arising out of, or in connection with, the foregoing indemnification provisions shall be treated and handled by the Association as an expense subject to special assessment.

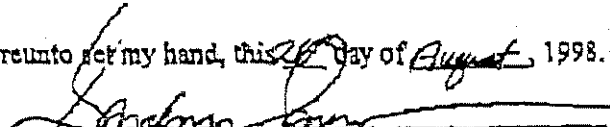
ARTICLE XI

The Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of each class of voting members. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which the Association was created. In the event such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to such similar purposes.

ARTICLE XII

Amendment of these Articles shall require the assent of two-thirds (2/3rds) of the entire membership.

IN WITNESS WHEREOF, I have hereunto set my hand, this 26th day of August, 1998.


GARDNER SAVAGE, Incorporator



The State of Texas
Secretary of State

CERTIFICATE OF INCORPORATION

OF

BARJABOK PARK OWNERS ASSOCIATION, INC.
CHARTER NUMBER 01503529

THE UNDERSIGNED, AS SECRETARY OF STATE OF THE STATE OF TEXAS,
HEREBY CERTIFIES THAT THE ATTACHED ARTICLES OF INCORPORATION FOR THE
ABOVE NAMED CORPORATION HAVE BEEN RECEIVED IN THIS OFFICE AND ARE
FOUND TO CONFORM TO LAW.

ACCORDINGLY, THE UNDERSIGNED, AS SECRETARY OF STATE, AND BY VIRTUE
OF THE AUTHORITY VESTED IN THE SECRETARY BY LAW, HEREBY ISSUES THIS
CERTIFICATE OF INCORPORATION.

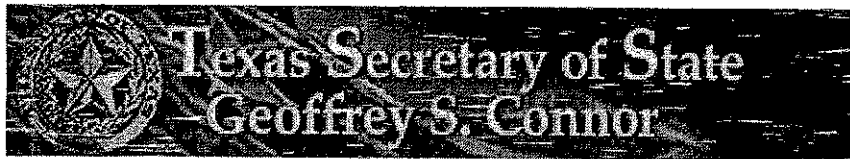
ISSUANCE OF THIS CERTIFICATE OF INCORPORATION DOES NOT AUTHORIZE
THE USE OF A CORPORATE NAME IN THIS STATE IN VIOLATION OF THE RIGHTS OF
ANOTHER UNDER THE FEDERAL TRADEMARK ACT OF 1946, THE TEXAS TRADEMARK LAW,
THE ASSUMED BUSINESS OR PROFESSIONAL NAME ACT OR THE COMMON LAW.

DATED AUG. 26, 1998

EFFECTIVE AUG. 26, 1998



Alberto R. Gonzales, Secretary of State



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BUSINESS ORGANIZATIONS INQUIRY - VIEW ENTITY

Filing Number: 150352901 **Entity Type:** Domestic Nonprofit Corporation
Original Date of Filing: August 26, 1998 **Entity Status:** In existence
Formation Date: N/A **Non-Profit Type:** N/A
Tax ID: 32000914799 **FEIN:**
Duration: Perpetual
Name: BAYBROOK PARK OWNERS ASSOCIATION, INC.
Address: 4545 POST OAK PLACE DR SUITE 212
 HOUSTON, TX 77027-3105 USA

<u>REGISTERED AGENT</u>	<u>FILING HISTORY</u>	<u>NAMES</u>	<u>MANAGEMENT</u>	<u>ASSUMED NAMES</u>	<u>ASSOCIATED ENTITIES</u>
View Image	Document Number	Filing Type	Filing Date	Effective Date	Eff. Cond Page Count
N/A	6920113	Articles Of Incorporation	August 26, 1998	August 26, 1998	No N/A
<input checked="" type="checkbox"/>	775310002	9.01 Periodic Report	August 16, 2001	August 16, 2001	No 1
N/A	7751152	Public Information Report (PIR)	December 31, 2001	December 31, 2001	No N/A
<input checked="" type="checkbox"/>	26815140001	Public Information Report (PIR)	December 31, 2002	February 12, 2003	No 1
<input checked="" type="checkbox"/>	49735810001	Public Information Report (PIR)	December 31, 2003	December 18, 2003	No 1

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 HOUSTON, TX 77027-3105 USA

<u>REGISTERED AGENT</u>	<u>FILING HISTORY</u>	<u>NAMES</u>	<u>MANAGEMENT</u>	<u>ASSUMED NAMES</u>	<u>ASSOCIATED ENTITIES</u>
Last Update	Name	Title	Address		
December 18, 2003	J MICHAEL ROSE	PRESIDENT	4545 POST OAK PLACE DR SUITE 212 HOUSTON, TX 77027-3105 USA		
December 18, 2003	J MICHAEL ROSE	DIRECTOR	4545 POST OAK PLACE DR SUITE 212 HOUSTON, TX 77027-3105 USA		
December 18, 2003	WILLIAM HEAP	VICE PRESIDENT	3767 FOREST LANE SUITE 124 LB 445 DALLAS, TX 75244 USA		
December 18, 2003	WILLIAM HEAP	DIRECTOR	3767 FOREST LANE SUITE 124 LB 445 DALLAS, TX 75244 USA		
December 18, 2003	BRIAN A KUEKER	SECRETARY	3767 FOREST LANE SUITE 124 LB 445 DALLAS, TX 75244 USA		
December 18, 2003	BRIAN A KUEKER	TREASURER	3767 FOREST LANE SUITE 124 LB 445 DALLAS, TX 75244 USA		
December 18, 2003	BRIAN A KUEKER	DIRECTOR	3767 FOREST LANE SUITE 124 LB 445 DALLAS, TX 75244 USA		

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R176162

01-4617

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

Restv

12/05/94 00275394 R176162 \$ 64.00

THIS DECLARATION is made on the 1st day of December, 1994 by BC Webster Land, L.P., a Texas limited partnership, hereinafter referred to as the "Declarant."

501-00-3653

WITNESSETH

WHEREAS, the Declarant is the owner of certain real property in the City of Webster (the "City"), Harris County, Texas, which is described in Exhibit "A" attached hereto and made a part hereof (the "Property");

WHEREAS, Declarant desires to impose upon the Property certain covenants, conditions and restrictions for the purpose of enhancing and protecting the value, quality, and desirability of the Property;

NOW THEREFORE, the Declarant declares that the Property shall be held, sold and conveyed subject to the restrictions, covenants and conditions declared below, which shall be deemed to be covenants running with the land and imposed on and binding on all Owners and Occupants and any other parties having or acquiring any right, title, or interest in or to any portion of the Property, their respective heirs, personal representatives, successors and assigns, and shall inure to the benefit of each Owner thereof.

64
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ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to Baybrook Park Owners Association, Inc., a Texas not-for-profit corporation established for the purpose set forth herein.

RETURN TO:
Texas State Title
10000 Memorial Drive
Suite 400
Houston, Texas 77024

501-00-3654

Section 2. "Board of Directors" or "Board" shall mean and refer to the elected body of the Association having its normal meaning under Texas corporate law.

Section 3. "Declarant" shall mean and refer to BC Webster Land, L.P., its successors and assigns who are designated as such in writing by the Declarant, and who consent in writing to assume the duties and obligations of the Declarant with respect to the Property acquired by such successor or assign.

Section 4. "Declaration" shall mean and refer to this Declaration of Covenants, Conditions and Restrictions and any amendments, annexations and supplements thereto made in accordance with its terms.

Section 5. "Detention Area" shall mean and refer to that portion of the Property containing a detention pond and related drainage conveyed to the Association for the use and benefit of the Owners, covering and affecting the real property described on Exhibit B attached hereto and made a part hereof for all purposes.

Section 6. "Improvement" or "Improvements" shall mean and refer to all structures or other improvements to the Property of any kind whatsoever, whether above or below grade, including, but not limited to, buildings, utility installations, storage, loading and parking facilities, fences, walls, poles, walkways, driveways, landscaping, ponds, lakes, signs, site lighting, site grading, drainage systems and earth movement, and any exterior additions, changes, or alterations thereto.

Section 7. "Maintenance Area" shall mean and refer to the Detention Area and the drainage facilities, detention ponds, right-of-way landscaping, if any, and such other areas lying within any dedicated public easements or right-of-way as deemed appropriate by the Board of

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Directors of the Association for the preservation, protection and enhancement of the property values and the general health, safety and welfare of the Owners.

Section 8. "Owner" or "Owners" shall mean and refer to the record owner or owners, of the fee simple title to any portion of the Property, but excluding those having an interest merely as security for the performance of an obligation until such time as such a security holder becomes the record owner of the Property or any portion thereof (whether by foreclosure or otherwise).

Section 9. "Occupant" or "Occupants" shall mean any party or parties legally entitled to occupy and use any portion of the Property or an Improvement.

Section 10. "Property" shall mean and refer to the real property described in Exhibit "A" and such additions thereto as may be brought within the jurisdiction of the Association and be made subject to this Declaration.

Section 11. "Tract" shall mean and refer to each parcel of land within the Property as designated by the Declarant, or shown on a recorded plat of the Property, or those lands annexed thereto, and established for the purpose of constructing an office, retail, commercial, educational, municipal, governmental or similar structure thereon.

ARTICLE II

BAYBROOK PARK OWNERS ASSOCIATION, INC.

Section 1. Establishment of Association. The formal establishment of the Baybrook Park Owners Association will be accomplished by the filing of the Articles of Incorporation of Baybrook Park Owners Association, Inc. with the Secretary of State for the State of Texas and

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the subsequent issuance by the Secretary of State of the Certificate of Incorporation of Baybrook Park Owners Association, Inc.

Section 2. Adoption of By-Laws. Bylaws for the Baybrook Park Owners Association, Inc. will be established and adopted by the Board of Directors of the Association.

Section 3. Membership. The Declarant and every other Owner shall be a member of the Association. Membership shall be appurtenant to and shall not be separated from ownership of the Property. Every member shall have the right at all reasonable times during business hours to inspect the books of the Association.

Section 4. Voting Rights. The Association shall have two classes of voting membership:

(a) Class A. Class A Members shall be all Owners with the exception of Declarant and shall be entitled to one (1) vote for each 7,500 square feet of land area owned. In the case of fractional votes, the vote shall be rounded off to the nearest whole number. When more than one person holds an interest in any Tract, all such persons shall be members, but the vote for each Tract shall be exercised as they among themselves determine. Any Owner of a Tract which is leased may, in the lease or other written instrument, assign the voting right appurtenant to the Tract to the lessee, provided that a copy of the instrument is furnished to the secretary of the Association prior to any meeting.

(b) Class B. The Class B Member shall be the Declarant who shall be initially entitled to 360 votes; this number shall be decreased by one (1) vote for each Class A vote existing at any one time. The Class B membership shall cease and be converted to Class A membership on the earlier of: (i) one hundred (120) days after the conveyance of the Tract

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which causes the total votes outstanding in Class B to equal or be less than the total votes outstanding in Class A or (ii) thirty (30) days after Declarant's written notice to the Association of its election to convert its Class B membership to Class A membership.

(c) Suspension. All voting rights of an Owner shall be suspended during any period in which such Owner is delinquent in the payment of any assessment duly established pursuant to this Article or is otherwise in default hereunder or under the By-Laws or Rules and Regulations of the Association and such suspension shall apply to the proxy authority of any voting representative, if any.

Section 5. Notice and Quorum. Written notice of any meeting called for the purpose of taking any action authorized herein shall be sent to all Owners, not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At any such meeting called, the presence of members or of proxies of voting representatives entitled to cast a majority of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement and the required quorum at such subsequent meeting shall be a majority of the quorum requirement for such prior meeting. The Association may call as many subsequent meetings as may be required to achieve a quorum (the quorum requirement being reduced for each such meeting, but not below any quorum required by law). No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

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ARTICLE III
MAINTENANCE

Section 1. Detention Area Maintenance. The Association shall maintain and keep in good repair the Maintenance Area after completion of construction of all improvements to the Maintenance Area required by the City of Webster, Texas to be completed by Declarant. Such maintenance shall be funded as hereinafter set forth. This maintenance shall include, but not be limited to, maintenance, repair, and replacement, subject to any insurance then in effect, of all landscaping and other flora, structures, and improvements situated upon the Detention Area, including any detention ponds, fencing, levees or bulkheads.

Section 2. Easements for Detention Area Maintenance. Perpetual non-exclusive easements for ingress and egress over, under, across, in and upon the Property, including the Tracts, are hereby declared, created and reserved by the Declarant for the benefit and use of the Association, its successors and assigns, agent and employees, to provide reasonable access to the Detention Area and to enter upon the Property, including the Tracts, for the purpose of performing the Detention Area maintenance required under Section 1 above.

Section 3. Owner's Maintenance. Each Owner and Occupant shall at all times be obligated to maintain, repair, replace and renew or cause to be maintained, repaired; replaced, or renewed all Improvements on a Tract so owned or occupied (and the area between the boundary lines of adjacent property and adjacent streets if such area is not otherwise maintained), so as to keep same in a clean, sightly, safe and first-class condition consistent with its original intended appearance. Unless expressly assumed by the Association, an Owner's maintenance obligation shall include, but not be limited to: the maintenance of all visible

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exterior surfaces of all buildings and other Improvements; the prompt removal of all paper, debris, refuse; the removal and replacement of dead and diseased trees and plantings from all areas of its property and all snow and ice from paved areas; the repair, replacement, cleaning, and revamping of all signs and lighting fixtures; the mowing, watering, fertilizing, weeding, replanting, and replacing of all landscaping; and during construction, the cleaning of dirt, construction debris and other construction-related refuse from streets and storm drains and inlets. If any Improvement is damaged or destroyed, the Owner shall diligently proceed to restore such Improvement to the condition existing prior to such damage or destruction or, in the alternative, raze and remove such Improvement and landscape the property.

Section 4. Enforcement. If, in the opinion of the Association, any such Owner or Occupant has failed in any of the foregoing duties or responsibilities, then the Association shall give such person, by certified mail, return receipt requested, written notice of such failure. Such person shall within ten (10) days after receiving such notice commence to undertake the care and maintenance required, and shall complete said care and maintenance within forty-five (45) days after receiving such notice. Should such person fail to fulfill this duty and responsibility after such notice, the Association shall have the right and power to enter into the premises and perform such care and maintenance without any liability for wrongful entry, trespass or otherwise to any person. The Owners shall be liable for the cost of such work. If such Owner shall fail to reimburse the Association within thirty (30) days after receipt of a statement for such work, then the amount of such charge shall constitute a lien on the Tract on which the work was performed. Such lien shall be enforceable as any other assessment lien as provided in this Declaration.

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ARTICLE IV

ASSESSMENTS

Section 1. Creation of Maintenance Assessment. Subject to the terms of this Article, Declarant, hereby covenants to pay, and each Owner, by acceptance of a deed, whether or not it shall be so expressed in such deed, covenants and agrees to pay to the Association maintenance assessments or charges, such assessments to be established and collected as hereinafter provided. Such assessments will remain effective for the full term (and extended term, if applicable) of this Declaration. The assessments, together with interest, costs, and reasonable attorneys' fees, shall be a charge on the land and shall be a continuing lien upon the Tract against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorneys' fees shall also be the personal obligation of the person who was the Owner of the Tract at the time the assessment fell due and such Owner's grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance, except no first mortgagee who obtains title to a Tract pursuant to the remedies provided in the mortgage shall be liable for unpaid assessments which accrued prior to such acquisition of title.

Section 2. Computation of Assessments.

(a) Subject to the terms of this Article, each Tract is hereby subject to an initial maximum maintenance charge to be determined by the Board of Directors of the Association for the purpose of creating a fund to be designated and known as the "maintenance fund," which maintenance charge and assessment will be paid by the Owner or Owners of each Tract in such manner and on such dates as may be fixed by the Board of Directors of the

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Association which may include, without limitation, a prepayment requirement of the annual assessment for all Owners. Unless the Board otherwise provides, the assessments shall be paid in monthly installments. The assessment for each Tract shall be allocated equally among each 7,500 square feet of land area in a Tract (which may be apportioned among any commercial units therein). The first annual maintenance assessment shall commence on the first day of the month following the initial conveyance of the Detention Area to the Association and completion by the Declarant of all improvements required by the City of Webster, Texas to the Detention Area to be completed by Declarant, and shall continue thereafter from year to year. The Association shall, upon written demand and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether or not the assessment has been paid for the assessment period.

(b) Detention Area Exempt. The Detention Area and all portions of the Property owned or otherwise dedicated to any political subdivision, shall be exempt from the assessments and lien created herein.

Section 3. Purpose of Maintenance Fund. The Association shall establish a maintenance fund composed of Owners' maintenance assessments and shall use the proceeds of such fund in providing for normal, recurring maintenance charges for the Maintenance Area for the use and benefit of all members of the Association. Such uses and benefits to be provided by the Association may include, by way of clarification and not limitation, any and all of the following: normal, recurring maintenance of the Maintenance Area (including, but not limited to, mowing, edging, watering, clipping, sweeping, pruning, raking, and otherwise caring for existing landscaping) and the improvements to such Maintenance Area, such as levees, bulkheads, and

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sprinkler systems, if any, provided the Association shall have no obligation (except as expressly provided hereinafter) to make capital improvements to the Maintenance Area; payment of all legal and other expenses incurred in connection with the enforcement of all recorded covenants, restrictions, and conditions affecting the property to which the maintenance fund applies; and doing any other thing or things necessary or desirable in the opinion of the Board of Directors to keep the Property neat and in good order, or which is considered of general benefit to the Owners or Occupants of the Property, it being understood that the judgment of the Board of Directors in the expenditure of said funds and the determination of what constitutes normal, recurring maintenance shall be final and conclusive so long as such judgment is exercised in good faith. The Association shall, in addition, establish and maintain an adequate reserve fund for the periodic maintenance, repair, and replacement of improvements of the Maintenance Area. The fund shall be established and maintained out of regular maintenance assessments.

Section 4. Special Assessment for Working Capital Fund, Nonrecurring Maintenance and Capital Improvements. In addition to the regular maintenance assessments authorized above, the Association may levy special assessments as follows:

- (a) In any calendar year after the first regular assessment hereunder, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any nonrecurring maintenance, or the acquisition, construction, reconstruction, repair, or replacement of a capital improvement upon the Detention Area, including fixtures and personal property related thereto, may be assessed. The Association shall not commingle the proceeds of such special assessment with the

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maintenance fund. Such proceeds shall be used solely and exclusively to fund the nonrecurring maintenance or improvements in question.

Section 5. Nonpayment of Assessments; Remedies of the Association. Any assessment not paid within ten (10) days after the due date shall bear interest from due date at the highest nonusurious rate of interest allowed by Texas law or 18% per annum, whichever is less. The Association shall have the authority to impose late charges to compensate for the administrative and processing costs of late payments on such terms as it may establish by duly adopted resolutions and the Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien retained herein against the property. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Maintenance Area or abandonment of his property.

Section 6. Subordinated Lien to Secure Payment. To secure the payment of the maintenance charge and assessment established hereby and to be levied on individual Tracts as above provided, there is hereby reserved a lien for the benefit of the Association, said lien to be enforceable through appropriate proceedings at law or in equity by such beneficiary; provided, however, that each such lien shall be specifically made secondary, subordinate, and inferior to all first liens, present and future, given, granted, and created by or at the insistence and request of the Owner of any such Tract to secure the payment of monies advanced or to be advanced on account of the purchase price and/or the improvement of any such Tract; and further provided that as a condition precedent to any proceeding to enforce such lien upon any Tract upon which there is an outstanding, valid, and subsisting first mortgage lien, said beneficiary shall give the holder of such first mortgage sixty (60) days written notice of such

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proposed action, such notice, which shall be sent to the nearest office of the lienholder by prepaid U.S. registered mail, to contain the statement of the delinquent maintenance charges upon which the proposed action is based. Upon the request of any such first mortgage lienholder, the beneficiary shall acknowledge in writing its obligation to give the foregoing notice with respect to the particular property covered by such first mortgage lien to the holder thereof. Sale or transfer of a Tract shall not affect the assessment lien. However, the sale or transfer of any Tract pursuant to mortgage foreclosure shall extinguish the lien of such assessment as to payments which became due prior to such sale or transfer. No sale, foreclosure, or transfer shall relieve such Tract from liability for any assessments thereafter becoming due or from the lien thereof. The Association shall have the right to file notices of liens in favor of such Association in the official records of Harris County, Texas. The lien may be enforced by all methods provided by law, including but not limited to, judicial foreclosure by an action brought in the name of the Association in the same manner as a foreclosure of a mortgage or deed of trust lien on real property. Each Owner hereby expressly grants a power of sale in connection with the lien to the Association. Suit to recover a money judgment of the unpaid assessments, interests, and attorneys' fees shall be maintainable without foreclosing or waiving the lien securing the same.

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ARTICLE V

GENERAL POWERS AND DUTIES OF THE
BOARD OF DIRECTORS OF THE ASSOCIATION

Section 1. Purpose of Maintenance Fund. The Board, for the benefit of the Owners, shall provide and shall pay out of the maintenance fund provided in Article IV above the following:

(a) Taxes and assessments and other liens and encumbrances which shall properly be assessed or charged against the Maintenance Area rather than against the individual Owners, if any.

(b) Care and preservation of the Maintenance Area.

(c) The services of a professional person or management firm to manage the Association or any separate portion thereof to the extent deemed advisable by the Board (provided that any contract for management of the Association shall be terminable by the Association, with no penalty upon no more than ninety (90) days prior written notice to the managing party) and the services of such other personnel as the Board shall determine to be necessary or proper for the operation of the Association, whether such personnel are employed directly by the Board or by the manager.

(d) Legal and accounting services.

(e) A policy or policies of insurance insuring the Association against any liability to the public or to the Owners (and/or invitees or tenants) incident to the operation of the Association in any amount or amounts as determined by the Board of Directors, including a policy or policies of insurance as provided herein in Article VI.

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(f) Workers compensation insurance to the extent necessary to comply with any applicable laws.

(g) Such fidelity bonds as may be required by the By-Laws or as the Board may determine to be advisable.

(h) Any other materials, supplies, insurance, furniture, labor, services, maintenance, repairs, structural alterations, taxes, or assessments (including taxes or assessments assessed against an individual Owner) which the Board is required to obtain or pay for pursuant to the terms of this Declaration or by law or which in its opinion shall be necessary or proper for the enforcement of this Declaration.

Section 2. Powers and Duties of Board. The Board, for the benefit of the Owners, shall have the following general powers and duties, in addition to the specific powers and duties provided for herein and in the By-Laws of the Association:

(a) To execute all declarations of ownership for tax assessment purposes with regard to the Detention Area on behalf of all Owners.

(b) To borrow funds to pay costs of operation secured by assignment or pledge of rights against delinquent Owners if the Board sees fit.

(c) To enter into contracts; maintain one or more bank accounts, and generally to have all the power necessary or incidental to the operation and management of the Association.

(d) To protect or defend the Detention Area from loss or damage by suit or otherwise and to provide adequate reserves for replacements.

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(e) To make reasonable rules and regulations for the operation of the Detention Area and to amend them from time to time; provided that, any rule or regulation may be amended or repealed by an instrument in writing signed by Owners constituting a majority of the votes of the Association, or with respect to a rule applicable to less than all of the Detention Area, by a majority of the votes of the Owners in the portions affected.

(f) To make all books and records of the Association available for inspection by Owners at reasonable times and intervals.

(g) To adjust the amount, collect and use any insurance proceeds to repair damage or replace lost property, and if proceeds are insufficient to repair damage or replace lost property, to assess the Owners in proportionate amounts to cover the deficiency.

(h) To enforce the provisions of any rules made hereunder and to enjoin and seek damages from any Owner for violation of such provisions or rules.

(i) To collect all assessments and enforce all penalties for non-payment including the filing of liens and institution of legal proceedings.

Section 3. Board Powers Exclusive. The Board shall have the exclusive right to contract for all goods, services and insurance, payment of which is to be made from the maintenance fund and the exclusive right and obligation to perform the functions of the Board except as otherwise provided herein.

Section 4. Maintenance Contracts. The Board, on behalf of the Association, shall have full power and authority to contract with any Owner or other person or entity for the performance by the Association of services which the Board is not otherwise required to perform pursuant to the terms hereof, such contracts to be upon such terms and conditions and for such

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consideration as the Board may deem proper, advisable and in the best interest of the Association.

ARTICLE VI

TITLE TO DETENTION AREA

Section 1. Association to Hold. Title to the Detention Area shall be held by the Association. Nothing contained herein shall create an obligation on the part of the Association or Declarant to establish any additional detention of common areas.

Section 2. Liability Insurance. From and after the date on which title to the Detention Area vests in the Association, the Association shall purchase and carry a general comprehensive public liability insurance policy for the benefit of the Association and its members, covering occurrences on the Detention Area. The policy limits shall be as determined by the Board of Directors. The Association shall use its best efforts to see that such policy shall contain, if available, cross-liability endorsements or other appropriate provisions for the benefit of the members, Directors, and the management company and other insureds, as their interests may be determined.

Section 3. Condemnation. In the event of condemnation or a sale in lieu thereof of all or any portion of the Detention Area, the funds payable with respect thereto shall be payable to the Association and shall be used by the Association to take whatever steps that it deems reasonably necessary to repair or correct any damage suffered as a result of the condemnation. In the event that the Board of Directors of the Association determines that the funds cannot be used in such a manner due to lack of available land for additional Detention Area or for

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whatever reason, any remaining funds may be utilized by the Association for the general maintenance fund or for such purposes as the Board of Directors shall determine.

ARTICLE VII

PROPERTY RIGHTS

Section 1. Drainage Easement. Declarant hereby grants unto the City of Webster and each Owner, an easement and right-of-way upon and across the Detention Area for the purpose of permitting, having, placing, constructing, maintaining, repairing, replacing, relocating, and/or removing a drainage way for the drainage of storm, flood and surface waters from the adjoining Tracts owned by Owners and from the related streets and other areas owned and maintained by the City of Webster. Such Owners' easement shall be appurtenant to and shall pass with the title to every Tract, subject to the following provisions:

(a) The right of the Association to establish and publish rules and regulations governing the use of the Detention Area affecting the welfare of Association members;

(b) The right of the Association to suspend the voting rights of an Owner for any period during which any assessment against his Tract remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations;

(c) The right of the Association, subject to the provisions hereof, to dedicate or transfer all or any part of the Detention Area to any public agency, authority or utility for such purposes and subject to the conditions as may be agreed by the Association. No such dedication or transfer shall be effective unless an instrument signed by Owners entitled to cast two-thirds (2/3) of the votes of each class of membership has been recorded agreeing to such dedication or transfer;

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(d) All easements herein described are easements appurtenant to and running with the land; they shall at all times inure to the benefit of and be binding upon the Owners, and all of their grantees, and their respective heirs, successors, personal representatives and assigns, perpetually and in full force.

Section 2. Effect of Declaration. Reference in any deed, mortgage, trust deed or any other recorded documents to the easements, restrictions and covenants herein described or to this Declaration shall be sufficient to create and reserve such easements and covenants to the respective grantees, mortgagees, or trustees of said parcels as fully and completely as if those easements, restrictions and covenants were fully related and set forth in their entirety in said documents.

ARTICLE VIII

ANNEXATION

Section 1. Annexation by Declarant. At any time during the initial term of this Declaration, the Declarant may, at its sole option, annex additional property to this Declaration to be subject to the terms hereof to the same extent as if originally included herein and subject to such other terms, covenants, conditions, easements and restrictions as may be imposed thereon by Declarant.

(a) Declaration of Annexation. Annexation shall be evidenced by a written Declaration of Annexation executed by Declarant setting forth the legal description of the property being annexed and the restrictive covenants to be applied to such annexed property.

Section 2. Annexation by Action of Members. At any time, the Board of Directors may request approval of the membership for the annexation of additional property into the

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Association to be subject to all of the terms of this Declaration to the same extent as if originally included herein. No such annexation shall be effective unless approved in writing by members entitled to cast two-thirds (2/3) of the total votes in both classes of membership. Any property that is contiguous to existing property to this Declaration may be annexed hereto according to the foregoing requirements, provided however, that no such annexation shall be effective without the consent and joinder of the owners of the property to be annexed. Such annexation must be evidenced by a Declaration of Annexation as set forth in Subsection 1(a) above executed by the parties herein described.

Section 3. No Duty to Annex. Nothing herein contained shall establish any duty or obligation on the part of the Declarant or any other member to annex any property to this Declaration and no owner of property excluded from the Declaration shall have any right to have such property annexed thereto.

Section 4. Effect of Annexation on Class B Membership. In determining the Property owned by Declarant for the purpose of Class B Membership status, the total square footage covered by the Declaration including all property annexed thereto shall be considered. If Class B Membership has previously expired but annexation of additional property restores the ratio of property owned by Declarant to the number required for Class B Membership, such Class B Membership shall be reinstated.

ARTICLE IX

GENERAL

Section 1. Remedies. In the event of any default by any Owner under the provisions of the Declaration, By-Laws or rules and regulations of the Association, the Association and any

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Owner shall have each and all of the rights and remedies which may be provided for in this Declaration, the By-Laws and said rules and regulations, and those which may be available at law or in equity, and may prosecute any action or other proceeds against such defaulting Owner and/or others for enforcement of any lien, statutory or otherwise, including foreclosure of such lien and the appointment of a receiver for the Tract and ownership interest of such Owner, or for damages or injunction, or specific performance, or for judgment for the payment of the money and collection thereof, or for any continuation of the remedies, or for any other relief. No remedies herein provided or available at law or in equity shall be deemed mutually exclusive of any other such remedy. All expenses of the Association in connection with any such actions or proceedings, including court costs and attorneys' fees and other fees and expenses, and all damages, permitted by law from the due date until paid, shall be charged to and assessed against such defaulting Owner, and shall be added to and deemed part of respective maintenance assessment (to the same extent as the lien provided herein for unpaid assessments), upon the Tract and upon all of his additions and improvements thereto, and upon all of his personal property upon the Tract. Any and all of such rights and remedies may be exercised at any time and from time to time, cumulatively or otherwise, by the Association or any Owner.

Section 2. Term and Amendments.—The covenants and restrictions of this Declaration shall run with and bind the land for a term of twenty-five (25) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years, unless seventy-five percent (75%) of the votes outstanding shall have voted to terminate the covenants and restrictions of this Declaration. This Declaration may be amended by an instrument signed by Owners constituting not less than seventy-five percent

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(75%) of the votes of the Association. The Declarant reserves the right to terminate the Association and abrogate this Declaration at any time during the first two (2) years following recordation in the real property records of Harris County, Texas, if the Association's maintenance responsibilities and the Detention Area have been conveyed to and assumed by other public or municipal entities.

Section 3. Enforcement. Each Owner grants to the Association the exclusive right to enforce the performance of each and all of the restrictions, conditions and covenants contained herein, by injunction or other appropriate remedy at law or in equity. Should the Association employ counsel to enforce any of the restrictions, conditions and covenants herein contained, all costs incurred in such enforcement, including reasonable attorneys' fees, shall be paid by the breaching Owner. Following any termination of the Association, the Owner of any Tract in the Property shall have the right to enforce the performance hereof by injunction or other appropriate remedy at law or in equity. Failure by the Association, or any Owner, including Declarant, to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 4. Other Authorities. If other authorities, such as the City of Webster or Harris County, impose more demanding, expensive or restrictive requirements than those set forth herein, the requirements of such authorities shall be complied with. Other authorities' imposition of lesser requirements than those set forth herein shall not supersede or diminish the requirements herein.

Section 5. Addresses. Any notices or correspondence to an Owner of a Tract shall be addressed to the street address of the Tract. Any notice or correspondence to the Association

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shall be addressed to the address shown opposite the signature of Declarant below or to such other address as is specified by the Association pursuant to an instrument recorded in the real property records of Harris County.

Section 6. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 7. Rights and Obligations. The provisions of this Declaration and the Articles of Incorporation and By-Laws and the rights and obligations established thereby shall be deemed to be covenants running with the land and shall inure to the benefit of, and be binding upon, each and all of the Owners and their respective heirs, representatives, successors, assigns, purchasers, grantees and mortgagees. By the recording of the acceptance of a deed conveying a Tract of any ownership interest in the Tract whatsoever, the person to whom such Tract or interest is conveyed shall be deemed to accept and agree to be bound by and subject to all of the provisions of this Declaration and the Articles of Incorporation and By-Laws, whether or not mention thereof is made in said deed.

Section 8. Miscellaneous Provisions. Any provisions of this Declaration or of the Articles of Incorporation and By-Laws to the contrary notwithstanding, the following provisions shall control:

(a) The following actions will require notice to all institutional holders of first mortgage liens: (1) abandonment or termination of the Association; or (2) material amendment to the Declaration.

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(b) Upon the request of any first mortgagee, the Association shall furnish to such mortgagee a written notice of any default by the Owner of a Tract in the performance of such Owner's obligations under this Declaration or the By-Laws or Association rules and regulations which is not cured within thirty (30) days. Any first mortgagee of a Tract who comes into possession of such Tract pursuant to the remedies provided in the mortgage, a foreclosure of the mortgage, or deed (or assignment) in lieu of foreclosure, shall take such property free of any claims for unpaid assessments or charges in favor of the Association against the mortgaged property which accrued prior to the time such holder comes into possession of the property.

(c) Unless at least seventy-five percent (75%) of the first mortgagees (based upon one vote for each mortgagee) have given their prior written approval, neither the Association nor the Owners shall be entitled to:

- (i) by act or omission seek to abandon, partition, encumber, or transfer the Detention Area, if any, or any portion thereof of interest therein;
(The granting of easements for public utilities or other public purposes consistent with the intended use of such property shall not be deemed a transfer within the meaning of this clause);
- (ii) substantially change the method of determining the obligations, assessments, dues or other charges which may be levied against an Owner by the Association; or
- (iii) fail to maintain liability and extended coverage insurance on insurable property comprising a part of the Detention Area on a current replacement

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cost basis in an amount not less than one hundred percent (100%) of the insurable value (based on current replacement costs).

(d) All personal pronouns used in this Declaration, whether used in the masculine, feminine or neuter gender, shall include all other genders; the singular shall include the plural, and vice versa.

Section 9. Headings. The headings contained in this Declaration are for reference purposes only and shall not in any way affect the meaning or interpretation of this Declaration.

Section 10. Conflicts. In the event of conflict between the terms of this Declaration and the By-Laws, rules, regulations or Articles of Incorporation of the Association, this Declaration shall control.

IN WITNESS WHEREOF, the Declarant has caused this instrument to be executed on its behalf, attested and its corporate seal to be hereunto affixed as of the day and year first above written.

DECLARANT:

BC WEBSTER LAND, L.P., a Texas
limited partnership

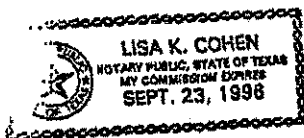
By: BC/Rose, Inc.
General Partner

By: *Michael Rose* President
Michael Rose, President

STATE OF TEXAS §
COUNTY OF HARRIS §

501-00-3677

The foregoing instrument was acknowledged before me on this 2nd day of December, 1994, by J. Michael Rose, President of BC/Rose, Inc., a Texas corporation, general partner of BC Webster Land, L.P., a Texas limited partnership, on behalf of said partnership.



Lisa K. Cohen
Notary Public in and for
the State of Texas
Printed Name: _____
My Commission Expires: _____

EXHIBITS:
Exhibit A - Description of Property
Exhibit B - Detention Area

FILED
94 DEC -5 PM 4: 23
Barbara B. Kuyfman
COUNTY CLERK
HARRIS COUNTY, TEXAS

501-00-3678

METES AND BOUNDS DESCRIPTION
74.03 ACRES
PART OF LOTS 4, 5 AND 6, BLOCK 20,
LOTS 3, 4, 6, 7, 9 AND 10, BLOCK 21, MAP OF WEBSTER
ROBERT WILSON SURVEY, ABSTRACT NUMBER 88
HARRIS COUNTY, TEXAS

Being a tract or parcel containing a gross area of 74.03 acres of land situated in the Robert Wilson Survey, Abstract Number 88, Harris County, Texas; being part of and out of Lots 4, 5 and 6, Block 20, Lots 3, 4, 6, 7, 9 and 10, Block 21, and part of Texas Avenue, based on a 60-foot width, MAP OF WEBSTER (also known as "Webster Outlots"), a map delineated in Volume 87, Page 197, Deed Records of Harris County, Texas; and being part of and out of that certain called 94.548 acres, described in deed recorded under Harris County Clerk's File (HCCF) Number L808117, Official Public Records of Real Property of Harris County, Texas, said 74.03 acre tract being more particularly described as follows (bearings herein are oriented to the bearing base reflected on PIPER'S MEADOW, SECTION ONE, a plat of subdivision recorded in Volume 280, Page 89, Map Records of Harris County, Texas (HCMR)):

BEGINNING at a 5/8-inch iron rod with plastic cap set marking the intersection of the southwest right-of-way (ROW) line of State Highway 3 (also known as Galveston Road), based on a 120-foot width, with the common line of Lots 4 and 5 of said Block 21, said iron rod also marking the most northerly common corner of said 94.548 acre tract and that certain called 5.9031 acres, described in deed to LCSSC Venture, as recorded under HCCF Number H541872, and the most northerly east corner of the herein described tract, from which a 5/8-inch iron rod found for reference bears South 80°42' East, 1.11 feet;

THENCE, SOUTH 48°52'06" West, with said common lot line, and the most northerly common line of said 94.548 acre tract and said 5.9031 acre tract, a distance of 490.27 feet to a 5/8-inch iron rod found marking the north common corner of said Lots 5 and 6, the most westerly common corner of said 94.548 acre tract and said 5.9031 acre tract, and an interior corner of the herein described tract, from which a 5/8-inch iron rod found for reference bears North 48°52'06" East, 0.82 feet;

THENCE, SOUTH 41°07'54" East, with the common line of said Lots 5 and 6, and the most southerly common line of said 94.548 acre tract and said 5.9031 acre tract, a distance of 819.13 feet to the curved northwest ROW line of Bay Area Boulevard, based on a 120-foot width, and marking the most southerly common corner of said 94.548 acre tract and said 5.9031 acre tract, and an exterior corner of the herein described tract (corner falls in a utility pole and was not set);

THENCE, SOUTHWESTERLY, with said northwest ROW line and a non-tangent curve to the right, having a radius of 5,669.58 feet, an arc length of 215.51 feet, a central angle of 02°10'40", and a chord which bears South 46°30'07" West, 215.49 feet to the most southerly common corner of said 94.548 acre tract and that certain called 3.1121 acres, described in deed to Robert A Ferstl, as recorded under HCCF Number F080188, also being an exterior corner of the herein described tract, from which a 1/2-inch iron pipe found for reference bears South 41°07'54" East, 0.23 feet, and from which a 1/2-inch iron rod found for reference bears South 53°44' East, 2.00 feet;

THENCE, NORTH 41°07'54" West, with the most easterly common line of said 94.548 acre tract and said 3.1121 acre tract, a distance of 626.03 feet to a 1/2-inch iron pipe found marking the most northerly common corner of said 94.548 acre tract and said 3.1121 acre tract, and an interior corner of the herein described tract;

THENCE, SOUTH 48°52'06" West, with the common line of the aforesaid Lots 4 and 6, and the most westerly common line of said 94.548 acre tract and said 3.1121 acre tract, at 215.31 feet pass the most northerly common corner of said 3.1121 acre tract and that certain tract described in deed to Robert Ferstl, as recorded under HCCF Number F706527 (herein referred to as "Ferstl Tract"), continuing with the most northerly common line of said 94.548 acre tract and said Ferstl Tract, in all, a distance of 314.55 feet to a 5/8-inch iron rod found marking the most westerly common corner of said 94.548 acre tract and said Ferstl Tract, and an interior corner of the herein described tract, from which a 5/8-inch iron rod found for reference bears North 69°41' West, 3.80 feet;

EXHIBIT "A"

METES AND BOUNDS DESCRIPTION
74.03 ACRES
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HARRIS COUNTY, TEXAS

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THENCE, SOUTH 41°07'54" East, with the most southerly common line of said 94.548 acre tract and said Ferstl Tract, a distance of 629.54 feet to a 5/8-inch iron rod with plastic cap set in the aforesaid northwest ROW line of Bay Area Boulevard, and marking the most southerly common corner of said 94.548 acre tract and said Ferstl Tract, said iron rod also marking an exterior corner of the herein described tract, from which a 1/2-inch iron rod found for reference bears North 69°03' West, 3.40 feet;

THENCE, SOUTH 48°50'16" West, with said northwest ROW line, at 130.00 feet, pass the common line of Lots 6 and 7 of the aforesaid Block 21, and an exterior corner of said 94.548 acre tract, from which a 5/8-inch iron rod found for reference bears South 58°55' East, 0.30 feet and from which a bent 1/2-inch iron rod found for reference bears North 80°41' West, 2.43 feet, continuing, in all, a distance of 133.33 feet to a 5/8-inch iron rod with plastic cap set in the northeast line of that certain called 1.2757 acres, referred to as Unrestricted Reserve "A", SUBDIVISION OF THE NORTHEAST HALF OF LOT 7, BLOCK 21, WEBSTER OUTLOTS, a plat of subdivision recorded in Volume 319, Page 54, HCMR, said 1.2757 acre tract being described in deed to Jal-Pro V Associates, as recorded under HCCF Number K895725, said iron rod with plastic cap also marking an exterior corner of the herein described tract, from which a 3/8-inch iron rod found for reference bears South 40°58'41" East, 1.02 feet;

THENCE, NORTH 40°58'41" West, with said northeast line, at 168.34 feet pass a 5/8-inch iron rod found marking the most northerly common corner of said 1.2757 acre tract and that certain called 3.512 acres, referred to as Unrestricted Reserve "B" of said SUBDIVISION OF THE NORTHEAST HALF OF LOT 7, BLOCK 21, WEBSTER OUTLOTS, said 3.512 acre tract being described in deed to Fair Lanes Texas Bowl Corp, as recorded under HCCF Number P403806, continuing with the northeast line of said 3.512 acre tract, in all, a distance of 633.27 feet to a 5/8-inch iron rod with plastic cap set marking the most northerly corner of said 3.512 acre tract, and an interior corner of the herein described tract, from which a 1/2-inch iron rod found for reference bears North 75°03' East, 1.87 feet, and from which a 5/8-inch iron rod found for reference bears South 74°30' East, 4.15 feet;

THENCE, SOUTH 48°47'46" West, with the northwest line of said 3.512 acre tract, a distance of 332.79 feet to a 5/8-inch iron rod with plastic cap set marking the most westerly corner of said 3.512 acre tract, and an interior corner of the herein described tract;

THENCE, SOUTH 41°09'42" East, with the southwest line of said 3.512 acre tract, at 464.93 feet pass the most southerly common corner of said 3.512 acre tract and the aforesaid 1.2757 acre tract, continuing with the southwest line of said 1.2757 acre tract, in all, a distance of 633.03 feet to a 5/8-inch iron rod with plastic cap set in the aforesaid northwest ROW line of Bay Area Boulevard, and marking an exterior corner of the herein described tract, from which a 5/8-inch iron rod found for reference bears South 41°09'42" East, 1.49 feet;

THENCE, SOUTH 48°50'16" West, with said northwest ROW line, a distance of 318.91 feet to a 5/8-inch iron rod with plastic cap set marking an exterior corner of the herein described tract;

THENCE, NORTH 41°07'54" West, at 629.25 feet pass the common line of Lots 9 and 7 of the aforesaid Block 21, continuing, in all, a distance of 1,200.00 feet to a 5/8-inch iron rod with plastic cap set marking an interior corner of the herein described tract;

THENCE, SOUTH 48°50'16" West, at 640.30 feet pass the northeast ROW line of the aforesaid Texas Avenue, continuing, at 700.30 feet pass the southwest ROW line of said Texas Avenue (this point is herein referred to as "CORNER A"), continuing, in all, a distance of 750.00 feet to a 5/8-inch iron rod with plastic cap set marking an interior corner of the herein described tract;

METES AND BOUNDS DESCRIPTION
74.03 ACRES
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THENCE, SOUTH 41°07'54" East, at 569.65 feet pass the common line of Lots 5 and 4 of the aforesaid Block 20, continuing, in all, a distance of 1,000.00 feet to a 5/8-inch iron rod with plastic cap set in the most northerly common line of the aforesaid 94.548 acre tract and that certain called 0.68871 acre, described in deed to Bank of America Texas, NA, as recorded under HCCF Number P070167, and marking an exterior corner of the herein described tract;

THENCE, SOUTH 48°50'16" West, with said northerly common line, a distance of 100.25 feet to a 1/2-inch iron rod found marking the most westerly common corner of said 94.548 acre tract and said 0.68871 acre tract, and an interior corner of the herein described tract;

THENCE, SOUTH 41°14'08" East, with the most southerly common line of said 94.548 acre tract and said 0.68871 acre tract, a distance of 200.00 feet to a 1/2-inch iron rod found in the aforesaid northwest ROW line of Bay Area Boulevard, and marking the most southerly common corner of said 94.548 acre tract and said 0.68871 acre tract, and an exterior corner of the herein described tract;

THENCE, SOUTH 48°50'16" West, with said northwest ROW line, a distance of 479.82 feet to the beginning of a tangent curve, also being in the common line of Lots 5 and 6 of the aforesaid Block 20, from which a 5/8-inch iron rod found for reference bears North 46°03' West, 0.70 feet;

THENCE, SOUTHWESTERLY, with said northwest ROW line and a curve to the right, having a radius of 5,669.58 feet, an arc length of 45.74 feet, and a central angle of 00°27'44" to the most easterly common corner of said 94.548 acre tract and that certain called 2.2298 acres, described in deed to General Mills Restaurant Group, Inc, as recorded under HCCF Number H302191, also being an exterior corner of the herein described tract, from which a 5/8-inch iron rod found for reference bears North 55°15' West, 0.77 feet;

THENCE, NORTH 42°30'30" West, with the most easterly common line of said 94.548 acre tract and said 2.2298 acre tract, a distance of 378.97 feet to a 5/8-inch iron rod with plastic cap set marking the most northerly common corner of said 94.548 acre tract and said 2.2298 acre tract, and an interior corner of the herein described tract, from which a 5/8-inch iron rod found for reference bears North 16°29' West, 1.98 feet;

THENCE, SOUTH 47°29'30" West, with the most westerly common line of said 94.548 acre tract and said 2.2298 acre tract, a distance of 270.00 feet to a 5/8-inch iron rod with plastic cap set in the northeast line of that certain called 2.925 acres, referred to as the abandoned, 100-foot wide Galveston-Houston Electric Railway Company ROW, described in deed to Houston Lighting and Power Company, as recorded in Volume 2510, Page 697, HCDR, said iron rod also marking the most westerly common corner of said 94.548 acre tract and said 2.2298 acre tract, and an exterior corner of the herein described tract, from which a 5/8-inch iron rod found for reference bears North 42°30'30" West, 1.24 feet;

THENCE, NORTH 42°30'30" West, with the common line of said 94.548 acre tract and said 2.925 acre tract, a distance of 489.81 feet to the common corner of said 94.548 acre tract and said 2.925 acre tract, and the most westerly corner of the herein described tract, from which a 5/8-inch iron rod found for reference bears South 06°27' West, 0.88 feet;

THENCE, NORTH 23°12'38" East, with the common line of said 94.548 acre tract and that certain tract, referred to as Tract 100, described in deed recorded in Volume 1111, Page 77, HCDR, and along the generally recognized common survey line of the aforesaid Robert Wilson Survey, August Whitlock Surveys, Abstract Numbers 793 and 794, and J A Harris Survey, Abstract Number 340, at 164.56 feet pass the most southerly corner of PIPER'S MEADOW, SECTION TWO, a plat of subdivision recorded in Volume 305, Page 56, HCMR, continuing with the common line of said

METES AND BOUNDS DESCRIPTION
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94.548 acre tract and said PIPER'S MEADOW, SECTION TWO, at 289.17 feet pass the most southerly east corner of Piper's View Drive, based on a 60-foot width, as delineated on said PIPER'S MEADOW, SECTION TWO, from which a 5/8-inch iron rod found for reference bears North 55°38' East, 0.33 feet, continuing, at 352.23 feet pass the most northerly east corner of said Piper's View Drive, from which a 5/8-inch iron rod found for reference bears North 23°12'38" East, 0.21 feet, continuing, at 1,071.01 feet pass the most southerly west corner of the aforesaid Texas Avenue, continuing, at 1,085.94 feet pass the most easterly corner of said PIPER'S MEADOW, SECTION TWO, continuing with the west line of said 94.548 acre tract and along said common survey line, at 1,137.56 feet pass the most northerly west corner of said Texas Avenue, continuing, at 1,196.95 feet pass the most southerly corner of the aforesaid PIPER'S MEADOW, SECTION ONE, continuing with the common line of said 94.548 acre tract and said PIPER'S MEADOW, SECTION ONE, and along said common survey line, at 1,446.85 feet pass a 1/2-inch iron rod found marking the most southerly east corner of Elder Glen Drive, based on a 60-foot width, as delineated on said plat of PIPER'S MEADOW, SECTION ONE, continuing, at 1,506.95 feet pass a 5/8-inch iron rod found marking the most northerly east corner of said Elder Glen Drive, continuing, in all, a distance of 2,569.69 feet to a 5/8-inch iron rod found marking the common corner of said 94.548 acre tract and that certain called 7.4117 acres, described in deed to Natarajan S Bala, Trustee, as recorded under HCCF Number N452838, said iron rod also marking the most westerly north corner of the herein described tract;

THENCE, SOUTH 41°10'26" East, with the common line of said 94.548 acre tract and said 7.4117 acre tract, at 4.66 feet pass a 5/8-inch iron rod found marking the most southerly common corner of said 7.4117 acre tract and that certain called 11.677 acres, described in deed to SCA/VOA Chatham Joint Venture, as recorded under HCCF Number P696019, continuing with the most westerly common line of said 94.548 acre tract and said 11.677 acre tract, in all, a distance of 446.96 feet to a 1/2-inch iron rod found marking the most southerly common corner of said 94.548 acre tract and said 11.677 acre tract, and marking an interior corner of the herein described tract;

THENCE, NORTH 48°52'06" East, with the most easterly common line of said 94.548 acre tract and said 11.677 acre tract, a distance of 1,149.40 feet to a 5/8-inch iron rod with plastic cap set in the southwest ROW line of the aforesaid State Highway 3, and marking the most northerly common corner of said 94.548 acre tract and said 11.677 acre tract, and the most northerly corner of the herein described tract;

THENCE, SOUTH 41°07'54" East, with said southwest ROW line, at 217.70 feet pass the common line of Lots 3 and 4 of the aforesaid Block 21, continuing, in all, a distance of 877.25 feet to the POINT OF BEGINNING and containing a gross area of 74.03 acres of land.

SUBJECT TO any and all rights or interests by the City of Webster, Texas to a tract or parcel containing 0.1653 acre of land situated in the above described 74.03 acre tract, and being that portion located within the right-of-way of the aforesaid Texas Avenue, said 0.1653 acre tract being more particularly described as follows:

BEGINNING at the aforesaid CORNER A and in the southwest ROW line of said Texas Avenue, also being the most southerly corner of the herein described tract;

THENCE, NORTH 41°09'44" West, with said southwest ROW line, a distance of 105.62 feet to the west line of the aforesaid 94.548 acre tract, also being the most southerly west corner of said Texas Avenue and herein described tract;

THENCE, NORTH 23°12'38" East, with said west line, a distance of 66.55 feet to the most northerly west corner of said Texas Avenue and herein described tract;

METES AND BOUNDS DESCRIPTION
74.03 ACRES
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THENCE, SOUTH 41°09'44" East, with the northeast ROW line of said Texas Avenue, a distance of 134.40 feet to the most westerly southeast line of the aforesaid 74.03 acre tract, also being the most easterly corner of the herein described tract;

THENCE, SOUTH 48°50'16" West, with said westerly southeast line, a distance of 60.00 feet to the POINT OF BEGINNING of the herein described tract and containing 0.1653 acre of land. This metes and bounds description is based on a Land Title Survey and plat prepared by Terra Surveying Company, Inc, dated September 9, 1994, TSC Project Number 1851-9319-S.

ANY PROVISION HEREIN WHICH RESTRICTS THE SALE, REMOVAL, OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS HEREBY REPEALED UNDER FEDERAL LAW.
THE STATE OF TEXAS }
COUNTY OF HARRIS }

I hereby certify that this instrument was FILED in File Number _____ Sequence on the date and at the time stamped herein by me and was duly RECORDED, in the Official Public Records of Real Property of Harris County, Texas on

DEC 5 1994



Barbara B. Kuyper
COUNTY CLERK
HARRIS COUNTY, TEXAS

RECORDER'S MEMORANDUM

AT THE TIME OF RECORDATION, THIS INSTRUMENT WAS FOUND TO BE INADEQUATE FOR THE BEST PHOTOGRAPHIC REPRODUCTION BECAUSE OF ILLUSIBILITY, CARBON OR PHOTO COPY, DISCOLORED PAPER, ETC.

①
COURT

R262272

1-4619
RETURN TO:
Texas State Title
10000 Memorial Drive
Suite 400
Houston, Texas 77024

**CORRECTION
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS**

02/07/95 6019123T R262272 \$ 77.00

THIS DECLARATION is made on the 1st day of December, 1994 by EC Webster Land,
L.P., a Texas limited partnership, hereinafter referred to as the "Declarant."

502-72-1025

WITNESSETH

WHEREAS, the Declarant is the owner of certain real property in the City of Webster (the "City"), Harris County, Texas, which is described in Exhibit "A" attached hereto and made a part hereof (the "Property");

WHEREAS, Declarant desires to impose upon the Property certain covenants, conditions and restrictions for the purpose of enhancing and protecting the value, quality, and desirability of the Property;

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NOW THEREFORE, the Declarant declares that the Property shall be held, sold and conveyed subject to the restrictions, covenants and conditions declared below, which shall be deemed to be covenants running with the land and imposed on and binding on all Owners and Occupants and any other parties having or acquiring any right, title, or interest in or to any portion of the Property, their respective heirs, personal representatives, successors and assigns, and shall inure to the benefit of each Owner thereof.

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ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to Baybrook Park Owners Association, Inc., a Texas not-for-profit corporation established for the purpose set forth herein.

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Section 2. "Board of Directors" or "Board" shall mean and refer to the elected body of the Association having its normal meaning under Texas corporate law.

Section 3. "Declarant" shall mean and refer to BC Webster Land, L.P., its successors and assigns who are designated as such in writing by the Declarant, and who consent in writing to assume the duties and obligations of the Declarant with respect to the Property acquired by such successor or assign.

Section 4. "Declaration" shall mean and refer to this Declaration of Covenants, Conditions and Restrictions and any amendments, annexations and supplements thereto made in accordance with its terms.

Section 5. "Detention Area" shall mean and refer to that portion of the Property containing a detention pond and related drainage conveyed to the Association for the use and benefit of the Owners, covering and affecting the real property described on Exhibit B attached hereto and made a part hereof for all purposes.

Section 6. "Improvement" or "Improvements" shall mean and refer to all structures or other improvements to the Property of any kind whatsoever, whether above or below grade, including, but not limited to, buildings, utility installations, storage, loading and parking facilities, fences, walls, poles, walkways, driveways, landscaping, ponds, lakes, signs, site lighting, site grading, drainage systems and earth movement, and any exterior additions, changes, or alterations thereto.

Section 7. "Maintenance Area" shall mean and refer to the Detention Area and the drainage facilities, detention ponds, right-of-way landscaping, if any, and such other areas lying within any dedicated public easements or right-of-way as deemed appropriate by the Board of

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Directors of the Association for the preservation, protection and enhancement of the property values and the general health, safety and welfare of the Owners.

Section 8. "Owner" or "Owners" shall mean and refer to the record owner or owners, of the fee simple title to any portion of the Property, but excluding those having an interest merely as security for the performance of an obligation until such time as such a security holder becomes the record owner of the Property or any portion thereof (whether by foreclosure or otherwise).

Section 9. "Occupant" or "Occupants" shall mean any party or parties legally entitled to occupy and use any portion of the Property or an Improvement.

Section 10. "Property" shall mean and refer to the real property described in Exhibit "A" and such additions thereto as may be brought within the jurisdiction of the Association and be made subject to this Declaration.

Section 11. "Tract" shall mean and refer to each parcel of land within the Property as designated by the Declarant, or shown on a recorded plat of the Property, or those lands annexed thereto, and established for the purpose of constructing an office, retail, commercial, educational, municipal, governmental or similar structure thereon.

ARTICLE II

BAYBROOK PARK OWNERS ASSOCIATION, INC.

Section 1. Establishment of Association. The formal establishment of the Baybrook Park Owners Association will be accomplished by the filing of the Articles of Incorporation of Baybrook Park Owners Association, Inc. with the Secretary of State for the State of Texas and

the subsequent issuance by the Secretary of State of the Certificate of Incorporation of Baybrook Park Owners Association, Inc.

Section 2. Adoption of By-Laws. Bylaws for the Baybrook Park Owners Association, Inc. will be established and adopted by the Board of Directors of the Association.

Section 3. Membership. The Declarant and every other Owner shall be a member of the Association. Membership shall be appurtenant to and shall not be separated from ownership of the Property. Every member shall have the right at all reasonable times during business hours to inspect the books of the Association.

Section 4. Voting Rights. The Association shall have two classes of voting membership:

(a) Class A. Class A Members shall be all Owners with the exception of Declarant and shall be entitled to one (1) vote for each 7,500 square feet of land area owned. In the case of fractional votes, the vote shall be rounded off to the nearest whole number. When more than one person holds an interest in any Tract, all such persons shall be members, but the vote for each Tract shall be exercised as they among themselves determine. Any Owner of a Tract which is leased may, in the lease or other written instrument, assign the voting right appurtenant to the Tract to the lessee, provided that a copy of the instrument is furnished to the secretary of the Association prior to any meeting.

(b) Class B. The Class B Member shall be the Declarant who shall be initially entitled to 360 votes; this number shall be decreased by one (1) vote for each Class A vote existing at any one time. The Class B membership shall cease and be converted to Class A membership on the earlier of: (i) one hundred (100) days after the conveyance of the Tract

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which causes the total votes outstanding in Class B to equal or be less than the total votes outstanding in Class A or (ii) thirty (30) days after Declarant's written notice to the Association of its election to convert its Class B membership to Class A membership.

(c) Suspension. All voting rights of an Owner shall be suspended during any period in which such Owner is delinquent in the payment of any assessment duly established pursuant to this Article or is otherwise in default hereunder or under the By-Laws or Rules and Regulations of the Association and such suspension shall apply to the proxy authority of any voting representative, if any.

Section 5. Notice and Quorum. Written notice of any meeting called for the purpose of taking any action authorized herein shall be sent to all Owners, not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At any such meeting called, the presence of members or of proxies of voting representatives entitled to cast a majority of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement and the required quorum at such subsequent meeting shall be a majority of the quorum requirement for such prior meeting. The Association may call as many subsequent meetings as may be required to achieve a quorum (the quorum requirement being reduced for each such meeting, but not below any quorum required by law). No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

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ARTICLE III
MAINTENANCE

Section 1. Detention Area Maintenance. The Association shall maintain and keep in good repair the Maintenance Area after completion of construction of all improvements to the Maintenance Area required by the City of Webster, Texas to be completed by Declarant. Such maintenance shall be funded as hereinafter set forth. This maintenance shall include, but not be limited to, maintenance, repair, and replacement, subject to any insurance then in effect, of all landscaping and other flora, structures, and improvements situated upon the Detention Area, including any detention ponds, fencing, levees or bulkheads.

Section 2. Easements for Detention Area Maintenance. Perpetual non-exclusive easements for ingress and egress over, under, across, in and upon the Property, including the Tracts, are hereby declared, created and reserved by the Declarant for the benefit and use of the Association, its successors and assigns, agent and employees, to provide reasonable access to the Detention Area and to enter upon the Property, including the Tracts, for the purpose of performing the Detention Area maintenance required under Section 1 above.

Section 3. Owner's Maintenance. Each Owner and Occupant shall at all times be obligated to maintain, repair, replace and renew or cause to be maintained, repaired, replaced, or renewed all Improvements on a Tract so owned or occupied (and the area between the boundary lines of adjacent property and adjacent streets if such area is not otherwise maintained), so as to keep same in a clean, sightly, safe and first-class condition consistent with its original intended appearance. Unless expressly assumed by the Association, an Owner's maintenance obligation shall include, but not be limited to: the maintenance of all visible

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exterior surfaces of all buildings and other Improvements; the prompt removal of all paper, debris, refuse; the removal and replacement of dead and diseased trees and plantings from all areas of its property and all snow and ice from paved areas; the repair, replacement, cleaning, and revamping of all signs and lighting fixtures; the mowing, watering, fertilizing, weeding, replanting, and replacing of all landscaping; and during construction, the cleaning of dirt, construction debris and other construction-related refuse from streets and storm drains and inlets. If any Improvement is damaged or destroyed, the Owner shall diligently proceed to restore such Improvement to the condition existing prior to such damage or destruction or, in the alternative, raze and remove such Improvement and landscape the property.

Section 4. Enforcement. If, in the opinion of the Association, any such Owner or Occupant has failed in any of the foregoing duties or responsibilities, then the Association shall give such person, by certified mail, return receipt requested, written notice of such failure. Such person shall within ten (10) days after receiving such notice commence to undertake the care and maintenance required, and shall complete said care and maintenance within forty-five (45) days after receiving such notice. Should such person fail to fulfill this duty and responsibility after such notice, the Association shall have the right and power to enter into the premises and perform such care and maintenance without any liability for wrongful entry, trespass or otherwise to any person. The Owners shall be liable for the cost of such work. If such Owner shall fail to reimburse the Association within thirty (30) days after receipt of a statement for such work, then the amount of such charge shall constitute a lien on the Tract on which the work was performed. Such lien shall be enforceable as any other assessment lien as provided in this Declaration.

502-72-1031

ARTICLE IV

ASSESSMENTS

Section 1. Creation of Maintenance Assessment. Subject to the terms of this Article, Declarant, hereby covenants to pay, and each Owner, by acceptance of a deed, whether or not it shall be so expressed in such deed, covenants and agrees to pay to the Association maintenance assessments or charges, such assessments to be established and collected as hereinafter provided. Such assessments will remain effective for the full term (and extended term, if applicable) of this Declaration. The assessments, together with interest, costs, and reasonable attorneys' fees, shall be a charge on the land and shall be a continuing lien upon the Tract against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorneys' fees shall also be the personal obligation of the person who was the Owner of the Tract at the time the assessment fell due and such Owner's grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance, except no first mortgagee who obtains title to a Tract pursuant to the remedies provided in the mortgage shall be liable for unpaid assessments which accrued prior to such acquisition of title.

Section 2. Computation of Assessments.

(a) Subject to the terms of this Article, each Tract is hereby subject to an initial maximum maintenance charge to be determined by the Board of Directors of the Association for the purpose of creating a fund to be designated and known as the "maintenance fund," which maintenance charge and assessment will be paid by the Owner or Owners of each Tract in such manner and on such dates as may be fixed by the Board of Directors of the

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Association which may include, without limitation, a prepayment requirement of the annual assessment for all Owners. Unless the Board otherwise provides, the assessments shall be paid in monthly installments. The assessment for each Tract shall be allocated equally among each 7,500 square feet of land area in a Tract (which may be apportioned among any commercial units therein). The first annual maintenance assessment shall commence on the first day of the month following the initial conveyance of the Detention Area to the Association and completion by the Declarant of all improvements required by the City of Webster, Texas to the Detention Area to be completed by Declarant, and shall continue thereafter from year to year. The Association shall, upon written demand and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether or not the assessment has been paid for the assessment period.

(b) Detention Area Exempt. The Detention Area and all portions of the Property owned or otherwise dedicated to any political subdivision, shall be exempt from the assessments and lien created herein.

Section 3. Purpose of Maintenance Fund. The Association shall establish a maintenance fund composed of Owners' maintenance assessments and shall use the proceeds of such fund in providing for normal, recurring maintenance charges for the Maintenance Area for the use and benefit of all members of the Association. Such uses and benefits to be provided by the Association may include, by way of clarification and not limitation, any and all of the following: normal, recurring maintenance of the Maintenance Area (including, but not limited to, mowing, edging, watering, clipping, sweeping, pruning, raking, and otherwise caring for existing landscaping) and the improvements to such Maintenance Area, such as levees, bulkheads, and

sprinkler systems, if any, provided the Association shall have no obligation (except as expressly provided hereinafter) to make capital improvements to the Maintenance Area; payment of all legal and other expenses incurred in connection with the enforcement of all recorded covenants, restrictions, and conditions affecting the property to which the maintenance fund applies; and doing any other thing or things necessary or desirable in the opinion of the Board of Directors to keep the Property neat and in good order, or which is considered of general benefit to the Owners or Occupants of the Property, it being understood that the judgment of the Board of Directors in the expenditure of said funds and the determination of what constitutes normal, recurring maintenance shall be final and conclusive so long as such judgment is exercised in good faith. The Association shall, in addition, establish and maintain an adequate reserve fund for the periodic maintenance, repair, and replacement of improvements of the Maintenance Area. The fund shall be established and maintained out of regular maintenance assessments.

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Section 4. Special Assessment for Working Capital Fund, Nonrecurring Maintenance and Capital Improvements. In addition to the regular maintenance assessments authorized above, the Association may levy special assessments as follows:

- (a) In any calendar year after the first regular assessment hereunder, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any nonrecurring maintenance, or the acquisition, construction, reconstruction, repair, or replacement of a capital improvement upon the Detention Area, including fixtures and personal property related thereto, may be assessed. The Association shall not commingle the proceeds of such special assessment with the

maintenance fund. Such proceeds shall be used solely and exclusively to fund the nonrecurring maintenance or improvements in question.

Section 5. Nonpayment of Assessments; Remedies of the Association. Any assessment not paid within ten (10) days after the due date shall bear interest from due date at the highest nonusurious rate of interest allowed by Texas law or 18% per annum, whichever is less. The Association shall have the authority to impose late charges to compensate for the administrative and processing costs of late payments on such terms as it may establish by duly adopted resolutions and the Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien retained herein against the property. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Maintenance Area or abandonment of his property.

Section 6. Subordinated Lien to Secure Payment. To secure the payment of the maintenance charge and assessment established hereby and to be levied on individual Tracts as above provided, there is hereby reserved a lien for the benefit of the Association, said lien to be enforceable through appropriate proceedings at law or in equity by such beneficiary; provided, however, that each such lien shall be specifically made secondary, subordinate, and inferior to all first liens, present and future, given, granted, and created by or at the insistence and request of the Owner of any such Tract to secure the payment of monies advanced or to be advanced on account of the purchase price and/or the improvement of any such Tract; and further provided that as a condition precedent to any proceeding to enforce such lien upon any Tract upon which there is an outstanding, valid, and subsisting first mortgage lien, said beneficiary shall give the holder of such first mortgage sixty (60) days written notice of such

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proposed action, such notice, which shall be sent to the nearest office of the lienholder by prepaid U.S. registered mail, to contain the statement of the delinquent maintenance charges upon which the proposed action is based. Upon the request of any such first mortgage lienholder, the beneficiary shall acknowledge in writing its obligation to give the foregoing notice with respect to the particular property covered by such first mortgage lien to the holder thereof. Sale or transfer of a Tract shall not affect the assessment lien. However, the sale or transfer of any Tract pursuant to mortgage foreclosure shall extinguish the lien of such assessment as to payments which became due prior to such sale or transfer. No sale, foreclosure, or transfer shall relieve such Tract from liability for any assessments thereafter becoming due or from the lien thereof. The Association shall have the right to file notices of liens in favor of such Association in the official records of Harris County, Texas. The lien may be enforced by all methods provided by law, including but not limited to, judicial foreclosure by an action brought in the name of the Association in the same manner as a foreclosure of a mortgage or deed of trust lien on real property. Each Owner hereby expressly grants a power of sale in connection with the lien to the Association. Suit to recover a money judgment of the unpaid assessments, interests, and attorneys' fees shall be maintainable without foreclosing or waiving the lien securing the same.

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ARTICLE V

GENERAL POWERS AND DUTIES OF THE
BOARD OF DIRECTORS OF THE ASSOCIATION

Section 1. Purpose of Maintenance Fund. The Board, for the benefit of the Owners, shall provide and shall pay out of the maintenance fund provided in Article IV above the following:

(a) Taxes and assessments and other liens and encumbrances which shall properly be assessed or charged against the Maintenance Area rather than against the individual Owners, if any.

(b) Care and preservation of the Maintenance Area.

(c) The services of a professional person or management firm to manage the Association or any separate portion thereof to the extent deemed advisable by the Board (provided that any contract for management of the Association shall be terminable by the Association, with no penalty upon no more than ninety (90) days prior written notice to the managing party) and the services of such other personnel as the Board shall determine to be necessary or proper for the operation of the Association, whether such personnel are employed directly by the Board or by the manager.

(d) Legal and accounting services.

(e) A policy or policies of insurance insuring the Association against any liability to the public or to the Owners (and/or invitees or tenants) incident to the operation of the Association in any amount or amounts as determined by the Board of Directors, including a policy or policies of insurance as provided herein in Article VI.

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(f) Workers compensation insurance to the extent necessary to comply with any applicable laws.

(g) Such fidelity bonds as may be required by the By-Laws or as the Board may determine to be advisable.

(h) Any other materials, supplies, insurance, furniture, labor, services, maintenance, repairs, structural alterations, taxes, or assessments (including taxes or assessments assessed against an individual Owner) which the Board is required to obtain or pay for pursuant to the terms of this Declaration or by law or which in its opinion shall be necessary or proper for the enforcement of this Declaration.

Section 2. Powers and Duties of Board. The Board, for the benefit of the Owners, shall have the following general powers and duties, in addition to the specific powers and duties provided for herein and in the By-Laws of the Association:

(a) To execute all declarations of ownership for tax assessment purposes with regard to the Detention Area on behalf of all Owners.

(b) To borrow funds to pay costs of operation secured by assignment or pledge of rights against delinquent Owners if the Board sees fit.

(c) To enter into contracts, maintain one or more bank accounts, and generally to have all the power necessary or incidental to the operation and management of the Association.

(d) To protect or defend the Detention Area from loss or damage by suit or otherwise and to provide adequate reserves for replacements.

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(e) To make reasonable rules and regulations for the operation of the Detention Area and to amend them from time to time; provided that, any rule or regulation may be amended or repealed by an instrument in writing signed by Owners constituting a majority of the votes of the Association, or with respect to a rule applicable to less than all of the Detention Area, by a majority of the votes of the Owners in the portions affected.

(f) To make all books and records of the Association available for inspection by Owners at reasonable times and intervals.

(g) To adjust the amount, collect and use any insurance proceeds to repair damage or replace lost property, and if proceeds are insufficient to repair damage or replace lost property, to assess the Owners in proportionate amounts to cover the deficiency.

(h) To enforce the provisions of any rules made hereunder and to enjoin and seek damages from any Owner for violation of such provisions or rules.

(i) To collect all assessments and enforce all penalties for non-payment including the filing of liens and institution of legal proceedings.

Section 3. Board Powers Exclusive. The Board shall have the exclusive right to contract for all goods, services and insurance, payment of which is to be made from the maintenance fund and the exclusive right and obligation to perform the functions of the Board except as otherwise provided herein.

Section 4. Maintenance Contracts. The Board, on behalf of the Association, shall have full power and authority to contract with any Owner or other person or entity for the performance by the Association of services which the Board is not otherwise required to perform pursuant to the terms hereof, such contracts to be upon such terms and conditions and for such

consideration as the Board may deem proper, advisable and in the best interest of the Association.

ARTICLE VI

TITLE TO DETENTION AREA

Section 1. Association to Hold. Title to the Detention Area shall be held by the Association. Nothing contained herein shall create an obligation on the part of the Association or Declarant to establish any additional detention of common areas.

Section 2. Liability Insurance. From and after the date on which title to the Detention Area vests in the Association, the Association shall purchase and carry a general comprehensive public liability insurance policy for the benefit of the Association and its members, covering occurrences on the Detention Area. The policy limits shall be as determined by the Board of Directors. The Association shall use its best efforts to see that such policy shall contain, if available, cross-liability endorsements or other appropriate provisions for the benefit of the members, Directors, and the management company and other insureds, as their interests may be determined.

Section 3. Condemnation. In the event of condemnation or a sale in lieu thereof of all or any portion of the Detention Area, the funds payable with respect thereto shall be payable to the Association and shall be used by the Association to take whatever steps that it deems reasonably necessary to repair or correct any damage suffered as a result of the condemnation. In the event that the Board of Directors of the Association determines that the funds cannot be used in such a manner due to lack of available land for additional Detention Area or for

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whatever reason, any remaining funds may be utilized by the Association for the general maintenance fund or for such purposes as the Board of Directors shall determine.

ARTICLE VII
PROPERTY RIGHTS

Section 1. Drainage Easement. Declarant hereby grants unto the City of Webster and each Owner, an easement and right-of-way upon and across the Detention Area for the purpose of permitting, having, placing, constructing, maintaining, repairing, replacing, relocating, and/or removing a drainage way for the drainage of storm, flood and surface waters from the adjoining Tracts owned by Owners and from the related streets and other areas owned and maintained by the City of Webster. Such Owners' easement shall be appurtenant to and shall pass with the title to every Tract, subject to the following provisions:

(a) The right of the Association to establish and publish rules and regulations governing the use of the Detention Area affecting the welfare of Association members;

(b) The right of the Association to suspend the voting rights of an Owner for any period during which any assessment against his Tract remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations;

(c) The right of the Association, subject to the provisions hereof, to dedicate or transfer all or any part of the Detention Area to any public agency, authority or utility for such purposes and subject to the conditions as may be agreed by the Association. No such dedication or transfer shall be effective unless an instrument signed by Owners entitled to cast two-thirds (2/3) of the votes of each class of membership has been recorded agreeing to such dedication or transfer;

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(d) All easements herein described are easements appurtenant to and running with the land; they shall at all times inure to the benefit of and be binding upon the Owners, and all of their grantees, and their respective heirs, successors, personal representatives and assigns, perpetually and in full force.

Section 2. Effect of Declaration. Reference in any deed, mortgage, trust deed or any other recorded documents to the easements, restrictions and covenants herein described or to this Declaration shall be sufficient to create and reserve such easements and covenants to the respective grantees, mortgagees, or trustees of said parcels as fully and completely as if those easements, restrictions and covenants were fully related and set forth in their entirety in said documents.

ARTICLE VIII

ANNEXATION

Section 1. Annexation by Declarant. At any time during the initial term of this Declaration, the Declarant may, at its sole option, annex additional property to this Declaration to be subject to the terms hereof to the same extent as if originally included herein and subject to such other terms, covenants, conditions, easements and restrictions as may be imposed thereon by Declarant.

(a) Declaration of Annexation. Annexation shall be evidenced by a written Declaration of Annexation executed by Declarant setting forth the legal description of the property being annexed and the restrictive covenants to be applied to such annexed property.

Section 2. Annexation by Action of Members. At any time, the Board of Directors may request approval of the membership for the annexation of additional property into the

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Association to be subject to all of the terms of this Declaration to the same extent as if originally included herein. No such annexation shall be effective unless approved in writing by members entitled to cast two-thirds (2/3) of the total votes in both classes of membership. Any property that is contiguous to existing property to this Declaration may be annexed hereto according to the foregoing requirements, provided however, that no such annexation shall be effective without the consent and joinder of the owners of the property to be annexed. Such annexation must be evidenced by a Declaration of Annexation as set forth in Subsection 1(a) above executed by the parties herein described.

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Section 3. No Duty to Annex. Nothing herein contained shall establish any duty or obligation on the part of the Declarant or any other member to annex any property to this Declaration and no owner of property excluded from the Declaration shall have any right to have such property annexed thereto.

Section 4. Effect of Annexation on Class B Membership. In determining the Property owned by Declarant for the purpose of Class B Membership status, the total square footage covered by the Declaration including all property annexed thereto shall be considered. If Class B Membership has previously expired but annexation of additional property restores the ratio of property owned by Declarant to the number required for Class B Membership, such Class B Membership shall be reinstated.

ARTICLE IX

GENERAL

Section 1. Remedies. In the event of any default by any Owner under the provisions of the Declaration, By-Laws or rules and regulations of the Association, the Association and any

Owner shall have each and all of the rights and remedies which may be provided for in this Declaration, the By-Laws and said rules and regulations, and those which may be available at law or in equity, and may prosecute any action or other proceeds against such defaulting Owner and/or others for enforcement of any lien, statutory or otherwise, including foreclosure of such lien and the appointment of a receiver for the Tract and ownership interest of such Owner, or for damages or injunction, or specific performance, or for judgment for the payment of the money and collection thereof, or for any continuation of the remedies, or for any other relief. No remedies herein provided or available at law or in equity shall be deemed mutually exclusive of any other such remedy. All expenses of the Association in connection with any such actions or proceedings, including court costs and attorneys' fees and other fees and expenses, and all damages, permitted by law from the due date until paid, shall be charged to and assessed against such defaulting Owner, and shall be added to and deemed part of respective maintenance assessment (to the same extent as the lien provided herein for unpaid assessments), upon the Tract and upon all of his additions and improvements thereto, and upon all of his personal property upon the Tract. Any and all of such rights and remedies may be exercised at any time and from time to time, cumulatively or otherwise, by the Association or any Owner.

Section 2. Term and Amendments. The covenants and restrictions of this Declaration shall run with and bind the land for a term of twenty-five (25) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years, unless seventy-five percent (75%) of the votes outstanding shall have voted to terminate the covenants and restrictions of this Declaration. This Declaration may be amended by an instrument signed by Owners constituting not less than seventy-five percent

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(75%) of the votes of the Association. The Declarant reserves the right to terminate the Association and abrogate this Declaration at any time during the first two (2) years following recordation in the real property records of Harris County, Texas, if the Association's maintenance responsibilities and the Detention Area have been conveyed to and assumed by other public or municipal entities.

Section 3. Enforcement. Each Owner grants to the Association the exclusive right to enforce the performance of each and all of the restrictions, conditions and covenants contained herein, by injunction or other appropriate remedy at law or in equity. Should the Association employ counsel to enforce any of the restrictions, conditions and covenants herein contained, all costs incurred in such enforcement, including reasonable attorneys' fees, shall be paid by the breaching Owner. Following any termination of the Association, the Owner of any Tract in the Property shall have the right to enforce the performance hereof by injunction or other appropriate remedy at law or in equity. Failure by the Association, or any Owner, including Declarant, to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 4. Other Authorities. If other authorities, such as the City of Webster or Harris County, impose more demanding, expensive or restrictive requirements than those set forth herein, the requirements of such authorities shall be complied with. Other authorities' imposition of lesser requirements than those set forth herein shall not supersede or diminish the requirements herein.

Section 5. Addresses. Any notices or correspondence to an Owner of a Tract shall be addressed to the street address of the Tract. Any notice or correspondence to the Association

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shall be addressed to the address shown opposite the signature of Declarant below or to such other address as is specified by the Association pursuant to an instrument recorded in the real property records of Harris County.

Section 6. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 7. Rights and Obligations. The provisions of this Declaration and the Articles of Incorporation and By-Laws and the rights and obligations established thereby shall be deemed to be covenants running with the land and shall inure to the benefit of, and be binding upon, each and all of the Owners and their respective heirs, representatives, successors, assigns, purchasers, grantees and mortgagees. By the recording of the acceptance of a deed conveying a Tract of any ownership interest in the Tract whatsoever, the person to whom such Tract or interest is conveyed shall be deemed to accept and agree to be bound by and subject to all of the provisions of this Declaration and the Articles of Incorporation and By-Laws, whether or not mention thereof is made in said deed.

Section 8. Miscellaneous Provisions. Any provisions of this Declaration or of the Articles of Incorporation and By-Laws to the contrary notwithstanding, the following provisions shall control:

- (a) The following actions will require notice to all institutional holders of first mortgage liens: (1) abandonment or termination of the Association; or (2) material amendment to the Declaration.

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(b) Upon the request of any first mortgagee, the Association shall furnish to such mortgagee a written notice of any default by the Owner of a Tract in the performance of such Owner's obligations under this Declaration or the By-Laws or Association rules and regulations which is not cured within thirty (30) days. Any first mortgagee of a Tract who comes into possession of such Tract pursuant to the remedies provided in the mortgage, a foreclosure of the mortgage, or deed (or assignment) in lieu of foreclosure, shall take such property free of any claims for unpaid assessments or charges in favor of the Association against the mortgaged property which accrued prior to the time such holder comes into possession of the property.

(c) Unless at least seventy-five percent (75%) of the first mortgagees (based upon one vote for each mortgagee) have given their prior written approval, neither the Association nor the Owners shall be entitled to:

- (i) by act or omission seek to abandon, partition, encumber, or transfer the Detention Area, if any, or any portion thereof of interest therein;
(The granting of easements for public utilities or other public purposes consistent with the intended use of such property shall not be deemed a transfer within the meaning of this clause);
- (ii) substantially change the method of determining the obligations, assessments, dues or other charges which may be levied against an Owner by the Association; or
- (iii) fail to maintain liability and extended coverage insurance on insurable property comprising a part of the Detention Area on a current replacement

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cost basis in an amount not less than one hundred percent (100%) of the insurable value (based on current replacement costs).

(d) All personal pronouns used in this Declaration, whether used in the masculine, feminine or neuter gender, shall include all other genders; the singular shall include the plural, and vice versa.

Section 9. Headings. The headings contained in this Declaration are for reference purposes only and shall not in any way affect the meaning or interpretation of this Declaration.

Section 10. Conflicts. In the event of conflict between the terms of this Declaration and the By-Laws, rules, regulations or Articles of Incorporation of the Association, this Declaration shall control.

Section 11. Purpose of Correction Declaration. Declarant desires to execute this Correction Declaration for the purpose of correcting an error in that certain Declaration of Covenants, Conditions and Restrictions recorded on December 5, 1994 under Harris County Clerk's File No. R176162, wherein Exhibit B to said Declaration was inadvertently omitted from the Declaration. Exhibit B is hereby attached to this Correction Declaration of Covenants, Conditions and Restrictions and made a part hereof for all purposes.

502-72-1148

IN WITNESS WHEREOF, the Declarant has caused this instrument to be executed on its behalf, attested and its corporate seal to be hereunto affixed as of the day and year first above written.

502-72-1049

DECLARANT:

BC WEBSTER LAND, L.P., a Texas limited partnership

By: BC/Rose, Inc.
General Partner

By: J. Michael Rose
J. Michael Rose, President

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STATE OF TEXAS §
COUNTY OF HARRIS §

The foregoing instrument was acknowledged before me on this 2nd day of January, 1995, by J. Michael Rose, President of BC/Rose, Inc., a Texas corporation, general partner of BC Webster Land, L.P., a Texas limited partnership, on behalf of said partnership.



Kelly Yeaney
Notary Public in and for
the State of Texas
Printed Name: Kelly Yeaney
My Commission Expires: 6-21-98

EXHIBITS:
Exhibit A - Description of Property
Exhibit B - Detention Area

DESCRIPTION OF THE PROPERTY

502-72-1150

EXHIBIT A

502-72-1051

lee

METES AND BOUNDS DESCRIPTION
74.03 ACRES
PART OF LOTS 4, 5 AND 6, BLOCK 20,
LOTS 3, 4, 6, 7, 9 AND 10, BLOCK 21, MAP OF WEBSTER
ROBERT WILSON SURVEY, ABSTRACT NUMBER 88
HARRIS COUNTY, TEXAS

Being a tract or parcel containing a gross area of 74.03 acres of land situated in the Robert Wilson Survey, Abstract Number 88, Harris County, Texas; being part of and out of Lots 4, 5 and 6, Block 20, Lots 3, 4, 6, 7, 9 and 10, Block 21, and part of Texas Avenue, based on a 60-foot-width, MAP OF WEBSTER (also known as "Webster Outlots"), a map delineated in Volume 67, Page 197, Deed Records of Harris County, Texas; and being part of and out of that certain called 94.548 acres, described in deed recorded under Harris County Clerk's File (HCCF) Number L608117, Official Public Records of Real Property of Harris County, Texas, said 74.03 acre tract being more particularly described as follows (bearings herein are oriented to the bearing base reflected on PIPER'S MEADOW, SECTION ONE, a plat of subdivision recorded in Volume 280, Page 89, Map Records of Harris County, Texas [HCMR]):

BEGINNING at a 5/8-inch iron rod with plastic cap set marking the intersection of the southwest right-of-way (ROW) line of State Highway 3 (also known as Galveston Road), based on a 120-foot width, with the common line of Lots 4 and 5 of said Block 21, said iron rod also marking the most northerly common corner of said 94.548 acre tract and that certain called 5.9031 acres, described in deed to LCSSC Venture, as recorded under HCCF Number H541872, and the most northerly east corner of the herein described tract, from which a 5/8-inch iron rod found for reference bears South 60°42' East, 1.11 feet;

THENCE, SOUTH 48°52'06" West, with said common lot line, and the most northerly common line of said 94.548 acre tract and said 5.9031 acre tract, a distance of 496.27 feet to a 5/8-inch iron rod found marking the north common corner of said Lots 5 and 6, the most westerly common corner of said 94.548 acre tract and said 5.9031 acre tract, and an interior corner of the herein described tract, from which a 5/8-inch iron rod found for reference bears North 48°52'06" East, 0.82 feet;

THENCE, SOUTH 41°07'54" East, with the common line of said Lots 5 and 6, and the most southerly common line of said 94.548 acre tract and said 5.9031 acre tract, a distance of 619.13 feet to the curved northwest ROW line of Bay Area Boulevard, based on a 120-foot width, and marking the most southerly common corner of said 94.548 acre tract and said 5.9031 acre tract, and an exterior corner of the herein described tract (corner falls in a utility pole and was not set);

THENCE, SOUTHWESTERLY, with said northwest ROW line and a non-tangent curve to the right, having a radius of 5,669.58 feet, an arc length of 215.51 feet, a central angle of 02°10'40", and a chord which bears South 46°30'07" West, 215.49 feet to the most southerly common corner of said 94.548 acre tract and that certain called 3.1121 acres, described in deed to Robert A. Farstl, as recorded under HCCF Number F080168, also being an exterior corner of the herein described tract, from which a 1/2-inch iron pipe found for reference bears South 41°07'54" East, 0.23 feet, and from which a 1/2-inch iron rod found for reference bears South 53°44' East, 2.00 feet;

THENCE, NORTH 41°07'54" West, with the most easterly common line of said 94.548 acre tract and said 3.1121 acre tract, a distance of 828.03 feet to a 1/2-inch iron pipe found marking the most northerly common corner of said 94.548 acre tract and said 3.1121 acre tract, and an interior corner of the herein described tract;

THENCE, SOUTH 48°52'06" West, with the common line of the aforesaid Lots 4 and 6, and the most westerly common line of said 94.548 acre tract and said 3.1121 acre tract, as 215.31 feet pass the most northerly common corner of said 3.1121 acre tract and that certain tract described in deed to Robert Farstl, as recorded under HCCF Number F706527 (herein referred to as "Farstl Tract"), continuing with the most northerly common line of said 94.548 acre tract and said Farstl Tract, in all, a distance of 314.88 feet to a 5/8-inch iron rod found marking the most westerly common corner of said 94.548 acre tract and said Farstl Tract, and an interior corner of the herein described tract, from which a 5/8-inch iron rod found for reference bears North 68°41' West, 3.60 feet;

EXHIBIT A

METES AND BOUNDS DESCRIPTION
74.03 ACRES
ROBERT WILSON SURVEY, ABSTRACT NUMBER 38
HARRIS COUNTY, TEXAS

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PAGE 2 OF 5

THENCE, SOUTH 41°07'54" East, with the most southerly common line of said 94.548 acre tract and said First Tract, a distance of 629.54 feet to a 5/8-inch iron rod with plastic cap set in the aforesaid northwest ROW line of Bay Area Boulevard, and marking the most southerly common corner of said 94.548 acre tract and said First Tract, said iron rod also marking an exterior corner of the herein described tract, from which a 1/2-inch iron rod found for reference bears North 69°03' West, 3.40 feet;

THENCE, SOUTH 48°50'16" West, with said northwest ROW line, at 130.00 feet, pass the common line of Lots 6 and 7 of the aforesaid Block 21, and an exterior corner of said 94.548 acre tract, from which a 5/8-inch iron rod found for reference bears South 58°55' East, 0.30 feet and from which a bent 1/2-inch iron rod found for reference bears North 80°41' West, 2.43 feet, continuing, in all, a distance of 133.33 feet to a 5/8-inch iron rod with plastic cap set in the northeast line of that certain called 1.2757 acres, referred to as Unrestricted Reserve "A", SUB-DIVISION OF THE NORTHEAST HALF OF LOT 7, BLOCK 21, WEBSTER OUTLOTS, a plat of subdivision recorded in Volume 319, Page 54, HCMR, said 1.2757 acre tract being described in deed to Jst-Pro V Associates, as recorded under HCCF Number K895725, said iron rod with plastic cap also marking an exterior corner of the herein described tract, from which a 3/8-inch iron rod found for reference bears South 40°58'41" East, 1.02 feet;

THENCE, NORTH 40°58'41" West, with said northeast line, at 168.34 feet pass a 5/8-inch iron rod found marking the most northerly common corner of said 1.2757 acre tract and that certain called 3.512 acres, referred to as Unrestricted Reserve "B" of said SUBDIVISION OF THE NORTHEAST HALF OF LOT 7, BLOCK 21, WEBSTER OUTLOTS, said 3.512 acre tract being described in deed to Fair Lanes Texas Bowi Corp, as recorded under HCCF Number P403606, continuing with the northeast line of said 3.512 acre tract, in all, a distance of 633.27 feet to a 5/8-inch iron rod with plastic cap set marking the most northerly corner of said 3.512 acre tract, and an interior corner of the herein described tract, from which a 1/2-inch iron rod found for reference bears North 75°05' East, 1.87 feet, and from which a 5/8-inch iron rod found for reference bears South 74°30' East, 4.15 feet;

THENCE, SOUTH 48°47'46" West, with the northwest line of said 3.512 acre tract, a distance of 332.79 feet to a 5/8-inch iron rod with plastic cap set marking the most westerly corner of said 3.512 acre tract, and an interior corner of the herein described tract;

THENCE, SOUTH 41°09'42" East, with the southwest line of said 3.512 acre tract, at 464.93 feet pass the most southerly common corner of said 3.512 acre tract and the aforesaid 1.2757 acre tract, continuing with the southwest line of said 1.2757 acre tract, in all, a distance of 633.03 feet to a 5/8-inch iron rod with plastic cap set in the aforesaid northwest ROW line of Bay Area Boulevard, and marking an exterior corner of the herein described tract, from which a 5/8-inch iron rod found for reference bears South 41°09'42" East, 1.49 feet;

THENCE, SOUTH 48°50'16" West, with said northwest ROW line, a distance of 318.81 feet to a 5/8-inch iron rod with plastic cap set marking an exterior corner of the herein described tract;

THENCE, NORTH 41°07'54" West, at 629.25 feet pass the common line of Lots 9 and 7 of the aforesaid Block 21, continuing, in all, a distance of 1,200.00 feet to a 5/8-inch iron rod with plastic cap set marking an interior corner of the herein described tract;

THENCE, SOUTH 48°50'16" West, at 640.30 feet pass the northeast ROW line of the aforesaid Texas Avenue, continuing, at 700.30 feet pass the southwest ROW line of said Texas Avenue (this point is herein referred to as "CORNER A"), continuing, in all, a distance of 750.00 feet to a 5/8-inch iron rod with plastic cap set marking an interior corner of the herein described tract;

METES AND BOUNDS DESCRIPTION
74.03 ACRES
ROBERT WILSON SURVEY, ABSTRACT NUMBER 88
HARRIS COUNTY, TEXAS

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THENCE, SOUTH 41°07'54" East, at 589.65 feet pass the common line of Lots 5 and 4 of the aforesaid Block 20, continuing, in all, a distance of 1,000.00 feet to a 5/8-inch iron rod with plastic cap set in the most northerly common line of the aforesaid 94.548 acre tract and that certain called 0.68871 acre, described in deed to Bank of America Texas, NA, as recorded under HCCF Number P070167, and marking an exterior corner of the herein described tract;

THENCE, SOUTH 48°50'16" West, with said northerly common line, a distance of 100.25 feet to a 1/2-inch iron rod found marking the most westerly common corner of said 94.548 acre tract and said 0.68871 acre tract, and an interior corner of the herein described tract;

THENCE, SOUTH 41°14'08" East, with the most southerly common line of said 94.548 acre tract and said 0.68871 acre tract, a distance of 200.00 feet to a 1/2-inch iron rod found in the aforesaid northwest ROW line of Bay Area Boulevard, and marking the most southerly common corner of said 94.548 acre tract and said 0.68871 acre tract, and an exterior corner of the herein described tract;

THENCE, SOUTH 48°50'16" West, with said northwest ROW line, a distance of 479.82 feet to the beginning of a tangent curve, also being in the common line of Lots 5 and 6 of the aforesaid Block 20, from which a 5/8-inch iron rod found for reference bears North 46°03' West, 0.70 feet;

THENCE, SOUTHWESTERLY, with said northwest ROW line and a curve to the right, having a radius of 5,669.58 feet, an arc length of 45.74 feet, and a central angle of 00°27'44" to the most easterly common corner of said 94.548 acre tract and that certain called 2.2298 acres, described in deed to General Mills Restaurant Group, Inc, as recorded under HCCF Number H302191, also being an exterior corner of the herein described tract, from which a 5/8-inch iron rod found for reference bears North 65°18' West, 0.77 feet;

THENCE, NORTH 42°30'30" West, with the most easterly common line of said 94.548 acre tract and said 2.2298 acre tract, a distance of 378.97 feet to a 5/8-inch iron rod with plastic cap set marking the most northerly common corner of said 94.548 acre tract and said 2.2298 acre tract, and an interior corner of the herein described tract, from which a 5/8-inch iron rod found for reference bears North 15°23' West, 1.98 feet;

THENCE, SOUTH 47°29'30" West, with the most westerly common line of said 94.548 acre tract and said 2.2298 acre tract, a distance of 270.00 feet to a 5/8-inch iron rod with plastic cap set in the northeast line of that certain called 2.925 acres, referred to as the abandoned, 100-foot wide Galveston-Houston Electric Railway Company ROW, described in deed to Houston Lighting and Power Company, as recorded in Volume 2810, Page 897, HCCR, said iron rod also marking the most westerly common corner of said 94.548 acre tract and said 2.2298 acre tract, and an exterior corner of the herein described tract, from which a 5/8-inch iron rod found for reference bears North 42°30'30" West, 1.24 feet;

THENCE, NORTH 42°30'30" West, with the common line of said 94.548 acre tract and said 2.925 acre tract, a distance of 469.81 feet to the common corner of said 94.548 acre tract and said 2.925 acre tract, and the most westerly corner of the herein described tract, from which a 5/8-inch iron rod found for reference bears South 06°27' West, 0.88 feet;

THENCE, NORTH 23°12'38" East, with the common line of said 94.548 acre tract and that certain tract, referred to as Tract 100, described in deed recorded in Volume 1111, Page 77, HCCR, and along the generally recognized common survey line of the aforesaid Robert Wilson Survey, August Whitlock Surveys, Abstract Numbers 793 and 794, and J A Harris Survey, Abstract Number 340, at 164.56 feet pass the most southerly corner of PIPER'S MEADOW, SECTION TWO, a plat of subdivision recorded in Volume 305, Page 58, HCCR, continuing with the common line of said

METES AND BOUNDS DESCRIPTION
74.03 ACRES
ROBERT WILSON SURVEY, ABSTRACT NUMBER 88
HARRIS COUNTY, TEXAS

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94.548 acre tract and said PIPER'S MEADOW, SECTION TWO, at 289.17 feet pass the most southerly east corner of Piper's View Drive, based on a 60-foot width, as delineated on said PIPER'S MEADOW, SECTION TWO, from which a 5/8-inch iron rod found for reference bears North 56°38' East, 0.33 feet, continuing, at 352.23 feet pass the most northerly east corner of said Piper's View Drive, from which a 5/8-inch iron rod found for reference bears North 23°12'38" East, 0.21 feet, continuing, at 1,071.01 feet pass the most southerly west corner of the aforesaid Texas Avenue, continuing, at 1,085.84 feet pass the most easterly corner of said PIPER'S MEADOW, SECTION TWO, continuing with the west line of said 94.548 acre tract and along said common survey line, at 1,137.58 feet pass the most northerly west corner of said Texas Avenue, continuing, at 1,196.95 feet pass the most southerly corner of the aforesaid PIPER'S MEADOW, SECTION ONE, continuing with the common line of said 94.548 acre tract and said PIPER'S MEADOW, SECTION ONE, and along said common survey line, at 1,446.95 feet pass a 1/2-inch iron rod found marking the most southerly east corner of Elder Glen Drive, based on a 60-foot width, as delineated on said plat of PIPER'S MEADOW, SECTION ONE, continuing, at 1,506.95 feet pass a 5/8-inch iron rod found marking the most northerly east corner of said Elder Glen Drive, continuing, in all, a distance of 2,569.89 feet to a 5/8-inch iron rod found marking the common corner of said 94.548 acre tract and that certain called 7.4117 acres, described in deed to Natarajan S Bala, Trustee, as recorded under HCCF Number N452838, said iron rod also marking the most westerly north corner of the herein described tract;

THENCE, SOUTH 41°10'26" East, with the common line of said 94.548 acre tract and said 7.4117 acre tract, at 4.65 feet pass a 5/8-inch iron rod found marking the most southerly common corner of said 7.4117 acre tract and that certain called 11.677 acres, described in deed to SCA/VQA Chatham Joint Venture, as recorded under HCCF Number P656019, continuing with the most westerly common line of said 94.548 acre tract and said 11.677 acre tract, in all, a distance of 446.96 feet to a 1/2-inch iron rod found marking the most southerly common corner of said 94.548 acre tract and said 11.677 acre tract, and marking an interior corner of the herein described tract;

THENCE, NORTH 48°52'06" East, with the most easterly common line of said 94.548 acre tract and said 11.677 acre tract, a distance of 1,149.40 feet to a 5/8-inch iron rod with plastic cap set in the southwest ROW line of the aforesaid State Highway 3, and marking the most northerly common corner of said 94.548 acre tract and said 11.677 acre tract, and the most northerly corner of the herein described tract;

THENCE, SOUTH 41°07'54" East, with said southwest ROW line, at 217.70 feet pass the common line of Lots 3 and 4 of the aforesaid Block 21, continuing, in all, a distance of 877.25 feet to the POINT OF BEGINNING and containing a gross area of 74.03 acres of land.

SUBJECT TO any and all rights or interests by the City of Webster, Texas to a tract or parcel containing 0.1853 acre of land situated in the above described 74.03 acre tract, and being that portion located within the right-of-way of the aforesaid Texas Avenue, said 0.1853 acre tract being more particularly described as follows:

BEGINNING at the aforesaid CORNER A and in the southwest ROW line of said Texas Avenue, also being the most southerly corner of the herein described tract;

THENCE, NORTH 41°09'44" West, with said southwest ROW line, a distance of 105.62 feet to the west line of the aforesaid 94.548 acre tract, also being the most southerly west corner of said Texas Avenue and herein described tract;

THENCE, NORTH 23°12'38" East, with said west line, a distance of 66.55 feet to the most northerly west corner of said Texas Avenue and herein described tract;

METES AND BOUNDS DESCRIPTION
74.03 ACRES
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HARRIS COUNTY, TEXAS

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THENCE, SOUTH 41°09'44" East, with the northeast ROW line of said Texas Avenue, a distance of 134.40 feet to the most westerly southeast line of the aforesaid 74.03 acre tract, also being the most easterly corner of the herein described tract;

THENCE, SOUTH 48°50'16" West, with said westerly southeast line, a distance of 80.00 feet to the POINT OF BEGINNING of the herein described tract and containing 0.1653 acre of land. This metes and bounds description is based on a Land Title Survey and plat prepared by Terra Surveying Company, Inc, dated September 9, 1994, TSC Project Number 1851-9319-S.

DETENTION AREA

502-72-1056

EXHIBIT B



4909 Woodway, Suite 1000 — Houston, Texas 77056 — (713) 290-0327 — Fax (713) 990-9231

502-72-1057

METES AND BOUNDS DESCRIPTION
10.87 ACRES
RESTRICTED RESERVE "D", BAYBROOK PARK - SECTION ONE
ROBERT WILSON SURVEY, ABSTRACT NUMBER 88
HARRIS COUNTY, TEXAS

Being a tract or parcel containing 10.87 acres of land situated in the Robert Wilson Survey, Abstract Number 88, Harris County, Texas; being part of and out of Lot 7, Block 21, MAP OF WEBSTER (also known as "Webster Outlots"), a map delineated in Volume 67, Page 197, Deed Records of Harris County, Texas; being part of and out of that certain called 74.03 acres, described in deed to BC Webster Land, L.P., dated November 3, 1994, as recorded under Harris County Clerk's File (HCCF) Number R141634, Official Public Records of Real Property of Harris County, Texas; and being all of proposed Restricted Reserve "D" as delineated on BAYBROOK PARK - SECTION ONE, a plat of a subdivision presently unrecorded, as submitted to the City of Webster on December 14, 1994; said 10.87 acre tract being more particularly described as follows (bearings herein are oriented to the bearing base reflected in the deed of said 74.03 acre tract):

COMMENCING at a 5/8-inch iron rod with plastic cap found marking the intersection of the southwest right-of-way (ROW) line of State Highway 3 (also known as Galveston Road), based on a 120-foot width, with the common line of Lots 4 and 5 of said Block 21, said iron rod also marking the most northerly common corner of said 74.03 acre tract and that certain called 5.9031 acres, described in deed to LCSSC Venture, as recorded under HCCF Number H541872, and the most northerly east corner of proposed Restricted Reserve "A" of said BAYBROOK PARK - SECTION ONE, from which a 5/8-inch iron rod found for reference bears South 80°42' East, 1.11 feet, thence:

South 48°52'05" West, with the common line of said Lots 4 and 5, the most northerly common line of said 74.03 acre tract and said 5.9031 acre tract, and the most northerly southeast line of said proposed Restricted Reserve "A", at 490.27 feet pass a 5/8-inch iron rod found marking the north common corner of said Lots 5 and 6, the most westerly common corner of said 74.03 acre tract and said 5.9031 acre tract, and an interior corner of said proposed Restricted Reserve "A", from which a 5/8-inch iron rod found for reference bears North 48°52'06" East, 0.82 feet, continuing with the common line of said Lots 4 and 6, in all, a distance of 705.58 feet to a 1/2-inch iron pipe found marking the most northerly common corner of said 74.03 acre tract and that certain called 3.1121 acres, described in deed to Robert A Ferstl, as recorded under HCCF Number F080168, said iron pipe also being in the southwest line of said proposed Restricted Reserve "A", and marking the POINT OF BEGINNING, and the most northerly east corner of the aforesaid proposed Restricted Reserve "D" and herein described tract;

THENCE, SOUTH 48°52'06" West, continuing with said common lot line, the most westerly common line of said 74.03 acre tract, said 3.1121 acre tract and that certain tract described in deed to Robert Ferstl, as recorded under HCCF Number F706527 (herein referred to as "Ferstl Tract"), and the most northerly southeast line of said proposed Restricted Reserve "D", a distance of 374.88 feet to a 5/8-inch iron rod found marking the most westerly common corner of said 74.03 acre tract and said Ferstl Tract, and an interior corner of said proposed Restricted Reserve "D" and herein described tract, from which a 5/8-inch iron rod found for reference bears North 69°41' West, 3.60 feet;

THENCE, SOUTH 41°07'54" East, with the most southerly common line of said 74.03 acre tract and said Ferstl Tract, and a northeast line of said proposed Restricted Reserve "D", a distance of 379.54 feet to a 5/8-inch iron rod with plastic cap set marking the most northerly common corner of said proposed Restricted Reserve "D" and proposed Restricted Reserve "C" of the aforesaid BAYBROOK PARK - SECTION ONE, said iron rod also marking the most easterly northeast corner of the herein described tract;

EXHIBIT B

METES AND BOUNDS DESCRIPTION
10.87 ACRES
ROBERT WILSON SURVEY, ABSTRACT NUMBER 88
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THENCE, SOUTH 48°50'16" West, with the common line of said proposed Restricted Reserves "D" and "C", a distance of 132.88 feet to a 5/8-inch iron rod with plastic cap set in a common line of the aforesaid 74.03 acre tract and that certain called 3.512 acres, referred to as Unrestricted Reserve "B", SUBDIVISION OF THE NORTHEAST HALF OF LOT 7, BLOCK 21, WEBSTER OUTLOTS, a plat of subdivision recorded in Volume 319, Page 54, HCMR, said 3.512 acre tract being described in deed to Fair Lanes Texas Bowl Corp. as recorded under HCCF Number P403606, said iron rod also marking the most southerly common corner of said proposed Restricted Reserves "D" and "C", and marking an exterior corner of the herein described tract;

THENCE, NORTH 40°58'41" West, with said common line and a southwest line of said proposed Restricted Reserve "D", a distance of 383.27 feet to a 5/8-inch iron rod with plastic cap found marking the most northerly common corner of said 74.03 acre tract and said 3.512 acre tract, and an interior corner of said proposed Restricted Reserve "D" and herein described tract, from which a 1/2-inch iron rod found for reference bears North 75°03' East, 1.87 feet, and from which a 5/8-inch iron rod found for reference bears South 74°30' East, 4.15 feet;

THENCE, SOUTH 48°47'48" West, with a common line of said 74.03 acre tract and said 3.512 acre tract, and with a southeast line of said proposed Restricted Reserve "D", a distance of 329.79 feet to a 5/8-inch iron rod with plastic cap found marking the most westerly common corner of said 74.03 acre tract and said 3.512 acre tract, and an interior corner of said proposed Restricted Reserve "D" and herein described tract;

THENCE, SOUTH 41°09'42" East, with a common line of said 74.03 acre tract and said 3.512 acre tract, a distance of 128.03 feet to a 5/8-inch iron rod with plastic cap set marking the common corner of said proposed Restricted Reserve "D" and proposed Restricted Reserve "E" of the aforesaid BAYBROOK PARK - SECTION ONE, said iron rod also marking the most southerly east corner of the herein described tract;

THENCE, SOUTH 48°50'16" West, with the common line of said proposed Restricted Reserves "D" and "E", at 158.65 feet pass a 5/8-inch iron rod with plastic cap set marking the most northerly common corner of said proposed Restricted Reserve "E" and proposed Restricted Reserve "F" of said BAYBROOK PARK - SECTION ONE, continuing with the common line of said proposed Restricted Reserves "D" and "F", in all, a distance of 318.55 feet to a 5/8-inch iron rod with plastic cap set marking the common corner of said proposed Restricted Reserves "D" and "F", and marking the most southerly corner of the herein described tract, said iron rod also being in a southwest line of the aforesaid 74.03 acre tract;

THENCE, NORTH 41°07'54" West, with said southwest line, a distance of 264.00 feet to a 5/8-inch iron rod with plastic cap set marking a common corner of the aforesaid proposed Restricted Reserve "D" and proposed Restricted Reserve "H" of the aforesaid BAYBROOK PARK - SECTION ONE, said iron rod also being in a non-tangent curve;

THENCE, NORTHEASTERLY, with a common line of said proposed Restricted Reserves "D" and "H", and a non-tangent curve to the right, having a radius of 940.00 feet, an arc length of 717.74 feet, a central angle of 43°44'53", and a chord which bears North 26°59'39" East, 700.43 feet to a 5/8-inch iron rod with plastic cap set marking the point of tangency;

THENCE, NORTH 48°52'06" East, with a common line of said proposed Restricted Reserves "D" and "H", a distance of 444.63 feet to a 5/8-inch iron rod with plastic cap set marking the most northerly corner of said proposed Restricted Reserve "D" and herein described tract;

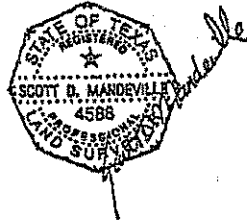
METES AND BOUNDS DESCRIPTION
10.87 ACRES
ROBERT WILSON SURVEY, ABSTRACT NUMBER 88
HARRIS COUNTY, TEXAS

PAGE 3 OF 3

502-72-1059

THENCE, SOUTH 41°09'42" East, with the most northerly northeast line of said proposed Restricted Reserve "D", at 200.00 feet pass a 5/8-inch iron rod with plastic cap set marking the most westerly corner of the aforesaid proposed Restricted Reserve "A", continuing with the common line of said proposed Restricted Reserves "D" and "A", in all, a distance of 400.00 feet to the POINT OF BEGINNING and containing 10.87 acres of land (this metes and bounds description is based on a Land Title Survey and plat of the aforesaid 74.03 acre tract prepared by Terra Surveying Company, Inc, dated September 3, 1994, TSC Project Number 1851-9319-S, upon which said plat of BAYBROOK PARK - SECTION ONE was based.)

Compiled by: Scott D Mandeville
Reviewed by: William E Merten
Compilation date: December 16, 1994
TSC Project Number: 1851-9319-S
SDM:mb10B7.ws



FILED
95 FEB -7 PM 3:24
COUNTY CLERK
HARRIS COUNTY, TEXAS
Beau L. Hoffman

ANY PROVISION HEREIN WHICH VIOLATES THE SALE, MENTAL, OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS HEREBY REVOKED AND UNENFORCEABLE UNDER FEDERAL LAW.
THE STATE OF TEXAS
COUNTY OF HARRIS
I hereby certify that this instrument was FILED in File Number _____
Sequence on the date and at the time stamped hereon by me; and was
duly RECORDED in the Official Public Records of Real Property of
Harris County, Texas on

FEB 7 1995



Beau L. Hoffman
COUNTY CLERK
HARRIS COUNTY, TEXAS

RECORDER'S MEMORANDUM
AT THE TIME OF RECORDATION, THIS INSTRUMENT WAS FOUND TO BE INADEQUATE FOR THE BEST PHOTOGRAPHIC REPRODUCTION BECAUSE OF ILLIGIBILITY, CARBON OR PHOTO COPY, DISCOLORED PAPER, ETC.



CTIC/MGC/461266

505-17-2599

Restrictive

RESTRICTIVE COVENANT

R556572

08/31/95 100053251 R 556572

\$41.00

This Restrictive Covenant (this "Restrictive Covenant") is made as of this 29 day of August, 1995, by BC WEBSTER LAND, L.P. ("BC Webster"), a Texas limited partnership, owner of the restricted property described herein.

RECITALS

BC Webster is the owner of a certain tract of real property located in Harris County, Texas described on Exhibit A attached hereto (the "Property").

BC Webster desires to restrict the use of the Property as described herein for the benefit of the property described on Exhibit B attached hereto (the "Benefitted Property").

NOW THEREFORE, BC Webster hereby makes and declares the following restrictive covenant:

1. Restrictive Covenant. The Property shall hereafter be held, sold, conveyed and occupied subject to the following covenants, conditions and restrictions, which shall run with the Property, and shall be binding on all parties having any right, title or interest in or to the Property or any part thereof, their heirs, successors and assigns. The following covenants, conditions and restrictions shall apply to the use, improvement, occupancy and conveyance of all of the Property; and each instrument which may be recorded in the Official Records of Harris County, Texas after recordation of this Restrictive Covenant with regard to the Property or any portion thereof shall conclusively be held to have been executed, delivered and accepted subject to the following (regardless of whether or not the same are set out in full or by reference in any said instrument):

As long as El Chico Realty Corporation or an affiliated entity ("El Chico") owns the Benefitted Property or is operating a full-service, sit down restaurant of which the primary menu items consist of "Mexican" or "Tex-Mex" food, no portion of the Property other than the Benefitted Property shall be used as a full-service, sit down restaurant of which the primary menu items consist of "Mexican" or "Tex-Mex" food. Any violation of the foregoing restriction on any portion of the Property other than the Benefitted Property will be enforceable by El Chico.

2. Covenant Runs With Land. This Restrictive Covenant shall run with the land and shall be binding upon BC Webster, and its successors and assigns, and all subsequent owners of any portion of the Property.

41
C

*Chicago Title
550 N. Pearl St 250
Dallas, TX 75201*

D11160719.1

FILED FOR RECORD
8:00 AM

AUG 31 1995

Russell B. Kaufman
County Clerk, Harris County, Texas

505-17-2600

3. Enforcement. This Restrictive Covenant is for the benefit of the Benefitted Property and all owners and subsequent owners of any portion of the Benefitted Property, and shall be enforceable only by said benefitted parties, by proceedings at law or in equity against any party violating or attempting to violate this Restrictive Covenant. Enforcement remedies shall include, but shall not be limited to, injunctive relief, specific performance, and recovery of damages all of which remedies shall be cumulative and not exclusive. This Restrictive Covenant shall not confer any benefit on the public or be enforceable by the public.
4. Amendment or Termination. This Restrictive Covenant may be amended or terminated only by written agreement in recordable form executed by all of the then-current owners of the Property and the Benefitted Property. No other parties shall be required to join in an agreement amending or terminating the Restrictive Covenant.
5. Applicable Law. This Restrictive Covenant shall be governed by and construed in accordance with the laws of the State of Texas.
6. Severability. If any provision herein is determined to be invalid, such determination shall in no manner affect the validity of the other provisions herein, which shall remain valid and in full force and effect.

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505-17-2601

IN WITNESS WHEREOF, this Restrictive Covenant has been executed and delivered as of the date and year first above written.

BC WEBSTER LAND, L.P.,
a Texas limited partnership

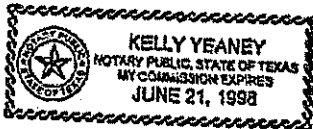
By: BC/Rose, Inc.,
General Partner

By: J. Michael Rose
J. Michael Rose
President

THE STATE OF TEXAS

COUNTY OF HARRIS

This instrument was acknowledged before me on August 29, 1995, by J. Michael Rose, President of BC/Rose, Inc., a Texas corporation, General Partner of BC Webster Land, L.P., a Texas limited partnership, on behalf of said partnership.



Kelly Yeaney
Notary Public in and for
the State of TEXAS
Printed Name: Kelly Yeaney
My commission expires: 6-21-98

DI/160719.1



505-17-2602

**EXHIBIT A
RESTRICTED PROPERTY**

D1160719.1

505-17-2603

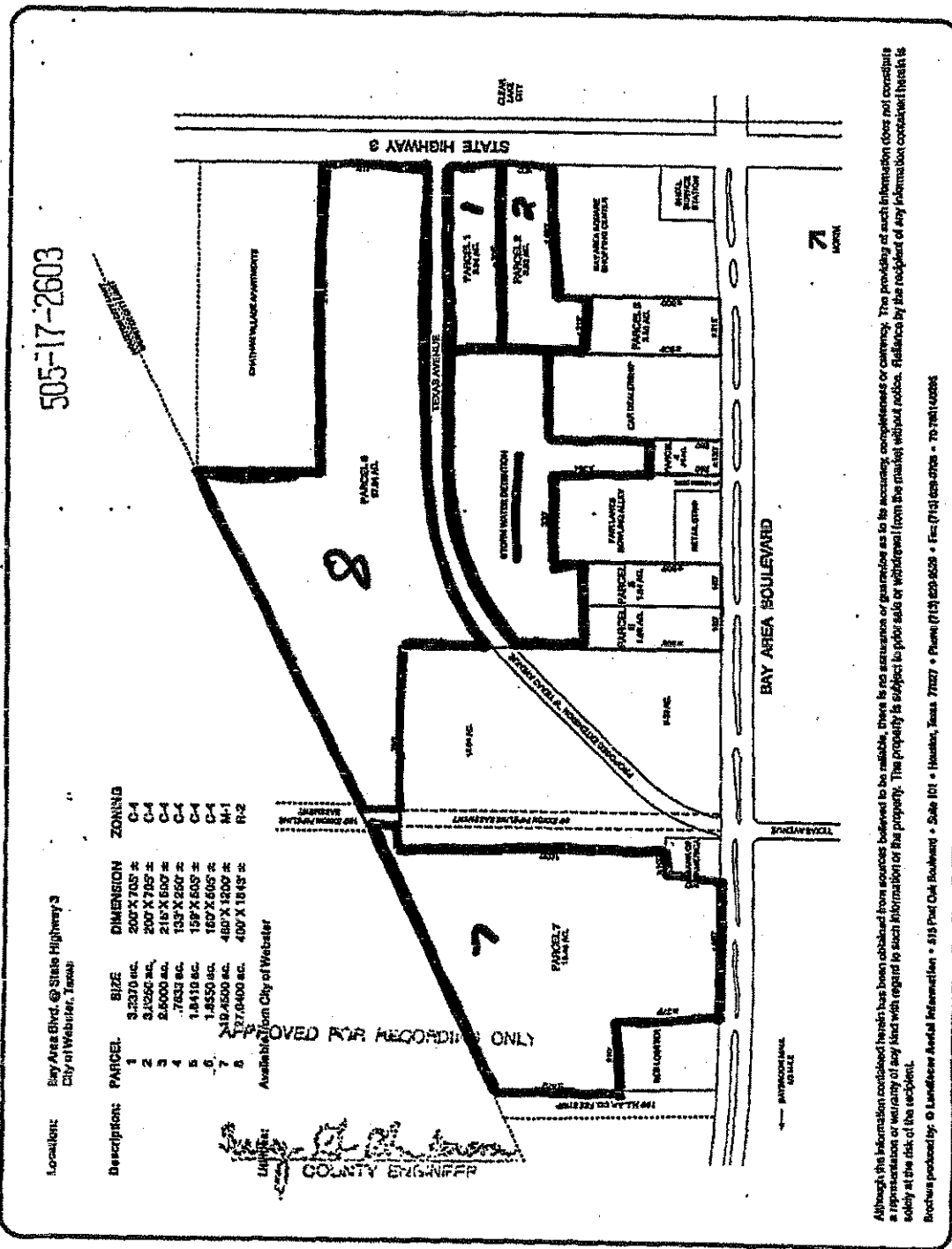
Location: Bay Area Blvd. @ State Highway 3
City of Webster, Texas

Description	PARCEL	SIZE	DIMENSION	ZONING
	1	9,237.0 ac.	200' X 765' ±	C-4
	2	3,125.0 ac.	200' X 765' ±	C-4
	3	2,600.0 ac.	215' X 607' ±	C-4
	4	.7633 ac.	133' X 260' ±	C-4
	5	1,841.0 ac.	158' X 609' ±	C-4
	6	1,843.0 ac.	158' X 609' ±	C-4
	7	119,760.0 ac.	489' X 1200' ±	M-1
	8	27,040.0 ac.	489' X 1045' ±	R-2

Available from City of Webster

APPROVED FOR RECORDING ONLY

[Signature]
COUNTY ENGINEER



Although this information contained herein has been obtained from sources believed to be reliable, there is no assurance or guarantee as to its accuracy, completeness or currency. The providing of such information does not constitute a representation or warranty of any kind with regard to such information or the property. The property is subject to prior sale or withdrawal from the market without notice. Reliance by the recipient of any information contained herein is solely at the risk of the recipient.

Revised periodically. © Lunenburg Aerial Information • 418 Post Oak Boulevard • Suite 101 • Houston, Texas 77027 • Phone: (713) 629-6528 • Fax: (713) 629-0708 • 70-7841-0008



Tract 1

505-17-2604

METES AND BOUNDS DESCRIPTION
3.237 ACRES
PART OF LOT 4, BLOCK 21, MAP OF WEBSTER
ROBERT WILSON SURVEY, ABSTRACT NUMBER 88
HARRIS COUNTY, TEXAS

lee

Being a tract or parcel containing 3.237 acres of land situated in the Robert Wilson Survey, Abstract Number 88, Harris County, Texas; being part of and out of Lot 4, Block 21, MAP OF WEBSTER (also known as "Webster Outlots"), a map delineated in Volume 67, Page 197, Deed Records of Harris County, Texas; being part of and out of that certain called 74.03 acres described in deed to x, dated x, as recorded under Harris County Clerk's File (HCCF) Number x, Official Public Records of Real Property of Harris County, Texas; and being part of and out of proposed Reserve "A" as delineated on BAYBROOK PARK, A Preliminary Plat of 74.0 Acres, submitted to the City of Webster on August 30, 1994; said 3.237 acre tract being more particularly described as follows (bearings herein are oriented to the bearing base reflected in said deed of the 74.03 acre tract):

D+

COMMENCING at a 5/8-inch iron rod with plastic cap found marking the intersection of the existing southwest right-of-way (ROW) line of State Highway 3 (also known as Galveston Road), based on a 120-foot width, with the common line of Lots 4 and 5 of said Block 21, said iron rod also marking the most northerly common corner of said 74.03 acre tract and that certain called 5.9031 acres, described in deed to LCSSC Venture, as recorded under HCCF Number H541872, and the most northerly east corner of said proposed Reserve "A", from which a 5/8-inch iron rod found for reference bears South 80°42' East, 1.11 feet, thence:

North 41°07'54" West, with said southwest ROW line, a distance of 200.00 feet to a 5/8-inch iron rod with plastic cap set marking the POINT OF BEGINNING and most easterly corner of the herein described tract;

THENCE, SOUTH 48°52'06" West, a distance of 705.58 feet to a 5/8-inch iron rod with plastic cap set in the common line of proposed Reserves "A" and "D" of said BAYBROOK PARK, and marking the most southerly corner of the herein described tract;

THENCE, NORTH 41°07'54" West, with said common line, a distance of 200.00 feet to a 5/8-inch iron rod with plastic cap set in the southeast ROW line of proposed Texas Avenue, based on a 60-foot width, as delineated on said plat of BAYBROOK PARK, and marking the most westerly common corner of said proposed Reserves "A" and "D"; and the most westerly corner of the herein described tract;

THENCE, NORTH 48°52'06" East, with said proposed southeast ROW line, a distance of 690.58 feet to a 5/8-inch iron rod set marking the west end of a proposed 15-foot cutback line, and the most westerly north corner of said proposed Reserve "A" and herein described tract;

THENCE, SOUTH 86°07'54" East, with said proposed cutback line, a distance of 21.21 feet to a 5/8-inch iron rod with plastic cap set in the existing southwest ROW line of the aforesaid State Highway 3, and marking the east end of said proposed cutback line, and the most easterly north corner of said proposed Reserve "A" and herein described tract;

THENCE, SOUTH 41°07'54" East, with said existing southwest ROW line, a distance of 185.00 feet to the POINT OF BEGINNING and containing 3.237 acres of land (this metes and bounds description is based on a Land Title Survey and plat prepared by Terra Surveying Company, Inc, dated x, TSC Project Number 1851-9319-S).

Compiled by: Scott D Mandeville
 Reviewed by:
 Compilation date:
 TSC Project Number: 1851-9319-S
 SCM:mb3237.ws

505-17-2605

METES AND BOUNDS DESCRIPTION
3.825 ACRES (Parcel 2)
PART OF LOTS 4 AND 6, BLOCK 21, MAP OF WEBSTER
ROBERT WILSON SURVEY, ABSTRACT NUMBER 88
HARRIS COUNTY, TEXAS

Being a tract or parcel containing 3.825 acres of land situated in the Robert Wilson Survey, Abstract Number 88, Harris County, Texas; being part of and out of Lots 4 and 6, Block 21, MAP OF WEBSTER (also known as "Webster Outlots"), a map delineated in Volume 67, Page 197, Deed Records of Harris County, Texas; being part of and out of that certain called 73.86 acres described in deed to x, dated x, as recorded under Harris County Clerk's File (HCCF) Number x, Official Public Records of Real Property of Harris County, Texas; and being part of and out of proposed Reserve "A" as delineated on BAYBROOK PARK, A Preliminary Plat of 74.0 Acres, submitted to the City of Webster on August 30, 1994; said 3.825 acre tract being more particularly described as follows (bearings herein are oriented to the bearing base reflected in said deed of the 73.86 acre tract):

BEGINNING at a 5/8-inch iron rod with plastic cap found marking the intersection of the southwest right-of-way (ROW) line of State Highway 3 (also known as Galveston Road), based on a 120-foot width, with the common line of Lots 4 and 5 of said Block 21, said iron rod also marking the most northerly common corner of said 73.86 acre tract and that certain called 5.9031 acres, described in deed to LCSSC Venture, as recorded under HCCF Number H541872, and the most northerly east corner of said proposed Reserve "A" and herein described tract, from which a 5/8-inch iron rod found for reference bears South 80°42' East, 1.11 feet;

THENCE, SOUTH 48°52'06" West, with said common lot line, the most northerly common line of said 73.86 acre tract and said 5.9031 acre tract, and the most northerly southeast line of said proposed Reserve "A", a distance of 490.27 feet to a 5/8-inch iron rod found marking the north common corner of said Lots 5 and 6, the most westerly common corner of said 73.86 acre tract and said 5.9031 acre tract, and an interior corner of said proposed Reserve "A" and herein described tract, from which a 5/8-inch iron rod found for reference bears North 48°52'06" East, 0.82 feet;

THENCE, SOUTH 41°07'54" East, with the common line of said Lots 5 and 6, the most southerly common line of said 73.86 acre tract and said 5.9031 acre tract, and the most southerly northeast line of said proposed Reserve "A", a distance of 118.48 feet to a 5/8-inch iron rod with plastic cap set marking the most southerly east corner of the herein described tract;

THENCE, SOUTH 48°52'06" West, a distance of 215.31 feet to a 5/8-inch iron rod with plastic cap set in the most easterly common line of said 73.86 acre tract and that certain called 3.1121 acres, described in deed to Robert A Ferstl, as recorded under HCCF Number F080168, also being in the southwest line of said proposed Reserve "A", and marking the most southerly corner of the herein described tract;

THENCE, NORTH 41°07'54" West, with said common line and the southwest line of said proposed Reserve "A", at 118.48 feet pass a 1/2-inch iron pipe found marking the most northerly common corner of said 73.86 acre tract and said 3.1121 acre tract, and the most northerly east corner of proposed Reserve "D" of said BAYBROOK PARK, continuing with said southwest line, in all, a distance of 318.48 feet to a 5/8-inch iron rod with plastic cap set marking the most westerly corner of the herein described tract;

THENCE, NORTH 48°52'06" East, a distance of 705.58 feet to a 5/8-inch iron rod set in the southwest ROW line of the aforesaid State Highway 3, and marking the most northerly corner of the herein described tract;

METES AND BOUNDS DESCRIPTION
3.825 ACRES (Parcel 2)
ROBERT WILSON SURVEY, ABSTRACT NUMBER 88
HARRIS COUNTY, TEXAS

505-17-2606

PAGE 2 OF 2

THENCE, SOUTH 41°07'54" East, with said southwest ROW line, a distance of 200.00 feet to the POINT OF BEGINNING and containing 3.825 acres of land. (this metes and bounds description is based on a Land Title Survey and plat prepared by Terra Surveying Company, Inc, dated x, TSC Project Number 1851-9319-S).

Compiled by: Scott D Mandeville
Reviewed by:
Compilation date:
TSC Project Number: 1851-9319-S
SDM:mb3825.ws

Sheet 7

505-17-2607

METES AND BOUNDS DESCRIPTION
19.45 ACRES (Parcel 7)
PART OF LOTS 4, 5 AND 6,
BLOCK 20, MAP OF WEBSTER
ROBERT WILSON SURVEY, ABSTRACT NUMBER 88
HARRIS COUNTY, TEXAS

Being a tract or parcel containing a gross area of 19.53 acres of land situated in the Robert Wilson Survey, Abstract Number 88, Harris County, Texas; being part of and out of Lots 4, 5 and 6, Block 20, and part of Texas Avenue, based on a 60-foot width, MAP OF WEBSTER (also known as "Webster Outlots"), a map delineated in Volume 67, Page 197, Deed Records of Harris County, Texas (HCDR); being part of and out of that certain called 73.86 acres described in deed to x, dated x, as recorded under Harris County Clerk's File (HCCF) Number x, Official Public Records of Real Property of Harris County, Texas; and being all of Reserve "H" as delineated on BAYBROOK PARK, A Preliminary Plat of 74.0 Acres, submitted to the City of Webster on August 30, 1994; said 19.53 acre tract being more particularly described as follows (bearings herein are oriented to the bearing base reflected in said deed of the 73.86 acre tract):

COMMENCING at a 1/2-inch iron rod found in the northwest right-of-way (ROW) line of Bay Area Boulevard, based on a 120-foot width, and marking the most easterly common corner of that certain called 20.43 acres, described in deed to x, as recorded under HCCF Number x, and that certain called 0.68871 acre, described in deed to Bank of America Texas, NA, as recorded under HCCF Number P070167, thence:

North 41°09'44" West, with the most easterly common line of said 20.43 acre tract and said 0.68871 acre tract, a distance of 200.00 feet to a 5/8-inch iron rod with plastic cap found marking the most northerly common corner of said 20.43 acre tract and said 0.68871 acre tract;

South 48°50'16" West, with the most westerly common line of said 20.43 acre tract and said 0.68871 acre tract, a distance of 50.23 feet to a 5/8-inch iron rod with plastic cap found marking the most southerly common corner of said 20.43 acre tract and the aforesaid 73.86 acre tract, said iron rod also marking the POINT OF BEGINNING, and an exterior corner of the aforesaid proposed Reserve "H" and herein described tract;

THENCE, SOUTH 48°50'16" West, with the most northerly common line of said 73.86 acre tract and said 0.68871 acre tract, and the most southerly southeast line of said proposed Reserve "H", a distance 100.25 feet to a 1/2-inch iron rod found marking the most westerly common corner of said 73.86 acre tract and said 0.68871 acre tract, and an interior corner of said proposed Reserve "H" and herein described tract;

THENCE, SOUTH 41°14'08" East, with the most southerly common line of said 73.86 acre tract and said 0.68871 acre tract, and the most southerly northeast line of said proposed Reserve "H", a distance of 200.00 feet to a 1/2-inch iron rod found in the aforesaid northwest ROW line, and marking the most southerly common corner of said 73.86 acre tract and said 0.68871 acre tract, and the most easterly corner of said proposed Reserve "H" and herein described tract;

THENCE, SOUTH 48°50'16" West, with said northwest ROW line, a distance of 479.82 feet to the beginning of a tangent curve, also being in the common line of the aforesaid Lots 5 and 6, from which a 5/8-inch iron rod found for reference bears North 46°03' West, 0.70 feet;

THENCE, SOUTHWESTERLY, with said northwest ROW line and a curve to the right, having a radius of 5,669.58 feet, an arc length of 45.74 feet, and a central angle of 00°27'44" to the most easterly common corner of said 73.86 acre tract and that certain called 2.2298 acres, described in deed to General Mills Restaurant Group, Inc, as recorded under HCCF Number H302191, and the most easterly south corner of said proposed Reserve "H" and herein described tract, from which a 5/8-inch iron rod found for reference bears North 55°15' West, 0.77 feet;

METES AND BOUNDS DESCRIPTION
19.45 ACRES (Parcel 7)
ROBERT WILSON SURVEY, ABSTRACT NUMBER 88
HARRIS COUNTY, TEXAS

505-17-2608

PAGE 2 OF 3

THENCE, NORTH 42°30'30" West, with the most easterly common line of said 73.86 acre tract and said 2.2298 acre tract, and the most northerly southwest line of said proposed Reserve "H", a distance of 378.97 feet to a 5/8-inch iron rod with plastic cap found marking the most northerly common corner of said 73.86 acre tract and said 2.2298 acre tract, and the most easterly south corner of said proposed Reserve "H" and herein described tract, from which a 5/8-inch iron rod found for reference bears North 15°29' West, 1.58 feet;

THENCE, SOUTH 47°29'30" West, with the most westerly common line of said 73.86 acre tract and said 2.2298 acre tract, and a southeast line of said proposed Reserve "H", a distance of 270.00 feet to a 5/8-inch iron rod with plastic cap found in the northeast line of that certain called 2.925 acres, referred to as the abandoned, 100-foot wide Galveston-Houston Electric Railway Company ROW, described in deed to Houston Lighting and Power Company, as recorded in Volume 2510, Page 697, HCDR, said iron rod also marking the most westerly common corner of said 73.86 acre tract and said 2.2298 acre tract, and the most westerly south corner of said proposed Reserve "H" and herein described tract, from which a 5/8-inch iron rod found for reference bears North 42°30'30" West, 1.24 feet;

THENCE, NORTH 42°30'30" West, with the common line of said 73.86 acre tract and said 2.925 acre tract, and the most southerly southwest line of said proposed Reserve "H", a distance of 469.81 feet to the common corner of said 94.548 acre tract and said 2.925 acre tract, and the most westerly corner of the herein described tract, from which a 5/8-inch iron rod found for reference bears South 06°27' West, 0.68 feet;

THENCE, NORTH 23°12'38" East, with the common line of said 73.86 acre tract and that certain tract, referred to as Tract 100, described in deed recorded in Volume 1111, Page 77, HCDR, the west line of said proposed Reserve "H", and along the generally recognized common survey line of the aforesaid Robert Wilson Survey, August Whitlock Surveys, Abstract Numbers 793 and 794, and J A Harris Survey, Abstract Number 340, at 164.56 feet pass the most southerly corner of PIPER'S MEADOW, SECTION TWO (herein referred to as "Subdivision"), a plat of subdivision recorded in Volume 305, Page 56, Map Records of Harris County, Texas, continuing with the common line of said 73.86 acre tract and said Subdivision, the west line of said proposed Reserve "H", and along said common survey line, at 289.17 feet pass the most southerly east corner of Piper's View Drive, based on a 60-foot width, as delineated on said Subdivision, from which a 5/8-inch iron rod found for reference bears North 55°38' East, 0.33 feet, continuing, at 352.23 feet pass the most northerly east corner of said Piper's View Drive, from which a 5/8-inch iron rod found for reference bears North 23°12'38" East, 0.21 feet, continuing, at 1,071.01 feet pass the most southerly west corner of the aforesaid Texas Avenue, continuing, at 1,085.94 feet pass the most easterly corner of said Subdivision, continuing, in all, a distance of 1,104.28 feet to a 5/8-inch iron rod with plastic cap set in the centerline of said Texas Avenue, and marking the most westerly common corner of Reserves "H" and "F" of the aforesaid BAYBROOK PARK, and the most northerly corner of the herein described tract (this corner herein referred to as "CORNER A", and being the Point of Beginning of the herein described SAVE AND EXCEPT tract);

THENCE, SOUTH 41°09'44" East, with said centerline, and the common line of said Reserve "H" and "F", a distance of 120.01 feet to a 5/8-inch iron rod with plastic cap set in the most northwesterly common line of the aforesaid 73.86 acre tract and the aforesaid 20.43 acre tract, said iron rod also marking the most easterly common corner of said Reserves "H" and "F", and an exterior corner of the herein described tract;

THENCE, SOUTH 48°50'16" West, with said northwesterly common line, and the most northerly southeast line of said Reserve "H", at 30.00 feet pass the aforesaid southwest ROW line, continuing, in all, a distance of 79.70 feet to a 5/8-inch iron rod with plastic cap found marking the most westerly common corner of said 73.86 acre tract and said 20.43 acre tract, and an interior corner of said proposed Reserve "H" and herein described tract;

METES AND BOUNDS DESCRIPTION
19.45 ACRES (Parcel 7)
ROBERT WILSON SURVEY, ABSTRACT NUMBER 88
HARRIS COUNTY, TEXAS

505-17-2609

PAGE 3 OF 3

THENCE, SOUTH 41°07'54" East, with the most southerly common line of said 73.86 acre tract and said 20.43 acre tract, and a northeast line of said proposed Reserve "H", a distance of 1,000.00 feet to the POINT OF BEGINNING and containing a gross area of 19.53 acres of land;

SAVE AND EXCEPT a tract or parcel containing 0.0777 acre of land situated in the above described 19.53 acre tract, and being that portion located within the ROW of the aforesaid Texas Avenue, and being part of and out of the aforesaid proposed Reserve "H", said 0.0777 acre tract being more particularly described as follows:

BEGINNING at a 5/8-inch iron rod with plastic cap set marking the aforesaid CORNER A, and being in the west line of the aforesaid 94.548 acre tract, said iron rod also marking the most northerly corner of the herein described SAVE AND EXCEPT tract;

THENCE, SOUTH 41°09'44" East, with the centerline of the aforesaid Texas Avenue and the common line of said proposed Reserve "H" and the aforesaid proposed Reserve "F", a distance of 120.01 feet to a 5/8-inch iron rod with plastic cap set marking the most southerly common corner of said proposed Reserves "E" and "F", and the most easterly corner of the herein described SAVE AND EXCEPT tract;

THENCE, SOUTH 48°50'16" West, with the most northerly southeast line of said proposed Reserve "H", a distance of 30.00 feet to the existing southwest ROW line of the aforesaid Texas Avenue, also being the most southerly corner of the herein described SAVE AND EXCEPT tract;

THENCE, NORTH 41°09'44" West, with said existing southwest ROW line, a distance of 105.62 feet to the west line of the aforesaid 94.548 acre tract, also being the most westerly corner of the herein described SAVE AND EXCEPT tract;

THENCE, NORTH 23°12'38" East, with said west line, a distance of 33.27 feet to the POINT OF BEGINNING and containing 0.0777 acre of land, in all, CONTAINING A NET AREA OF 19.45 ACRES OF LAND (this metes and bounds description is based on a Land Title Survey and plat prepared by Terra Surveying Company, Inc, dated x, TSC Project Number 1851-9319-S).

Compiled by: Scott D Mandeville
Reviewed by:
Compilation date:
TSC Project Number: 1851-9319-S
SDM:mb1945.ws



4900 Woodway, Suite 1000 — Houston, Texas 77056 — (713) 993-0327 — Fax (713) 993-9231

Tracts

METES AND BOUNDS DESCRIPTION
25.67 ACRES
OUT OF LOTS 3, 4, 9 AND 10,
BLOCK 21, MAP OF WEBSTER
ROBERT WILSON SURVEY, ABSTRACT NUMBER 88
HARRIS COUNTY, TEXAS

505-17-2610

Being a tract or parcel containing 25.67 acres of land situated in the Robert Wilson Survey, Abstract Number 88, Harris County, Texas; being part of and out of Lots 3, 4, 9 and 10, Block 21, and part of Texas Avenue, based on a 60-foot width, MAP OF WEBSTER (also known as "Webster Outlots"), a map delineated in Volume 67, Page 197, Deed Records of Harris County, Texas; and being part of and out of the remainder of that certain called 74.03 acres, described in deed to B C Webster Land, L.P., as recorded under Harris County Clerk's File (HCCF) Number R141634, Official Public Records of Real Property of Harris County, Texas, said 25.67 acre tract being more particularly described as follows (bearings herein are oriented to the bearing base reflected on PIPER'S MEADOW, SECTION 1, a plat of subdivision recorded in Volume 280, Page 89, Map Records of Harris County, Texas (HCMR)):

BEGINNING at a 5/8-inch iron rod with plastic cap found in the southwest right-of-way (ROW) line of State Highway 3 (also known as Galveston Road), based on a 120-foot width, and marking the most easterly common corner of said 74.03 acre tract and that certain called 11.877 acres, described in deed to SCA/VOA Chatham Joint Venture, as recorded under HCCF Number P696019, said iron rod also marking most northerly corner of the herein described tract;

THENCE, SOUTH 41°07'54" East, with said southwest ROW line, a distance of 402.25 feet to a 5/8-inch iron rod with plastic cap found marking the most northerly corner of Restricted Reserve "H" (restricted to the future dedication of Texas Avenue, based on a 60-foot width), Block 2, BAYBROOK PARK - SECTION ONE, a plat of subdivision recorded under Film Code Number 365053 HCMR, said iron rod also marking the most northerly northeast corner of the herein described tract;

THENCE, SOUTHWESTERLY, with the north lines of said Restricted Reserve "H", the following courses:

South 03°52'06" West, a distance of 21.21 feet to a 5/8-inch iron rod with plastic cap found marking an angle point;

South 48°52'06" West, a distance of 1,135.27 feet to a 5/8-inch iron rod with plastic cap set marking the beginning of a tangent curve;

Southwesterly, with a curve to the left, having a radius of 1,000.00 feet, an arc length of 707.58 feet, and a central angle of 40°32'30" to a 5/8-inch iron rod with plastic cap set marking the most westerly south corner of said Restricted Reserve "H" and the most easterly south corner of the herein described tract, said iron rod also being in a southwest line of the aforesaid 74.03 acre tract;

THENCE, NORTH 41°07'54" West, with said southwest line, at 350.12 feet pass a 5/8-inch iron rod with plastic cap set marking an interior corner of said 74.03 acre tract, continuing, in all, a distance of 440.12 feet to a 5/8-inch iron rod with plastic cap set marking an interior corner of the herein described tract;

THENCE, SOUTH 48°50'16" West, at 640.35 feet pass the northeast ROW line of Texas Avenue shown on the aforesaid MAP OF WEBSTER (no pavement in place), continuing in all, a distance of 700.35 feet to a 5/8-inch iron rod with plastic cap set in the common line of said Texas Avenue and Restricted Reserve "G", Block 1 of the aforesaid BAYBROOK PARK - SECTION ONE, said iron rod also marking the most southerly southwest corner of the herein described tract;

THENCE, NORTH 41°09'44" West, with said common line, a distance of 15.62 feet to a 5/8-inch iron rod with plastic cap found marking the common corner of said Texas Avenue and said Restricted Reserve "G", and being in the common line of the aforesaid 74.03 acre tract and Block 23, PIPER'S MEADOW, SECTION 2, a plat of subdivision recorded in Volume 305, Page 56, HCMR, said iron rod also marking the most northerly southwest corner of the herein described tract;



505-17-261T

METES AND BOUNDS DESCRIPTION
25.67 ACRES
ROBERT WILSON SURVEY, ABSTRACT NUMBER 88
HARRIS COUNTY, TEXAS

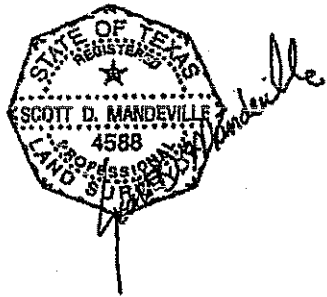
Page 2 of 2

THENCE, NORTH 23°12'38" East, with last said common line, at 14.93 feet pass the most easterly corner of said PIPER'S MEADOW, SECTION 2, continuing with the west line of said 74.03 acre tract, at 125.94 feet pass the most southerly corner of the aforesaid PIPER'S MEADOW, SECTION 1, continuing with the common line of said 74.03 acre tract and said PIPER'S MEADOW, SECTION 1, at 375.94 feet pass a 1/2-inch iron rod found marking the most southerly corner of Elder Glen Drive, based on a 60-foot width, continuing, at 435.94 feet pass a 5/8-inch iron rod found marking the most easterly corner of said Elder Glen Drive, continuing in all, a distance of 1,498.68 feet to a 5/8-inch iron rod found marking the common corner of said 74.03 acre tract and that certain called 7.4117 acres, described in deed to Natarajan S Bala, Trustee, as recorded under HCCF Number N452838, last said iron rod also marking the most westerly north corner of the herein described tract;

THENCE, SOUTH 41°10'26" East, with the common line of said 74.03 acre tract and said 7.4117 acre tract, at 4.66 feet pass a 5/8-inch iron rod found marking the most westerly common corner of said 7.4117 acre tract and the aforesaid 11.677 acre tract, continuing with the most westerly common line of said 74.03 acre tract and said 11.677 acre tract, in all, a distance of 446.96 feet to a 1/2-inch iron rod found marking the most southerly common corner of said 74.03 acre tract and said 11.677 acre tract, and marking an interior corner of the herein described tract;

THENCE, NORTH 48°52'06" East, with the most easterly common line of said 74.03 acre tract and said 11.677 acre tract, a distance of 1,149.40 feet to the POINT OF BEGINNING and containing 25.67 acres of land (this metes and bounds description is based on a Land Title Survey and plat prepared by Terra Surveying Company, Inc, dated May 24, 1995, TSC Project Number 1851-9319-S).

Compiled by: Scott D Mandeville
Reviewed by: William E Merton
Compilation date: May 24, 1995
TSC Project Number: 1851-9319-S
SDM:mb2567.ws





4900 Woodway, Suite 1000 — Houston, Texas 77056 — (713) 993-0327 — Fax (713) 993-9231

Del. Prod

505-17-2612

**METES AND BOUNDS DESCRIPTION
10.87 ACRES**

**RESTRICTED RESERVE "D", BAYBROOK PARK - SECTION ONE
ROBERT WILSON SURVEY, ABSTRACT NUMBER 88
HARRIS COUNTY, TEXAS**

Being a tract or parcel containing 10.87 acres of land situated in the Robert Wilson Survey, Abstract Number 88, Harris County, Texas; being part of and out of Lot 7, Block 21, MAP OF WEBSTER (also known as "Webster Outlots"), a map delineated in Volume 67, Page 197, Deed Records of Harris County, Texas; being part of and out of that certain called 74.03 acres, described in deed to BC Webster Land, L.P., dated November 3, 1994, as recorded under Harris County Clerk's File (HCCF) Number R141634, Official Public Records of Real Property of Harris County, Texas; and being all of proposed Restricted Reserve "D" as delineated on BAYBROOK PARK - SECTION ONE, a plat of a subdivision presently unrecorded, as submitted to the City of Webster on December 14, 1994; said 10.87 acre tract being more particularly described as follows (bearings herein are oriented to the bearing base reflected in the deed of said 74.03 acre tract):

COMMENCING at a 5/8-inch iron rod with plastic cap found marking the intersection of the southwest right-of-way (ROW) line of State Highway 3 (also known as Galveston Road), based on a 120-foot width, with the common line of Lots 4 and 5 of said Block 21, said iron rod also marking the most northerly common corner of said 74.03 acre tract and that certain called 5.9031 acres, described in deed to LCSSC Venture, as recorded under HCCF Number H541872, and the most northerly east corner of proposed Restricted Reserve "A" of said BAYBROOK PARK - SECTION ONE, from which a 5/8-inch iron rod found for reference bears South 80°42' East, 1.11 feet, thence:

South 48°52'06" West, with the common line of said Lots 4 and 5, the most northerly common line of said 74.03 acre tract and said 5.9031 acre tract, and the most northerly southeast line of said proposed Restricted Reserve "A", at 490.27 feet pass a 5/8-inch iron rod found marking the north common corner of said Lots 5 and 6, the most westerly common corner of said 74.03 acre tract and said 5.9031 acre tract, and an interior corner of said proposed Restricted Reserve "A", from which a 5/8-inch iron rod found for reference bears North 48°52'06" East, 0.82 feet, continuing with the common line of said Lots 4 and 6, in all, a distance of 705.58 feet to a 1/2-inch iron pipe found marking the most northerly common corner of said 74.03 acre tract and that certain called 3.1121 acres, described in deed to Robert A Ferstl, as recorded under HCCF Number F080163, said iron pipe also being in the southwest line of said proposed Restricted Reserve "A", and marking the POINT OF BEGINNING, and the most northerly east corner of the aforesaid proposed Restricted Reserve "D" and herein described tract;

THENCE, SOUTH 48°52'06" West, continuing with said common lot line, the most westerly common line of said 74.03 acre tract, said 3.1121 acre tract and that certain tract described in deed to Robert Ferstl, as recorded under HCCF Number F706527 (herein referred to as "Ferstl Tract"), and the most northerly southeast line of said proposed Restricted Reserve "D", a distance of 314.68 feet to a 5/8-inch iron rod found marking the most westerly common corner of said 74.03 acre tract and said Ferstl Tract, and an interior corner of said proposed Restricted Reserve "D" and herein described tract, from which a 5/8-inch iron rod found for reference bears North 69°41' West, 3.60 feet;

THENCE, SOUTH 41°07'54" East, with the most southerly common line of said 74.03 acre tract and said Ferstl Tract, and a northeast line of said proposed Restricted Reserve "D", a distance of 379.54 feet to a 5/8-inch iron rod with plastic cap set marking the most northerly common corner of said proposed Restricted Reserve "D" and proposed Restricted Reserve "C" of the aforesaid BAYBROOK PARK - SECTION ONE, said iron rod also marking the most easterly northeast corner of the herein described tract;

METES AND BOUNDS DESCRIPTION
10.87 ACRES
ROBERT WILSON SURVEY, ABSTRACT NUMBER 88
HARRIS COUNTY, TEXAS

505-17-2613

PAGE 2 OF 3

THENCE, SOUTH 48°50'16" West, with the common line of said proposed Restricted Reserves "D" and "C", a distance of 132.66 feet to a 5/8-inch iron rod with plastic cap set in a common line of the aforesaid 74.03 acre tract and that certain called 3.512 acres, referred to as Unrestricted Reserve "B", SUBDIVISION OF THE NORTHEAST HALF OF LOT 7, BLOCK 21, WEBSTER OUTLOTS, a plat of subdivision recorded in Volume 319, Page 54, HCMR, said 3.512 acre tract being described in deed to Fair Lanes Texas Bowl Corp, as recorded under HCCF Number P403606, said iron rod also marking the most southerly common corner of said proposed Restricted Reserves "D" and "C", and marking an exterior corner of the herein described tract;

THENCE, NORTH 40°58'41" West, with said common line and a southwest line of said proposed Restricted Reserve "D", a distance of 383.27 feet to a 5/8-inch iron rod with plastic cap found marking the most northerly common corner of said 74.03 acre tract and said 3.512 acre tract, and an interior corner of said proposed Restricted Reserve "D" and herein described tract, from which a 1/2-inch iron rod found for reference bears North 75°03' East, 1.87 feet, and from which a 5/8-inch iron rod found for reference bears South 74°30' East, 4.15 feet;

THENCE, SOUTH 48°47'46" West, with a common line of said 74.03 acre tract and said 3.512 acre tract, and with a southeast line of said proposed Restricted Reserve "D", a distance of 329.79 feet to a 5/8-inch iron rod with plastic cap found marking the most westerly common corner of said 74.03 acre tract and said 3.512 acre tract, and an interior corner of said proposed Restricted Reserve "D" and herein described tract;

THENCE, SOUTH 41°09'42" East, with a common line of said 74.03 acre tract and said 3.512 acre tract, a distance of 128.03 feet to a 5/8-inch iron rod with plastic cap set marking the common corner of said proposed Restricted Reserve "D" and proposed Restricted Reserve "E" of the aforesaid BAYBROOK PARK - SECTION ONE, said iron rod also marking the most southerly east corner of the herein described tract;

THENCE, SOUTH 48°50'16" West, with the common line of said proposed Restricted Reserves "D" and "E", at 158.65 feet pass a 5/8-inch iron rod with plastic cap set marking the most northerly common corner of said proposed Restricted Reserve "E" and proposed Restricted Reserve "F" of said BAYBROOK PARK - SECTION ONE, continuing with the common line of said proposed Restricted Reserves "D" and "F", in all, a distance of 318.65 feet to a 5/8-inch iron rod with plastic cap set marking the common corner of said proposed Restricted Reserves "D" and "F", and marking the most southerly corner of the herein described tract, said iron rod also being in a southwest line of the aforesaid 74.03 acre tract;

THENCE, NORTH 41°07'54" West, with said southwest line, a distance of 264.00 feet to a 5/8-inch iron rod with plastic cap set marking a common corner of the aforesaid proposed Restricted Reserve "D" and proposed Restricted Reserve "H" of the aforesaid BAYBROOK PARK - SECTION ONE, said iron rod also being in a non-tangent curve;

THENCE, NORTHEASTERLY, with a common line of said proposed Restricted Reserves "D" and "H", and a non-tangent curve to the right, having a radius of 940.00 feet, an arc length of 717.74 feet, a central angle of 43°44'53", and a chord which bears North 26°59'39" East, 700.43 feet to a 5/8-inch iron rod with plastic cap set marking the point of tangency;

THENCE, NORTH 48°52'06" East, with a common line of said proposed Restricted Reserves "D" and "H", a distance of 444.69 feet to a 5/8-inch iron rod with plastic cap set marking the most northerly corner of said proposed Restricted Reserve "D" and herein described tract;



505-17-2614

METES AND BOUNDS DESCRIPTION
10.87 ACRES
ROBERT WILSON SURVEY, ABSTRACT NUMBER 88
HARRIS COUNTY, TEXAS

PAGE 3 OF 3

THENCE, SOUTH 41°09'42" East, with the most northerly northeast line of said proposed Restricted Reserve "D", at 200.00 feet pass a 5/8-inch iron rod with plastic cap set marking the most westerly corner of the aforesaid proposed Restricted Reserve "A", continuing with the common line of said proposed Restricted Reserves "D" and "A", in all, a distance of 400.00 feet to the POINT OF BEGINNING and containing 10.87 acres of land (this metes and bounds description is based on a Land Title Survey and plat of the aforesaid 74.03 acre tract prepared by Terra Surveying Company, Inc, dated September 3, 1994, TSC Project Number 1851-9319-S, upon which said plat of BAYBROOK PARK - SECTION ONE was based.)

Compiled by: Scott D Mandeville
Reviewed by: William E Merten
Compilation date: December 16, 1994
TSC Project Number: 1851-9319-S
SDM:mb1087.ws





505-17-2615

**EXHIBIT B
BENEFITTED PROPERTY**

Being a tract or parcel containing 1.841 acres of land situated in the Robert Wilson Survey, Abstract Number 88, Harris County, Texas; being part of and out of the remainder of that certain called 74.03 acres, described in deed to SC Webster Land, LP, dated November 3, 1994, as recorded under Harris County Clerk's File (HCCF) Number R141634, Official Public Records of Real Property of Harris County, Texas; and being all of Restricted Reserve "E", Block 2, BAYBROOK PARK - SECTION ONE, a plat of a subdivision recorded under Film Code Number 365053, Map Records of Harris County, Texas (HCMR), said 1.841 acre tract being more particularly described as follows (bearings are based on the bearing orientation shown on said plat of BAYBROOK PARK - SECTION ONE):

BEGINNING at an "X" in concrete set marking the most southerly common corner of said Restricted Reserve "E" and that certain called 1.855 acres, referred to as Restricted Reserve "F", Block 2 of said BAYBROOK PARK - SECTION ONE, said 1.855 acre tract being described in deed to Outback/Carraba, Inc, as recorded under HCCF Number R262273, said "X" also being in the northwest right-of-way (ROW) line of Bay Area Boulevard, based on a 120-foot width, and marking the most southerly corner of the herein described tract;

THENCE, NORTH 41°07'54" West, with the common line of said Restricted Reserves "E" and "F", a distance of 505.00 feet to a 5/8-inch iron rod with plastic cap found marking the most northerly common corner of said Restricted Reserves "E" and "F", said iron rod also being in a southeast line of Restricted Reserve "D", Block 2 of said BAYBROOK PARK - SECTION ONE, and marking the most westerly corner of the herein described tract;

THENCE, NORTH 48°50'16" East, with the common line of said Restricted Reserves "E" and "D", a distance of 158.65 feet to an "X" in concrete found in the southwest line of that certain called 3.512 acres, referred to as Unrestricted Reserve "B", SUBDIVISION OF THE NORTHEAST HALF OF LOT 7, BLOCK 21, WEBSTER OUTLOTS, a plat of subdivision recorded in Volume 319, Page 54, HCMR, said 3.512 acre tract being described in deed to Fair Lanes Texas Bowl Corp, as recorded under HCCF Number P403606, said "X" also marking the common corner of said Restricted Reserves "E" and "D", and most northerly corner of the herein described tract;

THENCE, SOUTH 41°09'42" East, with the common line of said Restricted Reserve "E" and Unrestricted Reserve "B", at 336.90 feet pass the most westerly common corner of said Unrestricted Reserve "B" and that certain called 1.2757 acres, referred to as Unrestricted Reserve "A" of said SUBDIVISION OF THE NORTHEAST HALF OF LOT 7, BLOCK 21, WEBSTER OUTLOTS, said 1.2757 acre tract being described in deed to Jal-Pro V Associates, as recorded under HCCF Number K895725, continuing with the common line of said Restricted Reserve "E" and said Unrestricted Reserve "A", in all, a distance of 505.00 feet to a 5/8-inch iron rod with plastic cap found in the aforesaid northwest ROW line of Bay Area Boulevard, and marking the most easterly corner of said Restricted Reserve "E" and the herein described tract, from which a 5/8-inch iron rod found for reference bears South 41°09'42" East, 1.49 feet;

THENCE, SOUTH 48°50'16" West, with said northwest ROW line, a distance of 158.91 feet to the POINT OF BEGINNING and containing 1.841 acres of land

RECORDER'S MEMORANDUM
AT THE TIME OF RECORDATION, THIS
INSTRUMENT WAS FOUND TO BE INADEQUATE
FOR THE BEST PHOTOGRAPHIC REPRODUCTION
BECAUSE OF ILLEGIBILITY, CARBON OR

S604504

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FIRST AMENDMENT TO
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

514-46-3520

THE STATE OF TEXAS
COUNTY OF HARRIS

§
§
§

KNOW ALL MEN BY THESE PRESENTS:

THIS FIRST AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (this "Amendment") is made as of August 21, 1997, by BC WEBSTER LAND, L.P., a Texas limited partnership as Declarant under that certain Declaration of Covenants, Conditions and Restrictions dated December 1, 1994 filed for record under Harris County Clerk's File No. 176162, as amended by that certain Correction Declaration of Covenants, Conditions and Restrictions dated as of December 1, 1994 filed for record under Harris County Clerk's File No. 262272 (as amended, the "Declaration"). All initially capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to such terms in the Declaration.

RECITALS

- A. Declarant is the owner of certain real property located in the City of Webster, Harris County, Texas.
- B. Declarant entered into the Declaration to impose upon the Property certain covenants, conditions and restrictions for the purpose of enhancing and protecting the value, quality, and desirability of the Property.
- C. Declarant now desires to amend the Declaration to de-annex certain property from this Declaration, which property is more particularly described on Exhibit A and Exhibit A1 attached hereto and made a part hereof for all purposes (the "De-annexed Property").

NOW THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Declarant hereby amends the Declaration as follows:

- 1. The De-annexed Property is hereby released from the Declaration and shall no longer be considered a part of the Property.
- 2. All other provisions of the Declaration pertaining to the Property are hereby amended to release the De-annexed Property from such provision.
- 3. A new Section 1.1 is hereby added to Article VIII of the Declaration which shall read as follows:

Hold for Partners Title Company
GF # 9725987/CB

Received Aug 21 04:53PM (07:32) on line (4) for 'DL1260'
AUG 21 '97 16:52 FR LIDDELL SAPP LLP

WORKSRV3 printed DL133FC74514808 on Aug 21 04:01PM * Pg 3/13
2142204889 TO 876-17136155260R P.03

514-46-3521

"a. Re-annexation by Metro National Corporation. At any time within eighteen (18) months from the date of this Amendment, Metro National Corporation, or its successor or assign, may unilaterally elect to have the property described on Exhibit A attached hereto re-annexed to the Declaration. Such re-annexation shall be accomplished upon the filing of a notice of re-annexation in the Real Property Records of Harris County, Texas. Nothing further shall be required for the re-annexation of such property.

b. Re-annexation of 3 Acres. In the event that title to the 3 acre tract of land described on Exhibit A-1 attached hereto reverts to Declarant, or its successor or assign, or is conveyed to Declarant, or its successor or assign, after the date of this Amendment, such 3 acre tract will automatically be re-annexed to the Declaration. Nothing further shall be required for the re-annexation of such property."

Declarant hereby confirms and ratifies each of the provisions of the Declaration as amended herein.

IN WITNESS WHEREOF, Declarant does hereby execute this Amendment as of the date first written above.

DECLARANT:

BC WEBSTER LAND, L.P.,
a Texas limited partnership

By: BCRose, Inc., a Texas corporation,
general partner

By: Michael Rose
J. Michael Rose
President

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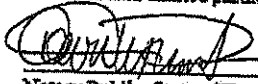
Received Aug 21 04:53PM (07:32) on Line 63 for 'DL1260'
AUG 21 '97 16:53 FR LIDDELL BPPF LLP

WORKSRV3 printed DL133FC74514808 on Aug 21 04:01PM * Pg 4/13
2142224899 TO 876-17136155268H P.04

514-46-3522

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This instrument was acknowledged before me on the 21st day of August, 1997, by J. Michael Rose, President of BC/Rose, Inc., a Texas corporation, general partner of BC WEBSTER LAND, L.P., a Texas limited partnership, on behalf of said limited partnership.



Notary Public, State of Texas



Printed Name of Notary:

My Commission Expires:

Received Aug 21 04:53PM (07:32) on line (4) for '061250'
AUG 21 '97 16:53 FR LIDDELL SPPP LLP

WORKSHEET printed DL133FC74514808 on Aug 21 04:01PM = Pg 5/13
2142204899 TO 876-171361552600 P.05

EXHIBIT A
(DE-ANNEXED PROPERTY)

514-46-3523

EXHIBIT A

W1995A162406-1
041186.0000

514-46-3524

METES AND BOUNDS DESCRIPTION
15.290 ACRES
RESTRICTED RESERVES "G-3" AND "G-4", BLOCK 1
"REPLAT OF RESTRICTED RESERVE G, BLOCK 1,
BAYBROOK PARK - SECTION ONE"
ROBERT WILSON SURVEY, ABSTRACT NUMBER 88
CITY OF WEBSTER, HARRIS COUNTY, TEXAS

Being a tract or parcel containing 15.290 acres of land situated in the Robert Wilson Survey, Abstract Number 88, City of Webster, Harris County, Texas; being all of Restricted Reserves "G-3" and "G-4", Block 1, REPLAT OF RESTRICTED RESERVE "G", BLOCK 1, BAYBROOK PARK - SECTION ONE, a plat of subdivision recorded under Film Code Number 388131, Map Records of Harris County, Texas (HCMR); and being part of and out of that certain called 74.03 acres, described in deed to BC Webster Land, LP, as recorded under Harris County Clerk's File (HCCF) Number R141634, Official Public Records of Real Property of Harris County, Texas, said 15.290 acre tract being more particularly described as follows (bearings herein are oriented to the bearing base reflected on said plat):

BEGINNING at a 5/8-inch iron rod with plastic cap found in the northwest right-of-way (ROW) line of Bay Area Boulevard, based on a 120-foot width, and marking the most southerly common corner of said Restricted Reserve "G-3" and Restricted Reserve "G-2", Block 1, as depicted on said plat, said iron rod also marking the east corner of that certain called 1.827 acres, described in deed to Mazzio's Corporation, as recorded under HCCF Number S582695, and marking the most southerly corner of the herein described tract;

THENCE, NORTH 41°09'44" West, with the most easterly common line of said Restricted Reserves "G-3" and "G-2" and the northeast line of said 1.827 acre tract, a distance of 355.00 feet to a 5/8-inch iron rod with plastic cap found marking most northerly common corner of said Restricted Reserves "G-3" and "G-2" and the north corner of said 1.827 acre tract, said iron rod also marking an interior corner of the herein described tract;

THENCE, SOUTH 48°50'16" West, with the most westerly common line of said Restricted Reserves "G-3" and "G-2" and the northwest line of said 1.827 acre tract, a distance of 228.34 feet to a 5/8-inch iron rod with plastic cap found marking the most westerly common corner of said Restricted Reserves "G-3" and "G-2" and the west corner of said 1.827 acre tract, said iron rod also being in the most easterly common line of the aforesaid 74.03 acre tract and that certain called 2.2298 acres, described in deed to General Mills Restaurant Group, Inc, as recorded under HCCF Number H302191, and marking an exterior corner of the herein described tract;

THENCE, NORTH 42°30'30" West, with the most easterly common line of said 74.03 acre tract and said 2.2298 acre tract, and a southwest line of said Restricted Reserve "G-3", a distance of 24.06 feet to a 5/8-inch iron rod with plastic cap found marking the most northerly common corner of said 74.03 acre tract and said 2.2298 acre tract, and marking an interior corner of said Restricted Reserve "G-3" and the herein described tract, from which a 5/8-inch iron rod found for reference bears North 15°29' West, 1.98 feet;

514-46-3525

THENCE, SOUTH 47°29'30" West, with the most westerly common line of said 74.03 acre tract and said 2.2298 acre tract, and a southeast line of said Restricted Reserve "G-3", a distance of 270.00 feet to a 5/8-inch iron rod with plastic cap found in the northeast line of that certain called 2.925 acres, referred to as the abandoned, 100-foot wide Galveston-Houston Electric Railway Company ROW, described in deed to Houston Lighting and Power Company, as recorded in Volume 25 10, Page 697, Deed Records of Harris County, Texas (HCDR), said iron rod also marking the most westerly common corner of said 74.03 acre tract and said 2.2298 acre tract, and the most westerly south corner of said Restricted Reserve "G-3" and the herein described tract, from which a 5/8-inch iron rod found for reference bears North 42°30'30" West, 1.24 feet;

THENCE, NORTH 42°30'30" West, with the common line of said 74.03 acre tract and said 2.925 acre tract, and the most westerly southwest line of said Restricted Reserve "G-3", a distance of 469.81 feet to a 5/8-inch iron rod with plastic cap found marking the common corner of said 74.03 acre tract and said 2.925 acre tract, and the west corner of said Restricted Reserve "G-3" and the herein described tract, from which a 5/8-inch iron rod found for reference bears South 06°27' West, 0.68 feet;

THENCE, NORTH 23°12'38" East, with the common line of said 74.03 acre tract and that certain tract, referred to as Tract 100, described in deed recorded in Volume 1111, Page 77, HCDR, the west line of said Restricted Reserve "G-3", and along the generally recognized common survey line of the aforesaid Robert Wilson Survey, August Whitlock Surveys, Abstract Numbers 793 and 794, and J A Harris Survey, Abstract Number 340, at 164.56 feet pass the most southerly corner of PIPER'S MEADOW, SECTION TWO (herein referred to as "Subdivision"), a plat of subdivision recorded in Volume 305, Page 56, HCDR, continuing with the common line of said 74.03 acre tract and said Subdivision, the west line of said Restricted Reserve "G-3", and along said common survey line, at 289.17 feet pass the most southerly corner of Piper's View Drive, based on a 60-foot width, as delineated on said Subdivision, from which a 5/8-inch iron rod found for reference bears North 55°38' East, 0.33 feet, continuing, at 352.23 feet pass the most easterly corner of said Piper's View Drive, from which a 5/8-inch iron rod found for reference bears North 23°12'38" East, 0.21 feet, continuing, at 449.20 feet pass a 5/8-inch iron rod with plastic cap found marking the most westerly common corner of said Restricted Reserve "G-3" and the aforesaid Restricted Reserve "G-4", continuing with the common line of said 74.03 acre tract and said Subdivision, the west line of said Restricted Reserve "G-4", and along said common survey line, in all, a distance of 1,071.01 feet to a 5/8-inch iron rod with plastic cap found in the southwest ROW line of Texas Avenue, based on a 60-foot width as depicted on the MAP OF WEBSTER, a plat of subdivision recorded in Volume 67, Page 197, HCDR, said iron rod also marking the north corner of said Restricted Reserve "G-4" and the herein described tract;

THENCE, SOUTH 41°09'44" East, with said southwest ROW line and the most northerly northeast line of said Restricted Reserve "G-4", a distance of 105.62 feet to a 5/8-inch iron rod with plastic cap found in the northwesterly common line of said 74.03 acre tract and that certain called 17.218 acre, referred to as Tract II, as described in deed to Webster HFH, Ltd, and recorded under HCCF Number S247844, said iron rod also marking the most northerly east corner of said Restricted Reserve "G-4" and the herein described tract;

514-46-3526

THENCE, SOUTH 48°50'16" West, with said northwesterly common line, and the most northerly southeast line of said Restricted Reserve "G-4", a distance of 49.70 feet to a 5/8-inch iron rod with plastic cap found marking the most westerly common corner of said 74.03 acre tract and said 17.218 acre tract, and an interior corner of said Restricted Reserve "G-4" and herein described tract;

THENCE, SOUTH 41°07'54" East, with the most southerly common line of said 74.03 acre tract and said 17.218 acre tract, and a northeast line of said Restricted Reserve "G-4", at 163.60 feet pass a 5/8-inch iron rod with plastic cap found marking the most easterly common corner of said Restricted Reserve "G-4" and the aforesaid Restricted Reserve "G-3", continuing with said southerly common line and a northeast line of said Restricted Reserve "G-3", in all, a distance of 760.95 feet to a 5/8-inch iron rod with plastic cap found marking the most northerly common corner of said Restricted Reserve "G-3" and Restricted Reserve "G-1", Block 1 of the aforesaid REPLAT OF RESTRICTED RESERVE G, BLOCK 1, BAYBROOK PARK-SECTION ONE, said iron rod also marking the north corner of that certain called 2.333 acres, described in deed to Homegate Hospitality, Inc, as recorded under HCCF Number S490750, and marking an exterior corner of the herein described tract;

THENCE, with the common lines of said Restricted Reserves "G-3" and "G-1", and with the northwest and southwest lines of said 2.333 acre tract, the following courses:

South 45°50'16" West, a distance of 282.00 feet to a 5/8-inch iron rod with plastic cap found marking an angle point;

South 41°09'44" East, a distance of 253.39 feet to a 5/8-inch iron rod with plastic cap found marking the beginning of a tangent curve to the left;

Southeasterly, with said curve to the left having a radius of 260.00 feet, a central angle of 09°46'39", and an arc length of 44.37 feet to a 5/8-inch iron rod with plastic cap found marking a point of tangency;

South 50°56'23" East, a distance of 55.86 feet to a 5/8-inch iron rod with plastic cap found marking the beginning of a tangent curve to the right;

Southeasterly, with said curve to the right having a radius of 340.00 feet, a central angle of 09°46'39", and an arc length of 58.02 feet to a 5/8-inch iron rod with plastic cap found marking a point of tangency;

South 41°09'44" East, a distance of 13.72 feet to a 5/8-inch iron rod with plastic cap found marking an angle point;

South 86°09'44" East, a distance of 21.21 feet to a 5/8-inch iron rod with plastic cap found in the northwest ROW line of the aforesaid Bay Area Boulevard and marking the most southerly common corner of said Restricted Reserves "G-3" and "G-1" and the most easterly corner of the herein described tract;

THENCE, SOUTH 48°50'16" West, with said northwest ROW line, a distance of 156.89 feet to the POINT OF BEGINNING and containing 15.290 acres of land (this description is based on a Land Title Survey and plat prepared by Terra Surveying Company, Inc, TSC Project Number 1851-9319-S).

514-46-3527

**METES AND BOUNDS DESCRIPTION
1.827 ACRES (79,575 SQUARE FEET)
OUT OF RESTRICTED RESERVE "G", BLOCK 1,
BAYBROOK PARK-SECTION ONE
ROBERT WILSON SURVEY, ABSTRACT NUMBER 88
HARRIS COUNTY, TEXAS**

Being a tract or parcel containing 1.827 acres (79,575 square feet) of land situated in the Robert Wilson Survey, Abstract Number 88, Harris County, Texas; being part of and out of Restricted Reserve "G", Block 1, BAYBROOK PARK-SECTION ONE, a plat of subdivision recorded under Film Code Number 385053, Map Records of Harris County, Texas; and being part of and out of the remainder of that certain called 74.03 acres, described in deed to BC Webster Land, LP, as recorded under Harris County Clerk's File (HCCF) Number R141834, Official Public Records of Real Property of Harris County, Texas, said 1.827 acre tract being more particularly described as follows (bearings herein are oriented to the bearing base reflected on said plat of BAYBROOK PARK-SECTION ONE):

COMMENCING at a 1/2-inch iron rod found in the northwest right-of-way (ROW) line of Bay Area Boulevard, based on a 120-foot width, and marking the most southerly common corner of said 74.03 acre tract and that certain called 0.63871 acre, described in deed to Bank of America Texas, NA, as recorded under HCCF Number P070167, said iron rod also marking the most easterly corner of said Restricted Reserve "G", Block 1, thence:

South 48°50'15" West, with said northwest ROW line, a distance of 305.56 feet to a 5/8-inch iron rod with cap (stamped "Terra Surveying") set marking the POINT OF BEGINNING and most easterly corner of the herein described tract;

THENCE, SOUTH 48°50'16" West, continuing with said ROW line, a distance of 174.26 feet to a 5/8-inch iron rod with cap (stamped "Terra Surveying") set at the beginning of a tangent curve to the right, from which another 5/8-inch iron rod found for reference bears North 48°03' West, 0.70 feet;

THENCE, SOUTHWESTERLY, with said ROW line and said curve to the right, having a radius of 5,869.58 feet, a central angle of 06°27'44", an arc length of 45.74 feet, and a chord which bears South 48°04'08" West, 45.74 feet to a 5/8-inch iron rod with cap (stamped "Terra Surveying") set marking the most southerly common corner of the aforesaid 74.03 acre tract and that certain called 2.2298 acres, described in deed to General Mills Restaurant Group, Inc, as recorded under HCCF Number H302131, said iron rod also marking the most southerly southwest corner of the aforesaid Restricted Reserve "G", Block 1 and the most southerly corner of the herein described tract, from which another 5/8-inch iron rod found for reference bears North 55°15' West, 0.77 feet;

THENCE, NORTH 42°50'30" West, with the common line of said 74.03 acre tract, said 2.2298 acre tract, and the most northerly southwest line of said Restricted Reserve "G", Block 1, a distance of 354.21 feet to a 5/8-inch iron rod with cap (stamped "Terra Surveying") set marking the most westerly corner of the herein described tract;

THENCE, NORTH 48°50'16" East, a distance of 228.34 feet to a 5/8-inch iron rod with cap (stamped "Terra Surveying") set marking the most northerly corner of the herein described tract;

THENCE, SOUTH 41°09'44" East, a distance of 355.00 feet to the POINT OF BEGINNING and containing 1.827 acres (79,575 square feet) of land (this description is based on a Land Title Survey and plat prepared by Terra Surveying Company, Inc, TSC Project Number 1851-9319-S).

Received Aug 21 04:53PM (07:32) on line (4) for 'DL1260'
AUG 21 '97 16:56 FR LIDDELL SAPP LLP

WORKSV3 printed DL133FC74514008 on Aug 21 04:01PM * Pg 10/13
2142284899 TO 876-17136155266W P.10

514-46-3528

METES AND BOUNDS DESCRIPTION
2.333 ACRES (101,630 SQUARE FEET)
BEING ALL OF RESTRICTED RESERVE G-1, BLOCK 1,
REPLAT OF RESTRICTED RESERVE G, BLOCK 1,
BAYBROOK PARK-SECTION ONE
ROBERT WILSON SURVEY, ABSTRACT NUMBER 88
HARRIS COUNTY, TEXAS

Being a tract or parcel containing 2.333 acres (101,630 square feet) of land situated in the Robert Wilson Survey, Abstract Number 88, Harris County, Texas; being all of that same called 2.333 acres, referred to as Restricted Reserve G-1, Block 1, REPLAT OF RESTRICTED RESERVE G, BLOCK 1, BAYBROOK PARK-SECTION ONE, a plat of subdivision recorded under Film Code Number 388131, Map Records of Harris County, Texas; and being part of and out of the remainder of that certain called 74.03 acres, described in deed to BC Webster Land, LP, as recorded under Harris County Clerk's File (HCCF) Number R141634, Official Public Records of Real Property of Harris County, Texas, the herein described 2.333 acre tract being more particularly described as follows (bearings herein are oriented to the bearing base reflected on said plat):

BEGINNING at a 1/2-inch iron rod found in the northwest right-of-way (ROW) line of Bay Area Boulevard, based on a 120-foot width, and marking the most southerly common corner of said 74.03 acre tract and that certain called 0.88871 acre, described in deed to Bank of America Texas, NA, as recorded under HCCF Number P070167, said iron rod also marking the most easterly corner of said Restricted Reserve G-1 and the herein described tract:

THENCE, SOUTH 48°50'16" West, with said northwest ROW line, a distance of 145.67 feet to a 5/8-inch iron rod with plastic cap set marking the most easterly common corner of said Restricted Reserve G-1 and Restricted Reserve G-3, Block 1 of the aforesaid REPLAT OF RESTRICTED RESERVE G, BLOCK 1, BAYBROOK PARK-SECTION ONE, also marking the most southerly east corner of the herein described tract:

THENCE, NORTHWESTERLY, with the common lines of said Restricted Reserves G-1 and G-3, the following courses:

North 86°03'44" West, a distance of 21.21 feet to a 5/8-inch iron rod with plastic cap set marking an angle point;

North 41°09'44" West, a distance of 13.72 feet to a 5/8-inch iron rod with plastic cap set marking the beginning of a tangent curve to the left;

Northwesterly, with said curve to the left having a radius of 340.00 feet, a central angle of 09°45'39", an arc length of 56.02 feet to a 5/8-inch iron rod with plastic cap set marking a point of tangency;

North 50°56'23" West, a distance of 55.86 feet to a 5/8-inch iron rod with plastic cap set marking the beginning of a tangent curve to the right;

Northwesterly, with said curve to the right having a radius of 260.00 feet, a central angle of 09°46'39", and an arc length of 44.37 feet to a 5/8-inch iron rod with plastic cap set marking a point of tangency;

North 41°09'44" West, a distance of 253.39 feet to a 5/8-inch iron rod with plastic cap set marking the most westerly corner of the herein described tract;

THENCE, NORTH 48°50'16" East, with the most northerly common line of said Restricted Reserves G-1 and G-3, a distance of 282.00 feet to a 5/8-inch iron rod with plastic cap set marking the most northerly common corner of said Restricted Reserves G-1 and G-3, and in the southwest line of that certain called 17.218 acres, referred to as Tract II, described in deed to Webster HPH, Ltd, as recorded under HCCF Number S247844, said iron rod also marking the most northerly corner of the herein described tract;

Received Aug 21 04:53PM (07:32) on line (4) for 'DL1260'
AUG 21 '97 16:56 FR LIDDELL ERPP LLP

WORKSV3 printed DL133Fc74514808 on Aug 21 04:01PM * Pg 11/13
2142204899 TO 876-171361552604 P.11

514-46-3529

METES AND BOUNDS DESCRIPTION
2.333 ACRES (101,530 SQUARE FEET)
BEING ALL OF RESTRICTED RESERVE G-1, BLOCK 1,
REPLAT OF RESTRICTED RESERVE G, BLOCK 1,
BAYBROOK PARK SECTION ONE
ROBERT WILSON SURVEY, ABSTRACT NUMBER 88
HARRIS COUNTY, TEXAS

Page 2 of 2

THENCE, SOUTH 41°07'54" East, with the common line of said Restricted Reserve G-1 and said 17.218 acre tract, a distance of 239.05 feet to a 5/8-inch iron rod with plastic cap found in the most northerly common line of said Restricted Reserve G-1 and the aforesaid 0.68871 acre tract, said iron rod also marking the most southerly common corner of said Restricted Reserve G-1 and said 17.812 acre tract, and marking the most northerly east corner of the herein described tract;

THENCE, SOUTH 48°50'16" West, with said northerly common line, a distance of 100.26 feet to a 1/2-inch iron rod found marking the most westerly common corner of said Restricted Reserve G-1 and said 0.68871 acre tract, also marking an interior corner of the herein described tract;

THENCE, SOUTH 41°14'08" East, with the most southerly common line of said Restricted Reserve G-1 and said 0.68871 acre tract, a distance of 200.00 feet to the POINT OF BEGINNING and containing 2.333 acres (101,530 square feet) of land (this description is based on a Land Title Survey and plat prepared by Terra Surveying Company, Inc, TSC Project Number 1851-8315-S).

EXHIBIT A-1

METES AND BOUNDS DESCRIPTION
3.000 ACRES (130,680 SQUARE FEET)
RESTRICTED RESERVE "D", BLOCK 2,
BAYBROOK PARK - SECTION ONE
ROBERT WILSON SURVEY, ABSTRACT NUMBER 88
CITY OF WEBSTER, HARRIS COUNTY, TEXAS

514-46-3530

Being a tract or parcel containing 3.000 acres (130,680 square feet) of land situated in the Robert Wilson Survey, Abstract Number 88, City of Webster, Harris County, Texas; being part of and out of that certain called 74.03 acres, described in deed to BC Webster Land, LP, as recorded under Harris County Clerk's File (HCCF) Number R141634, Official Public Records of Real Property of Harris County, Texas; and being part of and out of Restricted Reserve "D", Block 2, BAYBROOK PARK - SECTION ONE, a plat of a subdivision recorded under Film Code Number 365053, Map Records of Harris County, Texas, said 3.000 acre tract being more particularly described as follows (bearings are based on the bearing orientation reflected shown on said plat):

BEGINNING at a 5/8-inch iron rod with plastic cap found marking the most southerly common corner of said Restricted Reserve "D" and Restricted Reserve "H", Block 2 of said BAYBROOK PARK - SECTION ONE, said iron rod also being in the northeasterly common line of said 74.03 acre tract and that certain called 17.218 acres, described in deed to Webster HFH, Ltd, as recorded under HCCF Number S247844, said iron rod also marking the most westerly corner of the herein described tract;

THENCE, NORTH 48°52'06" East, a distance of 29.27 feet to a 5/8-inch iron rod with plastic cap set marking an interior corner of the herein described tract;

THENCE, NORTHERLY, along a non-tangent curve 20.00 feet easterly of and concentric with the curved common line of said Restricted Reserves "D" and "H", having a radius of 920.00 feet, a central angle of 24°00'23", an arc length of 385.47 feet, and a chord which bears North 18°26'26" East, 382.66 feet to a 5/8-inch iron rod with plastic cap set marking an exterior corner of the herein described tract;

THENCE, SOUTH 41°07'54" East, a distance of 85.26 feet to a 5/8-inch iron rod with plastic cap set marking an interior corner of the herein described tract;

THENCE, NORTH 48°52'06" East, a distance of 265.77 feet to a 5/8-inch iron rod with plastic cap set in the southwest line of a 25-foot utility easement recorded under HCCF Number J236873 and marking the most northerly corner of the herein described tract;

THENCE, SOUTH 41°07'54" East, with said southwest easement line, a distance of 151.72 feet to a 5/8-inch iron rod with plastic cap set marking the most easterly corner of the herein described tract;

THENCE, SOUTH 49°39'52" West, a distance of 396.33 feet to a 5/8-inch iron rod with plastic cap set marking an interior corner of the herein described tract;

514-46-3531

THENCE, SOUTH 39°07'37" East, a distance of 125.23 feet to a 5/8-inch iron rod with plastic cap set marking an exterior corner of the herein described tract;

THENCE, SOUTH 47°52'35" West, a distance of 109.92 feet to a 5/8-inch iron rod with plastic cap set marking an interior corner of the herein described tract;

THENCE, SOUTH 41°46'46" East, a distance of 99.22 feet to a 5/8-inch iron rod with plastic cap set in the common line of the aforesaid Restricted Reserve "D" and Restricted Reserve "F", Block 2 of the aforesaid BAYBROOK PARK - SECTION ONE, also being in the northwest line of that certain called 1.855 acres, described in deed to Outback/Carraba, Inc, as recorded under HCCF Number R262273, said iron rod also marking the most southerly east corner of the herein described tract;

THENCE, SOUTH 48°50'16" West, with the common line of said Restricted Reserves "D" and "F" and the northwest line of said 1.855 acre tract, a distance of 115.55 feet to a 5/8-inch iron rod with plastic cap found in the common line of the aforesaid 74.03 acre tract and the aforesaid 17.218 acre tract, said iron rod also marking the west corner of said 1.855 acre tract and the most southerly corner of the herein described tract;

THENCE, NORTH 41°07'54" West, with the common line of said 74.03 acre tract and said 17.218 acre tract, a distance of 264.00 feet to the POINT OF BEGINNING and containing 3.000 acres (130,680 square feet) of land (this metes and bounds description is based on a Land Title Survey and plat prepared by Terra Surveying Company, Inc, TSC Project Number 1851-9319-S).

FILED

97 AUG 22 PM 3:33

Beverly L. Kaufman
COUNTY CLERK
HARRIS COUNTY, TEXAS

ANY INSTRUMENT WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS VOID AND UNENFORCEABLE UNDER FEDERAL LAW (THE CIVIL RIGHTS ACT OF 1964)
COUNTY OF HARRIS
I hereby certify that this instrument was FILED in File Number _____
Sequence on the date and at the time stamped herein by me; and was
DUPLICATE RECORDED in the Official Public Records of Real Property of
Harris County, Texas on

AUG 22 1997



Beverly L. Kaufman
COUNTY CLERK
HARRIS COUNTY TEXAS

RECORDER'S MEMORANDUM
AT THE TIME OF REFORMATION THIS
INSTRUMENT WAS FILED IN CHARGE
OF THE COUNTY CLERK'S OFFICE
AND WAS RECORDED IN THE
OFFICIAL PUBLIC RECORDS OF
HARRIS COUNTY, TEXAS

520-86-3708

3. J. Michael Rose ("Rose") shall have the unilateral right to re-annex to the coverage of the Declaration, the three (3) acre tract of land described on Exhibit "A-1" to the First Amendment. Rose may exercise said right by (i) filing an amendment to the Declaration (which amendment shall not require the vote of the membership of the Association and any provision in the Declaration to the contrary being hereby amended by this Amendment) stating that such tract is annexed to the coverage of the Declaration and (ii) by giving written notice of such annexation to the acting President or Board of Directors of the Association.

4. Rose shall have the unilateral right to annex to the coverage of the Declaration, the tract of land containing approximately 4.5 acres and which is commonly known on the date of this Amendment as the Ferstl car dealership land. Rose may exercise said right by (i) filing an amendment to the Declaration (which amendment shall not require the vote of the membership of the Association and any provision in the Declaration to the contrary being hereby amended by this Amendment) stating that such tract is annexed to the coverage of the Declaration and (ii) by giving written notice of such annexation to the acting President or Board of Directors of the Association.

5. Rose shall have the unilateral right to de-annex from the coverage of the Declaration the tract of land containing 1.157 acres and which is described on Exhibit "A" attached hereto. Rose may exercise said right by (i) filing an amendment to the Declaration (which amendment shall not require the vote of the membership of the Association and any provision in the Declaration to the contrary being hereby amended by this Amendment) stating that such tract is de-annexed from the coverage of the Declaration and (ii) by giving written notice of such de-annexation to the acting President or Board of Directors of the Association.

6. Article IX, Section 2 of the Declaration is hereby amended to provide that the provisions of Sections 3, 4 and 5 of this Amendment cannot be modified, amended, or deleted and the rights of Rose cannot be abrogated, terminated or diminished by any further amendment of the Declaration without the written consent of Rose.

Declarant hereby confirms and ratifies each of the provisions of the Declaration as amended herein.

IN WITNESS WHEREOF, Declarant does hereby execute this Amendment as of the date first written above.

DECLARANT:

BC WEBSTER LAND, L.P., a Texas limited partnership

By: BC/Rose, Inc., a Texas corporation,
general partner

By: 
J. Michael Rose
President

520-66-3709

Metro National Corporation joins in the execution of this Amendment for the sole purpose of agreeing to release its rights as set forth in Section 2 of this Amendment.

METRO NATIONAL CORPORATION, a Texas corporation

By 
Name: WILLIAM L. PEEL, JR.
Title: CHIEF ADMINISTRATIVE OFFICER

STATE OF TEXAS

520-86-3710

COUNTY OF HARRIS

This instrument was acknowledged before me on the 1st day of ~~August~~ ^{Sept}, 1998, by J. Michael Rose, President of BC/Rose, Inc., a Texas corporation, general partner of BC WEBSTER LAND, L.P., a Texas limited partnership, on behalf of said limited partnership.



Mari Maher
Notary Public, State of Texas

Printed Name of Notary:

My Commission Expires:

STATE OF TEXAS

520-86-3711

COUNTY OF HARRIS

This instrument was acknowledged before me on the 31 day of August, 1998, by WILLIAM L. PEEL, JR., the Chief Administrative of METRO NATIONAL CORPORATION, a Texas corporation, on behalf of said corporation. Officer

Heather P. Woltz
Notary Public, State of Texas

HEATHER P. WOLTZ
Printed Name of Notary:

My Commission Expires:
May 11, 2000

After Recording Return To:

Gardner Savage, Esq.
McManemin & Smith, P.C.
600 N. Pearl Street, Suite 1600
Dallas, Texas 75201

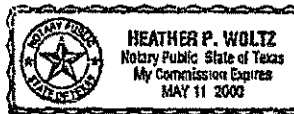


EXHIBIT "A"

520-86-3712

EXHIBIT "A" TO SECOND AMENDMENT TO DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS

2667_1 (4/9/7/00)

520-86-3713

METES AND BOUNDS DESCRIPTION
1.157 ACRES (50,400 SQUARE FEET)
OUT OF RESTRICTED RESERVE "D", BLOCK 2,
BAYBROOK PARK-SECTION ONE
ROBERT WILSON SURVEY, ABSTRACT NUMBER 88
CITY OF WEBSTER, HARRIS COUNTY, TEXAS

Being a tract or parcel containing 1.157 acres (50,400 square feet) of land situated in the Robert Wilson Survey, Abstract Number 88, City of Webster, Harris County, Texas; being part of and out of Restricted Reserve "D", Block 2, BAYBROOK PARK-SECTION ONE, a plat of subdivision recorded under Film Code Number 365053, Map Records of Harris County, Texas (HCMR); and being part of and out of the remainder of that certain called 74.03 acre tract described in deed to BC Webster Land, LP, as recorded under Harris County Clerk's File (HCCF) Number R141634; said 1.157 acre tract being more particularly described as follows (bearings are oriented to the bearing base reflected on said plat):

COMMENCING at a 5/8-inch iron rod found in the northeast line of that certain called 17.218 acre tract described in deed to Webster HFH, Ltd., as recorded under HCCF Number S247844, said iron rod also marking the common corner of said Restricted Reserves "D" and "F" of said Block 2, and that certain called 3.000 acre tract described in deed to Metro National Corporation, as recorded under HCCF Number S604507, thence

North 48°50'16" East, with the common line of said 3.000 acre tract, said Restricted Reserves "D" and "F", and Restricted Reserve "E" of said Block 2, a distance of 318.65 feet to an "X" in concrete found in the southwest line of Unrestricted Reserve "B", SUBDIVISION OF THE NORTHEAST HALF OF LOT 7, BLOCK 21, WEBSTER OUTLOTS, a plat of subdivision recorded in Volume 319, Page 54, HCMR, said "X" also marking the common corner of said Restricted Reserves "D" and "E";

North 41°09'42" West, with the common line of said Restricted Reserve "D" and said Unrestricted Reserve "B", a distance of 128.03 feet to a 5/8-inch iron rod found marking the most westerly common corner of said Unrestricted Reserve "B" and said Restricted Reserve "D";

North 48°47'46" East, continuing with said common line, a distance of 329.79 feet to a 5/8-inch iron rod found marking the most northerly common corner of said Restricted Reserve "D" and said Unrestricted Reserve "B", also marking the POINT OF BEGINNING and west corner of the herein described tract;

THENCE, North 50°27'45" East, a distance of 131.68 feet to a 5/8-inch iron rod found marking the common corner of said Restricted Reserve "D" and that certain tract described in deed to Robert Ferrell, as recorded under HCCF Number F706527, said iron rod also marking the north corner of the herein described tract;

THENCE, South 41°07'54" East, with a common line of said Ferrell Tract and said Restricted Reserve "D", a distance of 379.54 feet to a 5/8-inch iron rod found marking the most northerly common corner of Restricted Reserves "C" and "D" of the aforesaid Block 2, and marking the east corner of the herein described tract;

EXHIBIT "B"

520-66-3714

EXHIBIT "B" TO SECOND AMENDMENT TO DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS

25017_1 (11/18/2001)

520-86-3715

METES AND BOUNDS DESCRIPTION
5.704 ACRES (248,460 SQUARE FEET)
OUT OF RESTRICTED RESERVE "D", BLOCK 2,
BAYBROOK PARK-SECTION ONE
ROBERT WILSON SURVEY, ABSTRACT NUMBER 88
CITY OF WEBSTER, HARRIS COUNTY, TEXAS

Being a tract or parcel containing 5.704 acres (248,460 square feet) of land situated in the Robert Wilson Survey, Abstract Number 88, City of Webster, Harris County, Texas, being part of and out of Restricted Reserve "D", Block 2, BAYBROOK PARK-SECTION ONE, a plat of subdivision recorded under Film Code Number 369053, Map Records of Harris County, Texas (HCMR); and being part of and out of the remainder of that certain called 74.03 acre tract described in deed to BC Webster Land, LP, as recorded under Harris County Clerk's File (HCCF) Number R141634; said 5.704 acre tract being more particularly described as follows (bearings are oriented to the bearing base reflected on said plat):

COMMENCING at a 5/8-inch iron rod found in the northeast line of that certain called 17.218 acre tract described in deed to Webster HPH, Ltd., as recorded under HCCF Number S247844, said iron rod also marking the common corner of said Restricted Reserves "D" and "F" of said Block 2, and that certain called 3.000 acre tract described in deed to Metro National Corporation, as recorded under HCCF Number S604507, thence

North 48°50'16" East, with the common line of said 3.000 acre tract, and said Restricted Reserves "D" and "F", a distance of 115.55 feet to a 5/8-inch iron rod found marking the most southerly east corner of said 3.000 acre tract, and marking the POINT OF BEGINNING and most southerly corner of the herein described tract;

THENCE, Northerly, with the east lines of said 3.000 acre tract, the following courses:

North 41°46'46" West, a distance of 99.22 feet to a 5/8-inch iron rod found marking an angle point;

North 47°52'35" East, a distance of 109.92 feet to a 5/8-inch iron rod found marking an angle point;

North 39°07'37" West, a distance of 125.23 feet to a 5/8-inch iron rod found marking an angle point;

North 49°39'52" East, a distance of 396.33 feet to a 5/8-inch iron rod found marking an angle point;

North 41°07'54" West, a distance of 303.80 feet to a 5/8-inch iron rod found in the southeasterly right-of-way (ROW) line of Texas Avenue, based on a 60-foot width as dedicated under Film Code Number 400089, HCMR, being in a non-tangent curve concave southeasterly, and marking the most northerly west corner of the herein described tract;

THENCE, Northeastly, with said southeasterly ROW line and a curve to the right, having a radius of 940.00 feet, an arc distance of 25.00 feet, a central angle of 01°31'26", and a chord which bears North 48°06'23" East, 25.00 feet to a 5/8-inch iron rod found marking a point of tangency;

520-86-3716

FILED

98 SEP -2 PM 11:18

Handwritten signature
HARRIS COUNTY CLERK

ANY INSTRUMENT HEREIN WHICH REFLECTS THE SALE, MORTGAGE, OR USE OF THE DESCRIBED REAL PROPERTY BEARING OF COLOR OR FACE A PAPER NOT AUTHORIZED BY FEDERAL LAW OF THE STATE OF TEXAS, COUNTY OF HARRIS.

I hereby certify that this instrument was FILED in File Number Sequence on the date and at the time stamped herein by me, and was duly RECORDED, is the Official Public Record of Real Property of Harris County Texas on:

SEP 2 1998



Beulah A. Kaufman
COUNTY CLERK
HARRIS COUNTY TEXAS

COMMITMENT FOR TITLE INSURANCE

SCHEDULE A

Effective Date: January 30, 2004

GF. No. 2711000003

Commitment No. _____ issued: February 4, 2004
(if applicable)

1. The policy or policies to be issued are:
 - (a) OWNER POLICY OF TITLE INSURANCE (Form T-1)
(Not applicable for improved one-to-four family residential real estate)
Policy Amount: \$605,427.00
PROPOSED INSURED: BAYBROOK PARK RETIREMENT CENTER, LTD.
 - (b) TEXAS RESIDENTIAL OWNER POLICY OF TITLE INSURANCE -
ONE-TO-FOUR FAMILY RESIDENCES (Form T-1R)
Policy Amount:
PROPOSED INSURED:
 - (c) MORTGAGEE POLICY OF TITLE INSURANCE (Form T-2)
Policy Amount:
PROPOSED INSURED:
Proposed Borrower:
 - (d) TEXAS SHORT FORM RESIDENTIAL MORTGAGEE POLICY OF TITLE INSURANCE
(Form T-2R)
Policy Amount:
PROPOSED INSURED:
Proposed Borrower:
 - (e) MORTGAGEE TITLE POLICY BINDER ON INTERIM CONSTRUCTION LOAN (Form T-
13)
Binder Amount:
PROPOSED INSURED:
Proposed Borrower:
 - (f) OTHER
Policy Amount:
PROPOSED INSURED:
2. The interest in the land covered by this Commitment is:
FEE SIMPLE
3. Record title to the land on the Effective Date appears to be vested in:
BC WEBSTER LAND, L.P.
4. Legal description of the land:

A tract of land containing 5.6 acres, more or less, located in and being a portion of Reserve A-2, Block One (1) of the Replat of RESTRICTED RESERVE "A", BLOCK ONE (1), BAYBROOK PARK SECTION TWO (2), in the Robert Wilson Survey Abstract 88, city of Webster, Harris County, Texas, according to the map or plat thereof filed of record under Harris County Clerk's File No. 400089 Map Records. Said 5.6 acre being more particularly described by metes and bounds in Exhibit "A", to be furnished by the record owner.

COMMITMENT FOR TITLE INSURANCE

SCHEDULE B

EXCEPTIONS FROM COVERAGE

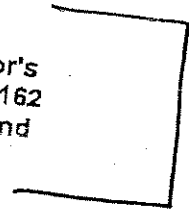
In addition to the Exclusions and Conditions and Stipulations, your Policy will not cover loss, costs, attorneys' fees, and expenses resulting from:

1. The following restrictive covenants of record itemized below (We must either insert specific recording data or delete this exception):

As set forth in Film Code 400089 Map Records of Harris County, Texas, and by instruments filed for record under Harris County Clerk's File No(s). R176162, R262272, R556572, S604504 and T235725, but omitting any covenant or restriction based on race, color, religion, sex, handicap, famiial status, or national origin.
2. Any discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments or protrusions, or any overlapping of improvements.
3. Homestead or community property or survivorship rights, if any, of any spouse of any insured. (Applies to the Owner Policy only).
4. Any titles or rights asserted by anyone, including, but not limited to, persons, the public, corporations, governments or other entities,
 - a. to tidelands, or lands comprising the shores or beds of navigable or perennial rivers and streams, lakes, bays, gulfs or oceans, or
 - b. to lands beyond the line of harbor or bulkhead lines as established or changed by any government, or
 - c. to filled-in lands, or artificial islands, or
 - d. to statutory water rights, including riparian rights, or
 - e. to the area extending from the line of mean low tide to the line of vegetation, or the rights of access to that area or easement along and across that area.

(Applies to the Owner Policy only.)
5. Standby fees, taxes and assessments by any taxing authority for the year 2003, and subsequent years; and subsequent taxes and assessments by any taxing authority for prior years due to change in land usage or ownership, but not those taxes or assessments for prior years because of an exemption granted to a previous owner of the property under Section 11.13, Texas Tax Code, or because of improvements not assessed for a previous tax year. (If Texas Short Form Residential Mortgagee Policy (T-2R) is issued, that policy will substitute "which become due and payable subsequent to Date of Policy" in lieu of "for the year 2003, and subsequent years.")
6. The terms and conditions of the documents creating your interest in the land.
7. Materials furnished or labor performed in connection with planned construction before signing and delivering the lien document described in Schedule A, if the land is part of the homestead of the owner. (Applies to the Mortgagee Title Policy Binder on Interim Construction Loan only, and may be deleted if satisfactory evidence is furnished to us before a binder is issued.)
8. Liens and leases that affect the title to the land, but that are subordinate to the lien of the insured mortgage. (Applies to Mortgagee Policy (T-2) only.)

- 9. The Exceptions from Coverage and Express Insurance in Schedule B of the Texas Short Form Residential Mortgagee Policy (T-2R). (Applies to Texas Short Form Residential Mortgagee Policy (T-2R) only. Separate exceptions 1 through 8 of this Schedule B do not apply to the Texas Short Form Residential Mortgagee Policy (T-2R).
- 10. The following matters and all terms of the documents creating or offering evidence of the matters (We must insert matters or delete this exception.):
 - a. Texas Avenue sixty (60) feet wide traversing the southwesterly portion of the subject property as shown on the plat recorded in Volume 67, Page 197 of the Deed Records and located on the plat filed under Film Code No. 400089, both of Harris County, Texas.
 - b. A pipeline easement granted to Humble Pipe Line Company by instrument recorded Volume 1372, Page 364 of the Deed Records of Harris County, Texas. Said easement modified and defined to a width of sixty (60) feet wide traversing the southwesterly portion of the subject property, in addition to a temporary work easement twenty (20) feet wide parallel the pipeline as set forth in instrument filed under Harris County Clerk's File No. G898889. Said easement is located on the plat filed under Film Code No. 400089 of the Map Records of Harris County, Texas.
 - c. Utility easement Ten (10) feet wide along the westerly property line, together with an aerial easement adjacent thereto five (5) feet wide, twenty (20) feet above ground as reflected on the plat filed under Film Code No. 394032 and located on File Code No. 400089, both of the Map Records of Harris County, Texas.
 - d. Utility easement ten (10) feet wide along the Northerly property line, together with an aerial easement five (5) wide, twenty (20) feet above ground as reflected on the plat filed under Film Code No. 400089 of the Map Records of Harris County, Texas.
 - e. An easement for storm sewer, twenty (20) feet wide as set out in instrument recorded under Clerk's File No. R257456 of the Real Property Records of Harris County, Texas, and located on the plat filed under Film Code 400089 of the Map Records of Harris County, Texas.
 - f. All interest, save and except, a 1/8th royalty, in and to all oil gas and other minerals, as set forth in Instrument recorded Volume 1441, Page 115 as modified in Volume 2029, Page 396 in the Deed Records of Harris County, Texas.
 - g. Annual Maintenance Charge and Special Assessment Charge payable to the Baybrook Park Owners Association, Inc., as set forth and secured by a Vendor's Lien retained in instruments filed under Harris County Clerk's File No(s) R176162 and R262271. Said maintenance assessments are subordinated to first liens and improvement liens.
 - h. Subject property does not have access to a dedicated roadway: Rights of ingress and egress are not insured, as reflected on the plat filed under Film Code No. 400089 of the Map Records of Harris County, Texas (See note to all parties)
 - i. Any and all unrecorded leases.



MULTIFAMILY FINANCE PRODUCTION DIVISION

BOARD ACTION REQUEST

July 28, 2004

Action Item

Appeal denial of Quantifiable Community Participation (QCP) points of one 2004 Housing Tax Credit (HTC) Application.

Requested Action

Issue a determination on the appeal.

Background and Recommendations

I. Redwood Heights Apartments, #04085

The Applicant submitted an appeal to the Executive Director on July 11, 2004, disputing the denial of QCP points for the Application. The Applicant requested reconsideration of QCP point allocation for a letters from three organizations, Northside Plaza, Inc., Bonita Street House of Hope, and the Eastex/Jensen Superneighborhood Council. On July 16, 2004, the Executive Director responded to the appeal stating that pursuant to Section 50.9(g)(2) of the 2004 Qualified Allocation Plan (QAP), the letters from Northside Plaza, Inc., and Bonita Street House of Hope did not meet the requirements to be scored. The letters did not provide the number of members of the organization, or a brief description of the process by which the organization decided its support. Additionally, the evidence was insufficient to demonstrate that the organizations were "neighborhood organizations" within the meaning of the requirement. The letter from the Eastex/Jensen Superneighborhood Council was ineligible because it was not on record with the county or state, as required. The Applicant submitted an appeal to the Board on July 20, 2004, regarding QCP point scoring for the letters from the three above-mentioned organizations.

Relevant documentation related to this appeal is provided behind the Board Action Request.

Applicant:	Redwood Heights, Ltd.
Site Location:	7300 Block of Jensen Driven
City/County:	Houston/Harris
Regional Allocation Category:	Urban/Exurban
Set-Aside:	General
Population Served:	Family
Region:	6
Type of Development:	New Construction
Units:	96
Credits Requested:	\$600,146.00

Staff Recommendation:

The Executive Director denied the original appeal. Staff is recommending that the Board also deny the appeal of the termination.

Board Appeal

LOCKE LIDDELL & SAPP LLP

ATTORNEYS & COUNSELORS

100 CONGRESS AVENUE
Suite 300
Austin, Texas 78701-4042

AUSTIN • DALLAS • HOUSTON • NEW ORLEANS

(512) 305-4700
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www.lockeliddell.com

Direct Number: (512) 305-4707
email: cbast@lockeliddell.com

July 19, 2004

Ms. Elizabeth Anderson
Texas Department of Housing and Community Affairs
507 Sabine, Suite 400
Austin, Texas 78701

Re: Redwood Heights Apartments in Houston (the "Project")
TDHCA No. 04085

Dear Ms. Anderson:

We represent Redwood Heights, Ltd. (the "Applicant"). On June 14, 2004, the Applicant timely filed an appeal to Department staff regarding the scoring of letters of support for the Project from neighborhood organizations. The Appeal was delivered by fax and hand delivery. The Department failed to respond to the appeal within the fourteen-day period required by the QAP. Subsequently, the Applicant inquired as to the status of the appeal and was advised that the Department could not locate the appeal letter. A copy of the appeal letter was resubmitted at the Department's request and the Department confirmed that the original filing must have been misplaced. A response to the appeal was received on July 16, 2004. The Applicant therefore timely files this appeal to request Board consideration.

The Question

The question presented is whether the letters of support for the Project from neighborhood organizations should be scored in the Quantifiable Community Participation category.

Each letter is addressed below.

Northside Plaza, Inc.

The Applicant received a letter of support from Northside Plaza, Inc. The Applicant believes this letter complied with all of the threshold requirements of TDHCA's enabling statute and the additional requirements imposed by the QAP, however, the Department did not score the support letter from this organization on the following grounds:

Reason #1: *Your letter did not provide either the total number of members of the organization or a brief description of the process used to determine the members' position, or did not provide both.*

Reason #2: *Insufficient documentation was provided to show that the organization is a "neighborhood organization" within the meaning of this requirement.*

Response #1: Northside Plaza, Inc. is a non-membership corporation, which is a permitted structure for a non-profit organization. However, it does have a board of directors, and the letter specified the number of directors of the corporation. Therefore, since the corporation does not have members, the Applicant believes the information given in the letter should suffice. Further, the letter specified that the corporation makes its decisions by "discussion and voting", which should be a sufficient description for how the position of the members of the board of directors was established.

Response #2: Northside Plaza, Inc.'s support letter states in its letterhead that the mission of the corporation is to provide support and outreach services to residents of northeast Houston, and that area of northeast Houston is specifically defined in the letter. Northside Plaza's site is within the boundaries of the corporation's designated geographic area. Northside Plaza's mission statement demonstrates that the corporation is working to improve the quality of life for residents of a particular neighborhood, and should qualify the corporation for neighborhood organization status.

Bonita Street House of Hope

Bonita Street House of Hope submitted a letter of support for the Project. The Applicant believes this letter complied with all of the threshold requirements of TDHCA's enabling statute and the additional requirements imposed by the QAP, however, the Department did not score the support letter from this organization on the following grounds:

Reason #1: *Your letter did not provide either the total number of members of the organization or a brief description of the process used to determine the members' position, or did not provide both.*

Reason #2: *Insufficient documentation was provided to show that the organization is a "neighborhood organization" within the meaning of this requirement.*

Response #1: As indicated by Article Eight of its Amended and Restated Articles of Incorporation, Bonita Street House of Hope is a non-membership corporation, which is a permitted structure for a non-profit organization. However, it does have a board of directors, and the letter specified the number of directors of the corporation. Therefore, since the corporation does not have members, the Applicant believes the information given in the letter should suffice. Further, the letter specified that the corporation makes its decisions by "discussion and voting",

which should be a sufficient description for how the position of the members of the board of directors was established.

Response #2: Bonita Street House of Hope is organized to promote affordable housing opportunities for low-income people in a defined region of Houston. This defined region includes the proposed Project. The Applicant believes that Bonita Street House of Hope should qualify as a neighborhood organization because it is specifically working to address the housing needs of low-income citizens in its defined neighborhood.

Eastex/Jensen Superneighborhood Council

The Eastex/Jensen Superneighborhood Council submitted a letter of support for the Project. Unfortunately, when the Department posted its responses to the neighborhood organizations submitting QCP letters, the response to the Eastex/Jensen Superneighborhood Council was omitted. As a result, on the date the Applicant's initial appeal for scoring was due (June 14, 2004), the Applicant had no idea whether the Eastex/Jensen Neighborhood Council's letter had been scored. The Applicant included a reference to this situation in its original appeal but was unable to address specific facts related to the letter due to the Department's omission.

The Department subsequently published the response to the Eastex/Jensen Neighborhood Council's letter of support on June 16, 2004, and the Department declined to score this letter on the following grounds:

Reason #1: *Insufficient documentation was provided to show that the organization was on record as of March 1, 2004 with the state or county in which the development is proposed to be located.*

Response: In an appeal heard by the Board at its July 8, 2004 meeting, the Board considered an appeal from the Applicant for Lansborough Apartments (TDHCA No. 04268). That appeal considered whether the Department should score a letter of support from another Houston Superneighborhood Organization. The Board granted the appeal and determined that the letter should be scored, even though the applicant admitted that the Superneighborhood Organization was not on file with the county or state. The Applicant believes that it is only equitable for the Board to treat all Houston Superneighborhood Organizations similarly. Therefore, the Applicant requests the Board to follow the precedent set in the Lansborough Apartments appeal.

Supporting Materials

Supporting Materials for this appeal are attached as follows:

- Exhibit A -- Northside Plaza, Inc.
Letter of Support
Letter of Response from TDHCA
- Exhibit B -- Bonita Street House of Hope
Letter of Support
Letter of Response from TDHCA
- Exhibit C -- Eastex/Jensen Superneighborhood Council
Letter of Support
Letter of Response from TDHCA
- Exhibit D -- Initial Appeal, timely filed on June 14, 2004
- Exhibit E -- TDHCA staff response to Initial Appeal

We appreciate your consideration of the matters presented in this appeal letter. The Applicant believes that its score should be adjusted for these letters of support from neighborhood organizations. If you have any questions about the discussion in this appeal letter, please feel free to contact me.

Sincerely,



Cynthia L. Bast

CLB/saf

cc: Realtex Development Corporation
Avenue Community Development Corporation

EXHIBIT A

Redwood Heights Apartments

TDHCA No. 04085

Northside Plaza, Inc.



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

Cleothus Montgomery
Northside Plaza, Inc.
1407 Laurentide
Houston, TX 77029

RE: Neighborhood Input on 2004 Housing Tax Credit Application Redwood Heights Apartments
TDHCA Number: 04085

Attention: Cleothus Montgomery

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

Your letter did not provide either the total number of members of the organization or a brief description of the process used to determine the members' position, or did not provide both.

Insufficient documentation was provided to show that the organization is a 'neighborhood organization' within the meaning of this requirement.

While your letter will not be scored, your comments will still be summarized and provided to the Governing Board of the Department as they make decisions regarding which applications will receive an allocation of credits. You are also welcome to provide public comment at the Board's meetings on these developments which take place on June 28, 2004 and July 28, 2004 in Austin. If you have any questions, please do not hesitate to contact the Department at 512.475.3800. Also, on Friday June 18, 2004 at 10:00 a.m. the Department will conduct an Open Forum at it's office in Austin. If you have any questions or comments about the evaluation of your letter you are invited to attend this forum.

Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division

EXHIBIT B

Redwood Heights Apartments

TDHCA No. 04085

Bonita Street House of Hope



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

Tyrone Evans
Bonita Street "House of Hope"
7347 Bonita St.
Houston, TX 77016

RE: Neighborhood Input on 2004 Housing Tax Credit Application Redwood Heights Apartments
TDHCA Number: 04085

Attention: Tyrone Evans

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

Your letter did not provide either the total number of members of the organization or a brief description of the process used to determine the members' position, or did not provide both.

Insufficient documentation was provided to show that the organization is a 'neighborhood organization' within the meaning of this requirement.

While your letter will not be scored, your comments will still be summarized and provided to the Governing Board of the Department as they make decisions regarding which applications will receive an allocation of credits. You are also welcome to provide public comment at the Board's meetings on these developments which take place on June 28, 2004 and July 28, 2004 in Austin. If you have any questions, please do not hesitate to contact the Department at 512.475.3800. Also, on Friday June 18, 2004 at 10:00 a.m. the Department will conduct an Open Forum at its office in Austin. If you have any questions or comments about the evaluation of your letter you are invited to attend this forum.

Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division

EXHIBIT C

Redwood Heights Apartments

TDHCA No. 04085

Eastex/Jensen Superneighborhood Council



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 16, 2004

Tyrone Evans
Eastex/Jensen Super Neighborhood
7347 Bonita St.
Houston, TX 77016

RE: Neighborhood Input on 2004 Housing Tax Credit Application Redwood Heights Apartments
TDCHA Number: 04085

Attention: Tyrone Evans

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

Insufficient documentation was provided to show that the organization was on record as of March 1, 2004 with the state or county in which the development is proposed to be located.

While your letter will not be scored, your comments will still be summarized and provided to the Governing Board of the Department as they make decisions regarding which applications will receive an allocation of credits. You are also welcome to provide public comment at the Board's meetings on these developments which take place on June 28, 2004 and July 28, 2004 in Austin. If you have any questions, please do not hesitate to contact the Department at 512.475.3800. Also, on Friday June 18, 2004 at 10:00 a.m. the Department will conduct an Open Forum at it's office in Austin. If you have any questions or comments about the evaluation of your letter you are invited to attend this forum.

Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division

EXHIBIT D

Redwood Heights Apartments

TDHCA No. 04085

Initial Appeal

LOCKE LIDDELL & SAPP LLP

ATTORNEYS & COUNSELORS

100 CONGRESS AVENUE
Suite 300
Austin, Texas 78701-4042

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www.lockeliddell.com

Direct Number: (512) 305-4707
email: cbast@lockeliddell.com

June 10, 2004

Ms. Brooke Boston
Texas Department of Housing and Community Affairs
507 Sabine
Suite 400
Austin, Texas 78701

Re: Redwood Heights Apartments in Houston
TDHCA No. 04085

Dear Brooke:

We represent Redwood Heights, Ltd. (the "Applicant"). The Applicant has received a notice of scoring for its low-income housing tax credit application and desires to appeal that scoring in accordance with the 2004 Qualified Allocation Plan (the "QAP"). The Applicant received three letters of support from neighborhood organizations, and none of those letters received a score. Each letter will be addressed in turn:

Northside Plaza, Inc.

The Department did not score the support letter from this organization on the following grounds:

Reason #1: *Your letter did not provide either the total number of members of the organization or a brief description of the process used to determine the members' position, or did not provide both.*

Reason #2: *Insufficient documentation was provided to show that the organization is a "neighborhood organization" within the meaning of this requirement.*

Response #1: Northside Plaza, Inc. is a non-membership corporation, which is a permitted structure for a non-profit organization. However, it does have a board of directors, and the letter specified the number of directors of the corporation. Therefore, since the corporation does not have members, the Applicant believes the information given in the letter should suffice. Further, the letter specified that the corporation makes its decisions by "discussion and voting", which should be a sufficient description for how the position of the members of the board of directors was established.

Response #2: Northside Plaza, Inc.'s support letter states in its letterhead that the mission of the corporation is to provide support and outreach services to residents of northeast Houston, and that area of northeast Houston is specifically defined. This mission statement demonstrates that the corporation is working to improve the quality of life for residents of a particular neighborhood, and should qualify the corporation for neighborhood organization status.

Bonita Street House of Hope

The Department did not score the support letter from this organization on the following grounds:

Reason #1: *Your letter did not provide either the total number of members of the organization or a brief description of the process used to determine the members' position, or did not provide both.*

Reason #2: *Insufficient documentation was provided to show that the organization is a "neighborhood organization" within the meaning of this requirement.*

Response #1: As indicated by Article Eight of its Amended and Restated Articles of Incorporation, Bonita Street House of Hope is a non-membership corporation, which is a permitted structure for a non-profit organization. However, it does have a board of directors, and the letter specified the number of directors of the corporation. Therefore, since the corporation does not have members, the Applicant believes the information given in the letter should suffice. Further, the letter specified that the corporation makes its decisions by "discussion and voting", which should be a sufficient description for how the position of the members of the board of directors was established.

Response #2: Bonita Street House of Hope is organized to promote affordable housing opportunities for low-income people in a defined region of Houston. This defined region includes the proposed complex. The Applicant believes that Bonita Street House of Hope should qualify as a neighborhood organization because it is specifically working to address the housing needs of low-income citizens in its defined neighborhood.

Eastex/Jensen Superneighborhood Council

The Department's website does not contain a letter of response to this neighborhood organization, indicating that its letter of support was not scored. Therefore, the Applicant must assume that the letter was actually scored and that the score was simply omitted from the Department's notice of scoring to the Applicant.

Brooke Boston
June 10, 2004
Page 3

We appreciate your consideration of the matters presented in this appeal letter. The Applicant believes that its score should be adjusted for these letters of support from neighborhood organizations. If you have any questions about the discussion in this appeal letter, please feel free to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read 'C/LB', written in a cursive style.

Cynthia L. Bast

CLB/saf

cc: Realtex Development Corporation
Avenue Community Development Corporation

EXHIBIT E

Redwood Heights Apartments

TDHCA No. 04085

TDHCA Staff Response to Appeal



WWW.TDHCA.STATE.TX.US

July 16, 2004

.....
RICK PERRY
Governor

EDWINA R. CARRINGTON
Executive Director

BOARD MEMBERS
Elizabeth Anderson, Chair
Shadrick Bogany
C. Kent Conine
Vidal Gonzalez
Patrick R. Gordon
Norberto Salinas

Rick Deyoc
Redwood Heights Ltd.
101 Hays Street, Suite 406
Dripping Springs, TX 78620
Telephone: (512) 858-2674
Fax: (512) 858-2387

**Re: Response to appeal received July 11, 2004
Redwood Heights TDHCA Project No. 04085**

Dear Mr. Deyoc:

Appeal Review

I have carefully reviewed the application you submitted, as well as your appeal that we received on June 14, 2004 on the above-referenced development, regarding the eligibility of your application to receive points for Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letters were reviewed to determine if all submission requirements were met.

Unfortunately, the letters from Bonita Street and Northside Plaza, Inc did not meet the requirements to be scored. The letters did not provide the number of members of the organization, or a brief description of the process by which the organization decided its support. Additionally, the evidence was insufficient to demonstrate that the organization is a "neighborhood organization" within the meaning of the requirement.

The letter from Eastes/ Jensen Superneighborhood Council was ineligible because it was not on record with the county or State, as required.

Appeal Determination

Because of the above-mentioned reasons, your appeal is denied.

Section 50.18(b)(4) of the 2004 QAP states that if you are not satisfied with this response to your appeal, you may appeal directly in writing to the Board of the Texas Department of Housing and Community Affairs. If you wish to appeal, you must do so no later than 5:00 p.m., Thursday, July 22, 2004; however, you are strongly encouraged

Mr. Rick Deyoe
July 16, 2004

to file your appeal by 5:00 p.m. Monday, July 19, 2004. The appeal must be received by Delores Groneck, Board Secretary.

If you have questions or comments, please call (512) 475-3340.

Sincerely,


Edwina P. Carrington
Executive Director

EPC/BLB/MFMU

Executive Director's Response



WWW.TDHCA.STATE.TX.US

June 28, 2004

.....
RICK PERRY
Governor

EDWINA P. CARRINGTON
Executive Director

BOARD MEMBERS
Elizabeth Anderson, Chair
Shadrick Bogany
C. Kent Conine
Vidal Gonzalez
Patrick R. Gordon
Norberto Salinas

Rick Deyoe
Redwood Heights, Ltd.
101 Hays Street, Suite 406
Dripping Springs, TX 78620
Telephone: (512) 858-2674
Fax: (512) 858-2387

**Re: Response to appeal received June 14, 2004
Redwood Heights Apartments TDHCA Project No. 04085**

Dear Mr. Deyoe:

In your appeal you assert that the 2004 Qualified Allocation Plan ("QAP") is specific in its directions and that it should be interpreted so that no more than 15% of the low income units can be designated for people at 40% of AMGI (not including 30% units). As you know, on December 16, 2003, the Department released the *2004 Qualified Allocation Plan and Rules (QAP) Frequently Asked Questions & Answers* (the "Q&A") document. It was posted both to the Department's website and electronically mailed to the Department's extensive contact list. As you recognize in your appeal, this published set of Q&A presented a response to a hypothetical question that addressed that very point mentioned above. In the response, the Department interpreted the 2004 QAP by stating that units at 30% of AMGI should be considered in the calculations mentioned in your appeal.

While you assert in your appeal that the Department's language released in the Q&A is, "contrary to the clear language of the 2004 QAP," many other 2004 Housing Tax Credit ("HTC") applicants requested clarification and confirmation, and this was provided in the Q&A. The Department answered with clear guidance in the Q&A. Once released, most 2004 HTC applicants calculated their scores as required by the Department's interpretation in the Q&A. In fact, out of the 126 active HTC Applications that requested points for this particular point item, only 16 Applicants did not calculate the item as instructed in the Q&A. If the Department were to have interpreted this item as you suggest in your appeal, 110 applicants would have lost points, rather than 16.

Appeal Determination
Because of the reasons above, your appeal denied.

Mr. Rick Deyoe
June 28, 2004

Section 50.18(b)(4) of the 2004 QAP states that if you are not satisfied with this response to your appeal, you may appeal directly in writing to the Board of the Texas Department of Housing and Community Affairs. Please note that an appeal filed with the Board must be received by the Board before the seventh day preceding the date of the Board meeting at which the relevant commitment decision is expected to be made. To have an appeal considered by the Board at the July 8 Board meeting, the appeal must be received by Delores Groneck, Board Secretary, no later than June 30, although it is strongly suggested that you submit it by June 29, 2004.

If you have questions or comments, please call (512) 475-3340.

Sincerely,

A handwritten signature in cursive script that reads "Edwina P. Carrington". The signature is written in black ink and is positioned above the printed name and title.

Edwina P. Carrington
Executive Director

EPC/BLB/MFMU

#04085

*** TX REPORT ***

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CONNECTION ID
ST. TIME 06/28 11:24
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PGS. SENT 2
RESULT OK



WWW.TDHCA.STATE.TX.US

June 28, 2004

.....
RICK PERRY
Governor

Rick Deyoe
Redwood Heights, Ltd.
101 Hays Street, Suite 406
Dripping Springs, TX 78620
Telephone: (512) 858-2674
Fax: (512) 858-2387

EDWINA P. CARRINGTON
Executive Director

BOARD MEMBERS
Elizabeth Anderson, Chair
Shadrick Bogany
C. Kent Conine
Vidal Gonzalez
Patrick R. Gordon
Norberto Salinas

**Re: Response to appeal received June 14, 2004
Redwood Heights Apartments TDHCA Project No. 04085**

Dear Mr. Deyoe:

In your appeal you assert that the 2004 Qualified Allocation Plan ("QAP") is specific in its directions and that it should be interpreted so that no more than 15% of the low income units can be designated for people at 40% of AMGI (not including 30% units). As you know, on December 16, 2003, the Department released the 2004 *Qualified Allocation Plan and Rules (QAP) Frequently Asked Questions & Answers* (the "Q&A") document. It was posted both to the Department's website and electronically mailed to the Department's extensive contact list. As you recognize in your appeal, this published set of Q&A presented a response to a hypothetical question that addressed that very point mentioned above. In the response, the Department interpreted the 2004 QAP by stating that units at 30% of AMGI should be considered in the calculations mentioned in your appeal.

While you assert in your appeal that the Department's language released in the Q&A is, "contrary to the clear language of the 2004 QAP," many other 2004 Housing Tax Credit ("HTC") applicants requested clarification and confirmation, and this was provided in the Q&A. The Department answered with clear guidance in the Q&A. Once released, most 2004 HTC applicants calculated their scores as required by the Department's interpretation

EXECUTIVE DIRECTOR'S
ACTION ITEM

DATE: June 25, 2004

(please highlight if applicable)

RUSH

ITEM: Appeal Response Redwood Heights # 04085

Staff to Contact: Brooke Boston

Phone No: 5-3296

BACKGROUND: An appeal was received June 14, 2004. In accordance with the Appeals Policy in the QAP, a response from the Executive Director must be provided by 5:00 June 28.

PROPOSAL: Please review the attached appeal response letter.

ACTION REQUESTED: Please sign this action item and the appeal response letter.

ATTACHMENTS:

- Appeal letter for signature.
- Copy of appeal

APPROVED BY:


DIVISION DIRECTOR

N/A
CHIEF - AGENCY ADMINISTRATION


DEPUTY EXECUTIVE
DIRECTOR - PROGRAMS

N/A
DIRECTOR OF HOUSING
CENTER


REVIEWING ATTORNEY


GENERAL COUNSEL *6/25/04*


EXECUTIVE DIRECTOR

6/27/04
DATE APPROVED

COMMENTS:

Executive Director's Appeal

LOCKE LIDDELL & SAPP LLP

ATTORNEYS & COUNSELORS

100 CONGRESS AVENUE
Suite 300
Austin, Texas 78701-4042

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Direct Number: (512) 305-4707
email: cbast@lockeliddell.com

June 14, 2004

Ms. Brooke Boston
Texas Department of Housing and Community Affairs
507 Sabine
Suite 400
Austin, Texas 78701

Re: Redwood Heights Apartments in Houston
TDHCA No. 04085

Dear Brooke:

We represent Redwood Heights, Ltd. (the "Applicant"). The Applicant has received a notice of scoring for its low-income housing tax credit application and desires to appeal that scoring in accordance with the 2004 Qualified Allocation Plan (the "QAP"). The Applicant received a 2-point deduction described as follows:

TAB 4L, Low Income Targeting Points: The number of 30% units combined with the number of 40% units cannot exceed 15% of the total number of low income units. Therefore, after attributing points under item (g)(13) for 30% limits, only a percentage of the 40% units may be counted for points (points requested 4, points awarded 2).

Section 50.9(g)(12)(C) presents a table whereby points can be calculated for: (i) the percentage of low-income units serving people at 40% of AMGI and (ii) the percentage of low-income units serving people at 50% of AMGI. In making these calculations, the QAP gives two specific directions:

Direction #1: "No more than 40% of the total number of low income units will be counted as designated for tenants at or below 50% of the AMGI for purposes of determining the points in the 50% and 40% AMGI categories."

Direction #2: "No more than 15% of the total number of low income targeted units will be counted as designated for tenants at 40% of the AMGI for purposes of determining the points in the 40% AMGI categories."

The distinction between these two sentences is abundantly clear. In the first direction, an applicant is instructed to consider units at or below a certain AMGI category. In the second direction, an applicant is

instructed to consider units at a certain AMGI category. Under standard rules of construction, we are to engage in a plain reading of the rule and to presume that the Department meant to give effect to each and every word of Section 50.9(g)(12)(A) as written. This presumption is reinforced by the fact that the 2004 QAP contains only one reference to tenants "at or below" a certain AMGI category – the reference in this Section 50.9(g)(12)(A).

Thus, in calculating points for Section 50.9(g)(12), the following restrictions apply:

- No more than 40% of the low income units can be designated for people at 30% of AMGI, 40% of AMGI, and 50% of AMGI.
- No more than 15% of the low income units can be designated for people at 40% of AMGI.

The Department's assertion that no more than 15% of the low income units can be designated for people at 30% of AMGI and 40% of AMGI cannot be supported by standard rules of construction. If the Department had meant to say "No more than 15% of the total number of low income targeted units will be counted as designated for tenants at or below 40% of the AMGI for purposes of determining the points in the 40% AMGI categories" it could have done so. This is clearly demonstrated by the fact that the phrase "at or below" was decidedly used in the immediately preceding sentence.

The standard rules of construction referenced above are a matter of Texas law. The same rules apply to the construction of an order of an administrative agency as to the construction of statutes, and, therefore, the "aim and object of construction is to ascertain the intent of the legislative or administering body."¹ To discern intent, courts will look first to the statute's plain meaning² and will not look beyond the actual words of the document when such meaning is clear. By analogy, when interpreting an agency rule, courts will look first to the rule's plain meaning. The Texas Attorney General's office has stated "words and phrases of statutes shall be read in context and construed according to the rules of grammar and common usage."³ Using rules of grammar and common usage, it is evident that "at or below" is different than "at" and needs to be treated as such.

We recognize that the Department published a set of Questions and Answers (the "Q&A") regarding the 2004 QAP and that, in the Q&A, the Department presented a response to a hypothetical question on this very point. In this response, the Department asserted that the units at 30% of AMGI should be considered in the calculations for both Direction #1 and Direction #2, above. Unfortunately, this assertion is contrary to the clear language of the 2004 QAP. The clear language of the 2004 QAP shows that the units at 30% of AMGI should be considered for Direction #1 but should not be considered for Direction #2.

The Department's response in the Q&A presents an unfortunate conflict for tax credit applicants. However, in this circumstance, the plain language of the final 2004 QAP as adopted must control. The

¹ *Airport Coach Services, Inc. v. City of Fort Worth*, 518 S.W.2d 566 (Civ. App. 1974, *writ ref. n.r.e.*).

² *See Fitzgerald v. Advanced Spine Fixation*, 996 S.W.2d 864, 865 (Tex. 1999).

³ Op. Tex. Att'y Gen. No. JC-0275 (2000).

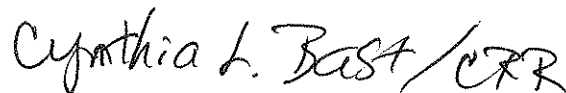
2004 QAP has been subject to all applicable rulemaking requirements, including publication and opportunity for public comment. It is the definitive legal authority. The Q&A has not been subject to the rulemaking requirements and therefore cannot trump the 2004 QAP. You recognized, at the June 10, 2004 Board meeting with regard to the Brentwood Apartments appeal, that the reference manual for the tax credit applications could not trump the rule of the 2004 QAP. The same conclusion is applicable here with regard to the Q&A.

We understand that the Department was trying to provide tax credit applicants with guidance and interpretation by issuing the Q&A. However, according to general principles of construction under Texas law, interpretation is appropriate only when a rule is unclear on its face. In this case, the 2004 QAP is clear and therefore the need for interpretation does not arise.

If the interpretation in the Q&A is allowed to trump the plain language of the 2004 QAP, it may raise the issue of a substantive and procedural due process violation under the Texas Administrative Procedure Act (the "APA"). Formal rulemaking pursuant to the APA is required for any "agency statement of general applicability that implements, interprets, or prescribes law or policy, or describes the procedure or practice requirements of a state agency."⁴ As a general rule, an agency must proceed by rulemaking to announce *significant new interpretations* of its law or rules.⁵ We believe that the interpretation of the Q&A with regard to Section 50.9(g)(12) of the QAP rises to the level of a significant new interpretation because it imposes a standard that is contrary to the plain language of the 2004 QAP that has been duly adopted.

We appreciate your consideration of the matters presented in this appeal letter. The Applicant believes that the 2 points deducted for low income targeting should be reinstated. If you have any questions about the discussion in this appeal letter, please feel free to contact me.

Sincerely,



Cynthia L. Bast

CLB/saf

cc: Realtex Development Corporation
Avenue Community Development Corporation

⁴ See generally OFFICE OF THE ATTORNEY GENERAL OF TEXAS, "2002 Administrative Law Handbook," at 4, citing TEX. GOV'T CODE ANN. § 2001.003(6)(A) (Vernon 2000).

⁵ OFFICE OF THE ATTORNEY GENERAL OF TEXAS, "2002 Administrative Law Handbook," at 4.

04085

LOCKE LIDDELL & SAPP LLP

100 Congress Avenue
Suite 300
Austin, Texas 78701-4042

RECEIVED
JUN 14 2004
LIHTC

FACSIMILE TRANSMISSION

Voice: (512) 305-4700
Fax: (512) 305-4800

Date: June 14, 2004 3:34 PM

PLEASE DELIVER AS SOON AS POSSIBLE TO:

	To	COMPANY	FAX NO.	PHONE NO.
1.	Ms. Brooke Boston	Texas Dept. of Housing and Community Affairs	512-475-0764	512-475-3340
2.	Ms. Mary Lawler	Avenue CDC	713-864-0027	713-864-8099
3.	Mr. Rick J. Deyoe	Realtex Development Corporation	512-858-2387	512-858-2674

FROM: Cynthia L. Bast

PHONE (512) 305-4707

Total number of pages including this page: 4.

If you do not receive all the pages, please call (512) 305-4707.

Please see attached correspondence re Redwood Heights Apartments in Houston / TDHCA No. 04085

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LOCKE LIDDELL & SAPP LLP

ATTORNEYS & COUNSELORS

100 CONGRESS AVENUE
Suite 300
Austin, Texas 78701-4042

AUSTIN • DALLAS • HOUSTON • NEW ORLEANS

(512) 305-4700
Fax: (512) 305-4800
www.lockeliddell.com

Direct Number: (512) 305-4707
email: cbastr@lockeliddell.com

June 10, 2004

Ms. Brooke Boston
Texas Department of Housing and Community Affairs
507 Sabine
Suite 400
Austin, Texas 78701

Re: Redwood Heights Apartments in Houston
TDHCA No. 04085

Dear Brooke:

We represent Redwood Heights, Ltd. (the "Applicant"). The Applicant has received a notice of scoring for its low-income housing tax credit application and desires to appeal that scoring in accordance with the 2004 Qualified Allocation Plan (the "QAP"). The Applicant received three letters of support from neighborhood organizations, and none of those letters received a score. Each letter will be addressed in turn:

Northside Plaza, Inc.

The Department did not score the support letter from this organization on the following grounds:

Reason #1: *Your letter did not provide either the total number of members of the organization or a brief description of the process used to determine the members' position, or did not provide both.*

Reason #2: *Insufficient documentation was provided to show that the organization is a "neighborhood organization" within the meaning of this requirement.*

Response #1: Northside Plaza, Inc. is a non-membership corporation, which is a permitted structure for a non-profit organization. However, it does have a board of directors, and the letter specified the number of directors of the corporation. Therefore, since the corporation does not have members, the Applicant believes the information given in the letter should suffice. Further, the letter specified that the corporation makes its decisions by "discussion and voting", which should be a sufficient description for how the position of the members of the board of directors was established.

Brooke Boston
June 10, 2004
Page 2

Response #2: Northside Plaza, Inc.'s support letter states in its letterhead that the mission of the corporation is to provide support and outreach services to residents of northeast Houston, and that area of northeast Houston is specifically defined. This mission statement demonstrates that the corporation is working to improve the quality of life for residents of a particular neighborhood, and should qualify the corporation for neighborhood organization status.

Bonita Street House of Hope

The Department did not score the support letter from this organization on the following grounds:

Reason #1: *Your letter did not provide either the total number of members of the organization or a brief description of the process used to determine the members' position, or did not provide both.*

Reason #2: *Insufficient documentation was provided to show that the organization is a "neighborhood organization" within the meaning of this requirement.*

Response #1: As indicated by Article Eight of its Amended and Restated Articles of Incorporation, Bonita Street House of Hope is a non-membership corporation, which is a permitted structure for a non-profit organization. However, it does have a board of directors, and the letter specified the number of directors of the corporation. Therefore, since the corporation does not have members, the Applicant believes the information given in the letter should suffice. Further, the letter specified that the corporation makes its decisions by "discussion and voting", which should be a sufficient description for how the position of the members of the board of directors was established.

Response #2: Bonita Street House of Hope is organized to promote affordable housing opportunities for low-income people in a defined region of Houston. This defined region includes the proposed complex. The Applicant believes that Bonita Street House of Hope should qualify as a neighborhood organization because it is specifically working to address the housing needs of low-income citizens in its defined neighborhood.

Eastex/Jensen Superneighborhood Council

The Department's website does not contain a letter of response to this neighborhood organization, indicating that its letter of support was not scored. Therefore, the Applicant must assume that the letter was actually scored and that the score was simply omitted from the Department's notice of scoring to the Applicant.

Brooke Boston

June 10, 2004

Page 3

We appreciate your consideration of the matters presented in this appeal letter. The Applicant believes that its score should be adjusted for these letters of support from neighborhood organizations. If you have any questions about the discussion in this appeal letter, please feel free to contact me.

Sincerely,



Cynthia L. Bast

CLB/saf

cc: Realtex Development Corporation
Avenue Community Development Corporation

QCP Documentation



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 16, 2004

Tyrone Evans
Eastex/Jensen Super Neighborhood
7347 Bonita St.
Houston, TX 77016

RE: Neighborhood Input on 2004 Housing Tax Credit Application Redwood Heights Apartments
TDCHA Number: 04085

Attention: Tyrone Evans

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

Insufficient documentation was provided to show that the organization was on record as of March 1, 2004 with the state or county in which the development is proposed to be located.

While your letter will not be scored, your comments will still be summarized and provided to the Governing Board of the Department as they make decisions regarding which applications will receive an allocation of credits. You are also welcome to provide public comment at the Board's meetings on these developments which take place on June 28, 2004 and July 28, 2004 in Austin. If you have any questions, please do not hesitate to contact the Department at 512.475.3800. Also, on Friday June 18, 2004 at 10:00 a.m. the Department will conduct an Open Forum at it's office in Austin. If you have any questions or comments about the evaluation of your letter you are invited to attend this forum.

Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

Cleothus Montgomery
Northside Plaza, Inc.
1407 Laurentide
Houston, TX 77029

RE: Neighborhood Input on 2004 Housing Tax Credit Application Redwood Heights Apartments
TDHCA Number: 04085

Attention: Cleothus Montgomery

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

Your letter did not provide either the total number of members of the organization or a brief description of the process used to determine the members' position, or did not provide both.

Insufficient documentation was provided to show that the organization is a 'neighborhood organization' within the meaning of this requirement.

While your letter will not be scored, your comments will still be summarized and provided to the Governing Board of the Department as they make decisions regarding which applications will receive an allocation of credits. You are also welcome to provide public comment at the Board's meetings on these developments which take place on June 28, 2004 and July 28, 2004 in Austin. If you have any questions, please do not hesitate to contact the Department at 512.475.3800. Also, on Friday June 18, 2004 at 10:00 a.m. the Department will conduct an Open Forum at it's office in Austin. If you have any questions or comments about the evaluation of your letter you are invited to attend this forum.

Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

Tyrone Evans
Bonita Street "House of Hope"
7347 Bonita St.
Houston, TX 77016

RE: Neighborhood Input on 2004 Housing Tax Credit Application Redwood Heights Apartments
TDHCA Number: 04085

Attention: Tyrone Evans

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

Your letter did not provide either the total number of members of the organization or a brief description of the process used to determine the members' position, or did not provide both.

Insufficient documentation was provided to show that the organization is a 'neighborhood organization' within the meaning of this requirement.

While your letter will not be scored, your comments will still be summarized and provided to the Governing Board of the Department as they make decisions regarding which applications will receive an allocation of credits. You are also welcome to provide public comment at the Board's meetings on these developments which take place on June 28, 2004 and July 28, 2004 in Austin. If you have any questions, please do not hesitate to contact the Department at 512.475.3800. Also, on Friday June 18, 2004 at 10:00 a.m. the Department will conduct an Open Forum at it's office in Austin. If you have any questions or comments about the evaluation of your letter you are invited to attend this forum.

Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division

FROM : AVENUE CDC

PHONE NO. : 713 864 8099

Mar. 01 2004 02:23PM P3

EASTEX/JENSEN SUPERNEIGHBORHOOD
7247 BONITA STREET
HOUSTON, TEXAS 77016
Off: 713/635-6470 fax 713/635-6101

March 1, 2004

Texas Department of Housing and Community Affairs
 Attention: Director of Multifamily Finance Production Division (Neighborhood Input)
 507 Sabine, Suite 400
 Box 13491
 Austin, TX 78711

To the Texas Department of Housing and Community Affairs:

As President of the Eastex/Jensen Super Neighborhood Council, I certify that I and other members of the Eastex/Jensen Super Neighborhood Council have received notification regarding the proposed Redwood Heights Apartments. The Eastex/Jensen Super Neighborhood Council and its member organizations have been provided with a written notification and description of the proposed development. Representatives of Redwood Heights attended a special Public Meeting as well as a regular meeting of our Super Neighborhood Council to present information and answer questions about the proposed development.

The Eastex/Jensen Super Neighborhood Council has been officially recognized by the City of Houston to represent the residents of the community in which the proposed Redwood Heights complex is located. The boundaries of the Eastex/Jensen Super Neighborhood are the North Loop to the South, the Hardy Toll Road to the West, the Southern Pacific Railroad to the East, and parts of Little York Road to the North. The purpose of Houston Super Neighborhood Councils is to allow residents to work together to identify, plan, and set priorities to address the needs and concerns of their community.

A list of the current members of the Eastex/Jensen Super Neighborhood Council is attached. The process used to determine the position of the members is discussion and voting.

The Eastex/Jensen Super Neighborhood Council supports the proposed Redwood Heights apartments, because it will benefit our community and provide needed housing.

Sincerely,



Tyone Evans

President, Eastex/Jensen Super Neighborhood Council

FROM : AVENUE CDC

PHONE NO. : 713 864 8099

Mar. 01 2004 02:24PM P4

c/o Bonita House of Hope
7347 Bonita Street
Houston, TX 77016
(713) 835-5470

Eastex/Jensen Super Neighborhood Council members include the following organizations and contact individuals:

- Bonita Street House of Hope (Tyrone Evans), President
- Homeowners Aid Association (James Jackson, Jr.), Vice President
- Ms. Elaine Johnson (Secretary)
- Sunbeam Curry Civic Club (Mr. Sampson Freeman))
- Tidwell-Jenson Area Council (Essie Hill)
- Huntington Neighborhood Council (Rev. Miller Harp)
- Woodsdale Civic Club (John Deming)
- Salvation Army Boys and Girls Club (Captain Mark Martin)
- Northside Missionary Baptist Church (Dr. Cleothus Montgomery)



Northside Plaza, Inc.



6915 Curry Road ~ Houston, Texas 77692

Phone: 713-493-2278 ~ Fax: 713-494-8480

e-mail: pchmtmontgomery@houston.tx.us ~ paulatthebopart@houston.tx.us
petersbeworks@nsp.com

Dr. Cleothus Montgomery
Executive Director

March 24, 2004

Board Members

Howard Potts
Chairman

Joseph Christian
Vice Chairman

Paula Marie-Rivera
Secretary

Edward Domingo
Treasurer

Lynn White
Assistant Secretary

Aerna Ague
Sharveta Collins
Newarr Daniels
Doris McDonald
Rev. Leodis Jones
William Thomas

Texas Department of Housing and Community Affairs
Attention: Director of Multifamily Finance Production Division
(Neighborhood Input)
507 Sabine, Suite 400
Box 13491
Austin, Texas 78711

To the Texas Department of Housing and Community Affairs:

Northside Plaza, Inc. CDC supports the proposed Redwood Heights apartments, because it will benefit our community and provided needed housing.

The proposed Redwood Heights apartments are located within the boundaries of Northside Plaza, Inc. CDC, which are 610 South to Little York North and Hirsch Road East to Hardy Toll Road West.

Northside Plaza, Inc. CDC is a neighborhood organization that is on record with the State of Texas, a copy of our Articles of Incorporation is attached.

The Board of Directors of Northside Plaza, Inc. CDC includes 12 members. The position of members is determined by discussion and voting.

Sincerely,

Dr. Cleothus Montgomery
Executive Director
1407 Laurentide
Houston, Texas 77029
713-672-8599

Attachment: Articles of incorporation

Mission Statement:

To provide affordable housing and self-improvement programs to improve the quality of life for citizens in Northeast Houston.



Bonita Street "House of Hope"

7347 Bonita Street, Houston, Texas 77016
713-635-5470 713-635-5470 (Fax)
bonitahope@aol.com

March 18, 2004

Texas Department of Housing and Community Affairs
Attention: Director of Multifamily Finance Production Division
(Neighborhood Input)
507 Sabine, Suite 400
Box 13491
Austin, TX 78711

To the Texas Department of Housing and Community Affairs:

As President of our local Super Neighborhood Council and President of the Bonita Street House of Hope, both agencies support the proposed Redwood Heights apartments, because it will benefit our community and provide needed housing.

The proposed Redwood Heights apartment is located within the boundaries of the Eastex Jensen Super neighborhood/Bonita Street House of Hope which are to the most northern Littleyork Road, east to Hirsch Road, west to Hardy Toll Road and south to Kelly.

The Bonita Street House of Hope is a neighborhood organization that is on record with the State of Texas, a copy of our Articles of Incorporation are attached.

The Board of Directors of Bonita Street House of Hope includes eleven members. The position of members is determined by discussion and voting.

Sincerely,

Tyone Evans
President

Bonita Street House of Hope
7347 Bonita Street
Houston, Texas 77018
713) 635-5470

Attachment: Articles of Incorporation

<p>MULTIFAMILY FINANCE PRODUCTION DIVISION</p> <p>BOARD ACTION REQUEST</p> <p>July 28, 2004</p>
--

Action Item

Appeal denial of Quantifiable Community Participation (QCP) points of one 2004 Housing Tax Credit (HTC) Application.

Requested Action

Issue a determination on the appeal.

Background and Recommendations

I. Sedona Springs Village, #04120

The Applicant submitted an appeal to the Executive Director on June 14, 2004, disputing the denial of QCP points for the Application. The Applicant requested reconsideration of QCP point allocation for letters sent from six organizations, Catholic Charities Community Services, Harmony Home Children’s Advocacy Center, West Texas Opportunities, Planned Parenthood of West Texas, the Housing Authority of the City of Odessa, and Habitat for Humanity of Odessa. On June 28, 2004, the Executive Director responded to the appeal stating that pursuant to Section 50.9(g)(2) of the 2004 Qualified Allocation Plan (QAP), none of the six letters met requirements for scoring. The Executive Director specifically addressed the letter from Catholic Charities Community Services, noting that it did not provide a brief description of the process used to determine the members’ position of support. Additionally, documentation indicated the organization serves all of West Texas, not the specific neighborhood. Therefore, the Executive Director concluded, the organization is not a “neighborhood organization” within the meaning of the requirement. The Applicant’s appeal also referenced five additional support letters and requested, in regard to the 11 total letters, the right to “adopt all arguments made by all applicants” in the event that the Department should “change its mind on how it evaluates support letters.” In the appeal response, the Executive Director noted that the Applicant cannot appeal this way, and that, pursuant to Section 50.18(b)(3) of the 2004 QAP, an Applicant’s appeal “must specifically identify the applicant’s grounds for appeal”. Lastly, the Applicant referenced a letter regarding Odessa Day Nursery as not being reviewed. The Executive Director stated that this was reviewed, and a “Response to Neighborhood Organizations” regarding the denial of that letter was sent to the Odessa Day Nursery on June 4, 2004. The Applicant submitted an appeal to the Board on June 29, 2004, specifically regarding QCP point scoring for the letters from Catholic Charities Community Services, Harmony Home Children’s Advocacy Center, West Texas Opportunities, Planned Parenthood of West Texas, the Housing Authority of the City of Odessa, and Habitat for Humanity of Odessa, as well as requesting to “adopt all arguments made by all applicants” in regard to QCP scoring. The Board appeal also requests review of the letter from Odessa Day Nursery.

Relevant documentation related to this appeal is provided behind the Board Action Request.

Applicant:	LHD Sedona Springs, LP
Site Location:	920 W. University
City/County:	Odessa/Ector
Regional Allocation Category:	Urban/Exurban
Set-Aside:	General
Population Served:	Family
Region:	12
Type of Development:	New Construction
Units:	100
Credits Requested:	\$652,451

Staff Recommendation: The Executive Director denied the original appeal. Staff is recommending that the Board also deny the appeal of the termination.

Board Appeal

LANDMARK HOUSING DEVELOPMENT

FACSIMILE TRANSMITTAL SHEET

TO:	Ms. Edwina Carrington	FROM:	Aubrea Hance
COMPANY:		DATE:	6/29/2004
FAX NUMBER:	475-0764	TOTAL NO. OF PAGES INCLUDING COVER:	4
PHONE NUMBER:		SENDER'S REFERENCE NUMBER:	
REF:	Sedona Springs Appeal #04120	YOUR REFERENCE NUMBER:	

URGENT FOR REVIEW PLEASE COMMENT PLEASE REPLY PLEASE RECYCLE

NOTES/COMMENTS:

04120

This information contained in this facsimile message is personal, secret and confidential information intended only for the use of the individual or entity named above. If the reader of this message is not the intended recipient or agent responsible for delivering it to the intended recipient, you are hereby notified that any dissemination, distribution or copying of the communication is strictly prohibited. If you have received this communication in error, please immediately notify us by telephone and return the original message to us at the following address via the U.S. Postal Service. Thank you.

8140 N. Mopac, Suite 4-270
Austin, Texas 78759
(512) 527-9335 Telephone (512) 527-9333 Facsimile

007 237 2004 10:33 0120210001

SEDONA SPRINGS VILLAGE

June 29, 2004

Ms. Delores Groneck
Board of Directors - Secretary
Texas Department of Housing and Community Affairs
507 Sabine, Suite 400
Austin, TX 78701

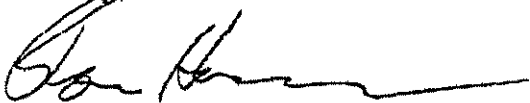
Re: Sedona Springs Village, # 04120 - QCP Appeal

Dear Ms. Groneck:

Attached please find a letter of appeal for Quantifiable Community Support for Sedona Springs Village, #04120. This appeal has been denied by Ms. Carrington and the applicant is now appealing to the Board of the Texas Department of Housing and Community Affairs.

Should you have any further suggestions or questions, please do not hesitate to call me.

Sincerely,



Ron Hance
Managing Member of the General Partner

06/23/2004 10:00 0120210001

SEDONA SPRINGS VILLAGE

8140 N. MOPAC
Suits 4-270
Austin, Texas 78759

(512) 527-9335
Fax: (512) 527-9337

June 14, 2004

Ms. Brooke Boston
Texas Department of Housing and Community Affairs
507 Sabine
Suite 400
Austin, Texas 78701

Re: Sedona Springs Village in Odessa
TDHCA No. 04120

Dear Brooke:

The Applicant has received a notice of scoring for its low-income housing tax credit application and desires to appeal that scoring in accordance with the 2004 Qualified Allocation Plan (the "QAP"). The Applicant received twelve letters of support from neighborhood organizations, and none of those letters received a score. We will address the letters in general by first listing the letters:

Catholic Charities Community Services; Harmony Home Children's Advocacy Center; West Texas Opportunities; Planned Parenthood of West Texas, Inc.; Housing Authority of the City of Odessa; Habitat for Humanity of Odessa.

The Department did not score these support letters based on some of all of the following grounds:

Reason #1: *Your letter did not provide either the total number of members of the organization or a brief description of the process used to determine the members' position, or did not provide both.*

Reason #2: *Insufficient documentation was provided to show that the organization is a "neighborhood organization" within the meaning of this requirement.*

To generally respond to the rejections of applicants letters, applicant believes that the spirit of the agencies QAP this year was to make sure that the applicant obtained the communities support. We believe that these twelve letters are a sign that applicant has obtained the communities support.

Response #1: Each of the letters is from an organization that does not have "members". Each letter noted the number of recipients and/or how applications are made to be associated with the organization and/or that they have board members.

Brooke Boston
June 10, 2004
Page 2

Response #2: The TDHCA did not and has not provided a specific definition or meaning of "neighborhood organization". We appeal this criteria based on the fact there was no criteria presented. As far as we know there is still no definition for "neighborhood organization".

In reference to all of the support letters for Sedona Springs Village in Odessa, specifically listed below, we would like to adopt all arguments made by all applicants in reference to their letters of support for the following reasoning: should the agency change its mind on how it evaluated the support letters for any reason we want to be included in that change. Therefore we adopt all arguments made by all applicants. Thank you for your consideration on this point.

Catholic Charities Community Services; Harmony Home Children's Advocacy Center; West Texas Opportunities; Planned Parenthood of West Texas, Inc.; Housing Authority of the City of Odessa; Habitat for Humanity of Odessa; Odessa Industrial Development Corporation; Agape Ministries Dream Center; Main Street Odessa; Next Family Foundation; and the Odessa Chamber of Commerce.

The Department's website does not contain a letter of response to the Odessa Day Nursery, indicating that its letter of support was not scored. Therefore, the Applicant must assume that the letter was actually scored and that the score was simply omitted from the Department's notice of scoring to the Applicant.

We appreciate your consideration of the matters presented in this appeal letter. The Applicant believes that its score should be adjusted for these letters of support from neighborhood organizations. If you have any questions about the discussion in this appeal letter, please feel free to contact me.

Sincerely

Ron Hance

Managing Member of the GP

SEDONA SPRINGS VILLAGE

June 29, 2004

Ms. Delores Groneck
Board of Directors - Secretary
Texas Department of Housing and Community Affairs
507 Sabine, Suite 400
Austin, TX 78701

Re: Sedona Springs Village, # 04120 - QCP Appeal

Dear Ms. Groneck:

Attached please find a letter of appeal for Quantifiable Community Support for Sedona Springs Village, #04120. This appeal has been denied by Ms. Carrington and the applicant is now appealing to the Board of the Texas Department of Housing and Community Affairs.

Should you have any further suggestions or questions, please do not hesitate to call me.

Sincerely,



Ron Hance
Managing Member of the General Partner

SEDONA SPRINGS VILLAGE

8140 N. MOPAC
Suite 4-270
Austin, Texas 78759

(512) 527-9335
Fax: (512) 527-9337

June 14, 2004

Ms. Brooke Boston
Texas Department of Housing and Community Affairs
507 Sabine
Suite 400
Austin, Texas 78701

Re: Sedona Springs Village in Odessa
TDHCA No. 04120

Dear Brooke:

The Applicant has received a notice of scoring for its low-income housing tax credit application and desires to appeal that scoring in accordance with the 2004 Qualified Allocation Plan (the "QAP"). The Applicant received twelve letters of support from neighborhood organizations, and none of those letters received a score. We will address the letters in general by first listing the letters:

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The Department did not score these support letters based on some of all of the following grounds:

Reason #1: *Your letter did not provide either the total number of members of the organization or a brief description of the process used to determine the members' position, or did not provide both.*

Reason #2: *Insufficient documentation was provided to show that the organization is a "neighborhood organization" within the meaning of this requirement.*

To generally respond to the rejections of applicants letters, applicant believes that the spirit of the agencies QAP this year was to make sure that the applicant obtained the communities support. We believe that these twelve letters are a sign that applicant has obtained the communities support.

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Brooke Boston
June 10, 2004
Page 2

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In reference to all of the support letters for Sedona Springs Village in Odessa, specifically listed below, we would like to adopt all arguments made by all applicants in reference to their letters of support for the following reasoning: should the agency change its mind on how it evaluated the support letters for any reason we want to be included in that change. Therefore we adopt all arguments made by all applicants. Thank you for your consideration on this point.

Catholic Charities Community Services; Harmony Home Children's Advocacy Center; West Texas Opportunities; Planned Parenthood of West Texas, Inc.; Housing Authority of the City of Odessa; Habitat for Humanity of Odessa; Odessa Industrial Development Corporation; Agape Ministries Dream Center; Main Street Odessa; Hext Family Foundation; and the Odessa Chamber of Commerce.

The Department's website does not contain a letter of response to the Odessa Day Nursery, indicating that its letter of support was not scored. Therefore, the Applicant must assume that the letter was actually scored and that the score was simply omitted from the Department's notice of scoring to the Applicant.

We appreciate your consideration of the matters presented in this appeal letter. The Applicant believes that its score should be adjusted for these letters of support from neighborhood organizations. If you have any questions about the discussion in this appeal letter, please feel free to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Ron Hance", is written over the word "COPY".

Ron Hance

Managing Member of the GP

**Executive Director's
Response**



WWW.TDHCA.STATE.TX.US

June 28, 2004

RICK PERRY
Governor

EDWINA P. CARRINGTON
Executive Director

BOARD MEMBERS
Elizabeth Anderson, Chair
Shadrick Bogany
C. Kent Conine
Vidal Gonzalez
Patrick R. Gordon
Norberto Salinas

Ron Hance
LHD Sedona Springs, LP
8140 N. Mopac, Ste. 4-270
Austin, TX 78759
Telephone: (512) 527-9335
Fax: (512) 527-9337

Re: Response to appeal received June 14, 2004
Sedona Springs Village TDHCA Project No. 04120

Dear Mr. Hance:

Appeal Review

I have carefully reviewed the application you submitted, as well as your appeal that we received on June 14, 2004 on the above-referenced Development, regarding the eligibility of your application to receive points for Quantifiable Community Participation (QCP) under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the Development noted above. Consistent with that section of the QAP, the letter was reviewed to determine if all submission requirements were met.

Unfortunately, as you indicate in your appeal, none of the QCP letters for this application meet the requirements to be scored. Specifically you have appealed the letter from Catholic Charities Community Services. This letter did not provide a brief description of the process used to determine the members' position of support. Additionally, documentation indicates the organization serves all of West Texas, not the specific neighborhood. Therefore, the organization is not a "neighborhood organization" within the meaning of the requirement.

You also reference all support letters in your appeal and state, "we would like to adopt all arguments made by all applicants in reference to their letters of support for the following reason: should the agency change its mind on how it evaluated the support letters for any reason we want to be included in that change. Therefore we adopt all arguments made by all applicants." Please note that you can not appeal by adopting, "all arguments made by all applicants." §50.18(b)(3) of the 2004 QAP requires that an Applicant's appeal "must specifically identify the applicant's grounds for appeal". To the extent your appeal fails to do so, your appeal is denied.

Mr. Ron Hance
June 28, 2004

Lastly, you reference a letter regarding Odessa Day Nursery as not being reviewed. Please note that this was reviewed, and a "Response to Neighborhood Organizations" regarding the denial of that letter was sent to the Odessa Day Nursery on June 4, 2004 (please see attached response).

Appeal Determination

Because of the above mentioned reasons, your appeal is denied.

Section 50.18(b)(4) of the 2004 QAP states that if you are not satisfied with this response to your appeal, you may appeal directly in writing to the Board of the Texas Department of Housing and Community Affairs. Please note that an appeal filed with the Board must be received by the Board before the seventh day preceding the date of the Board meeting at which the relevant commitment decision is expected to be made. To have an appeal considered by the Board at the July 8 Board meeting, the appeal must be received by Delores Groneck, Board Secretary, no later than June 30, although it is strongly suggested that you submit it by June 29, 2004.

If you have questions or comments, please call (512) 475-3340.

Sincerely,



Edwina P. Carrington
Executive Director

EPC/BLB/MFMU

Executive Director's Appeal

JUN 14 PM 2:32

SEDONA SPRINGS VILLAGE

(512) 527-9335

Fax: (512) 527-9337

8140 N. MOPAC
Suite 4-270
Austin, Texas 78759

June 14, 2004

Ms. Brooke Boston
Texas Department of Housing and Community Affairs
507 Sabine
Suite 400
Austin, Texas 78701

See notes

Re: Sedona Springs Village in Odessa
TDHCA No. 04120

Dear Brooke:

The Applicant has received a notice of scoring for its low-income housing tax credit application and desires to appeal that scoring in accordance with the 2004 Qualified Allocation Plan (the "QAP"). The Applicant received twelve letters of support from neighborhood organizations, and none of those letters received a score. We will address the letters in general by first listing the letters:

Catholic Charities Community Services; Harmony Home Children's Advocacy Center; West Texas Opportunities; Planned Parenthood of West Texas, Inc.; Housing Authority of the City of Odessa; Habitat for Humanity of Odessa.

The Department did not score these support letters based on some of all of the following grounds:

Reason #1: *Your letter did not provide either the total number of members of the organization or a brief description of the process used to determine the members' position, or did not provide both.*

Reason #2: *Insufficient documentation was provided to show that the organization is a "neighborhood organization" within the meaning of this requirement.*

To generally respond to the rejections of applicants letters, applicant believes that the spirit of the agencies QAP this year was to make sure that the applicant obtained the communities support. We believe that these twelve letters are a sign that applicant has obtained the communities support.

Response #1: Each of the letters is from an organization that does not have "members". Each letter noted the number of recipients and/or how applications are made to be associated with the organization and/or that they have board members.

Brooke Boston
June 10, 2004
Page 2

Response #2: The TDHCA did not and has not provided a specific definition or meaning of "neighborhood organization". We appeal this criteria based on the fact there was no criteria presented. As far as we know there is still no definition for "neighborhood organization".

In referenc to all of the support letters for Sedona Springs Village in Odessa, specifically listed below, we would like to adopt all arguments made by all applicants in referenc to their letters of support for the following reasoning: should the agency change its mind on how it evaluated the support letters for any reason we want to be included in that change. Therefore we adopt all arguments made by all applicants. Thank you for your consideration on this point.

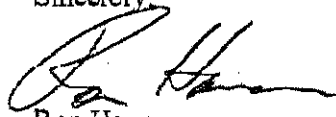
Catholic Charities Community Services; Harmony Home Children's Advocacy Center; West Texas Opportunities; Planned Parenthood of West Texas, Inc.; Housing Authority of the City of Odessa; Habitat for Humanity of Odessa; Odessa Industrial Development Corporation; Agape Ministries Dream Center; Main Street Odessa; Hexl Family Foundation; and the Odessa Chamber of Commerce.

The Department's website does not contain a letter of response to the Odessa Day Nursery, indicating that its letter of support was not scored. Therefore, the Applicant must assume that the letter was actually scored and that the score was simply omitted from the Department's notice of scoring to the Applicant.

yes, it was

We appreciate your considration of the matters presented in this appeal letter. The Applicant believes that its score should be adjusted for these letters of support from neighborhood organizations. If you have any questions about the discussion in this appeal letter, please feel free to contact me.

Sincerely,



Ron Hance

Managing Member of the GP

QCP Documentation



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

Karen Pieper Hildebrand
Planned Parenthood of West Texas, Inc.
910-B South Grant
Odessa, TX 79761

RE: Neighborhood Input on 2004 Housing Tax Credit Application Sedona Springs Village
TDHCA Number: 04120

Attention: Karen Pieper Hildebrand

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

Your letter did not provide either the total number of members of the organization or a brief description of the process used to determine the members' position, or did not provide both.

Insufficient documentation was provided to show that the organization is a 'neighborhood organization' within the meaning of this requirement.

While your letter will not be scored, your comments will still be summarized and provided to the Governing Board of the Department as they make decisions regarding which applications will receive an allocation of credits. You are also welcome to provide public comment at the Board's meetings on these developments which take place on June 28, 2004 and July 28, 2004 in Austin. If you have any questions, please do not hesitate to contact the Department at 512.475.3800. Also, on Friday June 18, 2004 at 10:00 a.m. the Department will conduct an Open Forum at it's office in Austin. If you have any questions or comments about the evaluation of your letter you are invited to attend this forum.

Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

Jane Hext
Hext Family Foundation
5030 E. University, Ste. D-102
Odessa, TX 79762

RE: Neighborhood Input on 2004 Housing Tax Credit Application Sedona Springs Village
TDHCA Number: 04120

Attention: Jane Hext

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

Insufficient documentation was provided to show that the organization's boundaries include the proposed development site.

Your letter did not provide either the total number of members of the organization or a brief description of the process used to determine the members' position, or did not provide both.

Insufficient documentation was provided to show that the organization is a 'neighborhood organization' within the meaning of this requirement.

While your letter will not be scored, your comments will still be summarized and provided to the Governing Board of the Department as they make decisions regarding which applications will receive an allocation of credits. You are also welcome to provide public comment at the Board's meetings on these developments which take place on June 28, 2004 and July 28, 2004 in Austin. If you have any questions, please do not hesitate to contact the Department at 512.475.3800. Also, on Friday June 18, 2004 at 10:00 a.m. the Department will conduct an Open Forum at it's office in Austin. If you have any questions or comments about the evaluation of your letter you are invited to attend this forum.

Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

Linda Reese
West Texas Opportunities, Inc.
700 N. Grant-Suite 150
Odessa, TX 79761

RE: Neighborhood Input on 2004 Housing Tax Credit Application Sedona Springs Village
TDHCA Number: 04120

Attention: Linda Reese

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

Your letter did not provide either the total number of members of the organization or a brief description of the process used to determine the members' position, or did not provide both.

Insufficient documentation was provided to show that the organization is a 'neighborhood organization' within the meaning of this requirement.

While your letter will not be scored, your comments will still be summarized and provided to the Governing Board of the Department as they make decisions regarding which applications will receive an allocation of credits. You are also welcome to provide public comment at the Board's meetings on these developments which take place on June 28, 2004 and July 28, 2004 in Austin. If you have any questions, please do not hesitate to contact the Department at 512.475.3800. Also, on Friday June 18, 2004 at 10:00 a.m. the Department will conduct an Open Forum at it's office in Austin. If you have any questions or comments about the evaluation of your letter you are invited to attend this forum.

Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

Faye Rodriguez
Catholic Charities Community Services
606 West 10th St.
Odessa, TX 79761

RE: Neighborhood Input on 2004 Housing Tax Credit Application Sedona Springs Village
TDHCA Number: 04120

Attention: Faye Rodriguez

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

Your letter did not provide either the total number of members of the organization or a brief description of the process used to determine the members' position, or did not provide both.

Insufficient documentation was provided to show that the organization is a 'neighborhood organization' within the meaning of this requirement.

While your letter will not be scored, your comments will still be summarized and provided to the Governing Board of the Department as they make decisions regarding which applications will receive an allocation of credits. You are also welcome to provide public comment at the Board's meetings on these developments which take place on June 28, 2004 and July 28, 2004 in Austin. If you have any questions, please do not hesitate to contact the Department at 512.475.3800. Also, on Friday June 18, 2004 at 10:00 a.m. the Department will conduct an Open Forum at it's office in Austin. If you have any questions or comments about the evaluation of your letter you are invited to attend this forum.

Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

Beradine H. Spears
Housing Authority of The City of Odessa
P.O. Drawer 154
Odessa, TX 79760

RE: Neighborhood Input on 2004 Housing Tax Credit Application Sedona Springs Village
TDHCA Number: 04120

Attention: Beradine H. Spears

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

Your letter did not provide either the total number of members of the organization or a brief description of the process used to determine the members' position, or did not provide both.

Insufficient documentation was provided to show that the organization is a 'neighborhood organization' within the meaning of this requirement.

While your letter will not be scored, your comments will still be summarized and provided to the Governing Board of the Department as they make decisions regarding which applications will receive an allocation of credits. You are also welcome to provide public comment at the Board's meetings on these developments which take place on June 28, 2004 and July 28, 2004 in Austin. If you have any questions, please do not hesitate to contact the Department at 512.475.3800. Also, on Friday June 18, 2004 at 10:00 a.m. the Department will conduct an Open Forum at it's office in Austin. If you have any questions or comments about the evaluation of your letter you are invited to attend this forum.

Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

J. Dennis
Agape Ministries Dream Center
P.O.Box 3522
Odessa, TX 79760

RE: Neighborhood Input on 2004 Housing Tax Credit Application Sedona Springs Village
TDHCA Number: 04120

Attention: J. Dennis

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

Your letter was not signed by the organization's chairman of the board, chief executive officer, or comparable head of the organization, and/or did not include the signer's address and phone number.

Your letter did not provide either the total number of members of the organization or a brief description of the process used to determine the members' position, or did not provide both.

Insufficient documentation was provided to show that the organization is a 'neighborhood organization' within the meaning of this requirement.

While your letter will not be scored, your comments will still be summarized and provided to the Governing Board of the Department as they make decisions regarding which applications will receive an allocation of credits. You are also welcome to provide public comment at the Board's meetings on these developments which take place on June 28, 2004 and July 28, 2004 in Austin. If you have any questions, please do not hesitate to contact the Department at 512.475.3800. Also, on Friday June 18, 2004 at 10:00 a.m. the Department will conduct an Open Forum at its office in Austin. If you have any questions or comments about the evaluation of your letter you are invited to attend this forum.

Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

Bill Jackson
Habitat for Humanity of Odessa
P.O. Box 2063
Odessa, TX 79760

RE: Neighborhood Input on 2004 Housing Tax Credit Application Sedona Springs Village
TDHCA Number: 04120

Attention: Bill Jackson

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

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Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

Chip Carlson
Harmony Home Children's Advocacy Center
910-c South Grant
Odessa, TX 79760

RE: Neighborhood Input on 2004 Housing Tax Credit Application Sedona Springs Village
TDHCA Number: 04120

Attention: Chip Carlson

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

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Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

Michael F. George
Odessa Chamber of Commerce
700 North Grant
odessa, TX 79760

RE: Neighborhood Input on 2004 Housing Tax Credit Application Sedona Springs Village
TDHCA Number: 04120

Attention: Michael F. George

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

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Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

A. Neil McDonald, Jr.
Odessa Industrial Development Corporation
P.O.Box 3626
Odessa, TX 79760

RE: Neighborhood Input on 2004 Housing Tax Credit Application Sedona Springs Village
TDHCA Number: 04120

Attention: A. Neil McDonald, Jr.

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

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Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

Darlene H. Mays
Main Street Odessa
119 West Fourth Street, Suite 103
Odessa, TX 79760

RE: Neighborhood Input on 2004 Housing Tax Credit Application Sedona Springs Village
TDHCA Number: 04120

Attention: Darlene H. Mays

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

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While your letter will not be scored, your comments will still be summarized and provided to the Governing Board of the Department as they make decisions regarding which applications will receive an allocation of credits. You are also welcome to provide public comment at the Board's meetings on these developments which take place on June 28, 2004 and July 28, 2004 in Austin. If you have any questions, please do not hesitate to contact the Department at 512.475.3800. Also, on Friday June 18, 2004 at 10:00 a.m. the Department will conduct an Open Forum at it's office in Austin. If you have any questions or comments about the evaluation of your letter you are invited to attend this forum.

Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division



Together . . . breaking the silence, ~~healing the hurt.~~

RECEIVED

04/12/04

March 1, 2004

APR 30 2004

LIHTC

Texas Department of Housing and Community Affairs
Ms. Brooke Boston
Attention: Director of Multifamily Finance Production Division (Neighborhood Input)
P.O. Box 13941
Austin, TX 78711-3941

RE: application by LHD Sedona Springs, LP, a to-be-formed Texas Limited Partnership, to the Texas Department of Housing and Community Affairs for a Tax Credit Allocation to Build Affordable Rental Housing for Families and Individuals in Odessa, Texas.

Dear Ms. Boston;

On behalf of the Harmony Home Children's Advocacy Center, a non-profit organization, I would like to express our support of the Sedona Springs Village development. Harmony Home Children's Advocacy Center currently has 8 staff who receive clients by referral. The boundaries of the Harmony Home Children's Advocacy Center is the City of Odessa which includes the site of Sedona Springs Village, to be located at 920 W. University.

The site is in the area of Odessa that is growing and new housing would assist in the further economic expansion to the area.

Odessa has a need for a safe, clean, affordable housing for its citizens. Harmony Home Children's Advocacy Center believes that Landmark Housing Development and its principals are the best qualified and have shown greater responsibility in their management of prior developments in Odessa than other tax credit developers.

On behalf of Harmony Home Children's Advocacy Center and its members, I respectfully request your favorable consideration of this project. Please feel free to contact me if I can provide further assistance in this regard.

Sincerely,


Chip Carlson
Executive Director

910-C South Grant
P.O. Box 3087
Odessa, Texas 79760
(432) 333-5233
(432) 580-5233
Fax (432) 333-5257



United Way
of Odessa



Breaking the Cycle of Abuse
One Child at a Time



MEMBER
NATIONAL
CHILDREN'S
ALLIANCE

STATE OF TEXAS
COUNTY OF ECTOR

§
§
§

13602
SPECIAL WARRANTY DEED

VOL. 1492 PAGE 0087

Date: September 28, 1999

Grantor: City of Odessa, a Texas Home Rule Municipal Corporation

Grantor's Mailing Address:

411 W. 8 th Street
Odessa, Ector County, Texas 79761

Grantee: Abused Children's Shelter Incorporated
d.b.a. Harmony Home Children's Advocacy Center

Grantee's Mailing Address (including county):

C/O Alan Bender
910-C South Grant
Odessa, Texas 79761

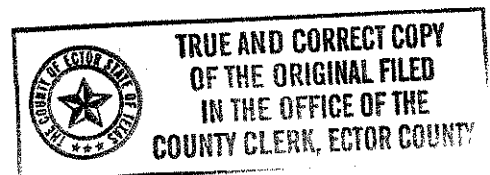
Consideration: TEN AND NO/100 DOLLARS (\$10.00) and other good valuable consideration, the full receipt of which is hereby acknowledged.

Property: Lot 1, Block 1, Clements and Schell Addition, 2nd Filing and 1.059 acres (which acreage is further described by Exhibit "A" attached hereto and for descriptive purposes incorporated herein) of the south half at Lot 2, Block 18, Clements and Schell Addition, 3rd Filing, Odessa, Ector County, Texas.

Reservation from and Exception to Conveyance and Warranty:

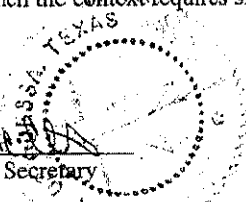
Subject to any and all restrictions, easements, and reservations of record in the official records of Ector County, Texas. No mineral rights are conveyed by this deed. No warranty as to habitability or suitability of any proposed use is expressed or implied. Grantor reserves a 10' easement over any utility pipelines not shown of record but currently in place on this property.

nc\C:\realista\deeds\harmony.wpd 9-28-99



Grantor, for the consideration and subject to the reservations from and exceptions to conveyance and warranty, grants, sells, and conveys to Grantee the property, together with all and singular the rights and appurtenances thereto in any wise belonging, to have and hold it to Grantee, Grantee's heirs, executors, administrators, successors, or assigns forever. Grantor binds Grantor and Grantor's successors and assigns to warrant and forever defend all and singular the property to Grantee and Grantee's heirs, executors, administrators, successors, and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof, except as to the reservations from and exception to conveyance and warranty, by, through and under Grantor, but not otherwise.

When the context requires singular nouns and pronouns include the plural.

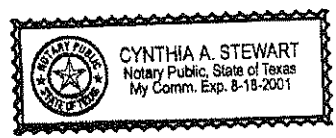


Norma A. McClure, City Secretary Mike Atkins, Mayor

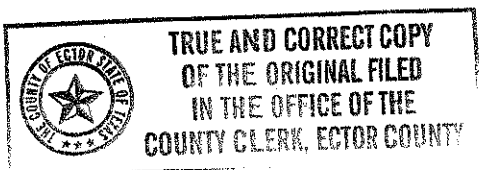
THE STATE OF TEXAS §
 §
COUNTY OF ECTOR §

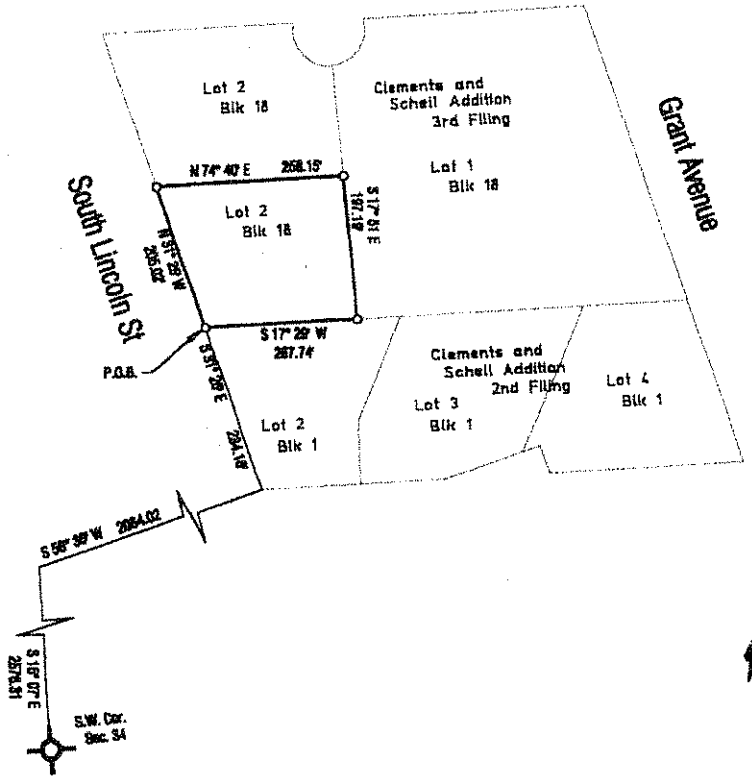
Before me, Cynthia A. Stewart, on this day personally appeared Mike Atkins, Mayor, known to me or proved to me on the oath of _____ or through _____ to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same in the capacity stated, as the act of the municipal corporation, for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL of office this 28th day of September, A.D., 1999.



Cynthia A. Stewart
Notary Public in and for the State of Texas





BEGINNING at a point at the southwest corner of lot 2 block 18 Clements and Schell Addition 3rd Filing, from which the southwest corner of Section 34, Block 42, T-2-S bears S 31° 25' E, 234.16 feet, S 58° 35' W, 2084.02 feet and S 15° 07' E, 2576.31 feet.

THENCE N 31° 25' W along the west property line of said lot, which is also the east right-of-way line of S. Lincoln Street a distance of 205.02 feet for the northwest corner of this tract;

THENCE N 74° 40' E a distance of 258.15 feet for the northeast corner of this tract;

THENCE S 17° 51' E along the east property line of lot 2, blk 18 a distance of 197.19 feet;

THENCE S 17° 29' W along the south property line of said lot 2 a distance of 267.74 feet, to the place of beginning containing 46,112.398 square feet which is 1.059 acres of land more or less.

DRAWN BY: Lix A
DATE: Aug. 4, 1998
SCALE: 1"=10'

**TRUE AND CORRECT COPY
OF THE ORIGINAL FILED
IN THE OFFICE OF THE
COUNTY CLERK, ECTOR COUNTY**

\$11.00
CITY OF ODessa
ATTN: LARRY LONG
P O BOX 4398
ODessa TEXAS 79760-4398

VOL. 1492 PAGE 0090
13602
FILED FOR RECORD
ECTOR COUNTY TEXAS
'99 OCT 5 AM 11 51
BARBARA BEDFORD CO. CLERK
BY *Barbara Bedford*

OFFICIAL PUBLIC RECORD



STATE OF TEXAS
COUNTY OF ECTOR
I hereby certify that this instrument was FILED on the date and at the time stamped herein by me and was duly RECORDED in the Volume and Page of the named RECORDS of Ector County, Texas, as stamped herein by me.

Barbara Bedford
County Clerk
Ector County, Texas

PROVISIONS CONTAINED IN ANY DOCUMENT WHICH RESTRICT THE SALE, RENTAL, OR USE OF THE REAL PROPERTY DESCRIBED THEREIN BECAUSE OF RACE OR COLOR ARE INVALID UNDER FEDERAL LAW AND ARE UNENFORCEABLE.

ANY PROVISIONS HEREIN WHICH RESTRICT THE SALE, RENTAL, OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

CERTIFIED COPY CERTIFICATE
THE STATE OF TEXAS
COUNTY OF ECTOR

I, LINDA HANEY, County Clerk in and for Ector County, Texas, do hereby certify that the above and foregoing is a true and correct copy as the same appears of record in Volume 1492 Page 87 of the Official Public Records of Ector County, Texas.
WITNESS my hand and seal of office this 11th day of March A.D., 2004.

LINDA HANEY, COUNTY CLERK
ECTOR COUNTY, TEXAS
BY *Linda Haney*

TRUE AND CORRECT COPY
OF THE ORIGINAL FILED
IN THE OFFICE OF THE
COUNTY CLERK, ECTOR COUNTY



Habitat for Humanity of Odessa

P. O. Box 2063

Odessa, TX 79760

Phone: 432 363-0909 FAX: 432 362-4200

03-29-04

RECEIVED

APR 30 2004

Ms. Brooke Boston

Texas Department of Housing and Community Affairs LIHTC

P. O. Box 13941

Austin, TX 79711-3941

Attn: Director of Multifamily Finance Production Division (Neighborhood Input)

Re: Application for LHD Sedona Springs, LP, a to-be-formed Texas Limited Partnership, to the Texas Department of Housing and Community Affairs for a Tax Credit Allocation to Build Affordable Rental Housing for Families and Individuals in Odessa, Texas.

Dear Ms. Boston:

On behalf of the board of directors of Habitat for Humanity of Odessa, I wish to express our support of the Sedona Springs Village development. Habitat for Humanity of Odessa currently has 21 board members. The area of operation for Habitat for Humanity of Odessa is within the city of Odessa, Texas, which includes the site of Sedona Springs Village which will be located at 920 W. University.

The construction site is in an area of Odessa that is growing, and new housing in that area will assist in further economic expansion in that area.

Odessa has a need for safe, clean, affordable housing for our citizens. Habitat for Humanity of Odessa believes that Landmark Housing Development and its principals are the best qualified and have shown greater responsibility in their management of prior developments in Odessa than other tax credit developers.

On behalf of Habitat for Humanity of Odessa and its directors, I respectfully request your favorable consideration of this project. Please feel free to contact me if I can provide further assistance regarding this matter.

Yours truly,

A handwritten signature in cursive script that reads "Bill Jackson". The signature is written in black ink and has a long horizontal line extending to the right from the end of the name.

Bill Jackson
Executive Director

FILED FOR RECORD
ECTOR COUNTY TEXAS
'99 AUG 2 PM 4 35
BARBARA BEDFORD CO. CLERK
BY *Barbara Bedford* DEPUTY

\$9.00
TODD BARRON & THOMASON
WILL CALL FOR

OFFICIAL PUBLIC
RECORD



STATE OF TEXAS
COUNTY OF ECTOR

I hereby certify that this instrument was FILED on the date and at the time stamped hereon by me and was duly RECORDED in the Volume and Page of the named RECORDS of Ector County, Texas, as stamped hereon by me.

Barbara Bedford

County Clerk
Ector County, Texas

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CERTIFIED COPY CERTIFICATE
THE STATE OF TEXAS
COUNTY OF ECTOR I, LINDA HANEY, County Clerk in and for Ector

County, Texas, do hereby certify that the above and foregoing is a true and

correct copy as the same appears of record in Volume 1480 Page 516

OFFICIAL PUBLIC RECORDS, ECTOR COUNTY, TEXAS

10618
GIFT DEED

VOL. 1480 PAGE 0515

THE STATE OF TEXAS §
 §
COUNTY OF ECTOR §

KNOW ALL MEN BY THESE PRESENTS:

That ICA PROPERTIES, INC., a Texas corporation, with offices in Odessa, Ector County, Texas (whether one or more, hereinafter referred to as "Grantor"), intending to make a gift of the property herein described to HABITAT FOR HUMANITY OF ODESSA, INC., a Texas non-profit corporation (whether one or more, hereinafter referred to as "Grantee"), has GRANTED, GIVEN and CONVEYED, and by these presents does GRANT, GIVE and CONVEY unto Grantee, whose mailing address is P.O. Box 2063, Odessa, Texas 79760-2063, all of that certain lot, tract, or parcel of land situated in Ector County, Texas, and described as follows, to-wit:

Lot 1, Block 11, HOLLYWOOD MANOR ADDITION, an Addition to the City of Odessa, Ector County, Texas, according to the map or plat thereof of record in Plat Records of Ector County, Texas;

SAVE AND EXCEPT all oil, gas and other minerals in, on or under said land reserved by prior grantors; and SUBJECT TO any and all oil and gas leases, easements, rights-of-way, and covenants and restrictions of record in the office of the County Clerk of Ector County, Texas.

TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and appurtenances thereto in anywise belonging unto the said Grantee, Grantee's successors and assigns forever, and Grantor does hereby binds Grantor's successors and assigns, to Warrant and Forever Defend, all and singular the ownership interests transferred herein unto the said Grantee, Grantee's successors and assigns, against every person whomsoever lawfully claiming, or to claim the same, or any part thereof.

Executed this the 28th day of July, 1999.

ICA PROPERTIES, INC.
By: [Signature]
Name: Roy Allen
Title: Sr. Vice President

STATE OF TEXAS §
 §
COUNTY OF ECTOR §

This instrument was acknowledged before me on the 28 day of July, 1999, by Roy Allen as Sr. Vice President of ICA PROPERTIES, INC., a Texas corporation, on behalf of said corporation.

FILED FOR RECORDS
ECTOR COUNTY TEXAS
99 AUG 2 PM 4 35
BARBARA BEDFORD CO. CLERK
BY *Barbara Bedford* DEPUTY

\$9.00
TODD BARRON & THOMASON
WILL CALL FOR

OFFICIAL PUBLIC
RECORD



STATE OF TEXAS
COUNTY OF ECTOR

I hereby certify that this instrument was FILED on the date and at the time stamped hereon by me and was duly RECORDED in the Volume and Page of the named RECORDS of Ector County, Texas, as stamped hereon by me.

Barbara Bedford
County Clerk
Ector County, Texas

PROVISIONS CONTAINED IN ANY DOCUMENT WHICH RESTRICT THE SALE, RENTAL, OR USE OF THE REAL PROPERTY DESCRIBED THEREIN BECAUSE OF RACE OR COLOR ARE INVALID UNDER FEDERAL LAW AND ARE UNENFORCEABLE.

ANY PROVISIONS HEREIN WHICH RESTRICT THE SALE. RENTAL.

ELSON GORDON J. JERRY
TERRY HUBBARD COUNTY CLERK

Produced by Ector County Clerk

OFFICIAL PUBLIC RECORDS, ECTOR COUNTY, TEXAS

10618
GIFT DEED

VOL. 1480 PAGE 0515

THE STATE OF TEXAS §
 §
COUNTY OF ECTOR §

KNOW ALL MEN BY THESE PRESENTS:

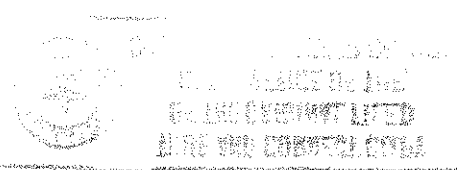
That ICA PROPERTIES, INC., a Texas corporation, with offices in Odessa, Ector County, Texas (whether one or more, hereinafter referred to as "Grantor"), intending to make a gift of the property herein described to HABITAT FOR HUMANITY OF ODESSA, INC., a Texas non-profit corporation (whether one or more, hereinafter referred to as "Grantee"), has GRANTED, GIVEN and CONVEYED, and by these presents does GRANT, GIVE and CONVEY unto Grantee, whose mailing address is P.O. Box 2063, Odessa, Texas 79760-2063, all of that certain lot, tract, or parcel of land situated in Ector County, Texas, and described as follows, to-wit:

Lot 1, Block 11, HOLLYWOOD MANOR ADDITION, an Addition to the City of Odessa, Ector County, Texas, according to the map or plat thereof of record in Plat Records of Ector County, Texas;

SAVE AND EXCEPT all oil, gas and other minerals in, on or under said land reserved by prior grantors; and SUBJECT TO any and all oil and gas leases, easements, rights-of-way, and covenants and restrictions of record in the office of the County Clerk of Ector County, Texas.

TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and appurtenances thereto in anywise belonging unto the said Grantee, Grantee's successors and assigns forever, and Grantor does hereby binds Grantor's successors and assigns, to Warrant and Forever Defend, all and singular the ownership interests transferred herein unto the said Grantee, Grantee's successors and assigns, against every person whomsoever lawfully claiming, or to claim the same, or any part thereof.

Executed this the 28th day of July, 1999.



April 2, 2004

RECEIVED HIZO

APR 30 2004

LIHTC

Texas Department of Housing and Community Affairs
Ms. Brooke Boston
Attention: Director of Multifamily Finance Production Division (Neighborhood Input)
P. O. Box 13941
Austin, Texas 78711-3941

RE: Application of LHD Sedona Springs, LP, a to-be-formed Texas Limited Partnership, to the Texas Department of Housing and Community Affairs for a Tax Credit Allocation to Build Affordable Rental Housing for Families and Individuals in Odessa, Texas.

Dear Ms. Boston:

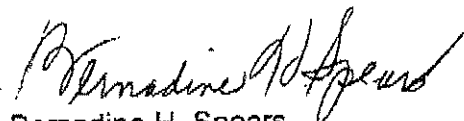
On behalf of the Housing Authority of the City of Odessa, ("OHA") I would like to express our support of the Sedona Springs Village development. The boundaries of OHA are the city limits of the City of Odessa, Texas which includes the site of Sedona Springs Village, to be located at 920 W. University.

The site is an area of Odessa that is growing and new housing would assist in the further economic expansion to the area.

Odessa has a need for safe, clean, affordable housing for its citizens. OHA believes that Landmark Housing Development and its principals are well qualified and have shown excellent responsibility in their management of prior developments in Odessa.

On behalf of OHA, I would request your favorable consideration of this project. Please feel free to contact me if I can provide any further assistance in this regard.

Sincerely,


Bernadine H. Spears,
Executive Director



**Housing
Authority
City of Odessa**

13990
SPECIAL WARRANTY DEED

VOL. 1493 PAGE 0446

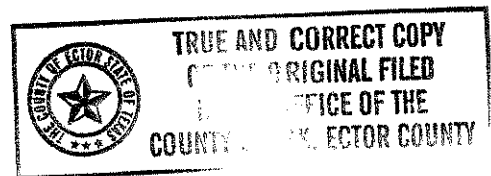
STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS THAT:
COUNTY OF ECTOR §

GLAZER'S WHOLESALE DRUG COMPANY, INC., a Texas corporation, hereinafter called "Grantor", for and in consideration of the sum of Ten Dollars (\$10.00) and other valuable consideration paid to Grantor by THE HOUSING AUTHORITY OF THE CITY OF ODESSA, TEXAS, hereinafter called "Grantee", whose mailing address is P. O. Box 154, Odessa, Texas 79760, the receipt of which is hereby acknowledged, does hereby GRANT, SELL, and CONVEY to Grantee the real property situated in Ector County, Texas, described as follows:

Lot 19, Block 7, Replat of Lots 10 - 14, Block 7, Lots 19 - 20, Block 8 and .22 acres of Lincoln Avenue, Cannondale Addition, an Addition to the City of Odessa, Ector County, Texas, according to the Replat thereof of record in Cabinet A, Page 53-B, Plat Records, Ector County, Texas,

including all easements, rights-of-way, and other rights owned by Grantor appurtenant to or in conjunction with or as owner of such real property (the foregoing hereinafter called the "Property"); subject to general real estate taxes on the Property for the current year and the maintenance agreement in deeds recorded in Volume 484, Page 309 and Volume 491, Page 346, Deed Records, Ector County, Texas.

TO HAVE AND TO HOLD the Property, together with all and singular the rights and appurtenances thereto in anywise belonging unto Grantee, its successors and assigns forever, and Grantor hereby binds itself and its successors and assigns to warrant and forever defend all and singular the Property unto Grantee, its successors and assigns against every person whomsoever



lawfully claiming, or to claim the same, or any part thereof, by, through or under Grantor, but not otherwise.

Current ad valorem taxes on the Property having been prorated, Grantee hereby assume the payment thereof.

IN WITNESS WHEREOF, this Deed is executed by Grantor this 7th day of October, 1999.

GLAZER'S WHOLESALE DRUG COMPANY, INC., a Texas corporation

By: B. J. Glazer
Bennett J. Glazer, President

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on the 7th day of October, 1999, by **Bennett J. Glazer**, President of Glazer's Wholesale Drug Company, Inc., a Texas corporation, on behalf of said corporation.

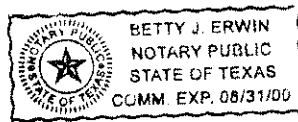
Betty J. Erwin
Notary Public, State of Texas

My Commission Expires:
8-31-2000

BETTY J. ERWIN
Printed Name of Notary

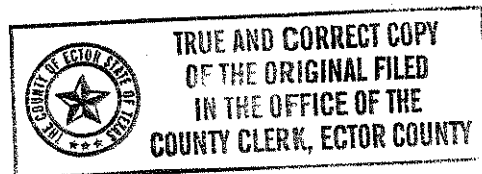
AFTER RECORDATION, RETURN TO:

Blake Hansen, Esq.
McMahon, Tidwell, Hansen,
Atkins & Peacock, P.C.
Suite 200
4001 East 42nd Street
Odessa, TX 79762



SPECIAL WARRANTY DEED - Page 2

VOL. 1493 PAGE 0447



VOL. 1493 PAGE 0448

13990

FILED FOR RECORD
ECTOR COUNTY TEXAS

.99 OCT 13 PM 3 15

BARBARA BUDFORD, CO. CLERK
BY *[Signature]* DEPUTY

\$11.00
ECTOR COUNTY ABSTRACT
WILL CALL FOR

OFFICIAL PUBLIC
RECORD



STATE OF TEXAS
COUNTY OF ECTOR

I hereby certify that this instrument was FILED on the date and at the time stamped hereon by me and was duly RECORDED in the Volume and Page of the named RECORDS of Ector County, Texas, as stamped hereon by me.

Barbara Budford

County Clerk
Ector County, Texas

PROVISIONS CONTAINED IN ANY DOCUMENT WHICH RESTRICT THE SALE, RENTAL, OR USE OF THE REAL PROPERTY DESCRIBED THEREIN BECAUSE OF RACE OR COLOR ARE INVALID UNDER FEDERAL LAW AND ARE UNENFORCEABLE.

ANY PROVISIONS HEREIN WHICH RESTRICT THE SALE, RENTAL, OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

CERTIFIED COPY CERTIFICATE

THE STATE OF TEXAS
COUNTY OF ECTOR I, LINDA HANEY, County Clerk in and for Ector

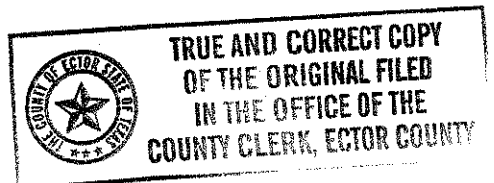
County, Texas, do hereby certify that the above and foregoing is a true and correct copy as the same appears of record in Volume 1493 Page 446 of the Official Public Records of Ector County, Texas.

WITNESS my hand and seal of office this 11th day of March A.D.,

20 04

LINDA HANEY, COUNTY CLERK
ECTOR COUNTY, TEXAS

BY *[Signature]* Deputy



Ector CAD Property Information

Account Number: 05200 00815 00000

Owner's Name and Mailing Address	ODESSA HOUSING AUTHORITY PO BOX 4398 ODESSA TX 79760-4398
Location	204 S LINCOLN AV
Legal Description	LOT 19 BLK 7 CANNONDALE ADDN
Alternate Acct. No	PCLNO:10019144 G# 05200-00701-01900

Taxing Entities		
Code	Name	Tax Rate
10	Ector Co. ISD	1.557
20	Odessa College	0.2
30	City of Odessa	0.6599
50	Ector Co. General Fund	0.465
90	Ector Co. Hosp. Dist.	0.0939

Property Information		Property Values Values are not certified and may differ from value in previous years.	
Exemptions	O	Market Value	
Homestead Exemptions		Total Improvement Value	\$159941
Land Acres	2.388	Land Market Value	\$27040
Deed Date	101399	Total Market Value	\$186981
Deed Volume	1493	Appraised Value	
Deed Page	446	Improvement Value	\$159941
Undivided Interest	0	Land Value	\$27040
Undivided Acres	0	Total Value	\$186981

Improvement Information

Year Constructed	TypeCode	SQFT
1947	DOCK COVER	672
1947	WAREHOUSE	8148
1967	OFFICE	1530
1967	WAREHOUSE	13880
1990	WAREHOUSE	3000

ODESSA DAY NURSERY

1106 NORTH TOM GREEN
DIAL 332-6754
ODESSA, TEXAS 79760

February 20, 2003

RECEIVED

APR 30 2004

LIHTC

04/20

Texas Department of Housing and Community Affairs
Ms. Brooke Boston
Attention: Director of Multifamily Finance Production Division (Neighborhood Input)
P. O. Box 13941
Austin, Texas 78711-3941

RE: application by LHD Sedona Springs, LP, a to-be-formed Texas Limited Partnership, to the Texas Department of Housing and Community Affairs for a Tax Credit Allocation to Build Affordable Rental Housing for Families and Individuals in Odessa, Texas.

Dear Ms. Boston;

7. On behalf of Odessa Day Nursery, I would like to express our support of the Sedona springs Village development. Odessa Day Nursery currently has 79 members who enrollment process to become members. The boundaries of Odessa Day Nursery are the city of Odessa which includes the site of Sedona springs Village, to be located at 920 W. University.

The site is in the area of Odessa that is growing and new housing would assist in the further economic expansion to the area.

Odessa has a need for safe, clean, affordable housing for its citizens. Odessa Day Nursery believes that Landmark Housing Development and its principals are the best qualified and have shown greater responsibility in their management of prior developments in Odessa than other tax credit developers.

On behalf of Odessa Day Nursery and its members, I respectfully request your favorable consideration of this project. Please feel free to contact me if I can provide further assistance in this regard.

Sincerely,

Pat Jones 2-20-04
Director

2075

SPECIAL WARRANTY DEED

VOL. 1220 PAGE 0658

Date: January 31, 1995

Grantor: Odessa Day Nursery, Inc., a Texas corporation

Grantor's Mailing Address: 1106 North Tom Green
Odessa, Ector County, Texas 79761

Grantee: City of Odessa

Grantee's Mailing Address (including county):

411 West 8th Street
Odessa, Ector County, Texas 79761

Consideration: TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable consideration.

Property (including any improvements):

Lot 14, Block 54, Park and Kelly Additions, additions to the City of Odessa, Ector County, Texas, according to the map or plat thereof of record in the records of Ector County, Texas.


Reservations from and Exceptions to Conveyance and Warranty:

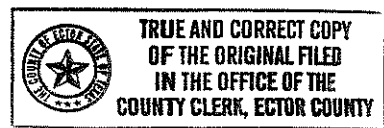
Subject to any and all restrictions, easements, and reservations of record in the official records of Ector County, Texas.

Grantor, for the consideration and subject to the reservations from and exceptions to conveyance and warranty, grants, sells, and conveys to Grantee the property, together with all and singular the rights and appurtenances thereto in any wise belonging, to have and hold it to Grantee, Grantee's heirs, executors, administrators, successors, or assigns forever. Grantor binds Grantor and Grantor's heirs, executors, administrators, and successors to warrant and forever defend all and singular the property to Grantee and Grantee's heirs, executors, administrators, successors, and assigns, against every person whomsoever lawfully claiming or to claim the same or any part hereof, except as to the reservations from and exception to conveyance and warranty, by, through and under Grantor, but not otherwise.

When the context requires singular nouns and pronouns include the plural.

ODESSA DAY NURSERY, INC.

BY: 
JOHN WILKINS, JR., President





5/12- CW 04120 NO

2004 HTC APPLICATION CYCLE
REVIEW OF QUANTIFIABLE COMMUNITY PARTICIPATION - PER LETTER
§50.9(g)(2) OF THE 2004 QAP

Development Number: 04120 Dev. Name: Sedona Springs

Neighborhood Organization Name: Catholic Charities

Part I: Eligibility Requirements (must be met to be scored)

- 1. Was the letter received by the Department no later than April 30, 2004? Yes No
- 2. Was the organization on record as of March 1, 2004, with the state or county in which the development is proposed to be located? Yes No
 Stated in letter
 Documentation provided
- 3. Do the organization's boundaries include the development site? Yes No
 Stated in letter
 Documentation provided - no map

IF THE ANSWERS TO 1, 2 OR 3 ARE "NO", DO NOT PROCEED.

- 4. Was the letter addressed to the Department? Yes No
- 5. Was it received directly from the neighborhood organization or with the application? Yes No
- 6. Does the letter identify the specific Development? Yes No
- 7. Is the letter signed by the organization's chairman of the board, chief executive officer or comparable head of the organization and does it include the signer's address and phone number? [For scoring purposes, each neighborhood organization may submit one letter to represent their input.] Yes No
- 8. Does the letter provide the total number of members of the organization and a brief description of the process used to determine the members' position? Yes No

IF THE ANSWERS TO 4 THROUGH 8 ARE "NO", DO NOT PROCEED.

- 9. Is this organization a "neighborhood organization"? Neighborhood organizations are organizations that have a primary purpose of working to affect matters related to the welfare of the neighborhood that contains the proposed development site, not including governmental entities. "Neighborhood" is defined as "people living near one another." Property or homeowners associations are clear examples of neighborhood organizations.
 Stated in letter
 Documentation provided

IF THE ANSWER TO 9 IS "NO", DO NOT PROCEED. SCORING IS NOT REQUIRED.

20

City of Odessa - CW

CATHOLIC CHARITIES



COMMUNITY SERVICES

ODESSA, INC.

606 West 10th Street
Odessa, Texas 79761
(432) 332-1387

BOARD OF DIRECTORS

Mary Beth Kenworthy, President
Pam Cepero, Vice President
Gilda Jimenez, Secretary
Donna Carrasco, Treasurer

Rev. Francis Frey
Rev. Frank Chavez
Rev. Mark Woodruff
Rev. Gilberto Rodriguez

Barbara Atkins
Charlie Evans
Jill Gonzales
Marshall Love
Barbara Nay
Steve Pepper
Barbara Ramirez
Chris Salas
Rick Sanchez
Albert Valencia
Hope Watkins
Reggie Yearwood

March 22, 2004

RECEIVED

APR 30 2004

LHHC

Texas Department of Housing and Community Affairs

Ms. Brooke Boston

Attention: Director of Multifamily Finance Production Division (Neighborhood Input)

P.O. Box 13941

Austin, Texas 78711-3941

RE: Application by LHD Sedona Springs, LP, a to-be-formed Texas Limited Partnership, to the Texas Department of Housing and community Affairs for a Tax Credit Allocation to Build Affordable rental Housing for Families and Individuals in Odessa, Texas.

Dear Ms. Boston,

On behalf of the Catholic Charities, a non-profit organization, I would like to express our support of the Sedona Springs Village development. Catholic Charities currently has 20 members. The boundaries of the Catholic Charities is the City of Odessa which includes the site of Sedona Springs Village, to be located at 920 W. University.

The site is in the area of Odessa that is growing and new housing would assist in the further economic expansion to the area.

Odessa has a need for safe, clean, affordable housing for its citizens. Catholic Charities believes that Landmark Housing Development and its principals are qualified and have shown great responsibility in their management of prior developments in Odessa.

On behalf of Catholic Charities and its members, I respectfully request your favorable consideration of this project. Please feel free to contact me if I can provide further assistance in this regard.

Sincerely,

Faye Rodriguez
Executive Director



United Way of Odessa

VOL. 1579 PAGE 0749

3571

GIFT DEED

THE STATE OF TEXAS
COUNTY OF ECTOR

§ KNOW ALL MEN BY THESE PRESENTS:
§
§

THAT First Christian Church of Odessa, Texas, a Texas non-profit religious corporation, acting herein by and through its duly appointed and authorized Trustees (hereinafter referred to as "Grantor"), with full intention of conveying the property hereinafter described as a gift, with no reversionary interests whatsoever in favor of Grantor, have GIVEN, GRANTED, and CONVEYED, and by these presents do GIVE, GRANT and CONVEY to Catholic Charities Community Services, Odessa, Inc., hereinafter referred to as "Grantee", the real property ("Property") located in Ector County, Texas, and being described as follows, to wit:

Lots 7 and 8, Block 16-A, Herbert & Wight Addition, an Addition to the City of Odessa, Ector County, Texas, according to the map or plat thereof of record in Volume 3, Page 252, Deed Records, Ector County, Texas.

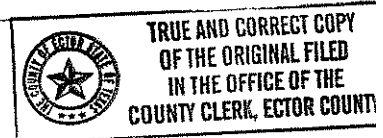
TO HAVE AND TO HOLD the above described Property, together with all and singular the rights and appurtenances thereto in anywise belonging to the Property, subject to the provisions stated above, to Grantee, Grantee's heirs, executors, administrators, successors and/or assigns forever; and Grantor does hereby bind Grantor's successors and/or assigns, to WARRANT AND FOREVER DEFEND all and singular the said Property unto the said Grantee, Grantee's successors and/or assigns, against every person whomsoever claiming or to claim the same or any part thereof.

EXECUTED this 20th day of March, 2001.

First Christian Church of Odessa, Texas

By: [Signature]
B. C. Hendrick, Trustee
By: [Signature]
Jimmy Bridges, Trustee
By: [Signature]
J. B. Evans, Jr. Trustee

Grantee's Address:
1006 W. 10th St.
Odessa, TX 79761



THE STATE OF TEXAS
COUNTY OF ECTOR

§
§
§

This instrument was acknowledged before me on this the 20th day of March, 2001, by B. C. Hendrick, Trustee of First Christian Church of Odessa, Texas, a Texas non-profit religious corporation, on behalf of said corporation.



Sonia Marquez
NOTARY PUBLIC, STATE OF TEXAS
PRINTED NAME OF NOTARY

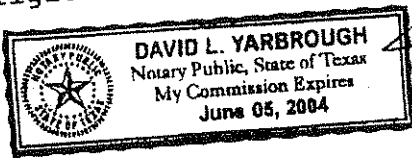
Sonia Marquez

MY COMMISSION EXPIRES:

THE STATE OF TEXAS
COUNTY OF ECTOR

§
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§

This instrument was acknowledged before me on this the 23rd day of March, 2001, by Jimmy Bridges, Trustee of First Christian Church of Odessa, Texas, a Texas non-profit religious corporation, on behalf of said corporation.



David L. Yarbrough
NOTARY PUBLIC, STATE OF TEXAS
PRINTED NAME OF NOTARY

MY COMMISSION EXPIRES:

THE STATE OF TEXAS
COUNTY OF ECTOR

§
§
§

This instrument was acknowledged before me on this the 20th day of March, 2001, by J. B. Evans, Jr., Trustee of First Christian Church of Odessa, Texas, a Texas non-profit religious corporation, on behalf of said corporation.



Sonia Marquez
NOTARY PUBLIC, STATE OF TEXAS
PRINTED NAME OF NOTARY

Sonia Marquez

MY COMMISSION EXPIRES:

L 1579 PAGE 0750

VOL. 1579 PAGE 0751
3571

FILED FOR RECORD
ECTOR COUNTY TEXAS

01 MAR 27 PM 3 11

BARBARA BEDFORD CO. CLERK
BY *Maril Doye* DEPUTY

\$11.00
HOLLMANN LYON PATTERSON & DURELL, INC
ATTN: DANIEL J HOLLMANN
5030 E UNIVERSITY BLVD D-103
ODESSA, TEXAS 79762

OFFICIAL PUBLIC
RECORD



STATE OF TEXAS
COUNTY OF ECTOR

I hereby certify that this instrument was
FILED on the date and at the time stamped
hereon by me and was duly RECORDED in
the Volume and Page of the named RECORDS
of Ector County, Texas, as stamped hereon
by me.

Barbara Bedford
County Clerk
Ector County, Texas

PROVISIONS CONTAINED IN ANY DOCUMENT WHICH RESTRICT
THE SALE, RENTAL, OR USE OF THE REAL PROPERTY DESCRIBED
THEREIN BECAUSE OF RACE OR COLOR ARE INVALID UNDER
FEDERAL LAW AND ARE UNENFORCEABLE.

ANY PROVISIONS HEREIN WHICH RESTRICT THE SALE, RENTAL,
OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR
OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL
LAW.

3571

GIFT DEED

THE STATE OF TEXAS
COUNTY OF ECTOR

§
§ KNOW ALL MEN BY THESE PRESENTS:
§

VOL. 1579 PAGE 0749

THAT First Christian Church of Odessa, Texas, a Texas non-profit religious corporation, acting herein by and through its duly appointed and authorized Trustees (hereinafter referred to as "Grantor"), with full intention of conveying the property hereinafter described as a gift, with no reversionary interests whatsoever in favor of Grantor, have GIVEN, GRANTED, and CONVEYED, and by these presents do GIVE, GRANT and CONVEY to Catholic Charities Community Services, Odessa, Inc., hereinafter referred to as "Grantee", the real property ("Property") located in Ector County, Texas, and being described as follows, to wit:

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THE STATE OF TEXAS
COUNTY OF ECTOR

§
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Sonia Marquez
NOTARY PUBLIC, STATE OF TEXAS
PRINTED NAME OF NOTARY

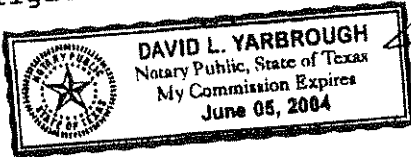
Sonia Marquez

MY COMMISSION EXPIRES:

THE STATE OF TEXAS
COUNTY OF ECTOR

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David L. Yarbrough
NOTARY PUBLIC, STATE OF TEXAS
PRINTED NAME OF NOTARY

MY COMMISSION EXPIRES:

THE STATE OF TEXAS
COUNTY OF ECTOR

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Sonia Marquez
NOTARY PUBLIC, STATE OF TEXAS

1579 PAGE 0750

VOL. 1579 PAGE 0751
3571

FILED FOR RECORD
ECTOR COUNTY TEXAS

01 MAR 27 PM 3 11

BARBARA BEDFORD CO. CLERK
BY *Barbara Bedford* DEPUTY

\$11.00
HOLLIMANN LYON PATTERSON & DURELL, INC
ATTN: DANIEL J HOLLIMANN
5030 E UNIVERSITY BLVD D-103
ODESSA, TEXAS 79762

OFFICIAL PUBLIC
RECORD



STATE OF TEXAS
COUNTY OF ECTOR

I hereby certify that this instrument was
FILED on the date and at the time stamped
hereon by me and was duly RECORDED in
the Volume and Page of the named RECORDS
of Ector County, Texas, as stamped hereon
by me.

Barbara Bedford

County Clerk
Ector County, Texas

PROVISIONS CONTAINED IN ANY DOCUMENT WHICH RESTRICT
THE SALE, RENTAL, OR USE OF THE REAL PROPERTY DESCRIBED
THEREIN BECAUSE OF RACE OR COLOR ARE INVALID UNDER
FEDERAL LAW AND ARE UNENFORCEABLE.

ANY PROVISIONS HEREIN WHICH RESTRICT THE SALE, RENTAL,
OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR
OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL



04120 5/12- CW

(NO) JCS SCS

2004 HTC APPLICATION CYCLE
REVIEW OF QUANTIFIABLE COMMUNITY PARTICIPATION - PER LETTER
§50.9(g)(2) OF THE 2004 QAP

Development Number: 04120 Dev. Name: Sedona Springs

Neighborhood Organization Name: West TX Opportunities Inc.

Part I: Eligibility Requirements (must be met to be scored)

- 1. Was the letter received by the Department no later than April 30, 2004? Yes No
- 2. Was the organization on record as of March 1, 2004, with the state or county in which the development is proposed to be located? Yes No
 Stated in letter *no*
 Documentation provided - *approval subject* *yes*
- 3. Do the organization's boundaries include the development site? Yes No
 Stated in letter
 Documentation provided - *no proof*

IF THE ANSWERS TO 1, 2 OR 3 ARE "NO", DO NOT PROCEED.

- 4. Was the letter addressed to the Department? Yes No
- 5. Was it received directly from the neighborhood organization or with the application? Yes No
- 6. Does the letter identify the specific Development? Yes No
- 7. Is the letter signed by the organization's chairman of the board, chief executive officer or comparable head of the organization and does it include the signer's address and phone number? [For scoring purposes, each neighborhood organization may submit one letter to represent their input.] Yes No
- 8. Does the letter provide the total number of members of the organization and a brief description of the process used to determine the members' position? Yes No

IF THE ANSWERS TO 4 THROUGH 8 ARE "NO", DO NOT PROCEED.

- 9. Is this organization a "neighborhood organization"? Neighborhood organizations are organizations that have a primary purpose of working to affect matters related to the welfare of the neighborhood that contains the proposed development site, not including governmental entities. "Neighborhood" is defined as "people living near one another." Property or homeowners associations are clear examples of neighborhood organizations. Yes No
 Stated in letter
 Documentation provided

IF THE ANSWER TO 9 IS "NO", DO NOT PROCEED. SCORING IS NOT REQUIRED.

71

Yes No CW
Ector CW County

WEST TEXAS OPPORTUNITIES, INC.
BANK OF AMERICA - 700 N. GRANT - SUITE 150
ODESSA, TEXAS 79761

RECEIVED

APR 30 2004

LHTC

04/20

March 11, 2004

*Texas Department of Housing and Community Affairs
Ms. Brooke Boston
Attention: Director of Multifamily Finance Production Division (Neighborhood Input)
P. O. Box 13941
Austin, Texas 78711-3941*

RE: Application by LHD Sedona Springs, LP, a to-be-formed Texas Limited Partnership, to the Texas Department of Housing and Community Affairs for a Tax Credit Allocation to Build Affordable Rental Housing for Families and Individuals in Odessa, Texas.

Dear Ms. Boston:

On behalf of West Texas Opportunities, Inc., a non-profit organization, I would like to express our support of the Sedona Springs Village development. West Texas Opportunities, Inc. covers all of Ector County which includes the site of Sedona Springs Village, to be located at 920 W. University.

The site is in the area of Odessa that is growing, and new housing would assist in the further economic expansion to the area. Odessa has a need for safe, clean, affordable housing for its citizens, and on behalf of West Texas Opportunities, Inc. I respectfully request your favorable consideration of this project.

Sincerely,



*Linda Reese
Center Director*



Ector CAD Personal Property Information

Account Number : PP200 37828 00000

Property Tax Information

Board Messages

Form List

Remedies

Tax Codes

Real-estate Search by

Name

Address

Account Number

Personal Property Search by

Name

Address

Account Number

Other

Other Sites

Disclaimer

Owner's Name and Mailing Address	WEST TEXAS OPPORTUNITY INC 620 N GRANT AVE STE 800 ODESSA TX 79761-4546		
Location	700 N GRANT AV		
Legal Description	PERSONAL PROPERTY FF&E PCLNO:20037828		
Taxing Entities	CODE	NAME	TAX RATE
	20	Odessa College	0.2
	30	City of Odessa	0.6599
	50	Ector Co. General Fund	0.465
	90	Ector Co. Hosp. Dist.	0.0939

PROPERTY VALUES
Values are not certified
and may differ from value in previous years.

Total Appraised Value \$2,500.00

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Ector CAD Personal Property Information

Account Number : PP200 34744 00000

Property Tax Information

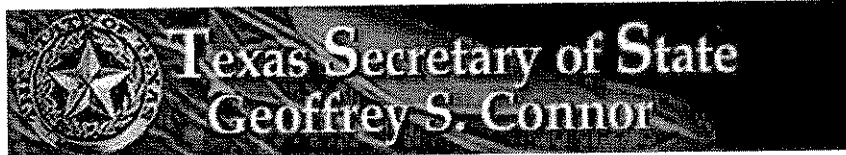
- Board Messages
- Form List
- Remedies
- Tax Codes
- Real-estate Search by
 - Name
 - Address
 - Account Number
- Personal Property Search by
 - Name
 - Address
 - Account Number
- Other
 - Other Sites
 - Disclaimer

Owner's Name and Mailing Address	WEST TEXAS OPPORTUNITY INC 620 N GRANT AVE STE 800 ODESSA TX 79761-4546		
Location	620 N GRANT AV		
Legal Description	PERSONAL PROPERTY FF&E/VEH PCLNO:20034744		
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	30	City of Odessa	0.6599
	50	Ector Co. General Fund	0.465
	90	Ector Co. Hosp. Dist.	0.0939

PROPERTY VALUES
 Values are not certified
 and may differ from value in previous years.

Total Appraised Value \$48,600.00

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BUSINESS ORGANIZATIONS INQUIRY - VIEW ENTITY

Filing Number: 22415501 **Entity Type:** Domestic Nonprofit Corporation
Original Date of Filing: April 22, 1966 **Entity Status:** In existence
Formation Date: N/A **Non-Profit Type:** N/A
Tax ID: 00000000000 **FEIN:**
Duration: Perpetual
Name: WEST TEXAS OPPORTUNITIES, INCORPORATED
Address: [ADDRESS NOT PROVIDED]

<u>REGISTERED AGENT</u>	<u>FILING HISTORY</u>	<u>NAMES</u>	<u>MANAGEMENT</u>	<u>ASSUMED NAMES</u>	<u>ASSOCIATED ENTITIES</u>
Name	Address		Inactive Date		
James Everheart	603 NORTH 4TH STREET LAMESA, TX USA				

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Instructions:

- To place an order for additional information about a filing press the 'Order' button.

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04/20

JUN 4 AM 11:49



Quantifiable Community Participation Certification Form

Multifamily Finance Production Division

Mailing Address: P.O. Box 13941, Austin, Texas 78711-3941

Physical Address: 507 Sabine, Austin, TX 78701

Development Name:

Sedona Springs Village

TDHCA#:

04120

Statement

Consistent with §50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP), one of the scoring items that applications may receive points for is Quantifiable Community Participation. In §50.9(g)(2)(C)(i), the QAP states: "Applicants that accurately certify that they do not know of any neighborhood organizations that are on record with the state or county in which the Development is to be located and whose boundaries contain the proposed Development, and for which no letters were received, will be awarded the higher of zero points or the average number of points received by all Applications for this exhibit." To achieve the average score referred to in this language, no letters can have been received AND the certification is required. This document, when executed, satisfies the requirement for the certification only.

Certification

Therefore, by signing this certification, I, as a duly authorized signatory of the Application, accurately certify that the Applicant does not know of any neighborhood organizations that are on record with the state or county in which the Development is to be located and whose boundaries contain the proposed Development. I understand that this certification does not assure me of points under this section.

Signature of Authorized Applicant Signatory

6/3/04

Date

Kent R. Hance, Jr

Printed Name

SEDONA SPRINGS VILLAGE

June 2, 2004

Ms. Brooke Boston
Texas Department of Housing and Community Affairs
507 Sabine, Suite 400
Austin, TX 78701

Re: Quantifiable Community Support
Sedona Springs Village, #04120

Dear Brooke,

Attached please find the Quantifiable Community Participation Certification Form for LHD Sedona Springs, LP ("Sedona Springs"). Sedona Springs received several support letters from organizations in Odessa and submitted these letters to the agency for review. Because the term "Neighborhood Organization" was never clearly defined, there is concern that the Executive Award & Review Advisory Committee (EARAC) may determine that the letters submitted are not "Neighborhood Organizations".

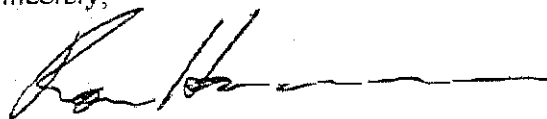
If EARAC determines that the submitted letters are not "Neighborhood Organizations" for any reason, then the applicant has no knowledge of any neighborhood organizations that are on record with the state or county in which the Development is to be located and whose boundaries contain the proposed Development.

Because the applicant was not given a clear definition or understanding of what a "Neighborhood Organization" is, it is impossible for it to make its own determination. Only the EARAC and the TDHCA have the authority to determine what qualifies.

If EARAC does find that the letters submitted do qualify as "Neighborhood Organizations", then the applicant withdraws the attached certification.

Thank you for your time and attention.

Sincerely,



Ron Hance



March 11, 2004

RECEIVED
APR 30 2004
LIHTC

04120

Texas Department of Housing and Community Affairs
Ms. Brooke Boston
Attention: Director of Multifamily Finance Production Division (Neighborhood Input)
P.O. Box 13941
Austin, Texas 78711-3941

RE: Application by LHD Sedona Springs, LP, a to-be-formed Texas Limited Partnership, to the Texas Department of Housing and Community Affairs for a Tax Credit Allocation to Build Affordable Rental Housing for Families and Individuals in Odessa, Texas.

Dear Ms. Boston:

On behalf of Planned Parenthood of West Texas, I would like to express our support of the Sedona Springs Village development. Planned Parenthood of West Texas currently has 12 Board of Director members and approximately 30 staff members serving over 10000 clients throughout west Texas. Our board members are nominated by and voted on by the current Board of Director membership. The boundaries of Planned Parenthood of West Texas covers fifty counties of West Texas including the site of Sedona Springs village, to be located at 920 W. University in Ector County.

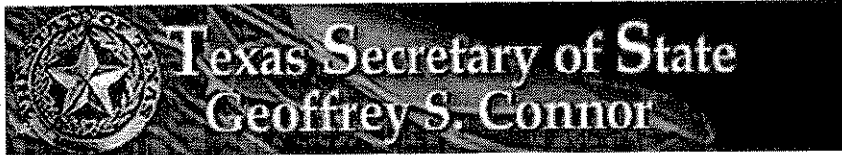
Odessa has a need for safe, clean, affordable housing citizens. The site is in an area of Odessa that is growing and new housing would assist in the further economic expansion to the area.

On behalf of Planned Parenthood of West Texas and its members, I respectfully request your favorable consideration of this project. Please feel free to contact me if I can provide further assistance in this regard.

Sincerely,

A handwritten signature in cursive script that reads 'Karen Pieper Hildebrand'.

Karen Pieper Hildebrand
President/CEO



[UCC](#) | [Business Organizations](#) | [Trademarks](#) | [Account](#) | [Help/Fees](#) | [Briefcase](#) | [Logout](#)

BUSINESS ORGANIZATIONS INQUIRY - VIEW ENTITY

Filing Number: 21505501 **Entity Type:** Domestic Nonprofit Corporation
Original Date of Filing: July 2, 1965 **Entity Status:** In existence
Formation Date: N/A **Non-Profit Type:** N/A
Tax ID: 00000000000 **FEIN:**
Duration: Perpetual
Name: PLANNED PARENTHOOD OF WEST TEXAS, INC.
Address: [ADDRESS NOT PROVIDED]

<u>REGISTERED AGENT</u>	<u>FILING HISTORY</u>	<u>NAMES</u>	<u>MANAGEMENT</u>	<u>ASSUMED NAMES</u>	<u>ASSOCIATED ENTITIES</u>
Name	Address			Inactive Date	
Karen Hildebrand	910-B S. GRANT ODESSA, TX 79761 USA				

[Order](#) [Return to Search](#)

Instructions:

- To place an order for additional information about a filing press the 'Order' button.

MULTIFAMILY FINANCE PRODUCTION DIVISION
BOARD ACTION REQUEST
July 28, 2004

Action Item

Appeal denial of Quantifiable Community Participation (QCP) points of one 2004 Housing Tax Credit (HTC) Application.

Requested Action

Issue a determination on the appeal.

Background and Recommendations

I. Windrock Apartments, #04158

The Applicant submitted an appeal to the Executive Director on June 14, 2004, disputing the denial of QCP points for the Application. The Applicant requested reconsideration of QCP point allocation for a letter from the Casa de Amigos organization. On June 28, 2004, the Executive Director responded to the appeal stating that pursuant to Section 50.9(g)(2) of the 2004 Qualified Allocation Plan (QAP), the letter from Casa de Amigos did not meet the requirements to be scored. The letter did not give a brief description of the process used to determine the members' position of support for the Development, only that they met with the Developer. It also did not clearly document the total number of members, in the letter or accompanying documentation. Lastly, documentation indicated the organization serves the south and east portions of Midland, not the specific neighborhood. Therefore, the organization is not a "neighborhood organization" within the meaning of the requirement. The Applicant submitted an appeal to the Board on July 13, 2004, regarding QCP point scoring for the letter from Casa de Amigos.

Relevant documentation related to this appeal is provided behind the Board Action Request.

Applicant:	Windrock Apartments, Ltd.
Site Location:	Near Rankin Hwy. between Wolcott Ave & Stokes Ave.
City/County:	Midland/Midland
Regional Allocation Category:	Urban/Exurban
Set-Aside:	General
Population Served:	Family
Region:	12
Type of Development:	New Construction
Units:	100
Credits Requested:	\$642,689

Staff Recommendation: The Executive Director denied the original appeal. Staff is recommending that the Board also deny the appeal of the termination.

Board Appeal

WINDROCK APARTMENTS

July 13, 2004

Delores Groneck
507 Sabine Suite 400
Austin, Texas 78711-3941

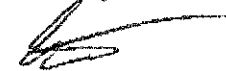
RE: Appeal of Executive Director Response
Windrock Apartments TDHCA #04158

RECEIVED
JUL 13 2004
EXECUTIVE

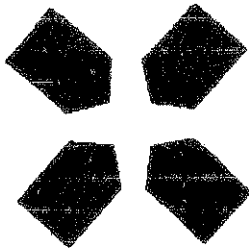
Dear Ms. Groneck:

In response to the denial of appeal for Windrock Apartments issued by Executive Director, Edwina Carrington on June 28, 2004, the applicant requests an appeal to the TDHCA governing board for the issues of letters of Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). The applicant would like to address specifically the letter of support from Casa de Amigos. Thank you for your time.

Sincerely,



Tim Smith
Contact Person
Riverview Apartments



04158

BARRON
BUILDERS & MANAGEMENT COMPANY, INC. JUL 13 2004
 1544 Sawdust Road, Suite 210
 The Woodlands, Texas 77380
 Phone 281.363.8705
 Fax 281.367.8418

RECEIVED
EXECUTIVE

Fax Cover Sheet

Date: 7/13/04

To: Delores Gronbeck

Fax #: 512-472-8526

From: **Tim Smith**

Development Coordinator

Number of Pages (Including This Page): 2

Comments: Appal Windrock Apts.

If This Transmission Was Incomplete,
Please Call: 281.363.8705
THANK YOU!!

Executive Director's Response



WWW.TDHCA.STATE.TX.US

June 28, 2004

.....
RICK PERRY
Governor

EDWINA P. CARRINGTON
Executive Director

BOARD MEMBERS
Elizabeth Anderson, Chair
Shadrick Bogany
C. Kent Conine
Vidal Gonzalez
Patrick R. Gordon
Norberto Salinas

Tim Smith
Windrock Apartments, Ltd.
1544 Sawdust Rd., Suite 210
The Woodlands, TX 77380
Telephone: (281) 363-8705
Fax: (281) 367-8418

Re: Response to appeal received June 14, 2004
Windrock Apartments TDHCA Project No. 04158

Dear Mr. Smith:

Appeal Review

I have carefully reviewed the application you submitted, as well as your appeal that we received on June 14, 2004 on the above-referenced development, regarding the eligibility of your application to receive points for Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to a development. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met.

Unfortunately, the letter from Casa de Amigos did not meet the requirements to be scored. The letter does not give a brief description of the process used to determine the members' position of support for the Development, only that they met with the Developer. It also does not clearly document the total number of members, in the letter or accompanying documentation. Lastly, documentation indicates the organization serves the south and east portions of Midland, not the specific neighborhood. Therefore, the organization is not a 'neighborhood organization' within the meaning of the requirement.

Appeal Determination

Because of the above mentioned reasons, your appeal is denied.

Section 50.18(b)(4) of the 2004 QAP states that if you are not satisfied with this response to your appeal, you may appeal directly in writing to the Board of the Texas Department of Housing and Community Affairs. Please note that an appeal filed with the Board must be received by the Board before the seventh day preceding the date of

Mr. Tim Smith
June 28, 2004

the Board meeting at which the relevant commitment decision is expected to be made. To have an appeal considered by the Board at the July 8 Board meeting, the appeal must be received by Delores Groneck, Board Secretary, no later than June 30, although it is strongly suggested that you submit it by June 29, 2004.

If you have questions or comments, please call (512) 475-3340.

Sincerely,

A handwritten signature in cursive script, appearing to read "Edwina P. Carrington".

Edwina P. Carrington
Executive Director

EPC/BLB/MFMU

*** TX REPORT ***

TRANSMISSION OK

TX/RX NO 2268
CONNECTION TEL 912813678418
CONNECTION ID
ST. TIME 06/28 11:32
USAGE T 01'02
PGS. SENT 2
RESULT OK



WWW.TDHCA.STATE.TX.US

June 28, 2004

.....
RICK PERRY
Governor

EDWINA P. CARRINGTON
Executive Director

BOARD MEMBERS
Elizabeth Anderson, Chair
Shadrick Bogany
C. Kent Conine
Vidal Gonzalez
Patrick R. Gordon
Norberto Salinas

Tim Smith
Windrock Apartments, Ltd.
1544 Sawdust Rd., Suite 210
The Woodlands, TX 77380
Telephone: (281) 363-8705
Fax: (281) 367-8418

Re: Response to appeal received June 14, 2004
Windrock Apartments TDHCA Project No. 04158

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Appeal Review

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Unfortunately, the letter from Casa de Amigos did not meet the requirements to be scored. The letter does not give a brief description of the process used to determine the members' position of support for the Development, only that they met with the Developer. It also does not clearly document the total number of members, in the letter or accompanying documentation. Lastly, documentation indicates the organization

EXECUTIVE DIRECTOR'S
ACTION ITEM

DATE: June 25, 2004

(please highlight if applicable)

RUSH

ITEM: Appeal Response Windrock Apartments # 04158

Staff to Contact: Brooke Boston

Phone No: 5-3296

BACKGROUND: An appeal was received June 14, 2004. In accordance with the Appeals Policy in the QAP, a response from the Executive Director must be provided by 5:00 June 28.

PROPOSAL: Please review the attached appeal response letter.

ACTION REQUESTED: Please sign this action item and the appeal response letter.

ATTACHMENTS:

- Appeal letter for signature.
- Copy of appeal

APPROVED BY:


DIVISION DIRECTOR

N/A
CHIEF - AGENCY ADMINISTRATION


DEPUTY EXECUTIVE
DIRECTOR - PROGRAMS

N/A
DIRECTOR OF HOUSING
CENTER

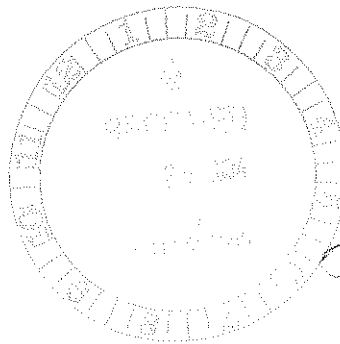
REVIEWING ATTORNEY

 6/25
see connection
GENERAL COUNSEL


EXECUTIVE DIRECTOR

6/27/04
DATE APPROVED

COMMENTS:



Executive Director's Appeal

June 14, 2004

Edwina Carrington
Texas Department of Housing & Community Affairs
501 Sabine, Suite 300
Austin, TX 78701

RECEIVED
JUN 14 2004
LHTC

In reply to: Appeal: Casa de Amigos
Neighborhood Input on 2004 Housing Tax Credit Application Windrock Apartments
TDHCA Number: 04158

Dear Edwina Carrington,

The Casa de Amigos' letter of support for Windrock Apartments was ruled ineligible for points under Quantifiable Community Support, for the following reason(s):

Your letter did not provide either the total number of members of the organization or a brief description of the process used to determine the members' position, or did not provide both.

Insufficient documentation was provided to show that the organization is a 'neighborhood organization' within the meaning of the requirement.

Windrock Apartments formally appeals this decision as this letter does meet the requirements set forth in the 2004 QAP for Quantifiable Community Participation.

Handwritten notes:
Adapt
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The forth paragraph on the first page of the support letter address how the organization arrived at it's determination of position by meeting with a representative of the applicant and discussing the development. The accompanying documentation detailed numbers of board members, clients, staff, and volunteers, presenting the membership of the organization.

The contact person for the applicant, Tim Smith, discussed this criterion with Chris Wittmayer, General Counsel for TDHCA. Mr. Wittmayer relayed to Mr. Smith that this organization did not meet the definition of a neighborhood organization because the dictionary defined a neighborhood as people that live close to one another, and this organization is too broad in scope to have such a composition. When questioned by Mr. Smith about the definition of neighborhood organizations in the QAP, Mr. Wittmayer elaborated that the definition in the QAP is too broad, and while an organization must meet the definition of the QAP, it must also consist solely of people who live close to one another. Mr. Wittmayer stated that because of this criterion, an organization that served a city or county could not qualify as a neighborhood organization, and thus, the Casa de Amigos did not constitute a neighborhood organization.

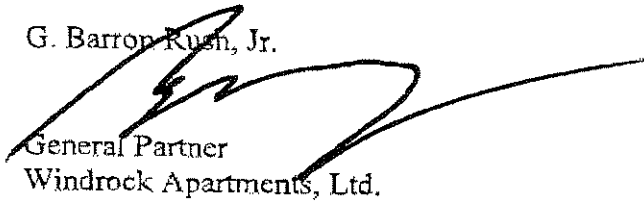
Windrock Apartments appeals that this ruling is inconsistent with the 2004 QAP. According to the QAP §50.9(g)(2)(B):

"For the purposes of the scoring of this exhibit, neighborhood organizations are organizations that are on record with the county or state in which the development is proposed to be located as of March 1 of the application year [2004] and that have a primary purpose of working to affect matters related to the welfare of the neighborhood that contains the proposed development site, not including governmental entities."

This definition does not mention that a neighborhood organization must consist of a group of people who live close to one another. According to the QAP, the Casa de Amigos does qualify as a neighborhood organization because it is on record with the county or state and has primary purpose of working to affect the welfare of the neighborhood that contains the proposed development site. Although Mr. Wittmayer's point about the dictionary's definition of neighborhood is well taken, that is not the definition the QAP assigns to neighborhood organizations. The definition of 'developer' in the QAP and the definition found in the dictionary are very different, yet it is the definition in the QAP that is the standard by which all applications are judged.

Windrock Apartments requests that the letter of support from the Casa de Amigos be ruled as eligible for points under Quantifiable Community Participation and be awarded full points for such a letter under this category.

G. Barron Rush, Jr.



General Partner
Windrock Apartments, Ltd.



**BARRON
BUILDERS AND MANAGEMENT
COMPANY, INCORPORATED**

1544 Sawdust Road, Suite 210
The Woodlands, Texas 77380
Phone - (281) 363-8705
Fax - (281) 367-8418

Fax Cover Sheet

Date: 6/14/04

To: Brooke Boston

Fax #: 512-475-0764

1895

From: Tim Smith

Development Coordinator

Number of Pages (Including This Page): 5

Comments: Appeal for Windrock Apartments

If This Transmission Was Incomplete.
Please Call (281) 363-8705
THANK YOU!!

QCP Documentation



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

L .C. Pitts
Casa de Amigos
1101 East Garden Ln.
Midland, TX 79701

RE: Neighborhood Input on 2004 Housing Tax Credit Application Windrock Apartments
TDHCA Number: 04158

Attention: L .C. Pitts

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

Your letter did not provide either the total number of members of the organization or a brief description of the process used to determine the members' position, or did not provide both.

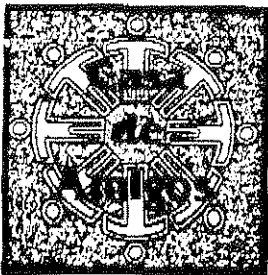
Insufficient documentation was provided to show that the organization is a 'neighborhood organization' within the meaning of this requirement.

While your letter will not be scored, your comments will still be summarized and provided to the Governing Board of the Department as they make decisions regarding which applications will receive an allocation of credits. You are also welcome to provide public comment at the Board's meetings on these developments which take place on June 28, 2004 and July 28, 2004 in Austin. If you have any questions, please do not hesitate to contact the Department at 512.475.3800. Also, on Friday June 18, 2004 at 10:00 a.m. the Department will conduct an Open Forum at it's office in Austin. If you have any questions or comments about the evaluation of your letter you are invited to attend this forum.

Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division



To: Gina Nielsen	From: Casa de Amigos
Co./Dept.	Co.
Phone #	Phone #
Fax # 512-475 9739	Fax #

APR 26 2004

04/15/04

RECEIVED
APR 26 2004
IHTC

Executive Director
Lael Cordes-Pitts, LMSW
Assistant Director
Sandra Ray, MS

Texas Department of Housing and Community Affairs
Attention: Director of Multifamily Finance Division
(Neighborhood Input)
PO Box 13941
Austin, TX 78701

Dear Director,

We understand that Windrock Apartment, Ltd. has submitted an application to the Texas Department of Housing and Community Affairs (TDHCA) to construct 100 apartment units within the city limits of Midland, Texas, located near Rankin Highway between Wolcott Avenue and Stokes Avenue. The purpose is to provide housing of 1, 2 and 3 bedrooms with rental prices ranging from \$320 to \$700 for families whose annual income ranges from \$8,000 to \$29,000, or those who earn between 40% and 60% of the Area Median Gross Income (AMGI).

It is our understanding that the typical units will range in size from 750 to 1,150 square feet and will include typical amenities such as dishwashers, refrigerators with icemakers, stoves, microwave ovens, ceiling fans and the like. The development will also include family appropriate conveniences such as use of a multi-unit clubhouse, cable TV and Internet access, playgrounds and other recreational conveniences. Finally, it will also include a full perimeter fence with an access gate to the development.

We believe the Windrock Apartments will meet a community need to provide adequate, affordable and safe housing, which will benefit those who might not otherwise have a viable housing option. We have served low-income persons in the community for 40 years and know that safe and affordable housing is a definite need. The support services for the residents will be a tremendous asset and may include, but not be limited to financial planning, homework education and tutorials, parenting classes, etc.

A representative of the applicant met with us and answered our questions and concerns. We are especially mindful and appreciative of the fact that the units will be designed in an energy efficient manner so as to reduce the residents' utility bills because of the fact that utility costs are of tremendous concern to our service population. Our service area includes the south and east areas of Midland. Each year we provide services to more than 10,000 clients in the areas of Senior Services, Health/Dental Services, Education and Social Services. Our mission is "Helping People Help Themselves."

Please find enclosed the following documentation:

- a. Agency Fact Sheet and program description - ?
- b. 501 (c) 3 IRS Letter of Determination
- c. Map of service area - ?

both missing
5/7 CW

In closing, we support this development and encourage you to give it full consideration and approval.

Sincerely,
Lael Cordes-Pitts
Lael Cordes-Pitts, LMSW
Executive Director



"Helping People Help Themselves"
1101 East Garden Lane • Midland, Texas 79701-3683
432-682-9701 • FAX 432-682-3817
Website: www.casadeamigos.locality.com E-mail: casadeamigos@marshall.com



Post-It® Fax Note	7671	Date	4/30/04	# of pages	11
To	Gina Nivens		From	Cosa de Amigos	
Co./Dept.			Co.		
Phone #			Phone #		
Fax #	512-475 9739		Fax #		



April 30, 2004

Executive Director
 Lael Cordes-Pitts, LMSW
 Assistant Director
 Sandra Ray, MS

Texas Department of Housing and Community Affairs
 Attention: Director of Management & Finance Division
 (Neighborhood Input)
 PO Box 13941
 Austin, TX 78701

Dear Director,

We understand that Windrock Apartment, Ltd. Has submitted an application to the Texas Department of Housing and Community Affairs (TDHCA) to construct 100 apartment units within the city limits of Midland, Texas, located near Rankin Highway between 34th Street and Stokes Avenue. The purpose is to provide housing of 1, 2 and 3 bedrooms with rental prices ranging from \$320 to \$700 for families whose annual income ranges from \$14,500 to \$29,000, or those who earn between 40% and 60% of the Area Median Gross Income (AMGI).

It is our understanding that the apartment units will range in size from 750 to 1,150 square feet and will include typical amenities such as dishwashers, refrigerators with icemakers, stoves, microwave ovens, ceiling fans and the like. The development will also include family appropriate conveniences such as use of a multi-use clubhouse, cable TV and Internet access, playgrounds and other recreational conveniences. Finally, it will also include a full perimeter fence with an access gate to the development.

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Please find enclosed the following documentation:

- a. Agency fact sheet and program description
- b. 501 (c) 3 IRS Letter of Determination
- c. Map of service area

In closing, we support the development and encourage you to give it full consideration and approval.

Sincerely,

Lael Cordes-Pitts
 Lael Cordes-Pitts, LMSW
 Executive Director

United Way



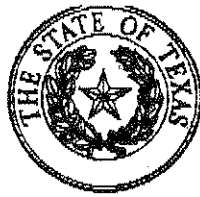
Program Provider

"Helping People Help Themselves"

1101 East Garden Lane • Midland, Texas 79701-3683
 432-682-9701 • FAX 432-682-3817

Website: www.casadeamigos.locality.com E-mail: casadeamigos@marshall.com





The State of Texas
Secretary of State

CERTIFICATE OF AMENDMENT
FOR

CASA DE AMIGOS OF MIDLAND, TEXAS, INCORPORATED
CHARTER NUMBER 00237065

THE UNDERSIGNED, AS SECRETARY OF STATE OF THE STATE OF TEXAS,
HEREBY CERTIFIES THAT THE ATTACHED ARTICLES OF AMENDMENT FOR THE ABOVE
NAMED ENTITY HAVE BEEN RECEIVED IN THIS OFFICE AND ARE FOUND TO
CONFORM TO LAW.

ACCORDINGLY THE UNDERSIGNED, AS SECRETARY OF STATE, AND BY VIRTUE
OF THE AUTHORITY VESTED IN THE SECRETARY BY LAW, HEREBY ISSUES THIS
CERTIFICATE OF AMENDMENT.

DATED NOV. 17, 2000

EFFECTIVE NOV. 17, 2000



A handwritten signature in black ink, appearing to read "Elton Bomer".

Elton Bomer, Secretary of State

ARTICLES OF AMENDMENT
TO THE ARTICLES OF INCORPORATION
OF
CASA DE AMIGOS OF MIDLAND, TEXAS, INCORPORATED

Pursuant to the provision of Article 1396-4.03 of the Texas Non-Profit Corporation Act, the undersigned corporation adopts the following Articles of Amendment to its Articles of Incorporation:

ARTICLE I

The name of the corporation is Casa de Amigos of Midland, Texas, Incorporated.

ARTICLE II

The following amendment which is an addition to the original Articles of Incorporation; as heretofore amended, was adopted by vote of the Board of Directors of the corporation on May 15, 2000:

ARTICLE VIII

To the fullest extent allowed by law, any director of the corporation shall not be liable to the corporation or its shareholders for monetary damages for an act of omission in the director's capacity as a director, except that this Article VIII does not eliminate or limit the liability of a director for:

- (a) a breach of a director's duty of loyalty to the corporation or its members;
- (b) an act or omission not in good faith or that involves intentional misconduct or a knowing violation of the law;
- (c) a transaction from which a director received an improper personal benefit, whether or not the benefit resulted from an action taken within the scope of the director's office; or
- (d) an act of omission for which the liability of a director is expressly provided by statute.

04/08/2004 11:10
Any repeal or modification of this Article VIII shall be prospective only and shall not adversely affect any right or protection of a director of the corporation existing at the time of such repeal or modification for any breach covered by this Article VIII which occurred prior to such repeal or modification."

ARTICLE III

There are no members. The amendment was adopted at a meeting of the Board of Directors held on May 15, 2000, at which a quorum was present, and the amendment received the vote of a majority of the directors in office.

Dated: September 19, 2000

CASA DE AMIGOS OF MIDLAND,
TEXAS, INCORPORATED

By:

Norbert J. Dickman
Norbert Dickman, President



OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF AMENDMENT
OF

CASA DE AMIGOS OF MIDLAND, TEXAS, INCORPORATED
CHARTER NO. 237065

The undersigned, as Secretary of State of the State of Texas, hereby certifies that duplicate originals of Articles of Amendment to the Articles of Incorporation of the above corporation duly signed and verified pursuant to the provisions of the Texas Non-Profit Corporation Act, have been received in this office and are found to conform to law.

ACCORDINGLY the undersigned, as such Secretary of State, and by virtue of the authority vested in him by law, hereby issues this Certificate of Amendment to the Articles of Incorporation and attaches hereto a duplicate original of the Articles of Amendment.

Dated January 24, 1972

[Signature]
Secretary of State



ARTICLES OF AMENDMENT TO THE
ARTICLES OF INCORPORATION OF
CASA DE AMIGOS OF MIDLAND, TEXAS, INCORPORATED

FILED
In the Office of the
Secretary of State of Texas

JAN 24 1972

Bill Kinney
Director, Corporation Division

Pursuant to the provisions of the Texas Non-Profit Corporation Act, the undersigned corporation adopts the following Articles of Amendment to its Articles of Incorporation which adds a modifying clause to the purpose clause contained in Article Four thereof:

1. To coordinate and facilitate cooperative home mission activities of voluntary Christian religious groups in Midland, Texas, among underprivileged economic categories of persons in such city; and

2. To sponsor and conduct, as an incident of purpose 1, above, divers educational, charitable, religious, and recreational activities among said underprivileged economic groups, such as (for example, but without limitation by reason of the following enumeration) sewing and cooking classes, English-Spanish language classes, religious instruction, recreational activities, arts and crafts instruction, and pre-school kindergarten instruction; and


3. No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to, its members, trustees, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in paragraphs 1 and 2 above hereof. No substantial part of the activities of the corporation shall be the carrying on of propoganda, or otherwise attempting, to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of these articles, the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding

provision of any future United States Internal Revenue Law) or (b) by a corporation, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law); and

4. Upon the dissolution of the corporation, the Board of Directors shall, after paying or making provisions for the payment of all of the liabilities of the corporation, dispose of all of the assets of the corporation exclusively for the purposes of the corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, religious, or scientific purposes as shall at the time qualify as an exempt organization or organizations under section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law), as the Board of Directors shall determine. Any of such assets not so disposed of shall be disposed of by the Judge of the 142nd Judicial District Court at Midland County, Texas, acting in an extra-judicial capacity. In no event shall any part of the assets of the corporation be distributed to a member.

Said amendment was adopted at a duly called and conducted special meeting of the members of CASA DE AMIGOS OF MIDLAND, TEXAS, INCORPORATED held on the 17th day of January, 1972, at which a quorum was present. Said amendment received at least two-thirds of the votes of the members present at such meeting. Proxies are not permitted by the by-laws of said association, and class voting is not permitted upon the amendment of the terms of the Articles of Incorporation.

EXECUTED this 20th day of January, 1972, by CASA DE AMIGOS OF MIDLAND, TEXAS, INCORPORATED.

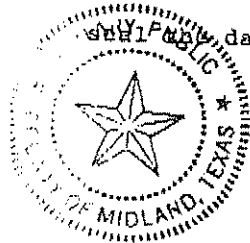
By 
Jack L. Hitt, Chairman and
Chief Executive Officer

By 
Kathy Stump, Secretary

THE STATE OF TEXAS)
COUNTY OF MIDLAND)

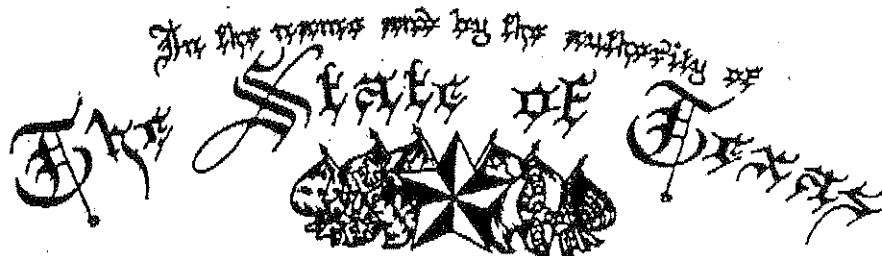
I, Del Stice, a Notary Public, do hereby certify that on this 20th day of January, 1972, personally appeared before me JACK L. HITT and KATHY STUMP, each of whom after being by me duly sworn, declared that he and she respectively are the Chairman and Chief Executive Officer and the Secretary respectively of the corporation executing the foregoing document, that they signed the foregoing document in the capacities therein set forth, and that the statements therein contained are true.

IN WITNESS WHEREOF, I have hereunto set my hand and day and year before written.



Del Stice
Notary Public in and for Midland
County, Texas.

My Commission Expires: June 1, 1973



OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF INCORPORATION
OF

CASA DE AMIGOS OF MIDLAND, TEXAS, INCORPORATED
CHARTER NO. 237065

The undersigned, as Secretary of State of the State of Texas, hereby certifies that duplicate originals of Articles of Incorporation for the above corporation duly signed and verified pursuant to the provisions of the Texas Non-Profit Corporation Act, have been received in this office and are found to conform to law.

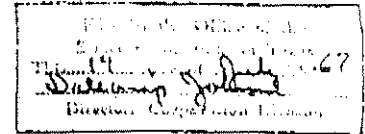
ACCORDINGLY the undersigned, as such Secretary of State, and by virtue of the authority vested in him by law, hereby issues this Certificate of Incorporation and attaches hereto a duplicate original of the Articles of Incorporation.

Dated JULY 14th, 1967

John L. Hill
Secretary of State



ARTICLES OF INCORPORATION
OF
CASA DE AMIGOS OF MIDLAND,
TEXAS, INCORPORATED



We, the undersigned natural persons of the age of twenty-one years or more, all of whom are citizens of the State of Texas, acting as incorporators of a corporation under the Texas Non-Profit Corporation Act, do hereby adopt the following Articles of Incorporation for such corporation:

ARTICLE ONE

The name of the corporation is Casa de Amigos of Midland, Texas, Incorporated.

ARTICLE TWO

The corporation is a non-profit corporation.

ARTICLE THREE

The period of duration of the corporation shall be perpetual.

ARTICLE FOUR

The purposes for which the corporation is organized are:

1. To coordinate and facilitate cooperative home mission activities of voluntary Christian religious groups in Midland, Texas, among underprivileged economic categories of persons in such city; and
2. To sponsor and conduct, as an incident of purpose 1, above, diverse educational, charitable, religious, and recreational activities among said underprivileged economic groups, such as (for example, but without limitation by reason of the following enumeration) sewing and cooking classes, English-Spanish language classes, religious instruction, recreational activities, arts and crafts instruction, and pre-school kindergarten instruction).

ARTICLE FIVE

The street address of the initial registered office of the corporation is 906 North Dallas Street, Midland, Texas 79701, and the name of its initial registered agent at such address is Garner L. Wilde.

ARTICLE SIX

The number of directors constituting the initial board of directors of the corporation is seven, and the names and address of the persons who are to serve as the initial directors are:

<u>Name</u>	<u>Address</u>
Garner L. Wilde	1704 Cassena Midland, Texas 79701
William F. Reid	2411 Culf Midland, Texas 79701
Mrs. Ashlee Rylander	3506 Sinclair Midland, Texas 79701
William I. Boand	1601 North Terrell Midland, Texas 79701

Mrs. Donald L. Tollison

4822 West Storey
Midland, Texas 79701

Mrs. Chester L. Tyra

2303 Boyd
Midland, Texas 79701

Miss Elizabeth Sanchez

1704 Cessna
Midland, Texas 79701

ARTICLE SEVEN

The name and street address of each incorporator is:

<u>Name</u>	<u>Address</u>
Garner L. Wilde	1704 Cessna Midland, Texas 79701
William F. Reid	2411 Gulf Midland, Texas 79701
Mrs. Ashlee Rylander	3605 Sinclair Midland, Texas 79701

IN WITNESS WHEREOF, we have hereunto set our hands, this 7th day of July, 1967.

Garner L. Wilde
Garner L. Wilde

William F. Reid
William F. Reid

Mrs. Ashlee Rylander
Mrs. Ashlee Rylander

INCORPORATORS

STATE OF TEXAS)
)
COUNTY OF MIDLAND)

I, Robert M. Howard, a Notary Public, do hereby certify that on the 7th day of July, 1967, personally appeared before me, GARNER L. WILDE, WILLIAM F. REID, and MRS. ASHLEE RYLANDER, who being by me first duly sworn, severally declared that they are the persons who signed the foregoing document as incorporators, and that the statements therein contained are true.

Robert M. Howard
Notary Public in and for Midland
County, Texas

MULTIFAMILY FINANCE PRODUCTION DIVISION

BOARD ACTION REQUEST

July 28, 2004

Action Item

Appeal denial of Quantifiable Community Participation (QCP) points of one 2004 Housing Tax Credit (HTC) Application.

Requested Action

Issue a determination on the appeal.

Background and Recommendations

I. Travis Place Apartments, #04162

The Applicant submitted an appeal to the Executive Director on June 14, 2004, disputing the denial of QCP points for the Application. The Applicant requested reconsideration of QCP point allocation for letters sent from four organizations, the Children's Advocacy Center of the South Plains, Boys and Girls Club of Lubbock, Market Lubbock, Inc., and the North and East Lubbock Community Development Corporation. On June 28, 2004, the Executive Director responded to the appeal stating that pursuant to Section 50.9(g)(2) of the 2004 Qualified Allocation Plan (QAP), none of the four letters met requirements for scoring. The letter from the Boys and Girls Club of Lubbock did not meet the requirements because it serves all of Lubbock County, not the specific neighborhood. Therefore, the organization is not a "neighborhood organization" within the meaning of the requirement. The letter from North and East Lubbock Community Development Corporation did not meet the requirements because it serves the north and east areas of Lubbock (a 5 mile by 6 mile area), not the specific neighborhood. Therefore, the organization is also not a "neighborhood organization" within the meaning of the requirement. The Applicant submitted an appeal to the Board on July 13, 2004, regarding QCP point scoring for the letters from the Boys and Girls Club of Lubbock and the North and East Lubbock Community Development Corporation.

Relevant documentation related to this appeal is provided behind the Board Action Request.

Applicant:	Travis Place Apartments, Ltd.
Site Location:	Corner of E 4th St. & Guava Ave.
City/County:	Lubbock/Lubbock
Regional Allocation Category:	Urban/Exurban
Set-Aside:	General
Population Served:	Family
Region:	1
Type of Development:	New Construction
Units:	120
Credits Requested:	\$764,539

Staff Recommendation:

The Executive Director denied the original appeal. Staff is recommending that the Board also deny the appeal of the termination.

Board Appeal

Travis Place Apartments

July 13, 2004

Delores Groneck
507 Sabine Suite 400
Austin, Texas 78711-3941

RE: Appeal of Executive Director Response
Travis Place Apartments, TDHCA# 04162

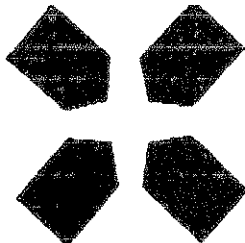
RECEIVED
JUL 13 2004
EXECUTIVE

Dear Ms. Groneck:

In response to the denial of appeal for Travis Place Apartments issued by Executive Director, Edwina Carrington on June 28, 2004, the applicant requests an appeal to the TDHCA governing board for the issues of letters of Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). The applicant would like to specifically address the letters of support from the Boys and Girls Club of Lubbock and the North And East Lubbock Community Development Corporation. Thank you for your time.

Sincerely,


Tim Smith
Contact
Travis Place Apartments



04/62

BARRON
BUILDERS & MANAGEMENT COMPANY, INC.

1544 Sawdust Road, Suite 210
The Woodlands, Texas 77380
Phone 281.363.8705
Fax 281.367.8418

RECEIVED
JUL 13 2004
EXECUTIVE

Fax Cover Sheet

Date: 7/13/04

To: Delores Gronect

Fax #: 512-472-8526

From: **Tim Smith**

Development Coordinator

Number of Pages (Including This Page): 2

Comments: Appel Towns Place Apts

If This Transmission Was Incomplete,
Please Call: 281.363.8705
THANK YOU!!

Executive Director's Response



WWW.TDHCA.STATE.TX.US

04/16/04
P

June 28, 2004

RICK PERRY
Governor

EDWINA P. CARRINGTON
Executive Director

BOARD MEMBERS
Elizabeth Anderson, Chair
Shadrick Bogany
C. Kent Conine
Vidal Gonzalez
Patrick R. Gordon
Norberto Salinas

Tim Smith
Travis Place Apartments, Ltd.
1544 Sawdust Rd., Suite 210
The Woodlands, TX 77380
Telephone: (281) 363-8705
Fax: (281) 367-8418

Re: Response to appeal received June 14, 2004
Travis Place Apartments TDHCA Project No. 04162

Dear Mr. Smith:

Appeal Review

I have carefully reviewed the application you submitted, as well as your appeal that we received on June 14, 2004 on the above-referenced development, regarding the eligibility of your application to receive points for Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to a development. Consistent with that section of the QAP, your letters were reviewed to determine if all submission requirements were met.

Unfortunately, the letter from Children's Advocacy Center of the South Plains did not meet the requirements to be scored. The letter did not provide documentation of the agency's boundaries. The letter also does not give a brief description of the process used to determine the members' position of support for the Development, only that they met with the Developer. Lastly, documentation indicates the organization serves the south plains of Texas, not the specific neighborhood. Therefore, the organization is not a 'neighborhood organization' within the meaning of the requirement.

The letter from the Boys and Girls Club of Lubbock did not meet the requirements because it serves all of Lubbock County, not the specific neighborhood. Therefore, the organization is not a "neighborhood organization" within the meaning of the requirement.

Likewise, the letter from the Market Lubbock, Inc. did not meet the requirements because it serves thirty counties, not the specific neighborhood. Therefore, the

Mr. Tim Smith
June 28, 2004

organization is not a "neighborhood organization" within the meaning of the requirement.

The letter from North and East Lubbock Community Development Corporation did not meet the requirements because it serves the north and east areas of Lubbock (a 5 mile x 6 mile area), not the specific neighborhood. Therefore, the organization is not a 'neighborhood organization' within the meaning of the requirement.

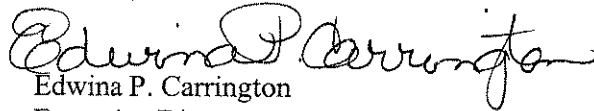
Appeal Determination

Because of the above-mentioned reasons, your appeal is denied.

Section 50.18(b)(4) of the 2004 QAP states that if you are not satisfied with this response to your appeal, you may appeal directly in writing to the Board of the Texas Department of Housing and Community Affairs. Please note that an appeal filed with the Board must be received by the Board before the seventh day preceding the date of the Board meeting at which the relevant commitment decision is expected to be made. To have an appeal considered by the Board at the July 8 Board meeting, the appeal must be received by Delores Groneck, Board Secretary, no later than June 30, although it is strongly suggested that you submit it by June 29, 2004.

If you have questions or comments, please call (512) 475-3340.

Sincerely,



Edwina P. Carrington
Executive Director

EPC/BLB/MFMU

*** TX REPORT ***

TRANSMISSION OK

TX/RX NO	2269	
CONNECTION TEL		912813678418
CONNECTION ID		
ST. TIME	06/28 11:17	
USAGE T	01'06	
PGS. SENT	2	
RESULT	OK	

EXECUTIVE DIRECTOR'S
ACTION ITEM

DATE: June 25, 2004

(please highlight if applicable)

RUSH

ITEM: Appeal Response Travis Place Apt. # 04162

Staff to Contact: Brooke Boston

Phone No: 5-3296

BACKGROUND: An appeal was received June 14, 2004. In accordance with the Appeals Policy in the QAP, a response from the Executive Director must be provided by 5:00 June 28.

PROPOSAL: Please review the attached appeal response letter.

ACTION REQUESTED: Please sign this action item and the appeal response letter.

ATTACHMENTS:

- Appeal letter for signature.
- Copy of appeal

APPROVED BY:


DIVISION DIRECTOR

N/A


CHIEF - AGENCY ADMINISTRATION

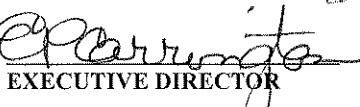

DEPUTY EXECUTIVE
DIRECTOR - PROGRAMS

N/A

DIRECTOR OF HOUSING
CENTER

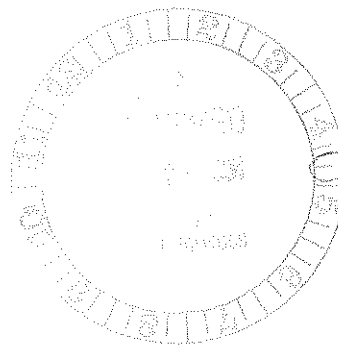

REVIEWING ATTORNEY


GENERAL COUNSEL


EXECUTIVE DIRECTOR

6/27/04
DATE APPROVED

COMMENTS:



Executive Director's Appeal

RECEIVED

JUN 14 2004

LIHTC

June 14, 2004

Edwina Carrington
Texas Department of Housing & Community Affairs
501 Sabine, Suite 300
Austin, TX 78701

In reply to: Appeal: Children's Advocacy Center of The South Plains
Neighborhood Input on 2004 Housing Tax Credit Application Travis Place Apartments
TDHCA Number: 04162

Dear Edwina Carrington,

The Children's Advocacy Center of The South Plains' letter of support for Travis Place Apartments was ruled ineligible for points under Quantifiable Community Support, for the following reason(s):

Insufficient documentation was provided to show that the organization's boundaries include the proposed development site.

Your letter did not provide either the total number of members of the organization or a brief description of the process used to determine the members' position, or did not provide both.

Insufficient documentation was provided to show that the organization is a 'neighborhood organization' within the meaning of this requirement.

Travis Place Apartments formally appeals this decision as this letter does meet the requirements set forth in the 2004 QAP for Quantifiable Community Participation.

First, the Children's Advocacy Center of The South Plains stated in its letter of support (page 2, first paragraph) that its service area includes the South Plains of the Texas Panhandle. This includes the City of Lubbock, in which the development site is located. Clearly the boundaries of this organization encompass the proposed development site.

Second, the approval process was mentioned on page one, last paragraph of the letter of support. The total members for this type of organization are mentioned in the first paragraph on page two, 6 staff persons and a 25-member board of directors, the organization has no other members.

Finally, in regards to qualifying as a neighborhood organization, the contact person for the applicant, Tim Smith, discussed this criterion with Chris Wittmayer, General Counsel for TDHCA. Mr. Wittmayer relayed to Mr. Smith that this organization did not meet the definition of a neighborhood organization because the dictionary defined a neighborhood as people that live close to one another, and this organization is too broad in scope to have such a composition. When questioned by Mr. Smith about the definition of neighborhood organizations in the QAP, Mr. Wittmayer elaborated that the definition in the QAP is too broad, and while an organization must meet the definition of the QAP, it must also consist solely of people who live close to one another. Mr. Wittmayer stated that because of

Def'n of boundaries of development site. No clear process of staff members' support. Entire South Plains of the Texas Panhandle.

this criterion, an organization that served a city or county could not qualify as a neighborhood organization, and thus, Children's Advocacy Center of The South Plains did not constitute a neighborhood organization.

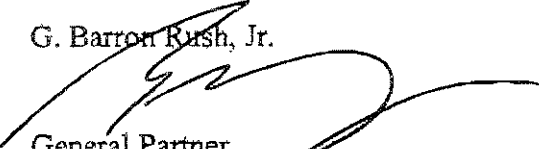
Travis Place Apartments appeals that this ruling is inconsistent with the 2004 QAP. According to the QAP §50.9(g)(2)(B):

"For the purposes of the scoring of this exhibit, neighborhood organizations are organizations that are on record with the county or state in which the development is proposed to be located as of March 1 of the application year [2004] and that have a primary purpose of working to affect matters related to the welfare of the neighborhood that contains the proposed development site, not including governmental entities."

This definition does not mention that a neighborhood organization must consist of a group of people who live close to one another. According to the QAP, Children's Advocacy Center of The South Plains does qualify as a neighborhood organization because it is on record with the county or state and has primary purpose of working to affect the welfare of the neighborhood that contains the proposed development site. Although Mr. Wittmayer's point about the dictionary's definition of neighborhood is well taken, that is not the definition the QAP assigns to neighborhood organizations. The definition of 'developer' in the QAP and the definition found in the dictionary are very different, yet it is the definition in the QAP that is the standard by which all applications are judged.

Travis Place Apartments requests that the letter from Children's Advocacy Center of The South Plains be ruled as eligible for points under Quantifiable Community Participation and be awarded full points for such a letter under this category.

G. Barron Rush, Jr.



General Partner
Travis Place Apartments, Ltd.

June 14, 2004

Edwina Carrington
Texas Department of Housing & Community Affairs
501 Sabine, Suite 300
Austin, TX 78701

In reply to: Appeal: Boys & Girls Clubs of Lubbock
Neighborhood Input on 2004 Housing Tax Credit Application Travis Place Apartments
TDHCA Number: 04162

Dear Edwina Carrington,

The Boys & Girls Clubs of Lubbock's letter of support for Travis Place Apartments was ruled ineligible for points under Quantifiable Community Support, for the following reason(s):

Lubbock County Insufficient documentation was provided to show that the organization is a 'neighborhood organization' within the meaning of the requirement.

Travis Place Apartments formally appeals this decision as this letter does meet the requirements set forth in the 2004 QAP for Quantifiable Community Participation.

The contact person for the applicant, Tim Smith, discussed this criterion with Chris Wittmayer, General Counsel for TDHCA. Mr. Wittmayer relayed to Mr. Smith that this organization did not meet the definition of a neighborhood organization because the dictionary defined a neighborhood as people that live close to one another, and this organization is too broad in scope to have such a composition. When questioned by Mr. Smith about the definition of neighborhood organizations in the QAP, Mr. Wittmayer elaborated that the definition in the QAP is too broad, and while an organization must meet the definition of the QAP, it must also consist solely of people who live close to one another. Mr. Wittmayer stated that because of this criterion, an organization that served a city or county could not qualify as a neighborhood organization, and thus, the Boys & Girls Clubs of Lubbock did not constitute a neighborhood organization.

Travis Place Apartments appeals that this ruling is inconsistent with the 2004 QAP. According to the QAP §50.9(g)(2)(B):

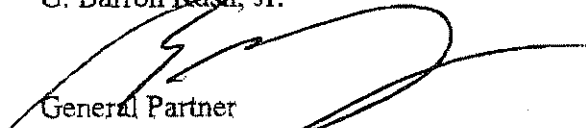
"For the purposes of the scoring of this exhibit, neighborhood organizations are organizations that are on record with the county or state in which the development is proposed to be located as of March 1 of the application year [2004] and that have a primary purpose of working to affect matters related to the welfare of the neighborhood that contains the proposed development site, not including governmental entities."

This definition does not mention that a neighborhood organization must consist of a group of people who live close to one another. According to the QAP, the Boys & Girls Clubs of Lubbock does qualify as a neighborhood organization because it is on record with the county or state and has primary purpose of working to affect the welfare of the neighborhood that contains the proposed development

site. Although Mr. Wittmayer's point about the dictionary's definition of neighborhood is well taken, that is not the definition the QAP assigns to neighborhood organizations. The definition of 'developer' in the QAP and the definition found in the dictionary are very different, yet it is the definition in the QAP that is the standard by which all applications are judged.

Travis Place Apartments requests that the letter from the Boys & Girls Clubs of Lubbock be ruled as eligible for points under Quantifiable Community Participation and be awarded full points for such a letter under this category.

G. Barron Rush, Jr.



General Partner
Travis Place Apartments, Ltd.

June 14, 2004

Edwina Carrington
Texas Department of Housing & Community Affairs
501 Sabine, Suite 300
Austin, TX 78701

In reply to: Appeal: Market Lubbock, Inc.
Neighborhood Input on 2004 Housing Tax Credit Application Travis Place Apartments
TDHCA Number: 04162

Dear Edwina Carrington,

Market Lubbock, Inc.'s letter of support for Travis Place Apartments was ruled ineligible for points under Quantifiable Community Support, for the following reason(s):

30
County? Insufficient documentation was provided to show that the organization is a 'neighborhood organization' within the meaning of the requirement.

Travis Place Apartments formally appeals this decision as this letter does meet the requirements set forth in the 2004 QAP for Quantifiable Community Participation.

The contact person for the applicant, Tim Smith, discussed this criterion with Chris Wittmayer, General Counsel for TDHCA. Mr. Wittmayer relayed to Mr. Smith that this organization did not meet the definition of a neighborhood organization because the dictionary defined a neighborhood as people that live close to one another, and this organization is too broad in scope to have such a composition. When questioned by Mr. Smith about the definition of neighborhood organizations in the QAP, Mr. Wittmayer elaborated that the definition in the QAP is too broad, and while an organization must meet the definition of the QAP, it must also consist solely of people who live close to one another. Mr. Wittmayer stated that because of this criterion, an organization that served a city or county could not qualify as a neighborhood organization, and thus, Market Lubbock, Inc. did not constitute a neighborhood organization.

Travis Place Apartments appeals that this ruling is inconsistent with the 2004 QAP. According to the QAP §50.9(g)(2)(B):

"For the purposes of the scoring of this exhibit, neighborhood organizations are organizations that are on record with the county or state in which the development is proposed to be located as of March 1 of the application year [2004] and that have a primary purpose of working to affect matters related to the welfare of the neighborhood that contains the proposed development site, not including governmental entities."

This definition does not mention that a neighborhood organization must consist of a group of people who live close to one another. According to the QAP, Market Lubbock, Inc. does qualify as a neighborhood organization because it is on record with the county or state and has primary purpose of working to affect the welfare of the neighborhood that contains the proposed development site.

Although Mr. Wittmayer's point about the dictionary's definition of neighborhood is well taken, that is not the definition the QAP assigns to neighborhood organizations. The definition of 'developer' in the QAP and the definition found in the dictionary are very different, yet it is the definition in the QAP that is the standard by which all applications are judged.

Travis Place Apartments requests that the letter from Market Lubbock, Inc. be ruled as eligible for points under Quantifiable Community Participation and be awarded full points for such a letter under this category.

G. Barron Rush, Jr.



General Partner
Travis Place Apartments, Ltd.

June 14, 2004

Edwina Carrington
Texas Department of Housing & Community Affairs
501 Sabine, Suite 300
Austin, TX 78701

In reply to: North & East Lubbock Community Development Corporation Appeal
Neighborhood Input on 2004 Housing Tax Credit Application Travis
Place Apartments TDHCA Number: 04162

Dear Edwina Carrington,

The North & East Lubbock Community Development Corporation's letter of support for Travis Place Apartments was ruled ineligible for points under Quantifiable Community Support, for the following reason(s):

North & East areas of Lubbock, 5x6 miles, x 100 sq mi

Insufficient documentation was provided to show that the organization is a 'neighborhood organization' within the meaning of the requirement.

Travis Place Apartments formally appeals this decision as this letter does meet the requirements set forth in the 2004 QAP for Quantifiable Community Participation.

The contact person for the applicant, Tim Smith, discussed this criterion with Chris Wittmayer, General Counsel for TDHCA. Mr. Wittmayer relayed to Mr. Smith that this organization did not meet the definition of a neighborhood organization because the dictionary defined a neighborhood as people that live close to one another, and this organization is too broad in scope to have such a composition. When questioned by Mr. Smith about the definition of neighborhood organizations in the QAP, Mr. Wittmayer elaborated that the definition in the QAP is too broad, and while an organization must meet the definition of the QAP, it must also consist solely of people who live close to one another. Mr. Wittmayer stated that because of this criterion, an organization that served a city or county could not qualify as a neighborhood organization, and thus, North & East Lubbock Community Development Corporation did not constitute a neighborhood organization.

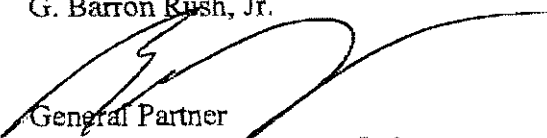
Travis Place Apartments appeals that this ruling is inconsistent with the 2004 QAP. According to the QAP §50.9(g)(2)(B):

"For the purposes of the scoring of this exhibit, neighborhood organizations are organizations that are on record with the county or state in which the development is proposed to be located as of March 1 of the application year [2004] and that have a primary purpose of working to affect matters related to the welfare of the neighborhood that contains the proposed development site, not including governmental entities."

This definition does not mention that a neighborhood organization must consist of a group of people who live close to one another. According to the QAP, North & East Lubbock Community Development Corporation does qualify as a neighborhood organization because it is on record with the county or state and has primary purpose of working to affect the welfare of the neighborhood that contains the proposed development site. Although Mr. Wittmayer's point about the dictionary's definition of neighborhood is well taken, that is not the definition the QAP assigns to neighborhood organizations. The definition of 'developer' in the QAP and the definition found in the dictionary are very different, yet it is the definition in the QAP that is the standard by which all applications are judged.

Travis Place Apartments requests that the letter from North & East Lubbock Community Development Corporation be ruled as eligible for points under Quantifiable Community Participation and be awarded full points for such a letter under this category.

G. Barron Rush, Jr.



General Partner
Travis Place Apartments, Ltd.



**BARRON
BUILDERS AND MANAGEMENT
COMPANY, INCORPORATED**

1544 Sawdust Road, Suite 210
The Woodlands, Texas 77380
Phone - (281) 363-8705
Fax - (281) 367-8418

04/16/04
JUN 14 PM 5:18

Fax Cover Sheet

Date: June 14, 2004

To: Brook Boston

Fax #: 512-475-0764

From : Tim Smith

Development Coordinator

Number of Pages (Including This Page) : 9

Comments: Appeals for Travis Place Apartments.

If This Transmission Was Incomplete,
Please Call (281) 363-8705
THANK YOU!!

QCP Documentation



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

Tom Vermillion
Boys & Girls Clubs of Lubbock
PO Box 94163
Lubbock, TX 79493

RE: Neighborhood Input on 2004 Housing Tax Credit Application Travis Place Apartments
TDHCA Number: 04162

Attention: Tom Vermillion

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

Insufficient documentation was provided to show that the organization is a 'neighborhood organization' within the meaning of this requirement.

While your letter will not be scored, your comments will still be summarized and provided to the Governing Board of the Department as they make decisions regarding which applications will receive an allocation of credits. You are also welcome to provide public comment at the Board's meetings on these developments which take place on June 28, 2004 and July 28, 2004 in Austin. If you have any questions, please do not hesitate to contact the Department at 512.475.3800. Also, on Friday June 18, 2004 at 10:00 a.m. the Department will conduct an Open Forum at it's office in Austin. If you have any questions or comments about the evaluation of your letter you are invited to attend this forum.

Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

John Hall
North & East Lubbock Community Development Corporation
PO Box 2000
Lubbock, TX 79457

RE: Neighborhood Input on 2004 Housing Tax Credit Application Travis Place Apartments
TDHCA Number: 04162

Attention: John Hall

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

Insufficient documentation was provided to show that the organization is a 'neighborhood organization' within the meaning of this requirement.

While your letter will not be scored, your comments will still be summarized and provided to the Governing Board of the Department as they make decisions regarding which applications will receive an allocation of credits. You are also welcome to provide public comment at the Board's meetings on these developments which take place on June 28, 2004 and July 28, 2004 in Austin. If you have any questions, please do not hesitate to contact the Department at 512.475.3800. Also, on Friday June 18, 2004 at 10:00 a.m. the Department will conduct an Open Forum at it's office in Austin. If you have any questions or comments about the evaluation of your letter you are invited to attend this forum.

Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division



An Anchor for the Community

North & East Lubbock
Community Development Corporation
P.O. Box 2900 Lubbock, Texas 79457
Phone: (806) 775.3260 Fax: (806) 775.3281
Email: nelubbockcdc@hotmail.com

RECEIVED

APR 30 2004

LIHTC

Board of Directors

April 28, 2004

Greg Garrison
Chairperson

Esther Sepeda
Vice Chairperson

Carolyn Conwright
Secretary

Gary Lawrence
Treasurer

John E. Hall
Executive Director

Randy Andrews

Frank Castaneda

Heenan Johnson, Jr.

Greg Jones

Velma Lethridge

David Martinez

Irasema Velasquez

Texas Department of Housing and Community Affairs
Attention: Director of Multifamily Finance Division (Neighborhood Input)
P.O. Box 13941
Austin, TX 78701

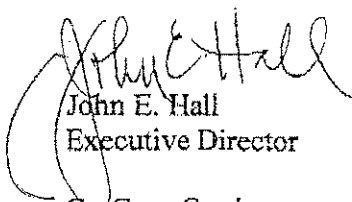
Dear Director:

The North & East Lubbock Community Development Corporation ("CDC") writes in favor of plans for Travis Place Apartments, Ltd to develop a multi-family complex within our organization's target area. This development will increase the housing supply in east Lubbock by creating 120-units of quality and affordable housing, which complements the CDC's mission. The timing of the project is perfect as the City of Lubbock is in the midst of completing a master plan that focuses on spurring development that increases rooftops for north and east Lubbock.

The applicant's outreach to the community has been extraordinary. Several neighborhood meetings were held in attempts to discuss the proposed project. Consequently, the various neighborhood associations and concerned citizens posed pertinent questions and received satisfactory responses regarding the project. The general consensus supported this development.

The CDC highly recommends that your agency give serious consideration to this applicant. The award of tax credits for this project will facilitate the community's endeavor to build neighborhood assets and supply quality housing for its residents.

Respectfully submitted,


John E. Hall
Executive Director

C. Greg Garrison

Enclosures

04/16/04



An Anchor for the Community

**North & East Lubbock
Community Development Corporation**
P.O. Box 2000 Lubbock, Texas 79457
Phone: (806) 775.3260 Fax: (806) 775.3281
Email: nelubbockcdc@hotmail.com

Board of Directors

April 28, 2004

Greg Garrison
Chairperson

Eather Sepeda
Vice Chairperson

Carolyn Conwright
Secretary

Gary Lawrence
Treasurer

John E. Hall
Executive Director

Randy Andrews

Frank Castaneda

Heenan Johnson, Jr.

Greg Jones

Velma Lethridge

David Martinez

Irasema Velasquez

Texas Department of Housing and Community Affairs
Attention: Director of Multifamily Finance Division (Neighborhood Input)
P.O. Box 13941
Austin, TX 78701

Dear Director:

This letter serves to provide required information and documentation on the North & East Lubbock Community Development Corporation ("CDC"). The target area for the organization includes both the north and east communities in Lubbock, Texas. This area encompasses approximately 31 square miles in size. The organization has a Board of Directors that governs the corporation.

The mission of the CDC is:

- ◆ North & East Lubbock Community Development Corporation is a local entity that drives social change; promotes autonomy and empowerment by increasing the supply of quality and affordable housing, generating economic activity, and coordinating the efficient delivery of social services.

Additional documentation such as Articles of Incorporation and site map is attached for your edification.

Respectfully submitted,


John E. Hall
Executive Director

C: Greg Garrison

Enclosures

~ 5x6 miles possible.

Corporations Section
P.O.Box 13697
Austin, Texas 78711-3697



Geoffrey S. Connor
Secretary of State

Office of the Secretary of State

CERTIFICATE OF INCORPORATION OF

North & East Lubbock Community Development Corporation
Filing Number: 800301909

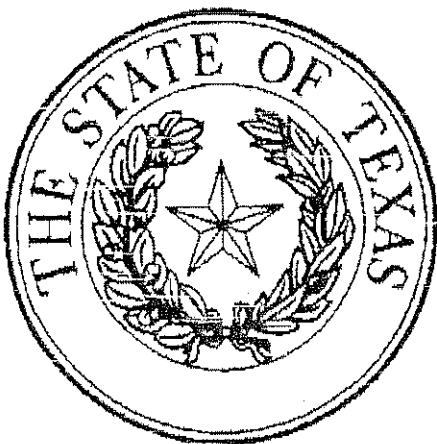
The undersigned, as Secretary of State of Texas, hereby certifies that Articles of Incorporation for the above named corporation have been received in this office and have been found to conform to law.

Accordingly, the undersigned, as Secretary of State, and by virtue of the authority vested in the Secretary by law, hereby issues this Certificate of Incorporation.

Issuance of this Certificate of Incorporation does not authorize the use of a name in this state in violation of the rights of another under the federal Trademark Act of 1946, the Texas trademark law, the Assumed Business or Professional Name Act, or the common law.

Dated: 02/06/2004

Effective: 02/06/2004



A handwritten signature in black ink, appearing to read "G. Connor".

Geoffrey S. Connor
Secretary of State

FILED
In the Office of the
Secretary of State of Texas

ARTICLES OF INCORPORATION

FEB 06 2004

OF

Corporations Section

NORTH & EAST LUBBOCK COMMUNITY DEVELOPMENT CORPORATION

(a non-profit corporation)

The undersigned, Gary Lawrence, being at least eighteen years of age, acting as incorporator, does hereby file the following Articles of Incorporation (the "Articles of Incorporation") of North & East Lubbock Community Development Corporation (the "Corporation") under the Texas Non-Profit Corporation Act (referred to as the "Act"):

ARTICLE I

The name of the corporation is North & East Lubbock Community Development Corporation.

ARTICLE II

The corporation is a non-profit corporation.

ARTICLE III

The period of its duration is perpetual.

ARTICLE IV

The corporation is organized exclusively for charitable, religious and educational purposes, including, for such purposes, the making of distributions to other organizations that qualify as exempt organizations under the terms of Section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue law).

No part of the net earnings of the Corporation shall inure to the benefit of, or be distributed to, its trustees, officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments, and distributions, in furtherance of the purposes set forth herein. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publishing or distribution of statements), any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of these Articles of Incorporation, the Corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt of federal income tax under Section 501(c)(3) of the Internal Revenue Code (or the corresponding provision of any future United States Internal Revenue Law) or (b) by a corporation, contributions to which are deductible under Section 170(d)(2) of

the Internal Revenue Code (or the corresponding provision of any future United States Internal Revenue Law).

ARTICLE V

Except as otherwise provided in these Articles of Incorporation, the Corporation shall have all of the powers provided in the Act. Moreover, the Corporation shall have all implied powers necessary and proper to carry out its express powers. The Corporation may pay reasonable compensation to its directors or officers for services rendered to or for the Corporation in furtherance of one or more of its purposes set forth above.

Subject to the limitations in the Articles of Incorporation, the Corporation shall have the authority to take any action it deems to be necessary, appropriate or convenient relating to the management of the Corporation, with the provision that the initial Bylaws (herein so called) shall be adopted by the initial Board of Directors (as hereinafter defined), which may add, amend, or repeal the Bylaws or adopt new bylaws. The Bylaws shall contain all definitions, rules and regulations necessary or proper for the implementation of the purposes of the Corporation and the provisions of these Articles of Incorporation.

ARTICLE VI

The corporation will have no members.

ARTICLE VII

The address of the current registered office of the corporation is 1625 13th Street, Lubbock, Texas, 79401, and the name of its current registered agent at such address is John E. Hall.

ARTICLE VIII

The qualifications, manner of selection, duties, terms and other matters relating to the Board of Directors (referred to as the "Board of Directors") shall be provided in the Bylaws of the Corporation. The initial Board of Directors shall consist of seven (7) persons. The names and addresses of the initial directors are:

1. Gary Lawrence 1301 Broadway, Suite 200, Lubbock, TX 79401
2. Frank Castaneda 5302 S. Avenue Q, Suite 21, Lubbock, TX 79413
3. Heenan Johnson 2204 Ithaca, Suite B, Lubbock, TX 79410
4. Esther Sepeda 1302 Main Street, Suite 301, Lubbock, TX 79401
5. Irasema Velasquez 7409 Toledo Avenue, Lubbock, TX 79424
6. Carolyn Conwright 1628 19th Street, Lubbock, TX 79401
7. Greg Garrison 116 E. 42nd Street, Lubbock, TX 79404
8. Randy Andrews POB 65207, Lubbock, TX 79464

ARTICLE IX

All references in these Articles of Incorporation to statutes, regulations, or other sources of legal authority shall refer to the authorities cited, or their successors, as they may be amended from time to time.

ARTICLE X

A director is not liable to the corporation for monetary damages for an act or omission in the director's capacity as director, except to the extent otherwise provided by a statute of the State of Texas.

ARTICLE XI

The corporation may indemnify a person who was, is, or is threatened to be made a named defendant or respondent in litigation or other proceedings because the person is or was a director or other person related to the corporation. As provided in the Bylaws, the Board of Directors shall have the power to define the requirements and limitations for the corporation to indemnify directors, officers, or others related to the corporation.

ARTICLE XII


Upon the dissolution of the corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the corporation, dispose of all of the assets of the corporation exclusively for the purposes of the corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, religious, or scientific purposes, as shall at the time qualify as an exempt organization or organizations under Section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law) as the Board of Directors shall determine. Any such assets not so disposed of shall be disposed of by the District Court of the County in which the registered office of the corporation is then located, exclusively for such purposes or to such organization or organizations and operated exclusively for such purposes.

ARTICLE XIII

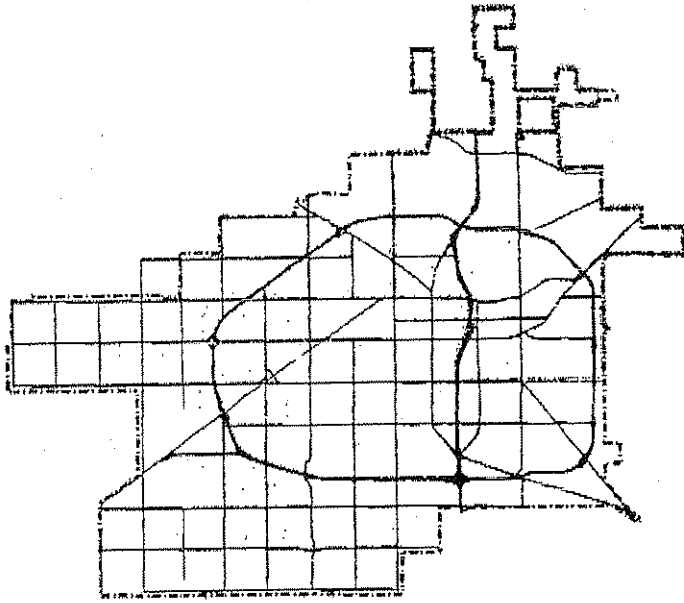
The name and street address of the incorporator is:

Gary Lawrence
1301 Broadway, Suite 200
Lubbock, TX 79401

IN WITNESS WHEREOF, I have hereunto subscribed my name this 3RD
day of February, 2004.



Gary Lawrence, Incorporator



N/E Lubbock CTC
Target Area

City of Lubbock



**BOYS & GIRLS CLUBS
OF LUBBOCK**

Tom Vermillion
Executive Director

ADMINISTRATIVE SERVICES
(806) 792-2880
FAX: (806) 792-9826
Wilson Club: 3221 59th Street
P.O. Box 94163
Lubbock, Texas 79493

04162

April 28, 2004

Texas Department of Housing and Community Affairs
Attention: Director of Multifamily Finance Division (Neighborhood Input)
P.O. Box 13941
Austin, TX 78701

RECEIVED

APR 30 2004

IHTC

Dear Director:

Please know that the Boys & Girls Club of Lubbock fully supports the Travis Place Apartments, Ltd. proposal to develop 120 apartment units within the city limits of Lubbock Texas, located near East 4th Street and Guava Ave.

The community will provide housing of 1, 2, and 3 bedrooms with rental prices ranging from \$300 - \$730 to families whose annual income ranges from \$13,000 - \$30,000. This represents families who earn between 40%-60% of the Area Median Gross Income (AMGI). It is our understanding that the typical units will range in size from 750 to 1,150 square feet and will include amenities such as dishwashers, refrigerators with icemakers, stoves, microwave ovens, ceiling fans, and the like. The development will also include family appropriate conveniences such as use of a multi-use clubhouse, cable TV, and Internet access, playgrounds and other recreational conveniences.

We believe that Travis Place Apartments will meet a need in the community to provide adequate, affordable and safe housing which will benefit those who might not otherwise have a viable housing option. The Boys & Girls Club of Lubbock is concerned about housing needs in the development's proposed neighborhood. Travis Place Apartments ability to meet the housing need of low-income families will benefit the neighborhood of this development as well as the City of Lubbock. In addition, the support services for the residents will be a tremendous asset and may include homebuyer education, financial planning, parenting classes, and tutorial programs, which will assist the constituents whom we serve. Therefore, we fully support this development going in to our community.



"THE POSITIVE PLACE FOR KIDS"



United Way
OF LUBBOCK

I met with a representative of Travis Place Apartments and was very impressed with what they want to do in this neighborhood. We are especially mindful and appreciative of the fact that the units will be designed in an energy efficient manner so as to lower the residents' utility bills because of the fact that utility costs are of tremendous concern to our service population.

Our service area includes all of Lubbock County. We have 4,502 members ages 6 to 18 and a board of directors, which serves as the governing body.

Please find enclosed the following documentation:

- a. Mission of the Lubbock Boys & Girls Club;
- b. Brochure listing Club locations;

In closing, we strongly support this development and encourage you to give it your full consideration and approval. Thank you for your time.

Sincerely,



Tom Vermillion
Executive Director

Enclosures

BOYS & GIRLS CLUB MISSION

TO INSPIRE AND ENABLE ALL YOUNG
PEOPLE, ESPECIALLY THOSE AT-RISK,
TO REALIZE THEIR FULL POTENTIAL AS
PRODUCTIVE, RESPONSIBLE, AND
CARING CITIZENS

Internal Revenue Service

Department of the Treasury
P. O. Box 2508
Cincinnati, OH 45201

Date: June 22, 2002

Lubbock Boys' & Girls' Club, Inc.
c/o Tom Vermillion
3221 59th Street
Lubbock, TX 79413-5515

Person to Contact:

Jeremy L. Vogelpohl 31-03888
Customer Service Representative

Toll Free Telephone Number:

8:00 a.m. to 6:30 p.m. EST
877-829-5500

Fax Number:

513-263-3756

Federal Identification Number:

75-1037228

Accounting Period Ends:

June 30

Dear Sir or Madam:

This is in response to the amendment to your organization's Articles of Incorporation filed with the state on August 18, 1993. We have updated our records to reflect the name change as indicated above.

In June 1948 we issued a determination letter that recognized your organization as exempt from federal income tax under section 101(6) of the Internal Revenue Code of 1939 (now section 501(c)(3) of the Internal Revenue Code of 1986). That determination letter is still in effect.

We classified your organization as a publicly supported organization, and not a private foundation, because it is described in sections 509(a)(1) and 170(b)(1)(A)(vi) of the Code. This classification was based on the assumption that your organization's operations would continue as stated in the application. If your organization's purposes, character, method of operations, or sources of support have changed, please let us know so we can consider the effect of the change on the organization's exempt status and foundation status.

Your organization is required to file Form 990, Return of Organization Exempt from Income Tax, only if its gross receipts each year are normally more than \$25,000. If a return is required, it must be filed by the 15th day of the fifth month after the end of the organization's annual accounting period. The law imposes a penalty of \$20 a day, up to a maximum of \$10,000, when a return is filed late, unless there is reasonable cause for the delay.

As of January 1, 1984, your organization is liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more the organization pays to each of its employees during a calendar year. There is no liability for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Organizations that are not private foundations are not subject to the excise taxes under Chapter 42 of the Code. However, these organizations are not automatically exempt from other federal excise taxes. If you have any questions about excise, employment, or other federal taxes, please let us know.



BOYS & GIRLS CLUB
OF LUBBOCK

Preparing kids for a better future!

The Boys & Girls Club of Lubbock has a vision that all children can develop the self-esteem, values and skills needed to be happy, productive citizens, and that all children can feel good about themselves and learn values and skills to build a better world.

It's our mission to fulfill that dream. Children from age 6 to 18 are welcome to play or participate in any of our programs.

Programs in five core areas

- Character and leadership development
- Education and career development
- Health and life skills
- The arts
- Sports, fitness and recreation

No child is left out

Kids join the club for as low as \$5 and no more than \$10 per year. Many programs are free, and those that require a fee are kept affordable. No child will be turned away because of financial need.



Today, Lubbock's young people need the Boys & Girls Club more than ever before. The Boys & Girls Club of Lubbock does not have needs, but the children we serve do.



Administrative Office
3221 59th Street
Lubbock, Texas 79412
806-792-2880

Optimist Boys & Girls Club
3301 Cornell
Lubbock, Texas 79415
806-762-4990

Theodore Phea Boys & Girls Club and
Joe McWilliams Teen Center
1801 E. 24th Street
Lubbock, Texas 79404
806-763-0204

John W. Wilson Boys & Girls Club
and C.H. Kyle Teen Center
3221 59th Street
Lubbock, Texas 79413
806-792-2889



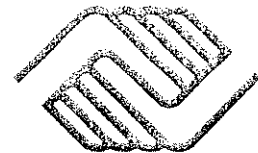
BOYS & GIRLS CLUB
OF LUBBOCK



UNITED WAY
Lubbock, Texas



Where Would They Be Without It?



BOYS & GIRLS CLUB
OF LUBBOCK

The positive place for kids! – A guiding force for 60 years!



Single parent homes and homes where both parents work — these kids sometimes end up unsupervised with no place to go.

So many children today — underprivileged and upper class, black and white, boys and girls alike — turn to drugs, gangs and crime.

That's why today's Lubbock Boys and Girls Club is more important than ever, and why we are doing so much more. From organized sports, arts and crafts, games and supervised learning programs, the Boys and Girls Clubs offer a variety of programs designed to develop both the mind and the body.

There are also programs that teach social and vocational skills. The field trips expose the children to local culture. The clubs have learning centers with computers, reading programs, gamerooms and gymnasiums.

The clubs also offer Smart Moves — a prevention program designed to educate children about drugs, alcohol and teenage pregnancy. There are three age groups with age-appropriate information, including role playing to help children deal with peer pressure.

More importantly, the Boys and Girls Clubs of Lubbock provide a positive environment where strong, reliable role models help children realize there is something better than a life on the streets.

The Lubbock Boys & Girls Club has been helping young people since 1940. A member of Boys and Girls Clubs of America, the Lubbock chapter serves over 4,000 youths a year from three locations throughout the city.

The clubs are open after school and all day during summer vacation. It's more than just a place to play. It gives kids a better chance in life.



"Back A Child" Campaign

Yes! I want to make a difference in the life of a child.

Enclosed is my tax deductible gift of:

- \$25
 \$50
 \$100
 \$250
 \$500
 \$1,000
 Other \$ _____

Name: _____

Address: _____

City: _____

State: _____ Zip: _____

Phone: (_____) _____

Email: _____

- My Check (Payable to Boys & Girls Clubs of Lubbock) is enclosed.
 My Company will match my gift. My form is enclosed or will be mailed separately.
 Please charge my:
 Visa
 MasterCard
 American Express

Name on card: _____

Account #: _____

Exp. Date: _____

Signature: _____

Give to Commemorate

This contribution is made:

In memory of: _____

In honor of: _____

Please send notification of my gift to:

Name: _____

Address: _____

City: _____

State: _____ Zip: _____

Give for the Future

- I have included the Boys & Girls Club in my/our will.
 Please send me information about making a gift while retaining income and maximizing tax savings.
 I/we are interested in volunteering at the Club. Thank you! Your support will help provide The Positive Place For Kids

WINDMILL NEIGHBORHOOD
ASSOCIATION

Lucille Minner
President
3402 E. 17th
Lubbock, Texas

April 28, 2004

04/16/04

RECEIVED

Texas Department of Housing and Community Affairs
Attention: Director of Multifamily Finance Division (Neighborhood input)
P.O. Box 13941
Austin, Texas 79701

APR 30 2004

LIHTC

Dear Director,

Please know that Windmill Neighborhood Association fully supports the Travis Apartments, Ltd. proposal to develop 120 apartment units within the city limits of Lubbock Texas, located near East 4th Street and Guava Ave.

The community will provide housing of 1, 2 and 3 bedrooms with rental prices ranging from \$300 - \$750 to families whose annual income ranges from \$13,000 - \$30,000. This represents families who earn between 40% - 60% of the Area Median Gross Income (AMGI). It is our understanding that the typical units will range in size from 750 to 1,150 square feet and will include amenities such as dishwashers, refrigerators with icemakers, stoves, microwave ovens, ceiling fans and the like. The development will also include family appropriate conveniences such as use of a multi-use clubhouse, cable TV and internet access, playgrounds and other recreational conveniences.

We believe that Travis Place Apartments will meet a need in the community to provide adequate, affordable and safe housing which will benefit those who might not otherwise have a viable housing option. Windmill is concerned about housing needs in the development's proposed neighborhood. Travis Place Apartments ability to meet the housing need of low-income families will benefit the neighborhood of this development as well as the City of Lubbock. In addition, the support services for the residents will be a tremendous asset and may include homebuyer education, financial planning, parenting classes and tutorial programs, which will assist the constituents whom we serve. Therefore, we fully support this development going in to our community.

We met with a representative of the applicant and had our questions and concerns answered and then presented the development before our board of directors who approved it unanimously. We are especially mindful and appreciative of the fact that the units will be designed in an energy efficient manner so as to lower the residents' utility bills because of the fact that utility costs are of tremendous concern to our service population.

Our service area includes the area indicated in the enclosed map and by-laws which are enclosed. We have members on our board and consider each individual in the Windmill area a member of the association.

Please find enclosed the following documentation:

- a. purpose of the Windmill Neighborhood Association.
- b. Recordation of formation; and
- c. legal organizational documents with proposed Development site and map.

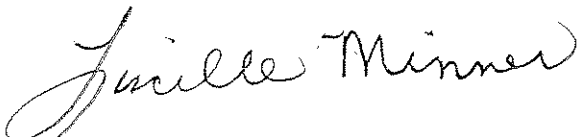
Any additional information about our organization may be obtained through LUNA. (Lubbock United Neighborhood Association) Their address is below:

Lubbock United Neighborhood Association

Attention: Carol Hedrick
1706 23rd Street, #104
Lubbock, Texas 79411
806-749-5862

In closing, we strongly support this development and encourage you to give it your full consideration and approval. Thank you for your time.

Sincerely,



Lucille Minner

President

Windmill Neighborhood Association

MULTIFAMILY FINANCE PRODUCTION DIVISION

BOARD ACTION REQUEST

July 28, 2004

Action Item

Appeal denial of Quantifiable Community Participation (QCP) points of one 2004 Housing Tax Credit (HTC) Application.

Requested Action

Issue a determination on the appeal.

Background and Recommendations

I. Riverview Apartments, #04163

The Applicant submitted an appeal to the Executive Director on June 14, 2004, disputing the denial of QCP points for the Application. The Applicant requested reconsideration of QCP point allocation for letters sent from three organizations, namely the Christians in Action organization, the Concho Valley Community Action Agency, and the League of United Latin American Citizens. On June 28, 2004, the Executive Director responded to the appeal stating that pursuant to Section 50.9(g)(2) of the 2004 Qualified Allocation Plan (QAP) none of the letters met the requirements to be scored. The applicant is specifically appealing the letter from the League of United Latin American Citizens. The letter did not meet the requirements because it serves an entire county, not the specific neighborhood. Therefore, this organization is not a "neighborhood organization" within the meaning of the requirement. The Applicant submitted an appeal to the Board on July 13, 2004, regarding QCP point scoring for the letter from the League of United Latin American Citizens.

Relevant documentation related to this appeal is provided behind the Board Action Request.

Applicant:	Riverview Apartments, Ltd.
Site Location:	Corner of Rio Concho Drive & S. Irene St.
City/County:	San Angelo/Tom Green
Regional Allocation Category:	Urban/Exurban
Set-Aside:	General
Population Served:	Family
Region:	12
Type of Development:	New Construction
Units:	100
Credits Requested:	\$735,023

Staff Recommendation: The Executive Director denied the original appeal. Staff is recommending that the Board also deny the appeal of the termination.

Board Appeal

Riverview Apartments

July 13, 2004

Delores Groneck
507 Sabine Suite 400
Austin, Texas 78711-3941

RECEIVED

JUL 13 2004

RE: Appeal of Executive Director Response
Riverview Apartments TDHCA # 04163

EXECUTIVE

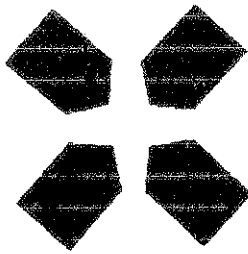
Dear Ms. Groneck:

In response to the denial of appeal for Riverview Apartments issued by Executive Director, Edwina Carrington on June 28, 2004, the applicant requests an appeal to the TDHCA governing board for the issues of letters of Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). The applicant would like to address specifically the letter of support from the League of United Latin American Citizens. Thank you for your time.

Sincerely,



Tim Smith
Contact Person
Riverview Apartments



04163

BARRON
BUILDERS & MANAGEMENT COMPANY, INC.

1544 Sawdust Road, Suite 210
The Woodlands, Texas 77380
Phone 281.363.8705
Fax 281.367.8418

Fax Cover Sheet

RECEIVED

JUL 13 2004

EXECUTIVE

Date: 7/13/04

To: Debra Gromet

Fax #: 512-472-8526

From: Tim Smith

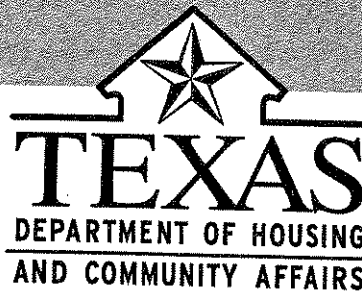
Development Coordinator

Number of Pages (Including This Page): 2

Comments: Appeal Riverview Apts

If This Transmission Was Incomplete,
Please Call: 281.363.8705
THANK YOU!!

Executive Director's Response



WWW.TDHCA.STATE.TX.US

June 28, 2004

RICK PERRY
Governor

Tim Smith
Riverview Apartments, Ltd.
1544 Sawdust Rd., Suite 210
The Woodlands, TX 77380
Telephone: (281) 363-8705
Fax: (281) 367-8418

EDWINA P. CARRINGTON
Executive Director

BOARD MEMBERS
Elizabeth Anderson, Chair
Shadrick Bogany
C. Kent Conine
Vidal Gonzalez
Patrick R. Gordon
Norberto Salinas

Re: Response to appeal received June 14, 2004
Riverview Apartments TDHCA Project No. 04163

Dear Mr. Smith:

Appeal Review

I have carefully reviewed the application you submitted, as well as your appeal that we received on June 14, 2004 on the above-referenced development, regarding the eligibility of your application to receive points for Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met.

Unfortunately, the letter from Riverview Apartments did not meet the requirements to be scored. The letter does not provide documentation indicating that the organization's boundaries include the Development site. Additionally, the letter did not provide the total number of members of the organization, nor give a brief description of the process used to determine the members' position of support for the Development, only that they met with the Developer. Only a total number of board members and advisory board members were given. Lastly, documentation indicates the organization serves an entire region, not the specific neighborhood. Therefore, the organization is not a 'neighborhood organization' within the meaning of the requirement.

The letter from the League of United Latin American Citizens also did not meet the requirements because it serves an entire county, not the specific neighborhood. Therefore, the organization is not a 'neighborhood organization' within the meaning of the requirement.

Mr. Tim Smith
June 28, 2004

The letter from the Concho Valley Community Action Agency did not meet the requirements as well. The letter did not specifically provide the total number of members of the organization, only the Board of Directors. The agency also serves eleven counties, not the specific neighborhood. Therefore, the organization is not a 'neighborhood organization' within the meaning of the requirement.

Appeal Determination

Because of the above-mentioned reasons, your appeal is denied.

Section 50.18(b)(4) of the 2004 QAP states that if you are not satisfied with this response to your appeal, you may appeal directly in writing to the Board of the Texas Department of Housing and Community Affairs. Please note that an appeal filed with the Board must be received by the Board before the seventh day preceding the date of the Board meeting at which the relevant commitment decision is expected to be made. To have an appeal considered by the Board at the July 8 Board meeting, the appeal must be received by Delores Groneck, Board Secretary, no later than June 30, although it is strongly suggested that you submit it by June 29, 2004.

If you have questions or comments, please call (512) 475-3340.

Sincerely,



Edwina P. Carrington
Executive Director

EPC/BLB/MFMU

#04163
#04163

EXECUTIVE DIRECTOR'S
ACTION ITEM

DATE: June 25, 2004

(please highlight if applicable)

RUSH

ITEM: Appeal Response Riverview Apartments # 04163

Staff to Contact: Brooke Boston

Phone No: 5-3296

BACKGROUND: An appeal was received June 14, 2004. In accordance with the Appeals Policy in the QAP, a response from the Executive Director must be provided by 5:00 June 28.

PROPOSAL: Please review the attached appeal response letter.

ACTION REQUESTED: Please sign this action item and the appeal response letter.


ATTACHMENTS:

- Appeal letter for signature.
- Copy of appeal

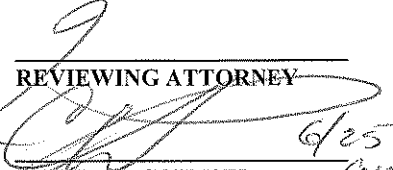
APPROVED BY:


DIVISION DIRECTOR

N/A
CHIEF - AGENCY ADMINISTRATION

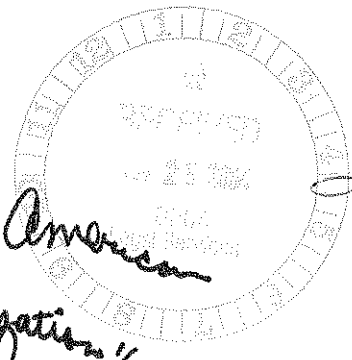

DEPUTY EXECUTIVE
DIRECTOR - PROGRAMS

N/A
DIRECTOR OF HOUSING
CENTER


REVIEWING ATTORNEY
GENERAL COUNSEL *6/25 see
instructions*

COMMENTS:

*no hyper on Latin American
neighborhood organization*




EXECUTIVE DIRECTOR

6/27/04
DATE APPROVED

*** TX REPORT ***

TRANSMISSION OK

TX/RX NO 2271
CONNECTION TEL 912813678418
CONNECTION ID
ST. TIME 06/28 11:36
USAGE T 01'05
PGS. SENT 2
RESULT OK



WWW.TDHCA.STATE.TX.US

June 28, 2004

RICK PERRY
Governor

EDWINA P. CARRINGTON
Executive Director

BOARD MEMBERS
Elizabeth Anderson, Chair
Shadrick Bogany
C. Kent Conine
Vidal Gonzalez
Patrick R. Gordon
Norberto Salinas

Tim Smith
Riverview Apartments, Ltd.
1544 Sawdust Rd., Suite 210
The Woodlands, TX 77380
Telephone: (281) 363-8705
Fax: (281) 367-8418

Re: Response to appeal received June 14, 2004
Riverview Apartments TDHCA Project No. 04163

Dear Mr. Smith:

Appeal Review

I have carefully reviewed the application you submitted, as well as your appeal that we received on June 14, 2004 on the above-referenced development, regarding the eligibility of your application to receive points for Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met.

Unfortunately, the letter from Riverview Apartments did not meet the requirements to be scored. The letter does not provide documentation indicating that the organization's boundaries include the Development site. Additionally, the letter did not provide the total number of members of the organization, nor give a brief description of the process used to determine the members' position of support for the Development, only that they

Executive Director's Appeal

June 14, 2004

RECEIVED

JUN 14 2004

LIHTC

Edwina Carrington
Texas Department of Housing & Community Affairs
501 Sabine, Suite 300
Austin, TX 78701

In reply to: Appeal: Christians In Action
Neighborhood Input on 2004 Housing Tax Credit Application Riverview Apartments
TDHCA Number: 04163

Dear Edwina Carrington,

Christians In Action's letter of support for Riverview Apartments was ruled ineligible for points under Quantifiable Community Support, for the following reason(s):

1. Insufficient documentation was provided to show that the organization's boundaries include the proposed development site.
2. Your letter did not provide either the total number of members of the organization or a brief description of the process used to determine the members' position, or did not provide both.
3. Insufficient documentation was provided to show that the organization is a 'neighborhood organization' within the meaning of the requirement.

Riverview Apartments formally appeals this decision as this letter does meet the requirements set forth in the 2004 QAP for Quantifiable Community Participation.

The issue of the organization's boundaries is addressed on the last page of the support letter. It states that the organization serves the Concho Valley, which a fourteen county region, including the county of Tom Green, in which the development site is located.

Issue number two is addressed in the last paragraph on the first page of the support letter, describing how the organization arrived at its determination of position. The last page states the number of members the organization as the board of directors, two executive officers, and a C.E.O.

The contact person for the applicant, Tim Smith, discussed this criterion with Chris Wittmayer, General Counsel for TDHCA. Mr. Wittmayer relayed to Mr. Smith that this organization did not meet the definition of a neighborhood organization because the dictionary defined a neighborhood as people that live close to one another, and this organization is too broad in scope to have such a composition. When questioned by Mr. Smith about the definition of neighborhood organizations in the QAP, Mr. Wittmayer elaborated that the definition in the QAP is too broad, and while an organization must meet the definition of the QAP, it must also consist solely of people who live close to one another. Mr. Wittmayer stated that because of this criterion, an organization that served a city or county could not

qualify as a neighborhood organization, and thus, the Christians In Action did not constitute a neighborhood organization.

Riverview Apartments appeals that this ruling is inconsistent with the 2004 QAP. According to the QAP §50.9(g)(2)(B):

"For the purposes of the scoring of this exhibit, neighborhood organizations are organizations that are on record with the county or state in which the development is proposed to be located as of March 1 of the application year [2004] and that have a primary purpose of working to affect matters related to the welfare of the neighborhood that contains the proposed development site, not including governmental entities."

This definition does not mention that a neighborhood organization must consist of a group of people who live close to one another. According to the QAP, the Christians In Action does qualify as a neighborhood organization because it is on record with the county or state and has primary purpose of working to affect the welfare of the neighborhood that contains the proposed development site. Although Mr. Wittmayer's point about the dictionary's definition of neighborhood is well taken, that is not the definition the QAP assigns to neighborhood organizations. The definition of 'developer' in the QAP and the definition found in the dictionary are very different, yet it is the definition in the QAP that is the standard by which all applications are judged.

Riverview Apartments requests that the letter of support from the Christians In Action be ruled as eligible for points under Quantifiable Community Participation and be awarded full points for such a letter under this category.

G. Barron Rush, Jr.



General Partner
Riverview Apartments, Ltd.

June 14, 2004

Edwina Carrington
Texas Department of Housing & Community Affairs
501 Sabine, Suite 300
Austin, TX 78701

RECEIVED
JUN 14 2004
LIHTC

In reply to: Appeal: League of United Latin-American Citizens
Neighborhood Input on 2004 Housing Tax Credit Application Riverview Apartments
TDHCA Number: 04163

Dear Edwina Carrington,

The League of United Latin-American Citizens' letter of support for Riverview Apartments was ruled ineligible for points under Quantifiable Community Support, for the following reason(s):

Insufficient documentation was provided to show that the organization is a 'neighborhood organization' within the meaning of the requirement.

Riverview Apartments formally appeals this decision as this letter does meet the requirements set forth in the 2004 QAP for Quantifiable Community Participation.

The contact person for the applicant, Tim Smith, discussed this criterion with Chris Wittmayer, General Counsel for TDHCA. Mr. Wittmayer relayed to Mr. Smith that this organization did not meet the definition of a neighborhood organization because the dictionary defined a neighborhood as people that live close to one another, and this organization is too broad in scope to have such a composition. When questioned by Mr. Smith about the definition of neighborhood organizations in the QAP, Mr. Wittmayer elaborated that the definition in the QAP is too broad, and while an organization must meet the definition of the QAP, it must also consist solely of people who live close to one another. Mr. Wittmayer stated that because of this criterion, an organization that served a city or county could not qualify as a neighborhood organization, and thus, the League of United Latin-American Citizens did not constitute a neighborhood organization.

Riverview Apartments appeals that this ruling is inconsistent with the 2004 QAP. According to the QAP §50.9(g)(2)(B):

"For the purposes of the scoring of this exhibit, neighborhood organizations are organizations that are on record with the county or state in which the development is proposed to be located as of March 1 of the application year [2004] and that have a primary purpose of working to affect matters related to the welfare of the neighborhood that contains the proposed development site, not including governmental entities."

This definition does not mention that a neighborhood organization must consist of a group of people who live close to one another. According to the QAP, the League of United Latin-American Citizens does qualify as a neighborhood organization because it is on record with the county or state and has primary purpose of working to affect the welfare of the neighborhood that contains the proposed

development site. Although Mr. Wittmayer's point about the dictionary's definition of neighborhood is well taken, that is not the definition the QAP assigns to neighborhood organizations. The definition of 'developer' in the QAP and the definition found in the dictionary are very different, yet it is the definition in the QAP that is the standard by which all applications are judged.

Riverview Apartments requests that the letter of support from the League of United Latin-American Citizens be ruled as eligible for points under Quantifiable Community Participation and be awarded full points for such a letter under this category.

G. Barron Rush, Jr.



General Partner
Riverview Apartments, Ltd.

June 14, 2004

Edwina Carrington
Texas Department of Housing & Community Affairs
501 Sabine, Suite 300
Austin, TX 78701

RECEIVED
JUN 14 2004
LIHTC

In reply to: Appeal: Concho Valley Community Action Agency
Neighborhood Input on 2004 Housing Tax Credit Application Riverview Apartments
TDHCA Number: 04163

Dear Edwina Carrington,

The Concho Valley Community Action Agency's letter of support for Riverview Apartments was ruled ineligible for points under Quantifiable Community Support, for the following reason(s):

Your letter did not provide either the total number of members of the organization or a brief description of the process used to determine the members' position, or did not provide both.

Insufficient documentation was provided to show that the organization is a 'neighborhood organization' within the meaning of the requirement.

Riverview Apartments formally appeals this decision as this letter does meet the requirements set forth in the 2004 QAP for Quantifiable Community Participation.

The forth paragraph on the first page of the support letter address how the organization arrived at it's determination as well as stating the number of members the organization, a 15 member board of directors.

The contact person for the applicant, Tim Smith, discussed this criterion with Chris Wittmayer, General Counsel for TDHCA. Mr. Wittmayer relayed to Mr. Smith that this organization did not meet the definition of a neighborhood organization because the dictionary defined a neighborhood as people that live close to one another, and this organization is too broad in scope to have such a composition. When questioned by Mr. Smith about the definition of neighborhood organizations in the QAP, Mr. Wittmayer elaborated that the definition in the QAP is too broad, and while an organization must meet the definition of the QAP, it must also consist solely of people who live close to one another. Mr. Wittmayer stated that because of this criterion, an organization that served a city or county could not qualify as a neighborhood organization, and thus, the Concho Valley Community Action Agency did not constitute a neighborhood organization.

Riverview Apartments appeals that this ruling is inconsistent with the 2004 QAP. According to the QAP §50.9(g)(2)(B):

"For the purposes of the scoring of this exhibit, neighborhood organizations are organizations that are on record with the county or state in which the development is proposed to be located

as of March 1 of the application year [2004] and that have a primary purpose of working to affect matters related to the welfare of the neighborhood that contains the proposed development site, not including governmental entities."

This definition does not mention that a neighborhood organization must consist of a group of people who live close to one another. According to the QAP, the Concho Valley Community Action Agency does qualify as a neighborhood organization because it is on record with the county or state and has primary purpose of working to affect the welfare of the neighborhood that contains the proposed development site. Although Mr. Wittmayer's point about the dictionary's definition of neighborhood is well taken, that is not the definition the QAP assigns to neighborhood organizations. The definition of 'developer' in the QAP and the definition found in the dictionary are very different, yet it is the definition in the QAP that is the standard by which all applications are judged.

Riverview Apartments requests that the letter of support from the Concho Valley Community Action Agency be ruled as eligible for points under Quantifiable Community Participation and be awarded full points for such a letter under this category.

G. Barron Rush, Jr.



General Partner
Riverview Apartments, Ltd.

QCP Documentation



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

Elma Jaques
League of United Latin-American Citizen
2014 Mermaid
San Angelo, TX 76904

RE: Neighborhood Input on 2004 Housing Tax Credit Application Riverview Apartments
TDHCA Number: 04163

Attention: Elma Jaques

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

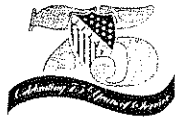
Insufficient documentation was provided to show that the organization is a 'neighborhood organization' within the meaning of this requirement.

While your letter will not be scored, your comments will still be summarized and provided to the Governing Board of the Department as they make decisions regarding which applications will receive an allocation of credits. You are also welcome to provide public comment at the Board's meetings on these developments which take place on June 28, 2004 and July 28, 2004 in Austin. If you have any questions, please do not hesitate to contact the Department at 512.475.3800. Also, on Friday June 18, 2004 at 10:00 a.m. the Department will conduct an Open Forum at it's office in Austin. If you have any questions or comments about the evaluation of your letter you are invited to attend this forum.

Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division



League of United Latin American Citizens

3/4/2004

Ms. Elma Jaques
President
LULAC Council #637
2014 Mermaid
San Angelo, TX 76904

Dear Ms. Jaques:

Thank you for submitting the 2004 re-charter application for LULAC Council 637. The council re-charter certificate and membership cards for all members, are enclosed in this packet. Please review the materials to ensure their accuracy. Should you have any corrections or questions, feel free to contact me (Monday through Friday from 8am to 5pm MTST) by telephone at 915-577-0726, via fax 915-577-0914, mail (201 East Main, Suite 605, El Paso, TX 79901) or email (gmorales@lulac.org).

Remind your members to always carry their membership cards to meetings and other LULAC events particularly the LULAC National Convention. This card guarantees their good standing at the national level and consequently facilitates the registration process at convention.

Please keep in mind that in order to be in "Good Standing" with the national office, your council must also be in good standing with the district and state offices - paying dues where applicable. Failure to pay these dues may prevent your council from voting at district, state and national conventions. Read the membership guidelines carefully, particularly those regarding deadlines.

Again, thank you for your continued support. I look forward to working with you this year to strengthen and increase LULAC's membership.

Sincerely,

Lupe Morales
LULAC National Membership Coordinator

Do not write in the space above

a T Code ■ 13196
**TEXAS FRANCHISE TAX
 PUBLIC INFORMATION REPORT**

MUST be filed to satisfy franchise tax requirements

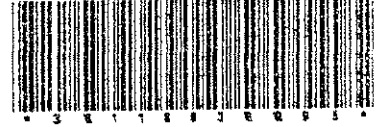
Corporation name and address
 L U L A C SAN ANGELO CHAPTER 637
 2014 MERMAID RD
 SAN ANGELO TX 76904-7755

c. Taxpayer identification number 3-01189-3009-5	d. Report year 2004
---	------------------------

e. PIR / IND ■ <input type="checkbox"/> 1, 2, 3, 4
Secretary of State file number or, if none, Comptroller unchartered number
g. ■
Item k on Franchise Tax Report, Form 05-142 0141263401 4

If the preprinted information is not correct, please type or print the correct information.

The following information MUST be provided for the Secretary of State (SOS) by each corporation or limited liability company that files a Texas Corporation Franchise Tax Report. Use additional sheets for Sections A, B, and C, if necessary. The information will be available for public inspection.



Blacken this circle completely if there are currently no changes to the information preprinted in Section A of this report. Then, complete Sections B and C.

Please sign below! Officer and director information is reported as of the date a Public Information Report is completed. The information is updated annually as part of the franchise tax report. There is no requirement or procedure for supplementing the information as officers and directors change throughout the year.

Corporation's principal office _____
 Principal place of business _____

SECTION A. Name, title, and mailing address of each officer and director.

NAME	TITLE	DIRECTOR	Term expiration (mm-dd-yyyy)
LUPE BAUGHMAN MAILING ADDRESS: PO BOX 183 SAN ANGELO, TX 76902	SECRETARY	<input type="checkbox"/> YES	
ELMA JAQUES MAILING ADDRESS: 2014 MERMAID RD SAN ANGELO, TX 76904	PRESIDENT	<input type="checkbox"/> YES	
ANGIE MENCHACA MAILING ADDRESS: 126 W AVE H SAN ANGELO, TX 76901	VICE PRESI	<input type="checkbox"/> YES	
ARLENE GARCIA MAILING ADDRESS: 1216 S DAVID SAN ANGELO, TX 76901	TREASURER	<input type="checkbox"/> YES	
LUPE BAUGHMAN MAILING ADDRESS: PO BOX 183 SAN ANGELO, TX 76902	DIRECTOR	<input checked="" type="checkbox"/> YES	

SECTION B. List each corporation or limited liability company, if any, in which this reporting corporation or limited liability company owns an interest of ten percent (10%) or more. Enter the information requested for each corporation or limited liability company.

Name of owned (subsidiary) corporation	State of incorporation	Texas SOS file number	Percentage interest

SECTION C. List each corporation or limited liability company, if any, that owns an interest of ten percent (10%) or more in this reporting corporation or limited liability company. Enter the information requested for each corporation or limited liability company.

Name of owning (parent) corporation	State of incorporation	Texas SOS file number	Percentage interest

Registered agent and registered office currently on file. (See instructions if you need to make changes.)

Agent: ELMA JAQUES
 Office: 2014 MERMAID ST.
 SAN ANGELO, TX 76904

Blacken this circle if you need forms to change this information. Changes can also be made on-line at <http://www.sos.state.tx.us/corpsosda/index.shtml>

I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief, as of the date below, and that a copy of this report has been mailed to each person named in this report who is an officer or director and who is not currently employed by this corporation or limited liability company or a related corporation.

sign here <i>Elma Jaques</i>	Officer, director, or other authorized person	Title <i>President</i>	Date <i>4-11-04</i>	Daytime phone (Area code and number) <i>4-11-04 325-942-1836</i>
------------------------------	---	------------------------	---------------------	--

TEXAS CORPORATION
FRANCHISE TAX REPORT - Page 2

a. 13120
d. 04 ANNUAL

Please do not write in space above.

h. 0141263401 4 i. .04500

13120301189300950401412634014045008

c. Taxpayer number: 3-01189-3009-5
f. Taxpayer name: L U L A C SAN ANGELO CHAPTER 637



SCHEDULE B - COMPUTATION OF SURTAX ON NET TAXABLE EARNED SURPLUS

13. Enter beginning and ending date of your accounting period (See instructions for dates to use)	Beginning date	Ending date
14. If you do not have a Texas Charter and PL 86-272 applied during the period shown in Item 13, enter the effective date.		
15. Business loss carryover from prior years (See instructions) (NOTE: An amount cannot be entered for the 1st initial report.)		
16. Gross receipts in Texas (Whole dollars only) (If you had "0" gross receipts in Texas, enter "0" in Item 23 and complete the remainder of the report.)		00
17. Gross receipts everywhere (Whole dollars only)		00
18. Apportionment factor (Item 16 divided by Item 17)		00
19. Federal taxable income (Before net operating loss deduction and special deductions. See instructions)		
20. Special deductions (See instructions)		00
a. I.R.S. Form 1120, Schedule C, Special Deductions		00
b. Other authorized deductions		00
21. Officer and director compensation (See instructions)		00
22. Earned surplus (Item 19 minus Items 20a and 20b plus Item 21)		00
23. Apportioned earned surplus (Dollars and cents) (Multiply Item 22 by Item 18)		00
24. Allocated earned surplus (Does not include dividends and interest, AND does not apply to 1992 or 1993 report years.)		
25. Apportioned plus allocated earned surplus (Item 23 plus Item 24)		
26. Allowable deductions (See instructions)		
27. Business loss carryover used this year (See instructions) (NOTE: An amount cannot be entered for the 1st initial report.)		
28. Net taxable earned surplus (Item 25 minus Item 26 and Item 27) (If less than "0," enter "0")		
29. Tax due on net taxable earned surplus (Multiply Item 28 by .04500)		
30. Temporary credit (See instructions)		
31. Net tax due on net taxable earned surplus (Item 29 minus Item 30) (If less than "0," enter "0")		
32. Net tax due (Enter the greater of Item 12 on Page 1 or Item 31)		
33. Additional tax due if temporary credit has been claimed on this or previous reports (Multiply Item 11 by .00200)		
34. Tax credits (If credits are claimed Schedule D must be completed and submitted--see instructions.) (NOTE: Please do not enter extension payments, penalty, interest, or prior payments on this line.)		
35. Total tax due (Item 32 plus Item 33 minus Item 34. Enter here and in Item 36 on Page 1.) (NOTE: If less than \$100, or if Item 4 and Item 17 are each less than \$150,000, you do not owe tax. Enter 0 (zero) in Item 36.)		

COMPLETE SCHEDULE C on Page 1.

I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief.

Signature: *[Handwritten Signature]* Print or type name: *ELAB JAGUES* Date: *4-11-04*

Daytime phone (Area code and no):

0096545

06-141 (Rev. 2-03/11) (Rev. 3-03/11) (Rev. 2-03/11)

Do Not Staple or Paper Clip

4444

TEXAS FRANCHISE NO TAX DUE INFORMATION REPORT - SHORT FORM -

13108 04 ANNUAL
 131003011893009504014126340147

Please do not write in the space above
 This form may not be used to file a final franchise tax report. Please use Form 05-139, Texas Final Corporation Franchise Tax Report.

PLEASE READ INSTRUCTIONS ON BACK.

c. Taxpayer number 3-01189-3009-5	f. Due date 05/17/2004	g. Privilege period covered by this report 01/01/2004 through 12/31/2004
--------------------------------------	---------------------------	---

0141263401 4

Taxpayer name and mailing address
 L U L A C SAN ANGELO CHAPTER 637
 2014 MERMAID RD
 SAN ANGELO TX 76904-7755

Mail to: COMPTROLLER OF PUBLIC ACCOUNTS
 111 E. 17th STREET
 AUSTIN, TX 78774-0100

FRANCHISE TAX QUESTION? CALL US 1-800-252-1381

Check this box if your mailing address has changed and indicate changes.

YOU ARE ELIGIBLE TO USE THIS FORM TO FILE YOUR NO TAX DUE INFORMATION REPORT IF YOUR CORPORATION FOR THE ACCOUNTING PERIOD ON WHICH THIS REPORT IS BASED.

- had no gross receipts in Texas; OR
- had gross receipts everywhere of less than \$150,000 (item 2 and item 3 must each be less than \$150,000.); OR
- had total taxable capital less than \$40,000 (less than \$17,800 if this is an initial report) AND earned surplus (including officer and director compensation, if applicable) of less than \$2,222.00.

If you are eligible to use this form, complete, sign, and return it by the due date with your completed Franchise Tax Public Information Report, Form 05-102. If you are not eligible to file this form, please complete the Texas Corporation Franchise Tax Report-Pages 1 and 2, Forms 05-142 and 05-143, and the Franchise Tax Public Information Report, Form 05-102.

NOTE: You must also file a final report in the year you wish to terminate (i.e., dissolve, merge, or convert) the corporation's existence. Foreign corporations must file a final report in the year they cease to have nexus in Texas. See Form 05-139.

1. Enter the beginning and ending dates of your accounting period	Beginning date	01/01/04	Ending date	12/31/04
2. Gross receipts everywhere for taxable capital	\$			00
3. Gross receipts everywhere for taxable earned surplus	\$			00

Print or type name (Officer, director or other authorized person) <i>Elmer Jacques</i>	Daytime phone (Area code & number) 325-942-1836
Officer, director or other authorized person <i>Elmer Jacques President</i>	Date 4-11-04

TO FILE YOUR NO TAX DUE INFORMATION REPORT, DETACH AND RETURN THE TOP PORTION ONLY.
 Keep a copy for your records.

TO REQUEST AN EXTENSION TO FILE A REPORT, DETACH AND RETURN THE EXTENSION FORM BELOW

EXTENSION REQUEST FOR TEXAS CORPORATION FRANCHISE TAX REPORT

a. 13850	b. 13198	ANNUAL	
1. Taxpayer number 3-01189-3009-5	2. Report year 2004	c. 04	3. Due date 05/17/2004

b. Please do not write in the space above

5. Will you begin using your temporary credit for the report year for which you are requesting this extension? YES 1 NO 2

6. Extension payment due and payable -

4. File number 0141263401	d. 4	e. FM
------------------------------	------	-------

Taxpayer name and mailing address
 L U L A C SAN ANGELO CHAPTER 637
 2014 MERMAID RD
 SAN ANGELO TX 76904-7755

Make the amount in item 6 payable to STATE COMPTROLLER
 Mail to: COMPTROLLER OF PUBLIC ACCOUNTS
 111 E. 17th STREET, AUSTIN, TX 78774-0100

Print or type name (Officer, director or other authorized person)	Date
Daytime phone (Area code & number)	

TEXAS ANNUAL INSURANCE TAX REPORT
(INDEPENDENTLY PROCURED INSURANCE)

Type or print.

Do NOT write in shaded areas.

a. T Code ■ **71140**

You have certain rights under Ch. 559, Government Code, to review, request, and correct information we have on file about you. Contact us at the address or toll-free number listed on this form

c. Taxpayer number

d. Filing period

f. Due date

Taxpayer name and tax report mailing address (Make necessary name and address changes below)

g.

h. IMPORTANT

Blacken this box if your mailing address has changed. Show changes by the preprinted information.



You may owe tax on independently procured insurance if you are domiciled or headquartered in Texas, have obtained a policy from a company not licensed to do business in Texas, and all negotiations for the purchase of the policy occurred outside of Texas.

if you purchased insurance from a company not licensed to do business in Texas and any transaction involving the procurement of the insurance occurred in Texas, including negotiations, delivery of the policy or payment of the premium, then unauthorized insurance tax is due. If the insurance company does not remit this tax to Texas, then you are liable for the tax. Ask for Form 25-106.

COMPLETE THIS SECTION ONLY IF YOU MEET THE CRITERIA LISTED ABOVE FOR INDEPENDENTLY PROCURED INSURANCE.

REQUIRED INFORMATION: In the box below, you must provide the requested information for each policy for which you are paying tax. If you need additional space, attach a separate sheet in the prescribed format.

POLICY NUMBER	NAME AND ADDRESS OF INSURER	GROSS PREMIUM CHARGED	PREMIUM ALLOCATED TO TEXAS	EFFECTIVE DATE OF POLICY	TYPE OF INSURANCE

PREMIUM TAX CALCULATION

- Total Texas premiums less return premiums subject to tax rate of 4.85% ("Premium" includes any premiums, membership fees, dues, or other consideration for insurance) (Dollars and cents) 1. ■ _____
- Premium tax rate 2. 0.0485
- Total tax due (Multiply Item 1 by Item 2) 3. ■ _____

Form 25-103 (Rev. 1-04/10)

***** RETURN THIS ENTIRE FORM *****

- Penalty and interest due (See instructions) 4. _____
- TOTAL AMOUNT DUE AND PAYABLE (Item 3 plus Item 4) 5. ■ 00.

Taxpayer name

■ T Code ■ Taxpayer number ■ Period

I declare that the information in this document and all attachments is true and correct to the best of my knowledge and belief.

Authorized agent
 sign here *Elmer Jacques*
 Elmer Jacques, President
 Daytime phone (Area code & number) 325-942-1836 Date 4-11-04

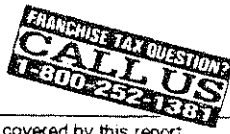
Make the amount in item 5 payable to STATE COMPTROLLER. Our mailing address is 111 E. 17th Street, Austin, TX 78774-0100.

If you have any questions regarding insurance tax, you may contact the Texas State Comptroller's field office in your area or call 1-800-252-1387, toll free, nationwide. The Austin number is 512/463-4600. If you're calling from a Telecommunications Device for the Deaf (TDD), the toll-free number is 1-800-248-4099, or in Austin, 512/463-4621.

TEXAS CORPORATION
FRANCHISE TAX REPORT - Page 1

a. ■ 13101
d. ■ 04 ANNUAL

Please do not write in space above
i. ■ Blacken box to indicate your accounting method GAAP 1 FIT 2
■ If Close and/or "S," blacken the applicable box(es) Close 3 "S" 4



13101301189300950401412634014002507

c. Taxpayer number ■ 3-01189-3009-5	f. Due date 05/17/2004	g. Privilege period covered by this report 01/01/2004 through 12/31/2004
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h. Taxpayer name and mailing address

LU L A C SAN ANGELO CHAPTER 637
2014 MERMAID RD
SAN ANGELO TX 76904-7755

2H07

k. ■ 0141263401 ■ 4 l. ■ .00250

Check this box if your address has changed.

READ DETAILED INSTRUCTIONS BEFORE COMPLETING THIS REPORT
SCHEDULE A - COMPUTATION OF TAX DUE ON NET TAXABLE CAPITAL

Print your numerals in boxes as shown

0	1	2	3	4	5	6	7	8	9
---	---	---	---	---	---	---	---	---	---

1. Is this corporation the survivor of a merger? NO - Proceed to Item 2. YES - See instructions BEFORE proceeding to Item 2.
2. Enter the ending date of your accounting period. (See instructions for date to use) ----- 2. ■
3. Gross receipts in Texas (Whole dollars only) (If you had "0" gross receipts in Texas, enter "0" in Item 11 and SKIP TO ITEM 13.) ----- 3. ■ 00
4. Gross receipts everywhere (Whole dollars only) ----- 4. ■ 00
5. Apportionment factor (Item 3 divided by Item 4) ----- 5.
6. Stated capital (See instructions for determining stated capital) ----- 6. ■ 00
7. Surplus (See instructions for determining surplus) ----- 7. ■ 00
8. Total taxable capital (Item 6 plus Item 7) (If less than "0," enter "0") ----- 8. ■ 00
9. Apportioned taxable capital (Multiply Item 8 by Item 5) ----- 9. ■ 00
10. Allowable deductions (See instructions) ----- 10. ■ 00
11. Net taxable capital (Item 9 minus Item 10) (If less than "0," enter "0") ----- 11. 00
12. Tax due on net taxable capital (Multiply Item 11 by .00250) ----- 12. ■ 00

Complete SCHEDULE B (Items 13-35) on Page 2, then complete SCHEDULE C below.

SCHEDULE C - TOTAL AMOUNT DUE AND PAYABLE

FOR ALL REPORT YEARS, if the amount in Item 35 is LESS THAN \$100, you do not owe tax. FOR REPORTS ORIGINALLY DUE ON OR AFTER JANUARY 1, 2000, if Item 4 and Item 17 are each less than \$150,000 you do not owe any tax. Enter zero (0) in Item 36, sign on Page 2, and file the report even if no tax is due. If tax is due, complete Schedule C, sign on Page 2, and file the report.

36. Total tax due on this report (Enter the amount from Item 35.) ----- 36.
37. Enter prior payments (Credit available \$ as of 02/12/04) ----- 37.
38. Net tax due (item 36 minus Item 37) ----- 38.
39. PENALTY: 1-30 days late-5% of Item 38. More than 30 days late-10% of Item 38. (See instructions for calculating penalty if an extension was filed.) ----- 39.
40. INTEREST: (See instructions) ----- 40.
41. TOTAL AMOUNT DUE AND PAYABLE - (Item 38 plus Item 39 plus Item 40) ----- 41. ■ \$

Make amount payable to STATE COMPTROLLER

LU L A C SAN ANGELO CHAPTER 637

13021 30118930095 04 0141263401 4 2



League of United Latin American Citizens

All for One... One for All

2004 Certificate of Recharter

Be it known to all that

LULAC Council #637

in the State of Texas has been duly rechartered by authority of the National Board of Directors of the League of United Latin American Citizens and is in good standing with the League for the year of 2004.

By virtue of this recharter, said local council and its members are entitled to all rights and privileges granted in accordance with the Constitution and By-Laws of the League of United Latin American Citizens.

*By order of the National Board of Directors in Witness whereof
the official seal of the League is affixed hereto*

National President, Hector M. Flores

MULTIFAMILY FINANCE PRODUCTION DIVISION
BOARD ACTION REQUEST
July 28, 2004

Action Item

Appeal denial of Quantifiable Community Participation (QCP) points and Pre-Application points of one 2004 Housing Tax Credit (HTC) Application.

Requested Action

Issue a determination on the appeal.

Background and Recommendations

I. Providence at Boca Chica, #04191

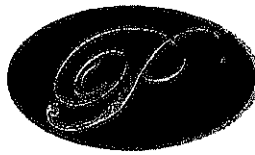
The Applicant submitted an appeal to the Executive Director on June 14, 2004, disputing the denial of QCP points for the Application and requesting reinstatement of Pre-Application points. On June 28, 2004, the Executive Director responded to the appeal stating that, consistent with Section 50.9(g)(2) of the 2004 Qualified Allocation Plan (QAP), the letter from the Poinsettia Association was reviewed to determine if all submission requirements were met. The Executive Director concluded that the letter to the Brownsville Housing Authority requesting the Poinsettia Association's registration with Cameron County did not have a clear date stamp. Therefore, the Department was unable to determine the filing date with the county. In regard to Pre-Application points, the Executive Director noted that the Department is only required, pursuant to §50.8(c) of the QAP, to review pre-applications for threshold requirements, not scoring items. Therefore, Pre-Application points were not reinstated. The Applicant submitted an appeal to the Board on July 13, 2004, regarding QCP point scoring for the letter from the Poinsettia Association as well as the Pre-Application points.

Relevant documentation related to this appeal is provided behind the Board Action Request.

Applicant:	Longbranch, L.P.
Site Location:	Intersection of Ash Street & Elm Street
City/County:	Brownsville/Cameron
Regional Allocation Category:	Urban/Exurban
Set-Aside:	At-Risk
Population Served:	Family
Region:	11
Type of Development:	Acquisition
Units:	158
Credits Requested:	\$1,034,927

Staff Recommendation: The Executive Director denied the original appeal. Staff is recommending that the Board also deny the appeal of the termination.

Board Appeal



PROVIDENT ODYSSEY PARTNERS, LP

JUL 2 AM 7:42

VIA FACSIMILE 512-475-0764

Ms. Edwina Carrington
Executive Director
Texas Department of Housing and Community Affairs
507 Sabine St
Austin, TX 78701

July 1, 2004

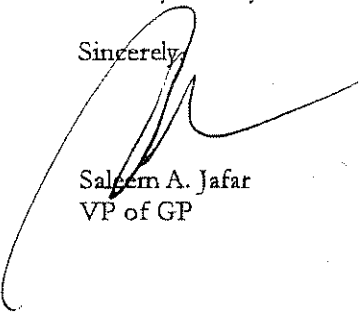
Re: Providence at Boca Chica TDHCA# 04191 9% tax credit application

Dear Ms. Carrington:

Please be advised that pursuant to the QAP, we are exercising our right to appeal to the TDHCA on the Board Meeting scheduled for July 28, 2004 on the same issues these applications were denied points for. Kindly have us put on the agenda for July 28 for comment and appeal.


Thank you for your consideration in this matter.

Sincerely,



Saleem A. Jafar
VP of GP

Executive Director's Response



TEXAS
DEPARTMENT OF HOUSING
AND COMMUNITY AFFAIRS

WWW.TDHCA.STATE.TX.US

June 29, 2004

RICK PERRY
Governor

EDWINA P. CARRINGTON
Executive Director

BOARD MEMBERS
Elizabeth Anderson, Chair
Shadrick Bogany
C. Kent Conine
Vidal Gonzalez
Patrick R. Gordon
Norberto Salinas

Saleem Jafar
Longbranch, L. P.
975 One Lincoln Centre
Dallas, TX 75240
Telephone: (972) 239-8500
Fax: (972) 239-8373

Re: Response to appeal received June 14, 2004
Providence at Boca Chica TDHCA Project No. 04191

Dear Mr. Jafar:

Appeal Review

I have carefully reviewed the application you submitted, as well as your appeal that we received on June 14, 2004 on the above-referenced Development regarding the eligibility of your application to receive points for Quantifiable Community Participation (QCP) under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the Development noted above.

Consistent with that section of the QAP, the letter from Poinsettia Association was reviewed to determine if all submission requirements were met. Unfortunately, the letter to the Brownsville Housing Authority requesting the Poinsettia Association's registration with Cameron County does not have a clear date stamp. Therefore, the Department was unable to determine the filing date with the county.

Regarding your appeal for your pre-application points, pursuant to §50.8(c) of the QAP, the Department is only required to review pre-applications for threshold requirements, not scoring items.

Appeal Determination

Because of the above mentioned reasons, your appeal is denied.


Section 50.18(b)(4) of the 2004 QAP states that if you are not satisfied with this response to your appeal, you may appeal directly in writing to the Board of the Texas Department of Housing and Community Affairs. Please note that an appeal filed with the Board must be received by the Board before the seventh day preceding the date of

Mr. Saleem Jafar
June 29, 2004

the Board meeting at which the relevant commitment decision is expected to be made. To have an appeal considered by the Board at the July 8 Board meeting, the appeal must be received by Delores Groneck, Board Secretary, no later than June 30.

If you have questions or comments, please call (512) 475-3340.

Sincerely,


Edwina P. Carrington
Executive Director

EPC/BLB/MFMU

EXECUTIVE DIRECTOR'S

ACTION ITEM

Ma

DATE: June 29, 2004

(please highlight if applicable)

RUSH

ITEM: Appeal Response Providence at Boca Chica #04191

Staff to Contact: Brooke Boston

Phone No: 5-3296

BACKGROUND: An appeal was received June ~~24~~⁵, 2004. In accordance with the Appeals Policy in the QAP, a response from the Executive Director must be provided by 5:00 June 28.

5:00 today!

PROPOSAL: Please review the attached appeal response letter.

ACTION REQUESTED: Please sign this action item and the appeal response letter.

ATTACHMENTS:

- Appeal letter for signature.
- Copy of appeal

APPROVED BY:

[Signature]
 N/A
 DIVISION DIRECTOR

N/A
 CHIEF - AGENCY ADMINISTRATION

[Signature]
 DEPUTY EXECUTIVE
 DIRECTOR - PROGRAMS

N/A
 DIRECTOR OF HOUSING
 CENTER

[Signature]
 REVIEWING ATTORNEY

COMMENTS:

GENERAL COUNSEL

EXECUTIVE DIRECTOR

DATE APPROVED

*** TX REPORT ***

TRANSMISSION OK

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RESULT OK



WWW.TDHCA.STATE.TX.US

June 29, 2004

.....
RICK PERRY
Governor

EDWINA P. CARRINGTON
Executive Director

BOARD MEMBERS
Elizabeth Anderson, Chair
Shadrick Bogany
C. Kent Conline
Vidal Gonzalez
Patrick R. Gordon
Norberto Salinas

Saleem Jafar
Longbranch, L. P.
975 One Lincoln Centre
Dallas, TX 75240
Telephone: (972) 239-8500
Fax: (972) 239-8373

Re: Response to appeal received June 14, 2004
Providence at Boca Chica TDHCA Project No. 04191

Dear Mr. Jafar:

Appeal Review

I have carefully reviewed the application you submitted, as well as your appeal that we received on June 14, 2004 on the above-referenced Development regarding the eligibility of your application to receive points for Quantifiable Community Participation (QCP) under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the Development noted above.

Consistent with that section of the QAP, the letter from Poinsettia Association was reviewed to determine if all submission requirements were met. Unfortunately, the letter to the Brownsville Housing Authority requesting the Poinsettia Association's registration with Cameron County does not have a clear date stamp. Therefore, the Department was unable to determine the filing date with the county.

Regarding your appeal for your pre-application points pursuant to 550.8(c) of the QAP.

Executive Director's Appeal

*** TX REPORT ***

TRANSMISSION OK

TX/RX NO 0155
RECIPIENT ADDRESS 15124728526
DESTINATION ID
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RECEIVED

JUN 15 2004

EXECUTIVE

PROVIDENT REALTY ADVISORS, INC.
ONE LINCOLN CENTRE
5400 LBJ FREEWAY
SUITE 975
DALLAS, TEXAS 75240
(972) 239-8500
FAX: (972) 239-8373

FACSIMILE TRANSMITTAL SHEET

TO: *MS EDWINA GARRINGTON* FROM: *Doug Backes ext. 110*
FAX NUMBER: *512 472 8526* DATE:
PHONE NUMBER: TOTAL # OF PAGES INCLUDING COVER:

*PROVIDENCE AT BOCA CHICA #04191 APPEAL OF
SCORING NOTICE*

URGENT FOR REVIEW PLEASE COMMENT PLEASE REPLY

NOTES/COMMENTS:

FIND ENCLOSED COPY OF :

PROVIDENT REALTY ADVISORS, INC.
ONE LINCOLN CENTRE
5400 LBJ FREEWAY
SUITE 975
DALLAS, TEXAS 75240
(972) 239-8500
FAX: (972) 239-8373

FACSIMILE TRANSMITTAL SHEET

TO:	FROM:
MS EDWINA CARRINGTON	Doug Backes ext. 110
FAX NUMBER:	DATE:
512 472 8526	
PHONE NUMBER:	TOTAL # OF PAGES INCLUDING COVER:

PROVIDENCE AT BOCA CHICA #04191 APPEAL OF
SCORING NOTICE

URGENT FOR REVIEW PLEASE COMMENT PLEASE REPLY

NOTES/COMMENTS:

- FIND ENCLOSED COPY OF:
1. LETTER OF REGISTRATION to Cameron County Clerk dated FEB. 27, 2004
 2. SCORING NOTICE APPEAL
 3. E-mail from Mr FISHER to JENNIFER JOYCE

Brownsville Housing Authority
 Poinsettia Association
 137 Oak Street
 Brownsville, Texas 78520
 (956) 986-2458

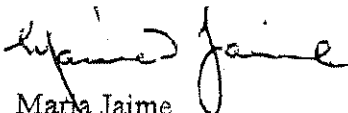
February 27, 2004

Joe G. Rivera
 Cameron County Clerk
 P.O. Box 2178
 Brownsville, Texas

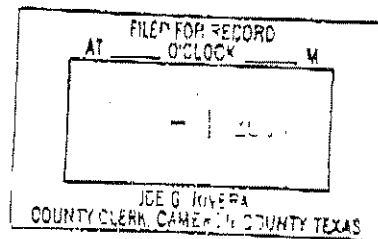
Dear Mr. Rivera:

The Poinsettia Association is hereby requesting that it be registered with Cameron County as a duly organized Neighborhood organization. Please indicate your receipt of the registration of the Poinsettia Association.

Sincerely,



Maria Jaime
 President



Longbranch, L.P.
975 One Lincoln Centre
5400 LBJ Freeway
Dallas, Texas 75240
972-239-8500
972-239-8373 fax

Ms. Edwina Carrington
Executive Director
TDHCA
507 Sabine
Austin, TX 78711

RE: Providence at Boca Chica # 04191; Scoring notice appeal

Dear Ms. Carrington:

This letter serves as our formal appeal of the final scoring of this application. The first item is the disallowance of any QCP points on the above referenced application. Please note this is a protective appeal as it is likely the project will receive a recommendation for tax credits under the at-risk, set aside and scoring criteria contained in the QAP in Region 11.

The issue with the disallowance of the QCP points was registration with the county or state. The developer provided a copy of the registration letter to the county, file stamped as received by the county within the time frame allowed, on or before February 28, 2004. I included a copy of this file stamped registration with this letter of appeal. This should address the deficiency sighted in your letter to the Poinsettia resident's organization and restore the 12 points requested.

We believe we are entitled to the pre app point for the reasons contained in my e-mail to Ms. Joyce earlier this year. A copy of which is attached hereto. The only real variance in the original request and the final should have been the change in the targeting points of 3. Everything else is due to a mutual scoring error by the department and the applicant regarding paragraphs 13 and 14 A or B.

If you require additional information please contact me at the letterhead address or phone number.

Sincerely,



Saleem Jafar
VP of the Developer

Bill Fisher

From: Bill Fisher
Sent: Saturday, April 24, 2004 10:41 AM
To: 'Jennifer Joyce'
Cc: 'Saleem Jafar'; Saleem Jafar
Subject: Scoring request #04191 and #04193

Tracking:	Recipient	Delivery	Read
	'Jennifer Joyce'		
	'Saleem Jafar'		
	Saleem Jafar	Delivered: 4/24/2004 10:41 AM	Read: 4/26/2004 10:33 AM

nnifer,

follow up to our call and my follow up e-mail on the scoring error in the pre app scores of Edinburg and Brownsville on paragraph 14 A, I am allowed to appeal this issue to the department at that time because we were only advised of this change by the administrative notice and subsequent request for clarification we made within the timeline of that notice. Our request for your adjustment of this issue between the faulty pre app and final app score is timely. Mistakes happen and when we recognize them the department has the authority to make the corrections. Especially when it is their own mistake. We relied on staff's determination in the pre app scoring review that these points would count. We received corrected pre app scoring notices from TDHCA that included these points.

We are not asking for inclusion of the 9 points in the final scores because we recognize with your deficiency notice that the points are not allowed under your explanation of the QAP in the final app review process. However, it does trigger our right to ask for that the department's error in the pre app score be corrected and that if you decline to do so, the item is fully appealable. I think the solution is clear that the department must correct their mistake. In addition, it is inequitable to put the applications to the housing authority sponsors in jeopardy due to the mistake made in the pre app scoring. This does not affect the true score of the transactions. It affects only the two applications vulnerability to the 5% variance change. This % change is not an issue with the right interpretation by staff of the paragraph 14 A points issue in the pre app round. This is not a detail issue in our unit mix or other hard to discern pre app score issue. As staff now explains, the issue is black and white. That did not change from pre app to final app.

Please correct the final pre score to reflect this oversight by staff or insulate us from the % change adjustment, if applicable.

This is not an issue because our final application scoring is within the 5% limit even with the extra 9 points in the pre application score then these communications are mute. However, if the issue of the 5% change is relevant to either application, we want to make sure our position is clear.

Thank You,

Bill Fisher

Proident Odyssey Farmers, LP

5 One Lincoln Centre

4/23/2004

400 LBJ Freeway

Dallas, Texas 75240

72-239-8500

fax: 972-239-8373

QCP Documentation



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

Maria Jaime
Poinsettia Association
137 Oak Street
Brownsville, TX 78520

RE: Neighborhood Input on 2004 Housing Tax Credit Application Providence at Boca Chica
TDHCA Number: 04191

Attention: Maria Jaime

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

Insufficient documentation was provided to show that the organization was on record as of March 1, 2004 with the state or county in which the development is proposed to be located.

While your letter will not be scored, your comments will still be summarized and provided to the Governing Board of the Department as they make decisions regarding which applications will receive an allocation of credits. You are also welcome to provide public comment at the Board's meetings on these developments which take place on June 28, 2004 and July 28, 2004 in Austin. If you have any questions, please do not hesitate to contact the Department at 512.475.3800. Also, on Friday June 18, 2004 at 10:00 a.m. the Department will conduct an Open Forum at it's office in Austin. If you have any questions or comments about the evaluation of your letter you are invited to attend this forum.

Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division

RECEIVED

APR 29 2004

EXECUTIVE

Texas Department of Housing & Community Affairs
ATTN: Director of Multifamily Finance Production Division (Neighborhood Support)
507 Sabine, Suite 400
PO Box 13941
Austin, TX 78711-3941

April 28, 2004

RE: Longbranch, LP: Providence at Boca Chica Housing Community, Brownsville, TX ,
TDHCA #04191

Dear Ms. Carrington:

We are writing this letter of support pursuant to section 50.9 (g)(2)(A) and (C) of the QAP with the intention of helping this application receive the maximum points (12) available under the neighborhood input scoring criteria. We are writing to express our support for an allocation of Housing Tax Credits for a planned new construction apartment community in Brownsville, TX. The new units will replace the 50 year old public housing currently in place on the site. It is specifically designated to serve the needs of Cameron County families. There is a well-recognized and growing need for quality, safe and affordable housing in our area of the Rio Grande Valley. The development proposed will provide 158 mixed income living units and a large community center to serve the specific needs of the community residents.

This development is part of an important effort by the Housing Authority of the City of Brownsville to replace its old stock of obsolete public housing units. We know from the current legislation that letters of support are considered in the scoring of the development. This letter is intended to convey our support for the development based upon the factors listed below:

1. The site design is low density with high quality exterior finishes
2. At least 7% of the units are designed specifically for residents with disabilities
3. The sponsor and developer have worked closely with our organization in the planning and implementation of this application
4. The mixed income nature of the development is considered a big plus for this development. The unit mix includes public housing, development supported section 8 vouchers, very low, low and market rate units all combined in the same development.
5. A high quality community center serves an important need for the residents of the community. It is available for not only organized activities of the community supportive services provider but also normal social activities (birthdays, anniversary and holiday activities) designed to bring the resident community and their families closer together.

6. The menu of supportive services available in the cost of the rent provides more than just a roof over our heads. They provided education oriented programs that allow the families to grow socially and economically.
7. The development is strategically located with easy access to employment centers, shopping and entertainment areas. It is the right location for this type of housing in our community.
8. It enjoys the support of our entire community as reflected in the letters of support from the Mayor, State Senator and State Representatives. Everyone in our community is behind this development in this specific location.
9. We really like the homeowner in training approach to the operation of the community to help each resident family achieve their goal of single family home ownership. The affordable rents insure financial stability and encourage savings programs that help position low income families to have a shot at home ownership in the future.
10. Affordable housing like this development stabilizes our community by insuring low income families grow economically so they can remain in our area for long periods of time. This brings stability to the area and the area school population.
11. The current housing stock in the location is not up to date. The buildings are not energy efficient and do not have basic central air conditioning. This is an important amenity in this area of Texas. This new housing stock addresses all these needs for modern features and cost efficiency.
12. The innovative financing of the development is a model for how communities can access resources working together to fulfill needs for housing stock in their neighborhoods. This development includes the following financing sources: Housing tax credits, HUD capital grant funds, development based section 8, development based public housing operating subsidy, conventional FNMA mortgage financing. There is innovative leveraging of all these resources in this development. We hope this is the first of many developed in this community using this type of creative and innovative financing.

Our position on each of these factors stem from review of the application material, material provided by the PHA and PHA board, information provided to us by the developer including renderings, site plans and specific amenity and resident screening criteria. The involvement of the community council in the implementation and structure of the relocation plan was another source of information that allowed us to draw these conclusions to support this development to TDHCA's board. Please remember we have been aware of the genesis of this development through our participation on the PHA board from the first moment the issue of disposition and redevelopment was raised at that level. This pre dates the application by more than one year.

Our resident's council is a formal neighborhood organization covering this specific geographic area. We have approximately 250 member families totaling approximately 400 adult participants. We have a representative elected by the council who serves on the board of directors of the PHA. We are the community's duly recognized voice and represent the interests of our resident families.

Page Three
Poinsettia Support Letter

We are organized and recognized under HUD title 24, Chapter IX Part 964. We registered our organization with Cameron County in February 2004. Filed of record evidence of this registration is provided with this letter.

The process to determine the support for this development began with a series of duly called meetings the applicant has documented including sign-in lists of the members who attended. It culminated in a meeting with the developer in February 2004. The council went on record at that time in full support of the development subject to one important condition; relocated residents be given first option to move back to the Poinsettia site into the new units. The developer has agreed to this condition which is also required by the HUD filed relocation plan. This vote of support was consistent with our understanding of the council's method of organized decision making. It is the same process the resident's council has utilized to make decisions and recommendations in the past.

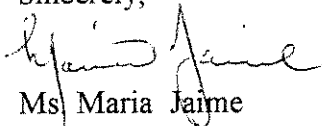
We are asking for your help to make the dream of quality, safe and affordable housing available for the low income residents of our community. I am the duly elected head of the organization with authority to sign on behalf of the Poinsettia association.

I can be contacted at the address and phone number below:

Poinsettia Association, Attn: Maria Jaime
137 Oak Street, Brownsville, TX 78520
(956) 986-2428

If I can be of further assistance, please do not hesitate to contact me.

Sincerely,



Ms. Maria Jaime
137 Oak St.
Brownsville, Texas 78521

Brownsville Housing Authority
 Poinsettia Association
 137 Oak Street
 Brownsville, Texas 78520
 (956) 986-2458

0419

February 27, 2004

Joe G. Rivera
 Cameron County Clerk
 P.O. Box 2178
 Brownsville, Texas

Dear Mr. Rivera:

The Poinsettia Association is hereby requesting that it be registered with Cameron County as a duly organized Neighborhood organization. Please indicate your receipt of the registration of the Poinsettia Association.

*Poinsettia Res Society, Inc
 Project President Camp*

Sincerely,

María Jaime

María Jaime
 President

*
 FILED FOR RECORD
 AT _____ O'CLOCK _____ M
 - 1 -
 JOE G. RIVERA
 COUNTY CLERK, CAMERON COUNTY TEXAS
 done?



PROVIDENT ODYSSEY PARTNERS, LP

RECEIVED

APR 30 2004

EXECUTIVE

Texas Department of Housing and Community Affairs
ATTN: Director of Multifamily Finance Production Division (Neighborhood Support)
507 Sabine, Suite 400
PO Box 13941
Austin, TX 78711-3941

April 29, 2004

RE: TDHCA # 04191 Longbranch, LP; Providence at Boca Chica, Brownsville, TX

Dear Ms. Carrington:

Please find attached a copy of the support letter sent to your office by the Poinsettia Association Neighborhood Organization, the by-laws of this organization and a map of its geographical area. Included is a representation of the area of the proposed development Providence at Boca Chica. Along with these items I have included copies of support letters from the State Senator, State Representative, County Commissioner, and Mayor, which should provide 21 points for community support of this Application for Housing Tax Credits

If you have any questions, or I can be of any further assistance, please do not hesitate to contact me at 972.239.8500 x 111

Sincerely,


Saleem Jafar
Vice President of General Partner

BS:TH:G:AH#

975 ONE LINCOLN CENTER - 5400 LBJ FREEWAY
DALLAS - TEXAS 75240
PH. 972-239-8500 FAX 972-239-8373
WWW.PROVIDENTREALTY.NET

MAP KEY

1. Yellow area indicates Poinsettia Association Neighborhood Organization area in Brownsville.
2. Diagonal slashes indicate approximate area of proposed development- Providence at Boca Chica.

POINSETTIA RESIDENT ASSOCIATION BY-LAWS

ARTICLE I NAME OF THE ASSOCIATION

The name of the Association is the POINSETTIA RESIDENT ASSOCIATION, a non-profit organization.

ARTICLE II PURPOSE

The purpose of this association is to provide opportunities for members to meet each other, exchange views and ideas, and plan social functions. Besides residents will engage in planning for innovative ideas to promote employment opportunities for residents; establish goals for improving housekeeping habits; improving community life and services; promoting self-sufficiency and upward mobility; work toward elimination of drugs and other substances; promote for home ownership in the private sector, and establish such other initiatives from time to time for the economic and welfare requirements of all residents.

ARTICLE III MEMBERSHIP

Membership in the Poinsettia Resident Association shall be restricted to residents of Poinsettia. All residents are automatically members of this Association.

ARTICLE IV MEETINGS

Regular meetings of the membership will be held the **second Monday** of each month at 5:30 P.M. in the Poinsettia Community Center. Unless otherwise designated the business at hand issues will take precedence at all meetings.

ARTICLE V OFFICERS AND DUTIES

* Election of officers will be held each year the second Monday of October at the general membership meeting. The officers shall be elected by a majority vote (vote will be counted by a show of hands) of the resident membership and shall consist of a president, vice-president, secretary, treasurer and secretary of social events. Nominees for all offices shall not be present or visible to the voting area at the time of election. The term of office shall be for one year.

Section 1. Powers and Duties of the President

The president shall preside at all regular or special meetings. He/She shall conduct these meetings in a fair and impartial manner. This title does not automatically vest or cause any absolute authority over any business or actions to be taken.

Section 2. Powers and Duties of the Vice-President

The vice-president shall, in the absence of the President, preside at all regular or special meetings. He/She shall conduct these meeting in a fair and impartial manner. This title does not automatically vest or cause any absolute authority over any business or actions to be taken.

Section 3. Powers and Duties of the Treasurer

The treasurer shall have custody of all the funds of the Association, and shall be responsible for keeping accurate records of all financial affairs of the association. The treasurer shall keep records of all receipts and disbursements of the association and shall at each regular monthly meeting make a report on the financial account of the association. This title does not vest upon him/her any absolute authority over any business transacted or actions to be taken.

Section 4. Powers and Duties of the Secretary

The secretary of the association shall be responsible for keeping and reading the minutes of the regular or special meetings.

Section 5. Powers and Duties of the Secretary of Social Events

The secretary of social events will be responsible for organizing major events such as Easter, Mothers Day, Thanksgiving, Christmas and other celebrations. Will be in charge of working closely with the social events committee.

Section 6. Right of Authority

No officer shall delegate his/her right or authority to any other party.

ARTICLE VI FINANCES

No membership dues shall be charged. All bills shall be paid by check upon receipt of a check requisition form. Checks will be written by the treasurer, on a membership designated bank, and shall require two signatures. There shall be three authorized co-signors - treasurer and president of vice-president. The treasurer shall handle any petty cash. All withdrawals from the petty cash fund will require a voucher. All vouchers must be verified with a receipt. Reimbursement of the petty cash fund will be made once each month. All expenditures of the association shall be approved by the membership.

ARTICLE VII COMMITTEES

Section 1. Social Events Committee

Association officers may ask for volunteers from the resident members to form a sub-committee to help with social events, entertainment, decorations for parties or fundraising events (rummage sales, raffles, bingo or chalupa games, recreational activities).

Section 2. Finance/Fundraising Committee

The finance/fundraising committee will prepare a budget and present to the association for approval, will monitor income and expenses of all projects. The finance/fundraising committee will be composed of three members. A report of the finance/fundraising committee review of the books of account of all committees will be presented to the Association at their regular monthly meeting. The Finance/Fundraising Committee will also audit the books of account of the Association twice per year, in March and again in August of each year and a report of the audit is to be made to the Association at the next meeting following each interval. The Finance/Fundraising Committee is to be charged also with the responsibility of checking that any donations made for a particular activity or project be deposited or credited to the account of the Association or to the respective project so designated by the Association, and that no unauthorized expenditures be made with donated funds or proceeds without the specific approval and vote of the Association. The Finance/Fundraising Committee will be selected and appointed by majority vote of the Association.

ARTICLE VIII REMOVAL

Any officer or committee member selected or appointed may be removed from such office by a consenting vote of the membership whenever in its judgment the best interests of the Association will be best served. In addition, an officer will be removed after 3 consecutive absences.

ARTICLE IX AMENDMENTS

These by-laws may be amended by a majority of the members present at a regular meeting. Members will be notified of proposed amendments by special notice a week before the meeting.

@@
**ASOCIACION DE RESIDENTES
POINSETTIA
ADSCRITA AL BHA HUD 24CFR964.11**
@@

MARIA JAIME
PRESIDENTA

JUANITA VALDEZ
TESORERA

FELICITAS PEREZ
VICE-PRESIDENTA

SANDRA L. MANDUJANO
SECRETARIA

JESSICA GOMEZ
SECRETARIA DE EVENTOS SOCIALES

TENANT MEETING

THERE WILL BE A RESIDENT MEETING ON MONDAY, September 08, AT 5:30 P.M.

PLACE: POINSETTIA COMMUNITY CENTER (566 ASH) PLEASE MAKE PLANS TO ATTEND THE MEETING.

JUNTA

JUNTA DE RESIDENTES SE REALIZARA EL LUNES 08 de Septiembre a LAS 5:30 P.M.

LUGAR: SALON DE POINSETTIA (566 ASH) POR FAVOR HAGAN PLANES PARA ASISTIR A LA JUNTA.

**AGENDA FOR
Poinsettia Association**

DATE: September 08, 2003

PLACE: Poinsettia Community Center

TIME: 5:30p.m.

- I. Welcome and Introduction
- II. Mano a Mano-Maria Roy-Maria Elena
Cardenas
- III. BHA -Eduardo Buentello
- IV. 30 Days Election Notice / Nominations
- V. Treasurer Report
- VI. Student of the Quarter-

**SPECIAL ELECTIONS MEETING
Poinsettia
30 DAYS NOTICE**

THE BROWNSVILLE HOUSING AUTHORITY AND BHA RESIDENT COUNCIL CALL TOGETHER THE COMMUNITY FROM Poinsettia TO PARTICIPATE IN THE ORGANIZATION AND ELECTION OF OFFICERS TO FORM THEIR OWN RESIDENT COUNCIL.

WHO CAN PARTICIPATE?

- 1) ALL RESIDENTS THAT ARE IN THE LEASE AGREEMENT WITH BHA IN Poinsettia DEVELOPMENT.
- 2) PERSONS OLDER THAN 18 YEARS

NOTE: THOSE PEOPLE INTERESTED IN FORMING THE NEXT RESIDENT ASSOCIATION PLEASE ATTEND THE MEETING ON Monday September 08, 2003 AT THE Poinsettia COMMUNITY CENTER. INTERESTED PERSONS CALL MR. Omar Del Bosque AT 544-4027 TO BE INCLUDED ON THE VOTING BALLOT. Elections Oct. 13, 2003 (Monday)

@@

**JUNTA ESPECIAL PARA ELECCIONES
Poinsettia
AVISO DE 30 DIAS**

EL BROWNSVILLE HOUSING AUTHORITY Y EL CONCILIO DE RESIDENTES DE BHA LLAMAN JUNTOS A LAS COMUNIDADES A PARTICIPAR EN LA ORGANIZACION Y ELECCION DE OFICIALES PARA FORMAR SU PROPIA ASOCIACION DE RESIDENTES.

QUIEN PUEDE PARTICIPAR?

- 1) TODOS LOS RESIDENTES QUE ESTEN EN EL CONTRATO CON BHA EN LAS VIVIENDAS DE Poinsettia .
- 2) PERSONAS MAYORES DE 18 ANOS

NOTA: ESAS PERSONAS INTERESADAS EN FORMAR LA SIGUENTE ASOCIACION DE RESIDENTES POR FAVOR DE ATENDER LA JUNTA. LA JUNTA PARA NOMINAR RESIDENTES REPRESENTANTES DEL CONCILIO SERA EL 08 DE Septiembre A LAS 5:30 P.M. EN EL SALON DE Poinsettia. PERSONAS QUE TIENEN INTERES POR FAVOR HABLAR CON EL SR. Omar Del Bosque AL 544-4027 PARA SER PUESTO EN EL PAPEL DE VOTACION. Elecciones Oct. 13, 2003 (Lunes)

HOUSING AUTHORITY OF THE CITY OF BROWNSVILLE
Resident Participation Sign in Sheet

Type of Meeting

- Resident Meeting
- Public Hearing
- Training
- Other

Location: Poinsettia

Date: 9/08/03 Time: 5:30

Event/Session Title: _____

MANO A MANO

Total # People Attending: _____

Please Sign Below:

- | | |
|------------------------------------|-----------------------------------|
| 1. <u>Alicia Salas</u> | 26. <u>Maria Obasa</u> |
| 2. <u>Maria Elena Cardenas</u> | 27. <u>Margarita Gomez</u> |
| 3. <u>Maria Roy</u> | 28. <u>Raucha L. Hernandez</u> |
| 4. <u>Irma Caballero</u> | 29. <u>Willy Lopez</u> |
| 5. <u>Gregorio Alvarado</u> | 30. <u>Amber Walden</u> |
| 6. <u>Rosa M. Diaz</u> | 31. <u>Francisco Hernandez</u> |
| 7. <u>Orlinda Sanchez</u> | 32. <u>Ana Rodriguez</u> |
| 8. <u>Juana Hernandez</u> | 33. <u>EVA WILCELIWA (PASTOR)</u> |
| 9. <u>Orlinda A. Diaz 3530 114</u> | 34. <u>Agustina Vasquez</u> |
| 10. <u>Francisco Lopez L.</u> | 35. <u>Miguelina Jimenez</u> |
| 11. <u>Lucio Espinoza</u> | 36. <u>Frank E</u> |
| 12. <u>Jesus P. Benitez</u> | 37. <u>Janelia</u> |
| 13. <u>Manuel Jimenez</u> | 38. <u>Juanita (Valdez)</u> |
| 14. <u>Isabel A. 147. Ash</u> | 39. <u>Juanita Martinez</u> |
| 15. <u>Margarita Daulta</u> | 40. <u>Francisco Salazar</u> |
| 16. <u>Maria D. Martinez</u> | 41. <u>Cecilia Rojas</u> |
| 17. <u>Espania Alatorre</u> | 42. <u>Olga L. Ponce</u> |
| 18. <u>Hector Mendoza</u> | 43. <u>Felicitas Perez</u> |
| 19. <u>Emelda Alvarado</u> | 44. <u>Miguel de la Cruz</u> |
| 20. <u>Angelberto Alamin</u> | 45. <u>Leticia Gomez</u> |
| 21. <u>Inma Buenrostro</u> | 46. <u>Santa U. Del Angel</u> |
| 22. <u>Maria Rodriguez</u> | 47. <u>Ruben Gonzalez</u> |
| 23. <u>Ha. Debes Pizar 280654</u> | 48. <u>Maria A. Gonzalez</u> |
| 24. <u>Fania C. Chayos</u> | 49. <u>Jessica Gomez</u> |
| 25. <u>Teresa Maria</u> | 50. <u>Maria Teresa Merino</u> |

HOUSING AUTHORITY OF THE CITY OF BROWNSVILLE
Resident Participation Sign in Sheet

Type of Meeting

- Resident Meeting
- Public Hearing
- Training
- Other

Location: Polysel/12

Date: 9/08/03 Time: 5:30

Event/Session Title: _____

Mano a Mano

Total # People Attending: _____

Please Sign Below:

- | | |
|--------------------------------|-----|
| 1. <u>Alison Cobbin</u> | 26. |
| 2. <u>Mariela Villa</u> | 27. |
| 3. <u>Marta Garcia</u> | 28. |
| 4. <u>Silvia Cruz 328,005</u> | 29. |
| 5. <u>Ana De Bogis</u> | 30. |
| 6. <u>Margarina Perez Sosa</u> | 31. |
| 7. <u>Patricia Barber</u> | 32. |
| 8. <u>Colanda Ramirez</u> | 33. |
| 9. <u>Aida Martinez</u> | 34. |
| 10. <u>Maria Morales</u> | 35. |
| 11. <u>Amelia Layton 213</u> | 36. |
| 12. <u>Lilia Rodriguez</u> | 37. |
| 13. <u>Josma Escobar</u> | 38. |
| 14. <u>MARIA-C-CA-MACHO</u> | 39. |
| 15. <u>Adrian Gumen</u> | 40. |
| 16. <u>Martha P. Pen</u> | 41. |
| 17. <u>Salustia Garcia</u> | 42. |
| 18. <u>Angelita Garcia</u> | 43. |
| 19. <u>Margarita Chavez</u> | 44. |
| 20. <u>Maria A. Muel</u> | 45. |
| 21. _____ | 46. |
| 22. _____ | 47. |
| 23. _____ | 48. |
| 24. _____ | 49. |
| 25. _____ | 50. |

@@
**ASOCIACION DE RESIDENTES
POINSETTIA
ADSCRITA AL BHA HUD 24CFR964.11**
@@

MARIA JAIME
PRESIDENTA

JUANITA VALDEZ
TESORERA

FELICITAS PEREZ
VICE-PRESIDENTA

SANDRA L. MANDUJANO
SECRETARIA

JESSICA GÓMEZ
SECRETARIA DE EVENTOS SOCIALES

TENANT MEETING

THERE WILL BE A RESIDENT MEETING ON MONDAY, October 13,
AT 5:30 P.M.

PLACE: POINSETTIA COMMUNITY CENTER (566 ASH) PLEASE
MAKE PLANS TO ATTEND THE MEETING.

JUNTA

JUNTA DE RESIDENTES SE REALIZARA EL LUNES 13 de Octubre a
LAS 5:30 P.M.

LUGAR: SALON DE POINSETTIA (566 ASH) POR FAVOR HAGAN
PLANES PARA ASISTIR A LA JUNTA.

**AGENDA FOR
Poinsettia Association**

DATE: October 13, 2003

PLACE: Poinsettia Community Center

TIME: 5:30p.m.

- I. Welcome and Introduction
- II. Planned Parenthood- Oscar Salinas
- III. Elections
- IV. Treasurer Report
- V. Yard of the Quarter-

HOUSING AUTHORITY OF THE CITY OF BROWNSVILLE
Resident Participation Sign in Sheet

Type of Meeting

- Resident Meeting
- Public Hearing
- Training
- Other _____

Location: Parish Hall

Date: 10/13/03 Time: 5:35

Event/Session Title: _____

Total # People Attending: _____

Please Sign Below:

- | | |
|--------------------------------|---|
| 1. <u>Lilia Rodriguez</u> | 26. <u>Ana Rodriguez</u> |
| 2. <u>Adrián E. Jimenez</u> | 27. <u>Judy O'STOUNG</u> |
| 3. <u>Araceli Jimenez</u> | 28. <u>Mrs. Teresa Merino</u> |
| 4. <u>Juanita Jimenez</u> | 29. <u>Concepcion Martin</u> |
| 5. <u>Guadalupe Duran</u> | 30. <u>Maria Ojalda</u> |
| 6. <u>Encarnacion Perez</u> | 31. <u>Ruben Gonzalez</u> |
| 7. <u>Alfonso Perez</u> | 32. <u>Maria Espartero</u> |
| 8. <u>Wendy Jimenez</u> | 33. <u>Angelita Alarín</u> |
| 9. <u>Lidia Perez</u> | 34. <u>Maria Torres</u> |
| 10. <u>Rosa Jimenez</u> | 35. <u>Carla Torres</u> |
| 11. <u>Lucia Valdez</u> | 36. <u>Maria C. Canucha</u> |
| 12. <u>Margarita Casera</u> | 37. <u>Juan Canucha</u> |
| 13. <u>Irmeda Alarado</u> | 38. <u>Teresa Canucha</u> |
| 14. <u>Josefina De la Cruz</u> | 39. <u>Silvia Cruz 328 OAK</u> |
| 15. <u>Rosa Perez</u> | 40. <u>Margarita Cruz</u> |
| 16. <u>Patricia Jimenez</u> | 41. <u>Sandra L. Hernandez</u> |
| 17. <u>Yolanda M. Jimenez</u> | 42. <u>Ana Jimenez 215 ASH</u> |
| 18. <u>Epifania Alarado</u> | 43. <u>Silvia Maldonado 217 ASH. ST</u> |
| 19. <u>Amalia D. Martinez</u> | 44. <u>Olga L. Jimenez 128 OAK</u> |
| 20. <u>Maria Jimenez</u> | 45. <u>Guadalupe Jimenez</u> |
| 21. <u>Marcial Jimenez</u> | 46. <u>Consuelo Gonzalez 829 ASH</u> |
| 22. <u>JULIAN GARZA</u> | 47. <u>Maria Jimenez 143 ASH</u> |
| 23. <u>MARGARITA INFANTE</u> | 48. <u>Angelica Rivera 107 OAK</u> |
| 24. <u>Jeoncia Esqueda</u> | 49. <u>María María</u> |
| 25. <u>Evangelina Cabada</u> | 50. <u>Liliana Gutierrez</u> |
- Ony Del Boz

[Code of Federal Regulations]
[Title 24, Volume 4, Parts 700 to 1699]
[Revised as of April 1, 1999]
From the U.S. Government Printing Office via GPO Access
[CITE: 24CFR964.18]

[Page 424-425]

TITLE 24--HOUSING AND URBAN DEVELOPMENT

CHAPTER IX--OFFICE OF ASSISTANT SECRETARY FOR PUBLIC AND INDIAN HOUSING,
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

PART 964--TENANT PARTICIPATION AND TENANT OPPORTUNITIES IN PUBLIC HOUSING--Table o

Subpart A--General Provisions

Sec. 964.18 HA role in activities under subparts B & C.

(a) HAs with 250 units or more. (1) A HA shall officially recognize a duly elected resident council as the sole representative of the residents it purports to represent, and support its tenant participation activities.

(2) When requested by residents, a HA shall provide appropriate guidance to residents to assist them in establishing and maintaining a resident council.

(3) A HA may consult with residents, or resident councils (if they exist), to determine the extent to which residents desire to participate in activities involving their community, including the management of specific functions of a public housing development that may be mutually agreeable to the HA and the resident council/resident management corporation.

(4) A HA shall provide the residents or any resident council with current information concerning the HA's policies on tenant participation in management.

(5) If requested, a HA should provide a duly recognized resident council office space and meeting facilities, free of charge, preferably within the development it represents. If there is no community or rental space available, a request to approve a vacant unit for this non-dwelling use will be considered on a case-by-case basis.

(6) If requested, a HA shall negotiate with the duly elected resident council on all uses of community space for meetings, recreation and social services and other resident participation activities pursuant to HUD guidelines. Such agreements shall be put into a written document to be signed by the HA and the resident council. If a HA fails to negotiate with a resident council in good faith or, after negotiations, refuses to permit such usage of community space, the resident council may file an informal appeal with HUD, setting out the circumstances and providing copies of relevant materials evidencing the resident council's efforts to negotiate a written agreement. HUD shall require the HA to respond with a report stating the HA's reasons for rejecting the request or for refusing to negotiate. HUD shall require the parties (with or without direct HUD participation) to undertake or to resume negotiations on an agreement. If no resolution is achieved within 90 days from the date HUD required the parties to undertake or resume such negotiations, HUD shall serve notice on both parties that administrative remedies have been exhausted (except that, pursuant to mutual agreement of the parties, the time for negotiations may be extended by no more than an additional 30 days).

(7) In no event shall HUD or a HA recognize a competing resident council once a duly elected resident council has been established. Any funding of resident activities and resident input into decisions concerning public housing operations shall be made only through the

expenses (\$15.00 per unit per year).

(2) Pursuant to Sec. 913.106, stipends are not to be construed as salaries and should not be included as income for calculation of rents, and are not subject to conflict of interest requirements.

(3) Funding provided by a HA to a duly elected resident council may be made only under a written agreement between the HA and a resident council, which includes a resident council budget and assurance that all resident council expenditures will not contravene provisions of law and will promote serviceability, efficiency, economy and stability in the operation of the local development. The agreement must require the local resident council to account to the HA for the use of the funds and permit the HA to inspect and audit the resident council's financial records related to the agreement.

connection with the PHA Plan. Under these circumstances, the RAB shall provide resident input in the annual decision making process for resident participation activities and funding. The RAB membership consists of residents who adequately reflect and represent all the residents assisted on a PHA-wide basis.

The specific roles and responsibilities regarding the activities to be undertaken between the parties shall be documented in writing. Written documentation regarding the agreement must be reviewed and updated annually by the parties.

ACTIVITIES ELIGIBLE FOR RESIDENT PARTICIPATION FUNDS

Resident participation activities are intended to supplement PHA Plan activities and training. Activities eligible for resident participation funds include consultation and outreach for public housing residents that support active interaction between the PHA and residents. The scope of resident participation shall include such activities as those to inform, acquaint, advise, promote and update residents of public housing concerning the issues and/or operation that affect resident households and their living environment, resident surveys and other forms of resident input, as well as, annual membership events or site-based community promotions/publicity that enhance resident participation. Minimal refreshment costs that are directly related to resident meetings for the activities discussed above are eligible uses of resident participation funds. Refreshment costs associated with entertainment shall be prohibited under this funding.

Additionally, resident participation may include but is not limited to resident outreach and promotional activities, commissioner training, RC training, RAB training, RC elections and organizing, leadership development, household training, and communication; orientation and responsibilities for new and existing residents; and planning functions for such items as the Public Housing Agency Plan, revitalization, safety and security, property management and maintenance, and capital improvements.

FUNDING AMOUNT

Each PHA shall include in the operating subsidy eligibility calculation, \$25 per occupied unit per year for resident participation activities, including, but not limited to, those described in, "Activities Eligible for Resident Participation", above. If in any fiscal year, appropriations are not sufficient to meet all funding requested for operating subsidy, then the \$25 per occupied unit per year for resident participation activities will be subject to pro-ration. For purposes of this Notice, a unit may be occupied by a public housing resident, a PHA employee, or a police officer. The PHA must: (1) provide and expend funding allocated for resident participation regardless of the PHA's financial status; and (2) determine the use of funds for resident participation in accordance with the results of collaboration between the PHA, duly

[Code of Federal Regulations]
[Title 24, Volume 4, Parts 700 to 1699]
[Revised as of April 1, 1999]
From the U.S. Government Printing Office via GPO Access
[CITE: 24CFR964.150]

[Page 428-429]

TITLE 24--HOUSING AND URBAN DEVELOPMENT

CHAPTER IX--OFFICE OF ASSISTANT SECRETARY FOR PUBLIC AND INDIAN HOUSING,
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

PART 964--TENANT PARTICIPATION AND TENANT OPPORTUNITIES IN PUBLIC HOUSING--Table o

Subpart B--Tenant Participation

Sec. 964.150 Funding tenant participation.

(a) Funding duly elected resident councils and jurisdiction wide resident councils. (1) The HA shall provide funds it receives for this purpose to the duly elected resident council at each development and/or those jurisdiction-wide councils eligible to receive the resident portion of the tenant services account to use for resident participation activities. This shall be an addition to the Performance Funding System (PFS), as provided by 24 CFR part 990, to permit HAs to fund \$25 per unit per year for units represented by duly elected resident councils for resident services, subject to the availability of appropriations. Of this amount, \$15 per unit per year would be provided to fund tenant participation activities under subpart B of this part for duly elected resident councils and/or jurisdiction-wide councils and \$10 per unit per year would be used by the HA to pay for costs incurred in carrying out tenant participation activities under subpart B of this part, including the expenses for conducting elections, recalls or arbitration required under Sec. 964.130 in subpart B. This will guarantee the resources necessary to create a bona fide partnership among the duly elected resident councils, the HA and HUD. Where both local and jurisdiction-wide councils exist, the distribution will be

[[Page 429]]

agreed upon by the HA and the respective councils.

(2) If funds are available through appropriations, the HA must provide tenant services funding to the duly elected resident councils regardless of the HA's financial status. The resident council funds shall not be impacted or restricted by the HA financial status and all said funds must be used for the purpose set forth in subparts B and C of this part.

(3) The HA and the duly elected resident council at each development and/or those jurisdiction-wide councils shall collaborate on how the funds will be distributed for tenant participation activities. If disputes regarding funding decisions arise between the parties, the matter shall be referred to the Field Office for intervention. HUD Field Office shall require the parties to undertake further negotiations to resolve the dispute. If no resolution is achieved within 90 days from the date of the Field Office intervention, the Field Office shall refer the matter to HUD Headquarters for final resolution.

(b) Stipends. (1) HUD encourages HAs to provide stipends to resident council officers who serve as volunteers in their public housing developments. The amount of the stipend, up to \$200 per month/per officer, shall be decided locally by the resident council and the HA. Subject to appropriations, the stipends will be funded from the resident council's portion of the operating subsidy funding for resident council

officially recognized resident council.

(8) The HA shall ensure open communication and frequent meetings between HA management and resident councils and shall encourage the formation of joint HA management-resident committees to work on issues and planning.

(9) The resident council shall hold frequent meetings with the residents to ensure that residents have input, and are aware and actively involved in HA management-resident council decisions and activities.

(10) The HA and resident council shall put in writing in the form of a Memorandum of Understanding the elements of their partnership agreement

[[Page 425]]

and it shall be updated at least once every three (3) years.

(11) The HA, in collaboration with the resident councils, shall assume the lead role for assuring maximum opportunities for skills training for public housing residents. To the extent possible, the training resources should be local to ensure maximum benefit and on-going access.

(b) HAs with fewer than 250 units. (1) HAs with fewer than 250 units of public housing have the option of participating in programs under this part.

(2) HAs shall not deny residents the opportunity to organize. If the residents decide to organize and form a resident council, the HA shall comply with the following:

(i) A HA shall officially recognize a duly elected resident council as the sole representative of the residents it purports to represent, and support its tenant participation activities.

(ii) When requested by residents, a HA shall provide appropriate guidance to residents to assist them in establishing and maintaining a resident council.

(iii) A HA shall provide the residents or any resident council with current information concerning the HA's policies on tenant participation in management.

(iv) In no event shall HUD or a HA officially recognize a competing resident council once a duly elected resident council has been

* * * * * NO SUMMARY FOUND -- VIEW "TEXT" TO SEE COMPLETE FILE * * * * *

Resident Participation Activities and Funding

Background

- 1972 - PHAs were authorized to fund resident services at the rate of \$3 per unit
- 1994 - HUD issued regulations that authorized \$25 per unit to support resident participation activities subject to Congressional appropriation
- 2000 - HUD began a negotiated rule that incorporated this funding into the formula
- 2002 - A proposed rule is being developed to revise 24 CFR 964
- Interim instructions are found in Notice PIH-2001-3



How much funding is Available?

- A PHA receives an amount (currently \$25) for each occupied public housing unit each year. This funding is not for the Section 8 Housing Choice Voucher Program.
- Units may be occupied by residents, PHA employees or police officers.
- Vacant units are not eligible for resident participation (RP) funding, but can be used for resident participation activities. Operating subsidy may continue for these units.
- PHAs cannot decline to receive these funds, nor refuse to use the funds for resident participation purposes regardless of their financial status.
- The PHA or Resident Management Corporation (RMC) is responsible for allocating funding. These funds can be redistributed to Resident Councils (RCs), City-wide Resident Organizations (CWRO) or the Resident Advisory Board.
- PHAs should use the simplest method to distribute and account for these funds.



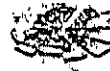
Who Gets These Funds?

- PHAs work in partnership with recognized CRO or RC to determine appropriate activities and distribute the funding.
- Resident organizations or duly elected RCs. If one doesn't exist for every development, the duly elected RCs that do exist shall negotiate with the PHA on behalf of all residents.
- If no RC, the PHA will work with the RAB to determine activities and distribute funds.
- If a dispute arises that cannot be resolved between the PHA and RC within 120 days from the PHAs Fiscal Year Beginning date, then the PHA must use the funding for resident education activities related to HUD policies and procedures. This action must be included in the PHA Plan or Plan Amendment.



Who Does What?

- Specific roles and responsibilities are documented in a written Memorandum of Understanding (MOA).
- The MOA is reviewed and updated annually
- Requires the RC to account for the funds
- Permits the PHA to inspect and audit the RC's financial records
- Each PHA shall develop a system for fiscal accountability
- Any RC/RAB that fails to adequately report will not be eligible for future RP funding.



So What Can We Do With These Funds?

- Activities that inform, acquaint, advise, promote and update residents of public housing regarding any issues or operations that affect residents and/or where they live
- Resident surveys to obtain resident input, RC membership events and site based community promotions/publicity that enhance resident participation are eligible
- Commissioner training in organization and leadership
- RC and RAB training, training in skills directly related to operation, management, financial systems, maintenance
- RC elections and organizing
- Household training and communication
- Orientation and responsibilities for new and existing residents
- Outreach activities that inform and acquaint residents with PHA Plan Process



What Can't We Do With These Funds?

- Entertainment
- Food, beverages (except for meals associated with travel in connection with official duties/responsibilities).
- Purchase or rental of land
- Purchase of Vehicle
- Fees for lobbying services
- Costs for which funds have been provided from other HUD sources.

References: 24 CFR 964, PIH Notice 2001-3

RECEIVED

04791
JUN 4 PM 3:31



Quantifiable Community Participation Certification Form

Multifamily Finance Production Division

Mailing Address: P.O. Box 13941, Austin, Texas 78711-3941

Physical Address: 507 Sabine, Austin, TX 78701

Development Name: Providence at Boca Atca TDHCA#: 204191

Statement

Consistent with §50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP), one of the scoring items that applications may receive points for is Quantifiable Community Participation. In §50.9(g)(2)(C)(i), the QAP states: "Applicants that accurately certify that they do not know of any neighborhood organizations that are on record with the state or county in which the Development is to be located and whose boundaries contain the proposed Development, and for which no letters were received, will be awarded the higher of zero points or the average number of points received by all Applications for this exhibit." To achieve the average score referred to in this language, no letters can have been received AND the certification is required. This document, when executed, satisfies the requirement for the certification only.

Certification

Therefore, by signing this certification, I, as a duly authorized signatory of the Application, accurately certify that the Applicant does not know of any neighborhood organizations that are on record with the state or county in which the Development is to be located and whose boundaries contain the proposed Development. I understand that this certification does not assure me of points under this section.

[Signature]
Signature of Authorized Applicant Signatory

6/4/04
Date

Salma Jafar, V.P. of G.P.
Printed Name

Bill Fisher

From: Bill Fisher
Sent: Wednesday, June 02, 2004 9:00 AM
To: Jennifer Joyce
Cc: Saleem Jafar; 'Apolonio Flores'
Subject: Protective Certification on Neighborhood Groups

ennifer,

each of our three apps we show registered neighborhood/community groups properly noticed with apparent registration with the county or state. What happens if you later determine there is some reason they do not meet this standard in your scoring review? I would propose we submit the June 4 certification with a condition precedent cover letter stating it is tendered in the event the department rules the neighborhood/community groups we noticed and received support from are determined by DHCA to be out side your review guidelines. This insures we are protected from a later determination by the department that no valid groups exist in the area. Remember we get the registration information from the community group.

for example: MADEC, Monique Allen, is a very well known and established community organization in the area of our senior housing deal in Dallas. They are and have been on file with TDHCA as a CHDO community group for many years. We consider this registration with the State. If you decide after June 4, 2004, that is not the case then the certification due June 4 would be appropriate for our deal in Dallas.

Unless the department intends to tell us their rulings on the community groups and the evidence we submitted before June 4, then a protective filing is called for by the applicant.

Will I be penalized for handling the issue in this manner?? If not, I will submit the June 4 certification with the condition precedent cover letter referred to above.

Thank You,

Bill Fisher

Provident Odyssey Partners, LP

75 One Lincoln Centre

400 LBJ Freeway

Dallas, Texas 75240

72-239-8500 X-120

fax: 972-239-8373

cell 214-755-2539

6/4/2004

Longbranch, L.P.
5400 LBJ Freeway
Suite 975
Dallas, TX 75240
972-239-8500 Fax: 972-239-8373

Ms. Edwina Carrington
Executive Director
TDHCA
507 Sabine
Austin, TX 78711

VIA FAX 512-475-0764

June 4, 2004

RE: Providence at Boca Chica, # 04191; Neighborhood Organization Certification

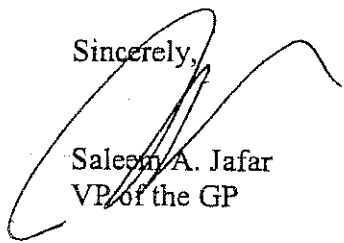
Dear Ms. Carrington:

Pursuant to the attached e-mail to Ms. Joyce, this letter will serve as our condition precedent letter to our neighborhood certification. We believe we have properly noticed and identified qualified neighborhood organizations as called for in the QAP. Furthermore at least two groups have provided a quantifiable community support letter for this development.

However, in the event the Department determines otherwise, then the attached certification shall be considered effective on behalf of the applicant. Should the Department determination that the support letters submitted do meet the test of the QAP then this condition precedent will not be satisfied and the certification should not be considered in the review and scoring of the application.

If you require additional information please contact me at the letterhead address or phone number.

Sincerely,



Saleem A. Jafar
VP of the GP

<p>MULTIFAMILY FINANCE PRODUCTION DIVISION</p> <p>BOARD ACTION REQUEST</p> <p>July 28, 2004</p>
--

Action Item

Appeal denial of Quantifiable Community Participation (QCP) points of one 2004 Housing Tax Credit (HTC) Application.

Requested Action

Issue a determination on the appeal.

Background and Recommendations

I. Providence at UT Southwestern, #04192

The Applicant submitted an appeal to the Executive Director on June 14, 2004, disputing the denial of QCP points for the Application. On June 28, 2004, the Executive Director responded to the appeal stating that, after a thorough review by the Department's Executive Award and Review Advisory Committee, the committee determined that the letter from PGPW CDC and enclosures did not meet the requirements to be scored. The letter did not provide evidence of the boundaries, as indicated in the appeal. The Department could not accept the overlapping of Senator Royce West's jurisdiction as sufficient evidence. The letter also did not provide the process that was used to determine the members' position of support. Additionally, documentation indicated the organization serves all of Dallas County, not the specific neighborhood. Therefore, the organization is not a "neighborhood organization" within the meaning of the requirement. The Applicant submitted an appeal to the Board on July 13, 2004, regarding QCP point scoring.

Relevant documentation related to this appeal is provided behind the Board Action Request.

Applicant:	Chicory Court-UT-Southwestern, L.P.
Site Location:	Mockingbird Lane and Harry Hines
City/County:	Dallas/Dallas
Regional Allocation Category:	Urban/Exurban
Set-Aside:	General
Population Served:	Elderly
Region:	3
Type of Development:	New Construction/Acquisition/Rehab
Units:	180
Credits Requested:	\$909,255

Staff Recommendation: The Executive Director denied the original appeal. Staff is recommending that the Board also deny the appeal of the termination.

Board Appeal



PROVIDENT ODYSSEY PARTNERS, LP

JUL 2 04:17:42

VIA FACSIMILE 512-475-0764

Ms. Edwina Carrington
Executive Director
Texas Department of Housing and Community Affairs
507 Sabine St
Austin, TX 78701

July 1, 2004

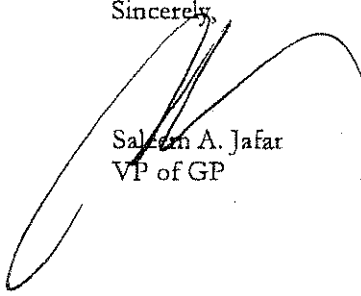
Re: Providence at UT Southwestern TDHCA# 04192 9% tax credit application

Dear Ms. Carrington:

Please be advised that pursuant to the QAP, we are exercising our right to appeal to the TDHCA on the Board Meeting scheduled for July 28, 2004 on the same issues these applications were denied points for. Kindly have us put on the agenda for July 28 for comment and appeal.

Thank you for your consideration in this matter.

Sincerely,



Saleem A. Jafar
VP of GP

Executive Director's Response



WWW.TDHCA.STATE.TX.US

June 28, 2004

RICK PERRY
Governor

Saleem Jafar
Chicory Court-UT-Southwestern, L.P.
975 One Lincoln Centre, 5400 LBJ Freeway
Dallas, TX 75240

EDWINA P. CARRINGTON
Executive Director

Telephone: (972) 239-8500
Fax: (972) 239-8373

BOARD MEMBERS
Elizabeth Anderson, Chair
Shadrick Bogany
C. Kent Conine
Vidal Gonzalez
Patrick R. Gordon
Norberto Salinas

Re: Response to appeal received June 14, 2004
Providence at UT-Southwestern TDHCA Project No. 04192

Dear Mr. Jafar:

Appeal Review

I have carefully reviewed the application you submitted, as well as your appeal that we received on June 9, 2004 on the above-referenced development, regarding the eligibility of your application to receive points for Quantifiable Community Participation (QCP) under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, the letter was reviewed to determine if all submission requirements were met.

After a thorough review by the Department's Executive Award and Review Advisory Committee, the committee determined that your letter from PGPW CDC and enclosures did not meet the requirements to be scored. The letter did not provide evidence of the boundaries, as you indicate in your appeal. The Department cannot accept the overlapping of Senator Royce West's jurisdiction as sufficient evidence. The letter also does not provide the process that was used to determine the member's position of support. Additionally, documentation indicates the organization serves all of Dallas County, not the specific neighborhood. Therefore, the organization is not a 'neighborhood organization' within the meaning of the requirement.

Appeal Determination

Because of the above-mentioned reasons, your appeal is denied.

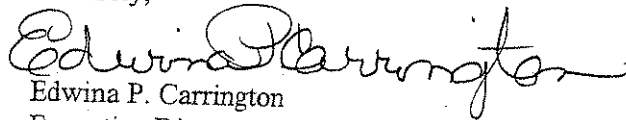
Section 50.18(b)(4) of the 2004 QAP states that if you are not satisfied with this response to your appeal, you may appeal directly in writing to the Board of the Texas Department of Housing and Community Affairs. Please note that an appeal filed with

Mr. Saleem Jafar
June 28, 2004

the Board must be received by the Board before the seventh day preceding the date of the Board meeting at which the relevant commitment decision is expected to be made. To have an appeal considered by the Board at the July 8 Board meeting, the appeal must be received by Delores Groneck, Board Secretary, no later than June 30, although it is strongly suggested that you submit it by June 29, 2004.

If you have questions or comments, please call (512) 475-3340.

Sincerely,

A handwritten signature in cursive script that reads "Edwina P. Carrington". The signature is fluid and somewhat stylized, with a large initial 'E' and a long, sweeping tail.

Edwina P. Carrington
Executive Director

EPC/BLB/MFMU

*** TX REPORT ***

TRANSMISSION OK

TX/RX NO 2273
CONNECTION TEL 919722398373
CONNECTION ID
ST. TIME 06/28 11:41
USAGE T 01'04
PGS. SENT 2
RESULT OK



WWW.TDHCA.STATE.TX.US

June 28, 2004

.....
RICK PERRY
Governor

EDWINA P. CARRINGTON
Executive Director

BOARD MEMBERS
Elizabeth Anderson, Chair
Shadrick Bogany
C. Kent Conine
Vidal Gonzalez
Patrick R. Gordon
Norberto Salinas

Saleem Jafar
Chicory Court-UT-Southwestern, L.P.
975 One Lincoln Centre, 5400 LBJ Freeway
Dallas, TX 75240
Telephone: (972) 239-8500
Fax: (972) 239-8373

Re: Response to appeal received June 14, 2004
Providence at UT-Southwestern TDHCA Project No. 04192

Dear Mr. Jafar:

Appeal Review

I have carefully reviewed the application you submitted, as well as your appeal that we received on June 9, 2004 on the above-referenced development, regarding the eligibility of your application to receive points for Quantifiable Community Participation (QCP) under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, the letter was reviewed to determine if all submission requirements were met.

After a thorough review by the Department's Executive Award and Review Advisory Committee, the committee determined that your letter from PGPW CDC and enclosures did not meet the requirements to be scored. The letter did not provide evidence of the boundaries, as you indicate in your appeal. The Department cannot accept the overlapping of Senator Royce West's jurisdiction as sufficient evidence. The letter also

EXECUTIVE DIRECTOR'S

ACTION ITEM

DATE: June 25, 2004

(please highlight if applicable)

RUSH

ITEM: Appeal Response Providence at UT # 04192

Staff to Contact: Brooke Boston

Phone No: 5-3296

BACKGROUND: An appeal was received June 14, 2004. In accordance with the Appeals Policy in the QAP, a response from the Executive Director must be provided by 5:00 June 28.

PROPOSAL: Please review the attached appeal response letter.

ACTION REQUESTED: Please sign this action item and the appeal response letter.

ATTACHMENTS:

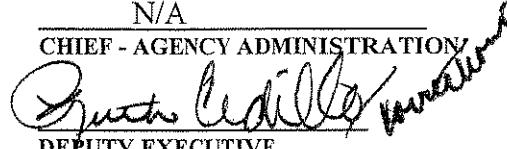
- Appeal letter for signature.
- Copy of appeal

APPROVED BY:


DIVISION DIRECTOR

N/A

CHIEF - AGENCY ADMINISTRATION



DEPUTY EXECUTIVE DIRECTOR - PROGRAMS

N/A

DIRECTOR OF HOUSING CENTER


REVIEWING ATTORNEY


GENERAL COUNSEL


EXECUTIVE DIRECTOR


DATE APPROVED

COMMENTS:

Executive Director's Appeal

Chicory Court UT-Southwestern, L.P.

975 One Lincoln Centre

5400 LBJ Freeway

Dallas, Texas 75240

972-239-8500

972-239-8373 fax

Ms. Edwina Carrington
Executive Director
TDHCA
507 Sabine
Austin, TX 78711

RE: Providence at UT-Southwestern # 04192; Scoring notice appeal

Dear Ms. Carrington:

This letter serves as our formal appeal of the disallowance of any QCP points on the above referenced application. Unlike many of the community groups giving input to TDHCA this organization, MAEDC, is registered with TDHCA. It has received funding from HOME, HTC and private activity bonds through your agency. This is their area of footprint, they are a recognized community organization and they provided all the information materially required to show their support as contained in the QAP or the legislation. Please add the 12 QCP to our cumulative score.

Also, regarding the PGPW CDC and community organization, it is registered with the county and proof was provided. It also appeared on the early notification list of neighborhood organizations provided by the City of Dallas through the City Clerks office. A copy of the list and notice was included in the application. Although TDHCA wanted a map of their area, their stated organization area overlaps the legislative district of Senator Royce West, which is also registered and documented in at the State. This is their area of footprint, they are a recognized community organization and they provided all the information materially required to show their support as contained in the QAP or the legislation. Please add the 12 QCP to our cumulative score.

Both these groups conduct business through officers appointed by the board of directors. The boards authorized this support within the legal framework of their organizations. That is all covered in the organizational material provided and the letter provided by both organizations. This development is very likely to receive tax credits if the points for QCP are awarded as requested. If you require additional information please contact me at the letterhead address or phone number.

Sincerely,



Saleem Jafar
VP of the Developer

*** TX REPORT ***

TRANSMISSION OK.

TX/RX NO 0147
RECIPIENT ADDRESS 15124728526
DESTINATION ID
ST. TIME 06/14 12:09
TIME USE 02'27
PAGES SENT 6
RESULT OK

PROVIDENT ODYSSEY PARTNERS, LP
975 ONE LINCOLN CENTRE
5400 LBJ FREEWAY
DALLAS, TX 75240
972-239-8500
FAX 972-239-8373

FACSIMILE TRANSMITTAL SHEET

TO: *Ms. Edwina Carrington* FROM: *Heather Schwille ext. 139*

FAX NUMBER: *512 472-8526* DATE: *6-14-04*

PHONE NUMBER: TOTAL # OF PAGES INCLUDING COVER:

TD46A

URGENT FOR REVIEW PLEASE COMMENT PLEASE REPLY

NOTES/COMMENTS:

Chicory Court UT-Southwestern, L.P.
975 One Lincoln Centre
5400 LBJ Freeway
Dallas, Texas 75240
972-239-8500
972-239-8373 fax

RECEIVED

JUN 14 2004

LHHC

Ms. Edwina Carrington
Executive Director
TDHCA
507 Sabine
Austin, TX 78711

RE: Providence at UT-Southwestern # 04192; Scoring notice appeal

Dear Ms. Carrington:

This letter serves as our formal appeal of the disallowance of any QCP points on the above referenced application. Unlike many of the community groups giving input to TDHCA this organization, MAEDC, is registered with TDHCA. It has received funding from HOME, HTC and private activity bonds through your agency. This is their area of footprint, they are a recognized community organization and they provided all the information materially required to show their support as contained in the QAP or the legislation. Please add the 12 QCP to our cumulative score.

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Both these groups conduct business through officers appointed by the board of directors. The boards authorized this support within the legal framework of their organizations. That is all covered in the organizational material provided and the letter provided by both organizations. This development is very likely to receive tax credits if the points for QCP are awarded as requested. If you require additional information please contact me at the letterhead address or phone number.

Sincerely,


Saleem Jafar
VP of the Developer

QCP Documentation



Housing Tax Credit Program - 2004 Application Cycle
Response to Neighborhood Organizations

June 7, 2004

H.J. Johnson
Pleasant Grove/Pleasant Woods and Neighborhood Organization
6901 Ledbetter
Dallas, TX 75231

RE: Neighborhood Input on 2004 Housing Tax Credit Application Providence at UT Southwestern
TDHCA Number: 04192

Attention: H.J. Johnson

The Texas Department of Housing and Community Affairs (the Department) is in receipt of the letter you submitted on the above-referenced development for consideration as Quantifiable Community Participation under Section 50.9(g)(2) of the 2004 Qualified Allocation Plan and Rules (QAP). As you know, that section of the QAP allows neighborhood organizations to give input that is scored and the points (positive or negative) are attributed to the development noted above. Consistent with that section of the QAP, your letter was reviewed to determine if all submission requirements were met. Unfortunately, your letter did not meet the requirements to be scored. The requirement(s) which your letter did not meet is (are):

Insufficient documentation was provided to show that the organization's boundaries include the proposed development site.

Insufficient documentation was provided to show that the organization is a 'neighborhood organization' within the meaning of this requirement.

While your letter will not be scored, your comments will still be summarized and provided to the Governing Board of the Department as they make decisions regarding which applications will receive an allocation of credits. You are also welcome to provide public comment at the Board's meetings on these developments which take place on June 28, 2004 and July 28, 2004 in Austin. If you have any questions, please do not hesitate to contact the Department at 512.475.3800. Also, on Friday June 18, 2004 at 10:00 a.m. the Department will conduct an Open Forum at it's office in Austin. If you have any questions or comments about the evaluation of your letter you are invited to attend this forum.

Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division

**Pleasant Grove\Pleasant Woods CDC and Neighborhood
Organization
6901 Ledbetter
Dallas, TX 75231**

RECEIVED

APR 30 2004

LIHTC

Texas Department of Housing & Community Affairs
ATTN: Director of Multifamily Finance Production Division (Neighborhood Support)
507 Sabine, Suite 400
PO Box 13941
Austin, TX 78711-3941

April 29, 2004

RE: Chicory Court—UT Southwestern, LP: Providence at UT Southwestern Senior
Housing Community, Dallas, TX, TDHCA #04192

Dear Ms. Boston:

We are writing this letter of support pursuant to section 50.9 (g)(2)(A) and (C) of the QAP with the intention of helping this application receive the maximum points (12) available under the neighborhood input scoring criteria. We are writing to express our support for an allocation of Housing Tax Credits for a planned new construction/redevelopment senior housing community in Dallas, TX. The new and reconfigured living units will replace the 30 year old former Radisson Hotel currently in place on the site. It is specifically designated to serve the needs of Dallas County seniors age 55 and older. There is a well-recognized and growing need for quality, safe and affordable housing for seniors in our area of North Central Texas. The development proposed will provide 180 mixed income living units and a large community center to serve the specific needs of the senior community residents.

This development is part of an important effort by the City of Dallas to redevelop unproductive developments into housing stock for low income seniors. The Dallas City Council passed a resolution of unanimous support for this re-development in this location of the hospital district in Dallas. We know from the current legislation that letters of support are considered in the scoring of the development. This letter is intended to convey our support for the development based upon the factors listed below:

1. The site design is very senior friendly with high density, elevator access with high quality exterior finishes.
2. At least 7% of the units are designed specifically for residents with disabilities
3. The sponsor and developer have worked closely with our organization in the planning and implementation of this application

Page Two

UT Southwestern Support letter

4. The mixed income nature of the development is considered a big plus for this development. The unit mix includes very low, low and market rate units all combined in the same development.
5. A high quality community center in the former common areas of the hotel serves an important need for the residents of the community. It is available for not only organized activities of the community supportive services provider but also normal social activities (birthdays, anniversary and holiday activities) designed to bring the resident community closer together.
6. The menu of supportive services available in the cost of the rent provides more than just a roof over their heads. They provided senior oriented programs that allow the seniors to grow remain independent as long as possible.
7. The development is strategically located with easy access to public transportation, shopping and entertainment areas. It is the right location for this type of housing in our community. The proximity to the vast array of medical services within walking distance makes this development location particularly attractive to senior residents and their families. This is the heart of the UT Southwestern medical facilities in North Texas.
8. It enjoys the support of our entire community as reflected in the letters of support from the City Council, State Senator and State Representatives. Everyone in our community is behind this development in this specific location.
9. We really like the specific building design, amenities package and senior supportive services programs that come with this community. The community fosters financial stability for seniors through affordable rents at a time of raising health care, utility and prescription drug costs.
10. Affordable housing like this development stabilizes our community by insuring seniors a safe decent affordable place to live with dignity so they can remain independent and in our area for long periods of time. This brings stability to the community.
11. The current hotel development has proven to be unsuccessful in this location. This redevelopment and change in use insure the old hotel does not become blight in the neighborhood. The redevelopment of the hotel into new senior housing stock addresses all these needs and concerns.
12. The innovative financing of the development is a model for how communities can access resources working together to fulfill needs for housing stock in their neighborhoods. This development includes the following financing sources: Housing tax credits, acceptance of section 8 vouchers, and conventional FNMA mortgage financing. There is innovative leveraging of all these resources in this development. We hope this is the first of many developed in this community using this type of creative and innovative financing.

Our position on each of these factors stem from review of the application material, information provided to us by the developer including renderings, site plans and specific amenity and resident screening criteria.

Page Three
UT Southwestern Support Letter

The involvement of our neighborhood organization in the implementation and structure of the development plan was another source of information that allowed us to draw these conclusions to support this development to TDHCA's board. Some of our board members met the developer on sight, toured the facilities and reviewed their concept plan for redevelopment of the hotel into senior housing.

Pleasant Grove Pleasant Woods CDC and Neighborhood organization is a formal neighborhood organization and undertakes housing and economic development activity in our designated area of Dallas. Our organizations designated area covers this specific geographic area. We have approximately 300 members totaling approximately 400 adult participants.

We registered our organization with Dallas County and the City of Dallas.

The process to determine the support for this development began with a discussions and meetings with the applicant. It culminated in a meeting with the developer in February 2004. PGPW went on record at that time in full support of the development. The decision to support the development was consistent with PGPW's method of organized decision making. It is the same process the PGPW has utilized to make decisions and recommendations in the past.

We are asking for your help to make the dream of quality, safe and affordable housing available for the low income seniors of our community. I am the duly elected head of the organization with authority to sign on behalf of the association.

I can be contacted at the address and phone number below:

Pleasant Grove\Pleasant Woods CDC and neighborhood organization
Attn: H.J. Johnson
6901 Ledbetter
Dallas, TX 75231
(214)-704-8564

If I can be of further assistance, please do not hesitate to contact me.

Sincerely,



Head of the Organization\Chief Executive Officer

**Pleasant Grove\Pleasant Woods CDC and Neighborhood Organization
6901 Ledbetter
Dallas, TX 75231**


Cynthia Figueroa Calhoun
County Clerk
Dallas County Texas
509 N. Main Street
Dallas, TX 75201

Dear Ms. Figueroa:

Our CDC and neighborhood organization hereby requests our group be registered with Dallas County as a duly formed Neighborhood organization. Please indicate your receipt of the registration of Pleasant Grove\Pleasant Wood CDC and Neighborhood Organization. I have attached information about our organization which is a 501 C 3 non profit with a commitment to housing and economic development in Dallas County. I also included a map of our geographic coverage area to include with this registration.

Your help in this matter is appreciated.

Sincerely,


H. J. Johnson
President

770100

----- EXECUTE THIS FORM IN TRIPPLICATE ----- 4582545 04/30/04

\$14.00 Assumed Name

OFFICE OF CYNTHIA FIGUEROA CALHOUN, COUNTY CLERK, DALLAS COUNTY, TEXAS
509 Main Street, Dallas, Texas 75202
ASSUMED NAME CERTIFICATE FOR AN INCORPORATED BUSINESS OR PROFESSION

NOTICE: "CERTIFICATES" ARE VALID FOR A PERIOD NOT TO EXCEED 10 YEARS FROM THE DATE FILED IN THE COUNTY CLERK'S OFFICE (chapter 36, sect. 1, title 4 business and commerce code).
(This certificate properly executed is to be filed immediately with the county clerk)

NAME UNDER WHICH BUSINESS OR PROFESSIONAL SERVICES IS OR WILL BE CONDUCTED

PLEASANT WOOD / PLEASANT GROVE CDC
(print or type)

Address: 6901 S. Loop 12
City: DALLAS State: TX Zip Code: 75217

1. The name of the incorporated business or profession, as stated in its Articles of Incorporation or comparable document is: PLEASANT WOOD / PLEASANT GROVE COMMUNITY DEVELOPMENT CORPORATION

2. The state, county, or other jurisdiction under the laws of which it was incorporated is: TEXAS
DALLAS and the address of its registered or similar office in that jurisdiction is: 6901 South Loop 12 Dallas TX 75217

3. The period, not to exceed 10 years, during which this assumed name would be used, is: 10 years

4. The corporation is a (circle one) business corporation, non-profit corporation, professional corporation, professional association or other type of business (specify): business corporation

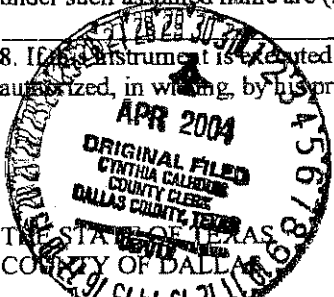
or other type of incorporated business, professional or other association or legal entity (specify): _____

5. If the corporation is required to maintain a registered office in Texas, the address of the registered office is: 6901 South Loop 12 Dallas TX 75217
and the name of its registered agent at such address is: PLP/CDC
The address of the principal office (if not the same as the registered office) is: _____

6. If the corporation is not required to or does not maintain a registered office in Texas, the office address in Texas is: _____
and the office address elsewhere is: NA

7. The county or counties where business or professional services are being or are to be conducted or rendered under such assumed name are (if applicable, use the designation "all" or "all except _____"): AIC

8. If this instrument is executed by the attorney-in-fact, the attorney-in-fact hereby states that he has been duly authorized, in writing, by his principal to execute and acknowledge this instrument.



[Signature]
Signature of officer, representative or attorney-in-fact of the corporation

BEFORE ME, THE UNDERSIGNED AUTHORIZED, on this day personally appeared JAMES EUGENE THOMAS
known to me to be the person _____ whose name _____ is/are subscribed to the foregoing instrument and, under oath, acknowledged to me that _____ he signed the same for the purpose and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, on 4/30, 2004

CYNTHIA FIGUEROA CALHOUN, COUNTY CLERK
DALLAS COUNTY, TEXAS

By: [Signature]
Deputy



The State of Texas

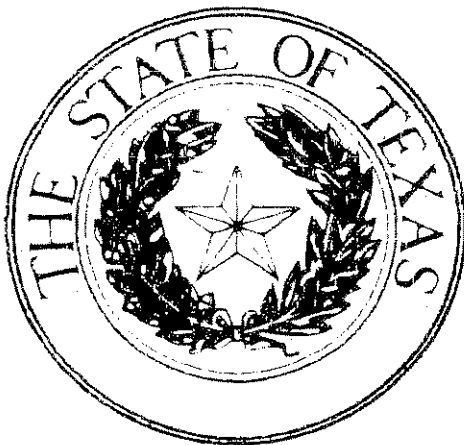
SECRETARY OF STATE

IT IS HEREBY CERTIFIED that the attached are true and correct copies of the following described documents on file in this office:

PLEASANT WOOD / PLEASANT GROVE
COMMUNITY & ECONOMIC DEVELOPMENT CORPORATION
FILE NO. 1352644-1

ARTICLES OF INCORPORATION
INVOLUNTARY DISSOLUTION
9.01 REPORT REINSTATEMENT

APRIL 12, 1995
SEPTEMBER 17, 1997
SEPTEMBER 5, 2000



IN TESTIMONY WHEREOF, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in Austin, Texas on December 21, 2000.

 DLM

Elton Bomer
Secretary of State

**Pleasant Wood / Pleasant Grove CDC
6901 South Loop 12
Dallas, Texas 75217**

Board of Directors with the residential address

**Elma Ellington
1511 Pocono Trail
Dallas, Texas 75217**

**Harriette Alexander
6250 Godfrey
Dallas, Texas 75217**

**Eloise Edwards
107 Deepwood
Dallas, Texas 75217**

**Debra Tucker
1838 S. Buckner Blvd.
Dallas, Texas 75217**

**Sharon Brown
1929 Alhambra
Dallas, Texas 75217**

**Don Vickery
5747 Samuel Blvd.
Dallas, Texas 75217**

FILED
In the Office of the
Secretary of State of Texas

Attachment I. 11a

APR 12 1995

Corporations Section

ARTICLES OF INCORPORATION

OF

Pleasant Wood / Pleasant Grove Community & Economic Development Corporation

ARTICLE I

The name of the corporation is the Pleasant Wood / Pleasant Grove Community & Economic Development Corporation.

ARTICLE II

The corporation is a non-profit community development corporation organized under the laws of the State of Texas.

ARTICLE III

The purpose for which the corporation is organized are as follows:

1. The corporation is organized to operate exclusively for charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal revenue Code of 1954 or the corresponding provisions of any future United States Internal revenue Law (hereinafter "Internal Revenue Code").
2. Subject to the limitations set forth in Section 1 of this Article, the purposes for which the corporation is organized is as follows:
 - a. To create and retain employment and educational opportunities that lead to self-determination for the Southeast Dallas area;
 - b. To promote high quality of life neighborhoods through safety and beautification programs;
 - c. To promote and engage in community-based development activities and projects, including but limited to development of new and existing housing, business development and recruiting, and neighborhood services;

- d. To initiate, review, and make recommendations of comprehensive planning efforts for neighborhood revitalization of the Southeast Dallas area;
- e. To promote, participate, and assist in programs and provide residential and commercial rehabilitation in the Southeast Dallas area;
- f. To initiate and encourage community partnership activities and neighborhood based citizen organizations within and outside the Southeast Dallas area;
- g. To engage in other charitable and educational activities within the meaning of Section 501(c)(3) of the Internal Revenue Code.

ARTICLE IV

The registered office of the corporation in the State of Texas, including street number, is 6901 South Loop 12, Dallas, TX 75217. The name of the initial incorporators are Rev. H.J. Johnson, Linda Forest, and Arline Thomas.

ARTICLE V

The period of its duration is perpetual.

ARTICLE VI

The corporation shall have no members.

ARTICLE VII

The number of directors constituting the initial Board of Directors of the corporation are (3) and the names and addresses are as follows:

Name	Address
<u>Rev. H. J. Johnson</u>	<u>2429 South Blvd., Dallas, Texas 75215</u>
<u>Mrs. Linda Forest</u> The Registered Agent 1E1	<u>10411 Muskogee Dr., Dallas, Texas 75217</u>
<u>Mr. Arline Thomas</u>	<u>3215 Kuyale, Dallas, Texas 75216</u>

ARTICLE VIII

Under all circumstances (including amendment of these Articles), and notwithstanding any merger, consolidation, reorganization, or dissolution of this corporation, whether circumstances are voluntary or involuntary, the corporation shall comply with the following restrictions:

(a) The corporation shall not have or exercise any power, either expressly, by interpretation, or by operation of law, nor shall it directly or indirectly engage in any activity that would prevent it from qualifying (and continuing to qualify) as an organization described in Section 501(c)(3) of the Code.

(b) No part of the assets or net earnings of the corporation shall inure to the benefit of its incorporators, directors, officers, or other private persons having a personal or private interest in the corporation, except that the corporation shall be authorized and empowered to pay reasonable compensation for services actually incurred in carrying out the purposes set forth in these Articles.

(c) No substantial part of the activities of the corporation shall consist of the carrying on of propaganda, or of otherwise attempting to influence legislation, unless Section 501(h) of the Code applies to the corporation, in which case the corporation shall not normally make expenditures for direct or grass roots lobbying in excess of the limits specified in the Code. The corporation shall not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of (or in opposition to) any candidate for public office.

(d) None of the assets or net earnings of the corporation shall be used, nor shall the corporation ever be operated, for objects or purposes other than those set forth in these Articles.

ARTICLES IX

In the event the corporation is dissolved, after all liabilities and obligations of the corporation are paid or provided for, all of the remaining assets of the corporation shall be distributed to one or more organizations that: (i) engage in activities substantially similar to those of the corporation; (ii) are exempt from federal income tax under Section 501(c)(3) of the Code; and (iii) and are not private foundations within the meaning of Section 509(a) of the Code.

ARTICLE X

The corporation may indemnify any person who is serving the corporation (or another entity at the request of the corporation) to fullest extent that a corporation may grant indemnification to that person under the Texas Non-Profit Corporation Act. The corporation may purchase and maintain insurance on behalf of any person who is serving the corporation (or that arises out of service to the corporation, whether or not the corporation would have the power to indemnify that person against liability under these Articles or by statute.

ARTICLE XI

A director of the corporation shall not be personally liable to the corporation for monetary damages for any act or omission in the director's capacity as a director, except that this Article XII does not authorize the elimination or limitation of liability of a director to the extent the director is found liable for: (i) a breach of the director's duty of loyalty to the corporation; (ii) an act or omission not in good faith that constitutes a breach of duty of the director to the corporation or an transaction from which the director received an improper benefit, whether or not the benefit resulted from an action taken within the scope of the director's office; or (iv) an act or omission for which the liability of a director is expressly provided by and applicable statute. This limitation of liability shall not be exclusive of any other rights, limitation of liability or indemnity to which a director may be entitled under any other provision of these Articles of Incorporation, the Bylaws, contract or agreement, vote of the directors, principle of law or otherwise. In addition, a director shall be relieved of liability to the full extent permitted by any amendment to any statute hereafter enacted that further limits the liability of directors. Any repeal or amendment of this Article XI shall be prospective only, and shall not adversely affect any limitation on the personal liability of a director of this corporation existing at the time of the repeal or amendment.

ARTICLE XII

The power to amend these Articles of Incorporation and to adopt, amend or repeal the Bylaws of the corporation shall be vested in the Board of Directors of the corporation. The undersigned incorporators hereby declare under penalty or perjury that the statements made in the foregoing Articles of Incorporation are true.

Date: 3-30-95

Rev. H. Johnson
Rev. J. H. Johnson

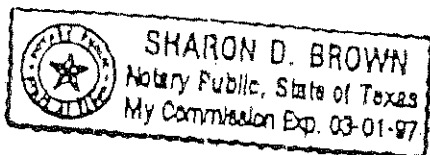
Elinda Forest
Elinda Forest

Arline Thomas
Arline Thomas

THE STATE OF TEXAS
COUNTY OF DALLAS

Before me, a notary public, on this day the above incorporators personally appeared, known to me to be the person (s) whose name is subscribed to the foregoing document and, being by me first duly sworn, declared that the statements therein contained are true and correct.

Given under my hand and seal of office this 30th day of March, 1995



Sharon D. Brown
Notary Public, State of Texas
My commission expires:

3-1- 1997

Attachment I. 11a

BYLAWS
OF

PLEASANT WOOD / PLEASANT GROVE COMMUNITY
&
ECONOMIC DEVELOPMENT CORPORATION

ARTICLE I

CORPORATE NAME, PURPOSES, AND OFFICES

SECTION 1. **NAME.** The name of the corporation shall be Pleasant Wood/Pleasant Grove Community and Economic Development Corporation.

SECTION 2. **PURPOSES.** The Corporation is organized and will be operated for charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provisions of any subsequent United States Internal Revenue Law), and as stipulated in Article Three of the Articles of Incorporation.

SECTION 3. **OFFICES.** The Corporation shall maintain in the State of Texas a registered office and a registered agent. The Corporation shall maintain such other offices throughout the United States of America as the Board of Directors may desire.

ARTICLE II

MEMBERS

The Corporation shall have no members.

ARTICLE III

BOARD OF DIRECTORS

SECTION 1. **GENERAL POWERS.** The affairs of the Corporation shall be managed by its Board of Directors as the governing body, who may exercise all such powers of the Corporation and do all such lawful acts and things as are permitted by the statute or by the Articles of Incorporation or by these Bylaws. The governing body shall consist of a permanent chair selected from one of the incorporators.

SECTION 2. NUMBER, TENURE AND QUALIFICATIONS. The number of directors shall not be less than five (5) nor greater than thirteen (13), who have evidenced agreement with the purposes of the corporation. The number of directors may be decreased to not less than three or increased to any number from time to time by amendment of this Section, unless the Articles of Incorporation provide that a change in the number of directors shall be made only by amendment of the Articles of Incorporation.

SECTION 3. ANNUAL MEETINGS. An annual meeting of the Board of Directors shall be held in December of each year. At the annual meeting the Board shall, among other things, consider the report of the Nominating Committee and elect Directors and officers.

SECTION 4. REGULAR MEETINGS. Regular meetings of the Board of Directors, of which verbal or written notice shall be held at least quarterly at such time and place as the Board or Chairman shall determine. Except as otherwise provided by statute, the Articles of Incorporation, or these bylaws, any and all business may be transacted at any regular meeting.

SECTION 5. SPECIAL MEETINGS. Special meetings of the Board of Directors may be called by or at the request of the Chairman, Vice-chairman, any two officers, or twenty-five (25%) of the Directors by written notice two (2) days prior to the meeting if by mail, or at least twenty-four (24) hours by fax or courier. The notice shall set forth the time and place and the purpose(s) of such meeting. No other business than that set forth in the Notice shall be transacted at a Special Meeting.

SECTION 6. NOTICE. Notice of any special meeting of the Board of Directors shall be given at least two days previously thereto by written notice to each director at his address as shown by records of the Corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelop so addressed, with postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to delivered when the telegram is delivered to the telegraph company. Notice of any special meeting of the Board of Directors may be waived in writing signed by the person or persons entitled to the notice either before or after the time of the meeting. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice or waiver of

notice of such meeting, unless specifically required by law or by these bylaws.

SECTION 7. QUORUM. A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board, provided that if less than a majority of the Directors are present at said meeting, a majority of the directors present may adjourn the meeting to another time without further notice.

SECTION 8. MANNER OF ACTING. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by statute, these bylaws, or the Articles of Incorporation.

SECTION 9. VACANCIES. Any vacancies occurring in the Board of Directors or any directorship to be filled by reason of an increase in the number of Directors shall be filled by the Board of Directors unless the Articles of Incorporation, a statute, or these bylaws provide that a vacancy or a directorship so created shall be filled in some other manner, in which case such provision shall control. A Director elected to fill a vacancy shall be elected for the unexpected term of his predecessor in office.

SECTION 10. COMPENSATION. The Directors shall serve without compensation.

SECTION 11. PROCEDURE. Meetings shall be construed in accordance with the Robert's revised Rules of Order, or such other rules of procedure as may be adopted from time to time by a majority vote of the Board. The Chair shall designate a Parliamentarian to resolve questions of appropriate procedure.

SECTION 12. ATTENDANCE. A Director having (3) unexcused absences in succession shall be contacted and asked to convey in writing within fifteen (15) working days their ability to participate regularly for the year ahead, or to consider possible resignation or temporary leave of absence. Failure to respond within the allowed time would automatically forfeit membership on the Board of Directors.

ARTICLE IV

OFFICERS

SECTION 1. OFFICERS. The officers of the Corporation shall be a Chairman, Vice-chair, one or more vice presidents (the number thereof to be determined by the Board of Directors), a treasurer, a secretary, chair of standing committees, or other officers as may be elected by the Board of Directors. Officers whose authority and duties are not prescribed in these bylaws shall have the authority and perform the duties prescribed, from time to time, by the Board of Directors.

SECTION 2. ELECTION AND TERM OF OFFICE. The officers of the Corporation shall be elected annually by the Board of Directors at the regular annual meeting of the Board of Directors. If the election of officers shall not be held at such meeting, such elections shall be held as soon thereafter as conveniently may be. Vacancies may be filled or new offices created and filled at any meeting of the Board of Directors. Each officer shall hold office until his successor or until he shall resign or shall have been removed in the manner hereinafter provided. The Chairman will appoint a Nominating Committee in October of each year to recommend a slate of officers for approval each December.

SECTION 3. REMOVAL. Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the Corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

SECTION 4. CHAIRMAN. The chairman, subject to the direction and control of the Board of Directors, shall be in charge of the business and affairs of the corporation; he shall see that the resolutions and directives of the Boards of Directors are carried into effect except in those instances in which that responsibility is assigned to some other person by the Board of Directors: and, in general, he shall discharge all duties as may be by the Board of Directors. He shall preside at all meetings of the members and officers. Except in those instances in which the authority to execute is expressly delegated to another officer or agent of the Corporation or a different mode of execution is expressly prescribed by the Board of Directors or these by-laws, he may execute for the Corporation any contracts, deeds, mortgages, bonds, or other instruments which the Boards of Directors has authorized to be executed, and he may accomplish such execution either under or without the seal of the

Corporation and either individually or with the secretary, any assistant secretary, or any other officer thereunto authorized by the Board of Directors, according to the requirements of the form of the instrument.

SECTION 5. VICE-CHAIRMAN. The vice-chairman or in the event there be more than one vice-chair, each of the vice-chairs) shall assist the Chairman in the discharge of this duties as the president may direct and shall perform such other duties as from time to time may be assigned to them by the president or by the Board of Directors. In the absence of the chairman or in the event of his inability or refusal to act, the vice chairman (or in the event there are more than one vice-chairman, the vice-chairman, in order designated by the Board of Directors, or by the chairman of the Board of Directors has not made such a designation, or in the absence of any designation, then in the order of their seniority of tenure) shall perform the duties of the chairman and when so acting, shall have all the powers of and be subject to all the restrictions upon the president. Except in those instances in which the authority to execute is expressly delegated to another officer or agent of the Corporation or a different mode of execution is expressly prescribed by the Board of Directors or these by-laws, the vice-chairman (or any of them if there are more than one) may execute for the Corporation any contracts, deeds, mortgages, bonds of other instruments which the Board of Directors has authorized to be executed, and he may accomplish such execution either under or without the seal of the Corporation and either individually or with the secretary, any assistant secretary, or any other officer thereunto authorized by the Board of Directors, according to the requirements of the form of the instrument.

SECTION 6. TREASURER. The treasurer shall be the principal accounting and financial officer of the Corporation. He shall (a) have charge of and be responsible for the maintenance of adequate books of account for the Corporation; (b) have charge and custody of all funds and securities of the Corporation, and be responsible therefor, and for the receipt and disbursement thereof; and (c) perform all the duties incident to the office of treasurer and such other duties as from time to time may be assigned to him by the president or by the Board of Directors. If required by the Board of Directors, the treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety of sureties as the Boards of Directors shall determine.

SECTION 7. SECRETARY. The secretary shall record the minutes of the meetings of the members and of the Boards of Directors in one or more books provided for that purpose; see

that all notices are duly given in accordance with the provisions of these bylaws or as required by law; be custodian of the corporate records and of the seal of the Corporation; keep a register of the post office address of each member which shall be furnished to the secretary by such member; and perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to him by the president or by the Board of Directors.

SECTION 8. COMPENSATION. The officers shall serve without compensation.

SECTION 9. STAFF. The Chairman will appoint an Executive Director to be the day-to-day administrator. The Executive Director will be a member of the Board of Directors with voting rights, with the exception of decisions that directly affect the executive director, in such case he/she would abstain from such a vote in the matter. The Executive Director shall select other staff in keeping with the corporation annual service plan. The Board of Directors would have to annually ratify the Executive Director's staffing recommendations.

ARTICLE V

COMMITTEES

SECTION 1. EXECUTIVE COMMITTEE. The Chairman, Vice Chairman, Secretary, Treasurer, and the Chairpersons of each of the standing committees of the corporation, shall constitute the Executive Committee. The Chair, or their designee, shall preside at all meetings of the Executive Committee. The Executive Committee shall, upon resolution adopted by a majority of the voting Directors, have and may exercise all of the authority of the Board of Directors in the management of the corporation.

SECTION 2. COMMITTEES OF DIRECTORS. The Board of Directors, by resolution adopted by a majority of the directors in office, may designate one or more committees, each of which shall consist of two or more directors, which committees, to the extent provided in such resolution and not restricted by law, shall have and exercise the authority of the Board of Directors in the management of the Corporation; but the designation of such committees and the delegation thereto of authority shall not operate to relieve the Boards of Directors, or any individual director, of any responsibility imposed upon it or him by law.

SECTION 3. OTHER COMMITTEES. Other committees not having and exercising the authority of the Board of Directors in the Corporation may be designated by a resolution adopted by a majority of the directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each such committee shall be members of the Corporation, and the president of the Corporation shall appoint the members thereof. Any member thereof whenever in their judgment of the best interests of the Corporation shall be served by such removal.

SECTION 3. TERM OF OFFICE. Each member of a committee shall continue as such until the next annual meeting of the members of the Corporation and until his successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member shall cease to qualify as a member thereof.

SECTION 4. COMMITTEE CHAIR. Each chair of a committee shall be appointed by the Chairman of the Board.

SECTION 5. VACANCIES. Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

SECTION 6. QUORUM. Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

SECTION 7. RULES. Each committee may adopt rules for its own government not inconsistent with these bylaws or with rules adopted by the Board of Directors.

ARTICLE VI

CONTRACTS, CHECKS, DEPOSITS AND FUNDS

SECTION 1. CONTRACTS. The Board of Directors may authorize any officer or officers, agent or agents of the Corporation, in addition to the officers so authorized by these by-laws, to enter into and on behalf of the Corporation and such authority may be general or confined to specific instances.

SECTION 2. CHECKS, DRAFTS, ETC. All checks, drafts or other orders for the payment of money, notes or other evidences

or indebtedness issued in the name of the Corporation, shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the treasurer or an assistant treasurer and countersigned by the president or a vice president of the Corporation.

SECTION 3. DEPOSITS. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies, or other depositories as the Board of Directors may select.

SECTION 4. GIFTS. The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest or devise for the general purposes or for any special purpose of the Corporation.

ARTICLE VII

BOOKS AND RECORDS

The Corporation shall keep correct and complete books and records of accounts and shall also keep minutes of the proceedings of its members, Boards of Directors and committees having any of the registered or principal office a record giving the names and addresses of the members entitled to vote. All books and records of the Corporation may be inspected by any member or his agent or attorney for any proper purpose of any reasonable time.

ARTICLE VIII

FISCAL YEAR

The fiscal year of the Corporation shall be fixed by resolution of the Board of Directors.

ARTICLE IX

SEAL

The corporate seal shall have inscribed thereon the name of the Corporation and the words "Corporate Seal".

ARTICLE X

WAIVER OF NOTICE

Whenever any notice is required to be given under the provisions of the General Not For Profit Corporation Act of or under the provisions of the *Articles of Incorporation* or the *Bylaws* of the Corporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE XI

AMENDMENTS

The power to alter, amend, or repeal the *Bylaws* or adopt new *Bylaws* shall be vested in the Board of Directors unless otherwise provided in the *Articles of Incorporation* or the *Bylaws*. Such action may be taken at a regular or special meeting for which written notice of the purpose shall be given. The *Bylaws* may contain any provisions for the regulation and management of the affairs of the Corporation not inconsistent with the law or the *Articles of Incorporation*.

BYLAWS.

ADOPTED this 30th day of June, 1995.


Secretary



The Senate of The State of Texas

Senator Royce West
District 23

SENATE COMMITTEES

- CHAIRMAN**
Subcommittee on Higher Education
- VICE CHAIRMAN**
Education
- MEMBER**
Finance
Health and Human Services
Jurisprudence

DISTRICT OFFICE:
5787 South Hampton Road
Suite 385
Dallas, Texas 75232
214/467-0123
Fax: 214/467-0050

CAPITOL OFFICE:
P.O. Box 12063
Austin, Texas 78711
512/463-0123
Fax: 512/463-0299
Dial 711 for Relay Call

April 27, 2004

Ms. Edwina Carrington
Executive Director
Texas Department of Housing & Community Affairs
P.O. Box 13941
Austin, Texas 78711-3941

Dear Ms. Carrington:

An application, File #04192, has been submitted to your agency to fund construction of housing for seniors at the Provident at UT Southwestern by Chicory Court - UT Southwestern. This development will provide 180 units of much needed affordable housing for seniors in my district. The proposed development is very close to the Hospital District, convenient transportation, and other amenities suitable for this market.

The developers track record on projects for seniors suggests they will develop a top notch project with more than adequate amenities. I strongly support their request for Low Income Housing Tax Credits from IDHCA for this development.

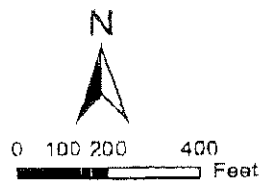
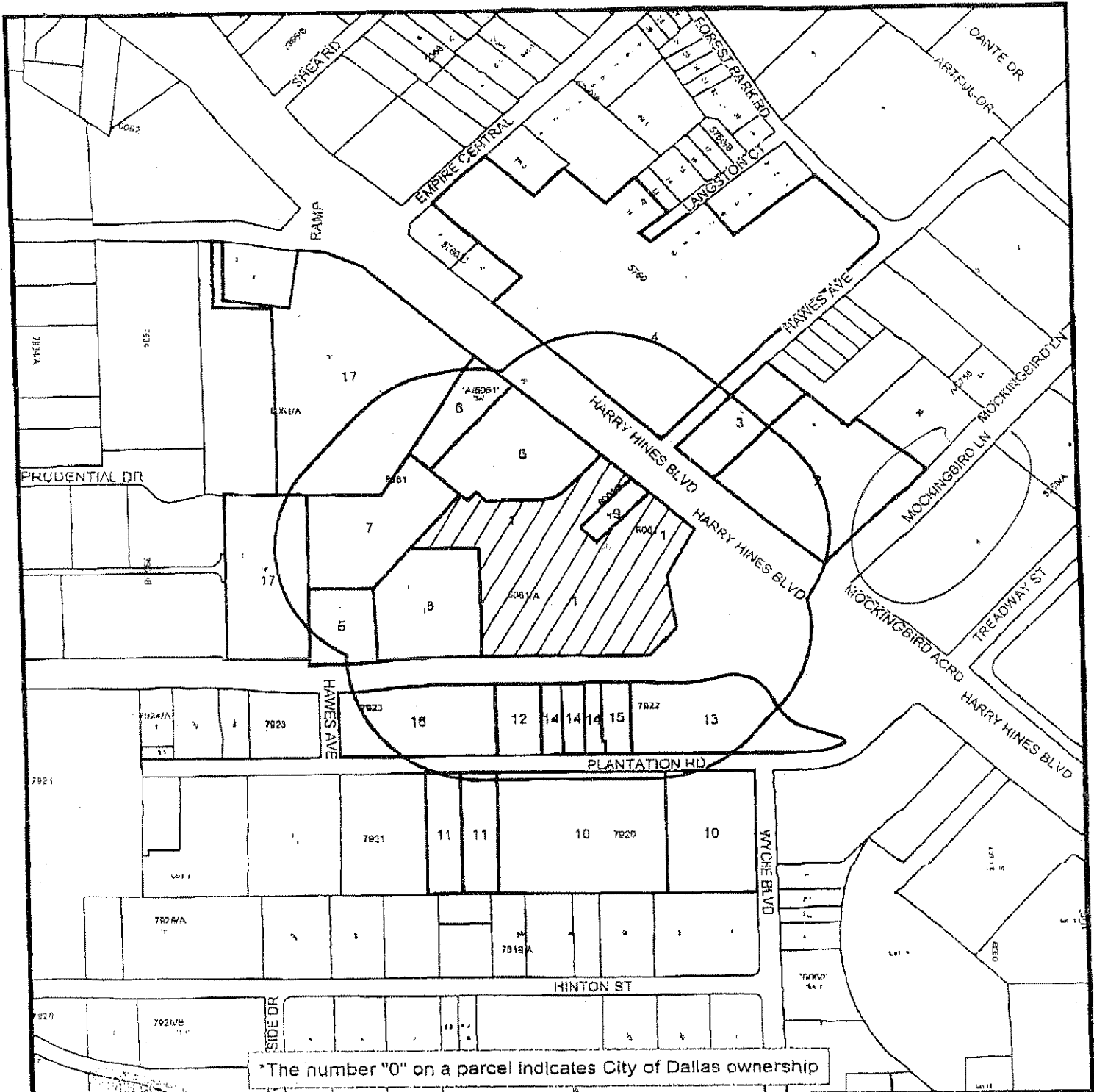
If you have any questions regarding this issue or any other matter, please call me or my assigned staff person, Roger Jones, at (214) 467-0123. Thank you for continuing to support affordable housing in my District.

Sincerely,

Royce West
Senator
District 23

RW/rj





NOTIFICATION

400' Area of Notification

17 Property Owners Notified

Map No. H-6

Case No. Z034-169(MM)

MULTIFAMILY FINANCE PRODUCTION DIVISION

BOARD ACTION REQUEST

July 28, 2004

Action Item

Appeal denial of points for a public meeting, Tab 4G, and the Pre-Application of one 2004 Housing Tax Credit (HTC) Application.

Requested Action

Issue a determination on the appeal.

Background and Recommendations

I. Providence at Edinburg, #04193

The Applicant submitted an appeal to the Executive Director on June 14, 2004, disputing the denial of points for hosting a public meeting, points for Tab 4G ("Cost Per Square Foot"), and points for the Pre-Application. On June 28, 2004, the Executive Director responded to the appeal stating that, while the Applicant did submit a partial transcript of the hosted meeting, as well as an affidavit that the meeting was transcribed from an audio tape, the transcript was clearly partial, most likely because the tape used to transcribe the meeting only recorded a portion of the meeting. Because the transcript was not complete, points could not be awarded for this item. Regarding the eligibility of the Application to receive points for Tab 4G, Cost Per Square Foot, the Executive Director noted that the Applicant had acknowledged inconsistencies between Exhibit 3B and Exhibit 5A of the Application. These two exhibits are required for Department staff to test for this point scoring item. Revised and consistent documents were requested from the Applicant during the deficiency process and were never received. Therefore, the Department was unable to substantiate points for this item. It should be noted that an affidavit is insufficient evidence for this item. Regarding the eligibility of the Application to receive points for the Pre-Application, the seven points were not reinstated because the two items above were not eligible for points in this appeal to the Executive Director. The Applicant submitted an appeal to the Board on July 13, 2004, regarding public meeting points, Tab 4G "Cost Per Square Foot" points, and Pre-Application points, as well as 14 points for leveraging not requested in the Executive Director appeal.

Relevant documentation related to this appeal is provided behind the Board Action Request.

Applicant:	Chicory Court XXX, LP
Site Location:	201 North 13th Ave
City/County:	Edinburg/Hidalgo
Regional Allocation Category:	Urban/Exurban
Set-Aside:	At-Risk, Non-Profit
Population Served:	Elderly
Region:	11

Type of Development: New Construction/Acquisition/Rehab
Units: 100
Credits Requested: \$445,854.00

Staff Recommendation: The Executive Director denied the original appeal. Staff is recommending that the Board also deny the appeal of the termination.

Board Appeal



JUL 2 AM 7:42

PROVIDENT ODYSSEY PARTNERS, LP

VIA FACSIMILE 512-475-0764

Ms. Edwina Carrington
Executive Director
Texas Department of Housing and Community Affairs
507 Sabine St
Austin, TX 78701

July 1, 2004

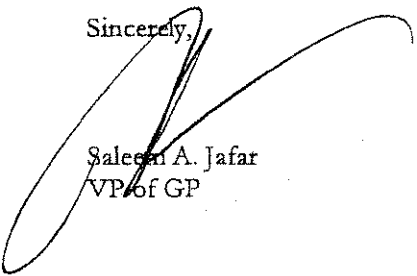
Re: Providence at Edinburgh TDHCA# 04193 9% tax credit application

Dear Ms. Carrington:

Please be advised that pursuant to the QAP, we are exercising our right to appeal to the TDHCA on the Board Meeting scheduled for July 28, 2004 on the same issues these applications were denied points for. Kindly have us put on the agenda for July 28 for comment and appeal.

Thank you for your consideration in this matter.

Sincerely,


Saleem A. Jafar
VP of GP

Executive Director's Response



WWW.TDHCA.STATE.TX.US

June 28, 2004

.....
RICK PERRY
Governor

EDWINA P. CARRINGTON
Executive Director

BOARD MEMBERS
Elizabeth Anderson, Chair
Shadrick Bogany
C. Kent Conine
Vidal Gonzalez
Patrick R. Gordon
Norberto Salinas

Saleem Jafar
Chicory Court XXX, LP
975 One Lincoln Centre, 5400 LBJ Freeway
Dallas, TX 75240
Telephone: (972) 239-8500
Fax: (972) 239-8373

Re: Response to appeal received June 14, 2004
Providence at Edinburg TDHCA Project No. 04193

Dear Mr. Jafar:

Appeal Review

I have carefully reviewed the application you submitted, as well as your appeal that we received on June 14, 2004 on the above-referenced Development.

Regarding the eligibility of your application to receive points for hosting a public meeting, in Exhibit 1G of your application, you requested "Public Meeting" points for the item described in §50.9(g)(6)(B) of the Qualified Allocation Plan and Rules (QAP), which grants points if "the Applicant has hosted a public meeting to which the neighborhood and other interested persons have been invited," and the Applicant provided evidence in the Application that, "...must include copies of the method of notification used and a transcript of the meeting, as well as a list of meeting attendees."

While you did submit a partial transcript of the hosted meeting, as well as an affidavit that the meeting was transcribed from an audio tape, the transcript is clearly partial, most likely because the tape used to transcribe the meeting only recorded a portion of the meeting. Unfortunately, because the transcript is not complete, points cannot be awarded for this item.

Regarding the eligibility of your application to receive points for Tab 4G, Cost Per Square Foot, in your appeal you acknowledge that there are inconsistencies between Exhibit 3B and Exhibit 5A of your application. These two exhibits are required for Department staff to test for this point scoring item. Revised and consistent documents were requested from the Applicant during the deficiency process and were never received. Therefore, the Department was unable to substantiate points for this item. It should be noted that an affidavit is insufficient evidence for this item.

Mr. Saleem Jafar
June 28, 2004

Regarding the eligibility of your application to receive points for the pre-application, because the two items above are not eligible for points in this appeal, the seven pre-application points will not be reinstated.

Appeal Determination

For the reasons outlined above, your appeal is rejected.

Section 50.18(b)(4) of the 2004 QAP states that if you are not satisfied with this response to your appeal, you may appeal directly in writing to the Board of the Texas Department of Housing and Community Affairs. Please note that an appeal filed with the Board must be received by the Board before the seventh day preceding the date of the Board meeting at which the relevant commitment decision is expected to be made. To have an appeal considered by the Board at the July 8 Board meeting, the appeal must be received by Delores Groneck, Board Secretary, no later than June 30, although it is strongly suggested that you submit it by June 29, 2004.

If you have questions or comments, please call (512) 475-3340.

Sincerely,



Edwina P. Carrington

Edwina P. Carrington
Executive Director

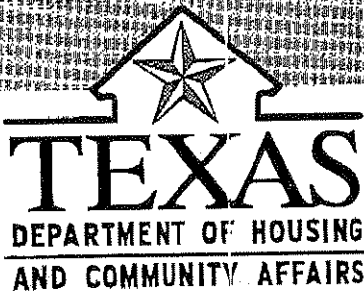
EPC/BLB/MFMU



*** TX REPORT ***

TRANSMISSION OK

TX/RX NO 2274
CONNECTION TEL 919722398373
CONNECTION ID
ST. TIME 06/28 11:43
USAGE T 01'08
PGS. SENT 2
RESULT OK



WWW.TDHC.A.STATE.TX.US

June 28, 2004

.....
RICK PERRY
Governor

EDWINA P. CARRINGTON
Executive Director

BOARD MEMBERS
Elizabeth Anderson, Chair
Shadrick Bogany
C. Kent Conine
Vidal Gonzalez
Patrick R. Gordon
Norberto Salinas

Saleem Jafar
Chicory Court XXX, LP
975 One Lincoln Centre, 5400 LBJ Freeway
Dallas, TX 75240
Telephone: (972) 239-8500
Fax: (972) 239-8373

Re: Response to appeal received June 14, 2004
Providence at Edinburg TDHCA Project No. 04193

Dear Mr. Jafar:

Appeal Review

I have carefully reviewed the application you submitted, as well as your appeal that we received on June 14, 2004 on the above-referenced Development.

Regarding the eligibility of your application to receive points for hosting a public meeting, in Exhibit 1G of your application, you requested "Public Meeting" points for the item described in §50.9(g)(6)(B) of the Qualified Allocation Plan and Rules (QAP), which grants points if "the Applicant has hosted a public meeting to which the neighborhood and other interested persons have been invited," and the Applicant provided evidence in the Application that, "...must include copies of the method of notification used and a transcript of the meeting, as well as a list of meeting attendees."

While you did submit a partial transcript of the hosted meeting, as well as an affidavit that the meeting was transcribed from an audio tape, the transcript is clearly partial, most likely because the tape used to transcribe the meeting only recorded a portion of

Executive Director's Appeal

Chicory Court XXX, L.P.
975 One Lincoln Centre
5400 LBJ Freeway
Dallas, Texas 75240
972-239-8500
972-239-8373 fax

RECEIVED
JUN 14 2004
LIHTC

Ms. Edwina Carrington
Executive Director
TDHCA
507 Sabine
Austin, TX 78711

RE: Providence at Edinburg # 04193; Scoring notice appeal

Dear Ms. Carrington:

This letter serves as our formal appeal of the disallowance of points in the above referenced application. Specifically we are entitled to points as follows:

1. Tab 4F: The applicant provided a written English Spanish translated transcript of the public hearing with the application. In addition, the applicant provided it a second time with its response to the deficiency notice on this item. The transcript included a certification from the court reporter that transcribed the tape recordings of the meeting.
2. Tab 4G: Whether inconsistent or not between Exhibit 3B and Exhibit 5A, the cost per SF was well within the cost limits for these points. In addition, the applicant provided a protective certification in the app agreeing in writing not to exceed the point limit cost per SF.
3. Pre app points: When the department restores the points for 1 and 2 above we would be entitled to reinstatement of our pre application points.

Please restore our points and rescore our application. Your help in this matter is appreciated.

Sincerely,



Saleem Jafar
VP of the Developer

Bill Fisher

From: Bill Fisher
Sent: Saturday, April 24, 2004 10:41 AM
To: 'Jennifer Joyce'
Cc: 'Saleem Jafar'; Saleem Jafar
Subject: Scoring request #04191 and #04193

Tracking:

Recipient	Delivery	Read
'Jennifer Joyce'		
'Saleem Jafar'		
Saleem Jafar	Delivered: 4/24/2004 10:41 AM	Read: 4/26/2004 10:33 AM

Jennifer,

In follow up to our call and my follow up e-mail on the scoring error in the pre app scores of Edinburg and Brownsville on paragraph 14 A, I am allowed to appeal this issue to the department at that time because we were only advised of this change by the administrative notice and subsequent request for clarification we made within the timeline of that notice. Our request for your adjustment of this issue between the faulty pre app and final app score is timely. Mistakes happen and when we recognize them the department has the authority to make the corrections. Especially when it is their own mistake. We relied on staff's determination in the pre app scoring review that these points would count. We received corrected pre app scoring notices from TDHCA that included these points.

We are not asking for inclusion of the 9 points in the final scores because we recognize with your deficiency notice that the points are not allowed under your explanation of the QAP in the final app review process. However, it does trigger our right to ask for that the department's error in the pre app score be corrected and that if you decline to do so, the item is fully appeal able. I think the solution is clear that the department must correct their mistake. In addition, it is inequitable to put the applications to two housing authority sponsors in jeopardy due to the mistake made in the pre app scoring. This does not affect the true score of the transactions. It affects only the two applications vulnerability to the 5% variance change. This % change is not an issue with the right interpretation by staff of the paragraph 14 A points issue in the pre app round. This is not a detail issue in our unit mix or other hard to discern pre app score issue. As staff now explains, the issue is black and white. That did not change from pre app to final app.

Please correct the final pre score to reflect this oversight by staff or insulate us from the % change adjustment, if applicable.

If this is not an issue because our final application scoring is within the 5% limit even with the extra 9 points in the pre application score then these communications are mute. However, if the issue of the 5% change is relevant to either application, we want to make sure our position is clear.

Thank You,

Bill Fisher

Provident Odyssey Farmers, LP

975 One Lincoln Centre

6/13/2004

EDINBURG HOUSING AUTHORITY

SIGN IN SHEET

DATE	2-12-04	TIME	FROM: ___:___ TO: ___:___
<input checked="" type="checkbox"/> TRAINING <input checked="" type="checkbox"/> MEETING	Public		
<input type="checkbox"/> EDUCATIONAL PROGRAM <input type="checkbox"/> OTHER			
AGENCY			
<input type="checkbox"/> STAFF <input type="checkbox"/> INSTRUCTOR <input type="checkbox"/> VOLUNTEER			
LOCATION (NAME OF DEVELOPMENT)	Lawers		

01.	Beedie McKinney	12.	Yolanda Garcia
02.	Maria Mary	13.	Maria Palomas
03.	Jenna Olive	14.	Ernesto Lopez
04.	Adela O. Munzira	15.	Santiago Perez
05.	Mary Potosky	16.	Dicky Amile
06.	Margaret D. Pina	17.	Celia Vazquez
07.	Adriana Polanco	18.	Comada Flores
08.	Fidelis Luna	19.	Juana Paderna
09.	Salvador Estrada	20.	Edwina Green
10.	Ruth Garcia	21.	Juana Paderna
11.	Antia Reyes	22.	Maria D. Estanant

EDINBURG HOUSING AUTHORITY

SIGN IN SHEET

DATE	2-12-04	TIME	FROM: 6:00 TO: 8:00
<input checked="" type="checkbox"/> TRAINING & MEETING <input type="checkbox"/> EDUCATIONAL PROGRAM <input type="checkbox"/> OTHER			
AGENCY			
<input type="checkbox"/> STAFF <input type="checkbox"/> INSTRUCTOR <input type="checkbox"/> VOLUNTEER			
LOCATION (NAME OF DEVELOPMENT)		Jensen	

01.	Andres Marga	13.	Pedro Briones
02.	Conchita Costa	13.	Margaret Murray
03.	Eva Munoz	14.	Rosario Lopez
04.	Julia Murray	15.	Martin Loureiro
05.	Luis Pabiza	16.	Eusebia Torres
06.	Margarito Salinas	17.	Lorraine Barera
07.	Victoria Alvarez	18.	Maria V. Perez
08.	Norma Lopez	19.	Rita Gaytan
09.	Marta Trueta	20.	Mrs + Mrs Brannon Caffo
10.	James Langeria	21.	Eva Lida
11.	Mercelina Martinez	22.	Abelardo Gonzalez

44

602

EDINBURG HOUSING AUTHORITY

SIGN IN SHEET

DATE	2-12-04	TIME	FROM: 6:00 TO: 8:00
<input type="checkbox"/> TRAINING <input type="checkbox"/> MEETING			
<input type="checkbox"/> EDUCATIONAL PROGRAM <input type="checkbox"/> OTHER			
AGENCY			
<input type="checkbox"/> STAFF <input type="checkbox"/> INSTRUCTOR <input type="checkbox"/> VOLUNTEER			
LOCATION (NAME OF DEVELOPMENT)	Zavala		

01.	Linda Albert	13.	José
02.	Amelia Cruz	13.	Elvira Herrera
03.	Gloria Torres	14.	KT Aming
04.	B. J. D. H.	15.	Marcela Perez
05.	Claudio Reyna	16.	Estela L. Medina
06.	Conrado Goya	17.	Leonorita Garcia
07.	Pablo Ruiz	18.	Billy Fitter
08.	Jacinta Ramos	19.	Paula B.
09.	Reynaldo Lopez	20.	L. H. G.
10.	Trinidad y Chapo	21.	Rent Ramos
11.	Manuela Diaz	22.	Tina P. Espinoza

EDINBURG HOUSING AUTHORITY

SIGN IN SHEET

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AGENCY			
<input type="checkbox"/> STAFF <input type="checkbox"/> INSTRUCTOR <input type="checkbox"/> VOLUNTEER			
LOCATION (NAME OF DEVELOPMENT)			

01.	<i>Bergo P. ...</i>	13.	
02.	<i>Blanca E. ...</i>	13.	
03.	<i>J.R. ...</i>	14.	
04.	<i>Olga ...</i>	15.	
05.		16.	
06.		17.	
07.		18.	
08.		19.	
09.		20.	
10.		21.	
11.		22.	

PUBLIC INPUT Meeting Transcript

EDINBURG

Woman Translator speaking: Yes they are going to send you to another place.

Inaudible: woman talking in meeting.

Woman: Only if we have apartments ... garden. She's asking if you can, can you pass her to the garden.

Inaudible: woman talking in meeting.

Woman: Are there any other questions?

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O.k. we are going to begin and each person that has a question or comment please come up to the front to give us your name and to say what you have to say. o.k. your name?

The only thing I want to say is that my name is Petra Garcia and I live here in Edinburg and since I came here I was very comfortable in this place to this very day. I don't get involved with anyone, I just say hello. So, like I say I hope that God helps us with all that we are going to do and that He tells us so that we... and to pray in that same regard because up until now I do not have a complaint.

Applause:

My name is ??? and I want... in the apartment that I live in. I am very comfortable there and that's all I want to say.

Thank you.

I am talking on behalf of Ms. Saenz and she in Rom 410. It is very necessary that the kitchens be remodeled because we have a very bad problems with roaches coming in through the cabinets. We have containers to have the utensils in plastic containers because of all of these roaches and the cabinets are not in very good conditions. So thank you and we hope that it will be remodeled.

My name is Maria Mares and you don't have to worry about me. I have been here 26 years, since this thing was built so I am the owner, you don't have to worry about me. I'm going to write down that I am the owner of here, don't worry about me.

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12 years ago I came to this place... and I'm very happy in here you know. So I hope and I give thanks to these people, to him that he's going to do this for us because we need some nice place. This is very good place to live but anyway its getting bad so I hope everybody thinks like I'm thinking and we can try to be nice to each other and thank you very much.

Maria - I have more than 21 years to live here. I am very comfortable even though I don't have an air condition or heater for 2 years but I am happy. I am very happy here.

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My name is Ms. Flores - I am very comfortable here but here they have said a lot of things about me and they have said a lot of false things. There are persons who have made false statements

Meeting
STARTS

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Jacinta Ramirez: yes I like it here.

Fisher: So they should give us money to redo the shower.

Jacinta Ramirez: o.k.

Fisher: Tell these people in Austin to give us money to do the renovation of the towers.

You people in Austin be sure to give us the money because we are very happy here. My name is Becky ??

My name is Adela Ochoa Mungia and in March it will be a year that I have been here and I like it. I like everybody here. Everybody is very friendly. The floor I live in is the second floor and I like and I am very happy and glad that they are going to rebuild here for everybody.

My name is Linda Olbreck? I'm an Edinburg ?? I've been gone a couple of years. I am happy to see more changes being made for the elderly. I have an elderly mother who is totally anti-social, lives in her own house, has no personal contact and this is very detrimental to the elderly people. So with more improvements and more houses, especially for elderly people, there will be more livelihood, there will be more involvement and this is something that every city is going to need. Thank you.

Fisher: We try to run some programs on these properties to get the seniors up and about and interacting with he community

Linda O: They need to start at a younger age.

Fisher: That's right, I understand.

I'm Victorina Alvarez and I've been living here for 5 years and I am very glad and I want to know if they are going to tear out my carpet. I have wall to wall carpet.

Fisher: We will replace your carpet. This will be a new building.

Victorina Alvarez: o.k. I don't have to worry?

Fisher: No, the only thing you have to worry about is making sure you remember which floor you're on.

Fisher: Everything in your unit will be new, you won't recognize it. It will all be modern and energy efficient...New appliances, new cabinets, new plumbing.

Yes, he has a questions. It there going to be more security? like a gated community?

Fisher: The answer to that question is yes. There will be a perimeter fence and their access will be verified.

My name is Elvira Herrera. I am very content living here. I would not want to move anywhere else...I would the property to be brand new.

My name is Marcelina Martinez. If I have to move from my apartment I want it to be temporary and also I want there to be an assurance because I am here with an assurance and that we have more assurance because we don't want the doors to be open from the stairs and that we each take care of each other but we never do. We want you to help us as quickly as possible because here we are the ones that live here in Edinburg.

Didi: ... I think that Ms. T is a wonderful lady and I have enjoyed every minute of it. All of my 90 years.

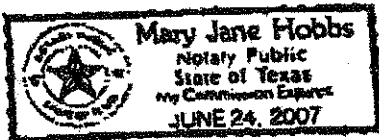
ACKNOWLEDGEMENT

I, Susana Garza, do hereby state that I prepared the attached transcript from the audiotape of the meetings in Edinburg and Brownsville provided to me. The transcript is an accurate transcript of Spanish to English translation of the comments made in the audio taped record of the meetings

Susana Garza
SUSANA GARZA

STATE OF TEXAS §
 §
COUNTY OF BEXAR §

SUBSCRIBED and SWORN to before me, a Notary Public, on this the 27th day of February, 2004.



Mary Jane Hobbs
Notary Public, State of Texas
My Commission Expires: 2/24/07

FILED FOR RECORD
La Villitas Senior Tower Resident's Council and Neighborhood

Association 2004 APR 26 PM 3 48 *mm*
201 North 13th Street
Edinburg, TX 78539

JUAN D. SALINAS, III
COUNTY CLERK
HIDALGO COUNTY, TEXAS

J.D. Salinas III
County Clerk
Hidalgo County Texas
100 N. Closner Street
Edinburg, TX 78539

Dear Mr. Salinas:

Our resident's council and neighborhood association hereby requests our association be registered with Hidalgo County as a duly organized Neighborhood organization. Please indicate your receipt of the registration of La Villitas Senior Towers Resident's Council and Neighborhood Association. I have attached information about our organization which is organized pursuant to Title 24—Housing and Urban Development Chapter IX part 964.18. Our bylaws are available to your office upon request.

Your help in this matter is appreciated.

Sincerely,

Deddie McKinney

President

PROVIDENT REALTY ADVISORS, INC.
ONE LINCOLN CENTRE
5400 LBJ FREEWAY
SUITE 975
DALLAS, TEXAS 75240
(972) 239-8500
FAX: (972) 239-8373

RECEIVED
JUN 14 2004
LIHTC

FACSIMILE TRANSMITTAL SHEET

TO: BROOK BOSTON

FROM: Doug Backes ext. 110

FAX NUMBER: 512 475 0764

DATE:

PHONE NUMBER:

TOTAL # OF PAGES INCLUDING COVER:

PROVIDENCE AT EDINBURG 04193

URGENT FOR REVIEW PLEASE COMMENT PLEASE REPLY

NOTES/COMMENTS:

APPEAL
COPY OF RESPONSE TO SCORING NOTICE

*** TX REPORT ***

TRANSMISSION OK

TX/RX NO 0156
RECIPIENT ADDRESS 15124728526
DESTINATION ID
ST. TIME 06/14 15:35
TIME USE 03'52
PAGES SENT 9
RESULT OK

PROVIDENT REALTY ADVISORS, INC.
ONE LINCOLN CENTRE
5400 LBJ FREEWAY
SUITE 975
DALLAS, TEXAS 75240
(972) 239-8500
FAX: (972) 239-8373

FACSIMILE TRANSMITTAL SHEET

TO: FROM:
Ms EDWINA CARRINGTON *Doug Backes ext. 110*
FAX NUMBER: DATE:
512 472 8526
PHONE NUMBER: TOTAL # OF PAGES INCLUDING COVER:

*PROVIDENCE AT EDINBURG # 04193 APPEAL OF SCORING
NOTICE*

URGENT FOR REVIEW PLEASE COMMENT PLEASE REPLY

NOTES/COMMENTS:
FIND ATTACHED ;
- H. DOLG & COUNTY

PROVIDENT REALTY ADVISORS, INC.

ONE LINCOLN CENTRE

5400 LBJ FREEWAY

SUITE 975

DALLAS, TEXAS 75240

(972) 239-8500

FAX: (972) 239-8373

FACSIMILE TRANSMITTAL SHEET

TO:

Ms EDWINA CARRINGTON

FROM:

Doug Backes ext. 110

FAX NUMBER:

512 472 8526

DATE:

PHONE NUMBER:

TOTAL # OF PAGES INCLUDING
COVER:

PROVIDENCE AT EDINBURG # 04193 APPEAL OF SCORING
NOTICE

URGENT FOR REVIEW PLEASE COMMENT PLEASE REPLY

NOTES/COMMENTS:

FIND ATTACHED:

1. LETTER TO HILDALGO COUNTY
2. SIGN IN SHEET FOR PUBLIC MEETING
3. TRANSCRIPT OF MEETING
4. NOTIFIED AFFIDAVIT OF TRANSCRIPTION

Chicory Court XXX, L.P.

975 One Lincoln Centre

5400 LBJ Freeway

Dallas, Texas 75240

972-239-8500

972-239-8373 fax

Ms. Edwina Carrington
Executive Director
TDHCA
507 Sabine
Austin, TX 78711

RE: Providence at Edinburg # 04193; Scoring notice appeal

Dear Ms. Carrington:

This letter serves as our formal appeal of the disallowance of points in the above referenced application. Specifically we are entitled to points as follows:

1. Tab 4F: The applicant provided a written English Spanish translated transcript of the public hearing with the application. In addition, the applicant provided it a second time with its response to the deficiency notice on this item. The transcript included a certification from the court reporter that transcribed the tape recordings of the meeting.
2. Tab 4G: Whether inconsistent or not between Exhibit 3B and Exhibit 5A, the cost per SF was well within the cost limits for these points. In addition, the applicant provided a protective certification in the app agreeing in writing not to exceed the point limit cost per SF.
3. Pre app points: When the department restores the points for 1 and 2 above we would be entitled to reinstatement of our pre application points.

Please restore our points and rescore our application. Your help in this matter is appreciated.

Sincerely,



Saleem Jafar
VP of the Developer

EDINBURG HOUSING AUTHORITY

SIGN IN SHEET

DATE	2-12-04	TIME	FROM: __: __ TO: __: __
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AGENCY			
<input type="checkbox"/> STAFF <input type="checkbox"/> INSTRUCTOR <input type="checkbox"/> VOLUNTEER			
LOCATION (NAME OF DEVELOPMENT)	Sowers		

01.	Beedie McKinney	12.	Ylvaria Garcia
02.	Maria Mary	13.	Maria C. Salinas
03.	Teresa Olive	14.	Ermo Lopez
04.	Adela O. Munzira	15.	Santiago Perez
05.	Mary Puteskey	16.	Decky Avila
06.	Yuzma B. Pina	17.	Celia Vasquez
07.	Adelita P. Pines	18.	Conrada Flores
08.	Fidel Luna	19.	Juana Padilla
09.	Salvador Estrada	20.	Elvora Gomez
10.	Petra Garcia	21.	Juana Padilla
11.	Anta Reyna	22.	Maria D. B. Stewart

EDINBURG HOUSING AUTHORITY

SIGN IN SHEET

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AGENCY			
<input type="checkbox"/> STAFF <input type="checkbox"/> INSTRUCTOR <input type="checkbox"/> VOLUNTEER			
LOCATION (NAME OF DEVELOPMENT)	Juniata		

01.	Andres Garza	12.	Pedro Briones
02.	Conchita Cantu	13.	Margaret Munoz
03.	Eva Munoz	14.	Rosario de Jesus
04.	Julia Munoz	15.	Martin Louero
05.	Luz Pabina	16.	Ene delia Torres
06.	Margarito Salinas	17.	Larrosa Barera
07.	Victoria Alvar	18.	Maria V Perez
08.	Norma Lopez	19.	Rita Gaytan
09.	Marta Taula	20.	Mr & Mrs Brannon Caspe
10.	Ismael Langeria	21.	Eva Jela
11.	Marekha Martine	22.	Roberto Cortez

44

62

EDINBURG HOUSING AUTHORITY

SIGN IN SHEET

DATE	2-12-04	TIME	FROM: 6:00 TO: 8:00
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AGENCY			
<input type="checkbox"/> STAFF <input type="checkbox"/> INSTRUCTOR <input type="checkbox"/> VOLUNTEER			
LOCATION (NAME OF DEVELOPMENT)		Zamora	

01.	Linda Albrecht	12.	Josely
02.	Amelia Cruz	13.	Elvira Herrera
03.	Gloria Gomez	14.	K. Ramirez
04.	G. D. D. F.	15.	Marcia Perez
05.	Claudio Reyna	16.	Estela L. Jimenez
06.	Concepcion Goya	17.	Laura Lina Jimenez
07.	Paula Ruiz	18.	Bill Fitter
08.	Jacinta Ramirez	19.	Roberto
09.	Reynaldo Lopez	20.	L. H. G.
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EDINBURG HOUSING AUTHORITY

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AGENCY			
<input type="checkbox"/> STAFF <input type="checkbox"/> INSTRUCTOR <input type="checkbox"/> VOLUNTEER			
LOCATION (NAME OF DEVELOPMENT)			

01.	<i>George Ferraris</i>	12.	
02.	<i>Blanca Ferraris</i>	13.	
03.	<i>J.R. Ferraris</i>	14.	
04.	<i>Olga Ferraris</i>	15.	
05.		16.	
06.		17.	
07.		18.	
08.		19.	
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PUBLIC Input Meeting Transcript

EDINBURG

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Applause:

My name is ??? and I want... in the apartment that I live in. I am very comfortable there and that's all I want to say.

Thank you.

I am talking on behalf of Ms. Saenz and she in Rom 410. It is very necessary that the kitchens be remodeled because we have a very bad problems with roaches coming in through the cabinets. We have containers to have the utensils in plastic containers because of all of these roaches and the cabinets are not in very good conditions. So thank you and we hope that it will be remodeled.

My name is Maria Mares and you don't have to worry about me. I have been here 26 years, since this thing was built so I am the owner, you don't have to worry about me. I'm going to write down that I am the owner of here, don't worry about me.

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getting
PARTS

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Linda O: They need to start at a younger age.

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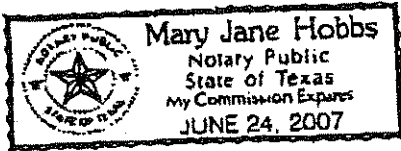
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Susana Garza
SUSANA GARZA

STATE OF TEXAS §
 §
COUNTY OF BEXAR §

SUBSCRIBED and SWORN to before me, a Notary Public, on this the 27th day of February, 2004.



Mary Jane Hobbs
Notary Public, State of Texas
My Commission Expires: 2/24/07

FILED FOR RECORD
**La Villitas Senior Tower Resident's Council and Neighborhood
Association** 2004 APR 28 PM 3 48 *mm*
201 North 13th Street
Edinburg, TX 78539

JUAN D. SALINAS, III
COUNTY CLERK
HIDALGO COUNTY, TEXAS

J.D. Salinas III
County Clerk
Hidalgo County Texas
100 N. Closner Street
Edinburg, TX 78539

Dear Mr. Salinas:

Our resident's council and neighborhood association hereby requests our association be registered with Hidalgo County as a duly organized Neighborhood organization. Please indicate your receipt of the registration of La Villitas Senior Towers Resident's Council and Neighborhood Association. I have attached information about our organization which is organized pursuant to Title 24--Housing and Urban Development Chapter IX part 964.18. Our bylaws are available to your office upon request.

Your help in this matter is appreciated.

Sincerely,

Neddie McKinney

President

<p>MULTIFAMILY FINANCE PRODUCTION DIVISION</p> <p>BOARD ACTION REQUEST</p> <p>July 28, 2004</p>
--

Action Item

Appeal denial of Low Income Targeting points of one 2004 Housing Tax Credit (HTC) Application.

Requested Action

Issue a determination on the appeal.

Background and Recommendations

I. Freeport Oaks, #04255

The Applicant submitted an appeal to the Executive Director on June 24, 2004, regarding the eligibility of the Application to receive points under §50.9(g)(13) of the 2004 Qualified Allocation Plan (QAP), Low Income Targeting, for leveraging funds. On July 8, 2004, the Executive Director responded to the appeal stating that, despite the extenuating circumstances surrounding the delivery of the commitment letter as described in the appeal, the Department is required to follow the plain language of legislation and its rules when evaluating the scoring criteria. In this case, the QAP, as the rule for the Housing Tax Credit Program, has outlined the requirement that this documentation be submitted to the Department no later than June 14, 2004. Unfortunately, the required documentation was not submitted until June 15, 2004. The Applicant submitted an appeal to the Board on July 21, 2004, regarding points for Low Income Targeting.

Relevant documentation related to this appeal is provided behind the Board Action Request.

Applicant:	Freeport Oaks LP
Site Location:	NE Corner of Avenue J & Skinner St.
City/County:	Freeport/Brazoria
Regional Allocation Category:	Urban/Exurban
Set-Aside:	General
Population Served:	Family
Region:	6
Type of Development:	New Construction
Units:	100
Credits Requested:	\$721,599

Staff Recommendation: The Executive Director denied the original appeal. Staff is recommending that the Board also deny the appeal of the termination.

Board Appeal



June 30, 2004

Ms. Beth Anderson
Chair of the Board
Texas Department of Housing & Community Affairs
P.O. Box 13941
Austin, Texas 78711-3941

Re: Formal Appeal of the subsidy points that were deducted by the Department for Freeport Oaks Apartments, TDHCA # 04255

Dear Ms. Anderson:

Please accept this letter as the formal appeal for Freeport Oaks LP of the subsidy points that were deducted by the Department for Freeport Oaks Apartments, TDHCA # 04255. The total points requested in the Application were 158; based on a letter we received from the Department on June 17, 2004 (see attached), the final points awarded were 150. The deduction of points was due to the fact that the commitment letter for our subsidy funding was sent to the Department on June 15, one day past the deadline of June 14. Subsequently, we lost a total of 8 points for the subsidy. Following is an explanation for the delay in the commitment letter, a delay that was, unfortunately, beyond our control. Our hope is that, due to these unique circumstances, you will approve our appeal and reinstate our 8 points.

The subsidy commitment we secured was from Bozrah International Ministries; Mr. John Pitts, Board Chairman. During the week prior to the June 14 deadline, we were informed that Mr. Pitts would be out the entire week due to the unexpected and tragic death of his twin brother's wife in an automobile accident. Mr. Pitts was not able to execute and deliver the commitment letter until June 15. Once executed, Mr. Pitts immediately faxed a copy to the Department.

Attached is a letter from Mr. Pitts explaining in more detail the very unfortunate circumstances surrounding the delay in the delivery of the commitment letter, along with a copy of the letter itself.

Ms. Anderson, we have worked very hard with the City of Freeport in securing overwhelming support for Freeport Oaks Apartments. The City is very excited about the prospect of having a new affordable development for families in their city. Throughout our Application, we have 'walked the walk' in regards to a development that includes units for mixed income, low income targeting, securing funding for 30% units and maximizing amenities. We are asking you to look at these unique, tragic, circumstances and grant our appeal to reinstate the points that were deducted from our application.

Sincerely,

A handwritten signature in black ink, appearing to read "Les Kilday", written in a cursive style.

Les Kilday
Vice President, Kilday Realty Corp.



MULTI-FAMILY FINANCE PRODUCTION DIVISION
Housing Tax Credit Program - 2004 Application Cycle
Final Scoring Notice - REVISED

Freeport Oaks LP
Les Kilday
5005 Riverway, Suite 330
Houston, Texas 77056
Phone #: (713) 914-9400
Fax #: (713) 914-9439

Date Issued: 06/17/04

THIS NOTICE WILL ONLY BE
TRANSMITTED VIA FACSIMILE

RE: 2004 HTC Application for Freeport Oaks Apartments
TDCHA Number: 04255

Attention: Les Kilday

The Texas Department of Housing and Community Affairs (the Department) has completed its review of the above-referenced application for threshold documents and selection criteria points as further described in the 2004 Qualified Allocation Plan and Rules (QAP). Below, is a summary of the score requested, as calculated by the Applicant, followed by the score requested as calculated by the Department. The two numbers differ if the Applicant's calculation was incorrect. The next score shown is the score awarded to the application for all items for which the applicant requested points, followed by the difference between the score requested (as calculated by the Department) and the score awarded. An explanation of the reason(s) for any differences, including points denied, is provided after the scoring summary. The next scoring items show the number of points awarded for each of the three categories for which points could not be requested by the applicant: Quantifiable Community Participation from neighborhood organizations, letters of support or opposition from state representatives and letters of support or opposition from state senators. This is followed, in bold, by the final cumulative number of points awarded by the Department to the above-referenced Application.

Please be aware that the scores below now reflect point deductions that were made for extensions on construction loan closings for 2003 applications consistent with Section 50.9(g)(18)(A) of the QAP. The scores also now reflect point losses for applications that were originally awarded points for targeting units at 30% of AMGI or leveraging, consistent with Section 50.9(g)(13) or (14), and for which the requirement has not been satisfied.

Score Requested by Applicant:	151
Score Requested as Calculated by Department:	151
Score Awarded by Department for Requested Items:	143
Difference between Requested and Awarded:	8
Points Awarded for Quantifiable Community Participation:	1
Points Awarded for Input from State Senator:	3
Points Awarded for Input from State Representative:	3
Final Score Awarded to Application by Department:	150

Explanation for Deductions to Points Requested (if any):

Subsidy Requirement: No documentation was received that supports the requirement for a subsidy to receive points for targeting units at 30% of AMGI. (points requested 8, points awarded 0).

06/17/04 THU 08:07 FAX 512 475 0764

TDHCA/LIHTC

AFFAIR

0004



MULTI-FAMILY FINANCE PRODUCTION DIVISION
Housing Tax Credit Program - 2004 Application Cycle
Final Scoring Notice - REVISED

Please be aware that a formal Appeals Policy exists for the HTC Program. If you wish to appeal this scoring notice, you must file your appeal with the Department no later than 5:00 p.m., Thursday, June 24, 2004. The restrictions and requirements relating to the Appeals Policy can be found in Section 50.18(b) of the 2004 QAP. Additionally, the Department would be happy to meet with you after the application cycle has ended to discuss potential areas of improvement to your application for the subsequent allocation cycle.

A posting of all completed application scores was made on the Department's web site at www.tdhca.state.tx.us by June 7, 2004. A list of those developments being recommended at the June 28, 2004 Board meeting will also be available on the web site on or before June 21, 2004. If you have any concerns regarding potential miscalculations or errors made by the Department, please contact Jennifer Joyce by facsimile (512.475.0764 or 512.476.0438) or email to jjoyce@tdhca.state.tx.us. Note that Ms. Joyce will not be responding to any comments until on or after June 21, 2004.

Sincerely,

Brooke Boston

Brooke Boston

Director, Multi-Family Finance Production Division

BOZRAH INTERNATIONAL MINISTRIES
17336 W. Little York Road
Houston, Texas 77084

June 23, 2004

Ms. Edwina Carrington
Executive Director
Texas Department of Housing & Community Affairs
P.O. Box 13941
Austin, Texas 78711-3941

Re: Delay in delivery of the subsidy commitment letter for Freeport Oaks Apartments, TDHCA # 04255

Dear Ms. Carrington:

Please accept this letter as my sincere apology for the delay in the delivery of the subsidy commitment letter from Bozrah International Ministries for the Freeport Oaks Apartments, TDHCA # 04255. I understand that this delay has resulted in a deduction of 8 points for the Freeport Oaks Apartments Application.

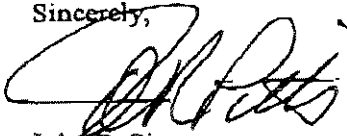
During the time that I was securing final approval from the Board Members of Bozrah International Ministries and finalizing the commitment letter for the Freeport Oaks Apartments, my twin brother's wife was killed in an automobile accident.

By the time I was able to get back into the office, the deadline for the subsidy funding (June 14) had passed. I was able to deliver the commitment letter to the Department, via fax, on Tuesday, June 15.

My understanding is that the deduction of the subsidy requirement points is being appealed. My hope is that you will consider the facts and circumstances resulting in the delay of the commitment letter in the final scoring of the Freeport Oaks Apartments Application.

Please do not hesitate to contact me if you, or anyone else, has any questions regarding this situation.

Sincerely,



John R. Pitts
Chairman of the Board
Bozrah International Ministries

**AKIN GUMP
 STRAUSS HAUER & FELD LLP**
 Attorneys at Law

FAX TRANSMISSION

June 15, 2004

To	Company	Fax	Phone
Dick Kilday	Kilday Realty Corp.	(713) 914-9439	(713) 914-9400

From: John R. Pitts
Total Pages: 12
Direct Dial: 512.499.6240/713.220.8110

Re:

Message:

Dick,

I apologize for the delay in getting these two letters to you. This should have been done last week, but due to a death in my family I was unable to do so. I apologize for the delay. Please let me know if this causes any problems. Thank you-

John

100245.0001

Floor: 45

Return fax via Interoffice Mail

Sender's email: JPITTS@AKINGUMP.COM

Secretary: Mary Lee

Hold fax for pickup

Sender's fax:

Ext: 12192

Fax Operation Verification: _____

Freeport

The information contained in this facsimile message is attorney-client privileged and confidential, and is intended only for the use of the individual or entity named above. If the reader of this message is not the intended recipient, or the employee or agent responsible to deliver it to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately by telephone, and return the original message to us by mail at the address below.

BOZRAH INTERNATIONAL MINISTRIES
17336 W. Little York Road
Houston, Texas 77084

June 10, 2004

Freeport Oaks LP
c/o Kilday Realty Corp
R. R. Kilday, Vice President
5005 Riverway, Suite 330
Houston, Texas 77056

Re: Permanent Financing Commitment— Second Lien Loan of \$37,500

Dear Mr. Kilday:

Your request for funding has been approved by our Board of Directors, and accordingly this loan commitment letter will summarize the terms and conditions under which Bozrah International Ministries ("Bozrah" and "Lender") agrees to loan to Freeport Oaks LP ("Freeport Oaks" and "Borrower") (and collectively as the "Party" or "Parties") the sum of \$37,500 (Thirty seven thousand five hundred dollars) as a secondary source of funding for permanent financing for a 100-unit family apartment rental community to be developed in Freeport, Texas at the SE intersection of Avenue J and Skinner streets.

Bozrah is a duly chartered non-profit 501c3 entity created to, among other things, be a positive force and catalyst in helping to create affordable housing for lower income citizens of Texas, through grants, loans and other incentives to worthy development organizations. Freeport Oaks LP is a limited partnership formed to develop such affordable housing for elderly citizens with incomes in the 30%, 40%, 50% and 60% of median family income levels. Bozrah is especially interested in and committed to helping to finance the 30% of median segment of this housing to facilitate high quality housing at very attractive rentals, housing that this segment of the population would otherwise not be able to afford. We view this as being able to achieve the rental version of the "American Dream".

The terms and conditions under which this loan commitment is made are set out below:

Loan Amount:	\$37,500
Interest Rate:	Prime rate as established by J P Morgan Chase in Houston, Texas

Term: Ten (10) years from initial funding, coincident with the closing date of the first lien permanent loan, or the earlier of twenty-four months from construction loan closing, or December 31, 2006

Security: Second-lien on realty – Freeport Oaks apartment community site (legal description attached as Exhibit A) – along with personal property, and an assignment of rents and leases

Amortization: 30 year amortization and total loan pay-off at the end of ten years

Convertible Feature: This loan is forgivable, i.e. convertible into a grant, over the ten year term on a pro-rata basis of 10.0% per annum as long as the rental community remains affordable in the same general character as proposed. Bozrah will annually inspect the project, the books, records and financial statements to satisfy itself that Freeport Oaks maintains that character

Commitment Termination Date: June 16, 2004 at 5:01 p.m.

Loan Documents: Note and other documents in form and substance as reasonably agreed on by Bozrah and Freeport Oaks

Closing Costs: Borrower will be responsible for all closing costs

Insurance: The land and improvements shall be appropriately insured at all times with liability and property insurance, and limits and deductibles commensurate with developments and properties of this type

Prepayment: This loan shall be prepayable in whole or at any time upon thirty (30) days notice

Notice: All notices shall be in writing and shall be effective upon constructive receipt by either party hereto through the U. S. Mail, Facsimile, Air Express or Courier upon receipted evidence, certified mail, or other documentary evidence including appropriate dates

Assignment: Permissible by either Party with other Party's consent

Compliance with
Applicable Law:

This commitment is subject to Lender's and Borrower's compliance with all applicable laws, federal, state and local, and with all governmental regulations, rules and ordinances, including specifically those governing the low income housing tax credit program (including the 2004 Qualified Allocation Plan) administered by the Texas Department of Housing and Community Affairs ("TDHCA")

Jurisdiction:

Intended to be the State of Texas

This commitment shall be valid only after execution by Lender and delivery to the TDHCA and to Borrower on or before June 16, 2004 by 5:00 p.m. CDT.

Please contact us for any questions, clarifications or additional information.

Very truly yours,

Bozrah International Ministries, a duly
constituted Non-Profit 501c3 entity

By: John R. Pitts /mcl
John R. Pitts
Chairman, Board of Directors

EXHIBIT "A"

LEGAL DESCRIPTION

GF No.: 04030002

EXHIBIT "A"

(6.0) Six Acres out of ---

Being a 12.3152 acre tract of land, Zoned C-1 out of Urban Renewal Tract "A" (110.6897 acres), also being Blocks 696, 697, 679, 680 and a part of Block 695 of the Old Townsite of Velasco, City of Freeport, Brazoria County, Texas, and being described more fully by metes and bounds as follows:

BEGINNING at a 5/8" iron rod in the intersection of the South right-of-way line of Avenue "M" and the East right-of-way line of Skinner Street, and being the Northwest corner of Block 695 of the Old Townsite of Velasco;

TRENCE South 56° 56' 00" East, a distance of 250.00 feet, along the South right-of-way line of Avenue "M" to a 5/8" iron rod for corner;

TRENCE South 33° 04' 00" West, a distance of 299.27 feet, along a line parallel to and 2.0 feet west of the East property line of Lots 10 and 15, Block 695 of said Old Townsite of Velasco, to a 5/8" iron rod for corner;

TRENCE South 56° 56' 00" East, a distance of 454.00 feet, along a line 29.27 feet northerly and paralleling the southerly right-of-way line of Avenue "L" and also being along the southerly property line of Sam Houston Park to a point for corner on the East line of a 30.00 foot Drainage Easement, and also being in the West line of Tract 1 of Longhorn Meadows Section Four, according to the plat as recorded in the Brazoria Map Records, Brazoria County, Texas;

TRENCE South 33° 04' 00" West, a distance of 655.73 feet and following along the Easterly line of said 30.00 foot Drainage Easement, and the Westerly line of the above mentioned Tract 1, to a point in the North right-of-way line of Avenue "J" being 60.00 feet in width;

TRENCE North 56° 56' 00" West, a distance of 704.00 feet and following along the Northerly right-of-way line of Avenue "J" to its intersection with the Easterly right-of-way line of Skinner Street;

TRENCE North 33° 04' 00" East, a distance of 955.00 feet, following along the Easterly right-of-way line of Skinner Street to the POINT OF BEGINNING of the tract of land herein described, and containing 12.3152 acres of land, more or less.

Executive Director's Response

04255



WWW.TDHCA.STATE.TX.US

July 8, 2004

Les Kilday
Freeport Oaks LP
5005 Riverway, Suite 330
Houston, TX 77056
Telephone: (713) 914-9400
Fax: (713) 914-9439

RICK PERRY
Governor

EDWINA P. CARRINGTON
Executive Director

BOARD MEMBERS
Elizabeth Anderson, Chair
Shadrick Bogany
C. Kent Conine
Vidal Gonzalez
Patrick R. Gordon
Norberto Salinas

**Re: Response to appeal received June 24, 2004
Freeport Oaks Apartments TDHCA Project No. 04255**

Dear Mr. Kilday:

Appeal Review

I have carefully reviewed the application you submitted, as well as your appeal that we received from you on June 30, 2004 on the above-referenced development, regarding the eligibility of your application to receive points under §50.9(g)(13) of the 2004 Qualified Allocation Plan (QAP), Low Income Targeting, for leveraging funds from the City of Freeport. The Department has also reviewed the letter from Mr. Pitts regarding this appeal.

While the Department does wish to express its deepest condolences for the loss of Mr. Pitts' family member, the Department is required to follow the plain language of legislation and its rules when evaluating the scoring criteria. In this case, the QAP, as the rule for the Housing Tax Credit Program, has outlined the requirement that this documentation be submitted to the Department no later than June 14, 2004. Unfortunately, the required documentation was not submitted until June 15, 2004.

Appeal Determination

Because of the above-mentioned reason, the appeal is denied.

Section 50.18(b)(4) of the 2004 QAP states that if you are not satisfied with this response to your appeal, you may appeal directly in writing to the Board of the Texas Department of Housing and Community Affairs. Please note that an appeal filed with the Board must be received by the Board before the seventh day preceding the date of the Board meeting at which the relevant commitment decision is expected to be made. To have an appeal considered by the Board at the July 28 Board meeting, the appeal must be received by Delores Groneck, Board Secretary, no later than June 20, although it is strongly suggested that you submit it by June 15, 2004.

Mr. Les Kilday
July 8, 2004

If you have questions or comments, please call (512) 475-3340.

Sincerely,



for Edwina P. Carrington
Executive Director

EPC/BLB/MFMU

*** TX REPORT ***

TRANSMISSION OK

TX/RX NO 3573
CONNECTION TEL 97139149439
CONNECTION ID
ST. TIME 07/08 07:53
USAGE T 00'44
PGS. SENT 2
RESULT OK



WWW.TDHCA.STATE.TX.US

July 8, 2004

.....
RICK PERRY
Governor

EDWINA P. CARRINGTON
Executive Director

BOARD MEMBERS
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Norberto Salinas

Les Kilday
Freeport Oaks LP
5005 Riverway, Suite 330
Houston, TX 77056
Telephone: (713) 914-9400
Fax: (713) 914-9439

Re: **Response to appeal received June 24, 2004**
Freeport Oaks Apartments TDHCA Project No. 04255

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Appeal Review

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While the Department does wish to express its deepest condolences for the loss of Mr. Pitts' family member, the Department is required to follow the plain language of legislation and its rules when evaluating the scoring criteria. In this case, the QAP, as the rule for the Housing Tax Credit Program, has outlined the requirement that this documentation be submitted to the Department no later than June 14, 2004. Unfortunately, the required documentation was not submitted until June 15, 2004.

Appeal Determination

Because of the above-mentioned reason, the appeal is denied.

EXECUTIVE DIRECTOR'S
ACTION ITEM

DATE: July 8, 2004

(please highlight if applicable)

RUSH

ITEM: Appeal Response #04255

Staff to Contact: Brooke Boston

Phone No: 5-3296

BACKGROUND: An appeal was received June 23, 2004. In accordance with the Appeals Policy in the QAP, a response from the Executive Director must be provided by today at 5:00 pm.

PROPOSAL: Please review the attached appeal response letter.

ACTION REQUESTED: Please sign this action item and the appeal response letter.

ATTACHMENTS:

- Appeal letter for signature.
- Copy of appeal

APPROVED BY:

N/A
DIVISION DIRECTOR

N/A
CHIEF - AGENCY ADMINISTRATION
DEPUTY EXECUTIVE
DIRECTOR - PROGRAMS

N/A
DIRECTOR OF HOUSING
CENTER

REVIEWING ATTORNEY
GENERAL COUNSEL

EXECUTIVE DIRECTOR

DATE APPROVED

COMMENTS:

need letter head.

[Signature]
7/7

[Signature]
EXECUTIVE DIRECTOR

7/7/04
DATE APPROVED

Executive Director's Appeal



June 24, 2004

Ms. Edwina Carrington
Executive Director
Texas Department of Housing & Community Affairs
P.O. Box 13941
Austin, Texas 78711-3941

Re: Formal Appeal of the subsidy points that were deducted by the Department for Freeport Oaks Apartments, TDHCA # 04255

Dear Ms. Carrington:

Please accept this letter as the formal appeal for Freeport Oaks LP of the subsidy points that were deducted by the Department for Freeport Oaks Apartments, TDHCA # 04255. The total points requested in the Application were 158; based on a letter we received from the Department on June 17, 2004 (see attached), the final points awarded were 150. The deduction of points was due to the fact that the commitment letter for our subsidy funding was sent to the Department on June 15, one day past the deadline of June 14. Subsequently, we lost a total of 8 points for the subsidy. Following is an explanation for the delay in the commitment letter, a delay that was, unfortunately, beyond our control. Our hope is that, due to these unique circumstances, you will approve our appeal and reinstate our 8 points.

The subsidy commitment we secured was from Bozrah International Ministries; Mr. John Pitts, Board Chairman. During the week prior to the June 14 deadline, we were informed that Mr. Pitts would be out the entire week due to the unexpected and tragic death of his twin brother's wife in an automobile accident. Mr. Pitts was not able to execute and deliver the commitment letter until June 15. Once executed, Mr. Pitts immediately faxed a copy to the Department.

Attached is a letter from Mr. Pitts explaining in more detail the very unfortunate circumstances surrounding the delay in the delivery of the commitment letter, along with a copy of the letter itself.

Ms. Carrington, we have worked very hard with the City of Freeport in securing overwhelming support for Freeport Oaks Apartments. The City is very excited about the prospect of having a new affordable development for families in their city. Throughout our Application, we have 'walked the walk' in regards to a development that includes units for mixed income, low income targeting, securing funding for 30% units and maximizing amenities. We are asking you to look at these unique, tragic, circumstances and grant our appeal to reinstate the points that were deducted from our application.

Sincerely,

A handwritten signature in cursive script that reads "Les Kilday".

Les Kilday
Vice President, Kilday Realty Corp.



MULTI-FAMILY FINANCE PRODUCTION DIVISION
Housing Tax Credit Program - 2004 Application Cycle
Final Scoring Notice - REVISED

Freeport Oaks LP
Les Kilday
5005 Riverway, Suite 330
Houston, Texas 77056
Phone #: (713) 914-9400
Fax #: (713) 914-9439

Date Issued: 06/17/04

THIS NOTICE WILL ONLY BE
TRANSMITTED VIA FACSIMILE

RE: 2004 HTC Application for Freeport Oaks Apartments
TDCHA Number: 04255

Attention: Les Kilday

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Please be aware that the scores below now reflect point deductions that were made for extensions on construction loan closings for 2003 applications consistent with Section 50.9(g)(18)(A) of the QAP. The scores also now reflect point losses for applications that were originally awarded points for targeting units at 30% of AMGI or leveraging, consistent with Section 50.9(g)(13) or (14), and for which the requirement has not been satisfied.

Score Requested by Applicant:

151

Score Requested as Calculated by Department:

151

Score Awarded by Department for Requested Items:

143

Difference between Requested and Awarded:

8

Points Awarded for Quantifiable Community Participation:

1

Points Awarded for Input from State Senator:

3

Points Awarded for Input from State Representative:

3

Final Score Awarded to Application by Department:

150

Explanation for Deductions to Points Requested (if any):

Subsidy Requirement: No documentation was received that supports the requirement for a subsidy to receive points for targeting units at 30% of AMGI. (points requested 8, points awarded 0).

06/17/04 THU 08:07 FAX 512 475 0764

TDHCA/LIHTC

AFFAIR

0002



MULTI-FAMILY FINANCE PRODUCTION DIVISION
Housing Tax Credit Program - 2004 Application Cycle
Final Scoring Notice - REVISED

Please be aware that a formal Appeals Policy exists for the HTC Program. If you wish to appeal this scoring notice, you must file your appeal with the Department no later than 5:00 p.m., Thursday, June 24, 2004. The restrictions and requirements relating to the Appeals Policy can be found in Section 50.18(b) of the 2004 QAP. Additionally, the Department would be happy to meet with you after the application cycle has ended to discuss potential areas of improvement to your application for the subsequent allocation cycle.

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Sincerely,

Brooke Boston

Brooke Boston

Director, Multi-Family Finance Production Division

BOZRAH INTERNATIONAL MINISTRIES
17336 W. Little York Road
Houston, Texas 77084

June 23, 2004

Ms. Edwina Carrington
Executive Director
Texas Department of Housing & Community Affairs
P.O. Box 13941
Austin, Texas 78711-3941

Re: Delay in delivery of the subsidy commitment letter for Freeport Oaks Apartments, TDHCA # 04255

Dear Ms. Carrington:

Please accept this letter as my sincere apology for the delay in the delivery of the subsidy commitment letter from Bozrah International Ministries for the Freeport Oaks Apartments, TDHCA # 04255. I understand that this delay has resulted in a deduction of 8 points for the Freeport Oaks Apartments Application.

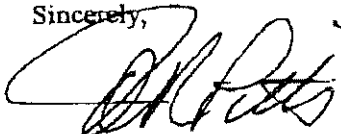
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My understanding is that the deduction of the subsidy requirement points is being appealed. My hope is that you will consider the facts and circumstances resulting in the delay of the commitment letter in the final scoring of the Freeport Oaks Apartments Application.

Please do not hesitate to contact me if you, or anyone else, has any questions regarding this situation.

Sincerely,



John R. Pitts
Chairman of the Board
Bozrah International Ministries

AKIN GUMP STRAUSS HAUER & FELD LLP

Attorneys at Law

FAX TRANSMISSION

June 15, 2004

To	Company	Fax	Phone
Dick Kilday	Kilday Realty Corp.	(713) 914-9439	(713) 914-9400

From: John R. Pitts
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Direct Dial: 512.499.6240/713.220.8110

Re:

Message:

Dick,

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John

100245.0001

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Secretary: Mary Lee

Hold fax for pickup

Sender's fax:

Ext: 12192

Fax Operation Verification: _____

Freeport

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BOZRAH INTERNATIONAL MINISTRIES
17336 W. Little York Road
Houston, Texas 77084

June 10, 2004

Freeport Oaks LP
c/o Kilday Realty Corp
R. R. Kilday, Vice President
5005 Riverway, Suite 330
Houston, Texas 77056

Re: Permanent Financing Commitment- Second Lien Loan of \$37,500

Dear Mr. Kilday:

Your request for funding has been approved by our Board of Directors, and accordingly this loan commitment letter will summarize the terms and conditions under which Bozrah International Ministries ("Bozrah" and "Lender") agrees to loan to Freeport Oaks LP ("Freeport Oaks" and "Borrower") (and collectively as the "Party" or "Parties") the sum of \$37,500 (Thirty seven thousand five hundred dollars) as a secondary source of funding for permanent financing for a 100-unit family apartment rental community to be developed in Freeport, Texas at the SE intersection of Avenue J and Skinner streets.

Bozrah is a duly chartered non-profit 501c3 entity created to, among other things, be a positive force and catalyst in helping to create affordable housing for lower income citizens of Texas, through grants, loans and other incentives to worthy development organizations. Freeport Oaks LP is a limited partnership formed to develop such affordable housing for elderly citizens with incomes in the 30%, 40%, 50% and 60% of median family income levels. Bozrah is especially interested in and committed to helping to finance the 30% of median segment of this housing to facilitate high quality housing at very attractive rentals, housing that this segment of the population would otherwise not be able to afford. We view this as being able to achieve the rental version of the "American Dream".

The terms and conditions under which this loan commitment is made are set out below:

Loan Amount: \$37,500

Interest Rate: Prime rate as established by J P Morgan Chase in Houston, Texas

Term: Ten (10) years from initial funding, coincident with the closing date of the first lien permanent loan, or the earlier of twenty-four months from construction loan closing, or December 31, 2006

Security: Second-lien on realty – Freeport Oaks apartment community site (legal description attached as Exhibit A) – along with personal property, and an assignment of rents and leases

Amortization: 30 year amortization and total loan pay-off at the end of ten years

Convertible Feature: This loan is forgivable, i.e. convertible into a grant, over the ten year term on a pro-rata basis of 10.0% per annum as long as the rental community remains affordable in the same general character as proposed. Bozrah will annually inspect the project, the books, records and financial statements to satisfy itself that Freeport Oaks maintains that character

Commitment Termination Date: June 16, 2004 at 5:01 p.m.

Loan Documents: Note and other documents in form and substance as reasonably agreed on by Bozrah and Freeport Oaks

Closing Costs: Borrower will be responsible for all closing costs

Insurance: The land and improvements shall be appropriately insured at all times with liability and property insurance, and limits and deductibles commensurate with developments and properties of this type

Prepayment: This loan shall be prepayable in whole or at any time upon thirty (30) days notice

Notice: All notices shall be in writing and shall be effective upon constructive receipt by either party hereto through the U. S. Mail, Facsimile, Air Express or Courier upon receipted evidence, certified mail, or other documentary evidence including appropriate dates

Assignment: Permissible by either Party with other Party's consent

Compliance with
Applicable Law:

This commitment is subject to Lender's and Borrower's compliance with all applicable laws, federal, state and local, and with all governmental regulations, rules and ordinances, including specifically those governing the low income housing tax credit program (including the 2004 Qualified Allocation Plan) administered by the Texas Department of Housing and Community Affairs ("TDHCA")

Jurisdiction: Intended to be the State of Texas

This commitment shall be valid only after execution by Lender and delivery to the TDHCA and to Borrower on or before June 16, 2004 by 5:00 p.m. CDT.

Please contact us for any questions, clarifications or additional information.

Very truly yours,

Bozrah International Ministries, a duly
constituted Non-Profit 501c3 entity

By: John R. Pitts /MCI
John R. Pitts
Chairman, Board of Directors

EXHIBIT "A"

LEGAL DESCRIPTION

GF No.: 04030002

EXHIBIT "A"

(6.0) Six Acres out of ---

Being a 12.3152 acre tract of land, Zoned C-1 out of Urban Renewal Tract "A" (110.6897 acres), also being Blocks 696, 697, 679, 680 and a part of Block 695 of the Old Townsite of Velasco, City of Freeport, Brazoria County, Texas, and being described more fully by metes and bounds as follows:

BEGINNING at a 5/8" iron rod in the intersection of the South right-of-way line of Avenue "M" and the East right-of-way line of Skinner Street, and being the Northwest corner of Block 695 of the Old Townsite of Velasco;

THENCE South 56° 56' 00" East, a distance of 250.00 feet, along the South right-of-way line of Avenue "M" to a 5/8" iron rod for corner;

THENCE South 33° 04' 00" West, a distance of 299.27 feet, along a line parallel to and 2.0 feet west of the East property line of Lots 10 and 15, Block 695 of said Old Townsite of Velasco, to a 5/8" iron rod for corner;

THENCE South 56° 56' 00" East, a distance of 454.00 feet, along a line 29.27 feet northerly and paralleling the Southerly right-of-way line of Avenue "L" and also being along the Southerly property line of Sam Houston Park to a point for corner on the East line of a 30.00 foot Drainage Easement, and also being in the West line of Tract 1 of Longhorn Meadows Section Four, according to the plat as recorded in the Brazoria Map Records, Brazoria County, Texas;

THENCE South 33° 04' 00" West, a distance of 655.73 feet and following along the Easterly line of said 30.00 foot Drainage Easement, and the Westerly line of the above mentioned Tract 1, to a point in the North right-of-way line of Avenue "J" being 60.00 feet in width;

THENCE North 56° 56' 00" West, a distance of 704.00 feet and following along the Northerly right-of-way line of Avenue "J" to its intersection with the Easterly right-of-way line of Skinner Street;

THENCE North 33° 04' 00" East, a distance of 955.00 feet, following along the Easterly right-of-way line of Skinner Street to the POINT OF BEGINNING of the tract of land herein described, and containing 12.3152 acres of land, more or less.

FACSIMILE TRANSMISSION

already entered
JUN 24 PM 3:16

TO

COMPANY

FAX NO.

Mrs. Edwina Carrington TDHCA - Exec Director 512-475-0764

cc _____

FROM: DICK KILDAY or Les Kilday DATE 6/24/04 PAGES 11

FAX (713) 914-9439

OFFICE (713) 914-9400

5005 Riverway Suite 330 Houston, Texas 77056

SUBJECT Appeal - Freeport Oaks Apartments, TDHCA # 04255

MESSAGE

Edwina,

Please accept this letter and accompanying
information as a formal appeal for Freeport
Oaks Apartments, TDHCA # 04255.

If you have any questions about our appeal,
please give us a call.

Thanks,
Les

MULTIFAMILY FINANCE PRODUCTION DIVISION
BOARD ACTION REQUEST
July 28, 2004

Action Item

Appeal denial of Low Income Targeting points of one 2004 Housing Tax Credit (HTC) Application.

Requested Action

Issue a determination on the appeal.

Background and Recommendations

I. Gruene Oaks Apartments, #04261

The Applicant submitted an appeal to the Executive Director on June 24, 2004, regarding the eligibility of the Application to receive points under §50.9(g)(13) of the 2004 Qualified Allocation Plan (QAP), Low Income Targeting, for leveraging funds from the City of Freeport. On July 8, 2004, the Executive Director responded to the appeal stating that, despite the extenuating circumstances surrounding the delivery of the commitment letter as described in the appeal, the Department is required to follow the plain language of legislation and its rules when evaluating the scoring criteria. In this case, the QAP, as the rule for the Housing Tax Credit Program, has outlined the requirement that this documentation be submitted to the Department no later than June 14, 2004. Unfortunately, the required documentation was not submitted until June 15, 2004. The Applicant submitted an appeal to the Board on July 21, 2004, regarding points for Low Income Targeting.

Relevant documentation related to this appeal is provided behind the Board Action Request.

Applicant:	New Braunfels Gruene Oaks L.P.
Site Location:	NE Corner of Common St. and Gruene Rd.
City/County:	New Braunfels/Comal
Regional Allocation Category:	Urban/Exurban
Set-Aside:	Non-Profit
Population Served:	Elderly
Region:	9
Type of Development:	New Construction
Units:	100
Credits Requested:	\$534,693

Staff Recommendation: The Executive Director denied the original appeal. Staff is recommending that the Board also deny the appeal of the termination.

Board Appeal



June 30, 2004

Ms. Beth Anderson
Chair of the Board
Texas Department of Housing & Community Affairs
P.O. Box 13941
Austin, Texas 78711-3941

Re: Formal Appeal of the subsidy points that were deducted by the Department for Gruene Oaks Apartments, TDHCA # 04261

Dear Ms. Anderson:

Please accept this letter as the formal appeal for New Braunfels Gruene Oaks I LP of the subsidy points that were deducted by the Department for Gruene Oaks Apartments, TDHCA # 04261. The total points requested in the Application were 156; based on a letter we received from the Department on June 17, 2004 (see attached), the final points awarded were 137. The deduction of points was due to the fact that the commitment letter for our subsidy funding was sent to the Department on June 15, one day past the deadline of June 14. Subsequently, we lost the 12 points for the subsidy plus the 7 Pre-App points for a total deduction of 19 points. Following is an explanation for the delay in the commitment letter, a delay that was, unfortunately, beyond our control. Our hope is that, due to these unique circumstances, you will approve our appeal and reinstate our 19 points.

The subsidy commitment we secured was from Bozrah International Ministries; Mr. John Pitts, Board Chairman. During the week prior to the June 14 deadline, we were informed that Mr. Pitts would be out the entire week due to the unexpected and tragic death of his twin brother's wife in an automobile accident. Mr. Pitts was not able to execute and deliver the commitment letter until June 15. Once executed, Mr. Pitts immediately faxed a copy to the Department.

Attached is a letter from Mr. Pitts explaining in more detail the very unfortunate circumstances surrounding the delay in the delivery of the commitment letter, along with a copy of the letter itself.

Ms. Anderson, we have worked very hard with the City of New Braunfels in securing overwhelming support for Gruene Oaks Apartments. The City is very excited about the prospect of having an affordable development for the elderly in their city. Throughout our Application, we have 'walked the walk' in regards to a development that includes units for mixed income, low income targeting, securing funding for 30% units and maximizing amenities. Gruene Oaks was the highest scoring development in Region 9 and one of the highest scoring non-profit developments in the state. We are asking you to look at these unique, tragic, circumstances and grant our appeal to reinstate the points that were deducted from our application.

Sincerely,

A handwritten signature in cursive script, appearing to read "Les Kilday".

Les Kilday
Vice President, Kilday Realty Corp.



MULTI-FAMILY FINANCE PRODUCTION DIVISION
Housing Tax Credit Program - 2004 Application Cycle
Final Scoring Notice - REVISED

New Braunfels Gruene Oaks L.P.
Les Kilday
5005 Riverway, Suite 330
Houston, Texas 77056
Phone #: (713) 914-9400
Fax #: (713) 914-9439

Date Issued: 06/17/04

THIS NOTICE WILL ONLY BE TRANSMITTED VIA FACSIMILE

RE: 2004 HTC Application for Gruene Oaks Apartments
TDCHA Number: 04261

Attention: Les Kilday

The Texas Department of Housing and Community Affairs (the Department) has completed its review of the above-referenced application for threshold documents and selection criteria points as further described in the 2004 Qualified Allocation Plan and Rules (QAP). Below, is a summary of the score requested, as calculated by the Applicant, followed by the score requested as calculated by the Department. The two numbers differ if the Applicant's calculation was incorrect. The next score shown is the score awarded to the application for all items for which the applicant requested points, followed by the difference between the score requested (as calculated by the Department) and the score awarded. An explanation of the reason(s) for any differences, including points denied, is provided after the scoring summary. The next scoring items show the number of points awarded for each of the three categories for which points could not be requested by the applicant: Quantifiable Community Participation from neighborhood organizations, letters of support or opposition from state representatives and letters of support or opposition from state senators. This is followed, in bold, by the final cumulative number of points awarded by the Department to the above-referenced Application.

Please be aware that the scores below now reflect point deductions that were made for extensions on construction loan closings for 2003 applications consistent with Section 50.9(g)(18)(A) of the QAP. The scores also now reflect point losses for applications that were originally awarded points for targeting units at 30% of AMGI or leveraging, consistent with Section 50.9(g)(13) or (14), and for which the requirement has not been satisfied.

Score Requested by Applicant:	149
Score Requested as Calculated by Department:	149
Score Awarded by Department for Requested Items:	130
Difference between Requested and Awarded:	19
Points Awarded for Quantifiable Community Participation:	1
Points Awarded for Input from State Senator:	3
Points Awarded for Input from State Representative:	3
Final Score Awarded to Application by Department:	137

Explanation for Deductions to Points Requested (if any):

Subsidy Requirement: No documentation was received that supports the requirement for a subsidy to receive points for targeting units at 30% of AMGI. (points requested 12, points awarded 0).

Tab 4P, Pre-Application Points: Your final application score varied by more than 5% from your pre-application score (points requested 7, points awarded 0).



MULTI-FAMILY FINANCE PRODUCTION DIVISION
Housing Tax Credit Program - 2004 Application Cycle
Final Scoring Notice - REVISED

Please be aware that a formal Appeals Policy exists for the HTC Program. If you wish to appeal this scoring notice, you must file your appeal with the Department no later than 5:00 p.m., Thursday, June 24, 2004. The restrictions and requirements relating to the Appeals Policy can be found in Section 50.18(b) of the 2004 QAP. Additionally, the Department would be happy to meet with you after the application cycle has ended to discuss potential areas of improvement to your application for the subsequent allocation cycle.

A posting of all completed application scores was made on the Department's web site at www.tdhca.state.tx.us by June 7, 2004. A list of those developments being recommended at the June 28, 2004 Board meeting will also be available on the web site on or before June 21, 2004. If you have any concerns regarding potential miscalculations or errors made by the Department, please contact Jennifer Joyce by facsimile (512.475.0764 or 512.476.0438) or email to jjoyce@tdhca.state.tx.us. Note that Ms. Joyce will not be responding to any comments until on or after June 21, 2004.

Sincerely,

Brooke Boston

Brooke Boston

Director, Multi-Family Finance Production Division

BOZRAH INTERNATIONAL MINISTRIES
17336 W. Little York Road
Houston, Texas 77084

June 23, 2004

Ms. Edwina Carrington
Executive Director
Texas Department of Housing & Community Affairs
P.O. Box 13941
Austin, Texas 78711-3941

Re: Delay in delivery of the subsidy commitment letter for Gruene Oaks Apartments, TDHCA # 04261

Dear Ms. Carrington:

Please accept this letter as my sincere apology for the delay in the delivery of the subsidy commitment letter from Bozrah International Ministries for the Gruene Oaks Apartments, TDHCA # 04261. I understand that this delay has resulted in a deduction of 19 points for the Gruene Oaks Apartments Application.

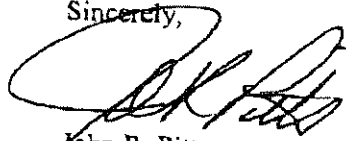
During the time that I was securing final approval from the Board Members of Bozrah International Ministries and finalizing the commitment letter for the Gruene Oaks Apartments, my twin brother's wife was killed in an automobile accident.

By the time I was able to get back into the office, the deadline for the subsidy funding (June 14) had passed. I was able to deliver the commitment letter to the Department, via fax, on Tuesday, June 15.

My understanding is that the deduction of the subsidy requirement points is being appealed. My hope is that you will consider the facts and circumstances resulting in the delay of the commitment letter in the final scoring of the Gruene Oaks Apartments Application.

Please do not hesitate to contact me if you, or anyone else, has any questions regarding this situation.

Sincerely,



John R. Pitts
Chairman of the Board
Bozrah International Ministries

**AKIN GUMP
STRAUSS HAUER & FELD LLP**
Attorneys at Law

FAX TRANSMISSION

June 15, 2004

To	Company	Fax	Phone
Dick Kilday	Kilday Realty Corp.	(713) 914-9439	(713) 914-9400

From: John R. Pitts
Total Pages: 12
Direct Dial: 512.499.6240/713.220.8110
Re:

Message:

Dick,

I apologize for the delay in getting these two letters to you. This should have been done last week, but due to a death in my family I was unable to do so. I apologize for the delay. Please let me know if this causes any problems. Thank you-

John

100245.0001	Sender's email: JPITTS@AKINGUMP.COM	Sender's fax:
Floor: 45	Secretary: Mary Lee	EX: 12192
<input checked="" type="checkbox"/> Return fax via Interoffice Mail	<input type="checkbox"/> Hold fax for pickup	Fax Operation Verification: _____

New Braunfels

The information contained in this facsimile message is attorney-client privileged and confidential, and is intended only for the use of the individual or entity named above. If the reader of this message is not the intended recipient, or the employee or agent responsible to deliver it to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately by telephone, and return the original message to us by mail at the address below.

BOZRAH INTERNATIONAL MINISTRIES
17336 W. Little York Road
Houston, Texas 77084

June 10, 2004

Gruene Oaks LP
c/o Kilday Realty Corp
R. R. Kilday, Vice President
5005 Riverway, Suite 330
Houston, Texas 77056

Re: Permanent Financing Commitment- Second Lien Loan of \$140,000

Dear Mr. Kilday:

Your request for funding has been approved by our Board of Directors, and accordingly this loan commitment letter will summarize the terms and conditions under which Bozrah International Ministries ("Bozrah" and "Lender") agrees to loan to Gruene Oaks LP ("Gruene Oaks" and "Borrower") (and collectively as the "Party" or "Parties") the sum of \$140,000 (One hundred forty thousand dollars) as a secondary source of funding for permanent financing for a 100-unit elderly apartment rental community to be developed in New Braunfels, Texas near the town of Gruene at the NE intersection of Gruene and Commons streets.

Bozrah is a duly chartered non-profit 501c3 entity created to, among other things, be a positive force and catalyst in helping to create affordable housing for lower income citizens of Texas, through grants, loans and other incentives to worthy development organizations. Gruene Oaks is a limited partnership formed to develop such affordable housing for elderly citizens with incomes in the 30%, 40%, 50% and 60% of median family income levels. Bozrah is especially interested in and committed to helping to finance the 30% of median segment of this housing to facilitate high quality housing at very attractive rentals, housing that this segment of the population would otherwise not be able to afford. We view this as being able to achieve the rental version of the "American Dream".

The terms and conditions under which this loan commitment is made are set out below:

Loan Amount: \$140,000
Interest Rate: Prime rate as established by J P Morgan Chase in Houston, Texas

Term: Ten (10) years from initial funding, coincident with the closing date of the first lien permanent loan, or the earlier of twenty-four months from construction loan closing, or December 31, 2006

Security: Second-lien on realty – Gruene Oaks apartment community site (legal description attached as Exhibit A) – along with personal property, and an assignment of rents and leases

Amortization: 30 year amortization and total loan pay-off at the end of ten years

Convertible Feature: This loan is forgivable, i.e. convertible into a grant, over the ten year term on a pro-rata basis of 10.0% per annum as long as the rental community remains affordable in the same general character as proposed. Bozrah will annually inspect the project, the books, records and financial statements to satisfy itself that Gruene Oaks maintains that character

Commitment Termination Date: June 16, 2004 at 5:01 p.m.

Loan Documents: Note and other documents in form and substance as reasonably agreed on by Bozrah and Gruene Oaks

Closing Costs: Borrower will be responsible for all closing costs

Insurance: The land and improvements shall be appropriately insured at all times with liability and property insurance, and limits and deductibles commensurate with developments and properties of this type

Prepayment: This loan shall be prepayable in whole or at any time upon thirty (30) days notice

Notice: All notices shall be in writing and shall be effective upon constructive receipt by either party hereto through the U. S. Mail, Facsimile, Air Express or Courier upon receipted evidence, certified mail, or other documentary evidence including appropriate dates

Assignment: Permissible by either Party with other Party's consent

Compliance with
Applicable Law:

This commitment is subject to Lender's and Borrower's compliance with all applicable laws, federal, state and local, and with all governmental regulations, rules and ordinances, including specifically those governing the low income housing tax credit program (including the 2004 Qualified Allocation Plan) administered by the Texas Department of Housing and Community Affairs ("TDHCA")

Jurisdiction:

Intended to be the State of Texas

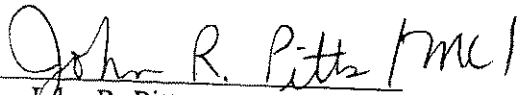
This commitment shall be valid only after execution by Lender and delivery to the TDHCA and to Borrower on or before June 16, 2004 by 5:00 p.m. CDT.

Please contact us for any questions, clarifications or additional information.

Very truly yours,

Bozrah International Ministries, a duly
constituted Non-Profit 501c3 entity

By:



John R. Pitts
Chairman, Board of Directors

EXHIBIT "A"

LEGAL DESCRIPTION

Feb 26 04 10:21p

KILDREY REALTY CORP

713 914 9439

P. 5

M.D.S. LAND SURVEYING CO.

BOUNDARY * ALTA * TOPOGRAPHIC * CONSTRUCTION
618 COMAL STREET * NEW BRAUNFELS, TX. 78130
PHONE (830)625-0337
FAX (830)625-0858

All that certain tract or parcel of land containing 8.000 acres of land out of the Henry Foster Survey No. 34, Abstract No. 154, City of New Braunfels, Comal County, Texas and being out of that certain called 31.695 acre tract of land conveyed to Mildred Voges, et al, in Volume 325, Page 869 of the Deed Records of Comal County, Texas; Said 8.000 acre parcel being more particularly described as follows:

BEGINNING at a 1/2 inch iron rod found for the most easterly corner and POINT OF BEGINNING of this parcel, same being the most easterly corner of said 31.695 acre tract, the most westerly corner of the William N. Wetz 0.584 of an acre parcel described in Document No. 9906018084 of the Official Public Records of Comal County, Texas and being an angle in the southwesterly line of Lot 1, HANZ ESTATES, LOT 1, UNIT ONE, as recorded in Volume 11, Page 117 of the Map and Plat Records of Comal County, Texas;

THENCE with the common line of said 31.695 acre tract with said 0.584 of an acre parcel, Lot 2, NORTHEAST SUBDIVISION, UNIT TWO, as recorded in Volume 13, Page 17 and a portion of Lot 1, NORTHEAST SUBDIVISION, as recorded in Volume 11, Page 145, both of said Map and Plat Records, South 58 deg 03' 02" West (basis of bearings (obtained from said Volume 325, Page 869)), a distance of 353.47 feet (called South 58 deg 03' 02" West, 353.38 feet in said Volume 325, Page 869) to a 1/2 inch iron rod found for angle;

THENCE continuing with the common line of said 31.695 acre tract with said Lot 1 and a portion of the Comal County Family Violence Shelter, Inc. 1.194 acre parcel, South 57 deg 48' 27" West, at 80.82 feet passing a 1/2 inch iron rod found for the most westerly corner of said Lot 1 and the most northerly corner of said 1.194 acre parcel, in all a distance of 81.43 feet (called South 58 deg 00' 34" West, 81.49 feet in said Volume 325, Page 869) to a 1/2 inch iron rod found for the most southerly corner of this parcel;

THENCE severing said 31.695 acre tract, North 44 deg 23' 40" West, a distance of 809.02 feet to a 1/2 inch iron rod set for the most westerly corner of this parcel, same lying in the common line of said 31.695 acre tract with the Toga L.L.C. 90.434 acre tract described in Volume 9906004673 of said Official Public Records;

THENCE with said common line, North 56 deg 25' 53" East, a distance of 437.35 feet (called North 56 deg 21' 31" East in said Document No. 9906004673) to a 1/2 inch iron rod set for the most northerly corner of this parcel, same being the most northerly corner of said 31.695 acre tract;

Feb 26 04 10:21p

KILDAY REALTY CORP

713 914 9439

P. 6

THENCE continuing with the common line of said 31.695 acre tract with said 90.434 acre tract and Lot 2, Block 1, COTTON CROSSING UNIT TWO PDD, as recorded in Volume 14, Pages 148-149 of said Map and Plat Records, South 44 deg 07' 14" East, a distance of 785.36 feet (called South 44 deg 11' 34" East, 785.36 feet in said Document No. 9906004673) to a 1/2 inch iron rod found for angle, same being the most westerly corner of the aforementioned Lot 1, HANZ ESTATES, LOT 1, UNIT ONE;

THENCE with the common line of said 31.695 acre tract with said Lot 1, South 42 deg 39' 18" East, a distance of 34.92 feet (called South 43 deg 00' 23" East, 35.00 feet in said Volume 11, Page 177) to the POINT OF BEGINNING and containing 8.00 acres of land.

NOTE: THIS DESCRIPTION REPRESENTS THE BOUNDARY OF THE 8.000 ACRE PARCEL SEVERED THIS DAY FOR THE SOLE PURPOSE OF REQUESTING A CHANGE OF ZONING.



David A. Lamberts R.P.L.S. No. 4907
J.O. No. 04-0048 (DRAWING PREPARED)

Executive Director's Response

09201



WWW.TDHC.A.STATE.TX.US

July 8, 2004

Les Kilday
New Braunfels Gruene Oaks LP
5005 Riverway, Suite 330
Houston, TX 77056
Telephone: (713) 914-9400
Fax: (713) 914-9439

**Re: Response to appeal received June 24, 2004
Gruene Oaks Apartments TDHCA Project No. 04261**

Dear Mr. Kilday:

Appeal Review

I have carefully reviewed the application you submitted, as well as your appeal that we received from you on June 30, 2004 on the above-referenced development, regarding the eligibility of your application to receive points under §50.9(g)(13) of the 2004 Qualified Allocation Plan (QAP), Low Income Targeting, for leveraging funds from the City of Freeport. The Department has also reviewed the letter from Mr. Pitts regarding this appeal.

While the Department does wish to express its deepest condolences for the loss of Mr. Pitts' family member, the Department is required to follow the plain language of legislation and its rules when evaluating the scoring criteria. In this case, the QAP, as the rule for the Housing Tax Credit Program, has outlined the requirement that this documentation be submitted to the Department no later than June 14, 2004. Unfortunately, the required documentation was not submitted until June 15, 2004.

Appeal Determination

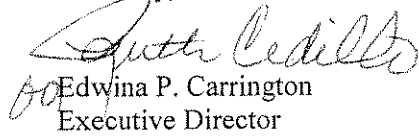
Because of the above-mentioned reason, the appeal is denied.

Section 50.18(b)(4) of the 2004 QAP states that if you are not satisfied with this response to your appeal, you may appeal directly in writing to the Board of the Texas Department of Housing and Community Affairs. Please note that an appeal filed with the Board must be received by the Board before the seventh day preceding the date of the Board meeting at which the relevant commitment decision is expected to be made. To have an appeal considered by the Board at the July 28 Board meeting, the appeal must be received by Delores Groneck, Board Secretary, no later than June 20, although it is strongly suggested that you submit it by June 15, 2004.

Mr. Les Kilday
July 8, 2004

If you have questions or comments, please call (512) 475-3340.

Sincerely,



Edwina P. Carrington
Executive Director

EPC/BLB/MFMU

*** TX REPORT ***

TRANSMISSION OK

TX/RX NO 3572
CONNECTION TEL 97139149439
CONNECTION ID
ST. TIME 07/08 07:47
USAGE T 00'56
PGS. SENT 2
RESULT OK



WWW.TDHCA.STATE.TX.US

July 8, 2004

RICK PERRY
Governor

EDWINA P. CARRINGTON
Executive Director

BOARD MEMBERS
Elizabeth Anderson, Chair
Shadrick Bogany
C. Kent Conine
Vidal Gonzalez
Patrick R. Gordon
Norberto Salinas

Les Kilday
New Braunfels Gruene Oaks LP
5005 Riverway, Suite 330
Houston, TX 77056
Telephone: (713) 914-9400
Fax: (713) 914-9439

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Appeal Determination

Because of the above-mentioned reason, the appeal is denied.

EXECUTIVE DIRECTOR'S
ACTION ITEM

DATE: July 8, 2004

(please highlight if applicable)

RUSH

ITEM: Appeal Response #04261

Staff to Contact: Brooke Boston

Phone No: 5-3296

BACKGROUND: An appeal was received June 24, 2004. In accordance with the Appeals Policy in the QAP, a response from the Executive Director must be provided by today at 5:00 pm.

PROPOSAL: Please review the attached appeal response letter.

ACTION REQUESTED: Please sign this action item and the appeal response letter.

ATTACHMENTS:

- Appeal letter for signature.
- Copy of appeal

APPROVED BY:

N/A 
DIVISION DIRECTOR

N/A
CHIEF - AGENCY ADMINISTRATION

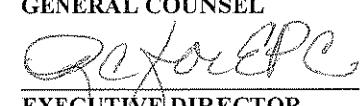

DEPUTY EXECUTIVE
DIRECTOR - PROGRAMS

N/A
DIRECTOR OF HOUSING
CENTER

read letterhead

REVIEWING ATTORNEY

7/7
GENERAL COUNSEL


EXECUTIVE DIRECTOR

7/7/04
DATE APPROVED

COMMENTS:

Executive Director's Appeal



June 30, 2004

Ms. Beth Anderson
Chair of the Board
Texas Department of Housing & Community Affairs
P.O. Box 13941
Austin, Texas 78711-3941

Re: Formal Appeal of the subsidy points that were deducted by the Department for Gruene Oaks Apartments, TDHCA # 04261

Dear Ms. Anderson:

Please accept this letter as the formal appeal for New Braunfels Gruene Oaks I LP of the subsidy points that were deducted by the Department for Gruene Oaks Apartments, TDHCA # 04261. The total points requested in the Application were 156; based on a letter we received from the Department on June 17, 2004 (see attached), the final points awarded were 137. The deduction of points was due to the fact that the commitment letter for our subsidy funding was sent to the Department on June 15, one day past the deadline of June 14. Subsequently, we lost the 12 points for the subsidy plus the 7 Pre-App points for a total deduction of 19 points. Following is an explanation for the delay in the commitment letter, a delay that was, unfortunately, beyond our control. Our hope is that, due to these unique circumstances, you will approve our appeal and reinstate our 19 points.

The subsidy commitment we secured was from Bozrah International Ministries; Mr. John Pitts, Board Chairman. During the week prior to the June 14 deadline, we were informed that Mr. Pitts would be out the entire week due to the unexpected and tragic death of his twin brother's wife in an automobile accident. Mr. Pitts was not able to execute and deliver the commitment letter until June 15. Once executed, Mr. Pitts immediately faxed a copy to the Department.

Attached is a letter from Mr. Pitts explaining in more detail the very unfortunate circumstances surrounding the delay in the delivery of the commitment letter, along with a copy of the letter itself.

Ms. Anderson, we have worked very hard with the City of New Braunfels in securing overwhelming support for Gruene Oaks Apartments. The City is very excited about the prospect of having an affordable development for the elderly in their city. Throughout our Application, we have 'walked the walk' in regards to a development that includes units for mixed income, low income targeting, securing funding for 30% units and maximizing amenities. Gruene Oaks was the highest scoring development in Region 9 and one of the highest scoring non-profit developments in the state. We are asking you to look at these unique, tragic, circumstances and grant our appeal to reinstate the points that were deducted from our application.

Sincerely,

A handwritten signature in cursive script, appearing to read "Les Kilday".

Les Kilday
Vice President, Kilday Realty Corp.



MULTI-FAMILY FINANCE PRODUCTION DIVISION
Housing Tax Credit Program - 2004 Application Cycle
Final Scoring Notice - REVISED

New Braunfels Gruene Oaks L.P.
Les Kilday
5005 Riverway, Suite 330
Houston, Texas 77056
Phone #: (713) 914-9400
Fax #: (713) 914-9439

Date Issued: 06/17/04

THIS NOTICE WILL ONLY BE
TRANSMITTED VIA FACSIMILE

RE: 2004 HTC Application for Gruene Oaks Apartments
TDCHA Number: 04261

Attention: Les Kilday

The Texas Department of Housing and Community Affairs (the Department) has completed its review of the above-referenced application for threshold documents and selection criteria points as further described in the 2004 Qualified Allocation Plan and Rules (QAP). Below, is a summary of the score requested, as calculated by the Applicant, followed by the score requested as calculated by the Department. The two numbers differ if the Applicant's calculation was incorrect. The next score shown is the score awarded to the application for all items for which the applicant requested points, followed by the difference between the score requested (as calculated by the Department) and the score awarded. An explanation of the reason(s) for any differences, including points denied, is provided after the scoring summary. The next scoring items show the number of points awarded for each of the three categories for which points could not be requested by the applicant: Quantifiable Community Participation from neighborhood organizations, letters of support or opposition from state representatives and letters of support or opposition from state senators. This is followed, in bold, by the final cumulative number of points awarded by the Department to the above-referenced Application.

Please be aware that the scores below now reflect point deductions that were made for extensions on construction loan closings for 2003 applications consistent with Section 50.9(g)(18)(A) of the QAP. The scores also now reflect point losses for applications that were originally awarded points for targeting units at 30% of AMGI or leveraging, consistent with Section 50.9(g)(13) or (14), and for which the requirement has not been satisfied.

Score Requested by Applicant:

149

Score Requested as Calculated by Department:

149

Score Awarded by Department for Requested Items:

130

Difference between Requested and Awarded:

19

Points Awarded for Quantifiable Community Participation:

1

Points Awarded for Input from State Senator:

3

Points Awarded for Input from State Representative:

3

Final Score Awarded to Application by Department:

137

Explanation for Deductions to Points Requested (if any):

Subsidy Requirement: No documentation was received that supports the requirement for a subsidy to receive points for targeting units at 30% of AMGI. (points requested 12, points awarded 0).

Tab 4P, Pre-Application Points: Your final application score varied by more than 5% from your pre-application score (points requested 7, points awarded 0).



MULTI-FAMILY FINANCE PRODUCTION DIVISION
Housing Tax Credit Program - 2004 Application Cycle
Final Scoring Notice - REVISED

Please be aware that a formal Appeals Policy exists for the HTC Program. If you wish to appeal this scoring notice, you must file your appeal with the Department no later than 5:00 p.m., Thursday, June 24, 2004. The restrictions and requirements relating to the Appeals Policy can be found in Section 50.18(b) of the 2004 QAP. Additionally, the Department would be happy to meet with you after the application cycle has ended to discuss potential areas of improvement to your application for the subsequent allocation cycle.

A posting of all completed application scores was made on the Department's web site at www.tdhca.state.tx.us by June 7, 2004. A list of those developments being recommended at the June 28, 2004 Board meeting will also be available on the web site on or before June 21, 2004. If you have any concerns regarding potential miscalculations or errors made by the Department, please contact Jennifer Joyce by facsimile (512.475.0764 or 512.476.0438) or email to jjoyce@tdhca.state.tx.us. Note that Ms. Joyce will not be responding to any comments until on or after June 21, 2004.

Sincerely,

Brooke Boston

Brooke Boston
Director, Multi-Family Finance Production Division

BOZRAH INTERNATIONAL MINISTRIES
17336 W. Little York Road
Houston, Texas 77084

June 23, 2004

Ms. Edwina Carrington
Executive Director
Texas Department of Housing & Community Affairs
P.O. Box 13941
Austin, Texas 78711-3941

Re: Delay in delivery of the subsidy commitment letter for Gruene Oaks Apartments, TDHCA # 04261

Dear Ms. Carrington:

Please accept this letter as my sincere apology for the delay in the delivery of the subsidy commitment letter from Bozrah International Ministries for the Gruene Oaks Apartments, TDHCA # 04261. I understand that this delay has resulted in a deduction of 19 points for the Gruene Oaks Apartments Application.

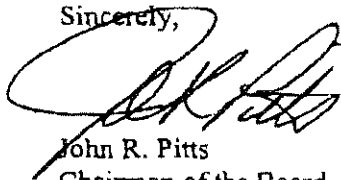
During the time that I was securing final approval from the Board Members of Bozrah International Ministries and finalizing the commitment letter for the Gruene Oaks Apartments, my twin brother's wife was killed in an automobile accident.

By the time I was able to get back into the office, the deadline for the subsidy funding (June 14) had passed. I was able to deliver the commitment letter to the Department, via fax, on Tuesday, June 15.

My understanding is that the deduction of the subsidy requirement points is being appealed. My hope is that you will consider the facts and circumstances resulting in the delay of the commitment letter in the final scoring of the Gruene Oaks Apartments Application.

Please do not hesitate to contact me if you, or anyone else, has any questions regarding this situation.

Sincerely,



John R. Pitts
Chairman of the Board
Bozrah International Ministries

**AKIN GUMP
STRAUSS HAUER & FELD LLP**
Attorneys at Law

FAX TRANSMISSION

June 15, 2004

To	Company	Fax	Phone
Dick Kilday	Kilday Realty Corp.	(713) 914-9439	(713) 914-9400

From: John R. Pitts
Total Pages: 12
Direct Dial: 512.499.6240/713.220.8110
Re:

Message:

Dick,

I apologize for the delay in getting these two letters to you. This should have been done last week, but due to a death in my family I was unable to do so. I apologize for the delay. Please let me know if this causes any problems. Thank you-

John

100245.0001	Sender's email: JPITTS@AKINGUMP.COM	Sender's fax:
Floor: 45	Secretary: Mary Lee	Ext: 12192
<input type="checkbox"/> Return fax via IntraOffice Mail	<input type="checkbox"/> Hold fax for pickup	Fax Operation Verification: _____

New Braunfels

The information contained in this facsimile message is attorney-client privileged and confidential, and is intended only for the use of the individual or entity named above. If the reader of this message is not the intended recipient, or the employee or agent responsible to deliver it to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately by telephone, and return the original message to us by mail at the address below.

BOZRAH INTERNATIONAL MINISTRIES
17336 W. Little York Road
Houston, Texas 77084

June 10, 2004

Gruene Oaks LP
c/o Kilday Realty Corp
R. R. Kilday, Vice President
5005 Riverway, Suite 330
Houston, Texas 77056

Re: Permanent Financing Commitment-- Second Lien Loan of \$140,000

Dear Mr. Kilday:

Your request for funding has been approved by our Board of Directors, and accordingly this loan commitment letter will summarize the terms and conditions under which Bozrah International Ministries ("Bozrah" and "Lender") agrees to loan to Gruene Oaks LP ("Gruene Oaks" and "Borrower") (and collectively as the "Party" or "Parties") the sum of \$140,000 (One hundred forty thousand dollars) as a secondary source of funding for permanent financing for a 100-unit elderly apartment rental community to be developed in New Braunfels, Texas near the town of Gruene at the NE intersection of Gruene and Commons streets.

Bozrah is a duly chartered non-profit 501c3 entity created to, among other things, be a positive force and catalyst in helping to create affordable housing for lower income citizens of Texas, through grants, loans and other incentives to worthy development organizations. Gruene Oaks is a limited partnership formed to develop such affordable housing for elderly citizens with incomes in the 30%, 40%, 50% and 60% of median family income levels. Bozrah is especially interested in and committed to helping to finance the 30% of median segment of this housing to facilitate high quality housing at very attractive rentals, housing that this segment of the population would otherwise not be able to afford. We view this as being able to achieve the rental version of the "American Dream".

The terms and conditions under which this loan commitment is made are set out below:

Loan Amount:	\$140,000
Interest Rate:	Prime rate as established by J P Morgan Chase in Houston, Texas

Term: Ten (10) years from initial funding, coincident with the closing date of the first lien permanent loan, or the earlier of twenty-four months from construction loan closing, or December 31, 2006

Security: Second-lien on realty – Gruene Oaks apartment community site (legal description attached as Exhibit A) – along with personal property, and an assignment of rents and leases

Amortization: 30 year amortization and total loan pay-off at the end of ten years

Convertible Feature: This loan is forgivable, i.e. convertible into a grant, over the ten year term on a pro-rata basis of 10.0% per annum as long as the rental community remains affordable in the same general character as proposed. Bozrah will annually inspect the project, the books, records and financial statements to satisfy itself that Gruene Oaks maintains that character

Commitment Termination Date: June 16, 2004 at 5:01 p.m.

Loan Documents: Note and other documents in form and substance as reasonably agreed on by Bozrah and Gruene Oaks

Closing Costs: Borrower will be responsible for all closing costs

Insurance: The land and improvements shall be appropriately insured at all times with liability and property insurance, and limits and deductibles commensurate with developments and properties of this type

Prepayment: This loan shall be prepayable in whole or at any time upon thirty (30) days notice

Notice: All notices shall be in writing and shall be effective upon constructive receipt by either party hereto through the U. S. Mail, Facsimile, Air Express or Courier upon receipted evidence, certified mail, or other documentary evidence including appropriate dates

Assignment: Permissible by either Party with other Party's consent

Compliance with
Applicable Law:

This commitment is subject to Lender's and Borrower's compliance with all applicable laws, federal, state and local, and with all governmental regulations, rules and ordinances, including specifically those governing the low income housing tax credit program (including the 2004 Qualified Allocation Plan) administered by the Texas Department of Housing and Community Affairs ("TDHCA")

Jurisdiction:

Intended to be the State of Texas

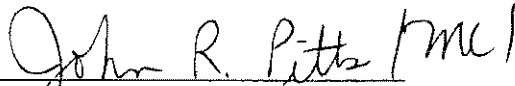
This commitment shall be valid only after execution by Lender and delivery to the TDHCA and to Borrower on or before June 16, 2004 by 5:00 p.m. CDT.

Please contact us for any questions, clarifications or additional information.

Very truly yours,

Bozrah International Ministries, a duly
constituted Non-Profit 501c3 entity

By:



John R. Pitts
Chairman, Board of Directors

EXHIBIT "A"

LEGAL DESCRIPTION

Feb 26 04 10:21p

KILDY REALTY CORP

713 914 9439

P.5

M.D.S. LAND SURVEYING CO.
 BOUNDARY * ALTA * TOPOGRAPHIC * CONSTRUCTION
 618 COMAL STREET * NEW BRAUNFELS, TX. 78130
 PHONE (830)625-0337
 FAX (830)625-0858

All that certain tract or parcel of land containing 8.000 acres of land out of the Henry Foster Survey No. 34, Abstract No. 154, City of New Braunfels, Comal County, Texas and being out of that certain called 31.695 acre tract of land conveyed to Mildred Voges, et al, in Volume 325, Page 869 of the Deed Records of Comal County, Texas; Said 8.000 acre parcel being more particularly described as follows:

BEGINNING at a 1/2 inch iron rod found for the most easterly corner and POINT OF BEGINNING of this parcel, same being the most easterly corner of said 31.695 acre tract, the most westerly corner of the William N. Wetz 0.584 of an acre parcel described in Document No. 9906018084 of the Official Public Records of Comal County, Texas and being an angle in the southwesterly line of Lot 1, HANZ ESTATES, LOT 1, UNIT ONE, as recorded in Volume 11, Page 117 of the Map and Plat Records of Comal County, Texas;

THENCE with the common line of said 31.695 acre tract with said 0.584 of an acre parcel, Lot 2, NORTHEAST SUBDIVISION, UNIT TWO, as recorded in Volume 13, Page 17 and a portion of Lot 1, NORTHEAST SUBDIVISION, as recorded in Volume 11, Page 145, both of said Map and Plat Records, South 58 deg 03' 02" West (basis of bearings (obtained from said Volume 325, Page 869)); a distance of 353.47 feet (called South 58 deg 03' 02" West, 353.38 feet in said Volume 325, Page 869) to a 1/2 inch iron rod found for angle;

THENCE continuing with the common line of said 31.695 acre tract with said Lot 1 and a portion of the Comal County Family Violence Shelter, Inc. 1.194 acre parcel, South 57 deg 48' 27" West, at 80.82 feet passing a 1/2 inch iron rod found for the most westerly corner of said Lot 1 and the most northerly corner of said 1.194 acre parcel, in all a distance of 81.43 feet (called South 58 deg 00' 34" West, 81.49 feet in said Volume 325, Page 869) to a 1/2 inch iron rod found for the most southerly corner of this parcel;

THENCE severing said 31.695 acre tract, North 44 deg 23' 40" West, a distance of 809.02 feet to a 1/2 inch iron rod set for the most westerly corner of this parcel, same lying in the common line of said 31.695 acre tract with the Toga L.L.C. 90.434 acre tract described in Volume 9906004673 of said Official Public Records;

THENCE with said common line, North 56 deg 25' 53" East, a distance of 437.35 feet (called North 56 deg 21' 31" East in said Document No. 9906004673) to a 1/2 inch iron rod set for the most northerly corner of this parcel, same being the most northerly corner of said 31.695 acre tract;

Feb 26 04 10:21p

KILDAY REALTY CORP

713 914 9439

P.6

THENCE continuing with the common line of said 31.695 acre tract with said 90.434 acre tract and Lot 2, Block 1, COTTON CROSSING UNIT TWO PDD, as recorded in Volume 14, Pages 148-149 of said Map and Plat Records, South 44 deg 07' 14" East, a distance of 785.36 feet (called South 44 deg 11' 34" East, 785.36 feet in said Document No. 9906004673) to a 1/2 inch iron rod found for angle, same being the most westerly corner of the aforementioned Lot 1, HANE ESTATES, LOT 1, UNIT ONE;

THENCE with the common line of said 31.695 acre tract with said Lot 1, South 42 deg 39' 18" East, a distance of 34.92 feet (called South 43 deg 00' 23" East, 35.00 feet in said Volume 11, Page 177) to the POINT OF BEGINNING and containing 8.00 acres of land.

NOTE: THIS DESCRIPTION REPRESENTS THE BOUNDARY OF THE 8.000 ACRE PARCEL SEVERED THIS DAY FOR THE SOLE PURPOSE OF REQUESTING A CHANGE OF ZONING.



David A. Lamberts R.P.L.S. No. 4907
J.O. No. 04-0048 (DRAWING PREPARED)

AGENDA ITEM 2B

**PLEASE SEE THE TDHCA WEBSITE FOR THE
HOUSING TAX CREDIT RECOMMENDATIONS**

UNDERWRITING REPORTS

**SEE UNDERWRITING REPORTS ON TDHCA
WEBSITE BOARD MEETING PAGE**

**Housing Tax Credit Program
Board Action Request
July 28, 2004**

Action Item

Request review and board determination of three (3) four percent (4%) tax credit applications with other issuers for tax exempt bond transaction.

Recommendation

Staff is recommending board approval of staff recommendations for the issuance of two (2) four percent (4%) Tax Credit Determination Notices with other issuers for the tax exempt bond transactions known as:

Development No.	Name	Location	Issuer	Total Units	LI Units	Total Development	Applicant Proposed Tax Exempt Bond Amount	Requested Credit Allocation	Recommended Credit Allocation
04426	Kensington Place Apartments	Houston	Houston HFC	216	216	\$17,962,184	\$13,000,000	\$542,560	\$542,560
04432	Willow Springs Senior Residences	San Marcos	Capital Area HFC	180	180	\$15,808,952	\$10,865,000	\$485,866	\$0
04434	Cornerstone Village Apartments	Houston	Harris County HFC	156	156	\$13,640,258	\$8,360,000	\$420,188	\$415,267

MULTIFAMILY FINANCE PRODUCTION DIVISION

BOARD ACTION REQUEST

July 28, 2004

Action Item

Presentation, Discussion and Possible Approval for the issuance of Housing Tax Credits for Kensington Place Apartments.

Summary of the Transaction

The application was received on March 5, 2004. The Issuer for this transaction is Houston HFC. The development is to be located at 715 FM 1959 in Houston. The development will consist of 216 total units targeting the family population, with all affordable. Since the City of Houston and Harris County do not have zoning ordinances, the site is currently properly zoned for such a development. The Department received no letters in support and no letters in opposition. The bond priority for this transaction is:

- Priority 1A:** Set aside **50%** of units that cap rents at 30% of **50%** AMFI and Set aside **50%** of units that cap rents at 30% of **60%** AMFI (MUST receive 4% Housing Tax Credits)
- Priority 1B:** Set aside **15%** of units that cap rents at 30% of **30%** AMFI and Set aside **85%** of units that cap rents at 30% of **60%** AMFI (MUST receive 4% Housing Tax Credits)
- Priority 1C:** Set aside **100%** of units that cap rents at 30% of **60%** AMFI (Only for projects located in a **census tract with median income that is greater** than the median income of the county MSA, or PMSA that the QCT is located in. (MUST receive 4% Housing Tax Credits)
- Priority 2:** Set aside **100%** of units that cap rents at 30% of **60%** AMFI (MUST receive 4% Housing Tax Credits)
- Priority 3:** Any qualified residential rental development.

Recommendation

Staff recommends the Board approve the issuance of Housing Tax Credits for Kensington Place Apartments.



**HOUSING TAX CREDIT PROGRAM
2004 HTC/TAX EXEMPT BOND DEVELOPMENT PROFILE AND BOARD SUMMARY**

Texas Department of Housing and Community Affairs

Development Name: **Kensington Place Apartments**

TDHCA#: 04426

DEVELOPMENT AND OWNER INFORMATION

Development Location: Houston QCT: N DDA: N TTC: N
 Development Owner: One Kensington, LP
 General Partner(s): One Kensington Development, LLC, 100%, Contact: Albert E. Magill, III
 Construction Category: New
 Set-Aside Category: Tax Exempt Bond Bond Issuer: Houston HFC
 Development Type: Family

Annual Tax Credit Allocation Calculation

Applicant Request: \$542,560 Eligible Basis Amt: \$566,426 Equity/Gap Amt.: \$670,210

Annual Tax Credit Allocation Recommendation: \$542,560

Total Tax Credit Allocation Over Ten Years: \$ 5,425,600

PROPERTY INFORMATION

Unit and Building Information

Total Units: 216 HTC Units: 216 % of HTC Units: 100
 Gross Square Footage: 223,756 Net Rentable Square Footage: 220,822
 Average Square Footage/Unit: 1022
 Number of Buildings: 17
 Currently Occupied: N

Development Cost

Total Cost: \$17,962,184 Total Cost/Net Rentable Sq. Ft.: \$81.34

Income and Expenses

Effective Gross Income:¹ \$1,837,738 Ttl. Expenses: \$880,263 Net Operating Inc.: \$957,475
 Estimated 1st Year DCR: 1.10

DEVELOPMENT TEAM

Consultant: Not Utilized	Manager: Orion Real Estate Services
Attorney: Coats, Rose, Yale, Ryman & Lee	Architect: Thompson Nelson Group, Inc.
Accountant: Novogradac & Company, LLC	Engineer: Edminster, Hinshaw, Russ & Assoc.
Market Analyst: Apartments Market Data	Lender: MuniMae TEI Holdings, LLC.
Contractor: William Taylor & Co., Inc.	Syndicator: MMA Financial, LLC

PUBLIC COMMENT²

From Citizens:	From Legislators or Local Officials:
# in Support: 0	Sen. Mike Jackson, District 11 - NC
# in Opposition: 0	Rep. Robert Talton, District 144 - NC
	Mayor Bill White - NC
	Daisy A. Stiner, Director of Housing & Community Development, City of Houston;
	Consistent with the local Consolidated Plan.

1. Gross Income less Vacancy

2. NC - No comment received, O - Opposition, S - Support

CONDITION(S) TO COMMITMENT

1. Per §50.12(c) of the Qualified Allocation Plan and Rules, all Tax Exempt Bond Project Applications “must provide an executed agreement with a qualified service provider for the provision of special supportive services that would otherwise not be available for the tenants. The provision of such services will be included in the Declaration of Land Use Restrictive Covenants (“LURA”).
2. Should the terms and rates of the proposed debt or syndacation change, the transaction should be reevaluated and an adjustment to the allocation amount may be made.

DEVELOPMENT’S SELECTION BY PROGRAM MANAGER & DIVISION DIRECTOR IS BASED ON:

Score Utilization of Set-Aside Geographic Distrib. Tax Exempt Bond. Housing Type

Other Comments including discretionary factors (if applicable).

Robert Onion, Multifamily Finance Manager

Date

Brooke Boston, Director of Multifamily Finance Production Date

DEVELOPMENT’S SELECTION BY EXECUTIVE AWARD AND REVIEW ADVISORY COMMITTEE IS BASED ON:

Score Utilization of Set-Aside Geographic Distrib. Tax Exempt Bond Housing Type

Other Comments including discretionary factors (if applicable)._____

Edwina P. Carrington, Executive Director

Date

Chairman of Executive Award and Review Advisory Committee

TDHCA Board of Director’s Approval and description of discretionary factors (if applicable).

Chairperson Signature: _____

Elizabeth Anderson, Chairman of the Board

Date

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS**

DATE: July 17, 2004

PROGRAM: 4% HTC

FILE NUMBER: 04426

DEVELOPMENT NAME

Kensington Place Apartments

APPLICANT

Name:	<u>One Kensington, LP</u>	Type:	<u>For-profit</u>
Address:	<u>6524 San Felipe, Suite 274</u>	City:	<u>Houston</u> State: <u>TX</u>
Zip:	<u>77057</u>	Contact:	<u>Albert E. Magill</u>
		Phone:	<u>(713) 785-6006</u> Fax: <u>(713) 785-6004</u>

PRINCIPALS of the APPLICANT/ KEY PARTICIPANTS

Name:	<u>One Kensington Development, LLC</u>	(%):	<u>0.01</u>	Title:	<u>Managing General Partner</u>
Name:	<u>Magill Development Company, LLC (MDC)</u>	(%):	<u>N/A</u>	Title:	<u>50% owner of MGP</u>
Name:	<u>Hyde Park Development, Inc (HPD)</u>	(%):	<u>N/A</u>	Title:	<u>50% owner of MGP</u>
Name:	<u>Jennifer Magill</u>	(%):	<u>N/A</u>	Title:	<u>52% owner of MDC</u>
Name:	<u>Albert Magill</u>	(%):	<u>N/A</u>	Title:	<u>48% owner of MDC</u>
Name:	<u>Brian Cogburn</u>	(%):	<u>N/A</u>	Title:	<u>100% owner of HPD</u>
Name:	<u>TBF Acres, LLC</u>	(%):	<u>N/A</u>	Title:	<u>Developer</u>

PROPERTY LOCATION

Location: 715 FM 1959 **QCT** **DDA**
City: Houston **County:** Harris **Zip:** 77034

REQUEST

<u>Amount</u>	<u>Interest Rate</u>	<u>Amortization</u>	<u>Term</u>
\$542,560	N/A	N/A	N/A
Other Requested Terms:	<u>Annual ten-year allocation of housing tax credits</u>		
Proposed Use of Funds:	<u>New construction</u>	Property Type:	<u>Multifamily</u>
Special Purpose (s):	<u>General Population</u>		

RECOMMENDATION

RECOMMEND APPROVAL OF A HOUSING TAX CREDIT ALLOCATION NOT TO EXCEED \$542,560 ANNUALLY FOR TEN YEARS, SUBJECT TO CONDITIONS.

CONDITIONS

Should the terms and rates of the proposed debt or syndication change, the transaction should be re-evaluated and an adjustment to the allocation amount may be warranted.

REVIEW of PREVIOUS UNDERWRITING REPORTS

No previous reports.

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS**

DEVELOPMENT SPECIFICATIONS

IMPROVEMENTS

Total Units: 216 **# Rental Buildings:** 17 **# Common Area Bldgs:** 1 **# of Floors:** 2 **Age:** 0 yrs **Vacant:** N/A at / /
Net Rentable SF: 220,822 **Av Un SF:** 1,022 **Common Area SF:** 2,934 **Gross Bldg SF:** 223,756

STRUCTURAL MATERIALS

The structure will be wood frame on a concrete slab on grade. According to the plans provided in the application the exterior will be comprised as follows: 40% brick veneer and 60% hardiboard. The interior wall surfaces will be drywall and the pitched roof will be finished with asphalt composite shingles.

APPLIANCES AND INTERIOR FEATURES

The interior flooring will be a combination of carpeting & vinyl. Each unit will include: range & oven, hood & fan, garbage disposal, dishwasher, refrigerator, fiberglass tub/shower, washer & dryer connections, cable, ceiling fans, laminated counter tops, individual water heaters, central heating and air conditioning, & 9-foot ceilings.

ON-SITE AMENITIES

A 2,934-square foot community building will include an activity room, management offices, library, maintenance, laundry facilities, a kitchen, restrooms, and a computer/business center. The community building, swimming pool, and equipped children's play area are located at the entrance to the property.

Uncovered Parking: 400 spaces **Carpports:** 0 spaces **Garages:** 0 spaces

PROPOSAL and DEVELOPMENT PLAN DESCRIPTION

Description: Kensington Place Apartments is a 15 unit per acre new construction development of 216 units of affordable housing located in southeast Houston. The development is comprised of 17 evenly distributed garden style walk-up residential buildings as follows:

- 1 Type I Building with 8 two-bedroom/ two-bath units;
- 6 Type II Buildings with 8 three-bedroom/two-bath units;
- 3 Type III Buildings with 8 two-bedroom/two bath units, and 8 three-bedroom/two-bath units;
- 5 Type IV Buildings with 8 one-bedroom/one-bath units and 8 two-bedroom/two bath units;
- 1 Type V Building with 16 two-bedroom/two-bath units; and
- 1 Type VI Building with 6 one-bedroom/one-bath units, 8 two-bedroom/two-bath units, and 2 three-bedroom/two-bath units.

Architectural Review: The unit floor plans appear to offer adequate storage and living space. The planned exterior of the residential buildings are simple, yet attractive.

SITE ISSUES

SITE DESCRIPTION

Size: 14.544 acres 633,580 square feet **Zoning/ Permitted Uses:** No Zoning
Flood Zone Designation: Zone X **Status of Off-Sites:** Partially improved

SITE and NEIGHBORHOOD CHARACTERISTICS

Location: The subject site is located on FM 1959 at Kensington Place Drive, between Interstate Highway 45 and State Highway 3 in southeast Houston. The central business district of Houston is approximately 15.8 miles to the northwest.

Adjacent Land Uses:

Northeast: Kensington Place Dr., retail strip center, commercial warehouse and Ellington Airfield beyond;

Southeast: Multifamily residential, Tristar Drive, light commercial and industrial beyond;

South: Multifamily residential, scattered light industrial and vacant land beyond;

West: FM 1959, commercial, retail and residential beyond.

Site Access: Access to the property is from the north or south along FM 1959 or along Tristar Drive, and

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS**

from the east or west along Kensington Place Drive. Highway 3 and Interstate 45 are located less than one mile from the site. Beltway 8 can also be accessed 1.8 miles to the north.

Public Transportation: The Metropolitan Transit Authority of Harris County (METRO) does not service the site. The nearest bus stop is located at the Southeast Memorial Hospital, two miles to the west.

Shopping & Services: The site is within three miles of major grocery and pharmacy stores, shopping centers and a variety of other retail establishments and restaurants. Schools, churches, a hospital and health care facilities are also located within a short driving distance of the site.

Site Inspection Findings: TDHCA staff performed a site inspection on April 12, 2004 and found the location to be acceptable for the proposed development.

HIGHLIGHTS of SOILS & HAZARDOUS MATERIALS REPORT(S)

A Phase I Environmental Site Assessment report dated April 7, 2004 was prepared by Phase Engineering, Inc and contained the following findings and conclusions:

Findings:

- **Leaking Underground Storage Tanks (LUST):** “The southeast adjacent property across Tristar Drive, addressed as 335 and 369 Tristar Drive under the name Schlumberger Offshore Services, is a registered underground storage tank facility (UST) and a leaking underground storage tank site (LUST). The tanks have been removed from this facility and the LUST case received closure from the Texas Commission on Environmental Quality (TCEQ). Based on tank removal and LUST closure, no recognized environmental conditions appear to exist provided tank removal and LUST closure were conducted in accordance with all applicable federal, state and local regulations. The west adjacent property across FM 1959 Road, addressed as 550 FM 1959 Road under the name Hasty Stop is a UST facility. The tanks at this facility are active and are not reported as leaking with TCEQ. Based on non-leak status, no recognized environmental conditions appear to exist provided this facility operates in accordance with all applicable federal, state and local regulations.” (p. 2).

Conclusions: “This assessment has revealed no evidence of recognized environmental conditions in connection with the property.” (p. 2).

POPULATIONS TARGETED

Income Set-Aside: The Applicant has elected the 40% at 60% or less of area median gross income (AMGI) set-aside although as a Priority 1 private activity bond lottery development the Applicant has elected the 100% at 60% option, and is located in a census tract where the median income is higher than the median income for the Houston MSA.

MAXIMUM ELIGIBLE INCOMES						
	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons
60% of AMI	\$25,620	\$29,280	\$32,940	\$36,600	\$39,540	\$42,480

MARKET HIGHLIGHTS

A market feasibility study dated May 26, 2004 was prepared by Apartment MarketData Research Services, LLC (“Market Analyst”) and highlighted the following findings:

Definition of Primary Market Area (PMA): “For this analysis, we utilized a trade area comprising of a five-mile radius consisting of 78.53-square mile trade area in south Houston.” (p. 27).

Population: The estimated 2003 population of the PMA was 217,154 and is expected to increase by 11% to approximately 240,980 by 2008. Within the primary market area there were estimated to be 78,407 households in 2003.

Total Primary Market Demand for Rental Units: The Market Analyst calculated a total demand based on income qualified renter households estimated at 9.37% of the population, size appropriate households

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estimated at 100%, and an annual renter turnover rate of 64.4%. (p. 44). The Market Analyst used an income band of \$22,560 to \$39,540.

ANNUAL INCOME-ELIGIBLE SUBMARKET DEMAND SUMMARY				
Type of Demand	Market Analyst		Underwriter	
	Units of Demand	% of Total Demand	Units of Demand	% of Total Demand
Household Growth	139	3%	150	3%
Resident Turnover	4,733	97%	4,821	97%
TOTAL ANNUAL DEMAND	4,872	100%	4,971	100%

Ref: p. 45

Inclusive Capture Rate: The Market Analyst identified two existing properties which may not have maintained a stabilized occupancy of 90% for the previous 12 months. Longboat Key Apartments is a 272-unit property awarded tax credits in 2003 and Clearwood Villas Apartments is a 276-unit property awarded tax credits in 2001. A capture rate of 15.7% was calculated based on 764 total unstabilized affordable units divided by the demand for 4,872 units. "...the TDHCA could allocate a total of 1,218 units within the Primary Market Area and not exceed the 25% capture rate allowed for within the QAP." (p. 46). The Underwriter noticed one other recent transaction, Bayou Willows, but this was acquisition rehabilitation; therefore, it is not included in the capture rate. The Underwriter's capture rate is slightly lower at 15.3% based on a slightly higher demand.

Market Rent Comparables: The Market Analyst based his market rent conclusions on information garnered from an appraisal report prepared by Pacific Southwest Valuation. (p. 94).

RENT ANALYSIS (net tenant-paid rents)					
Unit Type (% AMI)	Proposed	Program Max	Differential	Est. Market	Differential
1-Bedroom (60%)	\$623	\$628	-\$5	\$595	+\$28
2-Bedroom (60%)	\$751	\$751	\$0	\$830	-\$79
3-Bedroom (60%)	\$864	\$864	\$0	\$980	-\$116

(NOTE: Differentials are amount of difference between proposed rents and program limits and average market rents, e.g., proposed rent = \$500, program max = \$600, differential = -\$100)

Primary Market Occupancy Rates: "The current occupancy of the market area is 92.2% as a result of stable demand." (p. 89).

Absorption Projections: "We estimate that the project would achieve a lease rate of approximately 7% to 10% of its units per month as they come on line for occupancy from construction. Historically, other "affordable" projects within the trade area have had an absorption rate of 14 to 20 units per month." (p. 86).

Known Planned Development: Currently there are no other known planned developments in the primary market area.

Market Study Analysis/Conclusions: The Underwriter found the market study provided sufficient information on which to base a funding recommendation.

OPERATING PROFORMA ANALYSIS

Income: The Applicant's rent projections are slightly lower than the maximum rents allowed under HTC/program guidelines. The lower rents are in the one bedroom units, and are \$5 per unit under maximum HTC rents. The Underwriter used lower rents still, due to the fact that the market study provided an adjusted market rent for one bedroom units that are \$33 lower than the maximum. As a result the Applicant's potential gross rent is \$15,456 higher than the Underwriter's estimate.

Estimates of secondary income and vacancy and collection losses are in line with TDHCA underwriting guidelines.

Expenses: The Applicant's total expense estimate of \$3,754 per unit is 8% less than the Underwriter's database-derived estimate of \$4,075 per unit for comparably-sized developments. The Applicant's budget

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shows several line item estimates that deviate significantly when compared to the database averages, particularly general and administrative (\$20K lower), payroll (\$16K lower), repairs and maintenance (\$11K lower), and utilities (\$17K lower).

Conclusion: The Applicant's estimated income is consistent with the Underwriter's expectations; however, total operating expenses are not within 5% of the database-derived estimate, and the Applicant's net operating income (NOI) estimate is not within 5% of the Underwriter's estimate. Therefore, the Underwriter's NOI should be used to evaluate debt service capacity.

While the Applicant's income and expense estimate provide sufficient net operating income to service the proposed first lien permanent mortgage at a debt coverage ratio that is within the TDHCA underwriting guidelines of 1.10 to 1.30, the Underwriter's estimate is 1.05. This suggests that debt service for this development may be limited to \$871,160 and at current anticipated rates and terms would result in a reduction of \$600,000 in debt.

ACQUISITION VALUATION INFORMATION			
ASSESSED VALUE			
Land: 14.544acres	\$950,370	Assessment for the Year of:	2003
Building:	N/A	Valuation by:	Harris County Appraisal District
Total Assessed Value:	\$950,370	Tax Rate:	3.2154
EVIDENCE of SITE or PROPERTY CONTROL			
Type of Site Control:	Earnest Money Contract		
Contract Expiration Date:	08/ 31/ 2004	Anticipated Closing Date:	08/ 31/ 2004
Acquisition Cost:	\$1,300,000	Other Terms/Conditions:	
Seller:	Bank of America, Trustee	Related to Development Team Member:	No

CONSTRUCTION COST ESTIMATE EVALUATION	
Acquisition Value:	The acquisition price is assumed to be reasonable since the acquisition is an arm's-length transaction.
Sitework Cost:	The Applicant's claimed sitework costs of \$7,338 per unit are within the Department's maximum guideline for multifamily developments without requiring additional documentation.
Direct Construction Cost:	The Applicant's direct construction cost estimate is 2% lower than the Underwriter's Marshall & Swift <i>Residential Cost Handbook</i> -derived estimate, and is therefore regarded as reasonable as submitted.
Fees:	The Applicant's contractor's and developer's fees for general requirements, general and administrative expenses, and profit are all within the maximums allowed by TDHCA guidelines.
Conclusion:	The Applicant's total development cost estimate is within 5% of the Underwriter's verifiable estimate and is therefore generally acceptable. Since the Underwriter has been able to verify the Applicant's cost to a reasonable margin, the Applicant's total development cost breakdown will be used to calculate eligible basis of \$15,910,851. This results in a credit amount of \$566,426 which is more than the requested \$542,560. The latter amount will be used to determine syndication proceeds and compare it to the gap of need using the Applicant's total cost.

FINANCING STRUCTURE	
INTERIM TO PERMANENT BOND FINANCING	
Source:	Contact:
MuniMae TEI Holdings, LLC	Michael L. Falcone

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Tax-Exempt Amount: \$13,000,000 **Interest Rate:** 6.5% fixed
Additional Information: Interim rate: 5.15%; Issuer: Houston HFC
Amortization: 40 yrs **Term:** 40 yrs **Commitment:** LOI Firm Conditional
Annual Payment: \$913,312 **Lien Priority:** 1st **Commitment Date** 05/ 28/ 2004

TAX CREDIT SYNDICATION

Source: MMA Financial, LLC **Contact:** Korbin Heiss
Net Proceeds: \$4,503,000 **Net Syndication Rate (per \$1.00 of 10-yr HTC)** 83¢
Commitment LOI Firm Conditional **Date:** 04/ 30/ 2004

APPLICANT EQUITY

Amount: \$459,183 **Source:** Deferred developer fee

FINANCING STRUCTURE ANALYSIS

Interim to Permanent Bond Financing: The tax-exempt bonds are to be issued by the Houston Housing Finance Corporation and purchased by MuniMae TEI Holdings. The permanent financing commitment is consistent with the terms reflected in the sources and uses of funds listed in the application.

HTC Syndication: The tax credit syndication commitment is consistent with the terms reflected in the sources and uses of funds listed in the application.

Deferred Developer's Fees: The Applicant's proposed deferred developer's fees of \$459,183 amount to 24% of the total fees.

Financing Conclusions: Since the Applicant's total development cost is within 5% of the Underwriter's Marshall and Swift *Residential Cost Handbook*-derived estimate of cost, the Applicant's estimate of eligible basis is used to determine the HTC allocation. Based on this, the allocation should not exceed \$542,560 annually for ten years, resulting in syndication proceeds of approximately \$4,502,798. The Applicant had calculated the total allocation to be slightly higher at \$4,503,000 based on 100% syndication. In addition the Underwriter's analysis suggests redemption of \$600,000 in bonds as a result of an anticipated DCR below 1.10. Accordingly, the Applicant's deferred developer fee will be increased from his estimate of \$459,183 to \$1,059,386 which represent approximately 54% of the eligible fee and which should be repayable from cash flow within 10 years. Should the Applicant's final direct construction cost exceed the cost estimate used to determine credits in this analysis, additional deferred developer's fees may be available to fund those development cost overruns.

DEVELOPMENT TEAM

IDENTITIES of INTEREST

The Applicant and Developer are related entities. These are common relationships for HTC-funded developments.

APPLICANT'S/PRINCIPALS' FINANCIAL HIGHLIGHTS, BACKGROUND, and EXPERIENCE

Financial Highlights:

- The Applicant and General Partner are single-purpose entities created for the purpose of receiving assistance from TDHCA and therefore have no material financial statements. It appears that Hyde Park Development, Inc, 50% owner of the General Partner, is also a new entity with no material financial statements.
- Magill Development Company, 50% owner of the General Partner, submitted an unaudited financial statement as of January 31, 2004 reporting total assets of \$671K comprised of \$242K cash, \$117K in receivables, and \$313K investment in a closely held company. Liabilities totaled \$140K, resulting in net assets of \$531K.
- The principals of the owners of the General Partner, Brian Cogburn, Jennifer Magill, and Albert Magill, also submitted unaudited financial statements.

Background & Experience:

- The Applicant and General Partner are new entities formed for the purpose of developing the project.

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- Multifamily Production Finance Staff have verified that the contractor has met the Department's experience requirements and Portfolio Management and Compliance staff will ensure that the proposed owners have an acceptable record of previous participation.

SUMMARY OF SALIENT RISKS AND ISSUES

- The Applicant's operating expenses and net operating income exceeds the Underwriter's estimates by more than 5%.

Underwriter:

David Burrell

Date: July 17, 2004

Director of Real Estate Analysis:

Tom Gouris

Date: July 17, 2004

MULTIFAMILY COMPARATIVE ANALYSIS

Kensington Place, Houston, 4% HTC #04426

Type of Unit	Number	Bedrooms	No. of Baths	Size in SF	Gross Rent Lmt.	Net Rent per Unit	Rent per Month	Rent per SF	Tnt Pd Util	Wtr, Swr, Trsh
TC 60%	46	1	1	690	\$686	\$595	\$27,370	\$0.86	\$58.00	\$37.31
TC 60%	96	2	2	1,050	823	751	72,096	0.72	72.00	43.31
TC 60%	74	3	2	1,193	951	864	63,936	0.72	87.00	49.31
TOTAL:	216		AVERAGE:	1,022	\$838	\$756	\$163,402	\$0.74	\$74.16	\$44.09

INCOME

Total Net Rentable Sq Ft: 220,822

POTENTIAL GROSS RENT

Secondary Income Per Unit Per Month: \$10.00
 Other Support Income: (describe)

POTENTIAL GROSS INCOME

Vacancy & Collection Loss % of Potential Gross Income: -7.50%
 Employee or Other Non-Rental Units or Concessions

EFFECTIVE GROSS INCOME

EXPENSES

	% OF EGI	PER UNIT	PER SQ FT	TDHCA	APPLICANT	PER SQ FT	PER UNIT	% OF EGI
General & Administrative	4.58%	\$390	0.38	\$84,180	\$64,500	\$0.29	\$299	3.48%
Management	5.00%	425	0.42	91,887	92,600	0.42	429	5.00%
Payroll & Payroll Tax	9.58%	815	0.80	176,040	160,000	0.72	741	8.64%
Repairs & Maintenance	5.37%	457	0.45	98,724	87,200	0.39	404	4.71%
Utilities	2.27%	193	0.19	41,688	24,000	0.11	111	1.30%
Water, Sewer, & Trash	3.83%	326	0.32	70,416	64,000	0.29	296	3.46%
Property Insurance	3.00%	256	0.25	55,206	54,000	0.24	250	2.92%
Property Tax 3.2154	10.20%	868	0.85	187,522	190,000	0.86	880	10.26%
Reserve for Replacements	2.35%	200	0.20	43,200	43,200	0.20	200	2.33%
Cable, services, compliance, security	1.71%	145	0.14	31,400	31,400	0.14	145	1.70%
TOTAL EXPENSES	47.90%	\$4,075	\$3.99	\$880,263	\$810,900	\$3.67	\$3,754	43.78%
NET OPERATING INC	52.10%	\$4,433	\$4.34	\$957,475	\$1,041,132	\$4.71	\$4,820	56.22%

DEBT SERVICE

Bond Financing	49.70%	\$4,228	\$4.14	\$913,313	\$913,312	\$4.14	\$4,228	49.31%
Additional Financing	0.00%	\$0	\$0.00	0	0	\$0.00	\$0	0.00%
Additional Financing	0.00%	\$0	\$0.00	0	0	\$0.00	\$0	0.00%
NET CASH FLOW	2.40%	\$204	\$0.20	\$44,163	\$127,820	\$0.58	\$592	6.90%
AGGREGATE DEBT COVERAGE RATIO				1.05	1.14			
RECOMMENDED DEBT COVERAGE RATIO				1.10				

CONSTRUCTION COST

Description	Factor	% of TOTAL	PER UNIT	PER SQ FT	TDHCA	APPLICANT	PER SQ FT	PER UNIT	% of TOTAL
Acquisition Cost (site or bldg)		7.07%	\$6,019	\$5.89	\$1,300,000	\$1,300,000	\$5.89	\$6,019	7.24%
Off-Sites		0.00%	0	0.00	0	0	0.00	0	0.00%
Sitework		8.61%	7,338	7.18	1,585,000	1,585,000	7.18	7,338	8.82%
Direct Construction		49.43%	42,107	41.19	9,095,156	8,940,000	40.49	41,389	49.77%
Contingency	1.73%	1.01%	856	0.84	185,000	185,000	0.84	856	1.03%
General Req'ts	5.91%	3.43%	2,924	2.86	631,500	631,500	2.86	2,924	3.52%
Contractor's G & A	1.97%	1.14%	975	0.95	210,500	210,500	0.95	975	1.17%
Contractor's Profit	5.91%	3.43%	2,924	2.86	631,500	631,500	2.86	2,924	3.52%
Indirect Construction		4.32%	3,683	3.60	795,500	795,500	3.60	3,683	4.43%
Ineligible Costs		3.40%	2,900	2.84	626,333	626,333	2.84	2,900	3.49%
Developer's G & A	2.07%	1.59%	1,352	1.32	292,028	292,028	1.32	1,352	1.63%
Developer's Profit	11.72%	8.99%	7,661	7.49	1,654,823	1,654,823	7.49	7,661	9.21%
Interim Financing		5.35%	4,560	4.46	985,000	985,000	4.46	4,560	5.48%
Reserves		2.21%	1,883	1.84	406,772	125,000	0.57	579	0.70%
TOTAL COST		100.00%	\$85,181	\$83.32	\$18,399,112	\$17,962,184	\$81.34	\$83,158	100.00%
Recap-Hard Construction Costs		67.06%	\$57,123	\$55.88	\$12,338,656	\$12,183,500	\$55.17	\$56,405	67.83%

SOURCES OF FUNDS

				TDHCA	APPLICANT	RECOMMENDED	
Bond Financing	70.66%	\$60,185	\$58.87	\$13,000,000	\$13,000,000	\$12,400,000	Developer Fee Available
Additional Financing	0.00%	\$0	\$0.00	0	0	0	\$1,946,851
HTC Syndication Proceeds	24.47%	\$20,847	\$20.39	4,503,000	4,503,000	4,502,798	% of Dev. Fee Deferred
Deferred Developer Fees	2.50%	\$2,126	\$2.08	459,183	459,183	1,059,386	54%
Additional (excess) Funds Required	2.37%	\$2,023	\$1.98	436,929	1	0	15-Yr Cumulative Cash Flow
TOTAL SOURCES				\$18,399,112	\$17,962,184	\$17,962,184	\$3,506,210.61

MULTIFAMILY COMPARATIVE ANALYSIS(continued)
Kensington Place, Houston, 4% HTC #04426

DIRECT CONSTRUCTION COST ESTIMATE

Residential Cost Handbook

Average Quality Multiple Residence Basis

CATEGORY	FACTOR	UNITS/SQ.FT	PER SF	AMOUNT
Base Cost			\$43.67	\$9,643,343
Adjustments				
Exterior Wall Finish	3.20%		\$1.40	\$308,587
9-Ft. Ceilings	3.00%		1.31	289,300
Roofing			0.00	0
Subfloor			(1.02)	(224,134)
Floor Cover			2.00	441,644
Porches/Balconies	\$17.59	17,712	1.41	311,554
Plumbing	\$605	510	1.40	308,550
Built-In Appliances	\$1,650	216	1.61	356,400
Stairs	\$1,450	56	0.37	81,200
Floor Insulation			0.00	0
Heating/Cooling			1.53	337,858
Garages/Carports			0.00	0
Comm &/or Aux Bldgs	\$63.40	2,934	0.84	186,004
Other:			0.00	0
SUBTOTAL			54.52	12,040,305
Current Cost Multiplier	1.03		1.64	361,209
Local Multiplier	0.90		(5.45)	(1,204,031)
TOTAL DIRECT CONSTRUCTION COSTS			\$50.71	\$11,197,484
Plans, specs, survy, bld prm	3.90%		(\$1.98)	(\$436,702)
Interim Construction Interest	3.38%		(1.71)	(377,915)
Contractor's OH & Profit	11.50%		(5.83)	(1,287,711)
NET DIRECT CONSTRUCTION COSTS			\$41.19	\$9,095,156

PAYMENT COMPUTATION

Primary	\$13,000,000	Term	480
Int Rate	6.50%	DCR	1.05
Secondary	\$0	Term	
Int Rate	0.00%	Subtotal DCR	1.05
Additional	\$4,503,000	Term	
Int Rate		Aggregate DCR	1.05

RECOMMENDED FINANCING STRUCTURE:

Primary Debt Service	\$871,160
Secondary Debt Service	0
Additional Debt Service	0
NET CASH FLOW	\$86,316

Primary	\$12,400,000	Term	480
Int Rate	6.50%	DCR	1.10
Secondary	\$0	Term	0
Int Rate	0.00%	Subtotal DCR	1.10
Additional	\$4,503,000	Term	0
Int Rate	0.00%	Aggregate DCR	1.10

OPERATING INCOME & EXPENSE PROFORMA: RECOMMENDED FINANCING STRUCTURE

INCOME at 3.00%	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 10	YEAR 15	YEAR 20	YEAR 30
POTENTIAL GROSS RENT	\$1,960,824	\$2,019,649	\$2,080,238	\$2,142,645	\$2,206,925	\$2,558,431	\$2,965,922	\$3,438,317	\$4,620,810
Secondary Income	25,920	26,698	27,499	28,323	29,173	33,820	39,206	45,451	61,082
Other Support Income: (describ)	0	0	0	0	0	0	0	0	0
POTENTIAL GROSS INCOME	1,986,744	2,046,346	2,107,737	2,170,969	2,236,098	2,592,250	3,005,129	3,483,768	4,681,892
Vacancy & Collection Loss	(149,006)	(153,476)	(158,080)	(162,823)	(167,707)	(194,419)	(225,385)	(261,283)	(351,142)
Employee or Other Non-Rental	0	0	0	0	0	0	0	0	0
EFFECTIVE GROSS INCOME	\$1,837,738	\$1,892,870	\$1,949,656	\$2,008,146	\$2,068,391	\$2,397,832	\$2,779,744	\$3,222,485	\$4,330,750
EXPENSES at 4.00%	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 10	YEAR 15	YEAR 20	YEAR 30
General & Administrative	\$84,180	\$87,547	\$91,049	\$94,691	\$98,479	\$119,814	\$145,772	\$177,354	\$262,528
Management	91,887	94,644	97,483	100,407	103,420	119,892	138,987	161,124	216,538
Payroll & Payroll Tax	176,040	183,082	190,405	198,021	205,942	250,560	304,844	370,890	549,007
Repairs & Maintenance	98,724	102,673	106,780	111,052	115,494	140,516	170,959	207,998	307,887
Utilities	41,688	43,356	45,090	46,893	48,769	59,335	72,190	87,830	130,010
Water, Sewer & Trash	70,416	73,233	76,162	79,208	82,377	100,224	121,938	148,356	219,603
Insurance	55,206	57,414	59,710	62,099	64,583	78,575	95,598	116,310	172,167
Property Tax	187,522	195,023	202,824	210,937	219,374	266,902	324,728	395,081	584,816
Reserve for Replacements	43,200	44,928	46,725	48,594	50,538	61,487	74,808	91,016	134,726
Other	31,400	32,656	33,962	35,321	36,734	44,692	54,375	66,155	97,926
TOTAL EXPENSES	\$880,263	\$914,555	\$950,190	\$987,223	\$1,025,708	\$1,241,996	\$1,504,199	\$1,822,114	\$2,675,207
NET OPERATING INCOME	\$957,475	\$978,316	\$999,466	\$1,020,923	\$1,042,683	\$1,155,835	\$1,275,545	\$1,400,372	\$1,655,543
DEBT SERVICE									
First Lien Financing	\$871,160	\$871,160	\$871,160	\$871,160	\$871,160	\$871,160	\$871,160	\$871,160	\$871,160
Second Lien	0	0	0	0	0	0	0	0	0
Other Financing	0	0	0	0	0	0	0	0	0
NET CASH FLOW	\$86,316	\$107,156	\$128,306	\$149,763	\$171,523	\$284,675	\$404,385	\$529,212	\$784,383
DEBT COVERAGE RATIO	1.10	1.12	1.15	1.17	1.20	1.33	1.46	1.61	1.90

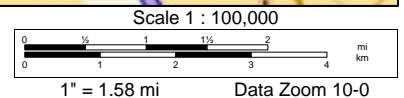
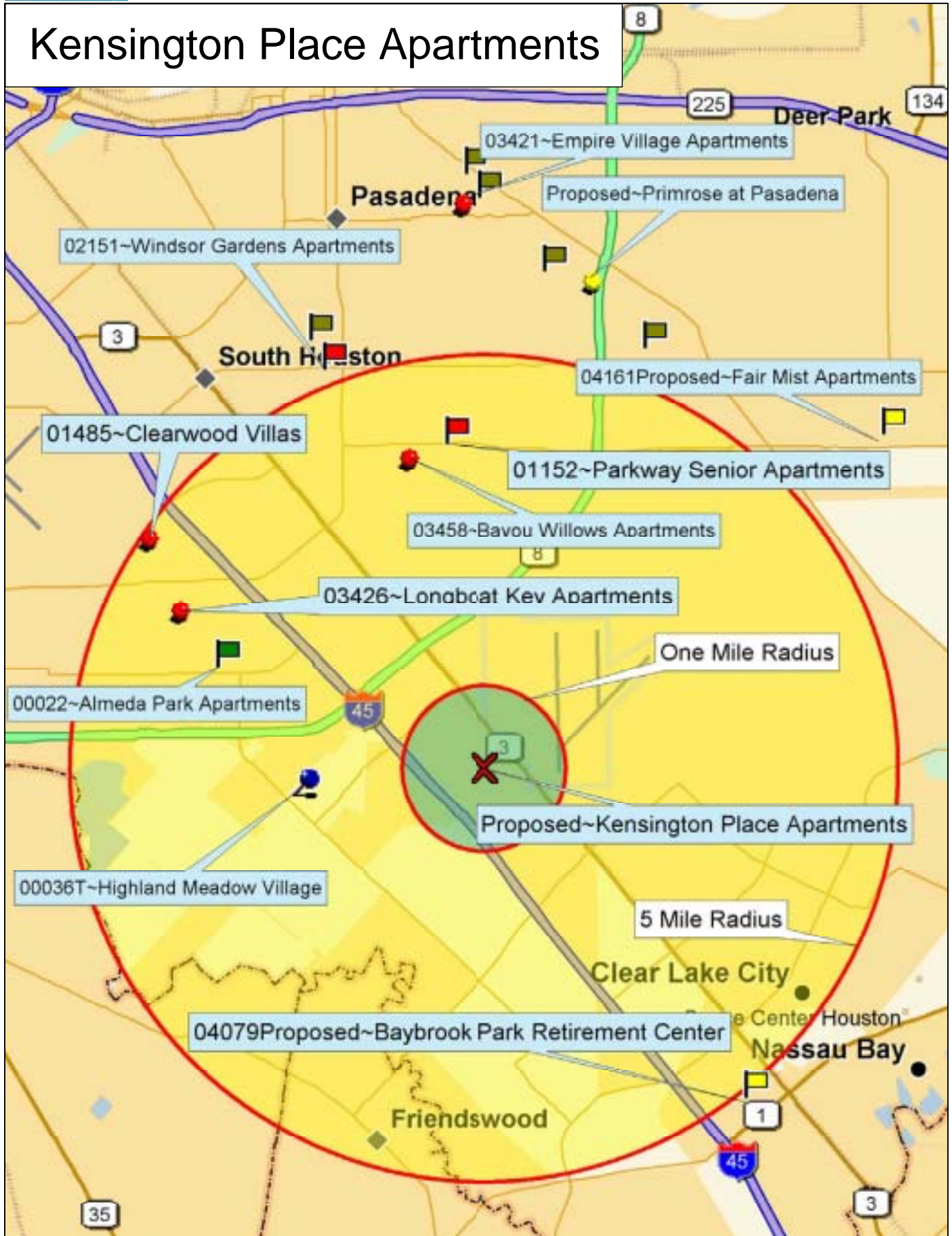
LIHTC Allocation Calculation - Kensington Place, Houston, 4% HTC #04426

CATEGORY	APPLICANT'S TOTAL AMOUNTS	TDHCA TOTAL AMOUNTS	APPLICANT'S REHAB/NEW ELIGIBLE BASIS	TDHCA REHAB/NEW ELIGIBLE BASIS
(1) Acquisition Cost				
Purchase of land	\$1,300,000	\$1,300,000		
Purchase of buildings				
(2) Rehabilitation/New Construction Cost				
On-site work	\$1,585,000	\$1,585,000	\$1,585,000	\$1,585,000
Off-site improvements				
(3) Construction Hard Costs				
New structures/rehabilitation hard costs	\$8,940,000	\$9,095,156	\$8,940,000	\$9,095,156
(4) Contractor Fees & General Requirements				
Contractor overhead	\$210,500	\$210,500	\$210,500	\$210,500
Contractor profit	\$631,500	\$631,500	\$631,500	\$631,500
General requirements	\$631,500	\$631,500	\$631,500	\$631,500
(5) Contingencies				
	\$185,000	\$185,000	\$185,000	\$185,000
(6) Eligible Indirect Fees				
	\$795,500	\$795,500	\$795,500	\$795,500
(7) Eligible Financing Fees				
	\$985,000	\$985,000	\$985,000	\$985,000
(8) All Ineligible Costs				
	\$626,333	\$626,333		
(9) Developer Fees				
Developer overhead	\$292,028	\$292,028	\$292,028	\$292,028
Developer fee	\$1,654,823	\$1,654,823	\$1,654,823	\$1,654,823
(10) Development Reserves				
	\$125,000	\$406,772		
TOTAL DEVELOPMENT COSTS	\$17,962,184	\$18,399,112	\$15,910,851	\$16,066,007

Deduct from Basis:			
All grant proceeds used to finance costs in eligible basis			
B.M.R. loans used to finance cost in eligible basis			
Non-qualified non-recourse financing			
Non-qualified portion of higher quality units [42(d)(3)]			
Historic Credits (on residential portion only)			
TOTAL ELIGIBLE BASIS		\$15,910,851	\$16,066,007
High Cost Area Adjustment		100%	100%
TOTAL ADJUSTED BASIS		\$15,910,851	\$16,066,007
Applicable Fraction		100%	100%
TOTAL QUALIFIED BASIS		\$15,910,851	\$16,066,007
Applicable Percentage		3.56%	3.56%
TOTAL AMOUNT OF TAX CREDITS		\$566,426	\$571,950

Syndication Proceeds	0.8299	\$4,700,868	\$4,746,709
Total Credits (Eligible Basis Method)		\$566,426	\$571,950
Syndication Proceeds		\$4,700,868	\$4,746,709
Requested Credits		\$542,560	
Syndication Proceeds		\$4,502,798	
Gap of Syndication Proceeds Needed		\$5,562,184	
Credit Amount		\$670,210	

Kensington Place Apartments



Applicant Evaluation

Project ID # **04426**

Name: **Kensington Place Apartments**

City: **Houston**

LIHTC 9% LIHTC 4% HOME BOND HTF SECO ESGP Other

No Previous Participation in Texas Members of the development team have been disbarred by HUD

Members of the application did not receive the required Previous Participation Acknowledgement

National Previous Participation Certification Received: N/A Yes No

Noncompliance Reported on National Previous Participation Certification: Yes No

Portfolio Management and Compliance

Total # of Projects monitored: 5

Projects in Material Noncompliance

in noncompliance: 0

Projects zero to nine: 5
grouped ten to nineteen: 0
by score twenty to twenty-nine: 0

Yes No

monitored with a score less than thirty: 5

Projects not reported Yes
in application No

not yet monitored or pending review: 3

of projects not reported 1

Portfolio Monitoring

Single Audit

Portfolio Administration/Analysis

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

Not applicable
Review pending
No unresolved issues
Issues found regarding late cert
Issues found regarding late audit
Unresolved issues found that
warrant disqualification
(Comments attached)

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

Reviewed by Jo En Taylor

Date 7/14/2004

Multifamily Finance Production

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

Reviewer S. Roth
Date 7/13/2004

Single Family Finance Production

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

Reviewer _____
Date _____

Real Estate Analysis (Cost Certification and Workout)

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

Reviewer _____
Date _____

Community Affairs

No relationship
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

Reviewer EEF
Date 7/14/2004

Office of Colonia Initiatives

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

Reviewer _____
Date _____

Financial Administration

No delinquencies found
Delinquencies found

Reviewer Stephanie A. D'Couto
Date 7/13/2004

Executive Director: Edwina Carrington

Executed: Thursday, July 15, 2004

MULTIFAMILY FINANCE PRODUCTION DIVISION

BOARD ACTION REQUEST

July 28, 2004

Action Item

Presentation, Discussion and Possible Denial for the issuance of Housing Tax Credits for Willow Springs Senior Residences.

Summary of the Transaction

The application was received on March 5, 2004. The Issuer for this transaction is Capital Area HFC. The development is to be located at 2600 Block of Hunter Road in San Marcos. The development will consist of 180 total units targeting the elderly population, with all affordable. The site is currently properly zoned for such a development. The Department has received one letter of support from Sen. Jeff Wentworth and no letters in opposition. The bond priority for this transaction is:

- Priority 1A:** Set aside **50%** of units that cap rents at 30% of **50%** AMFI and Set aside **50%** of units that cap rents at 30% of **60%** AMFI (MUST receive 4% Housing Tax Credits)
- Priority 1B:** Set aside **15%** of units that cap rents at 30% of **30%** AMFI and Set aside **85%** of units that cap rents at 30% of **60%** AMFI (MUST receive 4% Housing Tax Credits)
- Priority 1C:** Set aside **100%** of units that cap rents at 30% of **60%** AMFI (Only for projects located in a **census tract with median income that is greater** than the median income of the county MSA, or PMSA that the QCT is located in. (MUST receive 4% Housing Tax Credits)
- Priority 2:** Set aside **100%** of units that cap rents at 30% of **60%** AMFI (MUST receive 4% Housing Tax Credits)
- Priority 3:** Any qualified residential rental development.

Recommendation

Staff recommends the Board deny the issuance of Housing Tax Credits for Willow Springs Senior Residences.



**HOUSING TAX CREDIT PROGRAM
2004 HTC/TAX EXEMPT BOND DEVELOPMENT PROFILE AND BOARD SUMMARY**

Texas Department of Housing and Community Affairs

Development Name: **Willow Springs Senior Residences**

TDHCA#: 04432

DEVELOPMENT AND OWNER INFORMATION

Development Location: San Marcos QCT: N DDA: N TTC: N
 Development Owner: Hunter Road Affordable Housing, Ltd.
 General Partner(s): 1. SMRC Willow Springs, LLC, 51%, Contact: Albert Sierra; 2. SMRC FPGP, Inc. Albert Sierra 49%
 Construction Category: New
 Set-Aside Category: Tax Exempt Bond Bond Issuer: Capital Area HFC
 Development Type: Elderly

Annual Tax Credit Allocation Calculation

Applicant Request: \$485,866 Eligible Basis Amt: \$482,804 Equity/Gap Amt.: \$710,471
Annual Tax Credit Allocation Recommendation: \$
 Total Tax Credit Allocation Over Ten Years: \$

PROPERTY INFORMATION

Unit and Building Information

Total Units: 180 HTC Units: 180 % of HTC Units: 100
 Gross Square Footage: 204,628 Net Rentable Square Footage: 151,149
 Average Square Footage/Unit: 840
 Number of Buildings: 5
 Currently Occupied: N

Development Cost

Total Cost: \$15,808,952 Total Cost/Net Rentable Sq. Ft.: \$104.59

Income and Expenses

Effective Gross Income:¹ \$1,592,539 Ttl. Expenses: \$579,325 Net Operating Inc.: \$1,013,214
 Estimated 1st Year DCR: 1.29

DEVELOPMENT TEAM

Consultant: DJ Hammond & Assoc. Manager: To Be Determined
 Attorney: Coats, Rose, Yale, Ryman and Lee Architect: Gaylen Howard Laing Architect, Inc.
 Accountant: To Be Determined Engineer: To Be Determined
 Market Analyst: Capital Market Research Lender: Newman Capital
 Contractor: CGI Construction, Inc. Syndicator: Paramount Financial Group, Inc.

PUBLIC COMMENT²

From Citizens:	From Legislators or Local Officials:
# in Support: 0	Sen. Jeff Wentworth, District 25 - S
# in Opposition: 0	Rep. Patrick M. Rose, District 45 - NC
	Mayor Robert Habingreither - NC
	Robert Habingreither, City of San Marcos Mayor; The Development Is consistent with the City of San Marcos's Comprehensive Plan.

1. Gross Income less Vacancy

2. NC - No comment received, O - Opposition, S - Support

CONDITION(S) TO COMMITMENT

NOTE: The Development is not being recommended; however, if an allocation is granted the following conditions must be satisfied.

1. Per §50.12(c) of the Qualified Allocation Plan and Rules, all Tax Exempt Bond Project Applications “must provide an executed agreement with a qualified service provider for the provision of special supportive services that would otherwise not be available for the tenants. The provision of such services will be included in the Declaration of Land Use Restrictive Covenants (“LURA”).
2. Receipt, review, and acceptance prior to the issuance of a determination notice of the Architect's revised unit matrix and detailed square footage breakdown typically found on the architectural plans prior to execution of a determination letter.
3. Receipt, review, and acceptance prior to the issuance of a determination notice of a) a detailed statement from the prior seller of the property, Tetco, Inc. as to their purpose in originally acquiring the site, and their use of the land since their initial ownership, and b) a supplement from the ESA provider reviewing Tetco, Inc.'s statement and assessing its implications with respect to the ESA's findings within 90 days of any Board approval.
4. Receipt, review, and acceptance at the time of cost certification that the water well has been closed in accordance with applicable regulations.
5. Receipt, review, and acceptance of a third party detailed site work cost breakdown for all sitework costs, including costs per unit of materials and numbers of units required certified by an architect or engineer familiar with the sitework costs of this proposed project, to be accompanied by a letter from a certified public accountant stating which costs are includable in eligible basis prior to the issuance of a determination notice.
6. Should the terms and rates of the proposed debt or syndication change, the transaction should be re-evaluated and an adjustment to the credit amount may be warranted.

DEVELOPMENT'S SELECTION BY PROGRAM MANAGER & DIVISION DIRECTOR IS BASED ON:

Score Utilization of Set-Aside Geographic Distrib. Tax Exempt Bond. Housing Type

Other Comments including discretionary factors (if applicable).

Robert Onion, Multifamily Finance Manager

Date

Brooke Boston, Director of Multifamily Finance Production Date

DEVELOPMENT'S SELECTION BY EXECUTIVE AWARD AND REVIEW ADVISORY COMMITTEE IS BASED ON:

Score Utilization of Set-Aside Geographic Distrib. Tax Exempt Bond Housing Type

Other Comments including discretionary factors (if applicable). _____

Edwina P. Carrington, Executive Director
Chairman of Executive Award and Review Advisory Committee

Date

TDHCA Board of Director's Approval and description of discretionary factors (if applicable).

Chairperson Signature: _____
Elizabeth Anderson, Chairman of the Board

Date

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS**

DATE: July 15, 2004

PROGRAM: 4% LIHTC

FILE NUMBER: 04432

DEVELOPMENT NAME

Willow Springs Senior Residences

APPLICANT

Name:	<u>Hunter Road Affordable Housing, Ltd.</u>	Type:	<u>For Profit</u>
Address:	<u>1201 Thorpe Street</u>	City:	<u>San Marcos</u> State: <u>TX</u>
Zip:	<u>78666</u>	Contact:	<u>Albert Sierra</u>
		Phone:	<u>(512) 353-5058</u> Fax: <u>(512) 392-7458</u>

PRINCIPALS of the APPLICANT/ KEY PARTICIPANTS

Name:	<u>SMRC Willow Springs, LLC</u>	(%):	<u>.0051</u>	Title:	<u>Managing General Partner</u>
Name:	<u>SMRC FPGP Inc.</u>	(%):	<u>.0049</u>	Title:	<u>Co-General Partner</u>
Name:	<u>Hunter Road Development, LLC</u>	(%):	<u>.0051</u>	Title:	<u>Special Limited Partner</u>
Name:	<u>SSFP Willow Springs III, LP</u>	(%):	<u>.0049</u>	Title:	<u>Special Limited Partner</u>
Name:	<u>Housing Authority of the City of San Marcos</u>	(%):	<u>N/A</u>	Title:	<u>Sole owner of SMRC Willow Springs and SMRC FPGP</u>
Name:	<u>Stuart Shaw</u>	(%):		Title:	<u>Sole owner of SSFP Willow Springs III</u>
Name:	<u>PFG Holding Corp. (A subsidiary of GMAC Commercial Holding Corp.)</u>	(%):	<u>N/A</u>	Title:	<u>Sole owner of Hunter Road Development, LLC</u>

PROPERTY LOCATION

Location: 2600 Block of Hunter Road **QCT** **DDA**
City: San Marcos **County:** Hays **Zip:** 78666

REQUEST

<u>Amount</u>	<u>Interest Rate</u>	<u>Amortization</u>	<u>Term</u>
\$485,866	N/A	N/A	N/A
Other Requested Terms:	<u>Annual ten-year allocation of low-income housing tax credits</u>		
Proposed Use of Funds:	<u>New Construction</u>	Property Type:	<u>Multifamily</u>

RECOMMENDATION

NOT RECOMMENDED DUE TO THE FOLLOWING:

- Significant outstanding site and cost changes and the new market study were not provided 60 days prior to the Board meeting (10TAC§50.12(b))
- The original of record market study and revisions could not support less than 100% inclusive capture rate (10TAC§1.32 (g)(2))

CONDITIONS

SHOULD THE BOARD APPROVE A DETERMINATION LETTER FOR THIS DEVELOPMENT, THE BOARD MUST WAIVE ITS RULES FOR THE ISSUES LISTED ABOVE. ANY SUCH

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DETERMINATION OF CREDITS SHOULD NOT EXCEED \$482,804 AND SUCH AN AWARD SHOULD BE CONDITIONED UPON THE FOLLOWING:

1. Receipt, review, and acceptance prior to the issuance of a determination notice of the Architect's revised unit matrix and detailed square footage breakdown typically found on the architectural plans prior to execution of a determination letter;
2. Receipt, review, and acceptance prior to the issuance of a determination notice of a) a detailed statement from the prior seller of the property, Tetco, Inc. as to their purpose in originally acquiring the site, and their use of the land since their initial ownership, and b) a supplement from the ESA provider reviewing Tetco, Inc.'s statement and assessing its implications with respect to the ESA's findings within 90 days of any Board approval;
3. Receipt, review, and acceptance at the time of cost certification that the water well has been closed in accordance with applicable regulations prior to cost certification
4. Receipt, review, and acceptance of a third party detailed site work cost breakdown for all sitework costs, including costs per unit of materials and numbers of units required certified by an architect or engineer familiar with the sitework costs of this proposed project, to be accompanied by a letter from a certified public accountant stating which costs are includable in eligible basis prior to the issuance of a determination notice;
5. Should the terms and rates of the proposed debt or syndication change, the transaction should be re-evaluated and an adjustment to the credit amount may be warranted.

REVIEW of PREVIOUS UNDERWRITING REPORTS

No previous reports.

DEVELOPMENT SPECIFICATIONS

IMPROVEMENTS												
Total Units:	180	# Rental Buildings	5	# Common Area Bldgs	1	# of Floors	3	Age:	N/A yrs	Vacant:	N/A	at / /
Net Rentable SF:	151,149	Av Un SF:	841	Common Area SF:	51,379	Gross Bldg SF:	204,628					

STRUCTURAL MATERIALS

The structure will have a wood frame on a concrete slab on grade. According to the plans provided in the application the exterior will be comprised as 65% stucco veneer and 35% stone or cement fiber siding. The interior wall surfaces will be painted or papered drywall. The pitched roof will be finished with asphalt composite shingles.

APPLIANCES AND INTERIOR FEATURES

The interior flooring will be a combination of carpeting & linoleum. Each unit will include a range & oven, hood & fan, garbage disposal, dishwasher, refrigerator, ceiling fans, 9 foot ceilings fiberglass tub/shower, washer & dryer connections, and laminated counter tops.

ON-SITE AMENITIES

Community areas of 6,082 square feet will include an activity room, a t.v. room, a living room, management offices, fitness & laundry facilities, a kitchen, restrooms, and a barber shop/beauty salon. A swimming pool will also be planned for the development.

Uncovered Parking: 180 spaces **Carports:** 103 spaces **Garages:** 0 spaces

PROPOSAL and DEVELOPMENT PLAN DESCRIPTION

Description: The Willow Springs Senior Residences is a dense (20 units per acre) new development of 180 units of affordable housing located in southwest San Marcos. The development is comprised of five large, connected, elevator-served, low-rise residential buildings as follows:

- 1 building of Type A with 26 one-bedroom/one-bath units, and 11 two-bedroom/two-bath units;
- 1 building of Type B with 18 one-bedroom/one-bath units, and 8 two-bedroom/two-bath units;
- 1 building of Type C with 27 one-bedroom/one-bath units, and 12 two-bedroom/two-bath units;

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- 1 building of Type D with 19 one-bedroom/one-bath units, and 30 two-bedroom/two-bath units; and
- 1 building of Type E with 21 one-bedroom/one-bath units, and 8 two-bedroom/two-bath units.

Revised architectural plans submitted to the Department on July 12, 2004 reflect 180 units as compared to the plans provided as part of the application which indicated that there are 182 units in the development. The revised plans do not provide a full unit/square footage breakdown on a building by building basis and the Applicant only indicated in a later sent with the revised plans that they have increased area in the 2/2 units to 1,000-1,050 SF. The 2/2 units were originally listed at 946 square feet. The architectural plans provided reflect total building square footage which is significantly greater than previously indicated and if all of the 2/2 units are 1,050 square feet and the 1/1 units have not changed size would reflect common areas and corridors square footage representing 34% of the net rentable square footage. This is an exceptionally large percentage even for a senior's development and needs further investigation given the lack of specificity in the revised plans. Receipt, review, and acceptance prior to the issuance of a determination notice of the Architect's revised unit matrix and detailed square footage breakdown typically found on the architectural plans is therefore a condition of this report.

Architectural Review: Each of the units appears well arranged with an adequate amount of space in each of the rooms and work areas.

Supportive Services: The Applicant has indicated that supportive services will include transportation, recreational activities, and health seminars.

Schedule: The Applicant anticipates construction to begin in August of 2004 and to be completed in August of 2005. The development should be placed in service in May of 2005 and substantially leased-up in August of 2006.

SITE ISSUES

SITE DESCRIPTION

Size: 9.057 acres 394,522 square feet **Zoning/ Permitted Uses:** Multifamily
Flood Zone Designation: Zone X **Status of Off-Sites:** Partially Improved

SITE and NEIGHBORHOOD CHARACTERISTICS

Location San Marcos is located in south central Texas, approximately 35 miles south from Austin in Hays County. The site is an irregularly-shaped parcel located in the southwest area of the San Marcos, approximately 2.5 miles from the central business district. The site is situated on the west side of Hunter Road.

Adjacent Land Uses:

- **North:** Doris Miller Junior High School
- **South:** Retail and office center
- **East:** Restaurants, mobile homes, and vacant land across Hunter Road
- **West:** Single family residential

Site Access: The development is to have one main entrance, one from the west from Hunter Road. Access to Interstate Highway 35 is approximately one mile east, which provides connections to all other major roads serving the San Marcos area.

Public Transportation: Public transportation to the area is provided by the San Marcos Transit Authority. The location of the nearest bus stop is approximately 0.9 of a mile from the site.

Shopping & Services: The site is approximately within two miles of major grocery stores, pharmacies, shopping centers, libraries, post offices, restaurants, schools, and health care facilities.

Site Inspection Findings: TDHCA staff performed a site inspection on March 29, 2004 and found the location to be acceptable for the proposed development.

HIGHLIGHTS of SOILS & HAZARDOUS MATERIALS REPORT(S)

A Phase I Environmental Site Assessment report dated April 7, 2004, 2003 and prepared by HBC/Terracon did not identify any recognized environmental conditions. The environmental professional identified a water

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well associated with a historic homestead which formerly stood on the site, and recommended that the well be plugged in accordance with applicable regulations. Receipt, review, and acceptance at the time of cost certification that the water well has been closed in accordance with applicable regulations is a condition of approval.

The report, however, does not conform to ASTM and TDHCA's guidelines by not having reviewed all reasonably attainable standard historical sources and not having conducted any interviews of owners or occupants of the property. The Underwriter noted that the prior seller of the property was Tetco, Inc. According to Hoover's Online (www.hoover's.com), "Tetco is a Texas-based retailer of gasoline. Tetco was founded by Tom E. Turner (hence the "Tetco" brand), and operates a statewide network of more than 300 stations. In addition, the company owns bulk chemical transporter Mission Petroleum Carriers and V.K. Knowlton Paving Contractors." Because of the prior seller's business in the petrochemical industry, a discussion of the prior seller's activities on the property is warranted, but is not present within the ESA report. Receipt, review, and acceptance prior to the issuance of a determination notice of a) a detailed statement from the prior seller of the property, Tetco, Inc. as to their purpose in originally acquiring the site, and their use of the land since their initial ownership, and b) a supplement from the ESA provider reviewing Tetco, Inc.'s statement and assessing its implications with respect to the ESA's findings is a condition of this report.

POPULATIONS TARGETED

Income Set-Aside: The Applicant has elected the 40% at 60% or less of area median gross income (AMGI) set-aside, and as a Priority 1 private activity bond lottery development the Applicant has elected the 100% at 60% option. All of the units (100% of the total) will be reserved for low-income, elderly tenants.

MAXIMUM ELIGIBLE INCOMES						
	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons
60% of AMI	\$29,880	\$34,140	\$38,400	\$42,660	\$46,080	\$49,500

MARKET HIGHLIGHTS

A market feasibility study dated April 9, 2004 was prepared by Capitol Market Research, Inc. ("Market Analyst") and an addendum letter was provided on June 2, 2004 highlighted the following findings:

Definition of Primary Market Area (PMA): "The Willow Springs Market Area is defined as the Austin MSA" (p. 57). This area encompasses approximately 4,300 square miles and is equivalent to a circle with a radius of 37 miles.

Population: The estimated population of senior households in 2003 was 211,350 and is expected to increase by 7.6% annually to approximately 291,785 by 2008. Within the primary market area there were estimated to be 126,557 senior households in 2003.

Total Primary Market Demand for Rental Units: The Market Analyst calculated a total demand of 698 income qualified, senior households who would be interested in senior specific housing for independent living, based on the current estimate of 47,582 income qualified senior households, a projected annual growth rate of 4% for this demographic profile, 4.8% of this population being interested in seniors rental housing for independent living, and an annual renter turnover rate of 24.6%. (pp. 51-55). The Market Analyst used an income band of \$0 to \$38,400. The Market Analyst provided no documentation that households with no income (or even income below the 50% AMI level) could afford to live at the development.

ANNUAL INCOME-ELIGIBLE SUBMARKET DEMAND SUMMARY				
Type of Demand	Market Analyst		Underwriter	
	Units of Demand	% of Total Demand	Units of Demand	% of Total Demand
Household Growth	105	12%	179	19%

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Resident Turnover	805	88%	743	81%
TOTAL ANNUAL DEMAND	910	100%	922	100%

Ref: p. 55

Inclusive Capture Rate: The Market Analyst provided a revised inclusive capture rate of 95.71% based upon 910 units of demand and 871 unstabilized affordable housing in the PMA (including the subject) (p. 55). The Underwriter calculated an inclusive capture rate of 108% based upon a revised supply of unstabilized comparable affordable units of 999 units. The Market Analyst excluded Heatherwilde Park in Pflugerville which has recently reached 90% occupancy but has not been at that level for a full 12 months as prescribed in 10TAC§1.32(g)(2) Including these units in the Market Analyst’s inclusive capture rate calculation results in an unacceptable capture rate of 110%.

These capture rate calculations do not include the nearby Stone Brook Seniors (a 1999 private activity bond transaction) which according to the owner developer has struggled for three years to reach stabilized occupancy for its 280 units. The Underwriter has independently confirmed that by year end 2002 the property had exceeded 90% occupancy. The Underwriter’s inclusive capture rate also does not include La Vista, a 1997 9% HTC transaction with 201 units dedicated to seniors but originally targeting seniors with hearing impairments. Due to the exceptionally targeted population of La Vista it is known to have struggled to lease-up and/or maintain occupancy. While La Vista should have stabilized several years ago it is uncertain if it ever did so in accordance with the departments requirements for exclusion in the inclusive capture rate calculation

Market Rent Comparables: The Market Analyst surveyed four comparable apartment projects totaling 429 units in the market area (p. 39).

RENT ANALYSIS (net tenant-paid rents)					
Unit Type (% AMI)	Proposed	Program Max	Differential	Est. Market	Differential
1-Bedroom (60%)	\$635	\$751	-\$116	\$732	-\$97
2-Bedroom (60%)	\$770	\$898	-\$128	\$985	-\$215

(NOTE: Differentials are amount of difference between proposed rents and program limits and average market rents, e.g., proposed rent =\$500, program max =\$600, differential = -\$100)

Primary Market Occupancy Rates: “The area wide seniors housing market surveyed for this report is currently reporting a 96.7% stabilized occupancy and many projects have a long waiting list.” (p. 19).

Known Planned Development: “According to a survey conducted by Capitol Markets Research, there are four (4) other private new independent living communities under construction in the Austin area; one being built in partnership with the City of Austin and with a “202” HUD grant, one being built by the Travis County Housing Authority, one 9% LIHTC project and another tax credit project under construction in Cedar Park.. The City of Austin Housing Authority has no plans for building additional units, and while it is possible that additional properties may be submitted through the TDHCA tax credit application process, there are only three known applications (including the subject) currently on file. In addition, there are four other sites where an independent seniors project is under construction and two projects that were completed in 2003” (pp. 57-58).

Other Relevant Information: Subsequent to the submission of the original application, and after the Underwriter reviewed the addendum to the original market study and still had concerns regarding the inclusive capture rate, the Applicant submitted a second Market Study dated June 28, 2004 from O’Conner and Associates analyzing the potential market from a slightly different perspective. Commenting on the previous market study, O’Conner & Associates noted that the market area examined in the first analysis was much larger in population than TDHCA’s guidelines suggest as appropriate, and that the method of determining potential demand was based on a survey of people who might be interested in independent seniors rental housing, rather than quantifying the total number of qualified households within the region, which resulted in an estimate of demand which was much more conservative than might typically be produced by a market analysis performed under TDHCA’s guidelines. The O’Conner market study examines a potential primary market area surrounding San Marcos which includes an area extending from the southern limits of Austin to the northern outskirts of San Antonio, and includes the cities of Wimberly, Kyle, Lockhart, New Braunfels, and Seguin.

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ANNUAL INCOME-ELIGIBLE SUBMARKET DEMAND SUMMARY				
Type of Demand	Market Analyst		Underwriter	
	Units of Demand	% of Total Demand	Units of Demand	% of Total Demand
Household Growth	53	7%	204	22%
Resident Turnover	596	84%	725	78%
Other: Pent up demand	65	9%		
TOTAL ANNUAL DEMAND	713	100%	929	100%

The Market Analyst calculated a total demand of 713 income qualified, senior households based on the current estimate of 85,843 households, a projected annual growth rate of 3.4% for this demographic profile, 20% of the population qualifying in age, 21% qualifying by income, 33% of the population renting and an annual renter turnover rate of 60%. The Market Analyst used an income band of \$21,771 to \$38,400. The Underwriter did identify an error within the Market Analysts mathematical calculations which would result in a higher total number of 929 units of demand. The Market Analyst calculated an inclusive capture rate of 67% based upon 713 units of demand and 481 unstabilized affordable housing in the PMA (including the subject). The Underwriter calculated an inclusive capture rate of 48% based upon a revised supply of unstabilized comparable affordable units of 441 units, and a revised demand of 929 units. The Market analyst included Green Oaks, a 100 unit proposed 2004 9% transaction that would not have priority over this subject transaction but excluded 60 units at Eden Place in Seguin, a 2001 9% HTC which is, according to the Executive Director of the Housing Authority struggling to maintain occupancy but according to the O'Connor market study is 100% occupied.

Independently of the two market analyses provided with the application, the Underwriter was able to locate publicly available data from HUD and the U.S. Census Bureau identifying households by age, income, and ownership status for the Austin MSA and Hays County. With this information, the Underwriter inferred that there would be approximately 2,093 units of demand within the Austin MSA, and 213 units of demand within Hays County.

The O'Connor market study also appropriately provides two sets of comparable rents, an unrestricted set, which suggest market comparable rents of \$710 and \$950 respectively, but provides restricted comparable rents of \$635 and \$770 (equal to the Applicant's original rent projections). The fact that the unrestricted market rents are roughly equal to the maximum allowable tax credit rents of \$751 and \$898 but the restricted units are renting for far less than the maximum level suggests the level of supply at restricted rents may be greater than the demand at the 60% income level. In fact the restricted rent level conclusions reflect that demand meets supply at the 52% income level.

Conclusions: The original market study of record and its revisions could not support an inclusive capture rate less than 100% (10TAC§1.32 (g)(2)). The subsequent study, while otherwise acceptable, was provided less than 60 days prior to the Board meeting (10TAC§50.12(b)) and therefore requires a waiver by the Board of this rule to be accepted. With a Board waiver the second study provides sufficient information on which to base a funding recommendation.

OPERATING PROFORMA ANALYSIS

Income: The Applicant's rent projections are significantly lower than the maximum rents allowed under HTC program guidelines and the potential market rents indicated by both market studies. In fact the rents proposed equate to the 52% AMI level. The Underwriter used the lesser of maximum HTC rents or revised market rents, resulting in a potential gross income \$256,740 greater than the Applicant's projection. Conversely, the Applicant overstated secondary income and provided insufficient additional substantiation for their estimate. The Applicant's use of a vacancy and collection loss rate of 7.5% is consistent with TDHCA's standards. As a result of these differences the Applicant's effective gross income estimate is \$211,038 less than the Underwriter's estimate.

Expenses: The Applicant's total expense estimate of \$2,670 per unit is approximately 16% less than the Underwriter's database-derived estimate of \$3,218 per unit for comparably-sized developments. The Applicant's budget shows several line item estimates that deviate significantly when compared to the database averages, particularly general and administrative (\$28K lower), management fees (\$23K lower),

TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
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from the Family Partnership to the LLC occurred at a price of \$950,000 and that the repurchase agreement was executed by the Family Partnership to retain site control. The Texas Bond Review Board has previously required that the applicant in the 4% private activity bond lottery have site control and remain in place through closing of the bonds. The Applicant has left unexplained why the sale and immediate agreement to repurchase the property was conducted but claims that it is an arm's length transaction and is supported by the appraised value. The Department's identity of interest regulation at 10TAC section 1.32(e)(1)(B) indicates that the parties with the identity of interest in the transfer of a property would include the Applicant, Developer, Housing Consultant, or general contractor or affiliates or beneficial owners of same. In this case Mr. Shaw as the Principal of the Family Trust and the LLC are both partners in the Applicant and their sale and resale to each other constitute two identity of interest transfers but with same result of one; allowing a profit on the sale of the land to potentially escape from the transaction. The Underwriter included the original acquisition price of the land of \$334,567.70 plus closing costs, plus property tax and interest expenses for two years for a total acquisition cost of \$385,184. This equates to an acquisition cost of \$0.98/SF, \$42,529/acre, or \$2,116/unit. Should the Applicant's total cost be used to evaluate the credit amount the sources of recommended funds will be reduced by the difference in the Underwriter and Applicant's acquisition cost.

Sitework Cost: The Applicant originally claimed sitework costs of \$6,639 per unit which would have been considered reasonable compared to historical sitework costs for multifamily projects. On July 12, 2004 the Applicant submitted a new development cost budget which reflected an overall increase in costs of 12%. The Applicant's revised site work cost rose to \$9,867 per unit which far exceeds the Department's guideline for sitework costs. Moreover, the Applicant claimed these additional sitework costs without providing any explanation for their significant increase though explanations for 13 other direct construction cost changes were provided. In the absence of any such substantiation, the Underwriter lowered the TDHCA sitework costs to \$7.5K per unit for the purpose of evaluating the project's total construction budget. A third party detailed cost estimate certified by an architect or engineer familiar with the sitework costs of this proposed project is required as a condition of his report, to be accompanied by a letter from a certified public accountant stating which costs are includable in eligible basis.

Direct Construction Cost: The Applicant's original direct construction cost estimate were \$47K or 1% higher than the Underwriter's Marshall & Swift *Residential Cost Handbook*-derived estimate, and were regarded as reasonable as submitted. The Applicant subsequently submitted significantly revised plans and a revised cost breakdown less than 60 days prior to the Board meeting date in violation of 10TAC§50.12(b). Staff did evaluate the new plans and found them to be wanting in specificity to corroborate the unit sizes and corridor and common areas. However based on the total building square footage, staff was able to make an estimate of the revised cost and found they may have indeed increased by 16% or more. The Applicant's revised direct costs are now 11% lower than the Underwriter's revised costs.

Interim Financing Fees: The Underwriter originally reduced the Applicant's eligible interim financing fees by \$227K to reflect an apparent overestimation of eligible construction loan interest, to bring the eligible interest expense down to one year of fully drawn interest expense. However this reduction was taken care of by the Applicant in the revised cost breakdown.

Fees: The Applicant's contractor's and developer's fees for general requirements, general and administrative expenses, and profit are set at the maximums allowed by TDHCA guidelines, however the Applicant included another \$75K of other fees in this section and, therefore, the Underwriter adjusted the Applicant's eligible basis by an equal amount.

Conclusion: The Applicant's total development costs identified to the Department increased by \$1,791,827 or 12%. Due to the offsetting nature of the Applicant's overstatement of land and sitework cost and potential understatement of direct construction costs the Applicant's total development cost is now within 5% of the Underwriter's costs. Therefore, the Applicant's revised cost estimate is used to calculate eligible basis and determine the HTC allocation. As a result an eligible basis of \$13,600,123 (or over \$2M more than originally anticipated) is used to determine a credit allocation of \$482,804 from this method. This is more than the \$410,144 originally requested but should the Board waive the 60-day rule for the market study they should also do so for the tardy cost breakdown and credit request. The resulting syndication proceeds

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
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will be used to compare to the gap of need using the Underwriter's costs to determine the recommended credit amount.

FINANCING STRUCTURE

INTERIM TO PERMANENT BOND FINANCING

Source: Newman Capital **Contact:** Jerry Wright
Tax-Exempt Amount: \$10,865,000 **Interest Rate:** 6.75%
Additional Information: _____
Amortization: 40 yrs **Term:** 32 yrs **Commitment:** LOI Firm Conditional
Annual Payment: \$786,657 **Lien Priority:** 1st **Commitment Date** 03/ 04/ 2004

TAX CREDIT SYNDICATION

Source: Paramount Financial Group **Contact:** Dale E. Cook
Address: 4009 Columbus Road, SW **City:** Granville
State: Ohio **Zip:** 43023 **Phone:** (830) 997-6960 **Fax:** (830) 997-5939
Net Proceeds: \$3,481,084 **Net Syndication Rate (per \$1.00 of 10-yr LIHTC)** 80¢
Commitment LOI Firm Conditional **Date:** 03/ 05/ 2004
Additional Information: Based on an applicable percentage of 3.65%.

APPLICANT EQUITY

Amount: \$410,857 **Source:** Deferred Developer Fee

FINANCING STRUCTURE ANALYSIS

Interim to Permanent Bond Financing: The tax-exempt bonds are to be issued by the Capital Area Housing Finance Corporation pursuant to a reservation of private activity cap in the amount of \$12,000,000, and will be purchased by Newman Capital. Should the terms of the loan change prior to closing, the corresponding annual debt service ought to be no less than \$775,743 in order to comply with the requirement of a maximum DCR of 1.30. This minimum debt service is strictly for TDHCA's analysis determining the amount of eligible annual tax credits. The actual choice of whether to increase debt or to defer a portion of the Developer's fee would be up to the Applicant and lender.

HTC Syndication: The tax credit syndication commitment is consistent with the terms reflected in the sources and uses of funds listed in the application. The Applicant has subsequently provided a revised credit amount and it is anticipated that since the development partner is an affiliate of the syndicator the same rate can be achieved for the additional credits, however, receipt review and acceptance of same is a condition of this report.

Deferred Developer's Fees: The Applicant's originally proposed deferred developer's fees of \$410,857 amount to 27% of the total fees originally anticipated. The Applicants revised estimate includes \$1,791,827 in deferred fees or 100% of total developer fees claimed. When the excess land profit resulting from the identity of interest transfer is removed the true deferral of fees is reduced to \$1,081,587.

Financing Conclusions: Based on the Applicant's revised budget the development is eligible for credits not to exceed \$482,084. Syndication proceeds from this amount equate to \$3,862,435. The Underwriter estimates that deferred developer fees of \$1,081,587, exclusive of the higher land value transfer will be required to fund the gap of need. Should the Applicant's final direct construction cost exceed the cost estimate used to determine credits in this analysis additional Developer's fee may be deferred to fund such excesses.

DEVELOPMENT TEAM

IDENTITIES of INTEREST

The Applicant, Developer, General Contractor, Property Manager and Supportive Services firm are all

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MULTIFAMILY UNDERWRITING ANALYSIS**

related entities. These are common relationships for HTC-funded developments. The PFG Holdings Corp., the Co-developer and Paramount Financial Group, the tax credit syndicator are related entities which are both subsidiaries of GMAC. Two of the principals of the applicant also have an identity of interest in the sale and resale of the property but the effect of this on the credit allocation was mitigated in the discussion of acquisition costs above.

APPLICANT'S/PRINCIPALS' FINANCIAL HIGHLIGHTS, BACKGROUND, and EXPERIENCE

Financial Highlights:

- The Applicant and General Partner are single-purpose entities created for the purpose of receiving assistance from TDHCA and therefore have no material financial statements.
- The Housing Authority of the City of San Marcos, the principal of the General Partner, submitted an audited financial statement as of September 30, 2002 reporting total assets of \$11,235,852 and consisting of \$2,558,974 in cash and other current assets, \$8,468,011 in land, buildings, furniture and equipment, and \$208,867 in other assets. Liabilities totaled \$1,322,947, resulting in a net worth of \$9,912,905.
- GMAC Commercial Holding Corp., the Co-developer and Special Limited Partner through its subsidiary PFG Holdings, Corp., submitted audited financial statements for the year ending December 31, 2002, showing total assets of \$11,994,520,000, comprised of \$12,325,000 in cash, \$236,137,000 in short term investments, \$536,776,000 in accounts and other receivables, \$1,762,566,000 in investment securities, \$6,632,000 in mortgage loans held for sale, \$1,040,024,000 in mortgage loans held for investment, \$337,487,000 in real estate investments, \$402,117,000 in equity investments, \$410,066,000 in mortgage servicing rights, \$494,973,000 in other assets, and \$129,783,000 in goodwill. Total liabilities of \$10,878,058,000 result in shareholders' equity of \$1,116,462,000.
- Stuart Shaw, the principals of one of the Co-developers, submitted an unaudited financial statements as of March 5, 2004 and is anticipated to be a guarantor of the development.

Background & Experience:

- PFG Holdings, Corp., through its subsidiary, Protech Development I, LLC, has completed one affordable development of 261 units in Texas since 2001, and 11 other developments totaling 1,158 units in other states throughout the country since 1999.

SUMMARY OF SALIENT RISKS AND ISSUES

- The Applicant's estimated income, operating expenses, and operating proforma are more than 5% outside of the Underwriter's verifiable ranges.
- The Applicant's direct construction costs differ from the Underwriter's *Marshall and Swift*-based estimate by more than 5%.
- Significant inconsistencies in the application could affect the financial feasibility of the development.
- The development could potentially achieve an excessive profit level (i.e., a DCR above 1.30) if the maximum tax credit rents can be achieved in this market.
- The seller of the property has an identity of interest with the Applicant.
- The significant financing structure changes being proposed have not been reviewed or accepted by the Applicant, lenders, and syndicators, and acceptable alternative structures may exist.

Underwriter:

Stephen Apple

Date: July 15, 2004

Director of Real Estate Analysis:

Tom Gouris

Date: July 15, 2004

MULTIFAMILY COMPARATIVE ANALYSIS

Willow Springs Senior Residences, San Marcos, HTC #04432

Type of Unit	Number	Bedrooms	No. of Baths	Size in SF	Gross Rent Lmt.	Net Rent per Unit	Rent per Month	Rent per SF	Tnt Pd Util	Wtr, Swr, Trsh
TC60%	111	1	1	709	\$800	\$710	\$78,810	\$1.00	\$48.68	\$58.01
TC60%	69	2	2	1,050	960	898	61,962	0.86	62.26	77.49
TOTAL:	180		AVERAGE:	840	\$861	\$782	\$140,772	\$0.93	\$53.89	\$65.48

INCOME

Total Net Rentable Sq Ft: 151,149

POTENTIAL GROSS RENT

Secondary Income Per Unit Per Month: \$15.00
Other Support Income

POTENTIAL GROSS INCOME

Vacancy & Collection Loss % of Potential Gross Income: -7.50%
Employee or Other Non-Rental Units or Concessions

EFFECTIVE GROSS INCOME

EXPENSES

	% OF EGI	PER UNIT	PER SQ FT	TDHCA	APPLICANT	PER SQ FT	PER UNIT	% OF EGI
General & Administrative	4.32%	\$382	0.45	\$68,727	\$40,600	\$0.27	\$226	2.87%
Management	5.00%	442	0.53	79,627	57,100	0.38	317	4.04%
Payroll & Payroll Tax	10.16%	899	1.07	161,804	135,400	0.90	752	9.58%
Repairs & Maintenance	4.16%	368	0.44	66,282	58,200	0.39	323	4.12%
Utilities	2.80%	248	0.30	44,644	38,700	0.26	215	2.74%
Water, Sewer, & Trash	4.68%	414	0.49	74,453	65,000	0.43	361	4.60%
Property Insurance	2.37%	210	0.25	37,787	45,000	0.30	250	3.18%
Property Tax 2.5171	0.00%	0	0.00	0	0	0.00	0	0.00%
Reserve for Replacements	2.26%	200	0.24	36,000	36,000	0.24	200	2.55%
Services, Compliance	0.63%	56	0.07	10,000	10,000	0.07	56	0.71%
TOTAL EXPENSES	36.38%	\$3,218	\$3.83	\$579,325	\$486,000	\$3.22	\$2,700	34.38%
NET OPERATING INC	63.62%	\$5,629	\$6.70	\$1,013,215	\$927,516	\$6.14	\$5,153	65.62%

DEBT SERVICE

First Lien Mortgage	49.40%	\$4,370	\$5.20	\$786,657	\$790,000	\$5.23	\$4,389	55.89%
Additional Financing	0.00%	\$0	\$0.00	0	0	\$0.00	\$0	0.00%
Additional Financing	0.00%	\$0	\$0.00	0	0	\$0.00	\$0	0.00%
NET CASH FLOW	14.23%	\$1,259	\$1.50	\$226,558	\$137,516	\$0.91	\$764	9.73%

AGGREGATE DEBT COVERAGE RATIO

1.29 1.17

RECOMMENDED DEBT COVERAGE RATIO

1.29

CONSTRUCTION COST

Description	Factor	% of TOTAL	PER UNIT	PER SQ FT	TDHCA	APPLICANT	PER SQ FT	PER UNIT	% of TOTAL
Acquisition Cost (site or bldg)		2.38%	\$2,140	\$2.55	\$385,184	\$1,125,000	\$7.44	\$6,250	6.80%
Off-Sites		0.00%	0	0.00	0	0	0.00	0	0.00%
Sitework		8.34%	7,500	8.93	1,350,000	1,776,022	11.75	9,867	10.73%
Direct Construction		46.17%	41,532	49.46	7,475,703	6,618,978	43.79	36,772	40.00%
Contingency	4.76%	2.59%	2,332	2.78	419,750	419,750	2.78	2,332	2.54%
General Req'ts	6.00%	3.27%	2,942	3.50	529,542	578,700	3.83	3,215	3.50%
Contractor's G & A	1.90%	1.04%	933	1.11	167,900	167,900	1.11	933	1.01%
Contractor's Profit	5.71%	3.11%	2,798	3.33	503,700	503,700	3.33	2,798	3.04%
Indirect Construction		5.54%	4,985	5.94	897,350	897,350	5.94	4,985	5.42%
Ineligible Costs		7.80%	7,019	8.36	1,263,443	1,263,443	8.36	7,019	7.63%
Developer's G & A	3.26%	2.47%	2,222	2.65	400,000	400,000	2.65	2,222	2.42%
Developer's Profit	11.28%	8.56%	7,695	9.16	1,385,179	1,385,179	9.16	7,695	8.37%
Interim Financing		5.80%	5,216	6.21	938,794	938,794	6.21	5,216	5.67%
Reserves		2.93%	2,633	3.14	473,952	473,952	3.14	2,633	2.86%
TOTAL COST		100.00%	\$89,947	\$107.12	\$16,190,497	\$16,548,768	\$109.49	\$91,938	100.00%
Recap-Hard Construction Costs		64.52%	\$58,037	\$69.11	\$10,446,595	\$10,065,050	\$66.59	\$55,917	60.82%

SOURCES OF FUNDS

				TDHCA	APPLICANT	RECOMMENDED	
First Lien Mortgage	67.11%	\$60,361	\$71.88	\$10,865,000	\$10,865,000	\$10,865,000	Developer Fee Available
Additional Financing	0.00%	\$0	\$0.00	0	0	0	\$1,785,179
HTC Syndication Proceeds	21.50%	\$19,339	\$23.03	3,481,084	3,481,084	3,862,435	% of Dev. Fee Deferred
Deferred Developer Fees	2.54%	\$2,283	\$2.72	410,857	410,857	1,081,517	61%
Additional (excess) Funds Required	8.85%	\$7,964	\$9.48	1,433,556	1,791,827	0	15-Yr Cumulative Cash Flow
TOTAL SOURCES				\$16,190,497	\$16,548,768	\$15,808,952	\$6,193,097.15

MULTIFAMILY COMPARATIVE ANALYSIS(continued)

Willow Springs Senior Residences, San Marcos, HTC #04432

DIRECT CONSTRUCTION COST ESTIMATE

Residential Cost Handbook

Average Quality Multiple Residence Basis

CATEGORY	FACTOR	UNITS/SQ FT	PER SF	AMOUNT
Base Cost			\$42.10	\$6,362,803
Adjustments				
Exterior Wall Finish	1.40%		\$0.59	\$89,079
9-Ft. Ceilings	3.00%		1.26	190,884
Roofing			0.00	0
Subfloor			(0.68)	(102,277)
Floor Cover			2.00	302,298
Porches/Balconies	\$12.82	15611	1.32	200,081
Plumbing	\$605	207	0.83	125,235
Built-In Appliances	\$1,650	180	1.96	297,000
Stairs	\$1,475	16	0.16	23,600
Floor Insulation			0.00	0
Heating/Cooling			1.53	231,258
Garages/Carports	\$8.18	20,600	1.11	168,508
Comm area hallways	\$42.10	51,379	14.31	2,162,862
Elevators	\$43,750.00	4	1.16	175,000
SUBTOTAL			67.66	10,226,331
Current Cost Multiplier	1.03		2.03	306,790
Local Multiplier	0.87		(8.80)	(1,329,423)
TOTAL DIRECT CONSTRUCTION COSTS			\$60.89	\$9,203,697
Plans, specs, survy, bld prm	3.90%		(2.37)	(\$358,944)
Interim Construction Interest	3.38%		(2.06)	(310,625)
Contractor's OH & Profit	11.50%		(7.00)	(1,058,425)
NET DIRECT CONSTRUCTION COSTS			\$49.46	\$7,475,703

PAYMENT COMPUTATION

Primary	\$10,865,000	Amort	480
Int Rate	6.75%	DCR	1.29

Secondary	\$0	Amort	
Int Rate	0.00%	Subtotal DCR	1.29

Additional	\$3,481,084	Amort	
Int Rate		Aggregate DCR	1.29

RECOMMENDED FINANCING STRUCTURE:

Primary Debt Service	\$786,657
Secondary Debt Service	0
Additional Debt Service	0
NET CASH FLOW	\$226,558

Primary	\$10,865,000	Amort	480
Int Rate	6.75%	DCR	1.29

Secondary	\$0	Amort	0
Int Rate	0.00%	Subtotal DCR	1.29

Additional	\$3,481,084	Amort	0
Int Rate	0.00%	Aggregate DCR	1.29

OPERATING INCOME & EXPENSE PROFORMA: RECOMMENDED FINANCING STRUCTURE

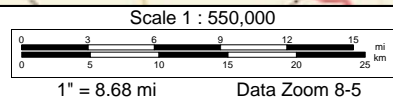
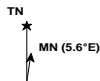
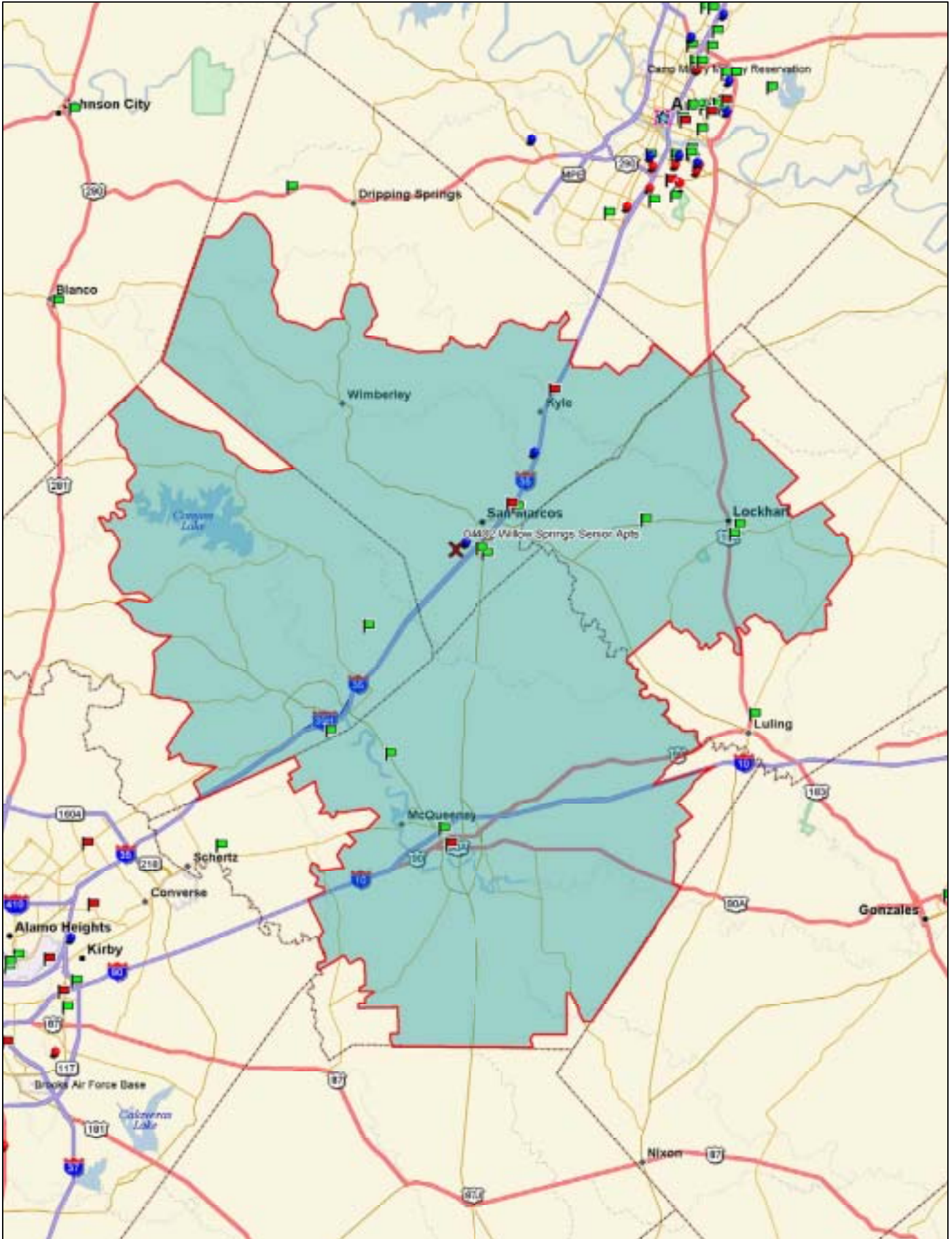
INCOME at 3.00%	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 10	YEAR 15	YEAR 20	YEAR 30
POTENTIAL GROSS RENT	\$1,689,264	\$1,739,942	\$1,792,140	\$1,845,904	\$1,901,282	\$2,204,106	\$2,555,163	\$2,962,135	\$3,980,861
Secondary Income	32,400	33,372	34,373	35,404	36,466	42,275	49,008	56,814	76,353
Other Support Income	0	0	0	0	0	0	0	0	0
POTENTIAL GROSS INCOME	1,721,664	1,773,314	1,826,513	1,881,309	1,937,748	2,246,381	2,604,171	3,018,948	4,057,214
Vacancy & Collection Loss	(129,125)	(132,999)	(136,989)	(141,098)	(145,331)	(168,479)	(195,313)	(226,421)	(304,291)
Employee or Other Non-Rental	0	0	0	0	0	0	0	0	0
EFFECTIVE GROSS INCOME	\$1,592,539	\$1,640,315	\$1,689,525	\$1,740,211	\$1,792,417	\$2,077,902	\$2,408,858	\$2,792,527	\$3,752,923
EXPENSES at 4.00%									
General & Administrative	\$68,727	\$71,476	\$74,335	\$77,308	\$80,401	\$97,820	\$119,013	\$144,797	\$214,335
Management	79,627	82,016	84,476	87,011	89,621	103,895	120,443	139,626	187,646
Payroll & Payroll Tax	161,804	168,276	175,008	182,008	189,288	230,298	280,193	340,897	504,611
Repairs & Maintenance	66,282	68,933	71,690	74,558	77,540	94,340	114,779	139,646	206,710
Utilities	44,644	46,430	48,287	50,219	52,227	63,543	77,309	94,059	139,230
Water, Sewer & Trash	74,453	77,431	80,528	83,749	87,099	105,970	128,928	156,861	232,193
Insurance	37,787	39,299	40,871	42,506	44,206	53,783	65,435	79,612	117,845
Property Tax	0	0	0	0	0	0	0	0	0
Reserve for Replacements	36,000	37,440	38,938	40,495	42,115	51,239	62,340	75,847	112,271
Other	10,000	10,400	10,816	11,249	11,699	14,233	17,317	21,068	31,187
TOTAL EXPENSES	\$579,325	\$601,701	\$624,949	\$649,102	\$674,196	\$815,121	\$985,757	\$1,192,414	\$1,746,029
NET OPERATING INCOME	\$1,013,215	\$1,038,614	\$1,064,576	\$1,091,108	\$1,118,221	\$1,262,782	\$1,423,101	\$1,600,113	\$2,006,894
DEBT SERVICE									
First Lien Financing	\$786,657	\$786,657	\$786,657	\$786,657	\$786,657	\$786,657	\$786,657	\$786,657	\$786,657
Second Lien	0	0	0	0	0	0	0	0	0
Other Financing	0	0	0	0	0	0	0	0	0
NET CASH FLOW	\$226,558	\$251,958	\$277,919	\$304,452	\$331,564	\$476,125	\$636,444	\$813,457	\$1,220,238
DEBT COVERAGE RATIO	1.29	1.32	1.35	1.39	1.42	1.61	1.81	2.03	2.55

LIHTC Allocation Calculation - Willow Springs Senior Residences, San Marcos, HTC #04432

CATEGORY	APPLICANT'S TOTAL AMOUNTS	TDHCA TOTAL AMOUNTS	APPLICANT'S REHAB/NEW ELIGIBLE BASIS	TDHCA REHAB/NEW ELIGIBLE BASIS
(1) Acquisition Cost				
Purchase of land	\$1,125,000	\$385,184		
Purchase of buildings				
(2) Rehabilitation/New Construction Cost				
On-site work	\$1,776,022	\$1,350,000	\$1,776,022	\$1,350,000
Off-site improvements				
(3) Construction Hard Costs				
New structures/rehabilitation hard costs	\$6,618,978	\$7,475,703	\$6,618,978	\$7,475,703
(4) Contractor Fees & General Requirements				
Contractor overhead	\$167,900	\$167,900	\$167,900	\$167,900
Contractor profit	\$503,700	\$503,700	\$503,700	\$503,700
General requirements	\$578,700	\$529,542	\$503,700	\$529,542
(5) Contingencies				
	\$419,750	\$419,750	\$419,750	\$419,750
(6) Eligible Indirect Fees				
	\$897,350	\$897,350	\$897,350	\$897,350
(7) Eligible Financing Fees				
	\$938,794	\$938,794	\$938,794	\$938,794
(8) All Ineligible Costs				
	\$1,263,443	\$1,263,443		
(9) Developer Fees				
			\$1,773,929	
Developer overhead	\$400,000	\$400,000		\$400,000
Developer fee	\$1,385,179	\$1,385,179		\$1,385,179
(10) Development Reserves				
	\$473,952	\$473,952		
TOTAL DEVELOPMENT COSTS	\$16,548,768	\$16,190,497	\$13,600,123	\$14,067,918

Deduct from Basis:				
All grant proceeds used to finance costs in eligible basis				
B.M.R. loans used to finance cost in eligible basis				
Non-qualified non-recourse financing				
Non-qualified portion of higher quality units [42(d)(3)]				
Historic Credits (on residential portion only)				
TOTAL ELIGIBLE BASIS			\$13,600,123	\$14,067,918
High Cost Area Adjustment			100%	100%
TOTAL ADJUSTED BASIS			\$13,600,123	\$14,067,918
Applicable Fraction			100%	100%
TOTAL QUALIFIED BASIS			\$13,600,123	\$14,067,918
Applicable Percentage			3.55%	3.55%
TOTAL AMOUNT OF TAX CREDITS			\$482,804	\$499,411

Syndication Proceeds	0.8000	\$3,862,435	\$3,995,289
Total Credits (Eligible Basis Method)		\$482,804	\$499,411
Syndication Proceeds		\$3,862,435	\$3,995,289
Requested Credits		\$485,866	
Syndication Proceeds		\$3,886,928	
Gap of Syndication Proceeds Needed		\$5,683,768	
Credit Amount		\$710,471	
Original Requested Credits		\$435,479	
Syndication Proceeds		\$3,483,832	



Applicant Evaluation

Project ID # **04432**

Name: **Willow Springs Senior Residences**

City: **San Marcos**

LIHTC 9% LIHTC 4% HOME BOND HTF SECO ESGP Other

No Previous Participation in Texas Members of the development team have been disbarred by HUD

Members of the application did not receive the required Previous Participation Acknowledgement

National Previous Participation Certification Received: N/A Yes No

Noncompliance Reported on National Previous Participation Certification: Yes No

Portfolio Management and Compliance

Total # of Projects monitored: 0

Projects in Material Noncompliance

in noncompliance: 0

Projects zero to nine: 0
 grouped ten to nineteen: 0
 by score twenty to twenty-nine: 0

Yes No

monitored with a score less than thirty: 0

Projects not reported Yes
 in application No

not yet monitored or pending review: 1

of projects not reported 0

Portfolio Monitoring

Single Audit

Portfolio Administration/Analysis

Not applicable
 Review pending
 No unresolved issues
 Unresolved issues found
 Unresolved issues found that
 warrant disqualification
 (Comments attached)

Not applicable
 Review pending
 No unresolved issues
 Issues found regarding late cert
 Issues found regarding late audit
 Unresolved issues found that
 warrant disqualification
 (Comments attached)

Not applicable
 Review pending
 No unresolved issues
 Unresolved issues found
 Unresolved issues found that
 warrant disqualification
 (Comments attached)

Reviewed by Sara Newsom

Date 5/28/2004

Multifamily Finance Production

Not applicable
 Review pending
 No unresolved issues
 Unresolved issues found
 Unresolved issues found that
 warrant disqualification
 (Comments attached)

Reviewer S. Roth
 Date 5/27/2004

Single Family Finance Production

Not applicable
 Review pending
 No unresolved issues
 Unresolved issues found
 Unresolved issues found that
 warrant disqualification
 (Comments attached)

Reviewer _____
 Date _____

Real Estate Analysis (Cost Certification and Workout)

Not applicable
 Review pending
 No unresolved issues
 Unresolved issues found
 Unresolved issues found that
 warrant disqualification
 (Comments attached)

Reviewer _____
 Date _____

Community Affairs

No relationship
 Review pending
 No unresolved issues
 Unresolved issues found
 Unresolved issues found that
 warrant disqualification
 (Comments attached)

Reviewer Eddie Fariss
 Date 5/28/2004

Office of Colonia Initiatives

Not applicable
 Review pending
 No unresolved issues
 Unresolved issues found
 Unresolved issues found that
 warrant disqualification
 (Comments attached)

Reviewer _____
 Date _____

Financial Administration

No delinquencies found
 Delinquencies found

Reviewer Stephanie A. D'Couto
 Date 5/27/2004

Executive Director: Edwina Carrington

Executed: Sunday, May 02, 2004

MULTIFAMILY FINANCE PRODUCTION DIVISION

BOARD ACTION REQUEST

July 28, 2004

Action Item

Presentation, Discussion and Possible Approval for the issuance of Housing Tax Credits for Cornerstone Village Apartments.

Summary of the Transaction

The application was received on March 5, 2004. The Issuer for this transaction is Harris County HFC. The development is to be located at 14101 Cornerstone Park Drive in Houston. The development will consist of 156 total units targeting the elderly population, with all affordable. The site is currently properly zoned for such a development. The Department has not received any letters of support or opposition. The bond priority for this transaction is:

- Priority 1A:** Set aside **50%** of units that cap rents at 30% of **50%** AMFI and Set aside **50%** of units that cap rents at 30% of **60%** AMFI (MUST receive 4% Housing Tax Credits)
- Priority 1B:** Set aside **15%** of units that cap rents at 30% of **30%** AMFI and Set aside **85%** of units that cap rents at 30% of **60%** AMFI (MUST receive 4% Housing Tax Credits)
- Priority 1C:** Set aside **100%** of units that cap rents at 30% of **60%** AMFI (Only for projects located in a **census tract with median income that is greater** than the median income of the county MSA, or PMSA that the QCT is located in. (MUST receive 4% Housing Tax Credits)
- Priority 2:** Set aside **100%** of units that cap rents at 30% of **60%** AMFI (MUST receive 4% Housing Tax Credits)
- Priority 3:** Any qualified residential rental development.

Recommendation

Staff recommends the Board approve the issuance of Housing Tax Credits for Cornerstone Village Apartments.



**HOUSING TAX CREDIT PROGRAM
2004 HTC/TAX EXEMPT BOND DEVELOPMENT PROFILE AND BOARD SUMMARY**

Texas Department of Housing and Community Affairs

Development Name: **Cornerstone Village Apartments**

TDHCA#: 04434

DEVELOPMENT AND OWNER INFORMATION

Development Location: Houston QCT: N DDA: N TTC: N
 Development Owner: Cornerstone Village Apartments, LP
 General Partner(s): HCHA Cornerstone, LLC, 100%, Contact: Thomas H. Scott
 Construction Category: New
 Set-Aside Category: Tax Exempt Bond Bond Issuer: Harris County HFC
 Development Type: Elderly

Annual Tax Credit Allocation Calculation

Applicant Request: \$420,188 Eligible Basis Amt: \$415,267 Equity/Gap Amt.: \$473,202

Annual Tax Credit Allocation Recommendation: \$420,188

Total Tax Credit Allocation Over Ten Years: \$ 4,201,880

PROPERTY INFORMATION

Unit and Building Information

Total Units: 156 HTC Units: 156 % of HTC Units: 100
 Gross Square Footage: 151,455 Net Rentable Square Footage: 147,276
 Average Square Footage/Unit: 944
 Number of Buildings: 2
 Currently Occupied: N

Development Cost

Total Cost: \$13,640,258 Total Cost/Net Rentable Sq. Ft.: \$92.62

Income and Expenses

Effective Gross Income:¹ \$1,207,791 Ttl. Expenses: \$525,700 Net Operating Inc.: \$682,091
 Estimated 1st Year DCR: 1.20

DEVELOPMENT TEAM

Consultant:	Gannon Outsourcing, Inc.	Manager:	Coach Realty Services, Inc.
Attorney:	Gardere Wynne Sewell & Riggs	Architect:	The Clerkley Watkins Group
Accountant:	Reznick, Fedder & Silverman	Engineer:	To Be Determined
Market Analyst:	Novogradac & Company, LLC	Lender:	Newman Capital Corporation
Contractor:	To Be Determined	Syndicator:	Paramount Financial Group, Inc.

PUBLIC COMMENT²

From Citizens:	From Legislators or Local Officials:
# in Support: 0	Sen. John Whitmire, District 15 - NC
# in Opposition: 0	Rep. Peggy Hamric, District 126 - NC
	Judge Robert Eckels - NC
	David Turkel, Director, Office of Housing & Economic Development, Harris County; Consistent with the local Consolidated Plan.

1. Gross Income less Vacancy

2. NC - No comment received, O - Opposition, S - Support

CONDITION(S) TO COMMITMENT

1. Per §50.12(c) of the Qualified Allocation Plan and Rules, all Tax Exempt Bond Project Applications “must provide an executed agreement with a qualified service provider for the provision of special supportive services that would otherwise not be available for the tenants. The provision of such services will be included in the Declaration of Land Use Restrictive Covenants (“LURA”).
2. Should the terms and rates of the proposed debt or syndication change, the transaction should be reevaluated and an adjustment to the allocation amount may be warranted.

DEVELOPMENT’S SELECTION BY PROGRAM MANAGER & DIVISION DIRECTOR IS BASED ON:

Score Utilization of Set-Aside Geographic Distrib. Tax Exempt Bond. Housing Type

Other Comments including discretionary factors (if applicable).

Robert Onion, Multifamily Finance Manager

Date

Brooke Boston, Director of Multifamily Finance Production Date

DEVELOPMENT’S SELECTION BY EXECUTIVE AWARD AND REVIEW ADVISORY COMMITTEE IS BASED ON:

Score Utilization of Set-Aside Geographic Distrib. Tax Exempt Bond Housing Type

Other Comments including discretionary factors (if applicable)._____

Edwina P. Carrington, Executive Director

Date

Chairman of Executive Award and Review Advisory Committee

TDHCA Board of Director’s Approval and description of discretionary factors (if applicable).

Chairperson Signature: _____

Elizabeth Anderson, Chairman of the Board

Date

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS**

DATE: July 19, 2004

PROGRAM: 4 % HTC

FILE NUMBER: 04434

DEVELOPMENT NAME

Cornerstone Village Apartments

APPLICANT

Name: Cornerstone Village Apartments, L.P. **Type:** Non-Profit
Address: 6919 Portwest, Suite 150 **City:** Houston **State:** TX
Zip: 77024 **Contact:** Thomas H. Scott **Phone:** (713) 785-1005 **Fax:** (713) 785-0050

PRINCIPALS of the APPLICANT/ KEY PARTICIPANTS

Name:	<u>HCHA Cornerstone, LLC</u>	(%):	<u>.01 %</u>	Title:	<u>General Partner</u>
Name:	<u>TH Cornerstone, LLC</u>	(%):	<u>.01 %</u>	Title:	<u>Special Limited Partner</u>
Name:	<u>Paramount Financial Group, Inc.</u>	(%):	<u>99.98%</u>	Title:	<u>Limited Partner</u>
Name:	<u>Harris County Housing Authority</u>	(%):	<u>N/A</u>	Title:	<u>100% Owner of GP</u>
Name:	<u>Thomas H. Scott</u>	(%):	<u>N/A</u>	Title:	<u>100% Owner of Developer</u>

PROPERTY LOCATION

Location: 14101 Cornerstone Park Drive **QCT** **DDA**
City: Houston **County:** Harris **Zip:** 77014

REQUEST

<u>Amount</u>	<u>Interest Rate</u>	<u>Amortization</u>	<u>Term</u>
\$420,188	N/A	N/A	N/A
Other Requested Terms: <u>Annual ten-year allocation of housing tax credits</u>			
Proposed Use of Funds: <u>New construction</u>		Property Type: <u>Multifamily</u>	
Special Purpose (s): <u>Elderly</u>			

RECOMMENDATION

RECOMMEND APPROVAL OF A HOUSING TAX CREDIT ALLOCATION NOT TO EXCEED \$415,267 ANNUALLY FOR TEN YEARS, SUBJECT TO CONDITIONS.

CONDITIONS

Should the terms and rates of the proposed debt or syndication change, the transaction should be re-evaluated and an adjustment to the allocation amount may be warranted.

REVIEW of PREVIOUS UNDERWRITING REPORTS

No previous reports.

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS**

DEVELOPMENT SPECIFICATIONS

IMPROVEMENTS

Total Units:	156	# Rental Buildings:	2	# Common Area Bldgs:	1	# of Floors:	3	Age:	N/A yrs	Vacant:	N/A	at	/	/
Net Rentable SF:		147,276	Av Un SF:	944	Common Area SF:	4,179	Gross Bldg SF:	151,455						

STRUCTURAL MATERIALS

The structure will be wood frame on a slab on grade. According to the plans provided in the application the exterior will be comprised as follows: 40% brick veneer and 60% hardiboard. The interior wall surfaces will be drywall and the pitched roof will be finished with asphalt composite shingles.

APPLIANCES AND INTERIOR FEATURES

The interior flooring will be a combination of carpeting & vinyl. Each unit will include: range & oven, hood & fan, garbage disposal, dishwasher, refrigerator, microwave oven, fiberglass tub/shower, washer & dryer connections, ceiling fans, laminated counter tops, individual water heaters and 9-foot ceilings.

ON-SITE AMENITIES

A 3,369-square foot Community Center will include management offices, lobby/reception area, community room, card room, catering kitchen, restrooms, and a workroom. A separate building containing 810-square feet that is connected to the community building by a breezeway will contain laundry facilities, a fitness center and a maintenance room. The Community Center will be located near the main entrance to the site. A pool will be located immediately behind the Community Center. Additionally, perimeter fencing with limited access gates are planned for the site. While the application indicates there will be two elevators, the building plans reflect three.

Uncovered Parking: 200 spaces **Carports:** 60 spaces **Garages:** 0 spaces

PROPOSAL and DEVELOPMENT PLAN DESCRIPTION

Description: Cornerstone Village Apartments is a 22.18 units per acre new construction development of 156 units of affordable housing located in northwest Houston. The development is comprised of two evenly distributed large garden style elevator served low-rise residential buildings as follows:

- € 1 Type 1 Building with 66 two-bedroom/one-bath units, and 30 two-bedroom/two-bath units; and
- € 1 Type 2 Building with 42 two-bedroom/one-bath units, and 18 two-bedroom/two-bath units.

Architectural Review: The building and unit plans are of good design, sufficient size and are comparable to other modern apartment developments. They appear to provide acceptable access and storage. The elevations reflect attractive buildings with nice fenestration.

SITE ISSUES

SITE DESCRIPTION

Size:	7.031 acres	306,270	square feet	Zoning/ Permitted Uses:	No Zoning
Flood Zone Designation:	Zone X	Status of Off-Sites:	Partially improved		

SITE and NEIGHBORHOOD CHARACTERISTICS

Location: The site is an irregularly-shaped parcel located in the northwest area of Houston, approximately 15 miles from the central business district. The site is situated on the south and east sides of Cornerstone Park Drive.

Adjacent Land Uses:

- € **Northeast:** wooded vacant land, Draper Road, single family residential and retail and commercial;
- € **Southeast:** vacant land, Welcome Road, single family residential;
- € **Northwest:** wooded vacant land, Bammel North Houston Road, residential, retail and commercial; and

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS**

€ **Southwest:** T.C. Jester Blvd., Cornerstone Park, Bammel North Houston Road, vacant land and retail.

Site Access: Access to the property is from the west along T.C. Jester Blvd. and east or northeast along Cornerstone Park Drive. The development is to have one main entry from Cornerstone Park Drive, and two secondary entrances, one from J.C. Jester Blvd. to the west and one from Cornerstone Park Drive to the northeast. Access to FM 1960 is one-quarter mile north and IH 45 is approximately three miles east. Both thoroughfares provide connections to all other major roads serving the Houston area.

Public Transportation: Public transportation to the area is provided by the Houston Metro Bus System. The location of the nearest stop is just north of the site at FM 1960 and Kuykendahl.

Shopping & Services: The site is within one mile of major grocery and pharmacy stores, shopping centers, and a variety of other retail establishments and restaurants. Schools, churches, a hospital and health care facilities are located within a short driving distance from the site.

Site Inspection Findings: TDHCA staff performed a site inspection on May 19, 2004 and found the location to be acceptable for the proposed development.

HIGHLIGHTS of SOILS & HAZARDOUS MATERIALS REPORT(S)

A Phase I Environmental Site Assessment report dated April 14, 2004 was prepared by Phase Engineering, Inc. A search of federal, state and local records indicate that five leaking underground storage tank sites and one registered underground storage tank facility are located within the standard ASTM search radius. However, there is no indication that the sites identified in the ASTM Standard Environmental Record Sources search have had or will have an environmental impact to the subject site. Accordingly, it was concluded that no evidence of recognized environmental conditions exist in connection with the site.

POPULATIONS TARGETED

Income Set-Aside: The Applicant has elected the 40% at 60% or less of area median gross income (AMGI) set-aside. Additionally, the Applicant will set aside 78 units (50%) at 50% or less of AMGI and the remaining 78 units (50%) will be at or below 60% AMGI.

MAXIMUM ELIGIBLE INCOMES						
	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons
50% of AMI	\$21,350	\$24,400	\$27,450	\$30,500	\$32,950	\$35,400
60% of AMI	\$25,620	\$29,280	\$32,940	\$36,600	\$39,540	\$42,480

MARKET HIGHLIGHTS

A market feasibility study dated May 18, 2004 was prepared by Novogradac & Company ("Market Analyst") and highlighted the following findings:

Definition of Primary Market Area (PMA): "Novogradac has defined the Subject's Primary Market Area (PMA) to be bound by the Harris County border to the north, Interstate 59 to the east, Beltway 8 to the south and FM 249 to the west." (p. 13). This area is equivalent to a circle with a radius of 12 miles.

Population: The estimated 2003 senior population of the PMA was 41,117 and is expected to increase by 22.8% to approximately 50,478 by 2008. Within the primary market area there were estimated to be 28,632 senior households in 2003.

Total Primary Market Demand for Rental Units: The Market Analyst calculated a total demand of 176 qualified senior households in the PMA, based on the current estimate of 50,478 senior households, the projected annual growth rate of 4.6%, renter households estimated at 20% of the population, income-qualified households estimated at 7%, and an annual renter turnover rate of 27%. (p. 20). The Market Analyst used an income band of \$24,400 to \$29,280.

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS**

ANNUAL INCOME-ELIGIBLE SUBMARKET DEMAND SUMMARY				
Type of Demand	Market Analyst		Underwriter	
	Units of Demand	% of Total Demand	Units of Demand	% of Total Demand
Household Growth	13	7%	35	7.7%
Resident Turnover (Over Burden)	118	68%	N/A	N/A
Resident Turnover: IREM	N/A	N/A	421	92.3%
Other Sources: Outside PMA (25%)	45	25%	N/A	N/A
TOTAL ANNUAL DEMAND	176	100%	456	100%

Inclusive Capture Rate: The Market Analyst calculated an inclusive capture rate of 88% based upon 176 units of demand and 156 unstabilized affordable housing units in the PMA (including the subject) (p. 50). The Underwriter calculated an inclusive capture rate of 34.2% based upon a supply of unstabilized comparable affordable units of 156 divided by a revised demand of 456. The Underwriter used an income band of \$21,051 to \$32,940. Although the capture rate of both the Market Analyst and the Underwriter exceed 25%, the development is still permissible because this is to be an elderly development in which the capture rate may go up to 100%.

Local Housing Authority Waiting List Information: The Market Analyst did not address the local Housing Authority waiting list in the report.

Market Rent Comparables: The Market Analyst surveyed 8 comparable apartment projects totaling 1,764 units in the market area.

RENT ANALYSIS (net tenant-paid rents)					
Unit Type (% AMI)	Proposed	Program Max	Differential	Est. Market	Differential
2-Bedroom (50%)	\$607	\$614	-\$14	\$900	-\$293
2-Bedroom (60%)	\$705	\$751	-\$46	\$900	-\$195
2-Bedroom (60%)	\$744	\$751	-\$7	\$900	-\$156

(NOTE: Differentials are amount of difference between proposed rents and program limits and average market rents, e.g., proposed rent =\$500, program max =\$600, differential = -\$100)

Primary Market Occupancy Rates: “The property-wide occupancy rates at the comparables ranged from 89.2 to 97.1 percent, and the overall average was 93.4 percent.” (p. 34).

Absorption Projections: “Since the Subject will target senior households, we would anticipate a slower absorption rate than comparable multifamily properties. Therefore, we conservatively estimate an absorption pace of 12 months for the Subject to reach a stabilized occupancy of 95 percent, or an average absorption rate of approximately 12 units per month.” (p. 33).

Known Planned Development: According to the Market Analyst there are no other known planned developments that will affect the subject property.

Effect on Existing Housing Stock: “The impact on existing and proposed multifamily housing in the PMA is anticipated to be minor. The LIHTC demand analysis suggests a reasonable capture rate for the Subject. Since there is no additional supply of multifamily units other than the Subject proposed for the PMA and the currently vacant LIHTC units are anticipated to be stabilized by market entry, the Subject should be comfortably integrated into the market within 12 months.” (p. 60).

Market Study Analysis/Conclusions: The Underwriter found the market study provided sufficient information on which to base a funding recommendation.

OPERATING PROFORMA ANALYSIS

Income: The Applicant’s rent projections are slightly lower than the maximum rents allowed under HTC guidelines; however, the Market Analyst stated that the Applicant’s restricted rental rates are below the achievable rates for the Houston area for two bedroom units. Therefore, the Underwriter adjusted rents to the maximums allowed for the purposes of this analysis. The increases total approximately \$27K in additional annual income. Estimates of vacancy and collection losses are in line with TDHCA underwriting guidelines;

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS**

however, the Applicant's estimate of \$25 per unit income from carports was not included in the Underwriter's income estimate. As a net result the Applicant's effective gross income is \$8K or 1% less than the Underwriter's.

Expenses: The Applicant's total expense estimate of \$3,115 per unit is 8% lower than the Underwriter's database-derived estimate of \$3,370 per unit for comparably-sized developments. The Applicant's budget shows three line item estimates, however, that deviate significantly when compared to the database averages, particularly general and administrative (\$36K lower), payroll (\$13K lower), and water, sewer, and trash (\$13K higher). It should also be noted that the Applicant is anticipating a 100% property tax exemption resulting from the 100% General Partner ownership by the Harris County Housing Authority. While there is no clear legislation or other documentation mandating such an exemption, the Housing Authority has been successful in achieving such exemptions in the past.

Conclusion: Although the Applicant's net operating income (NOI) estimate is within 5% of the Underwriter's estimate, the total estimated operating expense is inconsistent and not within 5% of the Underwriter's estimate. Therefore, the Underwriter's NOI will be used to evaluate debt service capacity.

In both the Applicant's and the Underwriter's income and expense estimates there is sufficient net operating income to service the proposed first lien permanent mortgage at a debt coverage ratio that is within the TDHCA underwriting guidelines of 1.10 to 1.30.

ACQUISITION VALUATION INFORMATION					
ASSESSED VALUE					
Land: 7.031 acres	\$229,720	Assessment for the Year of:	2004		
Building:	\$0	Valuation by:	Harris County Appraisal District		
Total Assessed Value:	\$229,720	Tax Rate:	3.31077		
EVIDENCE of SITE or PROPERTY CONTROL					
Type of Site Control:	Earnest Money Contract				
Contract Expiration Date:	12/ 31/ 2004	Anticipated Closing Date:	/ 31/ 2004		
Acquisition Cost:	\$780,000	Other Terms/Conditions:			
Seller:	Cornerstone Village JV		Related to Development Team Member:	No	

CONSTRUCTION COST ESTIMATE EVALUATION
<p>Acquisition Value: The acquisition price is more than three times assessed value; however, the price is assumed to be reasonable since the acquisition is an arm's-length transaction.</p> <p>Sitework Cost: The Applicant's sitework costs of \$7,379 per unit are within the Department's allowable guidelines for multifamily developments without requiring additional justifying documentation.</p> <p>Direct Construction Cost: The Applicant's direct construction cost estimate is 4% higher than the Underwriter's Marshall & Swift <i>Residential Cost Handbook</i>-derived estimate, and is therefore regarded as reasonable as submitted.</p> <p>Fees: The Applicant's contractor general requirements and contractor profit exceed the maximums allowed by HTC guidelines by \$138,616 based on their own construction costs. Consequently the Applicant's eligible fees in these areas have been reduced by the same amount with the overage effectively moved to ineligible costs.</p> <p>Conclusion: The Applicant's total development cost estimate is within 5% of the Underwriter's verifiable estimate and is therefore generally acceptable. The Applicant's requested credit amount, as adjusted by the Underwriter for excess contractor fees and an applicable percentage of 3.56 rather than the 3.55 used by the Applicant, is reduced to \$415,267. This amount will be used to compare to the gap of total funds needed to determine the final credit allocation.</p>

**TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS**

FINANCING STRUCTURE

INTERIM TO PERMANENT BOND FINANCING

Source: Newman Capital Corporation Contact: Cynthia Schwab
 Tax-Exempt Amount: \$8,360,000 Interest Rate: 5.95% Floating
 Amortization: 35 yrs Term: 30 yrs Commitment: LOI Firm Conditional
 Annual Payment: \$595,300 Lien Priority: 1st Commitment Date 05/ 20/ 2004

GRANT

Source: Harris County Housing Authority Contact: David Turkel
 Principal Amount: \$1,400,000 Commitment: LOI Firm Conditional
 Additional Information: _____ Commitment Date 05/ 27/ 2004

TAX CREDIT SYNDICATION

Source: Paramount Financial Group, Inc. Contact: Dale Cook
 Net Proceeds: \$3,452,717 Net Syndication Rate (per \$1.00 of 10-yr HTC) 82¢
 Commitment LOI Firm Conditional Date: 05/ 25/ 2004
 Additional Information: _____

APPLICANT EQUITY

Amount: \$427,541 Source: Deferred Developer Fee

FINANCING STRUCTURE ANALYSIS

Interim to Permanent Bond Financing: The tax-exempt bonds are to be issued by the Harris County Housing Finance Corporation and privately placed through Newman Capital and GMAC Commercial Holding Capital Markets Corp. The proceeds of the bonds will be used to fund the interim construction and permanent mortgage loans for the development. The tax-exempt bonds will bear interest at a variable rate. The Variable Rate will be BMA+250 bps during the interim phase and BMA+190 bps during the permanent phase. The permanent financing commitment is consistent with the terms reflected in the sources and uses of funds listed in the application.

HTC Syndication: The tax credit syndication commitment is consistent with the terms reflected in the sources and uses of funds listed in the application.

Deferred Developer's Fees: The Applicant's proposed deferred developer's fees of \$427,541 amount to 29% of the total fees.

Financing Conclusions: Based on the Applicant's adjusted estimate of eligible basis, the HTC allocation should not exceed \$415,267 annually for ten years, resulting in syndication proceeds of approximately \$3,405,193. Based on the underwriting analysis, the Applicant's deferred developer fee will be increased to \$475,065, which represents approximately 32% of the eligible fee and which should be repayable from cash flow within 10 years. Should the Applicant's final direct construction cost exceed the cost estimate used to determine credits in this analysis, additional deferred developer's fees may be available to fund those development cost overruns.

DEVELOPMENT TEAM

IDENTITIES of INTEREST

The Applicant, Developer, Property Manager and Application Consultant firms are related entities. These are common relationships for HTC-funded developments.

APPLICANT'S/PRINCIPALS' FINANCIAL HIGHLIGHTS, BACKGROUND, and EXPERIENCE

Financial Highlights: The Applicant and General Partner are single-purpose entities created for the purpose of receiving assistance from TDHCA and therefore have no material financial statements.
 € The principal of the Developer, Thomas Scott, submitted an unaudited personal financial statement as of December 31, 2003. Mr. Scott is anticipated to be a guarantor of the development.

TEXAS DEPARTMENT of HOUSING and COMMUNITY AFFAIRS
MULTIFAMILY UNDERWRITING ANALYSIS

Background & Experience:

- € The Applicant and General Partner are new entities formed for the purpose of developing the project.
- € The principal of the Developer, Thomas Scott provided a Certificate of Experience from the TDHCA Multifamily Production Division indicating he has successfully completed constructing and developing residential units in the Housing Tax Credit Program in the past.

SUMMARY OF SALIENT RISKS AND ISSUES

- € The Applicant's operating expenses are more than 5% outside of the Underwriter's verifiable range.

Underwriter:

David Burrell

Date: July 19, 2004

Director of Real Estate Analysis:

Tom Gouris

Date: July 19, 2004

MULTIFAMILY COMPARATIVE ANALYSIS

Cornerstone Village Apartments, Houston, HTC# 04434

Type of Unit	Number	Bedrooms	No. of Baths	Size in SF	Gross Rent Lmt.	Net Rent per Unit	Rent per Month	Rent per SF	Tnt Pd Util	Wtr, Swr, Trsh
HTC 50%	78	2	1	885	\$686	\$614	\$47,892	\$0.69	\$72.00	\$30.00
HTC 60%	30	2	1	885	823	751	22,530	0.85	72.00	30.00
HTC 60%	48	2	2	1,077	823	751	36,048	0.70	72.00	30.00
TOTAL:	156		AVERAGE:	944	\$755	\$683	\$106,470	\$0.72	\$72.00	\$30.00

INCOME

Total Net Rentable Sq Ft: **147,276**

POTENTIAL GROSS RENT

Secondary Income Per Unit Per Month: \$15.00
 Other Support Income: (describe)

POTENTIAL GROSS INCOME

Vacancy & Collection Loss % of Potential Gross Income: -7.50%
 Employee or Other Non-Rental Units or Concessions

EFFECTIVE GROSS INCOME

EXPENSES

	% OF EGI	PER UNIT	PER SQ FT
General & Administrative	5.03%	\$390	0.41
Management	5.00%	387	0.41
Payroll & Payroll Tax	12.69%	982	1.04
Repairs & Maintenance	6.06%	469	0.50
Utilities	2.85%	220	0.23
Water, Sewer, & Trash	4.46%	345	0.37
Property Insurance	3.41%	264	0.28
Property Tax Exempt	0.00%	0	0.00
Reserve for Replacements	2.58%	200	0.21
Other Expenses:	1.45%	112	0.12
TOTAL EXPENSES	43.53%	\$3,370	\$3.57
NET OPERATING INC	56.47%	\$4,372	\$4.63

DEBT SERVICE

Newman Capital	47.08%	\$3,645	\$3.86
HOME Grant	0.00%	\$0	\$0.00
HOME Grant	0.00%	\$0	\$0.00
NET CASH FLOW	9.39%	\$727	\$0.77

AGGREGATE DEBT COVERAGE RATIO

RECOMMENDED DEBT COVERAGE RATIO

CONSTRUCTION COST

Description	Factor	% of TOTAL	PER UNIT	PER SQ FT
Acquisition Cost (site or bldg)		5.79%	\$5,000	\$5.30
Off-Sites		0.00%	0	0.00
Sitework		8.55%	7,380	7.82
Direct Construction		44.93%	38,781	41.08
Contingency	3.59%	1.92%	1,657	1.75
General Req'ts	6.00%	3.21%	2,770	2.93
Contractor's G & A	2.00%	1.07%	923	0.98
Contractor's Profit	6.00%	3.21%	2,770	2.93
Indirect Construction		3.82%	3,300	3.50
Ineligible Costs		7.61%	6,564	6.95
Developer's G & A	2.87%	2.12%	1,827	1.93
Developer's Profit	12.13%	8.94%	7,717	8.17
Interim Financing		7.00%	6,043	6.40
Reserves		1.83%	1,579	1.67
TOTAL COST		100.00%	\$86,309	\$91.42
Recap-Hard Construction Costs		62.89%	\$54,280	\$57.50

SOURCES OF FUNDS

Newman Capital	62.09%	\$53,590	\$56.76
HOME Grant	10.40%	\$8,974	\$9.51
HTC Syndication Proceeds	25.64%	\$22,133	\$23.44
Deferred Developer Fees	3.18%	\$2,741	\$2.90
Additional (excess) Funds Required	-1.31%	(\$1,129)	(\$1.20)
TOTAL SOURCES			

TDHCA	APPLICANT
\$1,277,640	\$1,250,496
28,080	46,080
0	
\$1,305,720	\$1,296,576
(97,929)	(97,248)
0	
\$1,207,791	\$1,199,328
\$60,797	\$24,600
60,390	59,967
153,252	140,400
73,142	73,200
34,370	33,696
53,841	66,456
41,237	39,000
0	0
31,200	31,200
17,472	17,472
\$525,700	\$485,991
\$682,091	\$713,337
\$568,650	\$595,300
0	
0	
\$113,441	\$118,037
1.20	1.20
1.20	

PER SQ FT	PER UNIT	% OF EGI
\$0.17	\$158	2.05%
0.41	384	5.00%
0.95	900	11.71%
0.50	469	6.10%
0.23	216	2.81%
0.45	426	5.54%
0.26	250	3.25%
0.00	0	0.00%
0.21	200	2.60%
0.12	112	1.46%
\$3.30	\$3,115	40.52%
\$4.84	\$4,573	59.48%
\$4.04	\$3,816	49.64%
\$0.00	\$0	0.00%
\$0.00	\$0	0.00%
\$0.80	\$757	9.84%

PER SQ FT	PER UNIT	% of TOTAL
\$5.30	\$5,000	5.72%
0.00	0	0.00%
7.82	7,380	8.44%
42.67	40,287	46.08%
1.75	1,657	1.89%
3.43	3,241	3.71%
1.15	1,082	1.24%
3.43	3,239	3.70%
3.50	3,300	3.77%
6.95	6,564	7.51%
2.04	1,929	2.21%
8.17	7,717	8.83%
6.40	6,043	6.91%
0.00	0	0.00%
\$92.62	\$87,438	100.00%
\$60.25	\$56,885	65.06%

RECOMMENDED

\$8,360,000	Developer Fee Available
1,400,000	\$1,488,766
3,452,717	% of Dev. Fee Deferred
427,541	32%
0	15-Yr Cumulative Cash Flow
\$13,640,258	\$3,407,886.40

MULTIFAMILY COMPARATIVE ANALYSIS(continued)

Cornerstone Village Apartments, Houston, HTC# 04434

DIRECT CONSTRUCTION COST ESTIMATE

Residential Cost Handbook

Average Quality Multiple Residence Basis

CATEGORY	FACTOR	UNITS/SQ FT	PER SF	AMOUNT
Base Cost			\$42.93	\$6,322,559
Adjustments				
Exterior Wall Finish	3.80%		\$1.63	\$240,257
Elderly/9-Ft. Ceilings	3.40%		1.46	214,967
Roofing			0.00	0
Subfloor			(0.68)	(99,657)
Floor Cover			2.00	294,552
Porches/Balconies	\$12.78	14743	1.28	188,366
Plumbing	\$605	144	0.59	87,120
Built-In Appliances	\$1,650	156	1.75	257,400
Stairs/Fireplaces			0.00	0
Floor Insulation			0.00	0
Heating/Cooling			1.53	225,332
Garages/Carports	\$8.18	10,800	0.60	88,344
Comm &/or Aux Bldgs	\$72.04	810	0.40	58,356
Elevators	\$43,750	3	0.89	131,250
SUBTOTAL			54.38	8,008,846
Current Cost Multiplier	1.03		1.63	240,265
Local Multiplier	0.90		(5.44)	(800,885)
TOTAL DIRECT CONSTRUCTION COSTS			\$50.57	\$7,448,227
Plans, specs, survy, bld prm	3.90%		(\$1.97)	(\$290,481)
Interim Construction Interest	3.38%		(1.71)	(251,378)
Contractor's OH & Profit	11.50%		(5.82)	(856,546)
NET DIRECT CONSTRUCTION COSTS			\$41.08	\$6,049,823

PAYMENT COMPUTATION

Primary	\$8,360,000	Amort	420
Int Rate	5.95%	DCR	1.20

Secondary	\$1,400,000	Amort	0
Int Rate	0.00%	Subtotal DCR	1.20

Additional	\$3,452,717	Amort	
Int Rate		Aggregate DCR	1.20

RECOMMENDED FINANCING STRUCTURE:

Primary Debt Service	\$568,650
Secondary Debt Service	0
Additional Debt Service	0
NET CASH FLOW	\$113,441

Primary	\$8,360,000	Amort	420
Int Rate	5.95%	DCR	1.20

Secondary	\$1,400,000	Amort	0
Int Rate	0.00%	Subtotal DCR	1.20

Additional	\$3,452,717	Amort	0
Int Rate	0.00%	Aggregate DCR	1.20

OPERATING INCOME & EXPENSE PROFORMA: RECOMMENDED FINANCING STRUCTURE

INCOME at 3.00%	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 10	YEAR 15	YEAR 20	YEAR 30
POTENTIAL GROSS RENT	\$1,277,640	\$1,315,969	\$1,355,448	\$1,396,112	\$1,437,995	\$1,667,030	\$1,932,545	\$2,240,349	\$3,010,842
Secondary Income	28,080	28,922	29,790	30,684	31,604	36,638	42,474	49,238	66,172
Other Support Income: (describ)	0	0	0	0	0	0	0	0	0
POTENTIAL GROSS INCOME	1,305,720	1,344,892	1,385,238	1,426,795	1,469,599	1,703,668	1,975,019	2,289,588	3,077,015
Vacancy & Collection Loss	(97,929)	(100,867)	(103,893)	(107,010)	(110,220)	(127,775)	(148,126)	(171,719)	(230,776)
Employee or Other Non-Rental	0	0	0	0	0	0	0	0	0
EFFECTIVE GROSS INCOME	\$1,207,791	\$1,244,025	\$1,281,345	\$1,319,786	\$1,359,379	\$1,575,893	\$1,826,892	\$2,117,869	\$2,846,239
EXPENSES at 4.00%	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 10	YEAR 15	YEAR 20	YEAR 30
General & Administrative	\$60,797	\$63,228	\$65,758	\$68,388	\$71,123	\$86,533	\$105,280	\$128,089	\$189,603
Management	60,390	62,201	64,067	65,989	67,969	78,795	91,345	105,893	142,312
Payroll & Payroll Tax	153,252	159,382	165,757	172,387	179,283	218,125	265,383	322,879	477,939
Repairs & Maintenance	73,142	76,068	79,110	82,275	85,566	104,104	126,658	154,099	228,104
Utilities	34,370	35,745	37,175	38,661	40,208	48,919	59,518	72,412	107,188
Water, Sewer & Trash	53,841	55,995	58,234	60,564	62,986	76,632	93,235	113,435	167,911
Insurance	41,237	42,887	44,602	46,386	48,242	58,694	71,410	86,881	128,605
Property Tax	0	0	0	0	0	0	0	0	0
Reserve for Replacements	31,200	32,448	33,746	35,096	36,500	44,407	54,028	65,734	97,302
Other	17,472	18,171	18,898	19,654	20,440	24,868	30,256	36,811	54,489
TOTAL EXPENSES	\$525,700	\$546,124	\$567,347	\$589,400	\$612,316	\$741,076	\$897,112	\$1,086,232	\$1,593,453
NET OPERATING INCOME	\$682,091	\$697,901	\$713,998	\$730,386	\$747,063	\$834,817	\$929,781	\$1,031,637	\$1,252,786
DEBT SERVICE									
First Lien Financing	\$568,650	\$568,650	\$568,650	\$568,650	\$568,650	\$568,650	\$568,650	\$568,650	\$568,650
Second Lien	0	0	0	0	0	0	0	0	0
Other Financing	0	0	0	0	0	0	0	0	0
NET CASH FLOW	\$113,441	\$129,251	\$145,349	\$161,736	\$178,413	\$266,167	\$361,131	\$462,987	\$684,136
DEBT COVERAGE RATIO	1.20	1.23	1.26	1.28	1.31	1.47	1.64	1.81	2.20

LIHTC Allocation Calculation - Cornerstone Village Apartments, Houston, HTC# 04434

CATEGORY	APPLICANT'S TOTAL AMOUNTS	TDHCA TOTAL AMOUNTS	APPLICANT'S REHAB/NEW ELIGIBLE BASIS	TDHCA REHAB/NEW ELIGIBLE BASIS
(1) Acquisition Cost				
Purchase of land	\$780,000	\$780,000		
Purchase of buildings				
(2) Rehabilitation/New Construction Cost				
On-site work	\$1,151,224	\$1,151,224	\$1,151,224	\$1,151,224
Off-site improvements				
(3) Construction Hard Costs				
New structures/rehabilitation hard costs	\$6,284,767	\$6,049,823	\$6,284,767	\$6,049,823
(4) Contractor Fees & General Requirements				
Contractor overhead	\$168,862	\$144,021	\$148,720	\$144,021
Contractor profit	\$505,268	\$432,063	\$446,159	\$432,063
General requirements	\$505,525	\$432,063	\$446,159	\$432,063
(5) Contingencies	\$258,469	\$258,469	\$258,469	\$258,469
(6) Eligible Indirect Fees	\$514,760	\$514,760	\$514,760	\$514,760
(7) Eligible Financing Fees	\$942,683	\$942,683	\$942,683	\$942,683
(8) All Ineligible Costs	\$1,023,966	\$1,023,966		
(9) Developer Fees				
Developer overhead	\$300,947	\$284,979	\$300,947	\$284,979
Developer fee	\$1,203,787	\$1,203,787	\$1,203,787	\$1,203,787
(10) Development Reserves		\$246,322		
TOTAL DEVELOPMENT COSTS	\$13,640,258	\$13,464,159	\$11,697,676	\$11,413,871

Deduct from Basis:			
All grant proceeds used to finance costs in eligible basis			
B.M.R. loans used to finance cost in eligible basis			
Non-qualified non-recourse financing			
Non-qualified portion of higher quality units [42(d)(3)]			
Historic Credits (on residential portion only)			
TOTAL ELIGIBLE BASIS		\$11,697,676	\$11,413,871
High Cost Area Adjustment		100%	100%
TOTAL ADJUSTED BASIS		\$11,697,676	\$11,413,871
Applicable Fraction		100%	100%
TOTAL QUALIFIED BASIS		\$11,697,676	\$11,413,871
Applicable Percentage		3.55%	3.55%
TOTAL AMOUNT OF TAX CREDITS		\$415,267	\$405,192

Syndication Proceeds	0.8200	\$3,405,193	\$3,322,578
Total Credits (Eligible Basis Method)		\$415,267	\$405,192
Syndication Proceeds		\$3,405,193	\$3,322,578
Requested Credits		\$420,188	
Syndication Proceeds		\$3,445,542	
Gap of Syndication Proceeds Needed		\$3,880,258	
Credit Amount		\$473,202	

Applicant Evaluation

Project ID # **04434**

Name: **Cornerstone Village Aparmtents**

City: **Houston**

LIHTC 9% LIHTC 4% HOME BOND HTF SECO ESGP Other

No Previous Participation in Texas Members of the development team have been disbarred by HUD

Members of the application did not receive the required Previous Participation Acknowledgement

National Previous Participation Certification Received: N/A Yes No

Noncompliance Reported on National Previous Participation Certification: Yes No

Portfolio Management and Compliance

Total # of Projects monitored: 6

Projects in Material Noncompliance

in noncompliance: 0

Projects zero to nine: 6
grouped ten to nineteen: 0
by score twenty to twenty-nine: 0

Yes No

monitored with a score less than thirty: 6

Projects not reported Yes
in application No

not yet monitored or pending review: 1

of projects not reported 0

Portfolio Monitoring

Single Audit

Portfolio Administration/Analysis

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

Not applicable
Review pending
No unresolved issues
Issues found regarding late cert
Issues found regarding late audit
Unresolved issues found that
warrant disqualification
(Comments attached)

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

Reviewed by Jo En Taylor

Date 7/14/2004

Multifamily Finance Production

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

Reviewer S. Roth
Date 7/13/2004

Single Family Finance Production

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

Reviewer _____
Date _____

Real Estate Analysis (Cost Certification and Workout)

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

Reviewer _____
Date _____

Community Affairs

No relationship
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

Reviewer EEF
Date 7/14/2004

Office of Colonia Initiatives

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

Reviewer _____
Date _____

Financial Administration

No delinquencies found
Delinquencies found

Reviewer Stephanie A. D'Couto
Date 7/13/2004

Executive Director: Edwina Carrington

Executed: Thursday, July 15, 2004

MULTIFAMILY FINANCE PRODUCTION DIVISION

BOARD ACTION REQUEST

July 28, 2004

Action Items

Approve Housing Trust Fund Rental Development awards.

Required Action

Approve or deny the list of recommended applications for Housing Trust Fund Rental Development.

Background and Recommendations

Ten Housing Trust Fund (HTF) Rental Development Applications were submitted by the March 1, 2004 deadline. The Multifamily Finance Production Division staff reviewed the applications utilizing the threshold criteria required under 10 TAC §50.9(f), which are those required for the Housing Tax Credit Program, and scoring criteria outlined in the Notice of Funding Availability (NOFA). Of those submitted, staff determined that seven of the applications submitted were eligible. Of the three applications found to be ineligible, two (#04289 and #04271) were for failure to request a list of neighborhood organizations from the city and county clerks, and the other (#04062) did not submit an environmental site assessment, market study and is located in a city which has more than twice the state average of units per capita supported by affordable housing tax credits or private activity bonds.

The Department made available \$2,000,000 for HTF Rental Development. Pursuant to §2306.202, Subchapter I of the Texas Government Code, the first \$2.6 million of the HTF dollars for the biennium must be made exclusively available to units of local government, public housing authorities and nonprofit organizations. At least 45% of any additional funds must be made available to nonprofit organizations. The first \$2.6 million has been satisfied by the first \$2.8 million going to the Bootstrap Program. To satisfy the 45% figure for the biennium, \$790,000 of the \$2,000,000 was reserved for nonprofit organizations. However, the only nonprofit application was terminated for not requesting a list of neighborhood organizations from the city and county clerks in a timely matter. HTF awards are subject to the Department's Regional Allocation Formula; however, since all eligible applications are being recommended for funding, all attempts to satisfy the formula have been fulfilled.

Ten applications were submitted for a total request of \$1,641,548. Of the ten applications, three were terminated, resulting in a total request of \$1,432,986. Since there is \$2 million available, all seven eligible applications could be recommended for funding. However, staff is only recommending two applications totaling \$673,235 because the remaining five applications were requesting HTF as an additional source to their tax credit application and they, unfortunately, are

not being recommended for credits. In the event the Board determines to award credits to any of those five applicants, staff recommends the simultaneous award of Housing Trust funds.

At this time, applications have not been reviewed for financial feasibility. All recommendations made to the Board are based on loan amount and terms requested by the applicant. Therefore, all recommendations are subject to final review for financial feasibility. Additionally, where applicable, HTF recommendations are subject to the receipt of housing tax credits.

Note: The Development Information Summaries for each of the applications (all of which have Tax Credit applications), with the exception of the Vistas Apartments, #04278, are found at the Tax Credit Recommendations agenda item. The Summary for the Vistas Apartments is submitted as part of this Board agenda item.

**2004 Housing Trust Fund Rental Award Recommendations - July 28, 2004 Board Meeting
Sorted by Recommendation Status and Score**

Housing Trust Funds Available: \$2,000,000

Dev. #	Reg. A ¹	Development Name	Development Address	Dev. City	Activity	Units		HTF 3 Amount	HTC	Final Score	Owner Contact	
						LI Total	Pop.					
04213	6 A	Village at Morningside	3401 Magnolia Avenue	Texas City	New Construction	90	100 E	\$200,000	<input checked="" type="checkbox"/>	50	Diana McIver	Eligible for Funds and Recommended for HTC
04278	7 A	Vistas Apartments	1700 Mustang Drive	Marble Falls	New Construction	124	124 F	\$473,235	<input type="checkbox"/>	41	Mark Mayfield	Eligible for Funds.
						214	224	\$673,235				
04211	2 N	Arbors at Rose Park	2702 South 7th Street	Abilene	New Construction	72	80 E	\$75,000	<input checked="" type="checkbox"/>	49	Diana McIver	Not Recommended - No HTC Recommendation
04214	6 N	Las Villas de Magnolia	7123 Capitol Street	Houston	New Construction	104	116 E	\$200,000	<input checked="" type="checkbox"/>	40	Rogelio Santos	Not Recommended - No HTC Recommendation
04212	4 N	Village at Forest Grove	1000 Block of Richardson Road	Mount Pleasant	New Construction	64	72 F	\$100,000	<input checked="" type="checkbox"/>	40	Eric Hartzell	Not Recommended - No HTC Recommendation
04063	6 N	DePriest Gardens	6701 E. Little York	Houston	New Construction	120	120 FT	\$184,751	<input checked="" type="checkbox"/>	32	Earnest Williams	Not Recommended - No HTC Recommendation
04064	6 N	Ramah Village	6501 E. Little York	Houston	New Construction	80	80 FT	\$200,000	<input checked="" type="checkbox"/>	30	Eddie Winslow	Not Recommended - No HTC Recommendation
						440	468	\$759,751				
						654	692	\$1,432,986				

7 Total Eligible Housing Trust Fund Application

1. Award: A = recommended for an award, N = not recommended for an award
 2. Population: E = Elderly, F = Family, ET = Elderly Transitional, FT = Family Transitional
 3. Amounts are amounts requested.
 NOTE: Each application on this list will be approved conditioned on financial feasibility, an approved loan amount and terms, as well as any conditions to the award.



MULTI-FAMILY FINANCE PRODUCTION DIVISION
Multifamily Finance Production - 2004 Application Cycle
July Board Summary - Development Information and Public Input Summary
Vistas Apartments

BASIC DEVELOPMENT INFORMATION

Site Address: 1700 Mustang Drive Development #: 04278
 City: Marble Falls Region: 7
 County: Burnet Zip Code: 78654 Population Served: F
 Set Asides: At-Risk Nonprofit Allocation: R USDA Purpose / Activity: NC
 Allocation: R=Rural, U/E=Urban/Exurban. Population: E=Elderly, F=Family, T=Transitional. Activity: NC=New Construction, ACQ=Acquisition, R=Rehab

OWNER AND DEVELOPMENT TEAM

Owner: Marble Falls Vistas Apartments, L.P.
 Mark Mayfield - Phone: (830) 693-4521
 Developer: Marble Falls Vistas Builders, LLC
 Housing GC: G.G. MacDonald, Inc.
 Architect: A. Ray Payne
 Market Analyst: Mark Temple
 Syndicator: Boston Capital Partners, Inc.
 Supp Services Central Texas Affordable Housing Mgmt.
 App Consultant: N/A

UNIT INFORMATION

<u>Eff</u>	<u>1 BR</u>	<u>2 BR</u>	<u>3 BR</u>	<u>4BR+</u>	
0	44	48	32	0	
<u>30%</u>	<u>40%</u>	<u>50%</u>	<u>60%</u>		
3	0	0	121		
Total LI Units:					124
Market Rate Units:					0
Owner/Employee Units:					0
Total Project Units:					124

FUNDING REQUEST INFORMATION

Credits Recommended in an Amount not to exceed

Other Dept. Funds Recommended: Requested, and recommended for, a Housing Trust Fund Rental Development award in an amount not to exceed \$473,235. Loan amount, terms and conditions are subject to final financial feasibility analysis. No Housing Tax Credits are being requested.

All recommendations noted in this report are conditioned on confirmation of feasibility by the Real Estate Analysis Division, an amount (loan, grant and/or credit amount), terms and conditions.

PUBLIC COMMENT SUMMARY

Guide: "O" = Oppose, "S" = Support, "N" = Neutral, "NC" or Blank = No comment

State/Federal Officials with Jurisdiction:

TX Senator: Troy Fraser, District 24 S Points: US Rep.: NC
 TX Representative Suzanna Gratia Hupp, District 54 S Points: US Senator: NC

Local Officials and Other Public Officials:

Mayor/Judge: Nona Fox, Mayor, Marble Falls, S Resolution of Support from Local Government
 David L. Kithil, Burnet County Judge, S
 Ronny Hibler, County Commissioner, Pct. 3, S

Individuals/Businesses In Support: In Opposition:

Neighborhood Input:

All Comments from neighborhoods that submitted letters for Quantifiable Community Participation, whether scored or not, are summarized below. If this section is blank, no letters were received for Quantifiable Community Participation.

General Summary of Comment:

There was broad support from officials. There were no letters of opposition.



MULTI-FAMILY FINANCE PRODUCTION DIVISION
Multifamily Finance Production - 2004 Application Cycle
July Board Summary - Development Information and Public Input Summary
Vistas Apartments

RECOMMENDATION BY THE EXECUTIVE AWARD AND REVIEW ADVISORY COMMITTEE IS BASED ON:

Score: Meeting a Required Set Aside

Explanation: Eligible for funds under the Housing Trust Fund NOFA.

MULTIFAMILY FINANCE PRODUCTION DIVISION
BOARD ACTION REQUEST
July 28, 2004

Action Items

Request approval of fourteen Housing Trust Fund Capacity Building awards.

Required Action

Approve Capacity Building award recommendations.

Background and Recommendations

On May 7, 2004, the Department published a Notice of Funding Available (NOFA) in the amount of \$400,000 for the Housing Trust Fund Capacity Building Program. The ultimate goal and purpose of the Capacity Building Program is to provide funding to nonprofit housing providers for the hiring of staff, technical assistance providers, consultants and the cost of certification programs, which will have a direct impact on the applicant's ability to increase the production of, and increase access to, affordable housing in their community.

The capacity building awards will be made as grants. All funds will be disbursed on a quarterly or one time basis in a manner to be determined after the time of award. Funds will not be disbursed until the Applicant has submitted a letter certifying the hiring of a staff person or consultant, and a resume of the person or consultant hired. Applicants will also be required to file quarterly progress reports with TDHCA, attend at least two approved affordable housing training sessions and attend a final conference to provide feedback and input for the future of the Capacity Building program. If it is determined that the goals stated in the application were not satisfied, the organization will not be eligible for funds in the following year. Of the applications that were submitted, eight of the applicants received Capacity Building funds in a prior year; of those eight, six applicants received funds in 2003 and two applicants received funds in 2002 (but not 2003). None of the applicants received funds in both 2002 and 2003.

Sixteen applications were submitted in response to the NOFA by the June 9, 2004 deadline. The information in the following pages describes the content of each of these applications. The Multifamily Finance Production Division staff reviewed the applications utilizing the scoring criteria outlined in the 2004 Capacity Building Application Submission Procedures Manual. Scoring criteria included proven community support for the organization's purpose, affordable housing needs score for the targeted community, service to rural communities and persons with special needs, targeting of very low income individuals or families, and the applicant's proven commitment to produce affordable housing. Two of the sixteen applications were determined to be ineligible as further described in the following summary.

Staff is recommending funding in the amount of \$410,650 to the fourteen highest scoring proposals. This is \$10,650 more in awards than the amount indicated as available in the

2004 HOUSING TRUST FUND CAPACITY BUILDING APPLICATION SUMMARY

NOFA, however the additional \$10,650 is available from Housing Trust Fund loan repayments. In accordance with the NOFA, the highest scoring application in each of the thirteen Uniform State Service regions is being recommended. There were no applications submitted for regions 4, 8 and 9 and the only applications submitted for regions 5 and 10 are ineligible; therefore, the balance of the available funding is being recommended for the next highest scoring applications, regardless of region. This results in recommending all fourteen eligible applications for funding.

Since the NOFA stated that the awards would be approximately \$30,000 per organization, the recommended grant amount for Habitat for Humanity of Denton County has been reduced to \$30,000 from their requested amount of \$34,500.

A review by the Portfolio Management and Compliance Division has ensured that no applicants have instances of material non-compliance.

2004 HTF CAPACITY BUILDING AWARD RECOMMENDATIONS

Application Number	Organization	Region	City	Area of Assistance	Amount Requested	Amount Recommended	Score
04911	South Plains Community Action Association, Inc.	1	Levelland	Technical Assistance Consultant	\$30,000.00	\$30,000.00	78
04903	Habitat for Humanity of Wichita Falls, Inc.	2	Wichita Falls	Director of Marketing and Research	\$30,000.00	\$30,000.00	22
04913	Ability Resources Incorporated	3	Fort Worth	Technical Assistance Consultant	\$30,000.00	\$30,000.00	59
04912	Denton Affordable Housing Corporation	3	Denton	Special Projects Coordinator/Certification	\$30,000.00	\$30,000.00	48
04909	Affordable Housing of Parker County, Inc.	3	Springtown	Technical Assistance Consultant/Certification	\$30,000.00	\$30,000.00	39
04916	Habitat for Humanity of Denton County	3	Denton	Construction Manager	\$34,500.00	\$30,000.00	28
04907	Montgomery County Women's Center	6	The Woodlands	Technical Assistance Consultant	\$30,000.00	\$30,000.00	29
04906	United Cerebral Palsy of Texas	7	Austin	Integrated Housing Development Associate	\$30,000.00	\$30,000.00	40
04914	Austin Revitalization Authority	7	Austin	Technical Assistance Consultant/Certification	\$25,150.00	\$25,150.00	30
04902	FUTURO Communities, Inc.	11	Uvalde	Technical Assistance Consultant	\$25,500.00	\$25,500.00	73
04910	Midland Community Development Corporation	12	Midland	Construction Manager	\$30,000.00	\$30,000.00	40
04904	Alianza Para El Desarrollo Comunitario, Inc.	13	San Elizario	Housing Program Coordinator	\$30,000.00	\$30,000.00	78
04901	Opportunity Center for the Homeless	13	El Paso	Housing Program Coordinator	\$30,000.00	\$30,000.00	47
04905	The Marvellous Light Corporation	13	El Paso	Technical Assistance Consultants	\$30,000.00	\$30,000.00	42
				Total	\$415,150.00	\$410,650.00	

Ineligible/Terminated Applications:

04908	South East Texas Economic Development District	5	Beaumont		\$30,000.00	\$0	N/A
04915	Accessible Communities Inc.	10	Corpus Christi		\$29,480.00	\$0	N/A

2004 HOUSING TRUST FUND CAPACITY BUILDING APPLICATION SUMMARY

Applicant: South Plains Community Action Association, Inc.
Application Number: 04911
Contact: W.D. Powell, Jr.
411 Austin St.
Levelland, Texas 79336
(806) 894-6104
Region: 1
Area of Assistance: Technical Assistance Consultant
Score: 78
Prior Award History: None
Requested Amount: \$30,000
Recommended Amount: \$30,000

Summary of Application:

South Plains Community Action Association, Inc. is requesting funds to hire a consultant to assist the organization with the development of a comprehensive strategic plan to improve internal operations, increase production and strengthen organizational sustainability. In developing this plan, the consultant will review and assess local affordable housing plans developed by rural communities and create a database containing all information gathered from the research. The consultant will also provide training to current staff on the various affordable housing programs available for use in addressing affordable housing needs.

Applicant: Habitat for Humanity of Wichita Falls, Inc.
Application Number: 04903
Contact: Dan Gray
1206 Lamar
Wichita Falls, Texas 76301
(940) 716-9300
Region: 2
Area of Assistance: Director of Marketing and Research
Score: 27
Prior Award History: Awarded Capacity Building Funds in 2003.
Requested Amount: \$30,000
Recommended Amount: \$30,000

Summary of Application:

Habitat for Humanity of Wichita Falls is applying for funds to continue to pay for staff salary and associated costs for a Director of Marketing and Research (DMR), a position funded with a 2003 Capacity Building grant. The duties of the DMR include expanding Habitat's current house sponsorship program and recruiting new sponsors, incorporating the fundraising plan into the strategic plan, performing research and grant writing activities and producing quarterly newsletters and public service announcements. As a result of this position, Habitat will be able to raise additional funds that will be used towards the creation of eight houses this year.

2004 HOUSING TRUST FUND CAPACITY BUILDING APPLICATION SUMMARY

Applicant:	Ability Resources, Inc.
Application Number:	04913
Contact:	Jesse Seawell 6040 Camp Bowie Blvd., #31 Fort Worth, Texas 76116 (817) 377-1046
Region:	3
Area of Assistance:	Technical Assistance Consultant
Score:	59
Prior Award History:	Awarded Capacity Building Funds in 2003.
Requested Amount:	\$30,000
Recommended Amount:	\$30,000

Summary of Application:

Ability Resources, Inc. (ARI) is applying for funds to continue the work of the Technical Assistance Consultant hired with 2003 Capacity Building Funds. The consultant assisted ARI in the predevelopment phase of Willow Bend Creek Apartments, a 22-unit HUD Section 811 development. Construction is anticipated to commence in three months. The consultant will guide ARI through the construction progress and complete the final closing on all funding sources. The consultant will be responsible for monitoring contractor progress and ensuring requests for payment accurately reflect work completed. The consultant will obtain a certificate of occupancy for the development and work on attaining a ninety-percent rate of occupancy.

Applicant:	Denton Affordable Housing Corporation
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2004 HOUSING TRUST FUND CAPACITY BUILDING APPLICATION SUMMARY

Application Number:	04912
Contact:	Jane Burda Provo 604 North Bell Avenue Denton, TX 76209 (940) 484-7048
Region:	3
Area of Assistance:	Special Projects Coordinator/Certification Program
Score:	48
Prior Award History:	Awarded Capacity Building Funds in 2003.
Requested Amount:	\$30,000
Recommended Amount:	\$30,000

Summary of Application:

Denton Affordable Housing Corporation (DAHC) is applying for funds to continue to pay for staff salary and associated costs for the Special Projects Coordinator (SPC), a position funded with a 2003 Capacity Building grant. The SPC will be able to directly implement and apply the information and knowledge gained from the “Green Building and Residential Energy Efficiency Workshops” designed and delivered throughout the region through the first Capacity Building grant. Specifically, The SPC will work with the architect to incorporate green and energy efficient building techniques and materials as well as barrier-free accessibility features into the design of the ten-unit project to be developed in the fall of 2004. The SPC will also assist with the construction management and oversight of a 14-unit single family development.

In addition to funding the SPC position, a portion of the grant will cover the costs associated with two staff members obtaining certification in Multifamily Residential Development by completing the National Development Council’s *Multifamily Housing Development and Finance Course*. This training and certification will enhance DAHC’s ability to develop and secure financing for the construction of affordable multifamily housing.

Applicant:	Affordable Housing of Parker County, Inc.
Application Number:	04909

2004 HOUSING TRUST FUND CAPACITY BUILDING APPLICATION SUMMARY

Contact: Al Swan
P.O. Box 39
Springtown, Texas 76082
(817) 220-5585

Region: 3

Area of Assistance: Technical Assistance Consultant/Certification Program

Score: 39

Prior Award History: Awarded Capacity Building in 2002

Requested Amount: \$30,000

Recommended Amount: \$30,000

Summary of Application:

Affordable Housing of Parker County (AHPC) is applying for funds to pay for salary costs associated with hiring a technical assistance consultant and costs associated with certifying two employees in green building techniques. The technical assistance consultant will research available alternative housing construction methods, compare anticipated energy savings against construction costs and incorporate building methods/materials into the housing designs. The consultant will generate a report comparing the various alternative building methods researched. Additionally, the consultant will assist AHPC in seeking tax exempt financing for the proposed developments. Specifically, the consultant will meet with banks, prepare financial budgets and pro formas, and secure financing for both interim construction and permanent financing.

The capacity building funds will also pay for two employees of AHPC to be trained and certified in green building techniques and Leadership in Energy and Environmental Design through courses offered by the U.S. Green Building Council. Having trained, certified staff available to AHPC will facilitate effective, energy efficient, building designs for future developments.

2004 HOUSING TRUST FUND CAPACITY BUILDING APPLICATION SUMMARY

Applicant:	Habitat for Humanity of Denton County
Application Number:	04916
Contact:	LeeAnn Heath P.O. Box 425 Denton, Texas 76202 (940) 484-5006
Region:	3
Area of Assistance:	Construction Manager
Score:	28
Prior Award History:	Awarded Capacity Building Funds in 2002
Requested Amount:	\$34,500
Recommended Amount:	\$30,000

Summary of Application:

Habitat for Humanity of Denton County (HHDC) is requesting funds to pay for salary and associated costs for hiring a Construction Manager. HHDC is currently building eight homes a year; however, they are striving to build 18 homes a year for the next five years. A full time Construction Manager is needed to ensure that HHDC has the appropriate capacity to achieve this goal. The Construction Manager will perform the following duties:

- § Provide an overall plan for construction for the year. Communicate this plan with the Building Committee and the Executive Director on a weekly basis.
- § Conduct pre-construction meetings and keep in regular contact with house sponsors and house leaders to assure correct information exchange regarding materials and tools available.
- § Develop cost analysis of each home constructed and explore ways to reduce costs without compromising quality and efficiency.
- § Obtain and secure in-kind donations.
- § Ensure that all necessary policies, procedures and training systems are in place.
- § Work with the Real Estate Committee to purchase appropriate lots for construction and to work with the private sector builders in securing acreage for a subdivision.
- § Assure that all site preparations are completed in time for scheduled construction start dates.

Since the NOFA stated that the awards would be approximately \$30,000 per organization, the recommended award amount has been reduced to \$30,000 from the requested amount of \$34,500.

Applicant:	Montgomery County Women's Center
Application Number:	04907

2004 HOUSING TRUST FUND CAPACITY BUILDING APPLICATION SUMMARY

Contact: Nancy Harrington
P.O. Box 8669
The Woodlands, Texas 77387-8669
(281) 2924155

Region: 6

Area of Assistance: Technical Assistance Consultant

Score: 29

Prior Award History: None

Requested Amount: \$30,000

Recommended Amount: \$30,000

Summary of Application:

Montgomery County Women's Center (MCWC) is requesting funds to hire a consultant to evaluate the feasibility of acquiring or constructing a 20-30 unit apartment complex to be used for transitional housing for homeless victims of family violence who have been residing in the Shelter for Battered Women and Children. The consultant will conduct a feasibility study, make recommendations on site selection and identify potential funding for the project. The consultant will also provide training to the board and staff members on issues related to construction and operation of a low-income housing program. It is expected that at the end of the year, MCWM will be prepared to acquire a site, begin construction and seek funding for ongoing operating costs.

Applicant: United Cerebral Palsy of Texas

Application Number: 04906

Contact: Jean Langendorf

2004 HOUSING TRUST FUND CAPACITY BUILDING APPLICATION SUMMARY

	5555 N. Lamar Blvd., Suite L139
	Austin, Texas 78751
	(512) 472-8696
Region:	7
Area of Assistance:	Integrated Housing Development Associate
Score:	40
Prior Award History:	Awarded Capacity Building Funds in 2003.
Requested Amount:	\$30,000
Recommended Amount:	\$30,000

Summary of Application:

United Cerebral Palsy of Texas (“UCP”) is requesting funds to continue the Integrated Housing Development Associate (“IHDA”) position, which was funded under the 2003 Capacity Building Program. As a result of this position, UCP will submit two competitive applications for fund reservation under HUD’s Section 811 Supportive Housing for Persons with Disabilities program in July 2004. One of the developments is a scattered-site condominium development in Austin, and the other is a scattered-site, single-family development in El Paso. If UCP is awarded Section 811 funds, the IHDA will start the lengthy process of preparing an Application for Firm Commitment. This process includes establishing a single-asset nonprofit owner corporation, hiring an experienced development team, overseeing the design and programming process, managing the predevelopment process (including site surveying, environmental studies and site appraisal), establishing financial accounting procedures, and working with the development team to ensure that the project is within HUD’s budgetary and regulatory guidelines. The IHDA will then assist UCP in the oversight of the construction process, including the preparation of construction draws and cost certification procedures.

In the event that neither UCP Section 811 application is approved by HUD, the IDHA will work with staff and board members to resubmit applications for funding in the spring of 2005. This may require securing different sites, partnering with other local nonprofit organizations and securing additional leveraging. The IHDA will file a Freedom of Information Act request for the rating and ranking information for all Section 811 applications submitted to the Fort Worth and San Antonio HUD offices and provide a detailed analysis of the strengths and weaknesses of the applications.

2004 HOUSING TRUST FUND CAPACITY BUILDING APPLICATION SUMMARY

Applicant:	Austin Revitalization Authority
Application Number:	04914
Contact:	Byron Marshall 1105 Navasota Street Austin, Texas 78702 (512) 469-1705
Region:	7
Area of Assistance:	Technical Assistance Consultant/Certification Program
Score:	30
Prior Award History:	None
Requested Amount:	\$25,150
Recommended Amount:	\$25,150

Summary of Application:

Austin Revitalization Authority (ARA) is requesting capacity building funds to hire a consultant who will develop a comprehensive plan to improve internal operations, increase housing production and strengthen organizational sustainability. ARA will use as the Atlanta Neighborhood Development Partnership (ANDP) as a model. ANDP has a structure similar to ARA and has been involved in the creation of 7,800 units of affordable housing. The consultant will perform the following duties:

- § Assess organizational strengths, weaknesses and opportunities.
- § Analyze operations and the operating environment of the organization and make recommendations for improvements that will facilitate increased housing production.
- § Help ARA create partnerships that will lead to increased housing production.
- § Create a comprehensive fundraising plan, suggesting techniques as well as sources of funds.
- § Provide a road map for creating a pool of funds that could be used to finance affordable housing.
- § Provide examples of mixed-income and mixed-use projects and outline how ARA could replicate similar development in East Austin.
- § Assess how and when ARA should provide technical assistance or loans to other CDCs to facilitate affordable housing.

In addition to hiring this consultant, ARA will send staff to training in housing finance, construction management and asset management. The addition of these skills will enable staff to analyze market trends and assemble funding packages, decreasing the need for outside consultants.

2004 HOUSING TRUST FUND CAPACITY BUILDING APPLICATION SUMMARY

Applicant:	FUTURO Communities, Inc.
Application Number:	04902
Contact:	Tammye Trevino 330 E. Main Uvalde, Texas (830) 278-6817
Region:	11
Area of Assistance:	Technical Assistance Consultant
Score:	73
Prior Award History:	None
Requested Amount:	\$25,500
Recommended Amount:	\$25,500

Summary of Application:

FUTURO Communities, Inc. is requesting funds to hire a consulting firm experienced in the architectural planning and on site construction of earthen block housing. The consultant will:

- § Assist FUTURO in preparing an application for self-help housing utilizing earthen block construction.
- § Train Board of Directors and FUTURO staff in earthen block construction specifications.
- § Arrange on site review of housing developments in El Paso which have utilized earthen block building materials.
- § Prepare building specifications including project design, layout and operations requirements.
- § Train construction foreman in earthen block crafting technology and building methods.

Applicant:	Midland Community Development Corporation
Application Number:	04910

2004 HOUSING TRUST FUND CAPACITY BUILDING APPLICATION SUMMARY

Contact: David Diaz
208 S. Marienfield
Midland, Texas 79701
(432) 682-2520

Region: 12

Area of Assistance: Construction Manager

Score: 40

Prior Award History: None

Requested Amount: \$30,000

Recommended Amount: \$30,000

Summary of Application:

Midland Community Development Corporation is requesting funding to hire a Construction Manager. The Construction Manager will oversee and administer all activities associated with the construction and maintenance of all housing developments. The Construction Manager will also provide inspection services to determine the scope and nature of the proposed project and develop all construction policies and procedures in accordance with local and state laws. The Construction Manager will help Midland CDC achieve its goal of developing 20 new homes annually. Additionally, the City of Midland Community Development Department has offered the services of its own Program Specialist/Housing Inspector as a resource and advisor for the proposed Construction Manager.

Applicant: Alianza Para El Desarrollo Comunitario, Inc.

Application Number: 04904

Contact: Daniel Solis
825 Bob Neill
San Elizario, Texas 79849
(915) 851-8334

Region: 13

Area of Assistance: Housing Program Coordinator

Score: 78

Prior Award History: None

Requested Amount: \$30,000

Recommended Amount: \$30,000

Summary of Application:

Alianza Para El Desarrollo Comunitario, Inc. is applying for funds to pay for staff salary and related costs for a Housing Program Coordinator (HPC). The HPC will create a 5-year Housing Program Strategic Plan. Upon approval of the strategic plan, the HPC will be responsible for the acquisition of funds and the management of housing developments on the programmatic and fiscal sides. With the addition of this position, Alianza expects to build 10-20 homes within one year.

Applicant: Opportunity Center for the Homeless

Application Number: 04901

Contact: Raymond Tullius, Jr.

2004 HOUSING TRUST FUND CAPACITY BUILDING APPLICATION SUMMARY

	PO Box 63
	El Paso, Texas 79941-0063
	(915) 577-0357
Region:	13
Area of Assistance:	Housing Program Coordinator
Score:	47
Prior Award History:	None
Requested Amount:	\$30,000
Recommended Amount:	\$30,000

Summary of Application:

Opportunity Center for the Homeless is applying for funds to pay for staff salary and associated costs for a Housing Program Coordinator (HPC). The HPC will develop a long term housing plan for the Center. The plan will include the review and recommendations of policy and procedural changes for the currently operated housing programs and the research and development of a long term affordable housing strategy for the center. Currently the Center is in the final phases of the pre-development of a Women's Center consisting of twelve single room occupancy units and ten transitional units with construction to begin in late summer 2004. The HPC will monitor the development of this center, including coordinating with the architect and contractor, working on the creation of residency guidelines and assisting in the management of the facility.

Applicant:	Marvelous Light Corporation
Application Number:	04905
Contact:	James Millender 1401 Geronimo Dr. El Paso, Texas 79905 (915) 772-5995
Region:	13
Area of Assistance:	Technical Assistance Consultants
Score:	42
Prior Award History:	Awarded Capacity Building Funds in 2003.
Requested Amount:	\$30,000
Recommended Amount:	\$30,000

Summary of Application:

Marvelous Light Corporation is applying for funds to continue the work of the two Technical Assistance Consultants (TAC) funded with 2003 Capacity Building funds. The first TAC will continue to provide construction management oversight services, prepare grant funding applications and negotiate construction contracts. The second TAC will prepare grant applications and construction loan requests, coordinate acquisition of land for housing developments and coordinate supportive service activities.

Ineligible Applicants:

Applicant:	South East Texas Economic Development District
Application Number:	04908

2004 HOUSING TRUST FUND CAPACITY BUILDING APPLICATION SUMMARY

Contact: Candye Anderson
2210 Eastex Freeway
Beaumont, Texas 77703
(409) 899-8444

Region: 5
Requested Amount: \$30,000
Recommended Amount: \$0

Summary of Application:

This application is ineligible because the Applicant is not exempt from taxation under Section 501(c)(3) or (4) of the Internal Revenue Code and their articles of incorporation do not specifically state that the development of affordable housing is one of the entity's purposes.

Applicant: Accessible Communities, Inc.
Application Number: 04915
Contact: Judy Telge
1537 Seventh Street
Corpus Christi, Texas 78404
(361) 883-8461

Region: 10
Requested Amount: \$29,480
Recommended Amount: 0

Summary of Application:

This application is not eligible because the applicant is proposing to use the funds to provide consulting services to another organization which does not meet the eligibility requirements.

Applicant Evaluation

Project ID # **04901** Name: **Opportunity Center for the Homele** City: **El Paso**

LIHTC 9% LIHTC 4% HOME BOND HTF SECO ESGP Other

No Previous Participation in Texas Members of the development team have been disbarred by HUD

Members of the application did not receive the required Previous Participation Acknowledgement

National Previous Participation Certification Received: N/A Yes No

Noncompliance Reported on National Previous Participation Certification: Yes No

Portfolio Management and Compliance

Total # of Projects monitored: 2

Projects in Material Noncompliance

Yes No

in noncompliance: 0

Projects zero to nine: 1

grouped ten to nineteen: 1

by score twenty to twenty-nine: 0

monitored with a score less than thirty: 2

not yet monitored or pending review: 0

Projects not reported Yes
in application No

of projects not reported 0

Portfolio Monitoring

Not applicable

Review pending

No unresolved issues

Unresolved issues found

Unresolved issues found that warrant disqualification
(Comments attached)

Single Audit

Not applicable

Review pending

No unresolved issues

Issues found regarding late cert

Issues found regarding late audit

Unresolved issues found that warrant disqualification
(Comments attached)

Portfolio Administration/Analysis

Not applicable

Review pending

No unresolved issues

Unresolved issues found

Unresolved issues found that warrant disqualification
(Comments attached)

Reviewed by Jo En Taylor

Date 7/15/2004

Multifamily Finance Production

Not applicable

Review pending

No unresolved issues

Unresolved issues found

Unresolved issues found that warrant disqualification
(Comments attached)

Reviewer S. Roth

Date 7/12/2004

Single Family Finance Production

Not applicable

Review pending

No unresolved issues

Unresolved issues found

Unresolved issues found that warrant disqualification
(Comments attached)

Reviewer _____

Date _____

Real Estate Analysis (Cost Certification and Workout)

Not applicable

Review pending

No unresolved issues

Unresolved issues found

Unresolved issues found that warrant disqualification
(Comments attached)

Reviewer _____

Date _____

Community Affairs

No relationship

Review pending

No unresolved issues

Unresolved issues found

Unresolved issues found that warrant disqualification
(Comments attached)

Reviewer EEF

Date 7/14/2004

Office of Colonia Initiatives

Not applicable

Review pending

No unresolved issues

Unresolved issues found

Unresolved issues found that warrant disqualification
(Comments attached)

Reviewer _____

Date _____

Financial Administration

No delinquencies found

Delinquencies found

Reviewer Stephanie A. D'Couto

Date 7/13/2004

Executive Director: Edwina Carrington

Executed: Thursday, July 15, 2004

Applicant Evaluation

Project ID # **04902**

Name: **FUTURO Communities, Inc.**

City: **Uvalde**

LIHTC 9% LIHTC 4% HOME BOND HTF SECO ESGP Other

No Previous Participation in Texas Members of the development team have been disbarred by HUD

Members of the application did not receive the required Previous Participation Acknowledgement

National Previous Participation Certification Received: N/A Yes No

Noncompliance Reported on National Previous Participation Certification: Yes No

Portfolio Management and Compliance

Total # of Projects monitored: 0

Projects in Material Noncompliance

Yes No

in noncompliance: 0

Projects zero to nine: 0
grouped ten to nineteen: 0
by score twenty to twenty-nine: 0

monitored with a score less than thirty: 0

Projects not reported Yes
in application No

not yet monitored or pending review: 1

of projects not reported 0

Portfolio Monitoring

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Single Audit

Not applicable
Review pending
No unresolved issues
Issues found regarding late cert
Issues found regarding late audit
Unresolved issues found that warrant disqualification (Comments attached)

Portfolio Administration/Analysis

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewed by Jo En Taylor

Date 7/15/2004

Multifamily Finance Production

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer S. Roth
Date 7/12/2004

Single Family Finance Production

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer _____
Date _____

Real Estate Analysis (Cost Certification and Workout)

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer _____
Date _____

Community Affairs

No relationship
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer EEF
Date 7/14/2004

Office of Colonia Initiatives

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer _____
Date _____

Financial Administration

No delinquencies found
Delinquencies found

Reviewer Stephanie A. D'Couto
Date 7/13/2004

Executive Director: Edwina Carrington

Executed: Thursday, July 15, 2004

Applicant Evaluation

Project ID # **04903** Name: **Habitat for Humanity of Wichita F** City: **Wichita Falls**

LIHTC 9% LIHTC 4% HOME BOND HTF SECO ESGP Other

No Previous Participation in Texas Members of the development team have been disbarred by HUD

Members of the application did not receive the required Previous Participation Acknowledgement

National Previous Participation Certification Received: N/A Yes No

Noncompliance Reported on National Previous Participation Certification: Yes No

Portfolio Management and Compliance

Total # of Projects monitored: 0

Projects in Material Noncompliance

Yes No

in noncompliance: 0

Projects zero to nine: 0
grouped ten to nineteen: 0
by score twenty to twenty-nine: 0

monitored with a score less than thirty: 0

Projects not reported Yes
in application No

not yet monitored or pending review: 0

of projects not reported 0

Portfolio Monitoring

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Single Audit

Not applicable
Review pending
No unresolved issues
Issues found regarding late cert
Issues found regarding late audit
Unresolved issues found that warrant disqualification (Comments attached)

Portfolio Administration/Analysis

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewed by Jo En Taylor

Date 7/15/2004

Multifamily Finance Production

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer S. Roth
Date 7/12/2004

Single Family Finance Production

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer _____
Date _____

Real Estate Analysis (Cost Certification and Workout)

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer _____
Date _____

Community Affairs

No relationship
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer EEF
Date 7/14/2004

Office of Colonia Initiatives

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer _____
Date _____

Financial Administration

No delinquencies found
Delinquencies found

Reviewer Stephanie A. D'Couto
Date 7/13/2004

Executive Director: Edwina Carrington

Executed: Thursday, July 15, 2004

Applicant Evaluation

Project ID # **04904**

Name: **Alianza Para El Desarrollo Comuni**

City: **San Elizario**

LIHTC 9% LIHTC 4% HOME BOND HTF SECO ESGP Other

No Previous Participation in Texas Members of the development team have been disbarred by HUD

Members of the application did not receive the required Previous Participation Acknowledgement

National Previous Participation Certification Received: N/A Yes No

Noncompliance Reported on National Previous Participation Certification: Yes No

Portfolio Management and Compliance

Total # of Projects monitored: 0

Projects in Material Noncompliance

Yes No

in noncompliance: 0

Projects zero to nine: 0
grouped ten to nineteen: 0
by score twenty to twenty-nine: 0

monitored with a score less than thirty: 0

Projects not reported Yes
in application No

not yet monitored or pending review: 0

of projects not reported 0

Portfolio Monitoring

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Single Audit

Not applicable
Review pending
No unresolved issues
Issues found regarding late cert
Issues found regarding late audit
Unresolved issues found that warrant disqualification (Comments attached)

Portfolio Administration/Analysis

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewed by Jo En Taylor

Date 7/15/2004

Multifamily Finance Production

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer S. Roth
Date 7/12/2004

Single Family Finance Production

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer _____
Date _____

Real Estate Analysis (Cost Certification and Workout)

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer _____
Date _____

Community Affairs

No relationship
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer EEF
Date 7/14/2004

Office of Colonia Initiatives

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer _____
Date _____

Financial Administration

No delinquencies found
Delinquencies found

Reviewer Stephanie A. D'Couto
Date 7/13/2004

Executive Director: Edwina Carrington

Executed: Thursday, July 15, 2004

Applicant Evaluation

Project ID # **04905** Name: **The Marvellous Light Corporation** City: **El Paso**

LIHTC 9% LIHTC 4% HOME BOND HTF SECO ESGP Other

No Previous Participation in Texas Members of the development team have been disbarred by HUD

Members of the application did not receive the required Previous Participation Acknowledgement

National Previous Participation Certification Received: N/A Yes No

Noncompliance Reported on National Previous Participation Certification: Yes No

Portfolio Management and Compliance

Total # of Projects monitored: 24

Projects in Material Noncompliance

Yes No

in noncompliance: 0

Projects zero to nine: 22

grouped ten to nineteen: 2

by score twenty to twenty-nine: 0

monitored with a score less than thirty: 24

not yet monitored or pending review: 2

Projects not reported Yes
in application No

of projects not reported 0

Portfolio Monitoring

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

Single Audit

Not applicable
Review pending
No unresolved issues
Issues found regarding late cert
Issues found regarding late audit
Unresolved issues found that
warrant disqualification
(Comments attached)

Portfolio Administration/Analysis

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

Reviewed by Jo En Taylor

Date 7/15/2004

Multifamily Finance Production

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

Reviewer S. Roth

Date 7/12/2004

Single Family Finance Production

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

Reviewer _____

Date _____

Real Estate Analysis (Cost Certification and Workout)

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

Reviewer _____

Date _____

Community Affairs

No relationship
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

Reviewer EEF

Date 7/14/2004

Office of Colonia Initiatives

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

Reviewer _____

Date _____

Financial Administration

No delinquencies found
Delinquencies found

Reviewer Stephanie A. D'Couto

Date 7/13/2004

Executive Director: Edwina Carrington

Executed: Thursday, July 15, 2004

Applicant Evaluation

Project ID # **04907** Name: **Montgomery County Women's Cen** City: **The Woodlands**

LIHTC 9% LIHTC 4% HOME BOND HTF SECO ESGP Other

No Previous Participation in Texas Members of the development team have been disbarred by HUD

Members of the application did not receive the required Previous Participation Acknowledgement

National Previous Participation Certification Received: N/A Yes No

Noncompliance Reported on National Previous Participation Certification: Yes No

Portfolio Management and Compliance

Total # of Projects monitored: 0

Projects in Material Noncompliance

Yes No

in noncompliance: 0

Projects zero to nine: 0
grouped ten to nineteen: 0
by score twenty to twenty-nine: 0

monitored with a score less than thirty: 0

Projects not reported Yes
in application No

not yet monitored or pending review: 0

of projects not reported 0

Portfolio Monitoring

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Single Audit

Not applicable
Review pending
No unresolved issues
Issues found regarding late cert
Issues found regarding late audit
Unresolved issues found that warrant disqualification (Comments attached)

Portfolio Administration/Analysis

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewed by Jo En Taylor

Date 7/15/2004

Multifamily Finance Production

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer S. Roth
Date 7/12/2004

Single Family Finance Production

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer _____
Date _____

Real Estate Analysis (Cost Certification and Workout)

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer _____
Date _____

Community Affairs

No relationship
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer EEF
Date 7/14/2004

Office of Colonia Initiatives

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer _____
Date _____

Financial Administration

No delinquencies found
Delinquencies found

Reviewer Stephanie A. D'Couto
Date 7/13/2004

Executive Director: Edwina Carrington

Executed: Thursday, July 15, 2004

Applicant Evaluation

Project ID # **04908** Name: **South East TX Economic Developm** City: **Beaumont**

LIHTC 9% LIHTC 4% HOME BOND HTF SECO ESGP Other

No Previous Participation in Texas Members of the development team have been disbarred by HUD

Members of the application did not receive the required Previous Participation Acknowledgement

National Previous Participation Certification Received: N/A Yes No

Noncompliance Reported on National Previous Participation Certification: Yes No

Portfolio Management and Compliance

Total # of Projects monitored: 0

Projects in Material Noncompliance

Yes No

in noncompliance: 0

Projects zero to nine: 0
grouped ten to nineteen: 0
by score twenty to twenty-nine: 0

monitored with a score less than thirty: 0

Projects not reported Yes
in application No

not yet monitored or pending review: 0

of projects not reported 0

Portfolio Monitoring

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

Single Audit

Not applicable
Review pending
No unresolved issues
Issues found regarding late cert
Issues found regarding late audit
Unresolved issues found that
warrant disqualification
(Comments attached)

Portfolio Administration/Analysis

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

Reviewed by Jo En Taylor

Date 7/15/2004

Multifamily Finance Production

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

Reviewer S. Roth
Date 7/12/2004

Single Family Finance Production

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

Reviewer _____
Date _____

Real Estate Analysis (Cost Certification and Workout)

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

Reviewer _____
Date _____

Community Affairs

No relationship
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

Reviewer EEF
Date 7/14/2004

Office of Colonia Initiatives

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

Reviewer _____
Date _____

Financial Administration

No delinquencies found
Delinquencies found

Reviewer Stephanie A. D'Couto
Date 7/13/2004

Executive Director: Edwina Carrington

Executed: Thursday, July 15, 2004

Applicant Evaluation

Project ID # **04909**

Name: **Affordable Housing of Parker Cou**

City: **Springtown**

LIHTC 9% LIHTC 4% HOME BOND HTF SECO ESGP Other

No Previous Participation in Texas Members of the development team have been disbarred by HUD

Members of the application did not receive the required Previous Participation Acknowledgement

National Previous Participation Certification Received: N/A Yes No

Noncompliance Reported on National Previous Participation Certification: Yes No

Portfolio Management and Compliance

Total # of Projects monitored: 2

Projects in Material Noncompliance

Yes No

in noncompliance: 0

Projects zero to nine: 2
grouped ten to nineteen: 0
by score twenty to twenty-nine: 0

monitored with a score less than thirty: 2

Projects not reported Yes
in application No

not yet monitored or pending review: 7

of projects not reported 0

Portfolio Monitoring

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Single Audit

Not applicable
Review pending
No unresolved issues
Issues found regarding late cert
Issues found regarding late audit
Unresolved issues found that warrant disqualification (Comments attached)

Portfolio Administration/Analysis

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewed by Jo En Taylor

Date 7/15/2004

Multifamily Finance Production

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer S. Roth
Date 7/12/2004

Single Family Finance Production

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer _____
Date _____

Real Estate Analysis (Cost Certification and Workout)

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer _____
Date _____

Community Affairs

No relationship
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer EEF
Date 7/14/2004

Office of Colonia Initiatives

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer _____
Date _____

Financial Administration

No delinquencies found
Delinquencies found

Reviewer Stephanie A. D'Couto
Date 7/13/2004

Executive Director: Edwina Carrington

Executed: Thursday, July 15, 2004

Applicant Evaluation

Project ID # **04910** Name: **Midland Community Development** City: **Midland**

LIHTC 9% LIHTC 4% HOME BOND HTF SECO ESGP Other

No Previous Participation in Texas Members of the development team have been disbarred by HUD

Members of the application did not receive the required Previous Participation Acknowledgement

National Previous Participation Certification Received: N/A Yes No

Noncompliance Reported on National Previous Participation Certification: Yes No

Portfolio Management and Compliance

Total # of Projects monitored: 0

Projects in Material Noncompliance

Yes No

in noncompliance: 0

Projects zero to nine: 0
grouped ten to nineteen: 0
by score twenty to twenty-nine: 0

monitored with a score less than thirty: 0

Projects not reported Yes
in application No

not yet monitored or pending review: 2

of projects not reported 0

Portfolio Monitoring

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Single Audit

Not applicable
Review pending
No unresolved issues
Issues found regarding late cert
Issues found regarding late audit
Unresolved issues found that warrant disqualification (Comments attached)

Portfolio Administration/Analysis

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewed by Jo En Taylor

Date 7/15/2004

Multifamily Finance Production

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer S. Roth
Date 7/12/2004

Single Family Finance Production

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer _____
Date _____

Real Estate Analysis (Cost Certification and Workout)

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer _____
Date _____

Community Affairs

No relationship
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer EEF
Date 7/14/2004

Office of Colonia Initiatives

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer _____
Date _____

Financial Administration

No delinquencies found
Delinquencies found

Reviewer Stephanie A. D'Couto
Date 7/13/2004

Executive Director: Edwina Carrington

Executed: Thursday, July 15, 2004

Applicant Evaluation

Project ID # **04911** Name: **South Plains Community Action As** City: **Levelland**

LIHTC 9% LIHTC 4% HOME BOND HTF SECO ESGP Other

No Previous Participation in Texas Members of the development team have been disbarred by HUD

Members of the application did not receive the required Previous Participation Acknowledgement

National Previous Participation Certification Received: N/A Yes No

Noncompliance Reported on National Previous Participation Certification: Yes No

Portfolio Management and Compliance

Total # of Projects monitored: 8

Projects in Material Noncompliance

Yes No

in noncompliance: 0

Projects zero to nine: 7

grouped ten to nineteen: 1

by score twenty to twenty-nine: 0

monitored with a score less than thirty: 8

not yet monitored or pending review: 0

Projects not reported Yes
in application No

of projects not reported 0

Portfolio Monitoring

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Single Audit

Not applicable
Review pending
No unresolved issues
Issues found regarding late cert
Issues found regarding late audit
Unresolved issues found that warrant disqualification (Comments attached)

Portfolio Administration/Analysis

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewed by Jo En Taylor

Date 7/15/2004

Multifamily Finance Production

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer S. Roth

Date 7/12/2004

Single Family Finance Production

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer _____

Date _____

Real Estate Analysis (Cost Certification and Workout)

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer _____

Date _____

Community Affairs

No relationship
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer EEF

Date 7/14/2004

Office of Colonia Initiatives

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer _____

Date _____

Financial Administration

No delinquencies found
Delinquencies found

Reviewer Stephanie A. D'Couto

Date 7/13/2004

Executive Director: Edwina Carrington

Executed: Thursday, July 15, 2004

Applicant Evaluation

Project ID # **04912** Name: **Denton Affordable Housing Corpor** City: **Denton**

LIHTC 9% LIHTC 4% HOME BOND HTF SECO ESGP Other

No Previous Participation in Texas Members of the development team have been disbarred by HUD

Members of the application did not receive the required Previous Participation Acknowledgement

National Previous Participation Certification Received: N/A Yes No

Noncompliance Reported on National Previous Participation Certification: Yes No

Portfolio Management and Compliance

Total # of Projects monitored: 3

Projects in Material Noncompliance

Yes No

in noncompliance: 0

Projects zero to nine: 3
grouped ten to nineteen: 0
by score twenty to twenty-nine: 0

monitored with a score less than thirty: 3

Projects not reported Yes
in application No

not yet monitored or pending review: 1

of projects not reported 0

Portfolio Monitoring

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification
(Comments attached)

Single Audit

Not applicable
Review pending
No unresolved issues
Issues found regarding late cert
Issues found regarding late audit
Unresolved issues found that warrant disqualification
(Comments attached)

Portfolio Administration/Analysis

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification
(Comments attached)

Reviewed by Jo En Taylor

Date 7/15/2004

Multifamily Finance Production

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification
(Comments attached)

Reviewer S. Roth
Date 7/12/2004

Single Family Finance Production

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification
(Comments attached)

Reviewer _____
Date _____

Real Estate Analysis (Cost Certification and Workout)

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification
(Comments attached)

Reviewer _____
Date _____

Community Affairs

No relationship
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification
(Comments attached)

Reviewer EEF
Date 7/14/2004

Office of Colonia Initiatives

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification
(Comments attached)

Reviewer _____
Date _____

Financial Administration

No delinquencies found
Delinquencies found

Reviewer Stephanie A. D'Couto
Date 7/13/2004

Executive Director: Edwina Carrington

Executed: Thursday, July 15, 2004

Applicant Evaluation

Project ID # **04913**

Name: **Ability Resources Incorporated**

City: **Fort Worth**

LIHTC 9% LIHTC 4% HOME BOND HTF SECO ESGP Other

No Previous Participation in Texas Members of the development team have been disbarred by HUD

Members of the application did not receive the required Previous Participation Acknowledgement

National Previous Participation Certification Received: N/A Yes No

Noncompliance Reported on National Previous Participation Certification: Yes No

Portfolio Management and Compliance

Total # of Projects monitored: 1

Projects in Material Noncompliance

Yes No

in noncompliance: 0

Projects zero to nine: 1
grouped ten to nineteen: 0
by score twenty to twenty-nine: 0

monitored with a score less than thirty: 1

Projects not reported Yes
in application No

not yet monitored or pending review: 3

of projects not reported 0

Portfolio Monitoring

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Single Audit

Not applicable
Review pending
No unresolved issues
Issues found regarding late cert
Issues found regarding late audit
Unresolved issues found that warrant disqualification (Comments attached)

Portfolio Administration/Analysis

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewed by Jo En Taylor

Date 7/15/2004

Multifamily Finance Production

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer S. Roth
Date 7/12/2004

Single Family Finance Production

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer _____
Date _____

Real Estate Analysis (Cost Certification and Workout)

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer _____
Date _____

Community Affairs

No relationship
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer EEF
Date 7/14/2004

Office of Colonia Initiatives

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer _____
Date _____

Financial Administration

No delinquencies found
Delinquencies found

Reviewer Stephanie A. D'Couto
Date 7/13/2004

Executive Director: Edwina Carrington

Executed: Thursday, July 15, 2004

Applicant Evaluation

Project ID # **04914**

Name: **Austin Revitalization Authority**

City: **Austin**

LIHTC 9% LIHTC 4% HOME BOND HTF SECO ESGP Other

No Previous Participation in Texas Members of the development team have been disbarred by HUD

Members of the application did not receive the required Previous Participation Acknowledgement

National Previous Participation Certification Received: N/A Yes No

Noncompliance Reported on National Previous Participation Certification: Yes No

Portfolio Management and Compliance

Total # of Projects monitored: 0

Projects in Material Noncompliance

Yes No

in noncompliance: 0

Projects zero to nine: 0
grouped ten to nineteen: 0
by score twenty to twenty-nine: 0

monitored with a score less than thirty: 0

Projects not reported Yes
in application No

not yet monitored or pending review: 0

of projects not reported 0

Portfolio Monitoring

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

Single Audit

Not applicable
Review pending
No unresolved issues
Issues found regarding late cert
Issues found regarding late audit
Unresolved issues found that
warrant disqualification
(Comments attached)

Portfolio Administration/Analysis

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

Reviewed by Jo En Taylor

Date 7/15/2004

Multifamily Finance Production

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

Reviewer S. Roth
Date 7/12/2004

Single Family Finance Production

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

Reviewer _____
Date _____

Real Estate Analysis (Cost Certification and Workout)

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

Reviewer _____
Date _____

Community Affairs

No relationship
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

Reviewer EEF
Date 7/14/2004

Office of Colonia Initiatives

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that
warrant disqualification
(Comments attached)

Reviewer _____
Date _____

Financial Administration

No delinquencies found
Delinquencies found

Reviewer Stephanie A. D'Couto
Date 7/13/2004

Executive Director: Edwina Carrington

Executed: Thursday, July 15, 2004

Applicant Evaluation

Project ID # **04915**

Name: **Accessible Communities Inc.**

City: **Corpus Christi**

LIHTC 9% LIHTC 4% HOME BOND HTF SECO ESGP Other

No Previous Participation in Texas Members of the development team have been disbarred by HUD

Members of the application did not receive the required Previous Participation Acknowledgement

National Previous Participation Certification Received: N/A Yes No

Noncompliance Reported on National Previous Participation Certification: Yes No

Portfolio Management and Compliance

Total # of Projects monitored: 0

Projects in Material Noncompliance

Yes No

in noncompliance: 0

Projects zero to nine: 0
grouped ten to nineteen: 0
by score twenty to twenty-nine: 0

monitored with a score less than thirty: 0

Projects not reported Yes
in application No

not yet monitored or pending review: 0

of projects not reported 0

Portfolio Monitoring

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Single Audit

Not applicable
Review pending
No unresolved issues
Issues found regarding late cert
Issues found regarding late audit
Unresolved issues found that warrant disqualification (Comments attached)

Portfolio Administration/Analysis

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewed by Jo En Taylor

Date 7/15/2004

Multifamily Finance Production

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer S. Roth
Date 7/12/2004

Single Family Finance Production

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer _____
Date _____

Real Estate Analysis (Cost Certification and Workout)

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer _____
Date _____

Community Affairs

No relationship
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer EEF
Date 7/14/2004

Office of Colonia Initiatives

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer _____
Date _____

Financial Administration

No delinquencies found
Delinquencies found

Reviewer Stephanie A. D'Couto
Date 7/13/2004

Executive Director: Edwina Carrington

Executed: Thursday, July 15, 2004

Applicant Evaluation

Project ID # **04916** Name: **Habitat for Humanity of Denton Co** City: **Denton**

LIHTC 9% LIHTC 4% HOME BOND HTF SECO ESGP Other

No Previous Participation in Texas Members of the development team have been disbarred by HUD

Members of the application did not receive the required Previous Participation Acknowledgement

National Previous Participation Certification Received: N/A Yes No

Noncompliance Reported on National Previous Participation Certification: Yes No

Portfolio Management and Compliance

Total # of Projects monitored: 0

Projects in Material Noncompliance

Yes No

in noncompliance: 0

Projects zero to nine: 0
grouped ten to nineteen: 0
by score twenty to twenty-nine: 0

monitored with a score less than thirty: 0

Projects not reported Yes
in application No

not yet monitored or pending review: 0

of projects not reported 0

Portfolio Monitoring

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Single Audit

Not applicable
Review pending
No unresolved issues
Issues found regarding late cert
Issues found regarding late audit
Unresolved issues found that warrant disqualification (Comments attached)

Portfolio Administration/Analysis

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewed by Jo En Taylor

Date 7/15/2004

Multifamily Finance Production

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer S. Roth
Date 7/12/2004

Single Family Finance Production

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer _____
Date _____

Real Estate Analysis (Cost Certification and Workout)

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer _____
Date _____

Community Affairs

No relationship
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer EEF
Date 7/14/2004

Office of Colonia Initiatives

Not applicable
Review pending
No unresolved issues
Unresolved issues found
Unresolved issues found that warrant disqualification (Comments attached)

Reviewer _____
Date _____

Financial Administration

No delinquencies found
Delinquencies found

Reviewer Stephanie A. D'Couto
Date 7/13/2004

Executive Director: Edwina Carrington

Executed: Thursday, July 15, 2004

MULTIFAMILY FINANCE PRODUCTION DIVISION

BOARD ACTION REQUEST

July 28, 2004

Action Items

Request approval of one HOME CHDO Rental Housing Development award.

Required Action

Approve or deny, subject to final underwriting, the recommended application for HOME CHDO Rental Housing Development funds.

Background and Recommendations

On April 7, 2004, The Texas Department of Housing and Community Affairs (Department) announced the availability of approximately \$9,000,000 for the Community Housing Development Organization (CHDO) Rental Development open cycle for the HOME Investment Partnerships Program (HOME).

All funds under this open cycle Notice of Funding Availability (NOFA) will be utilized for Rental Housing Developments. The Department has completed the review of one application that is eligible for funding; in addition to meeting all threshold criteria the development is located outside of, and not eligible for funding from, a participating jurisdiction as required by §2306.111(c) of the Texas Government Code, and the 2004 HOME One-Year Action Plan. The Department has received one additional application that is pending review and is providing technical assistance to a number of other CHDOs planning to respond to the NOFA. The Department will continue to accept applications on an ongoing basis until all available funds have been allocated by the Department's Board.

Staff recommends that the one application that has been reviewed for threshold criteria and is eligible, Lexington Courts, region 4, Housing Tax Credit application 04194, be approved for a commitment for funding conditioned on a final review for financial feasibility. The fulfillment of the commitment will be subject to the Department's final review of financial feasibility and the commitment of additional funding sources and/or tax credits requested by the applicant. The total loan amount requested is \$1,500,000. This award will assist in the creation of 80 affordable housing units. This recommendation is subject to the application's receipt of Housing Tax Credits.

In addition to the HOME CHDO Rental Development Funds, the Department may use 5% of its annual HOME allocation to support CHDOs through the provision of a CHDO Operating Support grant. Applicants may request up to \$50,000 or 50% of their total annual operating expenses, whichever is greater, in the form of a grant. Currently, the applicant under review has asked for an amount of \$75,000 in CHDO Operating Support. Staff recommends the full award be given to the applicant and that the grant be contingent on the completion of the proposed Rental Housing Development with the use of HOME funds.

Note: The Development Information Summary for the application (which also has a Tax Credit application) is found at the Tax Credit Recommendations agenda item.

July 28, 2004 HOME CHDO Rental Development Award Recommendations

TDHCA #	Combined Apps			Project Location			Total # of Units	Loan Amount Requested	CHDO Operating Grant Request	Rate	Terms	Other Details	
	HTC	HTF	Other	Project Name	Region	County							City
4194	Y			Lexington Court	4	Gregg	Kilgore	3407 US Highway 259 North	\$1,500,000	\$75,000	0%	40	Recommend Funding

MULTIFAMILY FINANCE PRODUCTION DIVISION
BOARD ACTION REQUEST
July 28, 2004

Action Items

Request approval of six HOME Rental Preservation Development awards.

Required Action

Approve or deny, subject to underwriting, the list of recommended applications for HOME Preservation funds.

Background and Recommendations

On April 7, 2004, The Texas Department of Housing and Community Affairs (Department) announced the availability of approximately \$9,000,000 for the preservation and rehabilitation of existing affordable multifamily developments through an open cycle for the HOME Investment Partnerships Program (HOME).

All funds under this open cycle Notice of Funding Availability (NOFA) will be utilized for the rehabilitation and preservation of existing Rental Housing Developments. The Department has reviewed six applications for developments that are located outside of, and not eligible for funding from, a participating jurisdiction as required by §2306.111(c) of the Texas Government Code, and the 2004 HOME One-Year Action Plan. These six applications meet all of the threshold and eligibility requirements. The Department will continue to accept applications on an ongoing basis until all available funds have been allocated by the Department's Board.

Staff recommends that all six applications be approved for a commitment for funding conditioned on a final review for financial feasibility. The fulfillment of all commitments will be subject to the Department's final review of financial feasibility and the commitment of additional funding sources and/or tax credits requested by the applicants. This recommendation is subject to the application's receipt of Housing Tax Credits. The total amount requested equals \$2,835,000. These awards will cumulatively preserve 259 affordable housing units in 4 State Service Regions and 6 Counties. All of the communities impacted by these awards are rural in nature.

Note: The Development Information Summaries for each application (all of which have Tax Credit applications) are found at the Tax Credit Recommendations agenda item.

July 28, 2004 HOME Preservation Rental Development Award Recommendations

TDHCA #	Combined Apps		Project Location				Total # of Units	Loan Amount Requested	Rate	Terms	Other Details		
	HTC	HTF	Other	Project Name	Region	County						City	Street Address
4295	Y			La Mirage Villas	1	Ochiltree	Perryton	309 SE 15th Street	47	\$500,000	2%	30	Recommend Funding
4288	Y			Brianwood Apartments	3	Kaufman	Kaufman	513 E. 6th Street	48	\$500,000	2%	30	Recommend Funding
4283	Y			Waller County Shady Oaks Apartments	6	Waller	Prairie View	506 Ellen Powwew Dr.	40	\$465,000	1%	30	Recommend Funding
4279	Y			Golden Manor Apartments	6	Matagorda	Bay City	800 Ave. H	40	\$400,000	1%	30	Recommend Funding
4275	Y			Bahia Palms Apartments	11	Cameron	Laguna Vista	1303 Piro Dr.	64	\$650,000	2%	30	Recommend Funding
4287	Y			Vista Hermosa Apatments	11	Maverick	Eagle Pass	820 N. Bibb	20	\$320,000	2%	30	Recommend Funding
Totals									259	\$2,835,000			

SINGLE FAMILY FINANCE PRODUCTION DIVISION

BOARD ACTION REQUEST

July 28, 2004

Action Items

Request approval of seven (7) 2004 Disaster Relief Program Award Recommendations for Owner Occupied Assistance (OCC) utilizing deobligated HOME funds, for total awards in the amount of \$3,532,464.00.

Required Action

Approve the Disaster Relief Program Award Recommendations.

Breakdown and Recommendations

Summary

There are a total of seven (7) Disaster Relief Program applications submitted to the Department requesting funding for three (3) separate disasters. Cameron County is applying under the State Declared disaster for severe storms and flooding that occurred from September 18-22, 2003. They are requesting \$500,000.00 in project funds and \$20,000 in administrative funds. Newton County is applying under the State Declared disaster for storms and tornadoes that occurred on November 26, 2003. They are requesting \$421,600.00 in project funds and \$16,864.00 in administrative funds. There are five (5) remaining applicants, all applying under the State Declared disaster for storms and floods which occurred on April 4-5, 2004. They are all requesting \$495,000.00 each in project funds and \$19,800.00 each in administrative funds. The applicants and recommended funding is summarized below:

Application Number	Applicant	Region	Set-Aside	Activity	Project Funds Requested	Admin. Funds Requested	Units Requested
DR2004-0269	Cameron County	11	Disaster Relief	OCC	\$500,000.00	\$20,000.00	40
DR2004-0272	City of Falfurrias	10	Disaster Relief	OCC	\$495,000.00	\$19,800.00	9
DR2004-0273	Brooks County	10	Disaster Relief	OCC	\$495,000.00	\$19,800.00	9
DR2004-0274	Newton County	5	Disaster Relief	OCC	\$421,600.00	\$16,864.00	6
DR2004-0276	Institute of Rural Development	10	Disaster Relief	OCC	\$495,000.00	\$19,800.00	9
DR2004-0277	Hands of Hope	10	Disaster Relief	OCC	\$495,000.00	\$19,800.00	9
DR2004-0278	Falfurrias Public Housing Authority	10	Disaster Relief	OCC	\$495,000.00	\$19,800.00	9
					\$3,396,600.00	\$135,864.00	91

Project Funds Recommended: \$3,396,600.00
Administrative Funds Recommended: \$ 135,864.00
 Total Funds Recommended: \$3,532,464.00

Recommendation

Staff recommends approval of seven (7) Disaster Relief Program applications for Owner Occupied Housing Assistance utilizing HOME Deobligated funds. These awards are in accordance with the TDHCA Deobligation Policy, adopted by the Board on January 17, 2002. Staff also recommends and requests approval of 4% administrative funds to all seven (7) applicants, based on the amount of project dollars recommended.

SINGLE FAMILY FINANCE PRODUCTION DIVISION

BOARD ACTION REQUEST

July 28, 2004

Action Items

Request approval of one (1) 2004 HOME Investment Partnerships (HOME) Program Award Recommendation for Tenant Based Rental Assistance under the Olmstead Set Aside, for a total award in the amount of \$109,386.

Required Action

Approve the HOME Program Award Recommendation.

Breakdown and Recommendations

Summary

In an effort to address the Supreme Court Olmstead Decision, related to the de-institutionalization of persons with disabilities, the Department allocated a total of \$4 million in program years 2003 and 2004 toward those populations outlined in §531.055, Texas Government Code. In addition, Governor Rick Perry released an Executive Order on Community Based Alternatives for People with Disabilities (RP-13) in April of 2002, requiring the Department and the Texas Health and Human Service Commission to work together to assure accessible, affordable and integrated housing for people with disabilities.

In order to insure appropriateness and effectiveness, Department staff worked closely with a focus group, composed of various disability advocates, in the creation of the application for this set-aside in early 2003. In August of 2003, a Notice of Funding Availability (NOFA) announcing the initial \$2 million was released. Under this NOFA, a total of four applications were received and awarded a funding recommendation. The \$2 million released was not fully allocated, and a balance of \$1,557,319 remained. A NOFA in the amount of \$3,557,319 was published in the *Texas Register*, and was posted on the Department's website on January 30, 2004. The figure released included the \$1,557,319 that were not allocated in program year 2003, and the \$2 million dollars set aside for program year 2004. Department staff held seven application workshops across the state in February of 2004.

Eligible Applicants include units of general local government, public housing agencies, and nonprofits. The funds recommended for award will be used for Tenant-Based Rental Assistance (TBRA), providing security and utility deposits, as well as, utility allowances for rental of dwelling units. A total of one application has been received for funding at this time. This funding cycle is deemed open until the end of the calendar year or until all available funds for this set aside have been allocated. The applicant and recommended funding is summarized below:

Application Number	Applicant	Region	Counties Serving	Set-Aside	Activity	Project Funds Requested	Admin. Funds Requested	Units Requested
2004-0067	ARCIL, Inc.	7	Travis, Williamson, Hays, Bastrop, Caldwell, Blanco, Burnet, Lee, Fayette, Llano	Olmstead	TBRA	\$103,194.00	\$6,192.00	10
						\$103,194.00	\$6,192.00	10

Project Funds Recommended: \$103,194.00
Administrative Funds Recommended: \$ 6,192.00
 Total Funds Recommended: \$109,386.00

Recommendation

Staff recommends approval of one (1) application for Tenant Based Rental Assistance for an award utilizing HOME Investment Partnerships Program funds for the Olmstead Set Aside. Staff also recommends and requests approval of 6% administrative funds to the applicant, based on the amount of project dollars recommended.

MULTIFAMILY FINANCE PRODUCTION DIVISION
BOARD ACTION REQUEST
July 28, 2004

Action Items

Request approval of two Preservation Incentives Program development awards.

Required Action

Approve or deny, subject to underwriting, the list of recommended applications for Preservation Incentive Program funds.

Background and Recommendations

In May of 2002, The Texas Department of Housing and Community Affairs (the Department) created the Multifamily Housing Preservation Incentives Program with the intent to finance the acquisition of projects from owners who planned to terminate affordability restrictions currently encumbering the property by parties willing to maintain the project as affordable housing, and to finance projects which are in need of rehabilitation in order to maintain housing quality standards. In order to accommodate preservation transactions, the funds have been made available through an open funding cycle. On May 13, 2004, the Board approved the transfer of \$112,821 in BMIR funds to the program bringing the total balance of program funds to \$1,297,002.50.

Staff has recently reviewed three applications for threshold criteria and the applications are also currently under review by the Department's Real Estate Analysis division for consideration under the Housing Tax Credit program. Staff recommends that two of those three applications be awarded commitments for funding. The remaining application, Westside Place, is not recommended because the application is not currently being recommended for Housing Tax Credits. If the Board chooses to approve the application for Housing Tax Credits then staff recommends that the Preservation Incentives Program funds be simultaneously approved. The fulfillment of all commitments will be subject to the Department's final review of financial feasibility and the commitment of additional funding sources and/or tax credits requested by the applicants. This recommendation is subject to the application's receipt of Housing Tax Credits. The total amount recommended equals \$755,000 to preserve 72 affordable housing units. The balance on the Preservation Incentives Program funds after this action will be \$542,002.50.

Note: The Development Information Summaries for each application (all of which have Tax Credit applications) are found at the Tax Credit Recommendations agenda item.

July 28, 2004 Preservation Incentives Program Award Recommendations

TDHCA #	HTC	HTF	Other	Project Name	Region	County	City	Project Location		Total # of Units	Loan Amount Requested	Rate	Terms	Other Details
								Street Address						
04285	Y			Ole Town Apartments	4	Marion	Jefferson	501 MLK Drive		24	\$280,000	1%	30	Recommend Funding
04284	Y			Katy Manor Apartments	6	Harris	Katy	5360 E. 5th Street		48	\$475,000	1%	30	Recommend Funding
Totals										72	\$755,000			

04292	N	Westside Place Apartments	6	Brazoria	West Columbia	1000 N. 13th Street	24	\$385,000	1%	30	Do Not Recommend
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EXECUTIVE SESSION

If permitted by law, the Board may discuss any item listed on this agenda in Executive Session

Consultation with Attorney Pursuant to §551.071, Texas Government Code, Concerning an Investigation by the Brazoria County Criminal District Attorney on Forged Letters Concerning Tranquility Bay Apartments

Consultation with Attorney Pursuant to §551.071, Texas Government Code, Concerning Pending or Contemplated Litigation

OPEN SESSION

Action in Open Session on Items Discussed in Executive Session

REPORT ITEMS

Executive Directors Report

1. Report on Urban Affairs Committee Meeting of July 16, 2004
2. Report on Senate Intergovernmental Relations Committee Meeting on July 27, 2004

ADJOURN