



CITY OF KILLEEN

LOW INCOME HOUSING TAX CREDIT (LIHTC) PROGRAM

APPLICATION FOR SUPPORT AND/OR FUNDING ASSISTANCE

PLEASE NOTE: The City of Killeen reserves the right to fund projects at a lower amount than requested, and the right to deny applications that do not coincide with the City's 5-year Consolidated Strategic Plan, various strategic and master plans, or policy direction from the Killeen City Council.

1. PROJECT INFORMATION

Skyline Development, LLC

Developer Name

Edgewood Villas

Project Name

12 +/- acres near the northeast corner of N60th St. and Bills Rd., Killeen, Bell Co., TX 76543

Project Address

48027022105

Brookhaven

Rancier

Killeen

Census Tract

Elementary School

Middle School

High School

Project Type:

General

Elderly

Supportive Housing

Role of Applicant:

(select all that apply)

Owner

Developer

Other: _____

Applicant is Requesting City Council Resolution:

(select all that apply)

of support

stating no objection

Applicant is Requesting Commitment to Funding:

Loan

Grant

Reduced Fees

Other: _____

\$500

Amount of Loan, Grant, or Reduced Fees Requested:

2. APPLICANT INFORMATION

If the applicant is not acting as the developer, please provide all of the information below for the developer, as well as the applicant. If the developer involves multiple entities, is a partnership or joint venture, please provide duplicative information for each, and identify the entity that will serve as the "lead" organization.

Skyline Development LLC

Name

3600 W Loop S, Suite 670

Business/Street Address

Bellaire

Texas 77401

City

State, ZIP

(713)560-0068

Telephone #

Zachary Krochtengel

(215)806-2216

Zach@marqueconsultants.com

Contact Person

Contact Telephone #

Email Address

82-2865039

DUNS #

Federal Tax ID #

2. PROJECT DESCRIPTION

Provide a brief project description that addresses items "a" through "t" below. Attempt to limit responses to 150 words or less.

- a. Indicate the project location by providing an area map with the property highlighted;
- b. Provide a preliminary site plan for the proposed project;
- c. Describe the tenant population, income levels, and services, if any, to be provided to or made available to residents;
- d. List basic amenities and unit amenities proposed for the project;

- e. Describe the taxable status of the development. Indicate whether the development will be paying property taxes or if the development will be tax exempt;
- f. Describe current zoning of property. Include a letter from the City of Killeen’s Planning Department verifying that the current zoning of the site for the proposed project is compatible with the anticipated use, or include documentation verifying that a request to change current zoning has been submitted;
- g. Include evidence of site control, such as a warranty deed or a current, receipted earnest money;
- h. List the proposed number, type, and size of units; number of market rate and SF of units.

	Total # of Units	# of Affordable Units	# of Market Rate Units	SF of Each Unit
1 BR				
2 BR				
3 BR				
4 BR				
Total Units				

- i. Provide the total number of units servicing each Area Median Gross Income (AMGI) group and the proposed rents (less utility allowances) for low income units and proposed rents for market rate units;
- j. Demonstrate the project’s compatibility and alignment with the priorities stated in the City’s 5-year Consolidated Plan; Comprehensive Plan, Future Land Use Map, and any other applicable master, strategic, and redevelopment or neighborhood plans adopted by the City of Killeen;
- k. Describe the involvement and support from local stakeholders and neighborhood organizations; include a list of stakeholders and neighborhood associations contacted and include any letters of support;
- l. Describe the impact the project is anticipated to have on surrounding neighborhood(s);
- m. Describe the impact the project is anticipated to have on existing affordable housing in the area;
- n. Describe the impact the project is anticipated to have on City infrastructure; including the impact of traffic associated with the proposed project;
- o. Describe the availability of and impact the project is anticipated to have on public transit service;

- p. Describe the impact the project is anticipated to have on area schools;
- q. Indicate if the project will assist in the elimination of blight, the preservation of environmental assets, and/or enhancement of landscaping;
- r. Summarize the key financials of the project, clearly indicating the total project cost, the amount and intended use of City of Killeen funds being requested, and preliminary project financials;
- s. Provide a list of other LIHTC projects you have completed or have pending; include information on location, type, number of units, project costs, and project references on former LIHTC projects. Include a list of other LIHTC applications you will be submitting to the Texas Department of Housing and Community Affairs in 2019.
- t. All applications for consideration must meet the Housing Tax Credit Program Qualified Allocation Plan 2019 issued by the Texas Department of Housing and Community Affairs, §11.1 General - §11.10 Third Party Request for Administrative Deficiency for Competitive HTC Applications.
- u. Provide information on the number and type of local contracting opportunities associated with the proposed development (construction or other type of contract).

4. DEVELOPMENT TEAM

Identify below the persons or entities anticipated to be involved in the project. Also, indicate if any person or entity involved is a disadvantaged, minority or women-owned business enterprise (DBE/MBE/WBE), or if any of the entities are non-profit organizations.

	Development Team Name(s) and Contact Information	Years of Experience	DBE	MBE	WBE	Non-Profit
Owner	Skyline Development, LLC	10				
Developer	Skyline Development, LLC	10				
Architect	Mucasey	35				
Engineer	Mitchell and Associates	44				
Construction Lender	TBD					
Other Lenders	TBD					
General Contractor	TBD					
Consultant (if applicable)						
Sub-Contractor						
Sub-Contractor						
Other						

Other						
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5. DEVELOPMENT SCHEDULE

Complete the schedule below with anticipated completion dates. Re-order the steps according to the appropriate sequence for your project, and add in any other significant steps integral to your project’s development.

	Date(s)
Acquisition and/or holding	12/2019
Securing and packaging project financing	8/2019-12/2019
Construction specifications and cost estimates	8/2019-12/2019
Construction bids	8-2019-12/2019
Construction start	1/2020
Completion of construction	7/2021
Start of Rent-up	1/2021
Other: Start of Staffing	9/2020
Other: Clubhouse Completion	12/2020
Other:	

6. SUBMISSION INFORMATION

The Community Development Department, serves as the City’s primary staff and point of contact for all LIHTC programs. Before a project will be evaluated, each applicant requesting support and/or funding assistance must submit a completed application with all attachments.

City of Killeen 2019 LIHTC Important Dates:

- 1/7/2019: Application Deadline
- 2/5/2019: Presentation from Developer(s) at City Council Workshop Session
- 2/12/2019 Consideration of Resolution(s) at City Council Meeting

Completed application should be submitted to:

City of Killeen
 Community Development Department
 Leslie Hinkle, Executive Director of Community Development
 P.O. Box 1329 or 802 North Second Street- Bldg. E, 1st floor Killeen, Texas 76541
 254-501-7847 or lhinkle@killeentexas.gov

The applicant/developer certifies that the data included in this application and the exhibits attached hereto are true and correct. Any information found to be misleading will mean automatic disqualification under this Program. (Unsigned/undated submissions will not be considered).

Edgewood Villas 19, LP

Legal Name of Developer/Entity



Signature of Authorized Officer

1/7/2019

Date

Co-Developer

Title

North 60th Street

Edgewood Villas, a proposed Senior Affordable Rental Housing
Community

Sponsored By:

Skyline Development, LLC and its affiliates

Contacts:

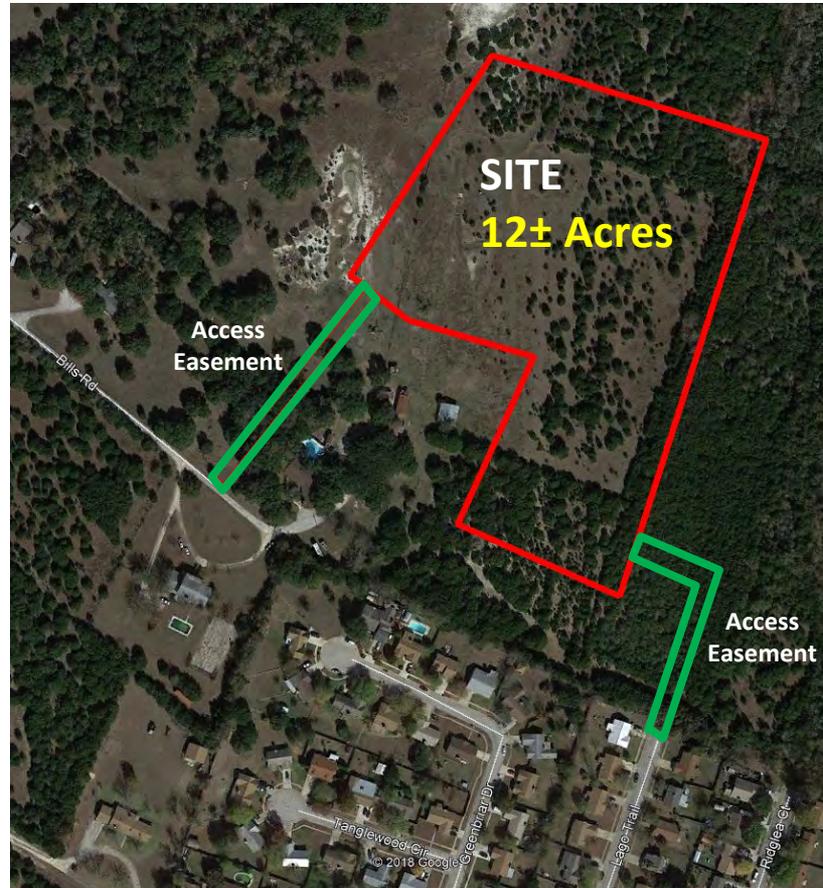
Jamie Rickenbacker-713.560.0068 / jamie@marqueconsultants.com

Zach Krochtengel-215.806.2216 / zach@marqueconsultants.com

As Required by TDHCA, and in accordance with the Department's rules, aspects of the proposed development may be subject to change including, without limitation, to changes in the amenities ultimately selected and provided.

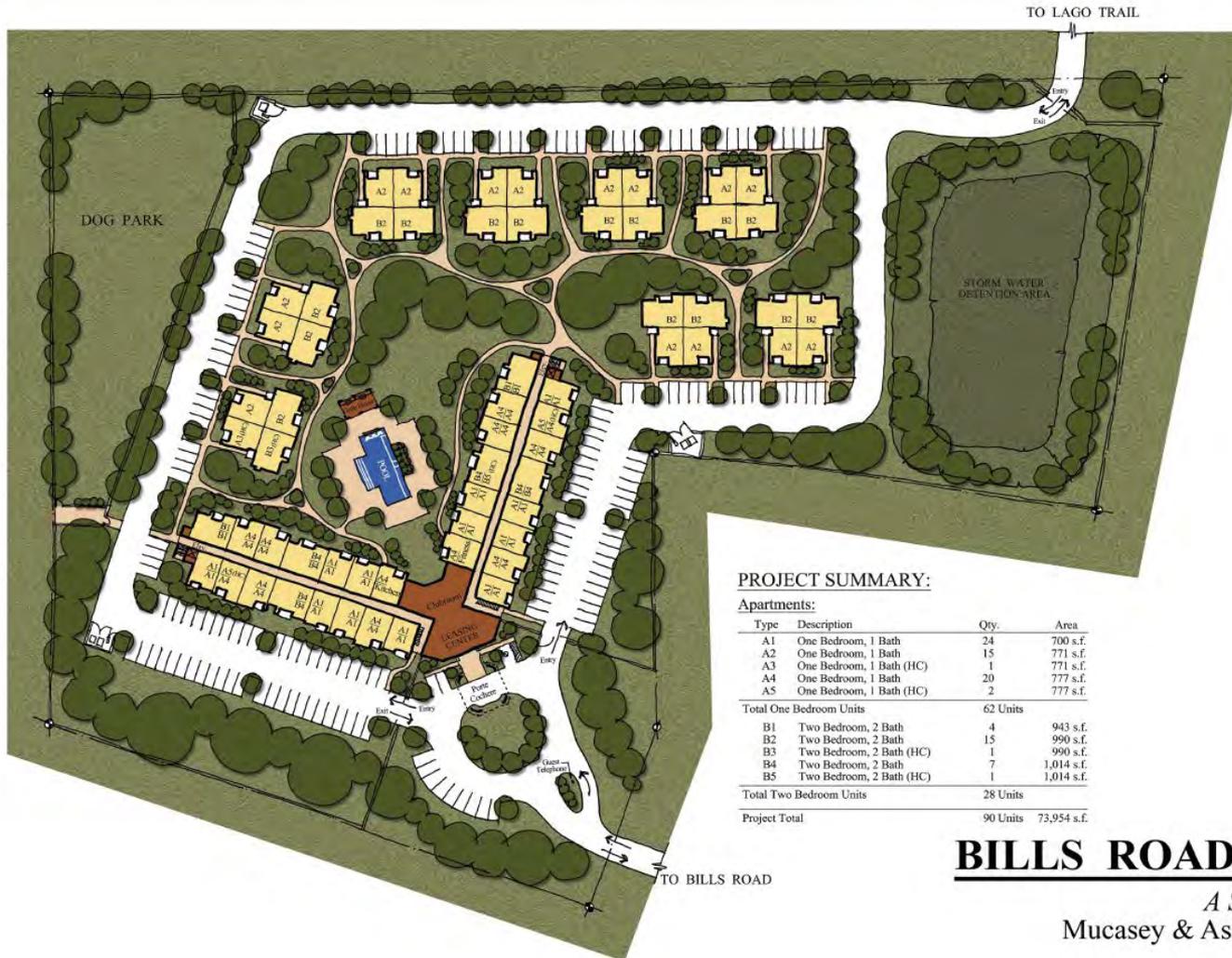
North 60th Street

A. Location Map



North 60th Street

B. Preliminary Site Plan



PROJECT SUMMARY:

Apartments:

Type	Description	Qty.	Area
A1	One Bedroom, 1 Bath	24	700 s.f.
A2	One Bedroom, 1 Bath	15	771 s.f.
A3	One Bedroom, 1 Bath (HC)	1	771 s.f.
A4	One Bedroom, 1 Bath	20	777 s.f.
A5	One Bedroom, 1 Bath (HC)	2	777 s.f.
Total One Bedroom Units		62 Units	
B1	Two Bedroom, 2 Bath	4	943 s.f.
B2	Two Bedroom, 2 Bath	15	990 s.f.
B3	Two Bedroom, 2 Bath (HC)	1	990 s.f.
B4	Two Bedroom, 2 Bath	7	1,014 s.f.
B5	Two Bedroom, 2 Bath (HC)	1	1,014 s.f.
Total Two Bedroom Units		28 Units	
Project Total		90 Units	73,954 s.f.

BILLS ROAD SENIORS

A Seniors Community
Mucasey & Associates, Architects

January 3, 2019

North 60th Street

C. Tenant Population

Proposed Rent and Income Levels for the tenants are in the attached tables.

The tenant population will be limited to 55 and older. The Senior Restriction is enforced through a Land Use Restriction Agreement (LURA) which will dictate the age restriction as well as the income levels of the tenants. The only way for the LURA to be removed is through foreclosure, and Skyline Development has never had a foreclosure. On all of our properties we provide a suite of services to the tenants. Many times we partner with local non-profits to provide the services as well.

PROPOSED RENTS				
Unit	Income Level	30% AMI	50% AMI	60% AMI
1-Bedroom		\$335	\$559	\$671
2-Bedroom		\$402	\$671	\$805

INCOMES SERVED				
Unit	Income Level	30% AMI	50% AMI	60% AMI
1-Bedroom		\$13,433	\$22,388	\$26,865
2-Bedroom		\$16,119	\$26,865	\$32,238

EXAMPLE SOCIAL SERVICES:

- Food Pantry
- Financial Planning Assistance
- Annual Health Fair
- Health and Nutrition Courses
- Bi-Monthly Social Events
- Arts and Crafts
- Community Room For Impromptu Gatherings/Potlucks

North 60th Street

D. Community/Unit Amenities

EXAMPLE COMMUNITY AMENITIES

- Clubhouse with Management Office
- Furnished Community Room
- Business Center with Computers, Printer/Scanner
- Community Kitchen
- Equipped Fitness Center
- Conference Room
- Food Preparation Island
- Common Laundry Room
- Pavilion with Picnic Tables & Barbeque
- Swimming Pool
- Perimeter Fencing with Controlled Access
- On Site Property Management

UNIT AMENITIES:

- 9 Foot Ceilings
- Covered Entries & Porches
- Ceiling Fans
- Washer/Dryer Connections
- Refrigerator with Ice Maker
- Microwave & Kitchen Disposal
- Self Cleaning Ovens
- Energy Efficient Appliances

As Required by TDHCA, and in accordance with the Department's rules, aspects of the proposed development may be subject to change including, without limitation, to changes in the amenities ultimately selected and provided.

North 60th Street

E. Taxable Status

Edgewood Villas will pay full property taxes.

North 60th Street

F. Current Zoning

The proposed development site is currently Zoned R-1 and we have applied to change the Zoning to R-3A.



CITY OF KILLEEN
PLANNING & DEVELOPMENT SERVICES

January 7, 2019

RE: Zoning of Approx. 12 acres near 60th Street and Bills Road, Killeen, TX 76543

Ms. Hinkle:

Planning staff is in receipt of a Comprehensive Plan Future Land Use Map (FLUM) amendment application and an accompanying zoning change application submitted by Skyline Development, L.L.C. for the property located near the northeast corner of 60th Street and Bills Road, Killeen, Texas 76543. The property is currently zoned "R-31" (Single-Family Residential District), which does not permit multifamily housing. The Planning staff will process the two (2) applications concurrently. If approved, the site would be appropriately zoned for the intended use.

Please contact my office at (254) 501-7630 if you have any questions about the information that I have provided to you.

Sincerely,

Tony D. McIlwain, AICP, CFM
Assistant Director
Planning and Development Services Department
200 E. Ave. D, Killeen, Texas 7640
Ph: 254-501-7633
Fax: 254-501-7628
Cell: 254-290-9277
E-mail: tmcilwain@killeentexas.gov

North 60th Street

H. Proposed Units

	Total # of Units	# of Affordable Units	# of Market Rate Units	SF of Each Unit
1 BR	62	57	5	700-777 SF
2 BR	28	26	2	943-1,014 SF
3 BR				
4 BR				
Total Units	90	83	7	73,954

North 60th Street

I. Rent Schedule

Rent Schedule

Self Score Total: **12**

Rent Designations (select from Drop down menu)					# of Units	# of Bed-rooms	# of Baths	Unit Size (Net Rentable Sq. Ft.)	Total Net Rentable Sq. Ft.	Program Rent Limit	Tenant Paid Utility Allow.	Rent Collected /Unit	Total Monthly Rent
HTC Units	MF Direct Loan Units (HOME Rent/Inc)	State HTF Units	MRB Units	Other/ Subsidy									
					(A)			(B)	(A) x (B)			(E)	(A) x (E)
TC 30%					5	1	1.0	745	3,725	335	48	287	1,435
TC 50%					11	1	1.0	745	8,195	559	48	511	5,621
TC 60%					41	1	1.0	745	30,545	671	48	623	25,543
MR					5	1	1.0	745	3,725			783	3,915
TC 30%					3	2	2.0	970	2,910	402	58	344	1,032
TC 50%					6	2	2.0	970	5,820	671	58	613	3,678
TC 60%					17	2	2.0	970	16,490	805	58	747	12,699
MR					2	2	2.0	970	1,940			886	1,771
									0				-
TOTAL					90				73,350				55,694

North 60th Street

j. Compatibility and alignment with the priorities stated in the City's 5-year Consolidated Plan; Comprehensive Plan, Future Land Use Map, and any other applicable master, strategic, and redevelopment or neighborhood plans adopted by the City of Killeen;

The Killeen 5-year consolidated plan specifically addresses the production of new housing rental units that target the elderly as a priority to maintaining affordable housing options. According to the plan there are approximately 1,300 elderly cost burdened households at over 30%, and 650 households with a 50% cost burden especially in the 0-80% AMI. Further, the homeowners in that group have financial hardships from the maintenance of their properties while on a fixed income. Giving the elderly a good rental option that alleviates them from the burden of maintenance and repairs will be a boost to the housing stock in Killeen. The consolidate plan also states there are over 3,000 65+ households in Killeen between 0-100% HAMFI. The proposed project will target 55+ but will include that vulnerable population that needs cost of living stability.

“Although Killeen has a large number of market rate homes, affordable housing for both owners and renters in the 0-80% income category is needed to address cost burden, severe cost burden and overcrowded housing conditions. Cost burden and severe cost burden affects almost proportionately small related households, large related households, elderly and other households in the income category of 0-80% AMI.”

The Proposed Development is consistent with aspects of the comprehensive plan because the property will give multiple housing types for the seniors on one site. This allows for variation of the dwelling types between a 2-story multifamily apartment and single-story villa units. This variety coupled with affordability was a key component of the Zoning Commission Action strategies in the comprehensive plan. With the low density of our site plan and the rustic setting in North Killeen we believe that we are fulfilling the goal of providing a “County Living” option to seniors who might not otherwise have the opportunity to maintain that lifestyle.

Provide for “Country Living” Options within the City:

1. Continue to incorporate and zone appropriately adequate land at the City's fringe to accommodate low-density residential development that will maintain an Estate or Rural character over time. Otherwise, those seeking larger-lot living arrangements with a more open feel will look to property and developments in unincorporated areas, which can contribute to a spread-out development pattern and reduce the City's long-term tax base potential.
2. This action item is also linked to the economic development items above, especially since higher-income university officials and faculty, medical professionals, retirees, and others could be a growing segment of the Killeen housing market over the next several decades, and “country living” options will likely be of interest to some portion of this market group.

North 60th Street

l. Describe the impact the project is anticipated to have on surrounding neighborhood(s);

As the Proposed Development is lower density than most apartment complexes (approximately 7.5 units/acre) and serving the elderly population we believe that it will have a similar impact to single family development.

m. Describe the impact the project is anticipated to have on existing affordable housing in the area;

As the Proposed Development is targeting the elderly population we believe the impact on other affordable housing will be minimal. Killeen has not been awarded tax credits on a senior development in 10 years, and the next newest development was awarded 16 years ago.

n. Describe the impact the project is anticipated to have on City infrastructure; including the impact of traffic associated with the proposed project;

The low density and elderly population of this site should add very similar impact to the city infrastructure as single-family development. Also, as many seniors are on a different schedule than working adults and families the impact on traffic from senior developments is usually minor. The average trip traffic per unit on a senior development is approximately 4.52 daily trips compared to 6.47 for apartments and 9.55 for single family homes. With less traffic and varying times of day the traffic is generated we do not anticipate traffic impact to be an issue for the Proposed Development.

o. Describe the availability of and impact the project is anticipated to have on public transit service;

p. Describe the impact the project is anticipated to have on area schools;

None- Senior development.

q. Indicate if the project will assist in the elimination of blight, the preservation of environmental assets, and/or enhancement of landscaping;

We believe the low-density nature of this development as well as its rural setting will help preserve the environmental assets in the sites vicinity as well as enhance the surrounding landscape for residents to enjoy.

u. Local contracting opportunities will be available for construction as well as services and maintenance such as landscaping.

North 60th Street

4% LIHTC Dashboard

Location		Median Income	\$3300
Units	90	Basis Boost	\$59,700
Rural/Urban	Urban		9%
Senior	Y	High Cost	Y

CHECKLIST	Property Taxes	4% Rate	3.44%
Utility Allowances			
TDHCA Budget			
Acquisition Rehab	N		

UNIT MIX					
Income Level	30%	50%	60%	Market Rate	Total
Efficiency	0	0	0	0	0
1 Bedroom	5	11	41	5	62
2 Bedroom	3	6	17	2	28
3 Bedroom	0	0	0	0	0
Total	8	17	58	7	90
Age of Total	10.67%	20.48%			
Required	10.00%	20%			
	GOOD	GOOD			

DEBT FINANCING	
Amount	\$2,800,000
Interest Rate	6.50%
Amortization	35
Payment	\$202,996
Interest Only	
Interest Rate	6.00%
Years	2.0

EQUITY FINANCING	
Supported Tax Credits	\$1,401,311
Requested Tax Credits	\$1,283,000
Region Maximum	\$1,500,000
Tax Credit Price	GOOD
Leverage	\$0.88
	8.99%

DEVELOPMENT COST SCHEDULE			
	Per Unit	PSF	
Acquisition	\$1,290,000	\$14,333	\$17.59
Off-Sites	\$0	\$0	\$0.00
Site Work	\$1,093,000	\$12,144	\$14.90
Site Amenities	\$407,051	\$4,523	\$5.55
Building Cost	\$6,014,700	\$66,830	\$82.00
Contingency	\$526,033	\$5,845	\$7.17
Contractor Fees	\$1,125,710	\$12,508	\$15.35
Soft Costs	\$831,831	\$9,243	\$11.34
Financing	\$1,060,630	\$11,785	\$14.46
Developer Fee	\$1,563,397	\$17,371	\$21.31
Reserves	\$352,179	\$3,913	\$4.80
Total	\$14,264,531	\$158,495	\$194.47

UNIT SIZES				
	Senior	Family	Total SF	Avg SF
1-BR	745	650	73,350	815
2-BR	970	850		
3-BR		1050		
Set Market Rents at		70% AMI		

NOI/DCR	
Net Operating Income	\$257,273
Payment	\$202,996
DCR	1.27x
Required	1.15x
	GOOD

DEVELOPER FEE	
Total Developer Fee	\$1,563,396.69
DDF	\$184,130.68
Percentage	12%
Year of Payoff	3

EQUITY DISTRIBUTION			
	Month	Percentage	Amount
Close	1	35%	\$3,951,640
Completion	24	50%	\$5,645,200
Conversion	28	10%	\$1,129,040
	8609	5%	\$564,520
		100%	\$11,290,400

ACQUISITION		
Land		
Land Cost	1,300,000	1290000
		Closing Cost 10000

SOURCES AND USES	
DEBT	
Perm Debt	\$2,800,000
Total Debt	\$2,800,000
EQUITY	
Tax Credit Equity	\$11,290,400
DDF	\$184,131
Gap Financing Req	\$0
Total Equity	\$11,474,531
Total Sources and Uses	\$14,274,531

50% TEST	
Bond Amount	\$2,800,000
Aggregate Basis	\$14,557,016
Percentage	19%
Amount Able to Increase/Decrease	\$8,929,016

PLUGS		
Property Taxes		Hard Plug \$25,000
Payroll		\$75,000
Expense Per Unit		\$4,460
Expense Ration		60.94%

NEW CONSTRUCTION		
Cost Per SF		\$82.00
Cost Per Unit		\$96,005
Construction Time	Months	24

9% LIHTC Dashboard

Location		Median Income	53300
Units	90	Basis Boost	Y
Rural/Urban	Urban	High Cost	9%
Senior	Y		

CHECKLIST	Property Taxes	4% Rate	3.44%
Utility Allowances			
TDHCA Budget			
Acquisition Rehab	N		

UNIT MIX						
Unit	Income Level	30%	50%	60%	Market Rate	Total
Efficiency		0		0	0	0
1 Bedroom		5	11	41	5	62
2 Bedroom		3	6	17	2	28
3 Bedroom		0		0	0	0
Total		8	17	58	7	90
%age of Total		10.67%	20.48%			
Required		10.00%	20%			
		GOOD	GOOD			

UNIT SIZES				
	Senior	Family		
1-BR	745	650	Total SF	73,350
2-BR	970	850	Avg SF	815
3-BR		1050		
Set Market Rents at	70% AMI			

ACQUISITION			
Land			
Land Cost	1,300,000	Land Cost	1290000
		Closing Cost	10000

PLUGS			
Property Taxes		Hard Plug	
Payroll		\$25,000	
		\$75,000	
Expense Per Unit			\$4,460
Expense Ratio			60.94%

DEBT FINANCING		
Amount		\$2,800,000
Interest Rate		6.50%
Amortization		\$1,500,000
Payment		\$202,996
Interest Only		
Interest Rate		6.00%
Years		2.0

NOI/DCR		
Net Operating Income		\$257,273
Payment		\$202,996
DCR		1.27x
Required		1.15x
		GOOD

SOURCES AND USES		
DEBT		
Perm Debt	\$2,800,000	
Total Debt	\$2,800,000	
EQUITY		
Tax Credit Equity	\$11,290,400	Good
DDF	\$184,131	
Gap Financing Req	\$0	
Total Equity	\$11,474,531	
Total Sources and Uses	\$14,274,531	

EQUITY FINANCING		
Supported Tax Credits	\$1,401,311	
Requested Tax Credits	\$1,283,000	
Region Maximum	\$1,500,000	
Tax Credit Price	GOOD	\$0.88
Leverage		8.99%

DEVELOPER FEE		
Total Developer Fee	\$1,563,396.69	
DDF	\$184,130.68	
Percentage	12%	
Year of Payoff		3

50% TEST		
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Aggregate Basis	\$14,557,016	
Percentage	19%	
Amount Able to Increase/Decrease	\$8,929,016	

NEW CONSTRUCTION		
Cost Per SF		\$82.00
Cost Per Unit		\$96,005
Construction Time	Months	24

DEVELOPMENT COST SCHEDULE				
	Per Unit	PSF		
Acquisition	\$1,290,000	\$14,333	\$17.59	
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EQUITY DISTRIBUTION				
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Close	1	35%	\$3,951,640	
Completion	24	50%	\$5,645,200	
Conversion	28	10%	\$1,129,040	
8609	31	5%	\$564,520	
		100%	\$11,290,400	

North 60th Street

STABILIZED PRO FORMA						
	COMPARABLES		APPLICANT			
	Database	Bexar Comps	%EGI	Per SF	Per Unit	Amount
POTENTIAL GROSS RENT				\$9.11	\$7,425.87	\$668,328
Application Fees, Late Fees, Vending				\$0.28	\$230	\$20,700
Total Secondary Income				\$0.28	\$230	\$20,700
POTENTIAL GROSS INCOME				\$9.39	\$7,656	\$689,028
Vacancy and Collection Loss				-\$0.47	-\$383	(\$34,451)
EFFECTIVE GROSS INCOME				\$8.92	\$7,273	\$654,577
General & Administrative Management				\$1.03	\$836	\$ 75,200
Payroll & Payroll Tax				\$0.45	\$364	\$ 32,729
Repairs & Maintenance				\$1.02	\$833	\$ 75,000
Utilities				\$0.86	\$700	\$ 63,000
Water, Sewer & Trash				\$1.01	\$827	\$ 74,430
Insurance				\$0.00	\$0	
Property Tax				\$0.34	\$280	\$ 25,200
Reserve for Replacement				\$0.34	\$278	\$ 25,000
TDHCA LIHTC/HOME Compliance Fees				\$0.37	\$300	\$ 27,000
				\$0.05	\$40	\$ 3,600
Total Expenses			\$ 401,159	\$5.47	\$4,457	\$401,159
Net Operating Income ("NOI")			39%	\$3.45	\$2,816	\$253,418

SOFT COSTS³

Architectural - Design fees	135,000		135,000
Architectural - Supervision fees	24,000		24,000
Engineering fees	101,250		101,250
Real estate attorney/other legal fees	100,000		100,000
Accounting fees	12,000		12,000
Impact Fees	50,000		50,000
Building permits & related costs	10,000		10,000
Appraisal	7,500		7,500
Market analysis	6,000		6,000
Environmental assessment	3,600		3,600
Soils report	8,750		8,750
Survey	15,000		15,000
Marketing			
Hazard & liability insurance	183,731		183,731
Real property taxes	25,000		25,000
Personal property taxes			0
Tap Fees			0
Park Fees			0
FF&E	150,000		150,000
Subtotal Soft Cost	\$831,831	\$0	\$831,831

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FINANCING:**CONSTRUCTION LOAN(S)³**

Interest	520,453		95,012
Loan origination fees	89,200		89,200
Title & recording fees	50,000		50,000
Closing costs & legal fees	40,000		40,000
Inspection fees	21,600		21,600
Credit Report			0
Discount Points			0
Other (specify) - see footnote 1			0
Other (specify) - see footnote 1			0

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PERMANENT LOAN(S)

Loan origination fees	50,000		
Title & recording fees	20,000		
Closing costs & legal	50,000		
Bond premium			
Credit report			
Discount points			
Credit enhancement fees			
Prepaid MIP			
Other (specify) - see footnote 1			
Other (specify) - see footnote 1			

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BRIDGE LOAN(S)

Interest			0
Loan origination fees			0
Title & recording fees			0
Closing costs & legal fees			0
Other (specify) - see footnote 1			0
Other (specify) - see footnote 1			0

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Representative Affordable Housing Projects

S. List of Other LIHTC Projects

- Guadalupe Villas – Lubbock, TX – Senior
- Primrose Senior Manor – League City, TX – Senior
- Villages at Cypress – Houston, TX – Senior
- El Dorado Apartments – Houston, TX – Senior
- Weslaco Hills Apartments – Weslaco, Texas - Family
- Villas on Independence – Port Lavaca, Texas - Family
- Villas at Penitas – Penitas, Texas – Family
- Orchard Estates – Alton, Texas – Family

Anticipated 2019 TDHCA Applications Skyline Development LLC:
Villas at Robinet, Killeen, Texas

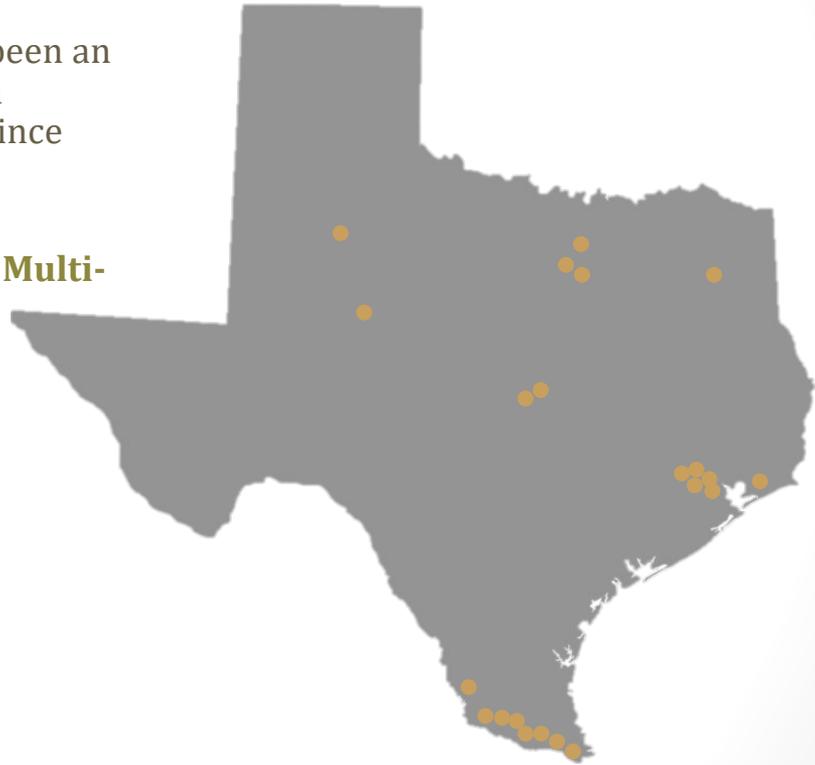
North 60th Street

DEVELOPER EXPERIENCE

Skyline Development/MREC Consultants have been an integral part of development teams that have been awarded over **\$320,000,000** in tax credit equity since 2006.

Those credits have supported over **3,600 units of Multi-family development.**

The developments have been a mix of family, retirement/senior and supportive housing.



Map of Tax Credits Awarded

See Attachment for a Complete List of Developments

North 60th Street

- On-Site Management and Maintenance Staff
- Professionally Managed by a Property Management Company that specializes in managing HTC properties in TX
- Compliance Oversight by TDHCA (Department that administers the HTC Program)
- Zero Tolerance Policy - No drugs, crime, and unauthorized guests
- Resident Screening
- Credit and Criminal Background Checks
- Annual Tenant Recertification
- Proof of Employment and Income Verification

North 60th Street

- **DEVELOPMENT** – The Development Team handles all aspects of development, including site selection, securing local and community support, entitlements and zoning, development financing, design approvals, and handling all due diligence and closing matters. The developers through affiliated entities have been involved in over 35 awarded LIHTC transactions throughout the State of Texas.
- **CONSTRUCTION** – TMarq Construction Company is a full service and licensed general contractor whose principals have built more than 5,000 units throughout the Southwest United States.

North 60th Street

- *Texas Based Development, Construction and Management Team Experienced in the Development and Ownership of Affordable Housing financed with HTC awarded by TDHCA*
- *No Other Affordable Senior Housing Development in the Area*
- *Commitment to Actively Involve the Neighborhood and City of Killeen Planning Staff in the Design of the Project*
- **Benefits to the City of Killeen**
 - *Creation of an Affordable Senior Housing Option for Older Residents*
 - *Job Creation – Construction and Permanent Jobs*
 - *Property will pay **FULL TAXES** – No abatement*
 - *No Funding Assistance Required from the City of Killeen*

Guadalupe Villas

3rd Street and Buddy Holly Ave, Lubbock, Texas 79401



Single Story View



Amenity Center in Two Story Building

GUADALUPE VILLAS

Mucasey & Associates, Architects

February 23, 2018

- 182 Units (90 1BR, 38 2BR)
- 20 Market Rate Units
- Senior
- Awarded 2018
- Closing 2019

Villages at Cypress

11821 Cypress Corner Lane, Houston, Texas 77065



Typical One Story Building



Typical Three Story Building

AT VILLAGES AT CYPRESS

A Multi-Family Community
Mucasey & Associates, Architects

- 162 Units (111 1BR, 51 2BR)
- 17 Market Rate Units
- Senior
- Closed 7/13
- Construction Complete
- 100% Leased

Villages at Cypress

11821 Cypress Corner Lane, Houston, Texas 77065



Villas at El Dorado

200 Blk. of W. El Dorado Blvd., Houston, Texas



- 159 Units (93 1BR, 66 2BR)
- Senior
- Closed 7/10
- Construction Complete
- 100% Leased

Villas at El Dorado

200 Blk. of W. El Dorado Blvd., Houston, Texas



Weslaco Hills Apartments

Weslaco, Texas



- 120 Units (36 1BR, 54 2BR, 30 3BR)
- Family
- Closed 7/13/10
- Construction Complete
- 100% Leased

Villas on Independence

Port Lavaca, Texas



- 80 Units (16 1BR, 40 2BR, 24 3BR)
- Family
- Closed 2/5/13
- Construction Complete
- 100% Leased



Villages at Penitas

Penitas, Texas



A Multi-Family Community
Mucasey & Associates, Architects

- 128 Units (32 1BR, 60 2BR, 36 3BR)
- 12 Market Rate Units
- Family
- Closed 2/15/14
- Construction Complete
- 100% Leased

Villages at Penitas

Penitas, Texas



Orchard Estates

Alton, Texas



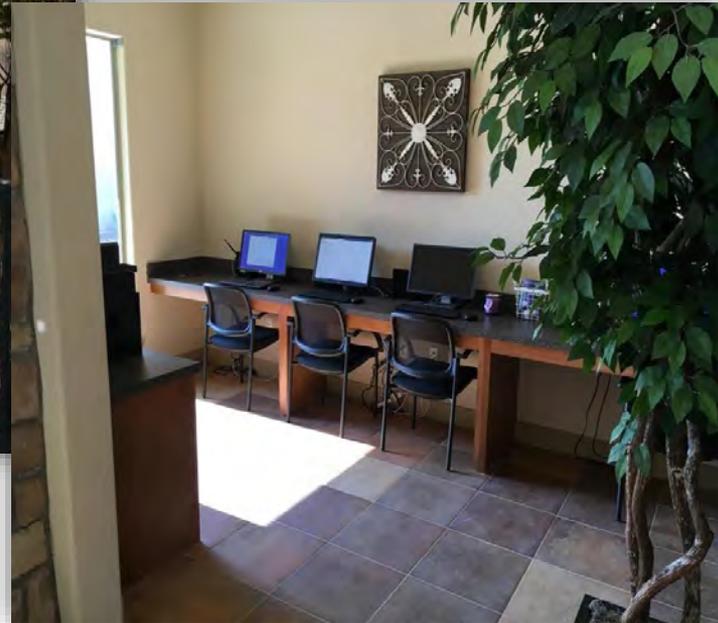
ORCHARD ESTATES

A Multi-Family Community
Mucasey & Associates, Architects

- 140 units (48 1br, 68 2br, 24 3br)
- 6 Market Rate
- Family
- Closed 2/17/15
- Construction Complete

Orchard Estates

Alton, Texas



Orchard Estates

Alton, Texas





TEXAS ASSOCIATION OF REALTORS®
COMMERCIAL CONTRACT - UNIMPROVED PROPERTY

USE OF THIS FORM BY PERSONS WHO ARE NOT MEMBERS OF THE TEXAS ASSOCIATION OF REALTORS® IS NOT AUTHORIZED.
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1. **PARTIES:** Seller agrees to sell and convey to Buyer the Property described in Paragraph 2. Buyer agrees to buy the Property from Seller for the sales price stated in Paragraph 3. The parties to this contract are:

Seller: Mary Carter Erwin
c/o Mary Barr
 Address: 12099 Bonnie Lane, Belton, TX 76513
 Phone: (254)681-7534 E-mail: David Barr-david.barr@davidbarrproperties.com
 Fax: (254)526-0252 Other: _____

Buyer: Skyline Development, LLC, and/or its assignee
 Address: 6300 W. Loop S., Ste. 670, Bellaire, TX 77401
 Phone: (713)560-0068 E-mail: Jamie Rickenbacker-jamie@marqueconsultants.com
 Fax: _____ Other: Zach Krochtengel - sycamorestrategies@gmail.com

2. **PROPERTY:**

A. "Property" means that real property situated in Bell County, Texas at 12 +/- acres out of a 39.64 acre tract of land near the SEC of Schwald Rd. and N. 60th St. in Killeen, Bell Co., TX (address) and that is legally described on the attached Exhibit A or as follows:

- B. Seller will sell and convey the Property together with:
- (1) all rights, privileges, and appurtenances pertaining to the Property, including Seller's right, title, and interest in any minerals, utilities, adjacent streets, alleys, strips, gores, and rights-of-way;
 - (2) ~~Seller's interest in all leases, rents, and security deposits for all or part of the Property;~~ and
 - (3) Seller's interest in all licenses and permits related to the Property.

*(Describe any exceptions, reservations, or restrictions in Paragraph 12 or an addendum.)
 (If mineral rights are to be reserved an appropriate addendum should be attached.)*

3. **SALES PRICE:**

A. At or before closing, Buyer will pay the following sales price for the Property:

(1) Cash portion payable by Buyer at closing	\$	<u>1,000,000.00</u>
(2) Sum of all financing described in Paragraph 4	\$	<u>-0-</u>
(3) Sales price (sum of 3A(1) and 3A(2))	\$	<u>1,000,000.00</u>

B. Adjustment to Sales Price: (Check (1) or (2) only.)

- (1) The sales price will not be adjusted based on a survey.
 (2) The sales price will be adjusted based on the latest survey obtained under Paragraph 6B.

(a) The sales price is calculated on the basis of \$ N/A per:

- (i) square foot of total area net area.
 (ii) acre of total area net area.

(b) "Total area" means all land area within the perimeter boundaries of the Property. "Net area" means total area less any area of the Property within:

- (i) public roadways;
 (ii) rights-of-way and easements other than those that directly provide utility services to the Property; and
 (iii) N/A

(c) If the sales price is adjusted by more than N/A % of the stated sales price, either party may terminate this contract by providing written notice to the other party within N/A days after the terminating party receives the survey. If neither party terminates this contract or if the variance is less than the stated percentage, the adjustment to the sales price will be made to the cash portion of the sales price payable by Buyer.

4. **FINANCING:** Buyer will finance the portion of the sales price under Paragraph 3A(2) as follows:

- A. Third Party Financing: One or more third party loans in the total amount of \$ N/A This contract:
 (1) is not contingent upon Buyer obtaining third party financing.
 (2) is contingent upon Buyer obtaining third party financing in accordance with the attached Commercial Contract Financing Addendum (TAR-1931).
- B. Assumption: In accordance with the attached Commercial Contract Financing Addendum (TAR-1931), Buyer will assume the existing promissory note secured by the Property, which balance at closing will be \$ N/A.
- C. Seller Financing: The delivery of a promissory note and deed of trust to Seller under the terms of the attached Commercial Contract Financing Addendum (TAR-1931) in the amount of \$ N/A.

5. **EARNEST MONEY:**

- A. Not later than 3 days after the effective date, Buyer must deposit \$ \$5,000.00 as earnest money with Chicago Title Company (title company) at 3700 Buffalo Speedway, Ste. 1100, Houston, TX 77098 (address) Janet Karr, VP (closer). If Buyer fails to timely deposit the earnest money, Seller may terminate this contract or exercise any of Seller's other remedies under Paragraph 15 by providing written notice to Buyer before Buyer deposits the earnest money.
- B. Buyer will deposit an additional amount of \$ See Addendum A with the title company to be made part of the earnest money on or before:
 (i) _____ days after Buyer's right to terminate under Paragraph 7B expires; or
 (ii) See Addendum A
Buyer will be in default if Buyer fails to deposit the additional amount required by this Paragraph 5B within 3 days after Seller notifies Buyer that Buyer has not timely deposited the additional amount.
- C. Buyer may instruct the title company to deposit the earnest money in an interest-bearing account at a federally insured financial institution and to credit any interest to Buyer.

6. TITLE POLICY AND SURVEY:

A. Title Policy:

- (1) Seller, at Seller's expense, will furnish Buyer an Owner's Policy of Title Insurance (the title policy) issued by any underwriter of the title company in the amount of the sales price, dated at or after closing, insuring Buyer against loss under the title policy, subject only to:
 - (a) those title exceptions permitted by this contract or as may be approved by Buyer in writing; and
 - (b) the standard printed exceptions contained in the promulgated form of title policy unless this contract provides otherwise.
- (2) The standard printed exception as to discrepancies, conflicts, or shortages in area and boundary lines, or any encroachments or protrusions, or any overlapping improvements:
 - (a) will not be amended or deleted from the title policy.
 - (b) will be amended to read "shortages in areas" at the expense of Buyer Seller.
- (3) Within 30 days after the effective date, Seller will furnish Buyer a commitment for title insurance (the commitment) including legible copies of recorded documents evidencing title exceptions. Seller authorizes the title company to deliver the commitment and related documents to Buyer at Buyer's address.

B. Survey: Within 45 days after the effective date:

- (1) Buyer will obtain a survey of the Property at Buyer's expense and deliver a copy of the survey to Seller. ~~The survey must be made in accordance with the: (i) ALTA/NSPS Land Title Survey standards, or (ii) Texas Society of Professional Surveyors' standards for a Category 1A survey under the appropriate condition. Seller will reimburse Buyer N/A ~~(insert amount) of the cost of the survey at closing, if closing occurs.~~~~
- (2) ~~Seller, at Seller's expense, will furnish Buyer a survey of the Property dated after the effective date. The survey must be made in accordance with the: (i) ALTA/NSPS Land Title Survey standards, or (ii) Texas Society of Professional Surveyors' standards for a Category 1A survey under the appropriate condition.~~
- (3) ~~Seller will deliver to Buyer and the title company a true and correct copy of Seller's most recent survey of the Property along with an affidavit required by the title company for approval of the existing survey. If the existing survey is not acceptable to the title company, Seller Buyer (updating party), will, at the updating party's expense, obtain a new or updated survey acceptable to the title company and deliver the acceptable survey to the other party and the title company within 20 days after the title company notifies the parties that the existing survey is not acceptable to the title company. The closing date will be extended daily up to 20 days if necessary for the updating party to deliver an acceptable survey within the time required. The other party will reimburse the updating party N/A ~~(insert amount or percentage) of the cost of the new or updated survey at closing, if closing occurs.~~~~

C. Buyer's Objections to the Commitment and Survey:

- (1) Within 30 days after Buyer receives the last of the commitment, copies of the documents evidencing the title exceptions, and any required survey, Buyer may object in writing to matters disclosed in the items if: (a) the matters disclosed are a restriction upon the Property or constitute a defect or encumbrance to title other than those permitted by this contract or liens that Seller will satisfy at closing or Buyer will assume at closing; or (b) the items show that any part of the Property lies in a special flood hazard area (an "A" or "V" zone as defined by FEMA). If the commitment or survey is revised or any new document evidencing a title exception is delivered, Buyer may object to any new matter revealed in such revision or new document. Buyer's objection must be made within the same number of days stated in this paragraph, beginning when the revision or new

document is delivered to Buyer. If Paragraph 6B(1) applies, Buyer is deemed to receive the survey on the earlier of: (i) the date of Buyer's actual receipt of the survey; or (ii) of the deadline specified in Paragraph 6B.

- (2) Seller may, but is not obligated to, cure Buyer's timely objections within 15 days after Seller receives the objections. The closing date will be extended as necessary to provide such time to cure the objections. If Seller fails to cure the objections by the time required, Buyer may terminate this contract by providing written notice to Seller within 5 days after the time by which Seller must cure the objections. If Buyer terminates, the earnest money, less any independent consideration under Paragraph 7B(1), will be refunded to Buyer.
- (3) Buyer's failure to timely object or terminate under this Paragraph 6C is a waiver of Buyer's right to object except that Buyer will not waive the requirements in Schedule C of the commitment.

7. PROPERTY CONDITION:

A. Present Condition: Buyer accepts the Property in its present condition except that Seller, at Seller's expense, will complete the following before closing: See Addendum A attached hereto and made a part hereof for all purposes.

B. Feasibility Period: Buyer may terminate this contract for any reason within 180 days after the effective date (feasibility period) by providing Seller written notice of termination.

(1) Independent Consideration. (Check only one box and insert amounts.)

(a) If Buyer terminates under this Paragraph 7B, the earnest money will be refunded to Buyer less \$ \$100.00 that Seller will retain as independent consideration for Buyer's unrestricted right to terminate. Buyer has tendered the independent consideration to Seller upon payment of the amount specified in Paragraph 5A to the title company. The independent consideration is to be credited to the sales price only upon closing of the sale. If no dollar amount is stated in this Paragraph 7B(1) or if Buyer fails to deposit the earnest money, Buyer will not have the right to terminate under this Paragraph 7B.

(b) Not later than 3 days after the effective date, Buyer must pay Seller \$ N/A as independent consideration for Buyer's right to terminate by tendering such amount to Seller or Seller's agent. If Buyer terminates under this Paragraph 7B, the earnest money will be refunded to Buyer and Seller will retain the independent consideration. The independent consideration will be credited to the sales price only upon closing of the sale. If no dollar amount is stated in this Paragraph 7B(2) or if Buyer fails to pay the independent consideration, Buyer will not have the right to terminate under this Paragraph 7B.

(2) Feasibility Period Extension: Prior to the expiration of the initial feasibility period, Buyer may extend the feasibility period for a single period of an additional N/A days by depositing additional earnest money in the amount of \$N/A with the title company. If no dollar amount is stated in this Paragraph or if Buyer fails to timely deposit the additional earnest money, the extension of the feasibility period will not be effective.

C. Inspections, Studies, or Assessments:

(1) During the feasibility period, Buyer, at Buyer's expense, may complete or cause to be completed any and all inspections, studies, or assessments of the Property (including all improvements and fixtures) desired by Buyer.

- (2) Buyer must:
- (a) employ only trained and qualified inspectors and assessors;
 - (b) notify Seller, in advance, of when the inspectors or assessors will be on the Property;
 - (c) abide by any reasonable entry rules or requirements of Seller;
 - (d) not interfere with existing operations or occupants of the Property; and
 - (e) restore the Property to its original condition if altered due to inspections, studies, or assessments that Buyer completes or causes to be completed.
- (3) Except for those matters that arise from the negligence of Seller or Seller's agents, Buyer is responsible for any claim, liability, encumbrance, cause of action, and expense resulting from Buyer's inspections, studies, or assessments, including any property damage or personal injury. Buyer will indemnify, hold harmless, and defend Seller and Seller's agents against any claim involving a matter for which Buyer is responsible under this paragraph. This paragraph survives termination of this contract.

D. Property Information:

- (1) Delivery of Property Information: Within 10 days after the effective date, Seller will deliver to Buyer: *(Check all that apply.)*
- (a) copies of all current leases, including any mineral leases, pertaining to the Property, including any modifications, supplements, or amendments to the leases;
 - (b) copies of all notes and deeds of trust against the Property that Buyer will assume or that Seller will not pay in full on or before closing;
 - (c) copies of all previous environmental assessments, geotechnical reports, studies, or analyses made on or relating to the Property;
 - (d) copies property tax statements for the Property for the previous 2 calendar years;
 - (e) plats of the Property;
 - (f) copies of current utility capacity letters from the Property's water and sewer service provider; and
 - (g) Copies of any information in Seller's possession or control regarding the condition or use of the Property

- (2) Return of Property Information: If this contract terminates for any reason, Buyer will, not later than 10 days after the termination date: *(Check all that apply.)*
- (a) return to Seller all those items described in Paragraph 7D(1) that Seller delivered to Buyer in other than an electronic format and all copies that Buyer made of those items;
 - (b) delete or destroy all electronic versions of those items described in Paragraph 7D(1) that Seller delivered to Buyer or Buyer copied in any format; and
 - (c) deliver to Seller copies of all inspection and assessment reports related to the Property that Buyer completed or caused to be completed.
- This Paragraph 7D(2) survives termination of this contract.

- E. Contracts Affecting Operations: Until closing, Seller: (1) will operate the Property in the same manner as on the effective date under reasonably prudent business standards; and (2) will not transfer or dispose of any part of the Property, any interest or right in the Property, or any of the personal property or other items described in Paragraph 2B or sold under this contract. After the feasibility period ends, Seller may not enter into, amend, or terminate any other contract that affects the operations of the Property without Buyer's written approval.

8. LEASES:

- A. ~~Each written lease Seller is to assign to Buyer under this contract must be in full force and effect according to its terms. Seller may not enter into any new lease, fail to comply with any existing lease, or make any amendment or modification to any existing lease without Buyer's written consent. Seller~~

must disclose, in writing, if any of the following exist at the time Seller provides the leases to the Buyer or subsequently occur before closing:

- (1) any failure by Seller to comply with Seller's obligations under the leases;
- (2) any circumstances under any lease that entitle the tenant to terminate the lease or seek any offsets or damages;
- (3) any advance sums paid by a tenant under any lease;
- (4) any concessions, bonuses, free rents, rebates, brokerage commissions, or other matters that affect any lease; and
- (5) any amounts payable under the leases that have been assigned or encumbered, except as security for loan(s) assumed or taken subject to under this contract.

B. ~~Estoppel Certificates: Within~~ N/A ~~days after the effective date, Seller will deliver to Buyer estoppel certificates signed not earlier than~~ N/A ~~by each tenant that leases space in the Property. The estoppel certificates must include the certifications contained in the current version of TAR Form 1938 - Commercial Tenant Estoppel Certificate and any additional information requested by a third party lender providing financing under Paragraph 4 if the third party lender requests such additional information at least 10 days prior to the earliest date that Seller may deliver the signed estoppel certificates.~~

9. BROKERS:

A. The brokers to this sale are:

Principal Broker: <u>DBP, Inc.</u>	Cooperating Broker: <u>N/A</u>
<u>David Barr Properties - License No. 474540</u>	_____
Agent: <u>David Barr</u>	Agent: _____
Address: <u>3800 Trimmier</u>	Address: _____
<u>Killeen, TX 76547</u>	_____
Phone & Fax: <u>(254)526-2277</u>	Phone & Fax: _____
E-mail: <u>david.barr@davidbarrproperties.com</u>	E-mail: _____
License No.: <u>229218</u>	License No.: _____

Principal Broker: (Check only one box)

represents Seller only.

represents Buyer only.

is an intermediary between Seller and Buyer.

Cooperating Broker represents Buyer.

B. Fees: (Check only (1) or (2) below.)
(Complete the Agreement Between Brokers on page 14 only if (1) is selected.)

(1) Seller will pay Principal Broker the fee specified by separate written commission agreement between Principal Broker and Seller. Principal Broker will pay Cooperating Broker the fee specified in the Agreement Between Brokers found below the parties' signatures to this contract.

(2) At the closing of this sale, Seller will pay:

Principal Broker a total cash fee of:	Cooperating Broker a total cash fee of:
<input type="checkbox"/> _____ % of the sales price.	<input type="checkbox"/> _____ % of the sales price.
<input type="checkbox"/> _____	<input type="checkbox"/> _____

The cash fees will be paid in _____ County, Texas. Seller authorizes the title company to pay the brokers from the Seller's proceeds at closing.

NOTICE: Chapter 62, Texas Property Code, authorizes a broker to secure an earned commission with a lien against the Property.

- C. The parties may not amend this Paragraph 9 without the written consent of the brokers affected by the amendment.

10. CLOSING:

- A. The date of the closing of the sale (closing date) will be on or before the later of:
(1) [] days after the expiration of the feasibility period.
[X] September 30, 2019 (specific date).
[] See Addendum A attached hereto for Closing Extension Options
(2) 7 days after objections made under Paragraph 6C have been cured or waived.
B. If either party fails to close by the closing date, the non-defaulting party may exercise the remedies in Paragraph 15.
C. At closing, Seller will execute and deliver, at Seller's expense, a [] general [X] special warranty deed. The deed must include a vendor's lien if any part of the sales price is financed. The deed must convey good and indefeasible title to the Property and show no exceptions other than those permitted under Paragraph 6 or other provisions of this contract. Seller must convey the Property:
(1) with no liens, assessments, or other security interests against the Property which will not be satisfied out of the sales price, unless securing loans Buyer assumes;
(2) without any assumed loans in default; and
(3) with no persons in possession of any part of the Property as lessees, tenants at sufferance, or trespassers except tenants under the written leases assigned to Buyer under this contract.
D. At closing, Seller, at Seller's expense, will also deliver to Buyer:
(1) tax statements showing no delinquent taxes on the Property;
(2) an assignment of all leases to or on the Property;
(3) to the extent assignable, an assignment to Buyer of any licenses and permits related to the Property;
(4) evidence that the person executing this contract is legally capable and authorized to bind Seller;
(5) an affidavit acceptable to the title company stating that Seller is not a foreign person or, if Seller is a foreign person, a written authorization for the title company to: (i) withhold from Seller's proceeds an amount sufficient to comply with applicable tax law; and (ii) deliver the amount to the Internal Revenue Service (IRS) together with appropriate tax forms; and
(6) any notices, statements, certificates, affidavits, releases, and other documents required by this contract, the commitment, or law necessary for the closing of the sale and issuance of the title policy, all of which must be completed by Seller as necessary.
E. At closing, Buyer will:
(1) pay the sales price in good funds acceptable to the title company;
(2) deliver evidence that the person executing this contract is legally capable and authorized to bind Buyer;
(3) sign and send to each tenant in a lease for any part of the Property a written statement that:
(a) acknowledges Buyer has received and is responsible for the tenant's security deposit; and
(b) specifies the exact dollar amount of the security deposit;
(4) sign an assumption of all leases then in effect; and
(5) execute and deliver any notices, statements, certificates, or other documents required by this contract or law necessary to close the sale.
F. Unless the parties agree otherwise, the closing documents will be as found in the basic forms in the current edition of the State Bar of Texas Real Estate Forms Manual without any additional clauses.

11. **POSSESSION:** Seller will deliver possession of the Property to Buyer upon closing and funding of this sale in its present condition with any repairs Seller is obligated to complete under this contract, ordinary wear and tear excepted. Any possession by Buyer before closing or by Seller after closing that is not authorized by a separate written lease agreement is a landlord-tenant at sufferance relationship between the parties.
12. **SPECIAL PROVISIONS:** The following special provisions apply and will control in the event of a conflict with other provisions of this contract. *(If special provisions are contained in an Addendum, identify the Addendum here and reference the Addendum in Paragraph 22D.)*
See Addendum A attached hereto and made a part hereof for all purposes.

13. **SALES EXPENSES:**

- A. Seller's Expenses: Seller will pay for the following at or before closing:
- (1) releases of existing liens, other than those liens assumed by Buyer, including prepayment penalties and recording fees;
 - (2) release of Seller's loan liability, if applicable;
 - (3) tax statements or certificates;
 - (4) preparation of the deed;
 - (5) one-half of any escrow fee;
 - (6) costs to record any documents to cure title objections that Seller must cure; and
 - (7) other expenses that Seller will pay under other provisions of this contract.
- B. Buyer's Expenses: Buyer will pay for the following at or before closing:
- (1) all loan expenses and fees;
 - (2) preparation of any deed of trust;
 - (3) recording fees for the deed and any deed of trust;
 - (4) premiums for flood insurance as may be required by Buyer's lender;
 - (5) one-half of any escrow fee;
 - (6) other expenses that Buyer will pay under other provisions of this contract.

14. **PRORATIONS:**

- A. Prorations:
- (1) Interest on any assumed loan, taxes, rents, and any expense reimbursements from tenants will be prorated through the closing date.
 - (2) If the amount of ad valorem taxes for the year in which the sale closes is not available on the closing date, taxes will be prorated on the basis of taxes assessed in the previous year. If the taxes for the year in which the sale closes vary from the amount prorated at closing, the parties will adjust the prorations when the tax statements for the year in which the sale closes become available. This Paragraph 14A(2) survives closing.
 - (3) If Buyer assumes a loan or is taking the Property subject to an existing lien, Seller will transfer all reserve deposits held by the lender for the payment of taxes, insurance premiums, and other charges to Buyer at closing and Buyer will reimburse such amounts to Seller by an appropriate adjustment at closing.
- B. Rollback Taxes: If Seller's use or change in use of the Property before closing results in the assessment of additional taxes, penalties, or interest (assessments) for periods before closing, the assessments will be the obligation of the Seller. If this sale or Buyer's use of the Property after closing results in additional assessments for periods before closing, the assessments will be the obligation of Buyer. This Paragraph 14B survives closing.

- C. ~~Rent and Security Deposits: At closing, Seller will tender to Buyer all security deposits and the following advance payments received by Seller for periods after closing: prepaid expenses, advance rental payments, and other advance payments paid by tenants. Rents prorated to one party but received by the other party will be remitted by the recipient to the party to whom it was prorated within 5 days after the rent is received. This Paragraph 14C survives closing.~~

15. DEFAULT:

- A. If Buyer fails to comply with this contract, Buyer is in default and Seller, as Seller's sole remedy(ies), may terminate this contract and receive the earnest money, as liquidated damages for Buyer's failure except for any damages resulting from Buyer's inspections, studies or assessments in accordance with Paragraph 7C(3) which Seller may pursue; or
(Check if applicable)
 enforce specific performance, or seek such other relief as may be provided by law.
- B. ~~If, without fault, Seller is unable within the time allowed to deliver the estoppel certificates, survey or the commitment, Buyer may:~~
~~(1) terminate this contract and receive the earnest money, less any independent consideration under Paragraph 7B(1), as liquidated damages and as Buyer's sole remedy; or~~
~~(2) extend the time for performance up to 15 days and the closing will be extended as necessary.~~
- C. ~~Except as provided in Paragraph 15B, if Seller fails to comply with this contract, Seller is in default and Buyer may:~~
~~(1) terminate this contract and receive the earnest money, less any independent consideration under Paragraph 7B(1), as liquidated damages and as Buyer's sole remedy; or~~
~~(2) enforce specific performance, or seek such other relief as may be provided by law, or both.~~

16. CONDEMNATION: If before closing, condemnation proceedings are commenced against any part of the Property, Buyer may:

- A. terminate this contract by providing written notice to Seller within 15 days after Buyer is advised of the condemnation proceedings and the earnest money, less any independent consideration paid under Paragraph 7B(1), will be refunded to Buyer; or
- B. appear and defend in the condemnation proceedings and any award will, at Buyer's election, belong to:
(1) Seller and the sales price will be reduced by the same amount; or
(2) Buyer and the sales price will not be reduced.

17. ATTORNEY'S FEES: If Buyer, Seller, any broker, or the title company is a prevailing party in any legal proceeding brought under or with relation to this contract or this transaction, such party is entitled to recover from the non-prevailing parties all costs of such proceeding and reasonable attorney's fees. This Paragraph 17 survives termination of this contract.

18. ESCROW:

- A. At closing, the earnest money will be applied first to any cash down payment, then to Buyer's closing costs, and any excess will be refunded to Buyer. If no closing occurs, the title company may require payment of unpaid expenses incurred on behalf of the parties and a written release of liability of the title company from all parties.
- B. If one party makes written demand for the earnest money, the title company will give notice of the demand by providing to the other party a copy of the demand. If the title company does not receive written objection to the demand from the other party within 15 days after the date the title company sent the demand to the other party, the title company may disburse the earnest money to the party making demand, reduced by the amount of unpaid expenses incurred on behalf of the party receiving the earnest money and the title company may pay the same to the creditors.

- C. The title company will deduct any independent consideration under Paragraph 7B(1) before disbursing any earnest money to Buyer and will pay the independent consideration to Seller.
- D. If the title company complies with this Paragraph 18, each party hereby releases the title company from all claims related to the disbursement of the earnest money.
- E. Notices under this Paragraph 18 must be sent by certified mail, return receipt requested. Notices to the title company are effective upon receipt by the title company.
- F. Any party who wrongfully fails or refuses to sign a release acceptable to the title company within 7 days after receipt of the request will be liable to the other party for: (i) damages; (ii) the earnest money; (iii) reasonable attorney's fees; and (iv) all costs of suit.
- G. Seller Buyer intend(s) to complete this transaction as a part of an exchange of like-kind properties in accordance with Section 1031 of the Internal Revenue Code, as amended. All expenses in connection with the contemplated exchange will be paid by the exchanging party. The other party will not incur any expense or liability with respect to the exchange. The parties agree to cooperate fully and in good faith to arrange and consummate the exchange so as to comply to the maximum extent feasible with the provisions of Section 1031 of the Internal Revenue Code. The other provisions of this contract will not be affected in the event the contemplated exchange fails to occur.

19. MATERIAL FACTS: To the best of Seller's knowledge and belief: *(Check only one box.)*

- A. Seller is not aware of any material defects to the Property except as stated in the attached Commercial Property Condition Statement (TAR-1408).
- B. Except as otherwise provided in this contract, Seller is not aware of:
 - (1) any subsurface: structures, pits, waste, springs, or improvements;
 - (2) any pending or threatened litigation, condemnation, or assessment affecting the Property;
 - (3) any environmental hazards or conditions that materially affect the Property;
 - (4) whether the Property is or has been used for the storage or disposal of hazardous materials or toxic waste, a dump site or landfill, or any underground tanks or containers;
 - (5) whether radon, asbestos containing materials, urea-formaldehyde foam insulation, lead-based paint, toxic mold (to the extent that it adversely affects the health of ordinary occupants), or other pollutants or contaminants of any nature now exist or ever existed on the Property;
 - (6) any wetlands, as defined by federal or state law or regulation, on the Property;
 - (7) any threatened or endangered species or their habitat on the Property;
 - (8) any present or past infestation of wood-destroying insects in the Property's improvements;
 - (9) any contemplated material changes to the Property or surrounding area that would materially and detrimentally affect the ordinary use of the Property;
 - (10) any condition on the Property that violates any law or ordinance.

(Describe any exceptions to (1)-(10) in Paragraph 12 or an addendum.)

20. NOTICES: All notices between the parties under this contract must be in writing and are effective when hand-delivered, mailed by certified mail return receipt requested, or sent by facsimile transmission to the parties addresses or facsimile numbers stated in Paragraph 1. The parties will send copies of any notices to the broker representing the party to whom the notices are sent.

- A. Seller also consents to receive any notices by e-mail at Seller's e-mail address stated in Paragraph 1.
- B. Buyer also consents to receive any notices by e-mail at Buyer's e-mail address stated in Paragraph 1.

21. DISPUTE RESOLUTION: The parties agree to negotiate in good faith in an effort to resolve any dispute related to this contract that may arise. If the dispute cannot be resolved by negotiation, the parties will submit the dispute to mediation before resorting to arbitration or litigation and will equally share the costs of a mutually acceptable mediator. This paragraph survives termination of this contract. This paragraph does not preclude a party from seeking equitable relief from a court of competent jurisdiction.

22. AGREEMENT OF THE PARTIES:

- A. This contract is binding on the parties, their heirs, executors, representatives, successors, and permitted assigns. This contract is to be construed in accordance with the laws of the State of Texas. If any term or condition of this contract shall be held to be invalid or unenforceable, the remainder of this contract shall not be affected thereby.
- B. This contract contains the entire agreement of the parties and may not be changed except in writing.
- C. If this contract is executed in a number of identical counterparts, each counterpart is an original and all counterparts, collectively, constitute one agreement.
- D. Addenda which are part of this contract are: *(Check all that apply.)*
 - (1) Property Description Exhibit identified in Paragraph 2;
 - (2) Commercial Contract Financing Addendum (TAR-1931);
 - (3) Commercial Property Condition Statement (TAR-1408);
 - (4) Commercial Contract Addendum for Special Provisions (TAR-1940);
 - (5) Notice to Purchaser of Real Property in a Water District (MUD);
 - (6) Addendum for Coastal Area Property (TAR-1915);
 - (7) Addendum for Property Located Seaward of the Gulf Intracoastal Waterway (TAR-1916);
 - (8) Information About Brokerage Services (TAR-2501);
 - (9) Information About Mineral Clauses in Contract Forms (TAR-2509); and
 - (10) **Addendum A attached hereto and made a part hereof.**

(Note: Counsel for the Texas Association of REALTORS® (TAR) has determined that any of the foregoing addenda which are promulgated by the Texas Real Estate Commission (TREC) or published by TAR are appropriate for use with this form.)

- E. Buyer may may not assign this contract. If Buyer assigns this contract, Buyer will be relieved of any future liability under this contract only if the assignee assumes, in writing, all obligations and liability of Buyer under this contract.

23. TIME: Time is of the essence in this contract. The parties require strict compliance with the times for performance. If the last day to perform under a provision of this contract falls on a Saturday, Sunday, or legal holiday, the time for performance is extended until the end of the next day which is not a Saturday, Sunday, or legal holiday.

24. EFFECTIVE DATE: The effective date of this contract for the purpose of performance of all obligations is the date the title company receipts this contract after all parties execute this contract.

25. ADDITIONAL NOTICES:

- A. Buyer should have an abstract covering the Property examined by an attorney of Buyer's selection, or Buyer should be furnished with or obtain a title policy.
- B. If the Property is situated in a utility or other statutorily created district providing water, sewer, drainage, or flood control facilities and services, Chapter 49, Texas Water Code, requires Seller to deliver and Buyer to sign the statutory notice relating to the tax rate, bonded indebtedness, or standby fees of the district before final execution of this contract.
- C. Notice Required by §13.257, Water Code: "The real property, described below, that you are about to purchase may be located in a certificated water or sewer service area, which is authorized by law to provide water or sewer service to the properties in the certificated area. If your property is located in a certificated area there may be special costs or charges that you will be required to pay before you can receive water or sewer service. There may be a period required to construct lines or other facilities necessary to provide water or sewer service to your property. You are advised to determine if the property is in a certificated area and contact the utility service provider to determine the cost that you

will be required to pay and the period, if any, that is required to provide water or sewer service to your property. The undersigned purchaser hereby acknowledges receipt of the foregoing notice at or before the execution of a binding contract for the purchase of the real property described in the notice or at closing of purchase of the real property." The real property is described in Paragraph 2 of this contract.

- D. If the Property adjoins or shares a common boundary with the tidally influenced submerged lands of the state, §33.135 of the Texas Natural Resources Code requires a notice regarding coastal area property to be included as part of this contract (*the Addendum for Coastal Area Property (TAR-1915) may be used*).
- E. If the Property is located seaward of the Gulf Intracoastal Waterway, §61.025, Texas Natural Resources Code, requires a notice regarding the seaward location of the Property to be included as part of this contract (*the Addendum for Property Located Seaward of the Gulf Intracoastal Waterway (TAR-1916) may be used*).
- F. If the Property is located outside the limits of a municipality, the Property may now or later be included in the extra-territorial jurisdiction (ETJ) of a municipality and may now or later be subject to annexation by the municipality. Each municipality maintains a map that depicts its boundaries and ETJ. To determine if the Property is located within a municipality's ETJ, Buyer should contact all municipalities located in the general proximity of the Property for further information.
- G. Brokers are not qualified to perform property inspections, surveys, engineering studies, environmental assessments, or inspections to determine compliance with zoning, governmental regulations, or laws. Buyer should seek experts to perform such services. Buyer should review local building codes, ordinances and other applicable laws to determine their effect on the Property. Selection of experts, inspectors, and repairmen is the responsibility of Buyer and not the brokers. Brokers are not qualified to determine the credit worthiness of the parties.
- H. NOTICE OF WATER LEVEL FLUCTUATIONS: If the Property adjoins an impoundment of water, including a reservoir or lake, constructed and maintained under Chapter 11, Water Code, that has a storage capacity of at least 5,000 acre-feet at the impoundment's normal operating level, Seller hereby notifies Buyer: "The water level of the impoundment of water adjoining the Property fluctuates for various reasons, including as a result of: (1) an entity lawfully exercising its right to use the water stored in the impoundment; or (2) drought or flood conditions."
- I. LICENSE HOLDER DISCLOSURE: Texas law requires a real estate license holder who is a party to a transaction or acting on behalf of a spouse, parent, child, business entity in which the license holder owns more than 10%, or a trust for which the license holder acts as a trustee or of which the license holder or the license holder's spouse, parent or child is a beneficiary, to notify the other party in writing before entering into a contract of sale. Disclose if applicable: _____.

26. CONTRACT AS OFFER: The execution of this contract by the first party constitutes an offer to buy or sell the Property. Unless the other party accepts the offer by 5:00 p.m., in the time zone in which the Property is located, on January 4, 2019, the offer will lapse and become null and void.

READ THIS CONTRACT CAREFULLY. The brokers and agents make no representation or recommendation as to the legal sufficiency, legal effect, or tax consequences of this document or transaction. CONSULT your attorney BEFORE signing.

Seller: Mary Carter Erwin

Buyer: Skyline Development, LLC. and/or its assignee

c/o Mary Barr

By: Mary Carter Erwin
By (signature): _____
Printed Name: Mary Carter Erwin
Title: Owner

By: [Signature]
By (signature): _____
Printed Name: James Rickenbacker
Title: Manager

By: _____
By (signature): _____
Printed Name: _____
Title: _____

By: _____
By (signature): _____
Printed Name: _____
Title: _____

AGREEMENT BETWEEN BROKERS

(use only if Paragraph 9B(1) is effective)

Principal Broker agrees to pay N/A (Cooperating Broker) a fee when the Principal Broker's fee is received. The fee to be paid to Cooperating Broker will be:

- \$ _____, or
- _____ % of the sales price, or
- _____ % of the Principal Broker's fee.

The title company is authorized and directed to pay Cooperating Broker from Principal Broker's fee at closing. This Agreement Between Brokers supersedes any prior offers and agreements for compensation between brokers.

Principal Broker: N/A Cooperating Broker: N/A

By: _____ By: _____

ATTORNEYS

Seller's attorney: _____ Buyer's attorney: _____

Address: _____ Address: _____

Phone & Fax: _____ Phone & Fax: _____

E-mail: _____ E-mail: _____

Seller's attorney requests copies of documents, notices, and other information:

- the title company sends to Seller.
- Buyer sends to Seller.

Buyer's attorney requests copies of documents, notices, and other information:

- the title company sends to Buyer.
- Seller sends to Buyer.

ESCROW RECEIPT

The title company acknowledges receipt of:

- A. the contract on this day Jan 4, 2019 (effective date);
- B. earnest money in the amount of \$ 5,000.00 in the form of a wire on January 7, 2019

Title company: Chicago Title Company Address: 3700 Buffalo Speedway, Ste. 1100

By: [Signature] Houston, TX 77098

Janet Karr, VP Phone & Fax: (713)653-6105

Assigned file number (GF#): CTF18702615 E-mail: jkarr@ctt.com janet.karr@

ctt.com

MAE [Signature]

SPECIAL PROVISIONS ADDENDUM A TO CONTRACT

This Special Provisions Addendum A (this "Addendum") is attached to and made a part of that certain Commercial Contract-Unimproved Property (as amended by this Addendum, the "Contract") by and between Mary Carter Erwin (the "Seller") and Skyline Development, LLC and/or its assignee (the "Buyer") and shall be effective for all purposes as of the Effective Date of the Contract. The Seller and Buyer shall individually be referred to herein as a "Party" and collectively as the "Parties".

1. Notwithstanding anything in Paragraph 2 of the Contract to the contrary, the term "Property" shall mean and include a non-exclusive right to cross on, over and upon a portion of Seller property abutting the real property made a part of the Property to Bills Road, N 60th Street and Lago Trails in the approximate location described on Exhibit "A" attached to the Contract, which access rights and use of Seller's adjacent property shall be granted by Seller to Buyer in the location and final dimensions to be agreed upon by the Parties and set forth in an access easement agreement ("Access Rights") and reflected on the final Survey of the Property. Buyer's obligation under the Contract is expressly contingent upon satisfaction that the Property being conveyed includes Access Rights in the location and dimensions acceptable to the Buyer and all governmental jurisdictions in connection with the development of Buyer's Intended Use (as hereinafter defined).
2. The Parties acknowledge and agree that the legal description set forth in the final approved survey (the "Survey") obtained in accordance with Paragraph 6(B)(1) of the Contract shall be accepted by the Parties as the correct and final description of the Property. If the Seller is in possession or control of a plats and/or surveys of the Property, Seller shall deliver the plats and surveys to the Buyer within 10-days following the Effective Date of the Contract.
3. Buyer's Intended Use of the Property – Rental Housing Community.
4. Buyer shall have the right during the Feasibility Period described in Paragraph 7(B) of the Contract to inspect the Property, to perform all due diligence and to compile all documents and third party reports deemed necessary by Buyer, in its sole discretion, in order to determine if the Property is suitable for Buyer's Intended Use, including, without limitation, satisfaction of acceptable utilities and Access Rights benefitting the Property and Buyer's Intended Use. Seller shall permit Buyer and its representatives, upon reasonable advanced notice, to enter onto the Property for purposes of conducting its investigation and inspection of the Property, at Buyer's sole cost and expense, that shall include, without limitation, completion of any surveying, engineering, geo-technical and environmental assessments. Buyer may terminate the Contract during the Feasibility Period for any reason and receive a refund of the Earnest Money subject to any portion thereof released to the Seller in accordance with the provisions of Paragraph 7(B) of the Contract.
5. If, for any reason, Buyer, in its sole discretion, considers the Property to be unsuitable for Buyer's Intended Use or purposes, or Buyer otherwise disapproves of the Property based on the studies conducted pursuant to the foregoing paragraph or for any other reason, at Buyer's sole and absolute discretion, Buyer may terminate the Contract by delivering written notice of termination to Seller at any time prior to the expiration of the Feasibility Period, in which event the Contract shall terminate and the parties shall be relieved of any further obligations hereunder.

In the event that Buyer elects not to terminate the Contract during the Feasibility Period, the Earnest Money shall be released by the Title Company directly to the Seller upon the expiration of the Feasibility Period and become non-refundable to the Buyer but applicable to the Sales Price at Closing.

6. The date of Closing will occur on the date described in Paragraph 10(A) of the Contract. The date of the Closing may be extended by Buyer for three (3) consecutive 30-day periods as necessary and for the sole purpose of obtaining site plan and other approvals from the all governmental authorities and finalizing the closing with the debt and equity providers. Buyer's right to extend the date of Closing pursuant to this paragraph is conditioned upon Buyer delivering written notice to Seller of its intention to extend at least 3 business days prior to the expiration of the then date of Closing and depositing with the Title Company the amount of \$5,000 for each extension elected by Buyer (the "Closing Extension Fee") which shall be released by the Title Company directly to the Seller. The Closing Extension Fee shall be non-refundable to Buyer, except in the event of a default by Seller pursuant to the Contract, but applicable to the Sales Price at Closing.

7. All Earnest Money deposits and Closing Extension Fees (including any portion thereof released to the Seller) shall be applicable to the Sales Price at Closing.

8. Notwithstanding any provision in the Contract to the contrary, in the event the Contract is terminated pursuant to any right to do so under any provisions of the Contract, the parties shall work to provide the title company any requested documentation or execute any release of funds ("Release") from the title company necessary to release the Earnest Money to the appropriate parties pursuant to the provisions of the Contract. The parties acknowledge and agree that the Title Company shall have the right to disburse funds and close the contract within 10-days following receipt by the parties of the form of Release from the Title Company. The parties agree to indemnify and hold the Title Company harmless for any claims whatsoever in connection with the Contract and disbursement pursuant to the Release in the event any party fails to execute the Release from the Title Company within such 10-day period.

9. The Property is being sold "AS IS", "WHERE IS", AND "WITH ALL FAULTS". As of the date of acceptance of all inspections performed by the Buyer, Seller shall, at Seller's sole cost and expense, keep the Property until Closing in its current condition (subject to normal wear and tear) and shall not permit or commit any liens, waste, impairment, casualty or deterioration thereof or commit, suffer or permit any act upon or use of the Property in violation of any applicable law, order, permit or license of any governmental authority. The failure of the Seller to keep the Property in its current condition shall constitute an event of default under the Contract and Buyer shall have the remedies described in Paragraph 15(C).

10. Notwithstanding any provision in the Contract to the contrary, Seller represents and warrants to Buyer that as of the date of Seller's execution of the Contract and as of the date of Closing:

(a) There are no actions, suits or proceedings pending or, to the actual knowledge of Seller, threatened (i) against the Property that would materially adversely affect the Property, or (ii) against Seller that would preclude the Seller from performing Seller's obligation under the Contract;

(b) Seller has not received any notice regarding condemnation, litigation, administrative or other legal proceedings affecting the Property or any portion thereof, and to the actual knowledge of Seller, no such action or proceedings have been commenced or threatened;

(c) Seller covenants that there are no written or unwritten leases, occupancy agreements or tenants in possession affecting the Property or any portion thereof (collectively, the "Lease")/ Seller

agrees to indemnify and hold Buyer harmless from any claims or causes of actions arising out of any Lease or use of the Property prior to the sale and transfer of the Property to Buyer at Closing in accordance with the Contract; and

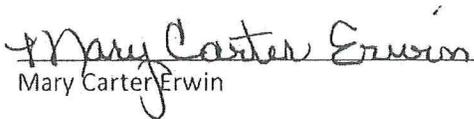
(d) Seller is the sole owner of fee simple title to the Property and has full power and authority to execute, deliver and perform the Contract without obtaining any consents or approvals from or the taking of any other actions with respect to, any other individuals or third parties (or if such consent, approvals or other action is required, it will be accomplished prior to Closing).

11. Notwithstanding anything in Paragraph 9 of the Contract to the contrary, Buyer and Seller hereby represent to the other that they have not disclosed the Contract or the subject matter hereof to any real estate broker, agent, or salesman, so as to create any legal right or claim by any such broker, agent, or salesman for a real estate commission or compensation with respect to the negotiation and/or consummation of the Contract or the conveyance of the Property by Seller to Buyer except as set forth in Paragraph 9 of the Contract and this Paragraph 11. Except as set forth in Paragraph 9 of the Contract, Seller and Buyer hereby indemnify each other against, and agree to hold and save each other harmless from, any claims (or expenses related thereto, including expenses for reasonable attorneys' fees incurred in defending any such claims or enforcing this indemnity) for any real estate commissions or similar fees arising out of or in any way connected with any claimed agency relationship with the indemnitor and relating to the subject matter of the Contract. This provision of this Paragraph 11 shall survive the Closing or any termination of the Contract.

12. All capitalized terms used herein and not otherwise defined shall have the mean ascribed to such term in the Contract.

13. In the event of a conflict between the provisions of the Contract and this Addendum, the provisions of this Addendum shall control and prevail.

SELLER:


Mary Carter Erwin

BUYER:

Skyline Development, LLC, or its assignee

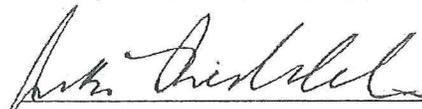
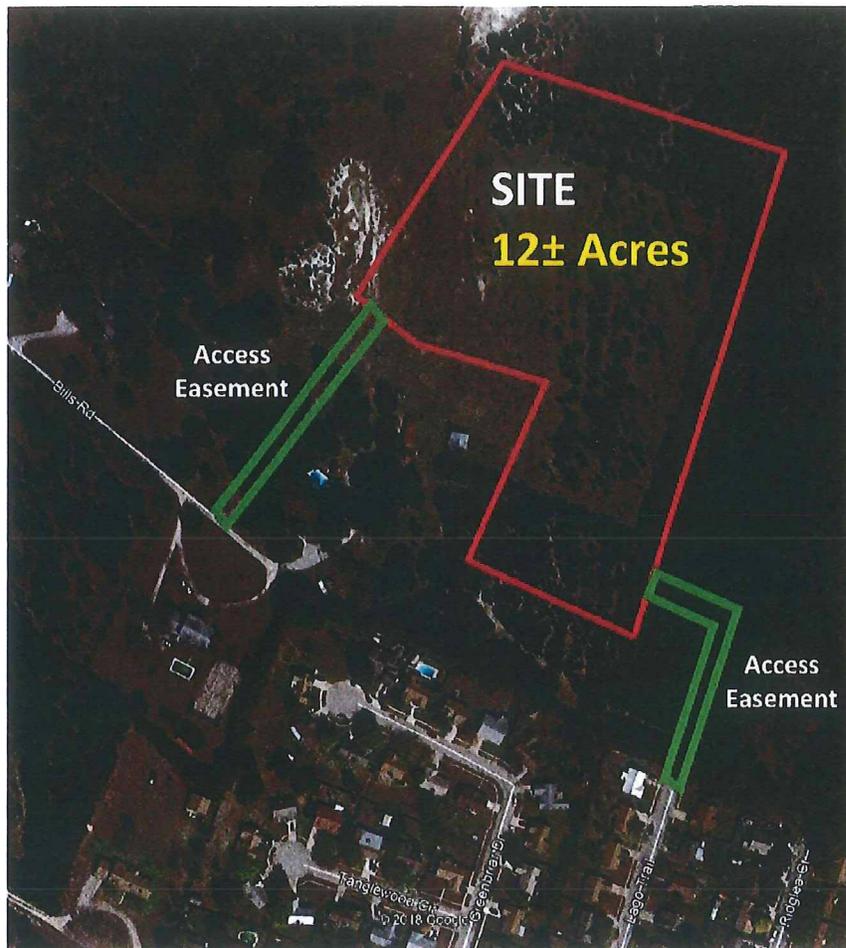
By: 
Jamie Rickenbacker, Manager

Exhibit A: Property Description

12± acres located near the NEC of North 60th Street and Bills Road, Killeen, TX
76543

a/k/a Bell Co Cad Account nos. 33771 and 18049

The exact dimensions and acreage of the property are to be determined by a new survey. The dimensions and acreage will not match the aerial description exactly as stated below.



MAE