



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

Bouldin Communities, LLC
Developer Name

Killeen Springs
Project Name

W STANSCHLUETER LP between Pennington Avenue and Foster Ln, Property ID 363658, Geographic ID: 0573130006, with a legal description of A0686BC T ROBINETT, 49, TRACT 2, ACRES 5.597
Project Address

<u>48027023106</u>	<u>Iduma EL</u>	<u>Live Oak Ridge MS</u>	<u>Shoemaker HS</u>
Census Tract #	Elementary School	Middle School	High School

Project Type: ☐ General ☒ Elderly ☐ Supportive Housing

Role of Applicant: ☒ Owner ☒ Developer ☐ Other: _____
(select all that apply)

Applicant is Requesting City Council Resolution: ☒ of support ☐ stating no objection
(select all that apply)

Applicant is Requesting Commitment to Funding: ☐ Loan ☐ Grant
 ☒ Reduced Fees ☐ Other: _____

Amount of Loan, Grant, or Reduced Fees Requested: \$500.00 in development fee waivers

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.

Bouldin Communities, LLC

Name

3801 N Capital of Texas Hwy, Suite E-204 #435

Business/Street Address

Austin

TX, 78746

City

State, ZIP

(512) 507-5984

Telephone #

Jeff Markey

(512) 507-5984

jmarkey@bouldincre.com

Contact Person

Contact Telephone #

Email Address

82-3655317

DUNS #

Federal Tax ID #

2. PROJECT DESCRIPTION

The property will be a 120 unit age restricted development.

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;
Attached
- b. Provide a preliminary site plan for the proposed project;
Attached
- c. Describe the tenant population, income levels, and services, if any, to be provided to or made available to residents;

Senior population – 128 total units, 7.5% at 30% AMGI, 20% at 50% AMGI, 10-15% market rate and the remaining units will be at 60% AMGI. The owners will survey the tenant after lease-up to determine the most appropriate services for the tenants. A list of the services available is attached.

- d. List basic amenities and unit amenities proposed for the project;
Attached
- 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;
Applicant is for-profit owner and has no intention of requesting any exemption
- 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;
Attached
- g. Include evidence of site control, such as a warranty deed or a current, receipted earnest money;
Attached
- 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	65	55	10	800
2 BR	55	45	10	1000
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;
Attached
- 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;
Do not have any letters at this time.
- l. Describe the impact the project is anticipated to have on surrounding neighborhood(s);
This is a senior development and is not anticipated to have a major impact on the surrounding neighborhood
- m. Describe the impact the project is anticipated to have on existing affordable housing in the area;
The most recent affordable elderly/senior development constructed was approved in 2009. That development has long since stabilized and the market is showing need for additional senior units.
- n. Describe the impact the project is anticipated to have on City infrastructure; including the impact of traffic associated with the proposed project;

This is a senior development and is not anticipated to have a major impact on city infrastructure or traffic.

- o. Describe the availability of and impact the project is anticipated to have on public transit service;
This is a senior development and is not anticipated to have a major impact on city infrastructure or traffic.
- p. Describe the impact the project is anticipated to have on area schools;
This is senior development so there will not be an impact on area schools except an increase to the tax base for the improved property
- q. Indicate if the project will assist in the elimination of blight, the preservation of environmental assets, and/or enhancement of landscaping;
This is a nice area of the city and is not blight ridden.
- 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;
Attached
- 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.
Lockhart Springs – Lockhart, Texas awarded 2018 under construction
Caldwell Heights – Caldwell, Texas awarded 2018 under construction
La Grange – 2019 application
Yoakum – 2019 application
- 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.
Understood
- u. Provide information on the number and type of local contracting opportunities associated with the proposed development (construction or other type of contract).
Our team makes every effort to purchase construction materials local and use local subcontractor in the construction of the development.

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	BC 2019 Killeen, LP	0				
Developer	Bouldin Communities, LLC and Olympia Construction, Inc.	40+				

Architect	TBD					
Engineer	Carney and Associates	15+				
Construction Lender	TBD					
Other Lenders	TBD					
General Contractor	Olympia Construction, Inc.	40+				
Consultant (if applicable)	Arx Advantage, LLC	30+				
Sub-Contractor						
Sub-Contractor						
Other						
Other						

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)
Construction specifications and cost estimates	September-October 2019
Securing and packaging project financing	September- December 2019
Construction bids	January 2020
Acquisition and/or holding/Closing	February 2020
Construction start	March 2020
Completion of construction	August 2021
Start of Rent-up	March 2021
Acquisition and/or holding/Closing	
Other:	
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).

Bouldin Communities, LLC



Legal Name of Developer/Entity

1/7/2019

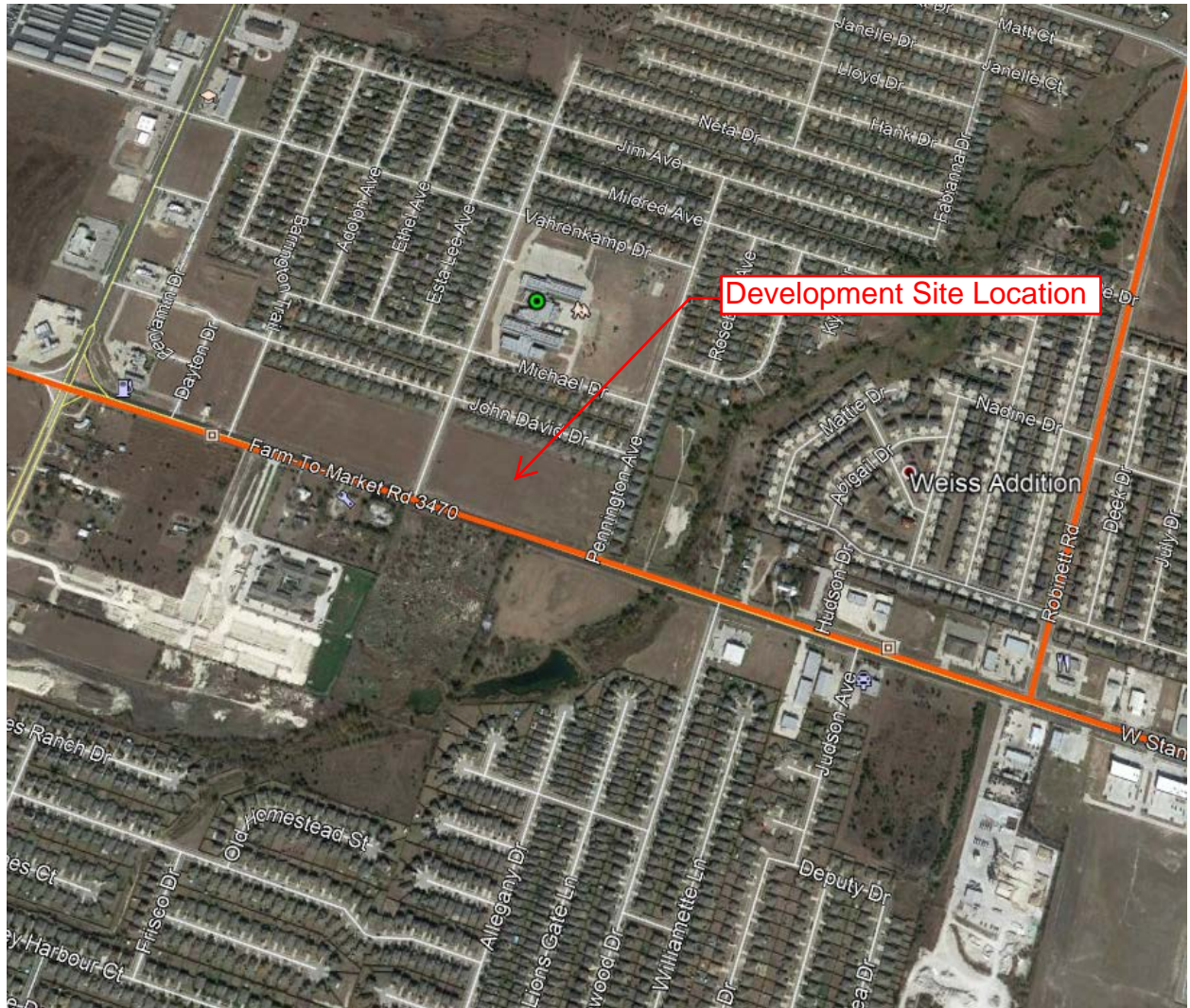
Date

Signature of Authorized Officer

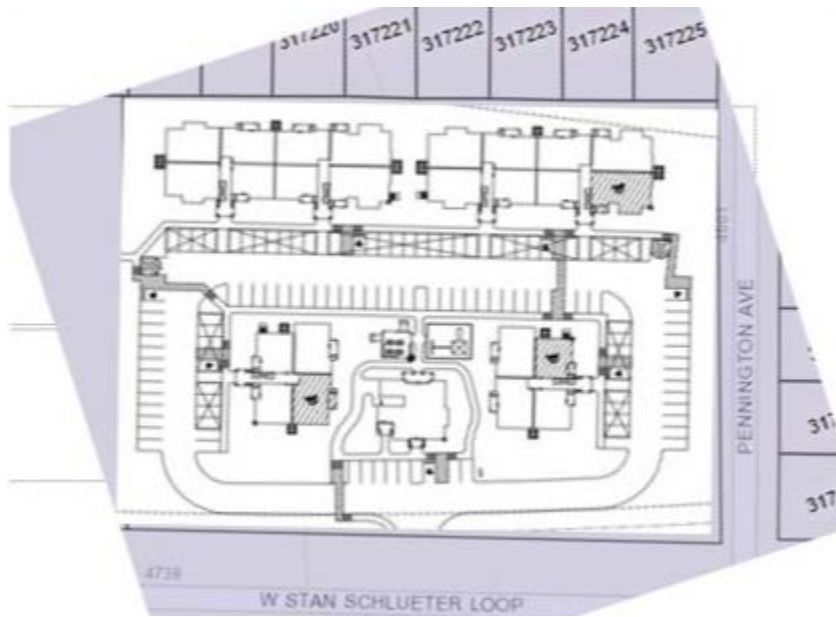
Manager

Title

Property Location



Development Site Plan



Potential Tenant Services

Transportation Supportive Services

Adult Supportive Services

- (i) organized, on-site classes provided to an adult audience by persons skilled or trained in the subject matter being presented, such as character building programs, English as a second language classes, computer training, financial literacy courses, health education courses, certification courses, GED preparation classes, resume and interview preparatory classes, general presentations about community services and resources, and any other course, class, or presentation that may equip residents with new skills that they may wish to develop
- (ii) annual income tax preparation (offered by an income tax prep service) or IRS-certified VITA (Volunteer Income Tax Assistance) program (offered by a qualified individual) that also emphasizes how to claim the Earned Income Tax Credit
- (iii) contracted career training and placement partnerships with local worksource offices, culinary programs, or vocational counseling services; also resident training programs that train and hire residents for job opportunities inside the development in areas like leasing, tenant services, maintenance, landscaping, or food and beverage operation
- (iv) external partnerships for provision of weekly substance abuse meetings at the Development Site

Health Supportive Services

- (i) Food pantry consisting of an assortment of non-perishable food items and common household items (i.e. laundry detergent, toiletries, etc.) accessible to residents at least on a monthly basis or upon request by a resident. While it is possible that transportation may be provided to a local food bank to meet the requirement of this resident service, the resident must not be required to pay for the items they receive at the food bank
- (ii) annual health fair provided by a health care professional
- (iii) weekly exercise classes (offered at times when most residents would be likely to attend)
- (iv) contracted onsite occupational or physical therapy services for Elderly Developments or Developments where the service is provided for Persons with Disabilities and documentation to that effect can be provided for monitoring purposes

Community Supportive Services

- (i) partnership with local law enforcement and/or local first responders to provide quarterly on-site social and interactive activities intended to foster relationships with residents (such activities could include playing sports, having a cook-out, swimming, card games, etc.)
- (ii) Notary Services during regular business hours (§2306.6710(b)(3))
- (iii) twice monthly arts, crafts, and other recreational activities (*e.g.* Book Clubs and creative writing classes)
- (iv) twice monthly on-site social events (i.e. potluck dinners, game night, sing-a-longs, movie nights, birthday parties, holiday celebrations, etc.)

- (v) specific case management services offered by a qualified Owner or Developer, qualified provider or through external, contracted parties for seniors, Persons with Disabilities or Supportive Housing
- (vi) weekly home chore services (such as valet trash removal, assistance with recycling, furniture movement, etc., and quarterly preventative maintenance including light bulb replacement) for Elderly Developments or Developments where the service is provided for Persons with Disabilities and documentation to that effect can be provided for monitoring purposes
- (vii) any of the programs described under Title IV-A of the Social Security Act (42 U.S.C. §§601, et seq.) which enables children to be cared for in their homes or the homes of relatives; ends the dependence of needy families on government benefits by promoting job preparation, work and marriage; prevents and reduces the incidence of unplanned pregnancies; and encourages the formation and maintenance of two-parent families
- (viii) a part-time resident services coordinator with a dedicated office space at the Development or a contract with a third-party to provide the equivalent of 15 hours or more of weekly resident supportive services at the Development
- (ix) provision, by either the Development Owner or a community partner, of an education tuition- or savings-match program or scholarships to residents who may attend college

Proposed Development Amenities

- Energy Star Microwave
- Energy Star Dishwasher
- Energy Star Refrigerator with Icemaker
- Energy Star Windows with Low E Glass
- Garbage Disposal
- Energy Star Ceiling Fans
- Oven/Range
- Bathroom Exhaust Fans
- Laundry Connections
- Window blinds & coverings
- High-Speed Internet



Covered Patio
Covered Entries
Energy Star HVAC
R-14+ Wall Insulation
R-39+ Ceiling Insulation
30-Year Shingles

(Proposed amenities may change during development process)

Proposed Site Amenities

- Community Building
- Copy & Fax Services
- Activity Room
- Play Area
- Fitness Room
- Courtesy Patrol
- On-Site Laundry
- On-Call / On-Site Maintenance



(Proposed amenities may change during development process)



January 7, 2019

City of Killeen
Planning & Development Services Department ·
phone: (254) 501-7630
200 East Avenue D · Suite 6 ·
Killeen, Texas · 76541

Re: Parcel 363658 (A0686BC T ROBINETT, 49, TRACT 2, ACRES 5.597)

Subject: Zoning Change Request

The Owner requests a zoning change from B-5 to r-3A.

The purpose of the change is to allow for the development of 120 age-restricted multifamily rental units.

The proposed change is not expected to impact the surrounding neighborhoods.

The proposed use is consistent with the Future Land Use map and the City's strategic plans.

Sincerely,



Jeff Markey

Bouldin Communities, LLC

Preliminary Concept

120 Units of Affordable Rental Housing

- Multifamily construction
- Mixed-Income Rental Housing

Preliminary Proposed Rents

	1 Bed	#Unit	2 Bed	#Units
• 60% AMGI Rent:	\$607	37	729	29
• 50% AMGI Rent:	\$495	13	594	11
• 30% AMGI Rent:	\$274	5	325	5
• Market Rate	\$607	10	729	10

AMGI: \$59,700

(Proposed units may change during development process)

Development Costs

Uses of Funds/Project Costs		
	acres:	Costs
Acquisition		\$ 670,000
Off-sites		0
Subtotal Site Costs		\$ 670,000
Sitework		1,800,000
Construction Costs		7,918,000
Contingency		680,260
Clubhouse		200,000
Contractor's Fee		1,483,756
Subtotal Construction		\$ 12,082,016
Indirect Construction		600,000
Legal & Closing Costs		200,000
Financing		400,000
Reserves		423,256
Developer's Fee		2,032,802
Subtotal Other Costs		\$ 3,656,059
Total Uses		\$ 16,408,075

The city waiver of \$500.00 will be subtracted from the impact fees.

AGREEMENT FOR PURCHASE AND SALE OF REAL PROPERTY

THIS AGREEMENT FOR PURCHASE AND SALE OF REAL PROPERTY (this "Agreement") is made effective as of this 7 day of January, 2019 (the "Agreement Date") by and between **BOULDIN COMMUNITIES, LLC**, a Texas limited liability corporation and/or its successors or assigns (the "Purchaser") and **CLEAR CREEK COMMERCIAL, LTD.**, a Texas limited liability corporation (collectively the "Seller").

RECITALS:

- A. Seller (i) owns that certain Five Point Five Nine Seven (5.597+/-) acres, more or less, of unimproved real property located at W STANSCHLUETER LP between Pennington Avenue and Foster Ln, Property ID 363658, Geographic ID: 0573130006, with a legal description of A0686BC T ROBINETT, 49, TRACT 2, ACRES 5.597 as more particularly shown on the attached **Exhibit "A"**, which Purchaser wishes to purchase (the "Property"), improvements of any nature located on the Property and all fixtures attached or affixed thereto. The Property shall also include all, easements, rights of way, privileges, licenses, appurtenances and other rights and benefits belonging to or running with the Property, or related to the Property and belonging to the Seller.
- B. Seller now desires to sell the Property to Purchaser, and Purchaser desires to Purchase the Property from Seller, upon the terms set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, promises and agreements herein contained, the parties hereto, intending to be legally bound, do hereby agree as follows:

1. **Purchase and Sale.** Seller agrees to sell and Purchaser to purchase the Property upon the terms and conditions hereinafter provided.

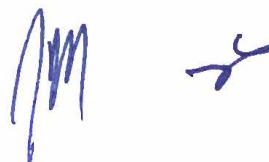
2. **Purchase Price; Earnest Money**

2.1 **Purchase Price.** The purchase price for the Property shall be SIX HUNDRED SEVENTY THOUSAND FIVE HUNDRED AND NO/100 DOLLARS (\$670,500.00). The Purchase Price shall be payable in cash at Closing, as Seller shall designate in writing to Purchaser, with credit given for the amount of the Earnest Money held by the Escrow Agent.

2.2. **Earnest Money.** Purchaser shall deliver to Stewart Title Company, Mandy Dean, Austin, TX (the "Escrow Agent"), Earnest Money deposits due and payable as follows:

- (a) Within 5 business days of execution of this Agreement, the sum of THIRTY-FIVE HUNDRED AND NO/100 DOLLARS (\$3,500.00) (the "Initial Escrow Deposit"); and,
- (b) Within five (5) business days following the earlier of (i) receipt by Purchaser of a final allocation of sufficient housing tax credits from the Texas Department of Housing and Community Affairs ("TDHCA"), or (ii) August 15, 2019, (whichever applies is to be the "Tax Credit Allocation Date"), the sum of Ten THOUSAND AND NO/100 DOLLARS (\$10,000.00) (the "Second Escrow Deposit").

(such funds, together with all interest earned thereon, being hereinafter referred to as the "Earnest Money") to be held and disbursed by the Escrow Agent as follows:

Two handwritten signatures in blue ink are located at the bottom right of the page. The first signature is a stylized, cursive 'M' or 'J'. The second signature is a shorter, more compact cursive mark.

2.2.1(a). On or before March 15, 2019, if this Agreement has not theretofore been terminated by Purchaser, FIFTEEN HUNDRED AND NO/100 DOLLARS (\$1,500.00) of the Initial Escrow Deposit shall become non-refundable and applicable to Purchase Price.

2.2.2 Notwithstanding the ultimate disposition of the Earnest Money pursuant to the terms of this Agreement, all interest thereon shall accrue to, and be paid to Purchaser from time to time, but in all events, upon the release, return or application of the Earnest Money as provided hereunder.

2.2.3. In the event of: (i) any termination of this Agreement by Purchaser on or before the receipt by Purchaser of a final allocation of sufficient housing tax credits from the TDHCA (the "Due Diligence Period"); (ii) any Permitted Termination (as defined hereunder) prior to Closing Date; or, (iii) any breach of this Agreement by Seller, all Earnest Money and any other monies held in escrow by Escrow Agent, other than One Hundred and No/100 Dollars (\$100.00) to be delivered to Seller as consideration for entering into this Agreement, shall be refunded to Purchaser, and Purchaser shall have no further liability under this Agreement, except for the survival of certain provisions as herein specifically provided.

2.2.4. In the event of any termination of this agreement not falling within section 2.2.2 above, all Earnest Money and any other monies held in escrow by Escrow Agent shall be delivered to Seller.

3. Closing.

3.1 Closing Date. If all conditions to closing are satisfied, "Closing" shall be held on or before January 15, 2020, unless extended pursuant to Section 3.2 hereunder (the "Closing Date"), or on such date prior to the Closing Date as may be agreed upon by Purchaser and Seller, at a location in Austin, Texas or by mail courier if acceptable to the parties.

3.2. Closing Extension. Purchaser shall have up to three extension options to extend the Closing Date for sixty (60) days per each extension. To exercise any extension option, Purchaser shall deposit additional escrow money to Escrow Agent, for each option exercised, in the sum of TWO THOUSAND AND NO/100 DOLLARS (\$2,000.00) (if paid, said funds shall be included as "Earnest Money").

3.3. Purchaser Required to Deliver. At Closing, Purchaser shall deliver to Seller the Purchase Price in the form set forth in Section 2.1, above.

3.4. Seller Required to Deliver. On or before the Closing, Seller shall deliver to Purchaser the following, which shall have been prepared by Purchaser and executed by Seller:

3.4.1. A duly executed and acknowledged Special Warranty Deed, in recordable form conveying fee title to the Property, as required by Section 4 hereunder, in favor of Purchaser.

3.4.2. Such information, affidavits, easements and documents as may be reasonably required by the Title Company and which are customary in such transactions.

3.4.3. Certificates of Seller that its representations and warranties contained in this Agreement are true, correct and complete at the time of Closing and shall survive Closing for such periods as hereinafter specifically provided, and that all corporate, company and/or partnership records reflect the consent and approval of all entities required for the consummation of the contemplated sale of property.

Two handwritten signatures in blue ink are located at the bottom right of the page. The first signature is a stylized, cursive 'M' or 'J' followed by a small flourish. The second signature is a more fluid, cursive signature, possibly 'S' or 'J', also followed by a flourish.

3.5. Prorations. The following shall be prorated as of the Closing Date: All non-delinquent real and personal property taxes and other approved assessments related to the Property, which are then due and payable.

4. Conveyance of Property. At the Closing, Seller shall execute and deliver to Purchaser a special warranty deed with full warranties of title, conveying indefeasible title to the Property, free and clear of all mortgages, security deeds, other security instruments, liens, encumbrances, tenancies, and restrictions (including condemnation proceedings) of any kind and nature other than then current state and county ad valorem taxes not yet due and payable, and such other items as Purchaser shall have agreed to accept as restrictions or encumbrances upon title.

5. Survey.

5.1 Purchaser may cause a survey (hereinafter referred to as the "Survey") to be made of the Property by a Texas Registered Land Surveyor (hereinafter referred to as the "Surveyor") and to deliver a copy of the survey to the Seller. The Survey shall reflect the acreage of the Property to the nearest One One-Thousandth (1/1000) acre. ~~The final purchase price indicated in Section 2.2.1 shall be adjusted by two dollars and seventy-five cents (\$2.75) per square foot from the 5.597 +/- acres indicated in section A...~~

5.2 Purchaser shall deliver three (3) prints of the Survey, together with a legally sufficient description of the metes and bounds of the Property based on the Survey, to Seller no later than thirty (30) days prior to the Closing, whereupon said description shall become a part of this Agreement without the necessity of any further action by any of the parties hereto.

6. Tests, Borings and Examinations. Seller will permit representatives of Purchaser to enter upon the Property for the purposes of conducting soil tests, borings, and any other tests, survey, inspections, or examinations that Purchaser desires regarding the Property, as long as appropriate liability insurance with Seller named as additional insured is in place for such activities. Purchaser shall hold Seller harmless for any and all costs, expenses, liabilities and damages resulting from the performance by Purchaser or Purchaser's representatives of such tests, inspections, or examinations, and shall deliver to Seller copies of such tests, surveys, etc., within ten (10) days of receipt by Purchaser or Purchaser's Agent. Purchaser shall take reasonable care to limit the impact of conduct of these actions on the property and restore the surface of the Property after tests are complete.

7. Examination of Title and Defects in Title. Purchaser shall have until thirty (30) days prior to Closing Date to examine Seller's title to the Property and to furnish Seller with a written statement of defects in such title, which defects, should they exist at the time of Closing, would make Seller unable to convey title to the Property as provided in Section 4 herein. Seller shall have ten (10) days after receipt by Seller of such written statement of defects or until the date of Closing, whichever period shall be the greater, in which to cure all defects, whether reported to Seller by Purchaser as provided for in this Section 7 or otherwise known to Seller. Seller agrees to use its best efforts to cure such defects promptly, but Seller has no obligation to cure any objection except for voluntary monetary liens granted by Seller. Purchaser shall also have right, at Purchaser's sole election and in Purchaser's sole discretion, to waive any defect in title known to Purchaser by giving notice in writing to Seller of the specific defect which Purchaser waives, whereupon Purchaser may close the transaction in accordance with this Contract. Seller has no obligation to cure any objections except for voluntary monetary liens granted by Seller.

8. Warranties of Seller. Seller warrants to Purchaser as follows:

8.1 Seller has the right, power and authority to enter into this contract and to sell the Property in accordance with the terms hereof, and Seller has granted no option to any other person or entity to purchase the Property.

8.2 To the best of Seller's knowledge, the Property complies with, conforms to and obeys all laws, ordinances, rules, regulations, and requirements existing of all governmental authorities or agencies having jurisdiction over the Property, and any requirement contained in any hazard insurance policy covering the Property or board of fire underwriters or other body exercising similar functions which are applicable to the Property or to any part thereof or which are applicable to the use or manner of use, occupancy, possession or operation of the Property. To the best of Seller's knowledge, but without additional inquiry, neither the Property nor any portion thereof violates any zoning, building, fire, health, pollution, subdivision, environmental protection or waste disposal ordinance, code, law or regulation or any requirement contained in any hazard insurance policy covering the Property; and Seller shall give prompt notice to Purchaser of any such violation which shall be received by Seller prior to Closing.

8.3 Seller has not received notice of and is not aware of any suits, judgments, or violations relating to or at the Property of any zoning, building, fire, health, pollution, environmental protection, or waste disposal ordinance, code, law or regulation which has not been heretofore corrected; that there is no suit or judgment presently pending or, to the best knowledge and belief of Seller, threatened which would create a lien upon the Property in the hands of Purchaser after Closing; and Seller shall give prompt notice to Purchaser of any such suit or judgment filed, entered or threatened prior to Closing.

8.4 There are no pending or to the best of Seller's knowledge, no threatened or contemplated eminent domain proceedings affecting the Property or any part thereof; and Seller shall give prompt notice to Purchaser of any such proceedings which occur or are threatened prior to Closing.

8.5 To the best of Seller's knowledge, there are no pending or no contemplated changes in the present status of zoning of the Property, other than any rezoning proceeding undertaken by Purchaser, and Seller shall give prompt notice to Purchaser of any such proposed changes of which Seller is aware prior to the Closing.

8.6 The Seller is not involved in any bankruptcy, reorganization or insolvency proceeding.

8.7 All taxes, assessments, water charges and sewer charges affecting the Property or both or any part of either thereof due and payable at the time of the Closing shall have been paid. All special assessments which are or will become a lien known to the Seller at the time of Closing on the Property shall also have been paid and discharged whether or not payable in installments.

8.8 There are no parties in possession of the Property or entitled to possession thereof other than Seller.

8.9 Water, sewer, electricity, telephone and cable television service are available to site via the access road.

8.10 Hazardous Materials. Except as previously disclosed in writing to Purchaser by Seller, to the best of Seller's knowledge: (i) the Property has not in the past been used and is not presently being used for the handling, storage, manufacturing, refining, transportation or disposal of "toxic material", "hazardous substances" or "hazardous waste"; (ii) there has not been and is not presently leeching or drainage of waste materials or hazardous substances into the groundwater beneath or adjacent to the Property; (iii) no buried, semi-buried or otherwise placed tanks, storage vessels, drums, or containers of any kind located on the Property used for the storage of hazardous waste, hazardous substances or toxic material; (iv) there no asbestos containing materials located on the Property; (v) no construction material used in any improvements located at the Property contains any substance or material presently known to be a hazardous substance or toxic material; (vi) Seller has not disposed upon the Property any hazardous substances on or below the surface of the Property or within two thousand (2,000) feet of the boundary



thereof including, without limitation, contamination of the soil, subsoil or groundwater; and (vii) the Property is not in violation of any law, rule or regulation of any government entity having jurisdiction thereof or which exposes Purchaser to liability to third parties. The terms "hazardous waste", "hazardous substances" and toxic material" include, without limitation, any flammable explosives, radioactive materials, hazardous materials, hazardous wastes, hazardous or toxic substances or related materials defined in the Comprehensive Environmental Response Compensation, and Liability Act of 1980, as amended (42 U.S.C. Sect. 960 et seq.), the Hazardous Materials Transportation Act, as amended (42 U.S.C. Sect. 1801 et seq.), the Resource Conservation and Recovery Act, as amended (42 U.S.C. Sect 9601 et seq.), the regulations adopted and publications promulgated pursuant to the foregoing and any other federal, state or local environmental law, ordinance, rule or regulation. Furthermore, Seller has not received a summons, citation, directive, letter or other communication, written or oral, from any governmental authority as to any of the above environmental concerns.

Without limiting the other provisions of this Agreement, Seller shall cooperate with Purchaser's investigation of matters relating to the foregoing provisions of this Section and provide access to and copies of all data and/or documents dealing with potentially hazardous materials used at the Property and any disposal practices followed. Seller agrees that Purchaser may make inquiries of governmental agencies regarding such matters, without liability to Purchaser for the outcome of such discussions.

9. Termination. In addition to all other rights of Purchaser under this Agreement as provided by law (and not in lieu of any such rights), Purchaser, at Purchaser's sole election and in Purchaser's sole discretion, may cancel and terminate this Agreement by written notice to Seller and the Earnest Money shall be returned to Purchaser if any one or more of the following conditions or states of fact shall exist on the Closing Date (the "Permitted Termination") (but, in the alternative, Purchaser may in writing, at Purchaser's sole election and in Purchaser's sole discretion, decline to cancel and terminate this Agreement by reason of any such condition or state of fact, and proceed to consummate the transaction contemplated hereby):

9.1 Any proceeding filed or commenced by any governmental authority or other agency having powers of condemnation concerning the Property or any portion thereof;

9.2 The Property or any portion thereof shall be substantially damaged or destroyed by fire, vandalism, or by force of nature or act of God;

9.3 Seller shall not have cured any valid objections to or defects in title as required by and within the time prescribed in Section 7 hereinabove;

9.4 The failure of any of Seller's warranties set forth in Section 8 hereinabove to be true and correct on the date of Closing in the same manner and with the same effect as if then made, Seller hereby expressly agreeing that Seller will not cause or permit any action to be taken or omitted between the date hereinabove first written and the date of Closing which would cause any of such representations to be untrue on the date of Closing;

9.5 Failure of Seller to deliver to Purchaser at Closing, the special warranty deed described in Section 4 hereinabove;

9.6 Failure of Seller to deliver to Purchaser at Closing an affidavit of Seller stating that there are no outstanding indebtedness, security agreements, financing statements, or title retention contracts concerning any improvements, equipment, appliances, or other fixtures attached to the Property; that there are no unpaid or unsatisfied mortgages, security deeds, liens, or other encumbrances which could constitute a lien against the Property except those matters set forth in Section 7; that there are no disputes concerning the location of the lines and corners of the Property; that there are no pending suits, proceedings, judgments,



bankruptcies, liens, or executions against or affecting Seller in either the County in which the Property is located or any other County in the State of Texas which would affect title to the Property; that there are no outstanding bills incurred for labor and materials used in making improvements or repairs on the Property or for services of architects, surveyors, or engineers incurred in connection therewith which have not been provided for in such a manner as to permit an owner's policy of title insurance to issue to Purchaser without exception for mechanics' or materialmen's liens; and that Seller is not subject to withholding under IRC 1445;

9.7 Termination of the Agreement by Purchaser, at its sole and absolute discretion, occurs on or before the last day of the Due Diligence Period.

9.8 Termination of the Agreement under the provisions of Section 10.2 hereunder.

10. Zoning Matters.

10.1 If necessary, the Purchaser shall apply with the appropriate zoning body of the Killeen Planning and Zoning Commission, City of Killeen, Texas (the "Zoning Authority"), and pursue in a timely and diligent manner the rezoning of the Property from its present Zoning Classification to a Zoning Classification with conditions acceptable to Purchaser to allow for a minimum of eighty (80) apartment units (a "Unit") on the Property. The Seller agrees to sign the necessary documents in order for the Purchaser to seek such rezoning on Seller's behalf and to file such applications, letters of intent, and other documents and information as the Purchaser reasonably deems appropriate in seeking such rezoning.

10.2 If Purchaser's application for such rezoning has not been duly and validly approved by the Zoning Authority and the "Date of Final Rezoning" (as defined below) has not occurred before one hundred and twenty (120) days after the Application Date, then the Purchaser may, by written notice delivered to the Seller, terminate this Agreement thereby causing a release of the Earnest Money in accordance with Paragraph 2.2.3.

10.3 The "Date of Final Rezoning" means the date on which the following conditions are first satisfied: (i) the Property has been duly rezoned by the Zoning Authority, pursuant to Seller's application for rezoning, to a Zoning Classification that will allow the construction and operation of a minimum of eighty (80) Units and with conditions acceptable to Purchaser; (ii) all periods, if any provided or permitted by law for administrative or judicial appeal of such rezoning have expired; and (iii) all suits or appeals, if any, challenging such rezoning have been dismissed finally and conclusively in favor of such rezoning.

11. Annexation Matters.

Not Applicable

12. Possession of Property. Seller shall deliver possession of the Property to Purchaser at Closing.

13. Brokers.

13.1. Brokers. Seller will pay Principal Broker the fee specified by separate written commission agreement between the Principal Broker and Seller. The Principal Broker will pay the Cooperating Broker the fee specified by separate agreement.

13.2 Principal Broker: N/A
Broker/Agent:



Address:
Phone:
Email:
Represents:

Cooperating Broker: N/A
Broker/Agent:
Address:
Phone:
Email:
Represents:

13.3 At closing, Seller will pay: 0.0 % of the sales price to the Principal Broker and 0.0 % of the sales price to the Cooperating Broker. The cash fees will be paid in Travis County, Texas. Seller authorizes escrow agent to pay the brokers from the Seller's proceeds at closing.

14. Transaction Costs.

14.1. Purchaser's Costs. Purchaser shall pay Purchaser's legal fees, financing source fees, including fees for third party reports required by the Lenders, costs of all Inspections of the Property; with respect to the Purchaser's debt financing, all recording taxes and fees, documentary stamps, intangible taxes and other fees, charges and expenses of delivering or recording the documents which evidence or secure such debt, title search fees for owner's and mortgagee's title insurance policies, and survey.

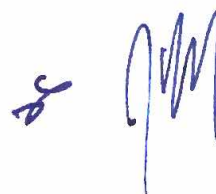
14.2. Seller's Costs. Seller shall pay Seller's legal fees, any prepayment or other penalties or fees payable in connection with the payoff of existing indebtedness on the Property, and any transfer, stamp, real estate conveyance or similar tax payable on the transfer of the Property, all special taxes, rollback taxes or assessments to the Closing Date and all recording fees relating to title clearance matters.

14.3. Other Costs. All costs or expenses incurred in the performance of the parties' respective obligations hereunder and of the consummation of the transactions contemplated herein that have not been specifically assumed by either party under the terms hereof shall be borne by the party incurring such cost or expense.

15. Liquidated Damages to Seller, Remedies of Purchaser. In the event that Purchaser refuses to accept title to the Property as required by this Contract, or otherwise defaults in Purchaser's obligations hereunder, through no fault of Seller, the Earnest Money shall be retained by Seller as fixed and full liquidated damages, subject to the provisions of section 2 above, and in such event neither the Purchaser nor Seller shall have any further rights or obligations hereunder or any remedies provided by law or equity. In the event that Seller refuses to convey title to the Property when required by this Contract to do so, or otherwise defaults in Seller's obligations hereunder, Purchaser shall be entitled to exercise all rights and remedies available at law or in equity, including, without limitation, specific performance.

16. Prior Discussions and Amendments. This Contract supersedes all prior discussions and agreements between Seller and Purchaser with respect to the conveyance of the Property and all other matters contained herein, and constitute the sole and entire agreement between Seller and Purchaser with respect thereto. This Contract may not be modified or amended unless such amendment is set forth in writing and signed by both Seller and Purchaser.

17. Successors and Assigns. This Contract shall apply to, inure to the benefit of, and be binding upon and enforceable against Seller and Purchaser and their respective heirs, successors and assigns



to the same extent as if specified at length throughout this contract with Seller's prior consent. Purchaser may assign this Contract to any affiliated individual, corporation, syndicate, or other business entity, which shall agree to assume each of Purchaser's obligations hereunder, and, upon assumption, Purchaser shall be released from all obligations hereunder. Purchaser may direct that title to the Property or any portion thereof be conveyed to Purchaser or its nominee.

18. Counterparts. This Contract may be executed in several counterparts, each of which shall be deemed an original, and all of such counterparts together shall constitute one and the same instrument.

19. Time of the Essence. Time is of the essence of this Contract.

20. Governing Law. This Contract shall be governed by and construed according with the laws of the State of Texas.

21. Notices. All notices required or permitted by the terms hereof shall be given by postage prepaid registered or certified United States Mail, return receipt requested, at the following addresses or at such other address as either part hereto shall in writing advise the other.

To : Seller: CLEAR CREEK COMMERCIAL MANAGEMENT, LC
2901 E. STAN SCHULETER LOOP
KILLEEN, TX 76542

To : Purchaser: Bouldin Communities, LLC
3801 N. Capital of Texas Hwy
Suite E-204 #435
Austin, Texas 78746

All notices shall be deemed given as of the time such are deposited with the United States Postal Service or overnight delivery service for transmittal as aforesaid.

22. Construction. No provision of this Contract shall be construed by any Court or other judicial authority against any party hereto by reason of such party's being deemed to have drafted or structured such provision.

23. Survival of Provisions. All covenants, warranties, representations, and agreements set forth in this contract shall survive the Closing, and will survive the execution of all deeds and other documents at any time executed and delivered under, pursuant to, or by reason of this contract.

24. Confidentiality. Seller hereby acknowledges that the terms of this Agreement, the existence of this Agreement and the identity of all parties to this Agreement are, and are to remain, confidential. Seller hereby agrees not to disclose the terms of this Agreement, other than to agents, counsel or advisors to Seller.

25. Federal Funds. "Notwithstanding any provision of this Contract, Purchaser shall have no obligation to purchase the Property, and no transfer of title to the Purchaser may occur, unless and until TDHCA (or other federal fund provider) has provided Purchaser and/or Seller with a written notification that : (1) it has completed a federally required environmental review and its request for release of federal funds has been approved and, subject to any other Contingencies in this Contract, (a) the purchase may proceed, or (b) the purchase may proceed only if certain conditions to address issues in the environmental review shall be satisfied before or after the purchase of the property; or (2) it has determined that the purchase is exempt from federal environmental review and a request for release of funds is not required.



TDHCA (or other federal fund provider) shall use its best efforts to conclude the environmental review of the property expeditiously.”

25. 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 7, 2019**, the offer will lapse and become null and void.

26. AS IS WHERE IS. This property is being sold AS IS WHERE IS.


IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

[signatures on the following page]

Two handwritten signatures in blue ink are visible in the bottom right corner of the page. The first signature is a stylized 'Z' or 'S' shape, and the second is a more complex, cursive signature.

"SELLER"

CLEAR CREEK COMMERCIAL, LTD.

By: 
Name: GARY W. PURSER JR
Title: _____

"PURCHASER"

BOULDIN COMMUNITIES, LLC
A Texas limited liability company

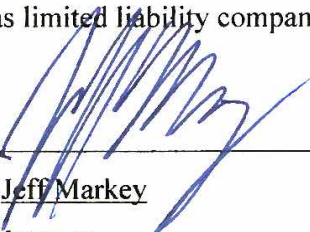
By: 
Name: Jeff Markey
Title: Manager

EXHIBIT "A"

Legal Description

Bell County Parcel: 363658; A0686BC T ROBINETT, 49, TRACT 2, ACRES 5.597; Geographic ID: 0573130006

