

4B

AN ORDINANCE 97076

AMENDING CHAPTER 35 OF THE CITY CODE THAT CONSTITUTES THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF SAN ANTONIO BY CHANGING THE CLASSIFICATION OF AND REZONING CERTAIN PROPERTY DESCRIBED HEREIN.

* * * * *

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. Section 35-304 of the Unified Development Code which is Chapter 35 of the City Code and constitutes the comprehensive zoning ordinance of the City of San Antonio is hereby amended so that it shall hereafter include the following described changes of classification and the rezoning of the hereinafter designated property to-wit:

CASE NO. Z2002268

The rezoning and reclassification of property from "C-3 R" Commercial District Restrictive Alcoholic Sales to "MF-25" Multi-Family District on the property listed as follows:

15.00 acres out of NCB 14491

Field notes describing the above mentioned tract are attached hereto and incorporated herein for all purposes.

SECTION 2. All other provisions of Chapter 35, as amended, shall remain in full force and effect, including the penalties for violations as made and provided in Section 35 -491.

SECTION 3. The Director of Planning shall change the zoning records and maps in accordance herewith and the same shall be available and open to the public for inspection.

SECTION 4. This ordinance is not severable.

PASSED AND APPROVED THIS 23rd DAY OF January 20 03

MAYOR: [Signature] EDWARD D. GARZA

ATTEST: [Signature] City Clerk

APPROVED AS TO FORM: [Signature] CITY ATTORNEY

03-03 [Stamp]

PROPER DESCRIPTION

42002268

BEING a description of a 15 000 acre tract of land situated in the New City Block 14491, Lot P-67A, Bexar County, Texas and being a portion of a called 65 236 acre tract of land described in a Warranty deed with Vendor's Lien from Wild Horse Canyon Development Company Two Inc to Mohammed D Al-Rafati as recorded in Volume 7584 of Page 0048 of the Deed Records of Bexar County, Texas Said 15 000 acre tract being more fully described as follows

COMMENCING at a 1/2-inch steel rod found for corner at the east end of a corner cap located at the intersection of the southeast right-of-way line of Old Pearsall Road (a 120 foot right-of-way also known as F M 2538) with the east right-of-way line of Southwest Loop 410 (a variable width right-of-way)

THENCE North 49 deg 42 min 00 sec East, departing said Southwest Loop 410 and along the said southeast right-of-way line of Old Pearsall Road a distance of 941 74 feet to a concrete right-of-way marker found for corner

THENCE North 55 deg 25 min 00 sec East continuing along said southeast right-of-way line a distance of 100 50 feet to a concrete right-of-way marker found for corner,

THENCE North 49 deg 42 min 00 sec East, continuing along said southeast right-of-way line a distance of 78 05 feet to a 1/2-inch steel rod found for corner on the west right-of-way line of the Lackland Air Force Base Railroad Spur right-of-way (a 100 foot wide right-of-way)

THENCE southerly along said right-of-way the following

South 24 deg 14 min 18 sec East, departing said Pearsall Road, a distance of 413 85 feet to a bent 1/2 inch steel rod found for corner at the beginning of a curve to the right having a central angle of 16 deg 58 min 28 sec, a radius distance of 1,857 58 feet and a chord distance of 547 28 feet and a chord bearing of South 15 deg 48 min 04 sec East

Southerly along said curve to the right an arc distance of 549 28 feet to a 1/2-inch steel rod set for corner

THENCE North 70 deg 18 min 00 sec West, departing said right-of-way a distance of 684 64 feet to a 1/2 -inch steel rod set for corner,

THENCE North 19 deg 42 min 00 sec East, a distance of 348 84 feet to a 1/2-inch steel rod set for corner

THENCE North 40 deg 18 min 00 sec West, a distance of 501 59 feet to a 1/2-inch steel rod set for corner

THENCE North 49 deg 42 min 00 sec East, a distance of 617 54 feet to a 1/2-inch steel rod set for corner,

THENCE North 24 deg 14 min 18 sec West, a distance of 218 52 feet to the POINT OF BEGINNING

And containing 15 000 acres or 435,600 square feet of land more or less

NOTES

- 1) This survey was prepared with the use and benefit of the Commitment for Title Insurance Issued by Alamo Title Company, G F No 01-05002422, issued 1/14/2002
- 2) Basis of Bearings bearings as shown hereon are based on the west right-of-way line of the Lackland Air Force Base Railroad Spur line as described in Volume 7584 of Page 0048 of the Deed Records of Bexar County, Texas
- 3) The easement to Western Gas and Fuel Company as described in Volume 939 at Page 113 of the Deed Records of Bexar County Texas is a Blanket Easement and affects the called 65 236 acre tract of which the hereon described 15 000 acre tract is a part (unplatable) Schedule B, item 9a

FLOOD STATEMENT

By graphic scaling only from the Flood Insurance Rate Maps for the Bexar County, Texas and incorporated areas, no portion of this property is shown in a special flood hazard area, the property is shown in Zone X Map Number 4802900803 3 E Effective Date February 16, 1996

EXHIBIT "A"

h

MEETING OF THE CITY COUNCIL

ALAMODOME
ASSET MANAGEMENT
AVIATION
CITY ATTORNEY
MUNICIPAL COURT
REAL ESTATE (FASSNIDGE)
REAL ESTATE (WOOD)
RISK MANAGEMENT
CITY MANAGER
SPECIAL PROJECTS
CITY PUBLIC SERVICE - GENERAL MANAGER
CITY PUBLIC SERVICE - MAPS AND RECORDS
CODE COMPLIANCE
COMMERCIAL RECORDER
COMMUNITY INITIATIVES
CONVENTION AND VISITORS BUREAU
CONVENTION CENTER EXPANSION OFFICE
CONVENTION FACILITIES
COUNCIL OFFICES
CULTURAL AFFAIRS
CUSTOMER SERVICE/311 SYSTEM
DEVELOPMENT SERVICES
HOUSE NUMBERING
LAND DEVELOPMENT SERVICES
TRAFFIC & DRAINAGE PLAN REVIEW
ECONOMIC DEVELOPMENT
ENVIRONMENTAL SERVICES
SOLID WASTE
EXTERNAL RELATIONS
PUBLIC INFORMATION OFFICE
FINANCE - DIRECTOR
FINANCE - ASSESSOR
FINANCE - CONTROLLER
FINANCE - GRANTS
FINANCE - PUBLIC UTILITIES SUPERVISOR
FINANCE- TREASURY
FIRE DEPARTMENT
HOUSING AND COMMUNITY DEVELOPMENT
HUMAN RESOURCES (PERSONNEL)
INFORMATION SERVICES
INTERNAL REVIEW
INTERNATIONAL AFFAIRS
LIBRARY
MANAGEMENT & BUDGET (OFFICE OF) OMB
MAYOR'S OFFICE
METROPOLITAN HEALTH DISTRICT
MUNICIPAL CODE CORPORATION
MUNICIPAL COURT
NEIGHBORHOOD ACTION
PARKS AND RECREATION
MARKET SQUARE
YOUTH INITIATIVES
PLANNING DEPARTMENT - NEIGHBORHOOD PLNG; URBAN DESIGN/HISTORIC PRESERVATION
DISABILITY ACCESS OFFICE
POLICE DEPARTMENT
GROUND TRANSPORTATION
PUBLIC WORKS DIRECTOR
CAPITAL PROJECTS
CENTRAL MAPPING
ENGINEERING
PARKING DIVISION
REAL ESTATE DIVISION
TRAFFIC ENGINEERING
PURCHASING AND GENERAL SERVICES
SAN ANTONIO WATER SYSTEMS (SAWS)
VIA

Main notes as amended

AGENDA ITEM NUMBER: 4B

DATE: JAN 23 2003

MOTION: *Martinez* Carpenter

ORDINANCE NUMBER: 97076

RESOLUTION NUMBER: _____

ZONING CASE NUMBER: 22002-268

TRAVEL AUTHORIZATION: _____

NAME	ROLL	AYE	NAY
BOBBY PEREZ District 1		✓	
JOHN H. SANDERS District 2		✓	
ANTONETTE "TONI" MOORHOUSE District 3		✓	
ENRIQUE "KIKE" MARTIN District 4		✓	
DAVID A. GARCIA District 5			
ENRIQUE M. BARRERA District 6		✓	
JULIAN CASTRO District 7		✓	
BONNIE CONNER District 8		✓	
CARROLL SCHUBERT District 9		✓	
DAVID CARPENTER District 10		✓	
EDWARD D. GARZA Mayor		<i>absent</i>	

ZC: Approval

Staff: Approval

03-03

Southwest Housing Management

Southwest Housing Management - Resident Selection Criteria

Southwest Housing Management supports the Fair Housing Act, as amended, prohibition in discriminating in housing based on race, color, religion, sex, national origin, handicap or familial status per the Fair Housing amendment. The following qualification standards will be required from every prospective resident.

MAXIMUM RENT AND MAXIMUM INCOME GUIDELINES ENFORCED AS REQUIRED BY TDHCA.

THE APPLICATION PROCESS

A complete credit/criminal credit check will be conducted for each adult applicant who is 18 years of age and older. "Note all applicants must qualify"

Students under the age of 18 must show proof of 95% school attendance. Each person 18 and over must submit proof of college, trade school, etc, if unemployed. **Note: All adults 18 and over are Lease Holder. Persons listed as occupants must be child or legal responsibility of the applicant (Proof must be provided)**

All residents 18 years and older must complete 40 hours of community involvement per year

INCOME AND EMPLOYMENT

All occupants must work at least 30 hours per week, provide a written certification of disability, which prohibits employment, or confirmation of retirement.

Employed applicants must have at least 6 months of current employment, unless just graduated from college and proof must be provided. Income must be verifiable at minimum of 3X's the tenant rent and a maximum allowed by the TDHCA.

If self-employed we must receive the most current tax return (1040), an audited financial statement for the last twelve months income or a notarized letter from a CPA stating that he or she has full knowledge of his clients income and the anticipated income for the upcoming twelve month period.

CREDIT

Credit will be evaluated by the Property Manager. A double deposit may not be considered. If a previous property is owed the entire balance must be paid or a written payment arrangement from their property on their letterhead may be considered. **Note: If you are approved based on an arrangement made with a previous property, please understand that if that arrangement is not kept, we will request possession of your apartment.** If a utility bill is owed - **AUTOMATIC REJECTION.**

RENTAL HISTORY

EVICTION - AUTOMATIC REJECTION.

No negative rental history included but not limited to late payments, disturbing the rights and comforts of other residents, poor housekeeping and overall failing to adhere to the policies and regulations of the management company.

If you have 1 year of rental, a good credit rating but employed less than 6 months a Double Deposit may be considered.

CRIMINAL

No pending charges or convictions of felony or misdemeanor crimes against a person or property to include but not limited to drug related criminal activity and acts of violence.

MAXIMUM OCCUPANCY

2 PERSONS 1 BEDROOM

4 PERSONS 2 BEDROOM

6 PERSONS 3 BEDROOM

5910 North Central Expressway

Suite # 1145

Dallas, Texas 75206



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

Rick Perry
GOVERNOR

Edvina P Carington
EXECUTIVE DIRECTOR

BOARD MEMBERS
Michael E. Jones, Chair
Elizabeth Anderson
Shedrick Bogany
C. Kent Conine
Vidal Gonzalez
Norberto Salinas

2002 LOW INCOME HOUSING TAX CREDIT COMMITMENT NOTICE Issued to the Development Owner: Heatherwilde Estates Housing, L.P.

Contact Person: Leroy Leopold
Contact Address: 5839 Sandhurst, Ste. B
Dallas, TX 75206
Contact Phone/Fax: (214) 232-5445 / (214) 987-9294

Development Name and TDHCA #: Heatherwilde Estates, TDHCA#02075
Development Address: 6300 Block of Old Pearsall Road
San Antonio, TX 78242
Located in Bexar County in Region 8A

Set Aside: General

Annual Housing Credit Allocation Commitment Amount: \$1,068,403

Issuance Date of Commitment Notice: August 15, 2002

Effective Date of Commitment Notice: July 29, 2002

Expiration Date of Commitment Notice: September 12, 2002

The Texas Department of Housing and Community Affairs (the "Department") has received from the applicant named above ("Development Owner") an application for an allocation by the Department, of low income housing tax credits for the housing development described above ("Development"), which allocation will permit the Development Owner to claim low income housing tax credits under Section 42 of the Internal Revenue Code as amended (the "Code")

The Department has approved the Development Owner's low income housing tax credit application, and by this Commitment Notice confirms the Department's commitment to make a housing credit allocation to the Development Owner in the Housing Credit Allocation Commitment Amount set forth above, subject to full compliance by the Development Owner with the Department's Low Income Housing Tax Credit Rules, Chapter 49 of Title 10 of the Texas Administrative Code, (the "Rules") as amended, and any other conditions set forth in Exhibit "A" of this Commitment Notice and incorporated by reference. This Commitment Notice is binding on all successors

Visit us on the world wide web at www.tdhca.state.tx.us

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2002 LOW INCOME HOUSING TAX CREDIT COMMITMENT NOTICE (CONTINUED)

Heatherwilde Estates, TDHCA#02075

The Housing Credit Allocation Commitment Amount is the maximum aggregate of the "housing credit allocation" within the meaning of Section 49.11(a) of the Rules that will be allocated to the building or buildings comprising the Development. If the Development contains more than one building, the Housing Credit Allocation Commitment Amount must be allocated among such buildings as required by the Rules and applicable federal income tax law. The Development Owner will be required to determine the "qualified basis" and "applicable percentage" (calculated in accordance with the requirements of the Rules) for each building in the Development (subject to the maximum set by the Department) and to seek approval from the Department of the desired allocation of the Housing Credit Allocation Commitment Amount among such buildings, as each such building is placed in service.

This Commitment Notice does not represent the making of a housing credit allocation for the Development or any building therein. Such allocations will be made only through the mailing or delivery to the Development Owner of the appropriate Internal Revenue Service forms containing certification of such housing credit allocation, in each case, upon fulfillment of all remaining conditions of the Rules and Exhibit "A".

- If this box is checked, this Commitment Notice contemplates the making of an allocation pursuant to the Department's set-aside of credit authority for "qualified nonprofit organizations" within the meaning of the Rules and the Code, and subject to the terms and conditions set forth therein.

If all conditions precedent to the making of a housing credit allocation for the Development are not met on or before 5:00 p.m. on the stated expiration date set forth above, the commitment made by this letter shall terminate automatically. The Department reserves the right to revoke this Commitment Notice if the Department discovers that the Development Owner has intentionally provided erroneous or fraudulent information to the Department in connection with the application for low income housing tax credits.

1. Failure to submit the documentation described below by the specified submission dates may result in the termination of your application for low income housing tax credits:

A. The original, signed Commitment Notice and a cashiers check for the Commitment Fee, in accordance with §49.13(e) of the Rules, must be submitted to the Department no later than 5:00 p.m. on September 12, 2002 which is the expiration date of this notice.

Commitment Fee: \$42,736

B. For only those developments being placed in service and requesting IRS Forms 8609 in 2002, all documents pursuant to the Cost Certification Manual and a Compliance Monitoring Fee in the greater amount of \$25.00 per LIHTC unit per year or \$100 must be submitted to the Department by 5:00 p.m. on November 27, 2002.

C. Each Applicant must execute and provide to the Department IRS Forms 8821 no later than August 29, 2002. The forms must be signed and executed on behalf of the Development Owner. If any issues of recapture or non-disclosure are identified by the IRS, the Board may determine if a Carryover Allocation will be made.

2002 LOW INCOME HOUSING TAX CREDIT COMMITMENT NOTICE (CONTINUED)

Heatherwilde Estates, TDHCA #02075

D. All documents outlined in the Carryover Allocation Procedures Manual relating to the 10% test pursuant to Section 42(h)(1)(E)(i) and (ii) of the Internal Revenue Code and Treasury Regulation, Section 1.42-6 (carryover allocation) must be submitted by 5.00 p.m. on October 11, 2002. This means that all expenditure required to meet the 10% test must be made on or prior to October 11, 2002 and evidence of such expenditure must be submitted to the Department not later than October 11, 2002. If the Development Owner is requesting an extension of the Carryover Allocation deadline, then a written request for such an extension and a cashiers check for the \$2,500 extension request fee must be submitted to the Department not later than September 27, 2002. The extension request must clearly state the reason for such a request and the date by which the Carryover documentation will be submitted to the Department if an extension is granted.

E. In accordance with Section 49.11(d)(4) of the QAP, the Development Owner shall close the Construction Loan no later than the second Friday in June of the year after the execution of the Carryover Allocation document. Evidence of the closing must be submitted to the Department within two weeks after the closing. Evidence of such closure must be provided in the form of the LIHTC Progress Report - Construction Loan Closing and supporting documentation.

F. Evidence that the General Contractor hired by the Development Owner meets the experience criteria defined in Section 49.11(e) of the QAP must be provided in the form of the Post Application - General Contractor Certification Form and supporting documentation. Such documentation must be submitted not later than the second Friday in June of the year after the execution of the Carryover Allocation Document.

G. In accordance with Section 49.11(d)(5) of the QAP, evidence that substantial construction activities (construction beyond the foundation stage) have commenced and are continuing must be provided to the Department not later than the second Friday in November of the year after the execution of the Carryover Allocation Document. Evidence of such activities must be provided in the form of the LIHTC Progress Report - Commencement of Construction and supporting documentation.

H. This Commitment is subject to the following project specific conditions. Unless otherwise stated, the documentation required to satisfy these conditions must be submitted to the Department no later than 5:00 p.m. on October 11, 2002.

- i) Receipt, review, and acceptance of conclusive written documentation from the taxing authority evidencing the claimed tax exemption.
- ii) Receipt, review, and acceptance of documentation evidencing approval of rezoning to MF-25/Multifamily.
- iii) Receipt, review, and acceptance of evidence of permanent loan commitments resulting in a total annual debt service of not more than \$369,420. Should the terms of the loans or syndication change the recommendations and conditions in this Commitment Notice should be re-evaluated.
- iv) NA
- v) NA
- vi) NA
- vii) NA
- viii) NA
- ix) NA
- x) NA

2002 LOW INCOME HOUSING TAX CREDIT COMMITMENT NOTICE (CONTINUED)

Heatherwide Estates, TDHCA#02075

2. Development Owner hereby agrees and acknowledges that all conditions, restrictions and obligations in addition to those applicable under Code Section 42 which the Development Owner undertook in applying for this allocation will be incorporated in a Declaration of Land Use Restrictive Covenant or other applicable document with respect to the Development. Such Declaration of Land Use Restrictive Covenants or document will also incorporate provisions requiring compliance with the Code and with Chapter 2306, Tex. Gov. Code (the "Act"), including but not limited to requirements for: annual reporting and periodic inspections; payment of the fees, charges, and expenses of the Department in connection with its monitoring and compliance activities under the Code and the Act, management, operating, maintenance and repair standards for the Development; tenant selection and income certification; limitations on rents, charges and fees payable by tenants; Development cost controls and management selection, and a minimum thirty-year affordability period, or the period stated in the Application, whichever is greater

David Burrell

David Burrell, Director of Housing Programs

8-15-02

Date

I (We), Development Owner, hereby agree to abide by all terms and conditions stated in this Commitment Notice, Exhibit "A," and any referenced documentation contained herein I (We), hereby acknowledge that failure to comply with said Commitment Notice, Exhibit "A," and any referenced documentation contained herein may result in the automatic termination of this application for low income housing tax credits

Bobby Lutzfeld

Development Owner

9-10-02

Date

Nancy "Bobby" Lutzfeld

Development Owner Printed Name, Title

LIHTC Application Supplement

FILE NUMBER: (assigned by TDHCA)

1. SET-ASIDE ELECTION

Pursuant to Section 42(g)(1)(A) & (B), the term "qualified low income housing development" means any project or residential rental property, if the development meets the requirements of subparagraph (A) or (B), whichever is elected by the taxpayer. Once an election is made, it is irrevocable. Select only one of the following categories:

At least 20% or more of the residential units in such development are both rent restricted and occupied by individuals whose income is 50% or less of the area median gross income, adjusted for family size.

At least 40% or more of the residential units in such development are both rent restricted and occupied by individuals whose income is 60% or less of the area median gross income, adjusted for family size.

2. UNIT COMPOSITION¹

Type of Unit	# of Designated Units	% of Total Units in Development
Family	176	100.0 %
Elderly		%
Handicapped/Developmentally Disabled	13	7.4 %
Battered Women		%
Transitional Housing		%
Owner Occupied		%
Employee Occupied		%
Market Rate Units	36	20.5 %
Other: (specify) _____		%

3. SUPPORTIVE SERVICES

Will supportive services be provided to tenants? Yes No Services will be: Mandatory Optional

Cost of the services is included in rent? Yes No If "No", the estimated monthly tenant expense is: \$ _____

Description of services: Social, recreational, computer lab, language lab, agency referrals, state workforce development and welfare programs

Name of Service Provider: Housing Services of Texas

Contact Name: Marty Mascari

Address: 2999 S. Hampton

City: Dallas State: Tx Zip: 75224 Phone: (214) 696-6077

4. APPLICANT INFORMATION

1. While not required at the time of Application, the Ownership Entity must be formed and the federal tax ID number must be established prior to the issuance of a Carryover allocation or IRS form 8609. The Department reserves, commits, and allocates tax credits to partnerships, corporations, and individuals. Reservations and commitments are not transferable. Ownership changes during the application process require a new application. The Department verifies ownership through closing documentation, warranty deeds, and title reports.

2. Because the Ownership Name is used in legal documents throughout the Application, Carryover, and Cost Certification phases, it is imperative that the correct Ownership Name be provided in all correspondence with the Department. Do not truncate or abbreviate any portion of the name. Use the full correct name.

¹ "Type of Unit" categories are not necessarily mutually exclusive (For a 200 unit family development w/ 1 manager's unit and 5% of the units set-aside for persons with disabilities, the table would read 200 Family units, 1 employee occupied and 10 units for Handicapped/Developmentally Disabled with corresponding %s of total units.)

6. POPULATIONS SERVED									
Unless otherwise modified by the Department, the Applicant's representations of the number of units, income levels to be served, and rent levels to be served shall be a condition of the funding award. Appropriate restrictions shall be incorporated into the funding contract/commitment and land use restriction agreement if applicable. Data entered in this section must correspond with that presented in the "Rent Schedule" portion of the Application.									
A. NUMBER OF UNITS (Mark all applicable categories)									
	# of Units	% of Units		# of Units	% of Units	Total # of Units			
Low-Income Units	140	79.5	Market Rate Units	36	20.5	176			
B. PROPOSED LOW INCOME LEVELS SERVED					C. PROPOSED LOW INCOME RENT LEVELS ⁵				
Enter the proposed number of Low Income Households under each Maximum Allowable Household Income Level					Enter the proposed number of Low Income Households under each Maximum Allowable Unit Rent Level. ⁶				
	LIHTC	HOME	Bond	HTF		LIHTC	HOME	Bond	HTF
0 - 30% AMFI ⁷	28				30% AMFI	28			
31 - 40% AMFI	56				40% AMFI	56			
41 - 50% AMFI	56				50% AMFI	56			
51 - 60% AMFI	0				60% AMFI	0			
61 - 80% AMFI	0				80% AMFI	0			
Other: ⁸ %	0				Other: ⁸ %	0			
Total # of income restricted units by Program	140				Total # of rent restricted units by Program	140			

⁵ Only multifamily housing development applications must complete part "C" of this section.

⁶ In most cases, allowable rents will correspond directly with the income level served. Therefore, the number of households shown for each specific program in the income and rent columns will be identical. However, in some cases, such as multifamily bonds, the income category may not correspond with the allowable rent level and the differences should be noted accordingly.

⁷ The Department is committed to targeting funds towards households earning less than 30 percent of the area median family income. As such, the applicant may receive points for setting such units aside as discussed in the program's rules.

⁸ Do not include market rate units as "Other" units. Typically, this section will be utilized by multifamily bond developments if other rent restrictions are placed on the project. Indicate the percentage restriction in the space provided.

NARRATIVE DESCRIPTION OF FINANCING

The Heatherwilde Estates family affordable housing project is comprised of 176 units. The rents will be affordable to families earning 30% to 50% of the 2001 area median income of the San Antonio MSA trended by 3% to estimate 2002 rents. The project will have the following unit mix and rents:

	Rent Level	Utility Allowance	Net Rent To tenant
Two bedroom	30%-\$311	47	\$264
Two bedroom	40%-\$416	47	\$369
Two bedroom	50%-\$520	47	\$473
Two bedroom	Market-\$606		\$606
Three bedroom	30%-\$360	55	\$305
Three bedroom	40%-\$480	55	\$425
Three bedroom	50%-\$600	55	\$545
Three bedroom	Market-\$699		\$699
Four bedroom	30%-\$402	73	\$329
Four bedroom	40%-\$536	73	\$463
Four bedroom	50%-\$670	73	\$597
Four bedroom	Market-\$768		\$768

The overall cost of the project and the sources of funds to finance the facility are shown in the following sources and uses of funds chart:

SOURCES OF FUNDS:	Construction Financing	Permanent Financing
Loan Amount	\$ 7,500,000	\$ 4,399,000
Soft Debt	\$ 250,000	\$ 250,000
LIHTC Syndication Proceeds	\$ 5,650,000	\$ 9,124,111
Developer Fee	\$ 499,017	\$ 499,017
Total Sources of Funds	\$ 14,272,128	\$ 14,272,128
USES OF FUNDS:		
Land	\$ 662,500	\$ 662,500
Sitework Construction Cost	\$ 1,144,000	\$ 1,144,000
Hard Construction Cost	\$ 7,482,000	\$ 7,482,000
Contractor's General Requirements	\$ 517,960	\$ 517,960
Contractor's Overhead	\$ 172,520	\$ 172,520
Contractor's Profit	\$ 517,560	\$ 517,560

Construction Contingency	\$ 258,780	\$ 258,780
Indirect Construction Costs	\$ 636,000	\$ 636,000
Developer's Fees	\$ 1,702,921	\$ 1,702,921
Interim Financing Cost	\$ 713,598	\$ 713,598
Permanent Financing Cost	\$ 93,990	\$ 93,900
Other Financing Costs	\$ 79,165	\$ 79,165
Reserves	\$ 291,134	\$ 291,134
Total Use of Funds	\$ 14,272,128	\$ 14,272,128

As shown in the Sources and Used chart, the total project cost is approximately \$14.2 million. Land cost represents \$662,500 while hard cost construction costs are just over \$7.4 million. The balance represents soft costs and developer fee.

The costs will be financed from several sources of funding. Approximately \$4.4 million will be financed from the proceeds a permanent first lien mortgage funded through a FNMA DUS lender. The FNMA DUS loan also provides the funds necessary to construct the project at the permanent loan rate. This also fixes the permanent loan interest rate at closing eliminating interest rate risk from the development.

Related Capital Company or another competitive syndicator will purchase the full amount of Tax Credits. The tax credits will provide approximately \$9,124,111 in total equity funds, of which, approximately \$5.65 million will be made available during the construction phase of the project.

An additional source of funding the development will be from a deferral of the developer fee by the general partner in the amount of \$499,017. The developer will take back a note to be repaid at the applicable federal interest rate (AFR) out of cash flow from the project. It is expected that the note will be in approximately three years.

The final source of funding for the property is a financing subsidy from a non-profit, HST, which will be made in the form of a soft second lien loan for 18 years with all interest accrued only at the AFR. The note balloons in year 18 when principal and interest is due.

The equity contributions during the construction period are approximately 60% of the full equity amount anticipated to be invested into this facility. When the equity is combined with the construction loan, HST loan and a deferral of developer fees from the general partner, all the funds required to complete construction and lease up the project as budgeted.

Heatherwilde Family Housing

San Antonio Texas
Tax Credit 9% Transaction

INPUT DATA

Project Name		Heatherwilde Family Housing		SCORE	166
Location		San Antonio Texas			
Description		Tax Credit 9% Transaction			
Type of Project	Family	Acreage	15.00	Total Net Rentable Square Footage	179,550
Census Tract	1913	Density	11.73 DUS per Acre	Accessory Structure Sq Ft	6,000
		20% of Units at	30% of median income	Market Rate Square Footage	36,750
Number of Units	176	40% of Units at	40% of median income	Low Inc Rentable & Access Sq Ft	185,550
Number of Low Income Units	140	40% of Units at	50% of median income	Patio, Balconies & Utility Sq Ft	8,978
% of Low Income Units	80%	0% of Units at	60% of median income	Total Rentable Sq Ft & Patio etc	194,528
Number of Market Rate Units	36	20% of Units at	Market	Commercial Spaces (Sq Ft)	-
% of Market Rate Units	20%	37% of Units at	3 bedroom or larger	Total Overall Square Footage	194,528

Unit Mix	Rent Level	# of Units	% of Mix	Square Feet	Gross Rent Per Unit	Utility Allowance	Net Rent Per Unit	Net Rent/ Sq Ft	Market Comp Net Monthly	Rents Sq Ft	% Below Market
Studios	30%	0	0%	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Studios	40%	0	0%	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Studios	50%	0	0%	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Studios	60%	0	0%	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Studios	Market	0	0%	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
1bd/1ba	30%	0	0%	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
1bd/1ba	40%	0	0%	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
1bd/1ba	50%	0	0%	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
1bd/1ba	60%	0	0%	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
1bd/1ba	Market	0	0%	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
2bd/2ba	30%	19	10%	950	\$ 311	\$ 47	\$ 264	\$ 0.28	\$ -	\$ -	0.00%
2bd/2ba	40%	35	20%	950	\$ 416	\$ 47	\$ 369	\$ 0.39	\$ -	\$ -	0.00%
2bd/2ba	50%	35	20%	950	\$ 570	\$ 47	\$ 473	\$ 0.50	\$ -	\$ -	0.00%
2bd/2ba	60%	0	0%	950	\$ 624	\$ 47	\$ 577	\$ 0.61	\$ -	\$ -	0.00%
2bd/2ba	Market	23	13%	950	\$ 608	\$ -	\$ 606	\$ 0.64	\$ -	\$ -	0.00%
3bd/2ba	30%	8	5%	1,100	\$ 380	\$ 55	\$ 305	\$ 0.28	\$ -	\$ -	0.00%
3bd/2ba	40%	17	10%	1,100	\$ 480	\$ 55	\$ 425	\$ 0.39	\$ -	\$ -	0.00%
3bd/2ba	50%	17	10%	1,100	\$ 600	\$ 55	\$ 545	\$ 0.50	\$ -	\$ -	0.00%
3bd/2ba	60%	0	0%	1,100	\$ 720	\$ 55	\$ 665	\$ 0.60	\$ -	\$ -	0.00%
3bd/2ba	Market	10	6%	1,100	\$ 699	\$ -	\$ 689	\$ 0.64	\$ -	\$ -	0.00%
4bd/2ba	30%	2	1%	1,300	\$ 402	\$ 73	\$ 329	\$ 0.25	\$ -	\$ -	0.00%
4bd/2ba	40%	4	2%	1,300	\$ 536	\$ 73	\$ 463	\$ 0.36	\$ -	\$ -	0.00%
4bd/2ba	50%	4	2%	1,300	\$ 670	\$ 73	\$ 597	\$ 0.46	\$ -	\$ -	0.00%
4bd/2ba	60%	0	0%	1,300	\$ 804	\$ 73	\$ 731	\$ 0.56	\$ -	\$ -	0.00%
4bd/2ba	Market	3	2%	1,300	\$ 788	\$ -	\$ 768	\$ 0.59	\$ -	\$ -	0.00%
Project Total/Average		176		179,550	\$ 1,061,496		\$ 975,384				

Input	Value	High Cost Area? 100% or 130%	Value	Calc Construction Loan Amount	\$ 7,366,888
Current Tax Credit Percentage	8.45%	Applicable Fraction	79.53%	Construction Loan Amount	\$ 7,500,000
State Tax Credit Percentage ? 30% or 0%	0%	Total Qualified Basis	\$ 13,055,730	Term in Months	18
Gross Tax Credit Factor	\$ 0.800	Perm Loan Debt Coverage Ratio	1.15	Average Drawdown of Con Loan	65.00%
Revenue Inflation Rate	3.00%	Financing? Taxable or Bonds	1	Rate on Construction Loan	8.00%
Expense Inflation Rate	4.00%	Bond Denominations	1	Const LOC if Bond Financed	0.00%
Other Income Expected Per Unit/Mo	\$ 15.00	Net Asset Value if Bond Financed	0%	GIC if Rate Bond Financed	0.00%
Vacancy Rate	7.50%	Interest Rate on Perm Debt	0.00%	Other Debt	\$ -
Operating Expenses Per Unit	\$ 2,350	Credit Enhancement Rate	0.00%	Rate on Other Debt	0.00%
Management Fee	4.00%	Issuer Annual Fee	0.00%	Term on Other Debt (Years)	15
Reserves Per Unit Per Year	\$ 200	Trustee Annual Fee	0.00%	Soft Debt	\$ 250,000
Limited Partnership % Interests	99.90%	All in Rate	8.00%	Interest Rate on Soft Debt	5.00%
Initial Capital Contribution	40.00%	Term on Perm Debt (Years)	30	C/F Pay Rate On Soft Debt	0%
Tax Credit Equity % during Construction	77.00%	Capitalization Rate for Valuation	9.00%	Income During Construction	0
2nd Tax Credit Payment %	12.50%	Property Tax Rate	2.50%	Grants	-
Final Tax Credit Payment %	12.50%	Calc CA NP Property Taxes	\$ 25,327	Deferred Developer Fee	\$ 499,017
Accessory Structure Sq Ft	6,000	Calc TX Property Taxes	\$ 128,700	Interest Rate On Deferred Dev Fee	5.00%
Patios & Utility % of Total Sq Ft	5%	Calc NOI Property Taxes	\$ 123,742	C/F Pay Rate on Deferred Dev Fee	100%
Partnership Mgmt Fee to GP	\$ 5,000	Input Property Taxes	0 \$	Developer Fee Percentage Allowed	15.00%
Asset Mgmt Fee to LP	\$ 2,500	Incentive Mgmt Fee Allowed to GP	90%	CA Credit Utilization Points	31,303

Sources of Funds	Amount	% of total dev costs	Uses of Funds	Total Costs	Per Unit
Debt & Other			Land Costs	662,500	3,764
Permanent Debt	4,399,000	31%	Site work	1,144,000	6,500
Other Debt	-	0%	Hard Construction Costs @ \$40.00	54,777	42,511
Soft Debt	250,000	2%	Contractors Fees & Gen Requirements	56,211	6,862
Income during Construction	-	0%	Contingency	258,780	1,470
Grants	-	0%	Professional Fees	636,000	3,814
Equity			Internm Financing Costs	713,598	4,055
Tax Credit Equity	\$ 800	64%	Permanent Financing Costs	93,990	534
Deferred Developer Fee	\$ 499,017	3%	Tax Credit Fees	52,665	299
GP Equity	-	0%	Other Development Soft Costs	20,900	119
Other Equity	-	0%	Syndication Costs	6,000	34
			Developer Fee	1,702,821	9,876
			Reserves	291,134	1,654
			Other Costs	0	-
Total Sources of Funds	14,272,128	100%	Total Uses of Funds	14,272,128	81,092

Syndication Costs & Capital Contributions	State Tax Credit Calculation	Federal Tax Credit Calculation
Syndicators Legal Fees	Total Qualified Basis	Total Eligible Basis
Construction Services Fee	Credit Percentage	High Cost Area Adjustment
Bridge Loan Fee	Total State Tax Credits	Applicable Fraction
Initial Capital Contribution	General Partner Tax Credits	Total Qualified Basis
Closing Capital	Limited Partner Tax Credits	Credit Percentage
Capital During Construction	Tax Credit Factor	Total Annual Tax Credits
less Initial		Total 10 Years Tax Credits
less Bridge Loan		General Partner Tax Credits
First Additional Contribution		Limited Partner Tax Credits
Second Capital contribution		Gross Tax Credit Factor
Final Capital Contribution		Gross Proceeds From TC Sale
Total Capital Contribution		less Syndication Cost
Net Capital Contribution	Proceeds from State Tax Credits	Net Proceeds From TC Sale

Heatherwilde Family Housing

San Antonio, Texas
Tax Credit 9% Transaction

PROJECT SUMMARY

Project Name	Heatherwilde Family Housing	Family Project		
Location	San Antonio, Texas	Number of Units	176	
Census Tract	1613	Number of Low Income Units	140	
		% of Low Income Units	80%	
Acreage	15.00	Number of Market Rate Units	36	
Density	11.73	% of Market Rate Units	20%	
Total Net Rentable Square Footage	179,550	20% Units at	30%	of Median Income
Accessory Structure Sq Ft	6,000	40% Units at	40%	of Median Income
Low Inc Rentable & Access Sq Ft	185,550	40% Units at	50%	of Median Income
Patio, Balconies & Utility Sq Ft	8,978	0% Units at	60%	of Median Income
Total Rentable Sq Ft & Patio etc	194,528	20% Units at	Market	
Commercial Spaces (Sq Ft)	-	37% Units 3 bedroom or larger		
Total Overall Square Footage	194,528	Net Asset Value if Bond Financed		-

Sources of Funds

	Amount	% of total dev costs
Permanent Debt	4,399,000	31%
Other Debt	-	0%
Soft Debt	250,000	2%
Income during Construction	-	0%
Grants	-	0%
Equity		
Tax Credit Equity @ \$ 0.800	9,124,111	64%
Deferred Developer Fee 29%	499,017	3%
GP Equity	-	0%
Other Sources	-	0%
Total Sources of Funds	14,272,128	100%

Heatherwilde Family Housing

San Antonio, Texas
Tax Credit 9% Transaction

SUMMARY RENT SCHEDULE

Unit Mix	Rent	# of	% of	Square	Gross Rent	Utility	Net Rent	Net Rent/	Market Comp	Rents	% Below
Unit	Level	Units	Mix	Feet	Per Unit	Allowance	Per Unit	Sq Ft	Net Monthly	Sq Ft	Market
Studios	30%	0	0%	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0 00%
Studios	40%	0	0%	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0 00%
Studios	50%	0	0%	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0 00%
Studios	60%	0	0%	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0 00%
Studios	Market	0	0%	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0 00%
1bd/1ba	30%	0	0%	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0 00%
1bd/1ba	40%	0	0%	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0 00%
1bd/1ba	50%	0	0%	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0 00%
1bd/1ba	60%	0	0%	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0 00%
1bd/1ba	Market	0	0%	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0 00%
2bd/2ba	30%	18	10%	950	\$ 311	\$ 47	\$ 264	\$ 0 28	\$ -	\$ -	0 00%
2bd/2ba	40%	35	20%	950	\$ 416	\$ 47	\$ 369	\$ 0 39	\$ -	\$ -	0 00%
2bd/2ba	50%	35	20%	950	\$ 520	\$ 47	\$ 473	\$ 0 50	\$ -	\$ -	0 00%
2bd/2ba	60%	0	0%	950	\$ 624	\$ 47	\$ 577	\$ 0 61	\$ -	\$ -	0 00%
2bd/2ba	Market	23	13%	950	\$ 606	\$ -	\$ 606	\$ 0 64	\$ -	\$ -	0 00%
3bd/2ba	30%	8	5%	1,100	\$ 360	\$ 55	\$ 305	\$ 0 28	\$ -	\$ -	0 00%
3bd/2ba	40%	17	10%	1,100	\$ 480	\$ 55	\$ 425	\$ 0 39	\$ -	\$ -	0 00%
3bd/2ba	50%	17	10%	1,100	\$ 600	\$ 55	\$ 545	\$ 0 50	\$ -	\$ -	0 00%
3bd/2ba	60%	0	0%	1,100	\$ 720	\$ 55	\$ 665	\$ 0 60	\$ -	\$ -	0 00%
3bd/2ba	Market	10	6%	1,100	\$ 699	\$ -	\$ 699	\$ 0 64	\$ -	\$ -	0 00%
4bd/2ba	30%	2	1%	1,300	\$ 402	\$ 73	\$ 329	\$ 0 25	\$ -	\$ -	0 00%
4bd/2ba	40%	4	2%	1,300	\$ 536	\$ 73	\$ 463	\$ 0 36	\$ -	\$ -	0 00%
4bd/2ba	50%	4	2%	1,300	\$ 670	\$ 73	\$ 597	\$ 0 46	\$ -	\$ -	0 00%
4bd/2ba	60%	0	0%	1,300	\$ 804	\$ 73	\$ 731	\$ 0 56	\$ -	\$ -	0 00%
4bd/2ba	Market	3	2%	1,300	\$ 768	\$ -	\$ 768	\$ 0 59	\$ -	\$ -	0 00%
Project Total/Average		176		179,550	\$ 1,061,496		\$ 975,384				

Heatherwilde Family Housing

San Antonio, Texas
Tax Credit 9% Transaction

PROJECT COST SCHEDULE		Amount	New Construction Eligible Basis	Total Cost Per Unit
	Units			
(1) Purchase of Land & Buildings				
Land Cost		662,500	-	3,764
Brokers Fes		-	-	-
Demolition		-	-	-
Total Purchase of Land & Buildings		662,500	-	3,764
(2) Site Work				
On-Site work	\$ 6,500	1,144,000	1,086,800	6,500
Off-Site improvements		-	-	-
Other		-	-	-
Total Site Work		1,144,000	1,086,800	6,500
(3) Construction Hard Costs				
New structures	\$ 40 (0)	7,182,000	7,182,000	40,807
Rehabilitation hard costs		-	-	-
Accessory structures	\$ 50 (0)	300,000	300,000	1,705
Total Construction Hard Costs		7,482,000	7,482,000	42,511
(4) Contractor Fees & Gen'l Req'ts				
Contractor overhead	2.00%	172,520	172,520	980
Contractor profit	6.00%	517,560	517,560	2,941
General requirements	6.00%	517,560	517,560	2,941
Total Contractor Fees & Gen'l Req'ts		1,207,640	1,207,640	6,862
(5) Contingencies				
Construction contingency	3.00%	258,780	258,780	1,470
Other contingency	0.00%	-	-	-
Total Contingencies		258,780	258,780	1,470
(6) Professional Fees				
Architect Design & MEP		125,000	125,000	710
Architect supervision		20,000	20,000	114
Real estate attorney		16,000	5,000	91
Engineer/survey/permits & Fee		475,000	475,000	2,699
Total Professional Fees		636,000	625,000	3,614
(7) Interim Financing Fees & Costs				
Hazard insurance		20,000	20,000	114
Liability insurance		5,000	5,000	28
Performance Bond	0.00%	-	-	-
Finance Consultants		-	-	-
Bond Counsel @ 1/2		-	-	-
Trustee & Counsel		-	-	-
Bond Rating		-	-	-
Construction Interest		419,098	377,188	2,381
Origination Fee	1.50%	112,500	112,500	-
Bond Discount	0.00%	-	-	-
Issuer	0.00%	-	-	-
Inspection		12,000	12,000	68
Title & recording		75,000	75,000	426
Legal fees		20,000	20,000	114
Real estate taxes		50,000	50,000	284
Total Interim Financing Fees & Costs		713,598	671,688	4,055

Project Cost Schedule		Amount	New Construction Eligible Basis	Total Cost Per Unit
	Units			
(8) Permanent Financing Costs				
Bond Counsel		-	-	-
Trustee & Counsel		-	-	-
Bond Rating		-	-	-
Financing Application Fee		-	-	-
Origination Fee	1.00%	43,990	-	250
Bond Discount	0.00%	-	-	-
Issuer	0.00%	-	-	-
Title & Recording		25,000	-	142
Legal		25,000	-	142
Total Permanent Financing Costs		93,990	-	534
(9) Soft Costs				
Tax credit fees	4.00%	45,625	-	259
Compliance Monitoring	\$40.00	7,040	-	40
Consultant fees		-	-	-
Total Soft Costs		52,665	-	299
(10) Other Development Costs				
Market Study		3,500	3,500	20
Environmental study		3,400	3,400	19
Property appraisal		6,500	6,500	37
Accountant		7,500	7,500	43
Other		-	-	-
Total Other Development Costs		20,900	20,900	119
(11) Syndication Costs				
Organizational		-	-	-
Tax opinion		6,000	-	34
Total Syndication Costs		6,000	-	34
(12) Developer Fees				
Developer overhead		-	-	-
Developer fee	15.00%	1,702,921	1,702,921	9,676
Total Developer Fees		1,702,921	1,702,921	9,676
(13) Development Reserves				
Rent-up Reserves		291,134	-	1,654
Operating reserves		-	-	-
Escrows		-	-	-
Total Development Reserves		291,134	-	1,654
(14) Other Costs				
Marketing		-	-	-
Non-Profit		-	-	-
Total Other Costs		-	-	-
Total Residential Costs		14,272,128	13,055,730	81,092
Total Commercial Space Costs		-	-	-
Total Development Costs less Land		13,609,628	-	77,327
Basis over Maximum		-	3,112,408	-
TOTAL DEVELOPMENT COSTS		14,272,128	13,055,730	81,092

Heatherwilde Family Housing

San Antonio, Texas
Tax Credit 9% Transaction

DEPOSITS OF BOND PROCEEDS TO CONSTRUCTION & CAPPED INTEREST FUNDS					Annual Fees	plus Interest	LOC	Total Debt	Project	Net Cash	Capped Interest	
Month	Construction Fund Beginning Balance	Draws	GIC Earnings @ 0.00%	Construction Fund Ending Balance	Capped Interest Fund Beginning Balance	Payments on Bonds @ 8.0000%	during Construction @ 0.0000%	Service during Construction	Income during Construction	Flow to & from Capped Int Fund	GIC Earnings @ 0.00%	Ending Balance
Deposits to Construction and Capped Interest Funds	1	0	0	0	0	0	0	0	0	0	0	0
	2	0	0	0	0	0	0	0	0	0	0	0
	3	0	0	0	0	0	0	0	0	0	0	0
	4	0	0	0	0	0	0	0	0	0	0	0
	5	0	0	0	0	0	0	0	0	0	0	0
	6	0	0	0	0	0	0	0	0	0	0	0
	7	0	0	0	0	0	0	0	0	0	0	0
	8	0	0	0	0	0	0	0	0	0	0	0
	9	0	0	0	0	0	0	0	0	0	0	0
	10	0	0	0	0	0	0	0	0	0	0	0
	11	0	0	0	0	0	0	0	0	0	0	0
	12	0	0	0	0	0	0	0	0	0	0	0
	13	0	0	0	0	0	0	0	0	0	0	0
	14	0	0	0	0	0	0	0	0	0	0	0
	15	0	0	0	0	0	0	0	0	0	0	0
	16	0	0	0	0	0	0	0	0	0	0	0
	17	0	0	0	0	0	0	0	0	0	0	0
	18	0	0	0	0	0	0	0	0	0	0	0
Totals			0	0		0	0	0	0	0	0	0
Net Present Value of Construction Draws		0			Net Present value of Net Debt Service			0				
TOTAL DEPOSIT TO CONSTRUCTION AND CAPITALIZED INTEREST FUND												0
MINIMUM BOND DENOMINATION												1
SIZE OF BOND ISSUE REQUIRED FOR CONSTRUCTION												1
GROSS AMOUNT OF CAPITALIZED INTEREST BEFORE PROJECT INCOME												0
NET AMOUNT REQUIRED FOR INTEREST DURING CONSTRUCTION AFTER PROJECT INCOME												0

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San Antonio, Texas
Tax Credit 9% Transaction

OPERATING PROFORMA			Year	1	2	3	4	5	6	7	8
Revenue			Unit Costs								
Gross Potential Revenue			\$	975,384	1,004,646	1,034,785	1,065,828	1,097,803	1,130,737	1,164,660	1,199,599
Other Income			\$ 15 00	31,680	32,630	33,609	34,618	35,656	36,726	37,828	38,962
Less Vacancy			7 50%	(75,530)	(77,796)	(80,130)	(82,533)	(85,009)	(87,560)	(90,187)	(92,892)
Total Revenue			\$	931,534	959,480	988,265	1,017,913	1,048,450	1,079,903	1,112,301	1,145,670
Expenses											
Operating			\$ 2,350	413,600	430,144	447,350	465,244	483,854	503,208	523,336	544,269
Management Fee			4%	37,261	38,379	39,531	40,717	41,938	43,196	44,492	45,827
Property Taxes			\$ -	-	-	-	-	-	-	-	-
Reserves			\$ 200	35,200	36,608	38,072	39,595	41,179	42,826	44,539	46,321
Total Expense	\$2.71	SF	Unit 2,762	\$ 486,061	\$ 505,131	\$ 524,953	\$ 545,555	\$ 566,971	\$ 589,230	\$ 612,367	\$ 636,417
NET OPERATING INCOME				\$ 445,473	\$ 454,349	\$ 463,312	\$ 472,357	\$ 481,479	\$ 490,673	\$ 499,933	\$ 509,253
Debt Service			Amount	Rate							
Permanent Debt			\$4,399,000	8 00%	387,340	387,340	387,340	387,340	387,340	387,340	387,340
Coverage					1 15	1 17	1 20	1 22	1 24	1 27	1 29
Credit Enhancement Fee				0 00%	-	-	-	-	-	-	-
Issuers Annual Fee				0 00%	-	-	-	-	-	-	-
Trustees Annual Fee				0 00%	-	-	-	-	-	-	-
Total Annual Bond Fees					-	-	-	-	-	-	-
TOTAL DEBT SERVICE					387,340	387,340	387,340	387,340	387,340	387,340	387,340
Cash Flow After Debt Service					58,133	67,009	75,972	85,017	94,140	103,334	112,594
Debt Service Coverage Ratio					1 15	1 17	1 20	1 22	1 24	1 27	1 29
Partnership Management Fee					5,000	5,000	5,000	5,000	5,000	5,000	5,000
Asset Management Fee					2,500	2,500	2,500	2,500	2,500	2,500	2,500
Other Debt			\$0	0 00%	-	-	-	-	-	-	-
Cash Flow after Other Debt					50,633	59,509	68,472	77,517	86,640	95,834	105,094
Developer Note	100% CF		\$499,017	5 00%	50,633	59,509	68,472	77,517	86,640	95,834	105,094
Cash Flow after Developer Note					-	-	-	-	-	-	26,046
Soft Debt	0% CF		\$250,000	5 00%	-	-	-	-	-	-	-
Cash Flow after Soft Debt					-	-	-	-	-	-	26,046
NET CASH FLOW					-	-	-	-	-	-	26,046
Incentive Management Fee to General Partner				90%	-	-	-	-	-	-	23,441
Remaining Cash Flow to Limited Partner				10%	-	-	-	-	-	-	2,605

Heatherwilde Family Housing

San Antonio, Texas
Tax Credit 9% Transaction

OPERATING PROFORMA			Year	9	10	11	12	13	14	15	16
Revenue			Unit Costs								
Gross Potential Revenue			\$	1,235,587	1,272,655	1,310,835	1,350,160	1,390,664	1,432,384	1,475,356	1,519,616
Other Income			\$	15 00	41,335	42,575	43,853	45,168	46,523	47,919	49,356
Less Vacancy			7 50%	(95,679)	(98,549)	(101,506)	(104,551)	(107,687)	(110,918)	(114,246)	(117,673)
Total Revenue				\$ 1,180,040	\$ 1,215,441	\$ 1,251,904	\$ 1,289,461	\$ 1,328,145	\$ 1,367,989	\$ 1,409,029	\$ 1,451,300
Expenses											
Operating			\$	2,350	566,040	588,682	612,229	636,718	662,187	688,674	716,221
Management Fee			4%	47,202	48,618	50,076	51,578	53,126	54,720	56,361	58,052
Property Taxes			\$	-	-	-	-	-	-	-	-
Reserves			\$	200	48,174	50,101	52,105	54,189	56,356	58,611	60,955
Total Expense	\$2 71	SF	Unit	2,762	\$ 661,415	\$ 687,400	\$ 714,410	\$ 742,485	\$ 771,669	\$ 802,005	\$ 833,538
NET OPERATING INCOME				\$ 518,624	\$ 528,041	\$ 537,494	\$ 546,976	\$ 556,476	\$ 565,985	\$ 575,492	\$ 584,984
Debt Service			Amount	Rate							
Permanent Debt			\$4,399,000	8 00%	387,340	387,340	387,340	387,340	387,340	387,340	387,340
Coverage					1 34	1 36	1 39	1 41	1 44	1 46	1 49
Credit Enhancement Fee				0 00%	-	-	-	-	-	-	-
Issuers Annual Fee				0 00%	-	-	-	-	-	-	-
Trustees Annual Fee				0 00%	-	-	-	-	-	-	-
Total Annual Bond Fees					-	-	-	-	-	-	-
TOTAL DEBT SERVICE					387,340	387,340	387,340	387,340	387,340	387,340	387,340
Cash Flow After Debt Service					131,285	140,701	150,155	159,636	169,136	178,645	188,152
Debt Service Coverage Ratio					1 34	1 36	1 39	1 41	1 44	1 46	1 49
Partnership Management Fee					5,000	5,000	5,000	5,000	5,000	5,000	5,000
Asset Management Fee					2,500	2,500	2,500	2,500	2,500	2,500	2,500
Other Debt			\$0	0 00%	-	-	-	-	-	-	-
Cash Flow after Other Debt					123,785	133,201	142,655	152,136	161,636	171,145	180,652
Developer Note	100% CF		\$499,017	5 00%	-	-	-	-	-	-	-
Cash Flow after Developer Note					123,785	133,201	142,655	152,136	161,636	171,145	180,652
Soft Debt	0% CF		\$250,000	5 00%	-	-	-	-	-	-	-
Cash Flow after Soft Debt					123,785	133,201	142,655	152,136	161,636	171,145	180,652
NET CASH FLOW					123,785	133,201	142,655	152,136	161,636	171,145	180,652
Incentive Management Fee to General Partner				90%	111,406	119,881	128,389	136,923	145,473	154,031	162,587
Remaining Cash Flow to Limited Partner				10%	12,378	13,320	14,265	15,214	16,164	17,115	18,065

Heatherwilde Family Housing

San Antonio, Texas
Tax Credit 9% Transaction

AMORTIZATION SCHEDULE																
Permanent Debt	Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Beg Bal		\$ 4,399,000	\$ 4,362,252	\$ 4,322,455	\$ 4,279,354	\$ 4,232,676	\$ 4,182,123	\$ 4,127,375	\$ 4,068,082	\$ 4,003,869	\$ 3,934,325	\$ 3,859,010	\$ 3,777,443	\$ 3,689,107	\$ 3,593,438	\$ 3,489,829
Interest		350,592	347,542	344,239	340,661	336,787	332,591	328,047	323,126	317,796	312,024	305,773	299,003	291,671	283,731	275,131
Principal		36,748	39,798	43,101	46,678	50,553	54,748	59,292	64,214	69,543	75,315	81,567	88,337	95,668	103,609	112,208
Payment		387,340	387,340	387,340	387,340	387,340	387,340	387,340	387,340	387,340	387,340	387,340	387,340	387,340	387,340	387,340
End Bal		4,362,252	4,322,455	4,279,354	4,232,676	4,182,123	4,127,375	4,068,082	4,003,869	3,934,325	3,859,010	3,777,443	3,689,107	3,593,438	3,489,829	3,377,621
DCR	1.15															
Allowed Pmt	\$ 387,368															
Interest Rate	8.00%															
Term	30															
Allowed Loan	\$ 4,399,318															
Other Debt																
Beg Bal		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interest		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payment		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
End Bal		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Rate	0.00%															
Term	15															
Developer Note																
Beg Bal		\$ 499,017	\$ 473,335	\$ 437,492	\$ 390,894	\$ 332,922	\$ 262,928	\$ 180,241	\$ 84,159	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest		24,951	23,667	21,875	19,545	16,646	13,146	9,012	4,208	-	-	-	-	-	-	-
Payment		50,633	59,509	68,472	77,517	86,640	95,634	105,094	88,367	-	-	-	-	-	-	-
End Bal		473,335	437,492	390,894	332,922	262,928	180,241	84,159	-	-	-	-	-	-	-	-
Interest Rate	5.00%															
Pay Rate % of cash flow	100%															
Soft Debt																
Beg Bal		\$250,000	\$262,500	\$275,625	\$289,406	\$303,877	\$319,070	\$335,024	\$351,775	\$369,364	\$387,832	\$407,224	\$427,585	\$448,964	\$471,412	\$494,983
Interest		12,500	13,125	13,781	14,470	15,194	15,954	16,751	17,589	18,468	19,392	20,361	21,379	22,448	23,571	24,749
Payment		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
End Bal		262,500	275,625	289,406	303,877	319,070	335,024	351,775	369,364	387,832	407,224	427,585	448,964	471,412	494,983	519,732
Interest Rate	5.00%															
Pay Rate % of cash flow	0%															

AGREEMENT FOR PAYMENT IN LIEU OF AD VALOREM TAXES

THIS AGREEMENT FOR PAYMENT IN LIEU OF AD VALOREM TAXES (the "Agreement"), dated as of February ___, 2003, by and between **SOUTHWEST INDEPENDENT SCHOOL DISTRICT**, an independent school district and political subdivision under the laws of the State of Texas (the "District"), and **HEATHERWILDE ESTATES HOUSING, L.P.**, a Texas limited partnership (the "Borrower")

W I T N E S S E T H:

WHEREAS, the Borrower is a Texas limited partnership whose general partner (the "General Partner") is Heatherwilde Estates Development, L.L.C., a Texas limited liability company;

WHEREAS, the Borrower intends to acquire, construct, and equip a multifamily apartment facility to be located in the 6300 block of Old Pearsall Road, San Antonio, Bexar County, Texas, and to be known as the Heatherwilde Estates Apartments (the "Facility" or the "Property");

WHEREAS, the Facility is or will be exempt from ad valorem taxation pursuant to an exemption under Chapter 392 of the Texas Local Government Code (the "Exemption"), and

WHEREAS, the District and Borrower desire that the Borrower make payments in lieu of taxes to the District to preserve some of the tax revenue lost through the Exemption,

NOW, THEREFORE, in the joint and mutual exercise of their powers and in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

1. Amount of Payment.

A. For calendar years 2003-2006, the amount of payment for the Facility for each year shall be determined using the following formula

The greater of (i) \$15,000 or (ii) (25% of Available Cash Flow) = PILOT Payment

Available Cash Flow means the cash flow of the Borrower as available in respect of a given fiscal year after the payment of the following items:

- (1) Operating expenses or operating costs,
- (2) Debt service;
- (3) Any asset management fee to any investor limited partner, and
- (4) Any deferred developer fee to any developer(s), including the General Partner

B For calendar years 2007 and thereafter, the amount of payment for the Facility for each year shall be determined using the following formula:

100% of the amount the District would have received in such calendar year if the

Facility were subject to ad valorem taxation = PILOT Payment

C All PILOT Payments are payable from Available Cash Flow for a given year, and to the extent Available Cash Flow is insufficient, the unpaid amount shall not accrue or be carried forward to a subsequent year.

2 Timing and Place of Payment. The Borrower shall pay, or cause to be paid, to the District the amount set forth in paragraph 1 on December 31 of that year for which the payment is made. For example, the payment made in lieu of 2004 year taxes must be made no later than December 31, 2004. If Borrower fails to make that payment, interest and penalties will accrue at the same time and at the same rate for delinquent taxes under §33.01 of the Texas Tax Code. Payment shall be made to the District either (i) at the address noted in paragraph 10 below; or (ii) at the offices of the Bexar County Appraisal District for the benefit of the District

3 Term of the Agreement This Agreement shall continue until payment of the in lieu amount for 2044, after which this Agreement shall automatically terminate. During the term of this Agreement, it shall be and is binding upon the Borrower, all successors and assigns, and shall be binding on any successive purchaser of the Property, or any portion thereof and the terms and provisions herein shall be deemed to be restrictive covenants encumbering and running with the land

4 Subordination The PILOT Payment amounts set forth in Paragraph 1, *supra*, shall be subordinated to all debt service of the Property. Nothing in this Agreement shall be construed as creating a lien against the Property.

5 Mediation. If any dispute arises relating to this Agreement (the "Dispute"), including, but not limited to, payment of amounts set forth in Paragraph 1, then any party hereto may give written notice to the other party requiring all involved parties to attempt to resolve the Dispute by mediation. Except in those circumstances when a party reasonably believes that an applicable statute of limitations period is about to expire, or a party requires injunctive or equitable relief, the parties are obligated to use this mediation procedure prior to initiating arbitration or any other action. Within seven (7) days after receiving the mediation notice, each party must deliver a written designation to the other party stating the names of one or more individuals with authority to represent that party at mediation. Within ten (10) days after the date of designation, the parties shall make a good faith effort to select a qualified mediator to mediate the Dispute. If the parties are unable to timely agree upon a mutually acceptable mediator, the parties shall request any closely available public alternative dispute resolution service coordinator to appoint a mediator. In consultation with the mediator, the parties shall promptly designate a mutually convenient time and place for the mediation which is no later than thirty (30) days after selection of the mediator. In the mediation, each party shall be represented by persons with authority and discretion to negotiate a resolution of the Dispute, and may be represented by counsel. The mediation shall be governed by the provisions of Chapter 154 of the Texas Civil Practice and Remedies Code, and such other rules as the mediator may prescribe. The fees and expenses of the mediator shall be paid by the party who requests such mediation

6 Multiple-Execution. This Agreement may be simultaneously executed in multiple parts, each of which shall be considered an original and all of which constitute but one and the same instrument

7 Complete Agreement This Agreement is the entire agreement between the parties hereto

with respect to the subject matter hereof. There are no oral or other written agreements pertaining to this matter.

8. Applicable Law. This Agreement shall be construed under, governed and enforced in accordance with the laws of the State of Texas. Venue for any dispute arising out of the terms of this Agreement shall be in Bexar County, Texas.

9 Costs and Expenses. In the event the Borrower breaches the terms and provisions of this Agreement, the Borrower shall reimburse the District upon written demand for all reasonable costs and expenses (including reasonable attorneys' fees) of enforcement of this Agreement.

10. Notice Any notice required under this Agreement shall be sent as follows:

District:

Southwest Independent School District
Attn Dr. Anthony, Superintendent of Schools
11914 Dragon Lane
San Antonio, Texas 78252

Borrower:

Heatherwilde Estates Housing, L.P.
C/o Heatherwilde Estates Development, L.L.C.
Attn · Bobby Leopold
5910 N Central Expressway, Suite 1145
Dallas, Texas 75206

EXECUTED this the _____ day of _____, 2003

SOUTHWEST INDEPENDENT SCHOOL DISTRICT

By _____
Name: _____
Title _____

HEATHERWILDE ESTATES HOUSING, L.P., a Texas limited partnership

By: Heatherwilde Estates Development, L.L.C.,
a Texas limited liability company

By Bobby Leopold
Name Bobby Leopold
Title Managing General Partner

THE STATE OF TEXAS §
 §
COUNTY OF _____ §

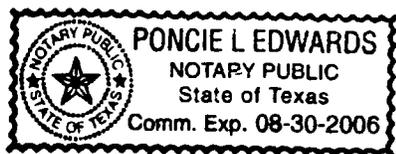
This instrument was acknowledged before me on the _____ day of _____, 2003,
by _____, _____ of the
Southwest Independent School District, on behalf of said District

Notary Public,
STATE OF TEXAS

(SEAL)

THE STATE OF TEXAS §
 §
COUNTY OF Dallas §

This instrument was acknowledged before me on the 3 day of
March, 2003, by Bobby Leopold, on behalf of the general
partner of Heatherwilde Estates Housing, L P , a Texas limited partnership, on behalf of said limited
partnership



Poncie L Edwards

Notary Public
STATE OF TEXAS

(SEAL)

March 27, 2003

Mr Andy Martin
City Attorney
City of San Antonio
100 Military Plaza - 3rd Floor
San Antonio, TX 78205

Re City of San Antonio Zoning Case No 2002268 (Heatherwilde Estates Multi-Family
Apartment Community)

Dear Mr Martin

As you are aware, the San Antonio City Council in connection with the approval of the above referenced zoning application imposed certain conditions upon said approval. In particular, one of the conditions is to construct certain park improvements within the existing Lackland Air Force Base Railroad Spur Line right-of-way which directly abuts the subject property. We have contacted the City of San Antonio's Parks & Recreation Department and at this time they do not have any formal plans for improvements within the subject right-of-way. It is our understanding that the only plans are conceptual and said plans propose a linear hike and bike trail within the subject right-of-way.

We have asked our engineer to provide an estimate of costs associated with constructing a hike and bike trail within the subject right-of-way and providing basic park improvements e.g., benches and picnic tables. Our engineer has estimated the costs of said construction would be approximately \$15,500. Given the fact that the City of San Antonio has not at this time even acquired the subject right-of-way, we hereby commit to the following:

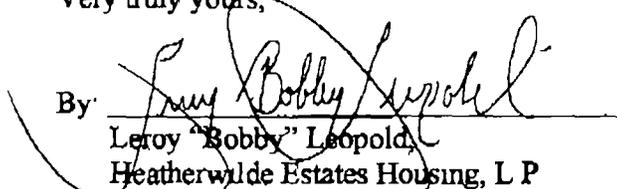
1. To deposit \$15,500 in an escrow account and allow the City of San Antonio to draw on said escrow account at such time as the City of San Antonio's prepared to make the subject improvements; or
2. Provide in a form of a restrictive covenant a commitment to construct said improvements at such time as the City is in the position to commence the construction of the subject linear hike and bike trail

The purpose of this correspondence is to satisfy the condition referenced above associated with the approval of the subject zoning case. As the owner of the subject property, I hereby commit to the above referenced solutions in order to satisfy said conditions.

If you have any questions regarding this matter, please do not hesitate to call.

Very truly yours,

By:


Leroy "Bobby" Leopold,
Heatherwilde Estates Housing, L P

CASE NO: Z2002268

Zoning Commission Meeting Date: January 21, 2003

Council District: 4

Ferguson Map: 680 A1

Appeal:

Applicant:

City of San Antonio

Owner

Mohammed Ali Rafati

Zoning Request: From "C-3 R" Commercial District Restrictive Alcoholic Sales to "MF-25" Multi-Family District

15 00 acres out of NCB 14491

Property Location: 10400 Block of Old Pearsall Rd

Applicants Proposal: To develop multi-family dwellings

Staff Recommendation:

Approval. The "MF-25" Multi-Family District is an appropriate downzoning from "C-3 R" Commercial Restrictive Alcoholic Sales District. The location at Pearsall Road and Loop 410 is an adequate location for a multi-family development. The Right of Way that previously contained the Lackland Spur Railroad tracks will provide a 100 foot buffer between the subject property and single family residential properties on Port of Call Drive

Zoning Commission Recommendation:

Pending Zoning Commission recommendation on January 21, 2003

VOTE

FOR

AGAINST

ABSTAIN

RECUSAL

A RESOLUTION 2002-45-47

ZONING
CASE #
Z2002-268.

DIRECTING THE CITY MANAGER TO BRING FORWARD TO THE ZONING COMMISSION FOR ITS RECOMMENDATION AND THEREAFTER TO THIS CITY COUNCIL FOR CONSIDERATION, A CHANGE OF ZONING FROM "C-3 R" COMMERCIAL RESTRICTIVE ALCOHOLIC SALES DISTRICT TO "MF-25" MULTI-FAMILY DISTRICT ON THE PROPERTY DESCRIBED AS 15.00 ACRES OUT OF A 65.236 ACRE TRACT, NEW CITY BLOCK 14491, LOCATED IN THE 10400 BLOCK OF OLD PEARSALL ROAD, IN THE CITY OF SAN ANTONIO, BEING OUT OF THE MARIA F. RODRIGUEZ SURVEY NO. 4, ABSTRACT NO. 16, IN COUNTY BLOCK 4303, BEXAR COUNTY, TEXAS.

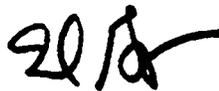
* * * * *

WHEREAS, Section 35-421 of the Code of the City of San Antonio provides that the City Council may initiate a proposed rezoning by Resolution, NOW THEREFORE;

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

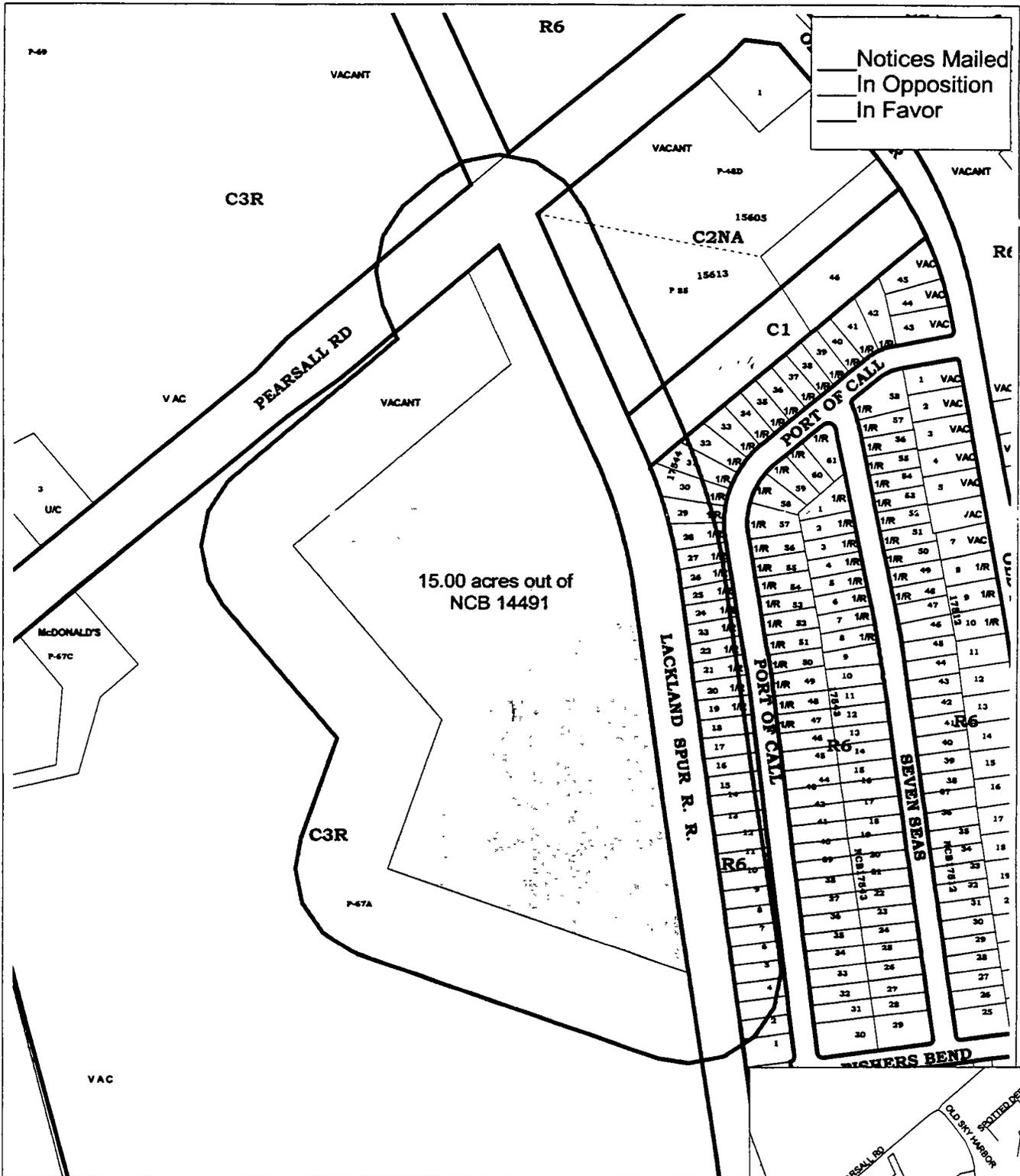
SECTION 1. That the City Manager or her designee is hereby directed to bring forward to the Zoning Commission for its recommendation and thereafter to this City Council for consideration, a change of zoning from "C-3 R" Commercial Restrictive Alcoholic Sales District to "MF-25" Multi-Family District on the property described as 15.00 acres out of a 65.236 acre tract, New City Block 14491, located in the 10400 block of Old Pearsall Road, in the City of San Antonio, being out of the Maria F. Rodriguez survey No. 4, Abstract No. 16, in County Block 4303, Bexar County, Texas.

PASSED AND APPROVED this 19th day of December, 2002.


M A Y O R
EDWARD D. GARZA

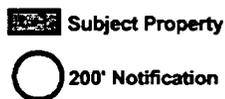
ATTEST: 
City Clerk

APPROVED AS TO FORM: 
City Attorney



ZONING CASE: Z2002-268

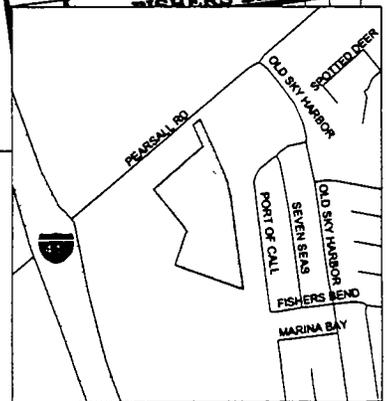
City Council District NO. 4
 Requested Zoning Change
 From: "C-3R" To: "MF-25"
 Date: January 23, 2003
 Scale: 1" = 300"



T-20
 A-1
 p 680



C:\SEPT_17_2002

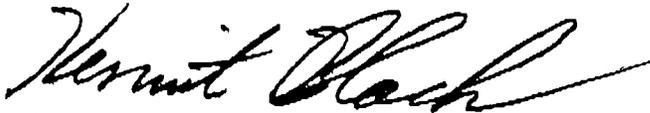


In addition, we have met with the Center for Healthcare Services (CHS) of San Antonio (Leon Hale, Executive Director), who are very interested in working out a cooperative arrangement with the San Antonio Development Agency (SADA), the Housing Authority of Bexar County and our organization (the Texas A&M University Center for Housing and Urban Development) for working jointly on the south side of San Antonio to provide healthcare services to residents

We look forward to follow-up meetings with your group, SADA, CHS and other interested groups in the beginning of 2003

Please call if I can be of any further assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "Kermit Black". The signature is written in a cursive style with a long, sweeping underline that extends to the right.

Kermit Black
Director



TEXAS A&M UNIVERSITY

College of Architecture
 Center for Housing and Urban Development
 College Station, Texas 77843-3137
 (979) 862-2370
 FAX (979) 862-3174
<http://chud.tamu.edu>

Kermit Black
 Director

COLLEGE STATION
Marilynn May
 Partnership Research
 Director

Pradip Premank
 Program Development
 Director

James R. (Bill) Fisher
 Vice President, Southwest Housing Development
 5910 N Central Expressway, Suite 1145
 Dallas, Texas 75206

RE. Rosemont at Palo Alto, Heatherwilde Estates

LOWER
 RIO GRANDE REGION

Hilario Rincones
 Regional Director
 Colonias Program
 3516 East Expressway 83, Ste. 107
 Westaco, Texas 78698
 (877) 447-9355
 (956) 447-9716 - fax
herryrn@gte.net

Dear Mr. Fisher:

We are looking forward to the prospect of working with your multifamily housing developments on the south side of San Antonio. The need is great in the area and working with your development team and other collaborators will benefit the community greatly.

We have worked with members of your development team for over ten years in border/colonia areas and enjoy the relationship.

CENTRAL
 RIO GRANDE REGION

Oscar Munoz
 Regional Director
 Colonias Program
 601 Concord Hills Blvd.
 Laredo, Texas 78046
 (888) 728-8221
 (958) 728-0219 - fax
omunoz@sc2000.net

We are pleased with your interest in our programs and our approach to helping residents of low-income communities. I know that, in your developments across the state, you have a wide array of successful service programs for your multifamily residents as well as the surrounding community. I feel that we will be great partners in enhancing those services to help residents better their health, education and self-sufficiency – and the entire community.

WESTERN
 RIO GRANDE REGION

Susan Gendere
 Regional Director
 Colonias Program
 1030 North Zaragoza, Ste. A
 El Paso, Texas 79907
 (915) 860-9528
 (915) 860-9573 - fax
susagan@swbell.net

We appreciate you facilitating meetings with several key groups in the San Antonio community on September 18th. We feel we had successful meetings with the San Antonio Development Agency (SADA) (Manuel Macias, Jr Executive Director) the Housing Authority of Bexar County (Dario Chapa Chairman) and the Southwest Independent School District (SWISD) (Superintendent Dr. Pete Anthony and Assistant Superintendent, Finance Jim Sheldon) on bringing our programs to your developments



CITY OF SAN ANTONIO

P. O. BOX 839966
SAN ANTONIO TEXAS 78283-3966

January 22, 2003

Ref: Pearsall Road Apartments
6200 Pearsall Rd.

To Whom It May Concern:

Construction plans are now in the City of San Antonio permitting system (Plan No. 200310009) and are presently being reviewed for code compliance.

Upon the city completing its review of all the construction documents, a building permit shall be issued authorizing the developer to proceed.

The proposed site located at 6200 Pearsall Rd. has the proper zoning.

Sincerely,

A handwritten signature in black ink, appearing to read 'Fernando J. De Leon'.

Fernando J. De Leon, P.E.
Plan Review Manager

ORIGINAL

CITY OF SAN ANTONIO
ZONING CASE NO. Z2002268

CHRONOLOGY

CITY OF SAN ANTONIO ZONING COMMISSION
AGENDA ITEM NO. 16

JANUARY 21, 2003

CHRONOLOGY

1. December 27, 2001 – Heatherwilde Estates Housing, L.P. begins Texas Department Housing & Community Affairs Tax Credit process (See TAB 1)
2. January 3, 2002 – Heatherwilde Estates Housing, L.P. requests zoning verification from City of San Antonio Planning Department. (See TAB 2)
3. January 18, 2002 – Heatherwilde Estates Housing, L.P. submits rezoning application to City of San Antonio's Development Services Department. Application states property to be zoned from "I-1" to "MF25". (See TAB 3)
4. October 2002 – Zoning Application is presented to City of San Antonio's Zoning Commission and is denied. It is realized at this time that the property is not zoned "I-1". In addition, applicant becomes aware that the "C-3" zoning district allows for multi-family dwellings. Council Member Martin is made aware of the "C-3" determination and directs applicant to keep working with neighborhood association
5. October 22, 2002 – Earl & Brown, P.C. submits a second zoning verification request to the City of San Antonio's Development Services Department. (See TAB 4)
6. October 31, 2002 – Applicant receives a zoning verification letter from Pete Gomez, Planner I, City of San Antonio Development Services Department which states that "C-3R" zoning permits "housing-multi-family dwellings, extended stay hotel or timeshares" as per the UDC Table of Permitted Uses. (See TAB 5. In addition, see attached definition from City of San Antonio's Unified Development Code for Dwelling, Multi-Family which is defined as dwelling or group of dwellings on lot containing separate living units for five (5) or more families, but which may have joint services of facilities.) At this time the applicant had requested a determination by October 31, 2002 because that was the date scheduled to close on the property. Upon receiving the verification, the applicant closed on the property.

The tax credits were subsequently awarded to the applicant from the Texas Department of Housing & Community Affairs. The applicant then began preparation of building permits.

7. November 27, 2002 – A demand letter was sent from Earl & Brown, P.C. to the City of San Antonio stating their clients rights under the verification letters and the UDC as referenced herein claiming damages and threatening a mandamus action to require City of San Antonio's staff to perform a ministerial act and claiming violations of the Federal Fair Housing Act. (See TAB 6)

8. December 3, 2002 – City of San Antonio’s Development Services staff presents a UDC Code amendment to the City of San Antonio’s Zoning Commission which would amend the permitted use table to eliminate multi-family dwelling from the list of permitted uses in the “C-3” zoning base district. The provision is recommended unanimously by the City of San Antonio’s Zoning Commission.
9. December 6, 2002 – Earl & Brown, P.C. formally withdraws zoning application on behalf of applicant. (See TAB 7)
10. December 12, 2002 – City Attorney, Andy Martin meets with San Antonio City Council in Executive Session in an effort to avoid a lawsuit referenced herein. It was recommended by City Attorney Andy Martin that the City initiate a zoning case to resolve any confusion and to eliminate the possibility of setting a precedent of multi-family in a “C-3” zoning base district.
11. December 17, 2002 – San Antonio City Attorney Andy Martin sends correspondence to the General Counsel of the Texas Department of Housing & Community Affairs stating that the Pete Gomez letter relating to zoning verification for the subject property “accurately quotes language from the City of San Antonio’s Unified Development Code.” (See TAB 8)
12. December 19, 2002 – The San Antonio City Council by resolution unanimously directed staff to initiate the subject case. (See TAB 9)

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CITY OF SAN ANTONIO

EDWARD D. GARZA
MAYOR

December 27, 2001

General Partner
Heatherwilde Estates Housing, L.P.
5839 Sandhurst, #B
Dallas, TX 75206

RE **Heatherwilde Estates**
6300 Block of Old Pearsall Road, San Antonio, Texas

Dear General Partner

I have received notification that you are applying for tax credits from the Texas Department of Housing and Community Affairs for the construction of a mixed income multi-family housing project on the above referenced property. The project is located in census tract 1613 within the city limits of San Antonio, Texas, which is designated as a qualified census tract by the Secretary of the Department of Housing and Urban Development. The proposed development will provide units with rents that are affordable to families earning between 30% and 60% of the area median income as well as providing some units available at market rates.

I support the provision of affordable housing in San Antonio to help meet our consolidated plan goals and offer encouragement in your efforts to develop Heatherwilde Estates.

Sincerely,

A handwritten signature in black ink, appearing to read "Ed Garza".

EDWARD D. GARZA
Mayor, City of San Antonio



Z2002027

CITY OF SAN ANTONIO

January 3, 2002

Bill Fisher
Heatherwilde Estates Housing, L.P.
5910 N. Central Expressway, Suite 1145
Dallas, Texas 75206

Re 15 acres out of NCB 15248 (as per exhibit "A")
Old Pearsall Road

Dear Mr. Fisher

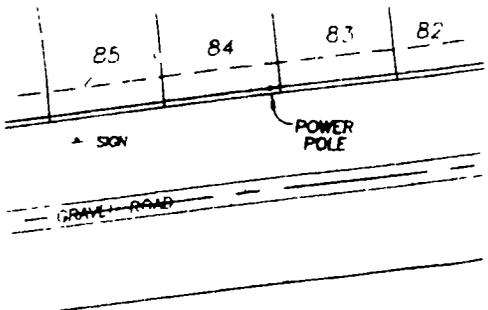
As requested, this is to verify that the above-referenced property is zoned "I-1"
Light Industry District, by ordinance number 85498, dated January 23, 1997.

If I may be of further assistance please do not hesitate to call me at (210) 207-7900.

Sincerely,

A handwritten signature in cursive script, appearing to read "Raul P. Tijerina".

Raul P. Tijerina
Planner I
Department of Development Services



PROPERTY DESCRIPTION

BEING a description of a 15 000 acre tract of land situated in the Mana F Rodriguez Survey No. 4, Abstract No. 16, in County block 4303, Bexar County, Texas, and being a portion of a called 65.236 acre tract of land described in a Warranty Deed with Vendor's Lien from Wild Horse Canyon Development Company Two, Inc to Mohamed D. Al-Rafati as recorded in Volume 7584 at Page 0048 of the Deed Records of Bexar County, Texas Said 15.000 acre tract being more fully described as follows

COMMENCING at a 1/2-inch steel rod found for corner at the east end of a corner cup located at the intersection of the southeast right-of-way line of Old Pearsall Road (a 120 foot wide right-of-way also known as F.M 2536) with the east right-of-way line of Southwest Loop 410 (a variable width right-of-way),

THENCE North 49 deg 42 min 00 sec East, departing said Southwest Loop 410 and along the said southeast right-of-way line of Old Pearsall Road, a distance of 941.74 feet to a concrete right-of-way marker found for corner,

THENCE North 55 deg 25 min 00 sec East, continuing along said southeast right-of-way line, a distance of 100.50 feet to a concrete right-of-way marker found for corner,

THENCE North 49 deg 42 min 00 sec East, continuing along said southeast right-of-way line, a distance of 474.42 feet to the POINT OF BEGINNING, a 1/2-inch steel rod set for corner,

THENCE North 49 deg. 42 min 00 sec East, continuing along said southeast right-of-way line, a distance of 78.05 feet to a 1/2-inch steel rod found for corner on the west right-of-way line of the Lackland Air Force Base Railroad Spur right-of-way (a 100 foot wide right-of-way),

THENCE southerly along said right-of-way the following:

South 24 deg 14 min 18 sec East, departing said Pearsall Road, a distance of 413.85 feet to a bent 1/2-inch steel rod found for corner at the beginning of a curve to the right having a central angle of 16 deg 56 min 28 sec, a radius distance of 1,857.68 feet, a chord distance of 547.28 feet and a chord bearing of South 15 deg 46 min. 04 sec. East;

Southerly along said curve to the right on arc distance of 549.28 feet to a 1/2-inch steel rod set for corner,

South 07 deg 17 min 30 sec East, a distance of 700.98 feet to a 1/2-inch steel rod set for corner,

THENCE North 70 deg 18 min 00 sec West, departing said right-of-way, a distance of 684.64 feet to a 1/2-inch steel rod set for corner,

THENCE North 19 deg 42 min 00 sec East, a distance of 348.64 feet to a 1/2-inch steel rod set for corner;

THENCE North 40 deg 18 min 00 sec West, a distance of 501.59 feet to a 1/2-inch steel rod set for corner;

THENCE North 49 deg 42 min. 00 sec. East, a distance of 617.54 feet to a 1/2-inch steel rod set for corner;

THENCE North 24 deg 14 min. 18 sec West, a distance of 218.52 feet to the POINT OF BEGINNING,

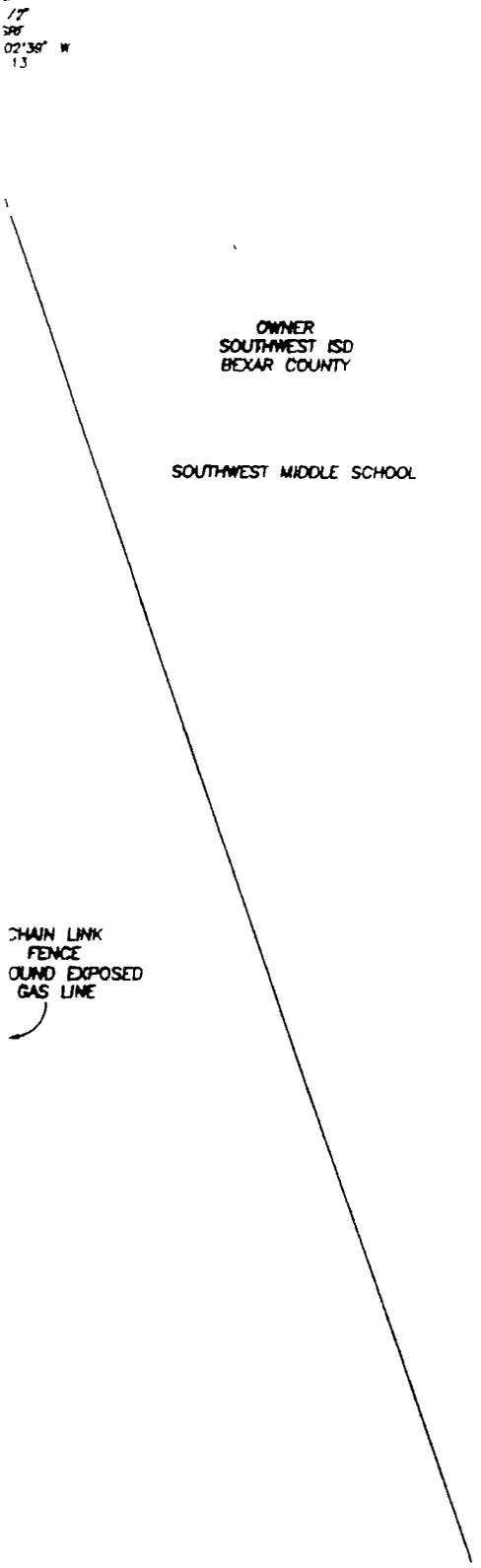
and containing 15 000 acres or 435,600 square feet of land more or less

NOTES

- 1) This survey was prepared with the use and benefit of the Commitment for Title Insurance issued by Alamo Title Company, G.F No 01-05002422, issued 1/14/2002.
- 2) Basis of Bearings. Bearings as shown hereon are based on the west right-of-way line of the Lackland Air Force Base Railroad Spur Line as described in Volume 7584 at Page 0048 of the Deed Records of Bexar County, Texas.
- 3) The easement to Western Gas and Fuel Company as described in Volume 939 at Page 113 of the Deed Records of Bexar County, Texas, is a Blanket Easement and affects the called 65.236 acre tract of which the hereon described 15 000 acre tract is a part (unplottable) Schedule B, item 9a

FLOOD STATEMENT

By graphic scaling only from the Flood Insurance Rate Maps for Bexar County, Texas and incorporated areas, no portion of this property is shown in a special flood hazard area, the property is shown in Zone X Map Number 48029C0603 E, Effective Date: February 16, 1996.



OWNER
SOUTHWEST ISD
BEXAR COUNTY

SOUTHWEST MIDDLE SCHOOL

CHAIN LINK
FENCE
OUND EXPOSED
GAS LINE

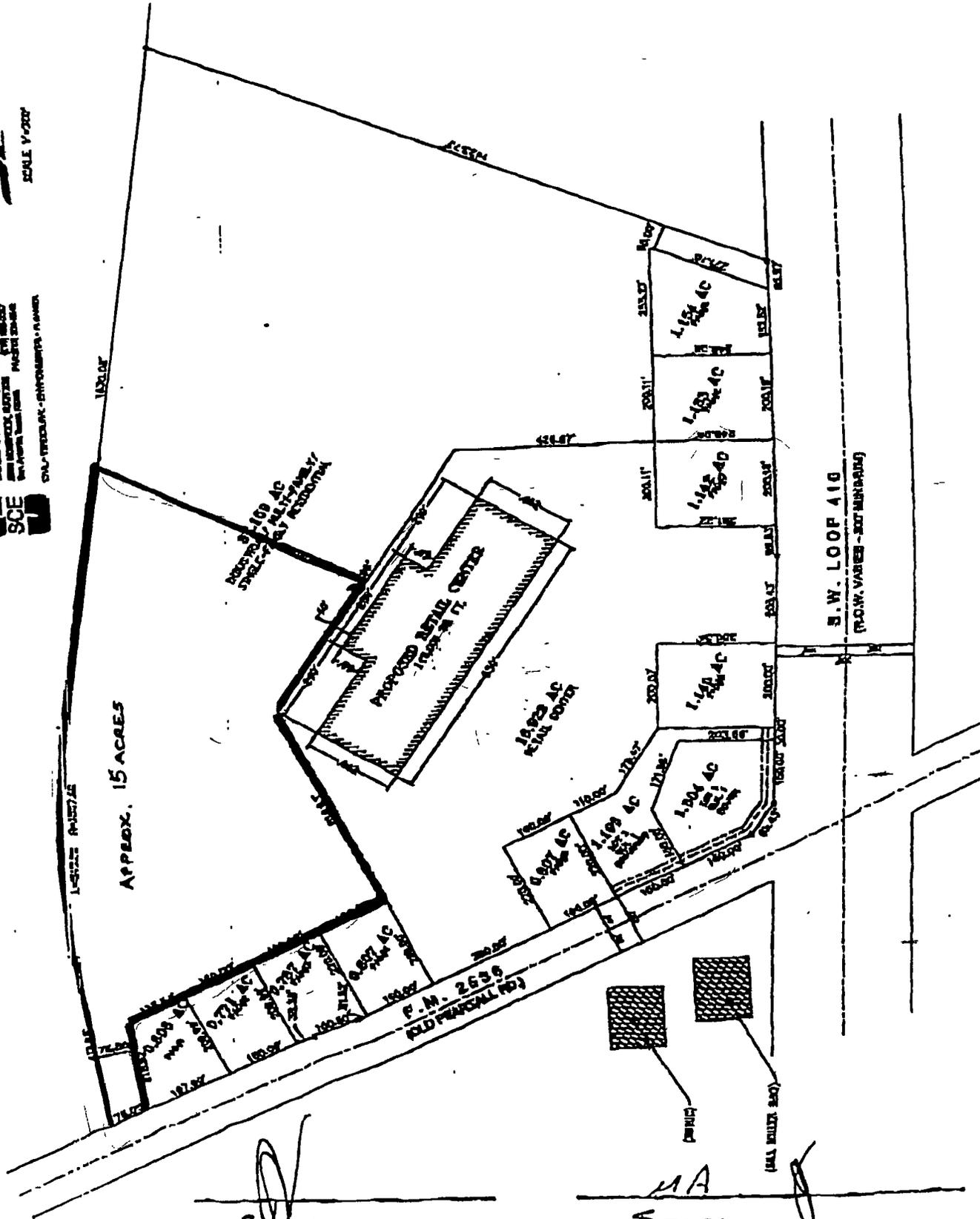
OWNER
SOUTHWEST ISD
BEXAR COUNTY

SCE
SCE
SCE

Soda Consulting Engineers, Inc.
 10000 W. 10th Ave., Suite 100
 Denver, Colorado 80202
 Phone: 303.751.1000
 Fax: 303.751.1001
 E-mail: info@sce-engineers.com



SCALE 1"=200'



Buyer

MA
Seller

96011



Completeness Review
For
FORMAL APPLICATION FOR CHANGE OF ZONING

For Office Use Only		
Date Application Submitted	Date Application Reviewed	Date Application Certified by staff
1-18-02		1-18-02

As per Section 35-402 of the Unified Development Code, a completeness review of all applications is required. Section 35-421(c) requires a review to be conducted within 2 working days of submittal

Proper staff review of the application is dependent upon the accuracy of the information provided. Any inaccurate or inadequate information provided by the applicant or agent may delay the review and /or cause the application to be returned. Upon certification that the application is complete and payment of required fees has been received, the application will be forwarded for review and recommendation.

A complete application package shall be submitted to the Development Services Department. The package shall consist of all items below, as outlined in Appendix B and Appendix C of the Unified Development Code, and shall be submitted prior to commencement of the completeness review.

- Name, address, telephone number, (E-mail address, if applicable) of applicant and property owner
- Authorization signature and/or letter from property owner, if applicable
- Location and address of subject property, including legal description (Lot, Block and NCB number, and/or field notes/metes and bounds description (If requesting multiple zoning districts, provide legal description per zoning district)
- Total acreage (If requesting multiple zoning districts, provide acreage per zoning district)
- Book and Page Number as recorded by Bexar County Clerk's Office
- Description of Deed Restrictions, if applicable
- Current and Requested Zoning District(s)
- Statement and purpose for Zoning Change Request
- Zoning exhibit illustrating all dimensions of property, streets, easements (Digital form, if applicable)
- Site Plan, if requesting Specific Use Permit
- Map detailing all properties within 200 feet of proposed zoning change, if applicable
- Typed list of all property owners and addresses within 200 feet of proposed zoning change, or fee required
- Completed Traffic Impact Analysis Threshold Worksheet signed by Traffic Division
- Traffic Impact Analysis, if required (must be submitted with application)
- Appropriate Fees

NOTE: All applications within the Edwards Recharge Zone District are to be reviewed by San Antonio Water System. SAWS will schedule applications for Public Hearing. All applications within the Airport Awareness Areas including International and Stinson Airports, are to be reviewed by the Aviation Department.



APPLICATION FOR ZONING CHANGE

APPLICANT, OWNER AND REPRESENTATIVE INFORMATION

NAME OF APPLICANT: Heatherwide Estates Development, LLC

ADDRESS: 5910 N. Central Expy., Dallas, Texas, 75206

PHONE NO. HOME (214) 891-1402 WORK (214) 891-1402 FAX (214) 987-9744 EMAIL:

STATUS: OWNER () AGENT/OPTIONEE/LICENSEE () -

NAME OF REPRESENTATIVE:

ADDRESS:

PHONE NO. HOME () WORK () FAX () EMAIL:

NAME OF PROPERTY OWNER: Mohammed Al Rafati

ADDRESS: 601 Embassy Oaks, Suite 100, San Antonio, Texas, 78216

PHONE NO. HOME () WORK (210) 821-5323

M. Rafati, the owner of the property to be considered, give permission to submit this application.

DESCRIPTION OF PROPERTY TO BE REZONED

ADDRESS OR BLOCK NUMBER SUBJECT PROPERTY: South East Corner of Pearsall Rd. and Loop 410

City Council District: A Ferguson Map Number: 680 A 1

LEGAL DESCRIPTION (attach exhibit of property): See field notes
(If requesting multiple zoning districts, provide legal description per zoning district.)

LOT: _____ BLOCK: _____ NCB: _____
Or, by Field Notes/Motes and Bounds Description along with an exhibit of the property.

TOTAL ACREAGE: 15 Acres
(If requesting multiple zoning districts, provide acreage per zoning district.)

Volume/Book: _____ Page Number: _____ Copy of Deed Restrictions (if applicable): _____

CURRENT ZONING (FROM): Light-Industrial REQUESTED ZONING (TO): Multi-Family-25
(A Statement and Purpose for Zoning Change Request is required. A Site Plan is required for Specific Use Permits. (Page 4 for details.)

EXISTING USE OF PROPERTY: Vacant

I HAVE READ, EXAMINED, AND COMPLETED THIS APPLICATION AND KNOW THE INFORMATION I HAVE PROVIDED TO BE TRUE AND CORRECT. ALL PROVISIONS OF LAWS AND ORDINANCES GOVERNING THIS APPLICATION WILL BE COMPLIED WITH WHETHER SPECIFIED HEREIN OR NOT. THE GRANTING OF A ZONING CHANGE DOES NOT PRESUME TO GIVE AUTHORITY TO VIOLATE OR CANCEL THE PROVISIONS OF ANY OTHER STATE OR LOCAL LAW REGULATING THE USE OF THE PROPERTY.

SIGNATURE OF APPLICANT: [Signature] U.S. DATE: 12/31/01



STATEMENT AND PURPOSE FOR ZONING CHANGE REQUEST:

The statement and purpose for a zoning change request should include the following information in order to determine if the proposed zoning is appropriate for the site for which it is requested and whether it meets the following findings:

- Reason for requesting change of zoning and description of all activities.
- Statement that the request is consistent and compatible with the City's Master Plan or specific Neighborhood Plan.
- Statement that the request will not substantially nor permanently injure the property rights of the owner(s) of all real property affected by the proposed change in zoning
- Statement that the request does not adversely affect the health, safety, and welfare of the general public.

Statement and Purpose for Zoning Change Detailed Below or attached:

The request for a change of zoning
from Light-Industrial to Multi-Family-25 is to construct
a development of Multi-Family living for families that want
an environment suitable for them. Many support letters have been
issued for the development from city officials to the Housing Authority
stating that the development is compatible to the city's master plan.
The ~~request~~ request for re-zoning will not permanently injure
the property rights of the owner of the property & does not
adversely affect the health, safety, & welfare of the
general public.

Traffic Impact Analysis (TIA) Threshold Worksheet

Complete this form as an aid to determine if your project requires a Traffic Impact Analysis, as per City Code, Section 19-69

Project Name: Heatherwilde Estates ~~Development~~
 Location: South East Corner of Pearsall Rd + Loop 410
 Applicant: Heatherwilde Estates Development, LLC; Bill Fisher Owner or Agent
 Address: 5910 N. Central Expy, Dallas, Texas, 75206 Phone Number: 214-891-1402

Permit Type (check one)

Zoning, N.C.B. POADP # Plat # Bldg Plan # Other

Box A (Original TIA) RESIDENTIAL DEVELOPMENT

Anticipated Land Use	Number of Units	Peak Hour? (e.g., 5-6 pm, Wkday)	Peak Hour Trip Rate	Peak Hour Trips	Trip Rate Source
APARTMENTS	176	PM	.58/unit	102	ITE Code other

Box B (Original TIA) NON-RESIDENTIAL DEVELOPMENT

Anticipated Land Use	Project Size			Peak Hour?	Peak Hour Trip Rate	Peak Hour Trips	Trip Rate Source
	Acres	GFA	other*				
INDUSTRIAL APARTMENTS	15			PM	8.77/acre	132	ITE Code other 110

Box C (Updated TIA) If property already has a TIA on file, complete Box C; if not ignore Box C

Peak Hour Trips Projected in Current TIA	Peak Hour Trips (from Box A or B) Projected in Updated Development Plan	Increase in Peak Hour Trips (if over 100 additional trips, a new TIA is required)

Box D (Information Regarding the Person/Agency, who prepared the TIA)

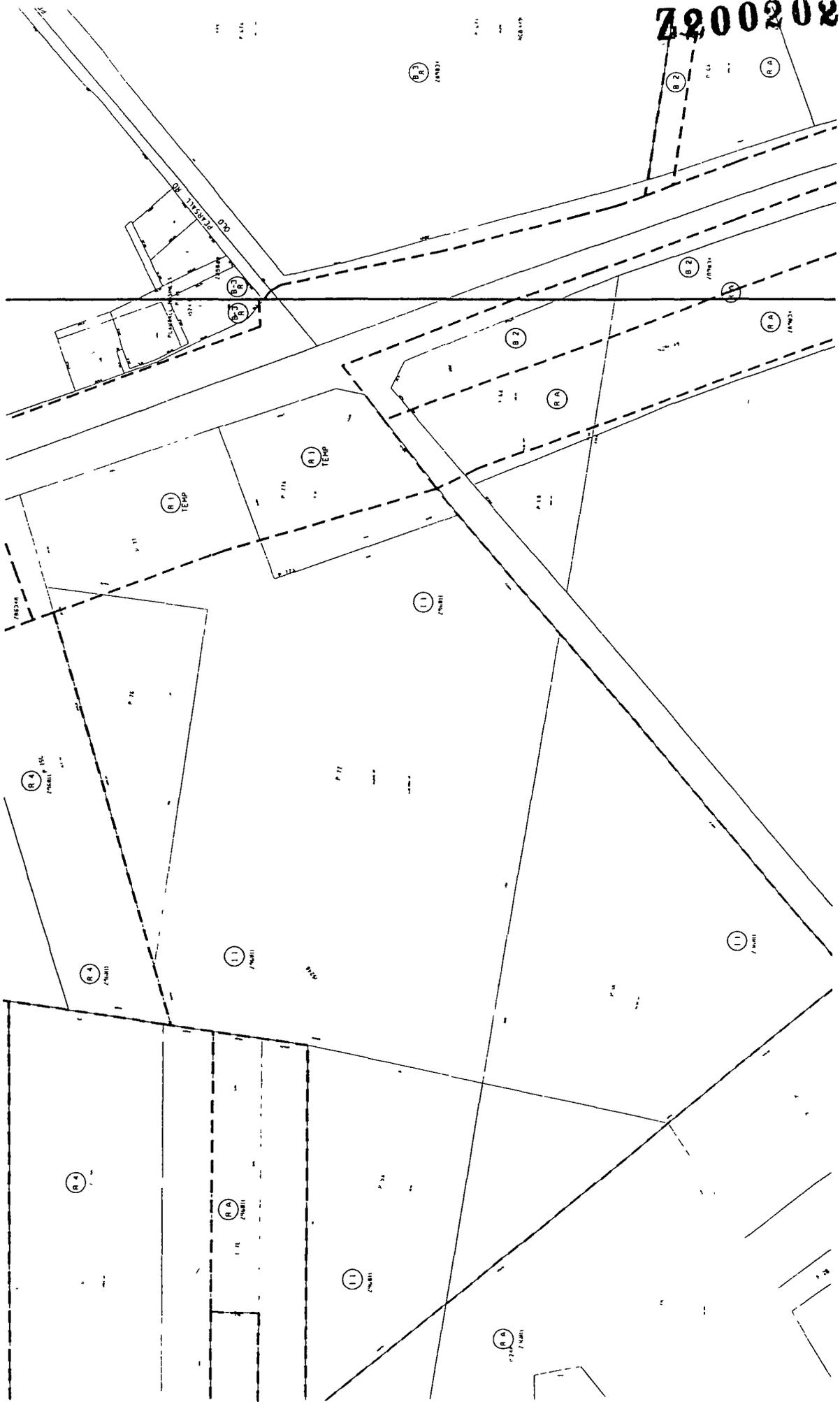
Prepared by _____ Date _____
 Comments _____

Box E (For Official Use Only, Do Not Write In this Box)

A traffic impact analysis is required. The consultant preparing the study must meet with City staff to discuss the scope and requirements of the study before beginning the study.
 A traffic impact analysis is not required. The traffic generated by the proposed development does not exceed the threshold requirements.
 The traffic impact analysis has been waived for the following reason(s):
REDUCING PHT
 Reviewed by [Signature] Date 1-18-02

Z2002027

72002027



PLAT OF

EXHIBIT B

1A-002

A 65.236-acre tract of land out of the Maria F. Rodriguez Survey No. 4 Abstract No. 16, County Block 4303, Bexar County, Texas, being part of a 390.827-acre tract conveyed from Alfred Hubbard to Walzem Development Company Inc. on October 11, 1972 by deed recorded in Volume 6913 Page 554, Bexar County Deed Records and being more particularly described as follows:

BEGINNING at a 1/2 inch rebar end at the intersection of the southeast right-of-way line of Pearsall Road (F.M. Hwy. 2536) with the east right-of-way line of Southwest Loop 410 for the northwest corner of this tract

THENCE in a northeasterly direction along said southeast right-of-way line of Pearsall Road the following calls:

- N 49° 42' 00" E a distance of 991.62 feet to a State Department of Highways and Public Transportation concrete monument with brass cap found
- N 55° 25' 00" E a distance of 100.50 feet to a 1/2 inch rebar end
- N 49° 42' 00" E a distance of 474.42 feet to a 1/2 inch rebar end on the southwest right-of-way line of Lackland Air Force Base Railroad Spur Line for the northeast corner of this tract

THENCE in a southeasterly direction along said southwest railroad spur line the following calls:

- S 24° 14' 18" E a distance of 413.85 feet to a 1/2 inch rebar end for a point of curvature
- Curving to the right in a southerly direction having a radius bearing of S 65° 45' 42" W a radius of 1857.68 feet a central angle of 16° 56' 26" and a tangent length of 276.66 feet an arc distance of 549.28 feet to a 1/2 inch rebar end for a point of tangency and
- S 07° 17' 50" E a distance of 1630.08 feet to a 1/2 inch rebar found for the southeast corner of this tract

THENCE N 80° 37' 50" W, leaving said spur line a distance of 1423.73 feet to a State Department of Highways and Public Transportation concrete monument with brass cap found on the east right-of-way line of S.W. Loop 410 for the southwest corner of this tract.

THENCE N 15° 09' 54" W, coincident with said east right-of-way line of S.W. Loop 410 a distance of 688.43 feet to a State Department of Highways and Public Transportation concrete monument with brass cap found for an angle point of this tract.

THENCE N 12° 52' 58" W, continuing along said east right-of-way line a distance of 635.43 feet to the POINT OF BEGINNING and containing 65.236 acres of land more or less.

BUYER

SELLER

Z2002027

" LAND TITLE SURVEY "

OF

65.236 ACRES OF LAND OUT OF THE MARIA F. RODRIGUEZ SURVEY NO. 4, ABSTRACT NO. 16, COUNTY BLOCK 4303

TEXAS

COUNTY,

BEXAR





Z2002027

CITY OF SAN ANTONIO

January 3, 2002

Bill Fisher
Heatherwilde Estates Housing, L.P.
5910 N. Central Expressway, Suite 1145
Dallas, Texas 75206

Re: 15 acres out of NCB 15248 (as per exhibit "A")
Old Pearsall Road

Dear Mr. Fisher:

As requested, this is to verify that the above-referenced property is zoned "I-1"
Light Industry District, by ordinance number 85498, dated January 23, 1997.

If I may be of further assistance please do not hesitate to call me at (210) 207-7900.

Sincerely,

A handwritten signature in cursive script, appearing to read "Raul P. Tijerina".

Raul P. Tijerina
Planner I
Department of Development Services



CITY OF SAN ANTONIO

Heatherwilde Estates Development, Inc , LLC
Attn Bill Fisher
5910 N Central Expressway
Dallas, Texas 75206

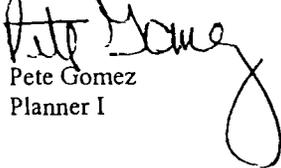
Dear Mr Fisher

This is to acknowledge acceptance of a rezoning application for the southeast corner of Pearsall Rd and Loop 410 and assigned a tentative Zoning Commission public hearing date for February 19, 2002

In addition, it is understood that field notes will be submitted in the next week describing the site in detail

If you have any questions concerning this matter, please call us (210)2075502

Sincerely,


Pete Gomez
Planner I

HEATHERWILDE ESTATES HOUSING, L.P.

December 28, 2001

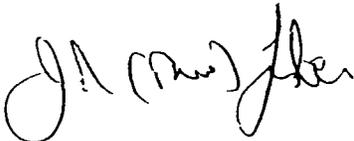
The City of San Antonio
Planning and Zoning
100 Military Plaza
San Antonio, Tx 78205

RE Heatherwilde Estates Apartments
6300 Old Pearsall Road, San Antonio, Texas 78242

To the Department

This letter certifies that the undersigned Partnership is in the process of seeking appropriate zoning on the above referenced proposed project and agrees to hold harmless the above political subdivision and all parties associated with the City in the event that the appropriate zoning is denied.

Very truly Yours



Managing Member of General Partner

From Please print and press hard
Date **12-31-01** Sender's FedEx Account Number **2310-7027-3**
S **Dra Childre** Phone **(214) 891-1402**
Company _____

Address _____
City _____ State _____ ZIP _____
Dept./Floor/Suite/Room _____

Your Internal Billing Reference
First 24 characters will appear on invoice

To Recipient's Name **City of San Antonio** Phone **(210) 207-7900**
Company **Zoning Section / 9th floor**
Address **114 W. Commerce St.**
City **San Antonio** State **TX** ZIP **78205**
Dept./Floor/Suite/Room **9th floor**

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 FedEx Standard Overnight Next business afternoon
 FedEx First Overnight Earliest next business morning delivery to select locations
 FedEx 2Day Second business day
 FedEx Express Saver Third business day
 NEW FedEx Extra Hours Later drop-off with next business afternoon delivery to select locations

4b Express Freight Service Packages over 150 lbs
 FedEx 1Day Freight* Next business day
 FedEx 2Day Freight Second business day
 FedEx 3Day Freight Third business day

5 Packaging * Declared value limit \$500
 FedEx Envelope*
 FedEx Pak* Includes FedEx Small Pak, FedEx Large Pak, and FedEx Sturdy Pak
 Other Pkg. Includes FedEx Box, FedEx Tube and customer pkg.

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 SUNDAY Delivery RESTRICTIONS: Available only for FedEx Priority Overnight to select ZIP codes
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 Does this shipment contain dangerous goods?
 No Yes As per attached Shipper's Declaration
 Dry Ice Dry Ice 3, UN 1845 _____ kg
 Cargo Aircraft Only

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 Sender Acct. No. in Section 1 will be billed
 Recipient
 Third Party
 Credit Card
 Cash/Check

FedEx Acct. No. _____ Exp. Date _____
 Credit Card No. _____
 Total Packages _____ Total Weight _____ Total Declared Value* \$ _____ 00

*Our liability is limited to \$100 unless you declare a higher value. See back for details. FedEx Use Only

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By signing you authorize us to deliver this shipment without obtaining a signature and agree to indemnify and hold us harmless from any resulting claims.

404



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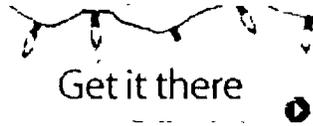
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Reference Number
Ship Date 12/31/2001
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Delivery Location SAN ANTONIO TX
Delivery Date/Time 01/02/2002 08 37
Signed For By J HERNANDEZ
Service Type Priority Letter

Tracking Options

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Arrived at FedEx Destination Location SAN ANTONIO TX	01/02/2002 06 54	
Left FedEx Ramp SAN ANTONIO TX	01/02/2002 05 43	
Arrived at FedEx Ramp SAN ANTONIO TX	01/02/2002 04 57	
Left FedEx Sort Facility MEMPHIS TN	01/01/2002 01 49	
Left FedEx Ramp DALLAS TX	12/31/2001 23 22	
Arrived at FedEx Ramp DALLAS TX	12/31/2001 21 36	
Left FedEx Origin Location GARLAND TX	12/31/2001 21 04	
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October 22, 2002

Mr. Mark Celestino
Development Services Department
City of San Antonio
114 W. Commerce, 9th Floor
San Antonio, TX 78205

Via Hand-Delivery

Re: Heatherwilde Estates, 15.00 acres out of a 65.236 acre tract, NCB 14491,
San Antonio, Texas

Dear Mr. Celestino:

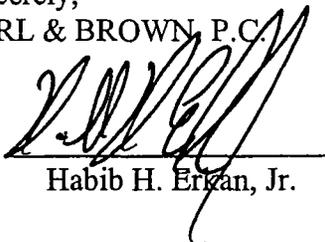
On behalf of my client, Heatherwilde Estates Housing, L.P., please accept this letter as a formal request for zoning verification of permitted use for the property referenced above. Enclosed herewith please find a check in the amount of \$135.00 to cover the costs associated with providing this zoning verification.

My review of the City zoning maps have led me to conclude that this property is currently zoned "C-3". Moreover, as noted in Table 311-2 (entitled "Non-Residential Use Matrix") multi-family dwellings are permitted in a "C-3" zoning district. Enclosed for your convenience is a copy of the Table of Permitted Uses showing that multi-family dwellings are permitted in "C-3" districts.

Please verify that the above referenced property is zoned "C-3" and that multi-family dwellings are permitted in the "C-3" district. Thank you for your kind attention to this matter.

Please do not hesitate to contact me should you have any questions regarding this matter.

Sincerely,
EARL & BROWN, P.C.

By: 
Habib H. Erkan, Jr.

f:4279.002/celestino ltr.doc
Enclosure

TABLE 311-2 NON-RESIDENTIAL USE MATRIX												
PERMITTED USE	O1	O2	NC	U1	U2	U3	D	L	I1	I2	ERZD	(LBCS Function)
Auto	Truck Stop Or Laundry - Tire Repair Permitted							S	P	P	S	2000
Auto	Vehicle Storage - See "Auto Parking And/Or Storage Long Term"	-	-	-	-	-	-	-	-	-	-	2110
Auto	Wrecker Service							P	P		NA	2100
Beverage	Beverage Manufacture - Non-Alcohol								P		S	
Church	Church	P	P	P	P	P	P	P			P	6600
Dry Goods - Wholesale	Dry Goods - Wholesale						S	P	P		P	3510
Dwelling	Apartment Or Extended Stay Housing - See (Housing - Apartment Or Extended Stay Hotel)	-	-	-	-	-	-	-	-	-	-	
Dwelling	Dwelling - Attached Apartments With Maximum Density Of 6 Dwellings Per Gross Acre (Allowed Ratio Of 1 Square foot Of Residential Floor Use To 1 Square foot Of Nonresidential Floor Use)				P	P	P				P	
Dwelling	Dwelling - Attached Apartments With Maximum Density Of 10 Dwellings Per Gross Acre (Allowed Ratio Of 1 Square foot Of Residential Floor Use To 1 Square foot Of Nonresidential Floor Use)				P	P	P				P	
Dwelling	Dwelling - Attachments Apartments With Maximum Density Of 20 Dwellings Per Gross Acre (Allowed Ratio Of 2 Square foot Of Residential Floor Use To 1 Square foot Of Nonresidential Floor Use)					P	P				P	
Dwelling	Dwelling - Attached Apartments With Maximum Density Of 50 Dwellings Per Gross Acre (Allowed Ratio Of 4 Square foot Of Residential Floor Use To 1 Square foot Of Nonresidential Floor Use)						P				P	
Dwelling	Dwelling Other - See (Housing)											
Dwelling	Group Day Care - See (Housing - Group Day Care Limited To 12 Individuals)											
Dwelling	Hotel - See (Housing - Hotel)											
Dwelling	Motel - See (Housing - Motel)											
Fabric	Electronic Component - Fabrication								P	P	S	3360
Government	Armory						S	S	S	S	S	6300
Government	Correction Institution					S	S	S	S		P	6222
Housing	Housing - Boarding House			P	P	P	P				P	
Housing	Housing - Multifamily Dwellings, Extended Stay Hotel Or Timeshares				S	P	P				P	
Housing	Housing - Group Day Care Limited To 12 Individuals	P	P	P	P	P	P	P			P	6562
Housing	Housing - Hotel				S	P	P	P			P	
Housing	Housing - Motel				S	P	P	S			P	
Industrial	Batching Plant								P	P	S	
Industrial	Batching Plant - Temporary In "C-3" And "L" (6 Months Maximum)					S	S	S	P	P	S	3330
Industrial	Bookbinder					P		S	P		P	2135
Industrial	Cabinet Or Carpenter Shop					S		P	P		S	3210
Industrial	Can Recycle Collection Station - No Shredding					S		P	P	P	P	3600
Industrial	Coffee Roasting								P	P	P	3110
Industrial	Contractor Facility					S		S	P	P	S	7100
Industrial	Creamery								S	P	S	3110
Industrial	Dry Cleaning - Plant					P			P	P	NA	2600
Industrial	Laundry - Plant					P			P		S	2600



CITY OF SAN ANTONIO

October 31, 2002

Earl & Brown
Attorneys at Law
Attn Habib H Erkan
Riverview Towers, Suite 1111
San Antonio, Texas 78205

Re Zoning verification Heatherwilde Estates, 15 00 acres out of 65 236 acre tract, NCB 14491, San Antonio, Texas

Dear Mr Erkan

This is to verify that that the above referenced properties are zoned "C-3R" Commercial District Restrictive Alcoholic Sales as per Ordinance 93881, adopted on May 3, 2001 that amended/ revised the existing City of San Antonio Unified Code Effective February 4, 2002, all previous zoning code classifications were converted to new zoning classifications adopted with this ordinance Specifically, for this site, the zoning was converted from "B-3" Restrictive Business District Restrictive Alcohol (Ordinance 69288, dated April 13, 1989) to the zoning described above

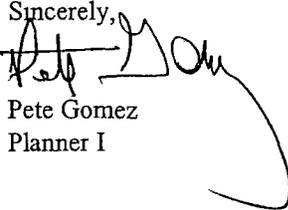
As per your inquiry, "C-3R" zoning permits "housing-Multi-family Dwellings, Extended Stay Hotel Or Timeshares" as per the UDC Table of permitted uses

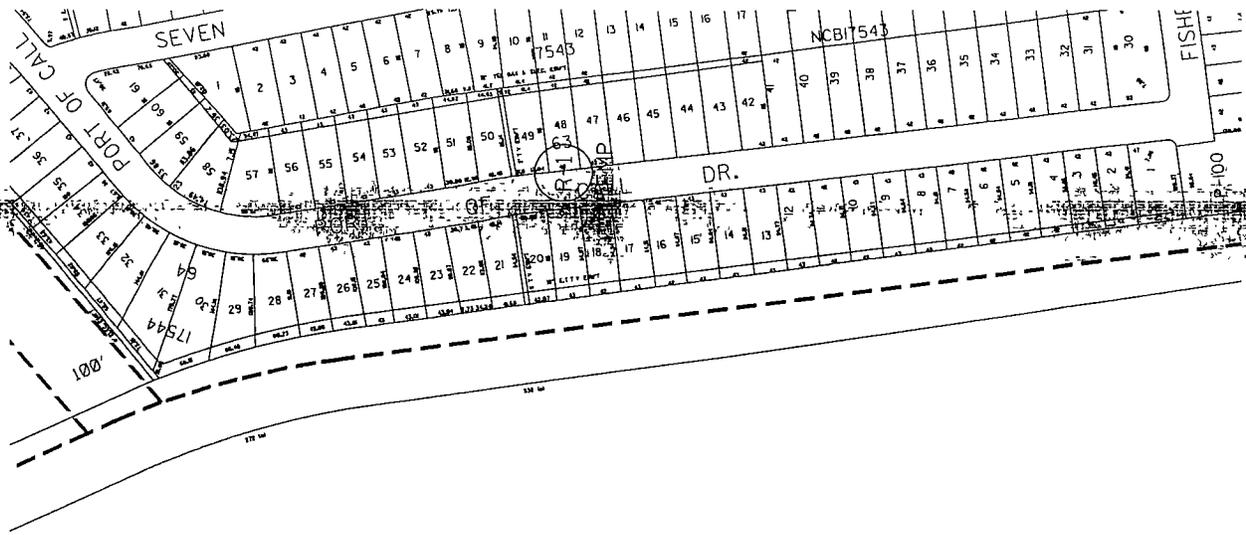
The City of San Antonio Development Services Department Building Inspections Division is responsible for enforcement of building codes ordinances and similar codes or ordinances related to development of the said described property which may include the review of site plans, the issuance of building permits, variances for site and building specifications, and certificates of occupancy. In addition, the Central Records Section of the Building Inspections Division can provide information on any building violations and/or citations

In addition, the owner(s) of the property have the right to restore or rebuild due to damages caused by fire or other causality, subject to compliance to City of San Antonio code requirements

If we may be of further assistance to you regarding this matter, please call us at (210) 207-7900

Sincerely,


Pete Gomez
Planner I



Z89034

B-3
R

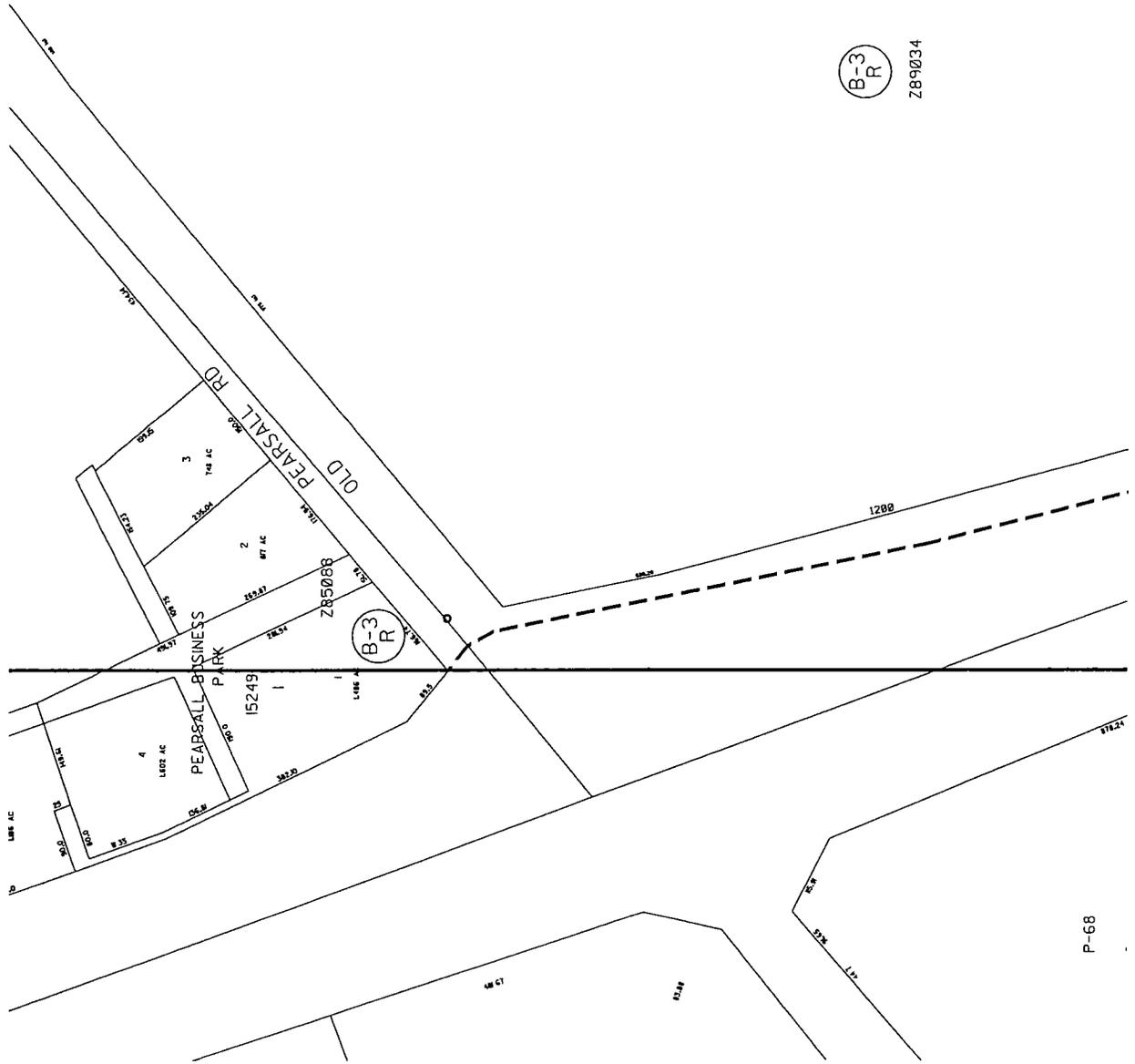
14491

P-67A

61236 AC

P-67A

61236 AC



B-3
R

Z89034

P-68

AN ORDINANCE **93881**

AMENDING THE EXISTING UNIFIED DEVELOPMENT CODE BY ADOPTING A REVISED UNIFIED DEVELOPMENT CODE, ESTABLISHING AN IMPLEMENTATION PLAN FOR THE REVISED CODE, ESTABLISHING ADMINISTRATIVE AND CIVIL AS WELL AS CRIMINAL PENALTIES BY FINE OF NOT MORE THAN \$2,000.00 FOR VIOLATION OF ITS PROVISIONS AND PROVIDING FOR PUBLICATION.

* * * * *

WHEREAS, the City of San Antonio desires to improve the implementation of land use and growth policies of its Master Plan; and

WHEREAS, City staff has worked for over two years with stake holders and has received extensive public input and participation to craft a new, revised Unified Development Code to further the goals of the City; and

WHEREAS, the intent of the new, revised Unified Development Code is to :

- Encourage inner city development,
- Encourage infill development,
- Discourage urban sprawl,
- Utilize smart growth principals and incorporate more public involvement in the development process,
- protect and preserve older neighborhoods,
- Provide new techniques for meeting market demands for new development concepts,
- Provide for certainty in the development process,
- Improve efficiency in administration and processing of development permits; and

WHEREAS, both the Zoning and Planning Commissions have recommended adoption of the new, revised Unified Development Code; and

WHEREAS, City Council desires to adopt the new, revised Unified Development Code; NOW THEREFORE,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The new, revised Unified Development Code (UDC), as reflected in Attachment 1, is hereby adopted as part of the San Antonio City Code and shall be implemented on June 4, 2001 except as noted in the following Sections.

SECTION 2. The following sections of the new, revised Unified Development Code shall be implemented as reflected in the following chart:

Article / Section	Description	Task	Implementation Date
Article III			
35-341	Mixed Use District	Special district to provide concentrated residential, retail, service, office and mixed uses. Master Development Plan reviews and design review.	September 10, 2001
35-343	Infill Development Zone	New provision to promote revitalization of the inner city. Staff will review urban design standards such as building scale and common parking areas to ensure development promotes pedestrian activity and maintains character of area.	September 10, 2001
35-360	Density Bonus	New provision that will provide density bonuses to developer for meeting certain criteria such as open space and affordable housing. Require calculation of density bonus	September 10, 2001
35-361	Transfer of Development Rights	To protect critical areas of the city, new option to allow for transferring development rights to areas of the City where high density is desirable. Require a tracking system and additional processing time.	September 10, 2001
35-372	Affordable Dwelling Units	New provision to allow for density bonus for setting aside certain percentage of affordable housing. Require design review and density calculations.	September 10, 2001
Article IV			
35-403	Notice Provision	Notices will be required for Master Development Plans, Master Plan Community, Subdivision Plats and Historic cases. Signage will also be required for Zoning, Platting and HDRC cases.	Notice: Sept. 10, 2001 Signage: January 7, 2002
35-420	Comprehensive, Neighborhood, Community, Perimeter Plans	<ol style="list-style-type: none"> 1. New requirement to rezone after the adoption of a plan. 2. New requirement to notify all property owners within plan boundaries. 3. New requirement –urban indicators report every 2 years. 4. Public participation program to review adopted plans every 5 years. 5. Amendments to the master plan will require that public hearings be published in newspaper. 6. Coordinate with Zoning staff 	January 7, 2002
35-421	Zoning Amendment	Zoning request not consistent with neighborhood plans will require that Planning Commission review the plan.	January 7, 2002
35-424	Ministerial Permits	<ol style="list-style-type: none"> 1. 35 days for permit initial review 2. Exhibit B provides building applications and submittal standards. 	January 7, 2002
Article V			
35-506	TND	New item. Review of TND developments will require more detail review than standard subdivisions. Narrow streets require coordination with Fire and Environmental Services.	January 7, 2002
35-506	Bicycle Facilities	New item. Review placement or need for street bicycle facilities necessary – MPO, ROW Management/Transportation Group	January 7, 2002

35-507	Utlines	Coordination of Utlines for new subdivisions now required. Spatial utility assignment requirements per right-of-way management ordinance.	September 10, 2001
35-510- 512	Landscaping	Additional plan review and inspections will be required for the following: 1. Tree canopy requirements for parking lots 2. Buffer requirements between different uses. 3. Point system for landscaping shifts to increase understory value 4. Increase options to achieve landscape requirements. 5. Proposes requirement for architect plans seal for projects more than 4,300 sq.ft. 6. 6. Irrigation Plans will be required for Building permit review.	January 7, 2002
	Shared Parking Facilities	Encouragement of mixed use developments will require greater review and analysis for shared parking facilities and cross parking agreements. Preparation of documents and signature coordination required.	September 10, 2001
Article VIII			
Appendix D	Conversion matrix	This will convert existing property currently zoned under the 1938 and 1965 codes to the 2001 code. As a result of the conversion some single family will be zoned inappopriately and require rezoning.	February 4, 200

SECTION 3. The following sections of the new, revised Unified Development Code shall be implemented as reflected in the following chart but may be utilized at the discretion of the City Manager anytime after June 4, 2001 if so requested by the applicant:

35-515	Lot Layout	Review conformance with zoning requirements, setbacks, frontage, density and design.	January 7, 2002
35-504	Storm Water Management	1. Certain use patterns delete storm water detention requirements. 2. Drainage easements for areas that drain from public property, ROWs to increase storm water utility cost 3. Storm water engineer to administer, plan and oversee the design and construction of regional storm water facilities using a watershed management approach. 4. Link individual developments to a watershed master plan to assist developers in participating in the storm water infrastructure required for their development.	January 7, 2002
35-506	Streets and Parking	1. Certain approved use patterns reduces parking in lieu of other improvements which may impact completing of plan review. 2. TIA requirement deleted for certain approved use patterns. Establish requirements for streetscaping of collectors and arterials. New letter of certification will be required from Landscaping division	January 7, 2002

SECTION 4. Changes to the new, revised Unified Development Code may be made and implemented through January 31, 2003 regardless of any prohibitions otherwise stated within the new, revised UDC.

SECTION 5. Section 35-404(b) of Attachment 1 is hereby amended to read as follows:

(b) Meetings

The Planning Commission, Zoning Commission, and Historic and Design Review Commission shall hold regularly scheduled public hearings to receive and review public input on those items required by this Chapter. On those items where it has review authority, the Zoning Commission shall recommend that the City Council approve, approve with conditions or deny applications. If a comprehensive plan, rezoning, or other land use regulation requiring final approval of the City Council, or amendment thereto, or other development approval, has been duly submitted to the Zoning Commission, and the Zoning Commission has failed to make a recommendation approving or denying such action at two (2) consecutive meetings, such action, at the option of the applicant, shall be deemed to be a negative recommendation. The Director shall thereupon submit the proposed land use regulation or amendment thereto or other development approval to the City Council for its consideration

SECTION 6. All provisions and/or alterations to Attachment 1 as noted within Attachment 2 to this ordinance are hereby adopted and shall be made part of the new, revised Unified Development Code.

SECTION 7. Upon their respective implementation dates, the new sections adopted by this ordinance shall supercede conflicting sections of Chapter 35 of the City Code, for example previously existing sections regarding house moving and Quarry District Special Use Permits are not superceded. The sections reflecting the revised Military Airport Overlay Zone, as passed by City Council on April 26, 2001, shall not be superceded or preempted by this ordinance's adoption of the new, revised UDC.

SECTION 8. Any conflict between the provisions of the new, revised Unified Development Code and the City's Ethics Ordinance shall be resolved in favor of the Ethics Ordinance.

SECTION 9. The criminal and civil fines as well as the administrative fees and fines provided within the new, revised Unified Development Code are hereby authorized.

SECTION 10. The City Manager is hereby authorized to designate individuals and departments other than those so designated in Attachment 1 to carry out the duties of the new, revised Unified Development Code hereby adopted.

SECTION 11. Should any Article, Section, Part, Paragraph, Sentence, Phrase, Clause, or Word of this ordinance, or any appendix thereof, for any reason, be held illegal, inoperative, or invalid; or if any exception to or limitation upon any general provision herein contained be held to be unconstitutional or invalid or ineffective; the remainder

shall, nevertheless, stand effective and valid as if it had been enacted and ordained without the portion held to be unconstitutional or invalid or ineffective.

SECTION 12. It is officially found, determined, and declared that the meeting at which this ordinance is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this ordinance, was given, all as required by Texas Revised Civil Statutes Annotated as amended Title 5, Chapter 551, Government Code.

SECTION 13. The City Clerk is directed to publish notice of this ordinance in accordance with Section 17 of the City Charter.

SECTION 14. The publishers of the City Code are authorized to amend said Code to reflect the changes adopted herein.

SECTION 15. This ordinance shall become effective five days from the date of publication but in no case before the expiration of thirty days from passage.

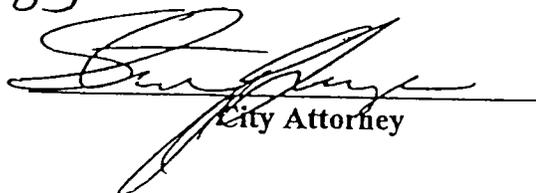
PASSED AND APPROVED this 3rd day of May 2001.



M A Y O R

ATTEST: 
City Clerk

APPROVED AS TO FORM:


City Attorney

Driveway, Front-Loaded

A Driveway which begins at, or abuts, the front property line of a Lot or Parcel

Duplex

See Dwelling two-family.

Dwelling, one family

A single structure occupied exclusively by not more than one (1) family.

Dwelling, one-family attached

Two (2) or more dwelling units with common walls between the units.

Dwelling, Single-Family Detached

A One-Family Dwelling that is not attached to any other Dwelling by any means and is surrounded by open space or yards.

Dwelling, two-family (duplex)

A detached house designed for and occupied exclusively as the residence of not more than two (2) families, each living as an independent housekeeping unit.

Dwelling, two-family attached

Any two (2) dwelling units with a common wall between the units and under single ownership which may be attached by a common wall to the units

Dwelling, three-family (triplex)

A detached house designed for and occupied exclusively as the residence of not more than three (3) families, each living as an independent housekeeping unit

Dwelling, four-family (quadraplex)

A detached house with common walls between the units, designed for and occupied exclusively as the residence of not more than four (4) families, each living as an independent housekeeping unit.

Dwelling, multifamily

A dwelling or group of dwellings on one (1) lot containing separate living units for five (5) or more families, but which may have joint services or facilities.

Dwelling, single-family

See Dwelling, one-family.

Dwelling unit

One (1) or more rooms providing complete living facilities for one (1) family, including kitchen facilities or equipment for cooking or provisions for the same, and including room or rooms for living, sleeping, bathing and eating

Easement

A grant of one or more of the property rights by the property owner to and/or for the use by the public, a corporation, or another person or entity.

Easement, utility

An easement granted for installing and maintaining utilities, across, over or under land together with the right to enter thereon with machinery and other vehicles necessary for the maintenance of utilities.

November 27, 2002

Mr. Andy Martin
City Attorney
City of San Antonio
100 Military Plaza, 3rd Floor
San Antonio, TX 78205

Via Hand-Delivery

Re: Heatherwilde Estates 15 Acres out of a 65.236 Acre Tract, NCB 14491, San Antonio, Texas

Dear Mr. Martin:

On behalf of my client, Heatherwilde Estates Housing, L.P., please accept this letter as a demand that the City of San Antonio recognize that the above referenced property can be developed for multi-family housing.

As background information, it should be noted that on October 22, 2002, I delivered to the City of San Antonio's Department of Development Services a zoning verification request with payment of the appropriate fees for \$135.00. Thereafter, on October 31, 2002, I received from Mr. Pete Gomez, Planner I, a letter that verified that the property was zoned "C-3R". Moreover, Mr. Gomez' letter went on to read as follows:

"As per your inquiry, ("C-3R") zoning permits "housing-multi-family dwellings, extended stay hotels or timeshare" as per the UDC Table of Permitted Uses."

Based on the information provided by the zoning verification letter, my clients closed on this property for the purpose of developing said property as a multi-family housing project. Subsequently, we have learned of an opinion from your office that in essence concludes that the Table of Permitted Uses doesn't mean what it says. Application of the City Attorney's Office opinion to this matter has and will continue to substantially damage my client in that they cannot develop their property in a manner that they are lawfully entitled to do so. Consequently, unless the City of San Antonio acknowledges that my client is lawfully entitled to develop the subject property as multi-family housing as is allowed in a "C-3R" zoning district, my client shall have no choice but to file suit for declaratory judgment and seek monetary damages. If needed, those pleadings may include, but are not limited to claims of mandamus, as well as estoppel, for the City's issuance of the zoning verification letter clearly indicates a multi-family housing is allowed at the subject location as well as claim that the City's action is in violation of the Federal Fair Housing Act.

RECEIVED

NOV 27 2002

City Attorney's Office
San Antonio, Texas



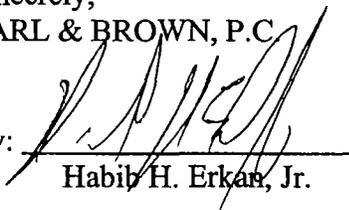
Mr. Andy Martin
November 27, 2002
Page 2

It should be noted that this client came to us due to their erroneous belief that this property was zoned "I-1" and a zoning change was necessary in order to obtain the property zoning to allow multi-family housing. Due to the filing of the zoning case, it has become apparent that some neighboring property owners have objected to the use of this property as multi-family housing. On our review, we found that the property was actually zoned "C-3R" and that in accordance with the Table of Permitted Uses, a zoning case was not necessary. As previously mentioned, this conclusion was verified by the City of San Antonio through a zoning verification letter. It seems at this point that it is highly likely that the City of San Antonio is discriminating against individuals, who for whatever reason, need federal assistance for their housing simply to placate a few neighbors.

In short, this abuse of authority by the City of San Antonio is arbitrary and capricious. If forced to, my clients will have no choice but to seek legal recourse. This will expose the City of San Antonio of the possibility of paying substantial monetary damages and attorneys fees. Due to the fact that this matter has been dragged out for over a month, I am requesting that the City acknowledge my client's rights on or before Friday, December 6, 2002. The City's failure to do so will cause my client no choice but to file suit.

Please do not hesitate to contact me should you have any questions regarding this matter

Sincerely,
EARL & BROWN, P.C

By: 
Habib H. Erkan, Jr.

f:4279.002/martin ltr2.doc
Enclosures

December 6, 2002

Mr Rod Sanchez
Assistant Director
Development Services Department
City of San Antonio
114 W. Commerce, 3rd Floor
San Antonio, TX 78205

Via Hand-Delivery

Re Heatherwilde Estates Multi-Family Project
(City of San Antonio Zoning Case No. Z2002027)

Dear Mr Sanchez.

As registered agent for the above referenced zoning case, I hereby respectfully request that this rezoning application be formally withdrawn and that no action be taken by the San Antonio City Council on said application

If you have any questions, please do not hesitate to contact our office.

Sincerely,
EARL & BROWN P.C.

By: 
Kenneth W. Brown, AICP

f:4279.002/sanchez ltr.doc



CITY OF SAN ANTONIO

ANDREW MARTIN
City Attorney
Office of the City Attorney
Voice: (210) 207-8940
Fax: (210) 207-4004

P O BOX 839966
SAN ANTONIO, TEXAS 78283-3966

December 17, 2002

Via Facsimile: (512) 475-3978

Chris Wittmayer, General Counsel
Texas Dept. of Housing and Community Affairs
P.O. Box 13941
Austin TX, 78711-3941

Dear Mr. Wittmayer:

This will confirm our conversation earlier this afternoon concerning the zoning status of a proposed multi-family development known as "Heatherwilde Estates."

Let me highlight and emphasize the city's fundamental position by repeating this point from our conversation: the City of San Antonio supports additional affordable housing opportunities for San Antonio citizens that may be made available with financing assistance from your agency.

The Heatherwilde Estates property is currently zoned C-3-R Commercial Restrictive Alcoholic Sales District. You have a letter dated October 31, 2002, from Pete Gomez to Earl & Brown that quotes language from the Unified Development Code concerning permitted uses in the C-3-R district. As I stated in our conversation, that letter accurately quotes language of the Unified Development Code with respect to certain permitted uses in the C-3 district.

This Thursday, December 19, the following item is posted on the San Antonio City Council agenda for council consideration:

44. A Resolution to direct the Development Services Department to bring forward to the Zoning Commission for their recommendation and thereafter to this City Council for consideration, a change of zoning from "C-3 R" Commercial Restrictive Alcoholic Sales District to "MF-25" Multi-Family District on the property described as 15.00 acres out of a 65.236 acre tract, New City Block 14491, located in the 10400 block of Old Pearsall Road, in the City of San Antonio, being out of the Maria F. Rodriguez survey No. 4, Abstract No. 16, in County Block 4303, Bexar

County, Texas. [Presented by Florencio Pena, Director, Development Services Department; Christopher J. Brady, Assistant City Manager]

If adopted by the City Council, the resolution directs city staff to process a city-initiated rezoning of the Heatherwilde Estates site for council consideration of a change from the C-3-R zoning district to an "MF-25" Multi-Family district. That process normally requires 45 to 60 days, assuming no delays. In the recent rezoning case filed by the Heatherwilde Estates applicant, the staff of the Development Services Department recommended the proposed rezoning to "MF-25" district. I understand the recommendation for MF-25 rezoning from Development Services Department staff will continue. Of course, before the City Council decides on the rezoning, both proponents and opponents of the rezoning will have the opportunity to express support or opposition at public hearings before the Zoning Commission and the City Council.

I have reviewed a copy of an email dated November 20, 2002, from John Jacks, a senior planner with the City of San Antonio, directed to Ben Sheppard of your agency. Please be advised that this email should not be construed by your agency or anyone else as the final or unalterable position of the City of San Antonio in a dispute over how the city interprets and applies the Unified Development Code to a specific development proposal. The proposed city-initiated rezoning of the Heatherwilde Estates site to MF-25, if and when approved by the City Council, should moot any dispute about the proposed use of that site for a multi-family residential development.

Please let me know if I can provide any additional information.

Very truly yours,



Andrew Martin



HOME

SERVICES

LIVING IN SA

BUSINESS IN SA

GOVERNMENT

VISITING SA

SEARCH

City Council Meeting, December 19, 2002

**Municipal Plaza Building
City Hall Complex
103 Main Plaza
San Antonio, Texas 78205**



[Click here for Disability Access Information](#)

At any time during the "B" Session or the Regular City Council Meeting, the City Council may meet in executive session for consultation concerning attorney-client matters (real estate, litigation, contracts, personnel and security).

**The official agenda is posted at City Hall in accordance with state law.
This copy is for general information only.**

In the event of a conflict between this copy and the posted agenda, the posted agenda shall prevail. Questions regarding this agenda should be directed to the City Agenda Coordinator at (210) 207-7080.

I. The City Council will convene for a "B" Session in the B Room of the Municipal Plaza Building at 10:00 A.M. for the following:

Staff Presentation on Historic Civic Center - Facility Development Plan.
[Presented by Rebecca Waldman, Director, Department of Asset Management; Erik J. Walsh, Assistant to the City Manager]

II. The City Council will convene in Council Chambers, Municipal Plaza Building in a Regular Council Meeting at 1:00 P.M.

1. Invocation by Rev. Eddie Bernal, St. Leo's Catholic Church and Pledge of Allegiance.
2. Ceremonial Items.

THE FOLLOWING ITEMS WILL BE CONSIDERED AT THE TIMES INDICATED:

3. 5:00 P.M. - Citizens to Be Heard.

THE FOLLOWING ITEMS MAY BE CONSIDERED AT ANY TIME DURING THE REGULAR COUNCIL MEETING:

Intersection of S.E. Military Drive and Goliad Road, and granting authorization to the City Manager to negotiate and execute a Sales Tax Rebate Agreement with Development Strategies, Inc. and Target Stores, Inc. for the partial rebate of sales taxes generated at a proposed Target store in an amount not to exceed \$1,970,000.00 for a ten (10) year period commencing upon the earlier of either store opening or January 1, 2004; as requested by Councilwoman Antoniette Moorhouse, District 3. [Presented by Ramiro Cavazos, Director, Economic Development Department; Christopher J. Brady, Assistant City Manager]

42. An Ordinance authorizing the execution of a contract with the Alamo Community College District and authorizing the expenditure of \$12,000.00 from the District 3 Human Development Services Fund, \$2,000.00 from the District 7 Human Development Services Fund and \$2,000.00 from the District 9 Human Development Services Fund, payable to Alamo Community College District for the administration of a newly created Bioscience Technology Component to be added to the Alamo Area Aerospace Academy ("AAAA") and Information Technology And Security Academy ("ITSA") Program to be conducted in the Summer Of 2003; as requested by District 3 Councilwoman Antoniette Moorhouse. [Presented by Thomas Rumora, Director, Brooks City-Base Office; Christopher J. Brady, Assistant City Manager]

43. An Ordinance authorizing the execution of a contract amendment with the Healy Murphy Center for the support of their Youth Training Program and authorizing allocation and expenditure of \$20,000.00 from Council District 2 Human Development Services Funds in connection therewith; as requested by District 2 Councilman John H. Sanders.

44. A Resolution to direct the Development Services Department to bring forward to the Zoning Commission for their recommendation and thereafter to this City Council for consideration, a change of zoning from "C-3 R" Commercial Restrictive Alcoholic Sales District to "MF-25" Multi-Family District on the property described as 15.00 acres out of a 65.236 acre tract, New City Block 14491, located in the 10400 block of Old Pearsall Road, in the City of San Antonio, being out of the Maria F. Rodriguez survey No. 4, Abstract No. 16, in County Block 4303, Bexar County, Texas. [Presented by Florencio Pena, Director, Development Services Department; Christopher J. Brady, Assistant City Manager]

45. An Ordinance revising Ordinance No. 96399, the FY 2003 Budget Ordinance, by reallocating \$595,016.00 included in the budget for the provision of services to projected annexation areas that were subsequently not annexed as a result of City Council action on November 21, 2002. [Presented by Lou Lendman, Director, Office of Management and Budget; Christopher J. Brady, Assistant City Manager]

46. An Ordinance approving an addendum to the City's Legislative Program for the 78th Texas Legislature that was adopted on September 12, 2002 by Ordinance No. 96336. [Presented by Jim Campbell, Director, External Relations; Terry M. Brechtel, City Manager]

HEATHERWILDE ESTATES
6200 BLOCK OF OLD PEARSALL ROAD

LAND USE EXHIBITS

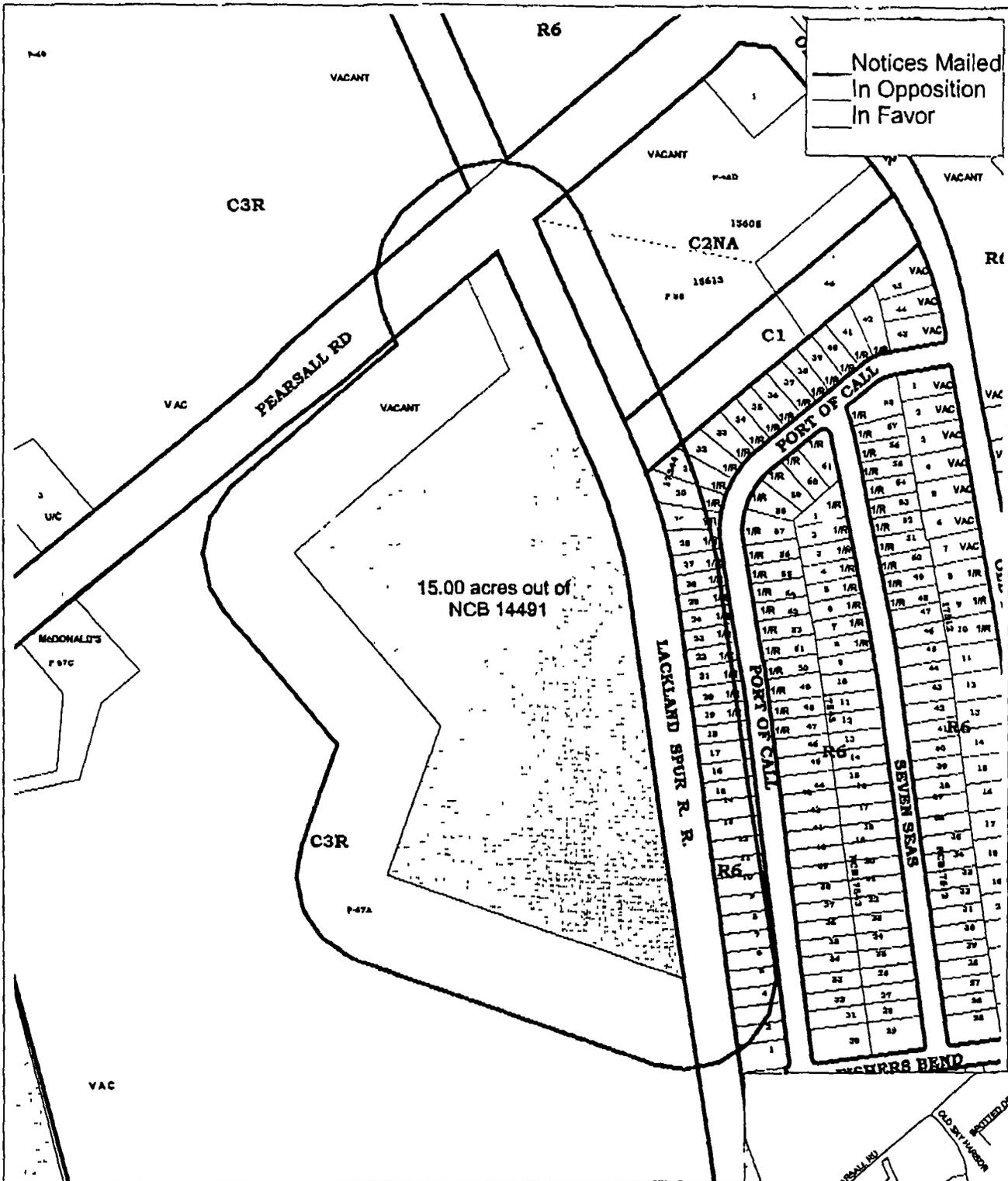
CITY OF SAN ANTONIO ZONING COMMISSION
AGENDA ITEM NO. 16

JANUARY 21, 2003

EXHIBITS

1. City of San Antonio Zoning Map
2. Site Plan (Surrounding properties)
3. Site Plan (Project only)
4. Land Use Restriction (Form)
5. List of Concessions
6. Pilot Agreement
7. Petition (500+ signatures)

Notices Mailed
 In Opposition
 In Favor



ZONING CASE: Z2002-268

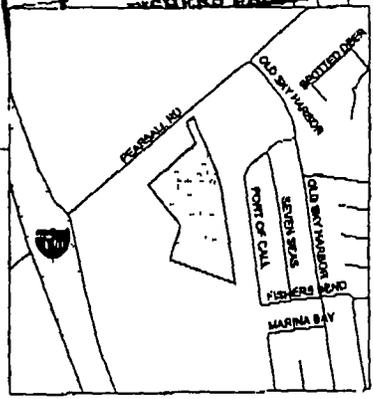
City Council District NO. 4
 Requested Zoning Change
 From: "C-3R" To: "MF-25"
 Date: January 21 and January 23, 2003
 Scale: 1" = 300"

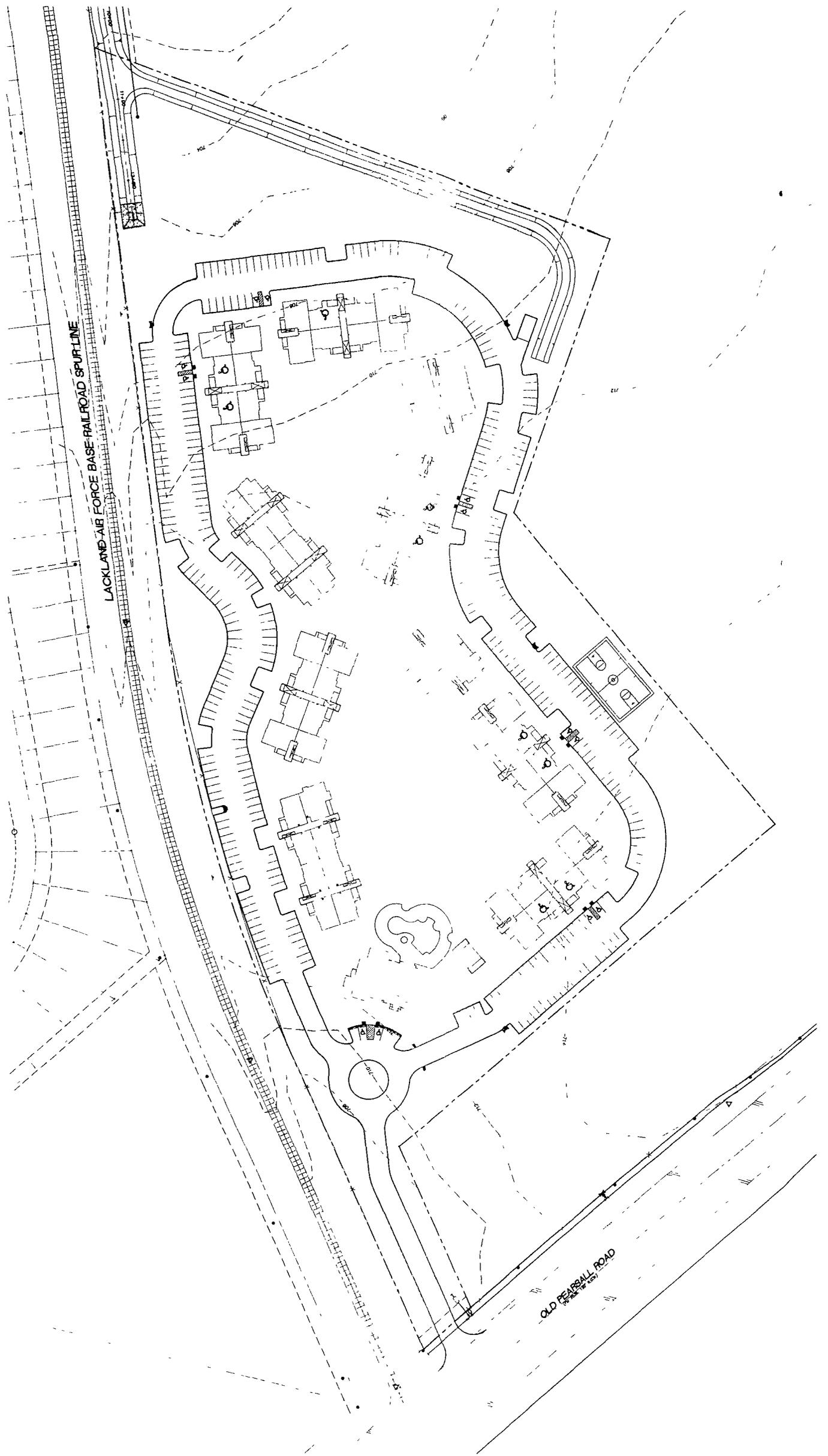
 Subject Property
 200' Notification

T-20
 A-1
 p. 680



C:\SEPT_17_2002







LOW INCOME HOUSING TAX CREDIT PROGRAM
DECLARATION OF LAND USE RESTRICTIVE COVENANTS (LURA)

Texas Department of Housing and Community Affairs

DRAFT

GENERAL INSTRUCTIONS

This LURA must be fully executed and recorded in the county where the project is located. The following steps should be followed to record the document:

1. Project owner should complete the form as described below and provide their notarized signature.
2. All entities with liens on the property should execute a *Consent and Subordination of Lienholder* form.
3. The entire original LURA should be sent to the Department for execution.
4. After providing its execution, the Department will return the original document to the owner for recording.
5. After the document is recorded, the original must be returned to the Department.

INSTRUCTIONS FOR COMPLETING THE FORM

(1) Paragraph 1

- (A) Item 1 - The date of execution of the covenant by the Project Owner.
- (B) Item 2 - The complete name of the ownership entity. Do not abbreviate.

(2) Paragraph 2

- (A) Item 1 - The complete name of project. Do not abbreviate.
- (B) Item 2 - The city in which the project is located.
- (C) Item 3 - The county in which the project is located.

(3) Paragraph 3 - The amount of tax credits requested by the Project Owner in the Application, in numerical format.

(4) Paragraph 4

- (A) Item 1 - The total percentage of units to be set-aside for low income occupancy as specified in the application. This is not the 20/50 or 40/60 "Set-Aside Election." This is a unit based percentage and may not necessarily tie with the development's applicable fraction.
- (B) Item 2 - The income category, as per Section 42(g)(1) of the Code to be served by the project.

(5) Paragraph 5, The amount of tax credits allocated by the Department at Carryover (or indicated in the Commitment Notice if Carryover did not occur) in numerical format.

(6) Paragraph 6, Completion signifies that the Project Owner will provide additional rent restrictions on the units. If this box is checked, then the Project Owner must supply the terms of the additional restrictions in Appendix A.

(7) Section 3

- (A) Paragraph (a), Item 1 - The form of ownership entity for the project.
- (B) Paragraph (a), Item 2 - The state in which the ownership entity's organizational documents are filed.

(8) Section 4

- (A) Paragraph (a), Items 1 and 2 - The low income set-aside category elected pursuant to Section 42(g)(1) of the Code at the time of application
 - (B) Paragraph (c), Item 1 – The total number of units in the development including owner and employee occupied units
 - (C) Paragraph (c), Item 2 - The percentage of residential units (not including owner and employee occupied units) that will be set aside for low income occupancy, pursuant to Section 42(c)(1)(B) of the Code
- (9) Section 8, Paragraph (b) - The name and full address of the Project Owner P O Box numbers will not be accepted Also provide a contact person name
 - (10) Signature Block, This space must be executed by the Project Owner or the authorized party of the ownership entity It must be also be executed by TDHCA prior to recording
 - (11) Addendum A to Declaration - Consent and Subordination of Lienholder - Must be executed by each Lienholder on the project as of the effective date of the Declaration
 - (12) Exhibit A, Legal Description – A full legal description must be included
 - (13) Appendix A, Additional Use Restrictions - All Additional Use Restrictions for which points were awarded in the Application must be selected The 8609s will not be released until all applicable Additional Use Restrictions are selected
 - (14) Appendix A, Minimum Applicable Fraction by Building - Table must be completed with correct BIN numbers and Minimum Applicable Fractions

LOCATION OF LURA REPRESENTATIONS IN THE APPLICATION FOR COMPLETING APPENDIX A

This chart provides the location of representations which may have been made at the time of Application If a representation was made, then this election must be noted in Appendix A

	1996		1997		1998		1999		2000	
	Application Section or Selection Criteria #	Exhibit #	Application Section or Selection Criteria #	Exhibit #	Application Section or Selection Criteria #	Exhibit #	Application Section or Selection Criteria #	Exhibit #	Application Section or Selection Criteria #	Exhibit #
Additional Occupancy Restrictions	(3)(K)	n/a	(3)(L)	n/a	(3)(L)	n/a	(3)(L)	n/a	(3)(I)	n/a
Longer Compliance & Extended Use Period	Vol 1 Sec III	N/a								
Material Participation by Qualified Nonprofit	Vol 1 Sec VIII	Ex 6, 6A	Vol 1 Sec VIII	EX 6, 6A	Vol 1 Sec VIII	EX 6, 6A	Vol 1 Sec VIII	EX 6, 6A	Vol 1 Sec VIII	EX 6, 6A
HUB	(4)(B)	EX 212	(4)(B)	EX 211	(4)(B)	EX 209	(4)(B)	EX 211	(4)(B)	EX 209
Supportive Services	(5)(A)	EX 213	Vol 1 Sec 5	EX 212	(5)	EX 210	Vol 1 Sec (5)	EX 212	(5)	EX 210
Senior Projects	(6)(A)	N/a								
Handicapped Accessibility	(6)(B)	EX 214	(6)(B)	EX 213	(6)(B)	EX 211	(6)(B)	EX 213	(6)(B)	EX 211
Transitional Housing for the Homeless	(6)(C)	EX 215	(6)(C)	EX 214	(6)(C)	EX 212	(6)(C)	EX 214	(6)(C)	EX 212
Public Waiting Lists	(7)(A)	EX 216	Vol 1 Sec 7	EX 215	(7)	EX 213	Vol 1 Sec 7	EX 215	(7)	EX 213
Right of First Refusal	n/a	N/a	(9)(A)	EX 217	(9)(A)	EX 215	(9)(A)	EX 217	(9)(A)	EX 215

TDHCA # _____

DECLARATION OF LAND USE RESTRICTIVE COVENANTS/LAND USE RESTRICTION AGREEMENT FOR LOW-INCOME HOUSING CREDITS

THIS DECLARATION OF LAND USE RESTRICTIVE COVENANTS/LAND USE RESTRICTION AGREEMENT FOR LOW-INCOME HOUSING TAX CREDITS (this "Declaration"), dated as of November 30, 2002

_____ is made by and between Heatherwilde Estates Housing, L P (together with its successors and assigns, the "Project Owner") and The Texas Department of Housing & Community Affairs, an instrumentality of the State of Texas and a public corporation (together with any successor to its rights, duties and obligations, the "Department"), and is given by Project Owner as a condition precedent to **[the determination that the Project, as defined herein, satisfies the requirements of the State of Texas's Qualified Allocation Plan]** the allocation of low-income housing tax credits (the "Tax Credits"), pursuant to Section 42 of the Internal Revenue Code of 1986, as amended, and regulations promulgated pursuant thereto (the "Code"), by the Department This Declaration incorporates the extended low-income housing commitment required by Section 42(h)(6) of the Code and is promulgated in accordance with the provisions of Chapter 2306, Tex Gov Code, (the "Act"), as may be amended from time to time

WITNESSETH:

WHEREAS, the Project Owner is or shall be the Project Owner of a low income rental housing development, known as or to be known as Heatherwilde Estates at 6200 Block of Old Pearsall Road (the "Project Improvements"), on real property located in the City of San Antonio, County of Bexar, State of Texas, more particularly described in Exhibit A hereto (the "Project Land") (the Project Improvements and the Project Land being collectively referred to herein as the "Project"),

WHEREAS, the Department has been designated by the Governor of the State of Texas as the housing credit agency for the State of Texas for the allocation of Tax Credits,

WHEREAS, the Project Owner has applied to the Department for (check which applies)

an allocation of Tax Credits to the Project in an amount not to exceed \$ 998,999 00 Tax Credit dollars annually,

a determination that the Project satisfies the requirements of the State of Texas's Qualified Allocation Plan for Tax Credits in an amount not to exceed \$ 998,999 Tax Credit dollars annually,

WHEREAS, the Project Owner has represented to the Department in the Project Owner's Low-Income Housing Tax Credit Application (the "Application"), authorized by the Department's Low-Income Rental Housing Tax Credit Rules (the "Department Rules"), that the Project Owner shall lease 100 % of the units in the Project to individuals or families whose income is 60 % or less of the area median gross income (including adjustments for family size), as more specifically provided herein,

WHEREAS, the Department has determined that the Project would support an annual allocation of Tax Credits in the amount of \$ 998,999,

WHEREAS, the Project Owner has represented to the Department in the Application that it will impose additional rent and occupancy restrictions as shown in Appendix A of this document (Check box if applicable) ,

WHEREAS, the Project Owner is subject to the regulatory powers of the Department and other terms and conditions of chapter 2306, Tex Gov Code,

WHEREAS, the Code requires as a condition precedent to the allocation of Tax Credits that the Project Owner execute, deliver and record in the real property records of the county in which the Project is located this Declaration in order to create certain covenants running with the land for the purpose of enforcing the requirements of Section 42 of the Code by regulating and restricting the use, occupancy and transfer of the Project as set forth herein, and

WHEREAS, the Project Owner, under this Declaration, intends, declares and covenants that the regulatory and restrictive covenants set forth herein governing the use, occupancy and transfer of the Project shall be and are covenants

running with the Project Land for the Term stated herein, are binding upon all subsequent owners and operators of the Project during such Term, and are not merely personal covenants of the Project Owner

NOW, THEREFORE, in consideration of the premises set forth above, and of other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Project Owner and the Department agree as follows

SECTION 1 - DEFINITIONS

(a) Unless the context otherwise requires, and in addition to those terms defined in the recitals set forth above, capitalized terms used in this Declaration shall have the following meanings

"Act" means the Texas Government Code, Chap 2306, as amended or any corresponding provision or provisions of succeeding law as it or they may be amended from time to time

"Area Median Gross Income" means the median gross income of the area in which the Project is located as determined by the Secretary of Housing and Urban Development for purposes of Section 42 of the Code, including adjustments for family size

"Assumption Agreement" shall have the meaning assigned in Section 3(i) hereof

"Board" means the governing Board of the Department

"Compliance Period" means the period of 15 consecutive taxable years beginning with the first taxable year of the Credit Period, unless a longer period shall be elected at Appendix A hereto

"Credit Period" means, with respect to any building in the Project, the period of ten taxable years beginning with the taxable year in which such building is placed in service or (at the election of the Owner) the following taxable year

"Department Compliance Monitoring Procedures" means those procedures and requirements adopted or imposed by the Department, and modified by the Department from time to time, for the purpose of discharging its responsibilities pursuant to Section 42(m)(1)(B)(iii) of the Code to monitor compliance by the Project Owner and the Project with the provisions of Section 42 of the Code and to notify the Service of instances of noncompliance

"Extended Use Period" means the period beginning with the first day of the Compliance Period and ending on the date which is 15 years after the end of the Compliance Period, unless a later date shall be set forth at Appendix A hereto or unless terminated earlier in accordance with Section 5 hereof

"Gross Rent" means all amounts paid by a Tenant for rent, determined in a manner consistent with Section 42(g)(2) of the Code. If the Tenant pays utilities directly, Gross Rent shall include any utility allowance prescribed by the Secretary

"Income" means the income of a Tenant determined in a manner consistent with the requirements of Section 42(d)(2)(B) of the Code

"Low-Income" means, with respect to any Tenant, an income level not exceeding 50% or 60% of Area Median Gross Income, adjusted for family size, as provided in Section 4 hereof, unless an alternative income level shall be set forth at Appendix A hereto

"Low-Income Tenant" means a Tenant who, when the Tenant originally occupied the Unit, had an Income qualifying as Low-Income. For so long as the Tenant occupies the particular Unit, the Tenant will remain a Low-Income Tenant if the Tenant's Income, upon the most recent income certification, does not exceed 140% of the applicable Low-Income level

"Low-Income Unit" means a Unit in the Project that is occupied by a Low-Income Tenant, is Rent-Restricted and meets the other requirements of Section 42 of the Code, in particular, Section 42(i)(3)

"Minimum Applicable Fraction" means the percentage with respect to a building in the Project, calculated as the lesser of the percentage of Units in such building which are Low-Income Units or the percentage of floor space of all Units in such building which is in Low-Income Units, all calculated as required pursuant to Section 42(c)(1) of the Code, which serves as the basis for the Department's allocation of Tax Credits to the building as provided in Section 4(c) hereof

"Principal" means any person or entity that holds an ownership interest in the Project Owner and (i) has the power to direct any aspect of the operations of the Project Owner or (ii) is entitled to at least a [25%] share in any of the profits, losses, cash flow or residual value of the Project

"Rent-Restricted" means, with respect to any Unit, that the Gross Rent with respect to such Unit is not more than 30% of the imputed income limitation applicable to such Unit pursuant to Section 42(g)(2)(C) of the Code

"Secretary" means the Secretary of the Treasury of the United States

"Service" means the United States Internal Revenue Service and any successor thereto

"State" means the State of Texas

"Tenant" means the individual or individuals entitled to occupy a Unit in the Project by lease or other legal relationship with the Project Owner

"Term" shall have the meaning set out in Section 5 hereof

"Unit" means any residential rental unit in the Project consisting of an accommodation containing separate and complete physical facilities and fixtures for living, sleeping, eating, cooking, and sanitation, provided, however, that single room occupancy housing used on a nontransient basis may be treated as one or more Units

(b) Any term or phrase which is used in this Declaration and not defined herein shall have the meaning, if any, assigned thereto in Section 42 of the Code, and if no meaning is assigned thereto in Section 42 of the Code, the meaning, if any, assigned in the Department Rules. Any term or phrase which is defined herein shall, unless the context shall clearly indicate otherwise, be interpreted in a manner consistent with the provisions and requirements of Section 42 of the Code

SECTION 2 - RECORDING AND FILING; COVENANTS TO RUN WITH THE LAND

(a) The Project Owner shall cause this Declaration and all amendments hereto to be recorded and filed in the official public land deed records of the county in which the Project is located, and shall pay all fees and charges incurred in connection therewith. Upon recording, the Project Owner shall immediately transmit to the Department an executed original of the recorded Declaration showing the date, deed book and page numbers of record. The Project Owner agrees that the Department will not issue the Internal Revenue Service Form 8609, evidencing final allocation of the Tax Credits, unless and until the Department has received the recorded executed original of the Declaration.

(b) The Project Owner intends, declares and covenants, on behalf of itself and all future owners and operators of the Project during the Term of this Declaration, that this Declaration and the covenants and restrictions set forth in this Declaration regulating and restricting the use, occupancy and transfer of the Project (i) shall be and are covenants running with the Project Land, encumbering the Project Land for the Term of this Declaration and binding upon the Project Owner's successors in title and all subsequent owners and operators of the Project Land, and (ii) shall bind the Project Owner (and the benefits shall inure to the Department and any past, present or prospective Tenant of the Project) and its respective successors and assigns during the Term of this Declaration. The Project Owner hereby agrees that any and all requirements of the laws of the State of Texas to be satisfied in order for the provisions of this Declaration to constitute deed restrictions and covenants running with the land shall be deemed to be satisfied in full, and that any requirements or privileges of estate are intended to be satisfied, or in the alternate, that an equitable servitude has been created to insure that these restrictions run with the Project Land. For the Term of this Declaration, each and every contract, deed or other instrument hereafter executed conveying the Project or portion thereof shall expressly provide that such conveyance is subject to this Declaration, provided, however, that the covenants contained herein shall survive and be effective regardless of whether such contract, deed or other instrument hereafter executed conveying the Project or portion thereof provides that such conveyance is subject to this Declaration.

(c) The Project Owner shall obtain the written consent of any existing lienholder of record (each an "Existing Lienholder") on the Project to this Declaration and the requirements hereof, including specifically the requirements of Section 5(b)(1) and Section 5(c) with respect to provisions which survive or may be revived after foreclosure, and such consent shall be in a form promulgated by the Department from time to time and shall be a condition precedent to the issuance by the Department of Internal Revenue Service Form 8609, evidencing final allocation of the Tax Credits. The Project Owner represents and warrants to the Department that attached hereto as Addendum A and made a part hereof is an executed and acknowledged Lienholder's Consent from each Existing Lienholder, if any, as of the effective date hereof.

SECTION 3 - REPRESENTATIONS, COVENANTS AND WARRANTIES OF THE PROJECT OWNER

The Project Owner hereby represents, covenants and warrants as follows

(a) The Project Owner (i) is a Texas limited partnership, duly organized and validly existing under the laws of the State of Texas, and is duly authorized and qualified to transact in the State any and all business contemplated by this Declaration and the Department Rules, (ii) possesses all requisite power, authority, licenses and permits to own its properties and assets and to conduct its business, and (iii) has all legal right, power and authority to execute and deliver this Declaration

(b) The execution and performance of this Declaration by the Project Owner (i) will not violate or, as applicable, have not violated, any provision of law, rule or regulation, or any order of any court or other department of the State or governmental body, (ii) will not violate or, as applicable, have not violated, any provision of any indenture, agreement, mortgage, mortgage note or other instrument to which the Project Owner is a party or by which it or the Project is bound, and (iii) will not result in the creation or imposition of any prohibited encumbrance of any nature

(c) The Project Owner has, at the time of execution and delivery of this Declaration, good and indefeasible fee simple title to **[or a leasehold interest extending at least ten years beyond the end of the Extended Use Period in]** the premises constituting the Project, free and clear of any lien or encumbrance, except those created by any loan documents relating to the Project, those which are created pursuant to this Declaration and those which are otherwise permitted encumbrances, as specifically set forth at Exhibit B hereto

(d) There is no action, suit or proceeding at law or in equity or by or before any governmental instrumentality or other agency now pending, or, to the knowledge of the Project Owner threatened, against or affecting it, or any of its properties or rights, which, if adversely determined, would materially impair its right to carry on business substantially as now conducted (and as now contemplated by this Declaration) or would materially adversely affect its financial condition

(e) The Project constitutes or will constitute, and the Project Owner covenants, that commencing with the last day of the first year of the Credit Period and continuing throughout the Term of this Declaration, it shall maintain the Project as, a "qualified low-income housing project", as defined in Section 42(g) of the Code

(f) Each Unit in the Project contains separate and complete physical facilities and fixtures for living, sleeping, eating, cooking and sanitation (unless the Project qualifies as a single-room occupancy project) which is to be used on other than a transient basis as provided in Section 42(i)(3) of the Code

(g) The Project Owner will comply fully and at all times with the Department Rules

(h) During the Term of this Declaration, the Project Owner covenants, agrees and warrants that each Low-Income Unit is and will remain suitable for occupancy in accordance with regulations prescribed by the Secretary, taking into account local health, safety, and building codes

(i) The Project Owner covenants that it will not sell, transfer or exchange any portion of any building in the Project unless it sells, transfers or exchanges the entire building to the same person. Subject to the requirements of Section 42 of the Code and this Declaration, the Project Owner may sell, transfer or exchange the entire Project or any building in the Project at any time, provided that the Project Owner shall require, as a condition precedent to any such sale, transfer or exchange, that the successor owner and operator assume, in writing, in an Assumption Agreement acceptable to the Department, the Project Owner's obligations hereunder and under Section 42 of the Code, which Assumption Agreement shall be delivered to the Department in executed, recordable form prior to any such sale, transfer or exchange. This provision shall not act to waive any other restriction on sale, transfer or exchange of the Project or any building in the Project. The Project Owner agrees that the Department may void any sale, transfer or exchange of the Project if the successor owner and operator fails to execute and deliver an Assumption Agreement or if the Project Owner or the successor owner and operator otherwise acts in contravention of this Section 3(i). This Declaration and the covenants contained herein shall survive and be effective regardless of whether any such successor owner and operator or intended successor owner and operator shall have assumed them pursuant to an executed Assumption Agreement

(j) The Project Owner agrees to notify the Department in writing prior to any sale, transfer or exchange of the entire Project or any building therein, and to provide to the Department the name(s) and address(es) and financial reports, as applicable, of the prospective successor owner and operator of the Project or building, so the Department can determine the economic viability of such prospective successor and such Project or building and whether such prospective successor is acceptable as Project Owner under the Department Rules. The Project Owner further agrees to notify the Department in writing prior to any change in the identity of a General Partner or other Principal of the Project Owner, and to provide to the Department the name(s) and address(es) and financial reports, as applicable, of any successor or additional General Partner or Principal, so the Department can determine whether such party is acceptable in such role with the Project Owner under the Department Rules.

(k) The Project Owner shall not demolish any part of the Project or substantially subtract from any real or personal property of the Project or permit the use of any Unit for any purpose other than rental housing during the Term of this Declaration, unless required by law.

(l) The Project Owner represents, warrants and agrees that if the Project, or any part thereof, shall be damaged or destroyed or shall be condemned or acquired for public use, the Project Owner will use its best efforts to repair and restore the Project to substantially the same condition as existed prior to the event causing such damage or destruction, or to relieve the condemnation, and thereafter to operate the Project in accordance with the terms of this Declaration.

(m) The Project Owner warrants that it has not and will not execute any other agreement with provisions contradictory to, or in opposition to, the provisions hereof, and that in any event, the requirements of this Declaration are paramount and controlling as to the rights and obligations herein set forth and supersede any other requirements in conflict herewith.

(n) The Project Owner agrees, warrants, and covenants to comply with all law, ordinances, statutes, codes, orders, rules, regulations and decrees of the United States, the State and any other Governmental Authority applicable to the Owner of the Project, including, without limitation, the following: the Civil Rights Act of 1964 (42 U.S.C. 2000(d), Executive Order 11-63, as amended by Executive Order 12259, Executive Order 11246, Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.), Equal Credit Opportunity Act (15 U.S.C. 1691 et seq.), Fair Credit Reporting Act (15 U.S.C. 1681 et seq.), Fair Housing Act (42 U.S.C. 3601 et seq.), the Americans with Disabilities Act of 1990 (P.L. 101-336, Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), Architectural Barriers Act of 1968 (42 U.S.C. 4151 et seq.), Section 3 of the Housing and Urban Development Act of 1968, Executive Orders 11625, 12432 and 12138, as amended, the Copeland "Anti-Kickback" Act (18 U.S.C. § 874 et seq.), the Davis-Bacon Act (40 U.S.C. § 276a et seq.), Sections 103 and 107 of the Work Hours and Safety Standards Act (40 U.S.C. § 327 et seq.), the Uniform Relocation Assistance and Real Property Acquisition Policies Act (42 U.S.C. § 4201 et seq.), the Housing and Community Development Act of 1974, the National Environmental Policy Act (42 U.S.C. § 4321 et seq.), ("NEPA"), the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. § 4321 et seq.), the State of Texas Senate Bill 1356, Title 8, and Chapter 92 of the Texas Property Code, Solid Waste Disposal Act TEX HEALTH & SAFETY CODE Ann. Ch. 361 (Vernon's 1992), Comprehensive Municipal Solid Waste Management, Resource Recovery, and Conservation Act TEX HEALTH & SAFETY CODE Ann. Ch. 363 (Vernon's 1992), County Solid Waste Control Act TEX HEALTH & SAFETY CODE Ann. Ch. 364 (Vernon's 1992), Texas Clean Air Act, TEX HEALTH AND SAFETY CODE Ann. Ch. 382 (Vernon's 1992), and Hazardous Communication Act, TEXAS HEALTH AND SAFETY CODE Ann. Ch. 502 (Vernon's 1992), and such Governmental Requirements as may be from time to time amended or superseded and all of their implementing regulations, as may be amended.

(o) The Project Owner agrees to apply for and accept renewal of any rent subsidy contracts from which the Project benefits, if such subsidies are sufficient to maintain the economic viability of the Project.

SECTION 4 - INCOME RESTRICTIONS/RENTAL RESTRICTIONS

The Project Owner represents, warrants and covenants throughout the Term of this Declaration and in order to satisfy the requirements of Section 42 of the Code that

(a) (1) At least 20% or more of the Units in the Project **[are and]** will continuously be maintained as both Rent-Restricted and occupied by individuals whose income is 50% or less of Area Median Gross Income.

(2) At least 40% or more of the Units in the Project **[are and]** will continuously be maintained as both Rent-Restricted and occupied by individuals whose income is 60% or less of Area Median Gross Income.

(Check applicable percentage election)

(b) The determination of whether a Tenant is a Low-Income Tenant shall be made by the Project Owner at least annually on the basis of the current income of such Low-Income Tenant. The Project Owner shall utilize forms as permitted from time to time by the Department for providing this certification. If, upon any such annual certification, the Tenant of a Low-Income Unit who was, at the last annual income certification, a Low-Income Tenant, is found no longer to be a Low-Income Tenant, such Unit will continue to be treated as a Low-Income Unit until the next available Unit of comparable or smaller size in the building in which such Unit is located is rented to a person who is not a Low-Income Tenant. A Low-Income Unit that has been vacated will continue to be treated as a Low-Income Unit, provided that (i) reasonable attempts are made to rent the Unit and (ii) no other Units of comparable or smaller size in the Project are rented to persons who are not Low-Income Tenants. In no case will a Unit be treated as a Low-Income Unit if all the Tenants of the Unit are students (as determined under Section 151(c)(4) of the Code), provided, however, that such rule shall not apply to the types of students identified at Section 42(i)(3)(D) of the Code.

(c) The Project will contain a total of 280 Units (including Units occupied by a resident manager or other employee, such that they are not treated as "residential rental units" for purposes of Section 42 of the Code), of which at least 100% percent of the Units treated as residential rental units will be Low-Income Units. The amount of Tax Credits allocated to the Project is based on the requirement that the Minimum Applicable Fraction for each building in the Project will be as specified, building-by-building, at Appendix A hereto. During the Term of this Declaration, Units at the Project shall be leased and rented or made available to members of the general public who qualify as Low-Income Tenants, such that each building in the Project shall at all times satisfy the Minimum Applicable Fraction for such building. The Project Owner's failure to ensure that each building in the Project complies with such requirement will cause the Department to report such fact to the Service and may result in the reduction and recapture by the Service of Tax Credits, as well as other enforcement action.

(d) The Project and the Project Owner are subject to additional and/or modified requirements, if any, set forth at Appendix A, which requirements are incorporated herein and made a part hereof.

(e) The Project Owner shall not discriminate on the basis of race, creed, sex, age or national origin in the lease, use or occupancy of the Project Improvements or in connection with the employment or application for employment of persons for the operation and management of the Project and shall not deny admission to any person exclusively on the basis of such person receiving rent assistance payments under a local, state, federal or other housing assistance program, including, but not limited to, Section 8 of the United States Housing Act of 1937 as amended.

(f) The Project Owner acknowledges that whether a Tenant is a Low-Income Tenant is a matter of fact, to be determined in accordance with applicable law, and the Project's Owner's determination as to such matter is not binding upon the Department or the Service.

(g) The Project Owner agrees that the Project will comply with the accessibility standards that are required under Section 504, Rehabilitation Act of 1973 (29 U.S.C. Section 794), and specified under 24 C.F.R. Part 8, Subpart C. A minimum of ___ Unit(s) or five percent (5%) of the Units, whichever is greater, in the Project shall be made accessible for persons with mobility impairments. A Unit that is on an accessible route and is adaptable and otherwise compliant with sections 3-8 of the Uniform Federal Accessibility Standards (UFAS), meets this requirement. An additional ___ Unit(s) or 2 percent (2%) of the Units, whichever is greater, shall be accessible for persons with hearing or vision impairments. If the Project is designed as Townhomes, the Project Owner must maintain one bedroom and bathroom on the ground level of all Units.

SECTION 5 - TERM OF DECLARATION

(a) This Declaration shall become effective with respect to a building in the Project on the first day of the Compliance Period for such building and shall terminate on the last day of the Extended Use Period, unless this Agreement is earlier terminated pursuant to Section 5(b) hereof (the "Term").

(b) Notwithstanding subsection (a) above, but subject to any modified or additional requirements set forth in Appendix A, in which event the terms of this Agreement shall be modified as applicable, this Declaration shall terminate

(1) with respect to any building in the Project, on the date such building is acquired by foreclosure (or instrument in lieu of foreclosure), upon the recorded declaration of termination of the party so acquiring the building,

unless the Secretary or his delegate determines that such acquisition is part of an arrangement with the taxpayer a purpose of which is to terminate such period. If any party acquiring a building by foreclosure (or instrument in lieu of foreclosure) fails to record a declaration terminating this Declaration, the building shall remain subject to this Declaration, and the eligibility of such party to receive Tax Credits shall not be adversely affected, if such party continues to comply with Section 42 of the Code and the terms of this Declaration, or

(2) following the end of the Compliance Period, but not earlier than 30 years following the date upon which the Project was first placed in service pursuant to the requirements of this Declaration, if the Project Owner has properly requested that the Department assist in procuring a "Qualified Contract", as defined in the Code, for the acquisition of a building and the Department is unable to present a Qualified Contract. To properly request the Department's assistance in procuring a Qualified Contract for the acquisition of a building, the Project Owner must submit a written request to the Department no earlier than one (1) year prior to the expiration of the Compliance Period, or on the last day of any subsequent year of the Extended Use Period. The Department will have one (1) year from the date of the Project Owner's written request to find a buyer to acquire the Project Owner's interest in the building. The Department will attempt to procure a Qualified Contract for the acquisition of any building only once during the Extended Use Period.

(3) following the end of the Compliance Period, subject to the consent of the Department, upon the acquisition of the Project by the Tenants of the Project, a qualified nonprofit organization or a government agency pursuant to a right of first refusal under Section 42(i)(7) of the Code.

(c) If this Declaration is terminated pursuant to subsection (b) above and notwithstanding anything herein to the contrary, the Tenant of any Low-Income Unit on the date of such termination shall be entitled to occupy such Unit in accordance with the provisions of this Declaration for a period of three years following such termination date, provided, however, that upon a showing of good cause, such Tenant's tenancy may be terminated or such Tenant evicted.

SECTION 6 - ENFORCEMENT, ADMINISTRATION AND COMPLIANCE

(a) The Project Owner covenants that it will not knowingly take or permit any action that would result in a violation of the requirements of Section 42 of the Code and this Declaration. Moreover, the Project Owner covenants to take any lawful action (including amendment of this Declaration as may be necessary in the opinion of the Department) to comply fully with the Code and with all applicable rules, rulings, policies, procedures, regulations or other official statements promulgated or proposed by the United States Department of the Treasury, the Service, or the United States Department of Housing and Urban Development, from time to time, pertaining to the Project Owner's obligations under Section 42 of the Code and affecting the Project.

(b) The Project Owner acknowledges that the primary purpose for requiring compliance by the Project Owner with the restrictions provided in this Declaration is to assure compliance of the Project and the Project Owner with Section 42 of the Code and the Department Rules, AND BY REASON THEREOF, THE PROJECT OWNER, IN CONSIDERATION FOR RECEIVING THE TAX CREDITS FOR THIS PROJECT, HEREBY AGREES THAT THE DEPARTMENT AND ANY INDIVIDUAL WHO MEETS THE APPLICABLE INCOME LIMITATION UNDER SECTION 42 (WHETHER PROSPECTIVE, PRESENT OR FORMER TENANT) SHALL BE ENTITLED, FOR ANY BREACH OF THE PROVISIONS HEREOF, AND IN ADDITION TO ALL OTHER REMEDIES PROVIDED BY LAW OR IN EQUITY, TO ENFORCE SPECIFIC PERFORMANCE BY THE PROJECT OWNER OF ITS OBLIGATIONS UNDER THIS DECLARATION IN A STATE COURT OF COMPETENT JURISDICTION. The Project Owner hereby further specifically acknowledges that the beneficiaries of the Project Owner's obligations hereunder cannot be adequately compensated by monetary damages in the event of any default hereunder. The Project Owner, still further, acknowledges and agrees that any party which brings an action to enforce any requirement of this Declaration, whether by specific performance or otherwise, shall be entitled, if successful, to recover such party's reasonable attorney's fees.

(c) The Project Owner hereby agrees that the representations and covenants set forth herein may be relied upon by the Department and all persons interested in Project compliance under Section 42 of the Code.

(d) The Project Owner acknowledges that the Department is required, pursuant to Section 42(m)(1)(B)(iii) of the Code, (i) to monitor the Project Owner's and the Project's compliance with the requirements of Section 42 of the

Code, and (ii) to notify the Service of any noncompliance which is found. The Project Owner agrees (I) to maintain records that substantiate and document such compliance, (II) to take all actions required by the Department pursuant to the Department Compliance Monitoring Procedures to assist or cooperate with the Department in monitoring such compliance, and (III) to pay the fee prescribed by the Department with respect to such monitoring.

(e) The Project Owner agrees that the Department may enforce all state and federal law, the Department Rules and the terms of any allocation of Tax Credits through this Declaration, and utilize for such purposes any and all remedies available to the Department including but not limited to administrative or judicial action, appointment of trustee or receiver, or assume the management and operations of the Development.

(f) The Project Owner agrees the Department may, at reasonable times and upon adequate notice at any time during the construction, rehabilitation, or operation of the Project, enter and inspect the Project to evaluate its physical and financial condition, construction, rehabilitation, operation, management and maintenance.

(g) The Project Owner agrees the Department may, at reasonable times and upon adequate notice, examine all books and records, and request and receive from the Project Owner one or more reports, relating to the ownership, operations, capitalization, reserve funds, income, expenses and other financial and regulatory matters of the Project or the Project Owner.

(h) The Project Owner agrees that the Department may at any time order it and/or its managing agent or Project manager to do whatever is necessary to comply with or refrain from violating an applicable law, ordinance, Department Rules, or term of an agreement regarding the Project, and that the Department may file and prosecute a complaint against a managing agent, Project manager, or the Project Owner for a violation of any applicable law or ordinance. The Project Owner acknowledges and agrees that, in the event that the Project Owner is found to have violated an applicable law, ordinance, Department Rules, or term of an agreement regarding the Project, the Department shall have the right, among other remedies and without limitation, to limit or deny participation by the Project Owner in any of the programs operated or administered by the Department.

(i) Upon a determination by the Department that the Project Owner has failed to maintain the Project in good and habitable condition and suitable for occupancy as hereinabove required, the Project Owner agrees, upon the Department's direction, to establish a reserve for replacement and repairs to the Project in such initial amount and with such monthly deposits as the Department may direct. Such reserve shall be held for the benefit of the Project Owner and the Project by such party as the Department shall direct, and disbursements shall be made therefrom only upon direction of or approval by the Department.

(j) The Project Owner agrees to indemnify and hold harmless the Board members, Department officers, directors and employees from and against all liabilities, losses, claims, damages, judgments, costs and expenses (including, without limitation, reasonable attorneys' fees) incurred by the Department as a result of any material inaccuracy in any of the representations and warranties contained in this Declaration, or as a result of any action by the Project Owner, including claims by third parties.

(k) The Project Owner agrees that should any claims, demands, suits or other legal proceedings be made or instituted by any person against the Department which arise out of any of the matters relating to this Declaration, Project Owner will cooperate fully with the Department in the defense or other disposition thereof.

(l) The Project Owner agrees to furnish the Department with copies of all correspondence between the Project Owner and the Service with respect to the Project, other than tax returns and routine, periodic reports filed with the Service.

(m) The Project Owner agrees to notify the Department if any federal grant or loan of below market rate federal funds is received with respect to the Project at any time during the Compliance period.

SECTION 7 - FEES

(a) To compensate the Department for its responsibilities pursuant to the Act and the Code, the Project Owner shall pay to the Department an annual compliance monitoring fee for the first twelve month period of this Declaration in the amount of \$25 per Low-Income Unit in the Project. In no event shall the fee be less than \$100.

(b) In addition to the compliance monitoring fee required by Section 7(a), the Project Owner shall pay to the Department a building inspection fee for any inspections that the Department requires or performs. The amount of such fee(s) will be determined by the Department in accordance with Department Rules.

(c) If the Department shall find the Project not to be in compliance with the terms hereof, the Project Owner shall pay to the Department (i) an additional administrative fee in an amount prescribed from time to time by the Department, which amount for the first twelve month period of this Declaration, shall not exceed \$25 per Unit (without regard to the number of Low-Income Units), for additional monitoring and enforcement activities undertaken with respect to the Project and (ii) all amounts required to reimburse the Department for its expenses in performing such additional monitoring and enforcement activities. The administrative fee payable in the event of noncompliance shall be in addition to, and distinct from, the amount due pursuant to Section 7(a), as well as any reimbursements of costs and legal fees to which the Department may be entitled as a result of judicial enforcement action, and such fee shall be payable without respect to whether the Department undertakes or succeeds in judicial enforcement activities, and any right to be compensated therefor, for a period of up to three years following its most recent finding of noncompliance with respect to the Project.

(d) For each successive twelve month period following the initial twelve month period of this Declaration, the administrative fees payable to the Department hereunder shall be the amounts established for the most recent administrative fee, multiplied by the increase in the Consumer Price Index for All Urban Consumers (CPI-U) published by the Bureau of Labor Statistics of the United States Department of Labor (or generally recognized successor to such Index) for the same twelve month period of time.

(e) The Project Owner agrees that it will pay the annual compliance monitoring fee and the building inspection fee(s) at the times required by the Department therefor and that it will pay all additional charges, fees, and expenses assessed hereunder by the Department within ten (10) days of receipt of written notice of any such assessment.

SECTION 8 - MISCELLANEOUS

(a) Severability This Declaration is intended to be performed in accordance with, and only to the extent permitted by, all applicable laws, ordinances, rules and regulations. If any provision of this Declaration or the application thereof to any person or circumstance shall be held invalid or unenforceable, the remainder of this Declaration and the application of such provision to other persons or circumstances shall not be affected thereby, but rather shall be enforced to the greatest extent permitted by law.

(b) Notices All notices to be given pursuant to this Declaration shall be in writing and shall be deemed given when mailed by certified or registered mail, return receipt requested, delivered by hand, or delivered by any other method permitted by law, to the parties hereto at the addresses set forth below, or to such other place as a party may from time to time designate in writing.

To the Department: Texas Department of Housing & Community Affairs
507 Sabine, Suite 400
Austin, Texas 78701
Attn: Low Income Housing Tax Credit Program

To the Project Owner: Heatherwilde Estates Housing, L P
C/O San Antonio Development Agency Attn: Manuel Macias, Jr
1400 South Flores Street
San Antonio, TX 78283

The Department, and the Project Owner, may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

(c) Amendment This Agreement may not be amended or modified except by written instrument signed by Project Owner and approved by Department, or their respective heirs, successors or assigns, which instrument shall not be effective until it is recorded in the real property records in the county where the Property is located. Upon request by the Department, the Project Owner agrees that it will take all actions necessary to effect any amendment of this Declaration which may be necessary in the Department's sole discretion to comply with the Code, and any and all applicable rules, regulations, policies, procedures, rulings or other official statements pertaining to the Tax Credits.

(d) Governing Law This Declaration shall be governed by the laws of the State of Texas, and, where applicable, the laws of the United States of America.

(e) Survival of Obligations The obligations of the Project Owner as set forth herein and in the Application shall survive the allocation of the Tax Credit and shall not be deemed to terminate or merge with the awarding of the allocation.

(f) Interpretation The Department's interpretation of this Declaration shall be controlling for purposes of determining whether (i) the Compliance Period and/or Credit Period shall have commenced, (ii) this Declaration shall have been terminated in accordance with Section 5 hereof, and (iii) the Additional Use Restrictions elected at Appendix A hereto, if any, shall have been complied with.

IN WITNESS WHEREOF, the Project Owner has caused this Declaration to be signed by its duly authorized representative, as of the day and year first written above

PROJECT OWNER:
Heatherwilde Estates Housing L.P.

**TEXAS DEPARTMENT OF HOUSING AND
COMMUNITY AFFAIRS**

By _____

By _____

STATE OF _____

STATE OF TEXAS

COUNTY OF _____

COUNTY OF TRAVIS

This instrument was acknowledged before me on the
____ day of _____, _____

This instrument was acknowledged before me on the
day of _____, _____

by _____,
Name

by _____,
Name

Title

Title

of _____,
Project Owner Name

of the Texas Department of Housing and Community
Affairs, a public and official department of the State of
Texas, on behalf of said department

a _____,
Type of Partnership

on behalf of said _____
Type of Partnership

Notary Public

Notary Public, State of Texas

ADDENDUM A TO DECLARATION - CONSENT AND SUBORDINATION OF LIENHOLDER

[To be executed by each lienholder on the project as of the effective date of the declaration.]

The undersigned lienholder ("Lienholder") hereby consents to the execution by Project Owner of the foregoing Declaration for _____ (the "Project Improvements")

Lienholder hereby subordinates its lien(s) to the rights and interests created pursuant to Section 5(c) of the Declaration such that a foreclosure of its lien(s) shall not extinguish such rights and interests

Lienholder acknowledges and agrees that, pursuant to Section 5(b)(1) of the Declaration, the Declaration will terminate on the date the Project is acquired by foreclosure or deed in lieu of foreclosure, upon the recorded declaration of the party so acquiring the building (unless it is determined that such acquisition is part of an arrangement with Borrower a purpose of which is to terminate such period), provided, however, Lienholder hereby acknowledges and agrees that the acquisition of the Project by any party by foreclosure or instrument in lieu of foreclosure shall be subject to the provisions of Section 5(c) of the Declaration, which provisions shall continue in full force and effect for a period of three (3) years from the date of such acquisition, provided, further, that such provisions shall not apply during such period if and to the extent that compliance therewith is not possible as a consequence of damage, destruction, condemnation or similar event with respect to the project

Executed to be effective the ____ day of _____, _____

LIENHOLDER: _____

By _____

Name _____

Title _____

STATE OF _____

COUNTY OF _____

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that _____, whose name is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day, being informed of the contents of such document, executed the same voluntarily Given under my hand, official seal this ____ day of _____, _____

Notary Public

My Commission expires _____

EXHIBIT A TO DECLARATION - LEGAL DESCRIPTION

APPENDIX A - ADDITIONAL USE RESTRICTIONS
(Check all restrictions which were elected at the time of Application)

Additional Rent and Occupancy Restrictions

At least 280 Units in the Project must be occupied by Tenants at or below 60% of Area Median Gross Income, with rents for these Units no higher than the allowable tax credit rents at such AMGI level [IF COMMITMENT IS TO PROVIDE UNITS AT DIFFERENT INCOME LEVELS, SET FORTH EACH.] If at re-certification the Tenant's household income exceeds the applicable limit, then the Unit remains as a Unit restricted at the specified level of AMGI until the next available Unit of comparable or smaller size is designated to replace this Unit. Once the Unit exceeding the specified AMGI level is replaced, then the rent for the previously qualified Unit may be increased, subject to applicable Tax Credit requirements, lease provisions and local tenant-landlord laws. Rents charged to Low-Income Tenants holding Section 8 certificates or vouchers in the Units designated pursuant to this paragraph may not exceed the Tax Credit rents that would otherwise apply to such Units under this paragraph.

Additional Rent and Occupancy Restrictions for Developments with below market rate HOME funding included in the total eligible basis and utilizing the "9%" Applicable Percentage

At least 40% Units in the Project must be occupied by Tenants at or below 50% of Area Median Gross Income.

Longer Compliance Period and Extended Use Period

The Compliance Period shall be a period of _____ consecutive taxable years and the Extended Use Period shall be a period of _____ consecutive taxable years, each commencing with the first year of the Credit Period.

Material Participation by Qualified Nonprofit Organization

Throughout the Compliance Period, a "qualified nonprofit organization" within the meaning of Section 42(h)(5)(C) of the Code shall hold a controlling interest in the Project as required by the Department Rules, shall materially participate (within the meaning of Section 469(h) of the Code) in the development and operation of the Project and shall otherwise meet the requirements of Section 42(h)(5) of the Code. At the time this Declaration is filed, the qualified nonprofit organization which shall own such interest and shall so materially participate in the development and operation of the Project is _____ and is the [managing General Partner] [Managing Member] of the Project Owner. The Project Owner shall notify the Department (1) of any change in the status or role of such organization with respect to the Project and (ii) if such organization is proposed to be replaced by a different qualified nonprofit organization.

Joint Venture with Qualified Nonprofit Organization

Throughout the Compliance Period, a "qualified nonprofit organization" within the meaning of Section 42(h)(5)(C) of the Code shall materially participate as one of the General Partners or Managing Members in the development and operation of the Project. At the time this Declaration is filed, the qualified nonprofit organization which shall own such interest and shall so materially participate in the development and operation of the Project is _____ and is a [General Partner] [Managing Member] of the Project Owner. The Project Owner shall notify the Department (1) of any change in the status or role of such

organization with respect to the Project and (ii) if such organization is proposed to be replaced by a different qualified nonprofit organization

Historically Underutilized Businesses (HUB)

Throughout the Compliance Period, unless otherwise permitted by the Department, the HUB shall hold an ownership interest in the Project. The HUB must also maintain regular, continuous, and substantial participation in the development and operation of the Project. At the time this Declaration is filed, the HUB which holds an ownership interest in the Project is _____ The Project Owner shall notify the Department (i) of any change in the status or role of such organization with respect to the Project and (ii) if such organization is proposed to be replaced by a different qualified HUB

Supportive Services

Throughout the Compliance Period, unless otherwise permitted by the Department, the Project Owner has contracted for the provision of the following special supportive services that would not otherwise be available to Tenants: ESL Classes, after school programs, latch key programs for school age children, computer labs, adult education, credit counseling and home buying seminars, family and teen counseling referral services

At the time this Declaration is filed, the organization(s) providing these services is Housing Services of Texas, Inc. The Project Owner shall notify the Department (i) of any change in the status or role of such organization with respect to the Project and (ii) if such organization is proposed to be replaced by a different qualified provider.

Transitional Housing for the Homeless

Throughout the Compliance Period, unless otherwise permitted by the Department, the Project shall provide transitional housing for homeless persons, on a non-transient basis, with supportive services designed to assist Tenants in locating and retaining permanent housing.

Public Housing Waiting Lists

Throughout the Compliance Period, unless otherwise permitted by the Department, the Project Owner shall consider prospective Tenants referred to from the waiting list of the Housing Authority of San Antonio and Bexar County.

QUALIFIED ELDERLY DEVELOPMENTS¹

Qualified Elderly Projects (2000 and later)

Throughout the Compliance Period, unless otherwise permitted by the Department, this project must conform to the Federal Fair Housing Act and must be a project which

- (i) is intended for, and solely occupied by Persons 62 years of age or older, or
- (ii) is intended and operated for occupancy by at least one person 55 years of age or older per unit, where at least 80% of the total housing units are occupied by at least one person who is 55 years of age or older, and

¹ Note: The Federal Fair Housing Act requires, generally, that projects which are limited to occupancy by older persons either (i) be restricted to households in which all members are 62 years or older or (ii) to households in which at least one member is 55 years or older. See 24 C.F.R. §§100.300-100.304 for exact requirements. All tax credit projects must comply with these requirements, as applicable under Federal law, in addition to the Declaration.

adheres to policies and procedures which demonstrate an intent by the owner and manager to provide housing for persons 55 years of age or older

Special Housing Development

Throughout the Compliance Period, unless otherwise permitted by the Department, the Project Owner shall operate the Project exclusively as one or more of the following

- housing for persons with mental health/mental retardation issues,
- group home,
- transitional housing,
- congregate care facility,
- housing for persons with HIV/AIDS,
- [OTHER - SPECIFY] _____

APPENDIX A - ADDITIONAL USE RESTRICTIONS - HANDICAPPED ACCESSIBILITY

(Only Projects which made the applicable Handicapped Accessibility election should include this page as part of this Declaration)

Handicapped Accessibility for 1999 Allocations, Option §50.6(c)(6)(B)(i) and 2000-01 Allocations, Option §49.6(c)(6)(B)(i)

Throughout the Compliance Period, unless otherwise permitted by the Department, the Project Owner agrees to set aside Units for Persons with Disabilities. The Department will require a minimum of nine months during which the set aside Units must either be occupied by Tenants who are physically or mentally disabled or held vacant while being marketed to such tenants. The nine month period will begin on the date that each building receives its certificate of occupancy. For buildings which do not receive a certificate of occupancy, the nine month period will begin on the placed in service date as provided in the Cost Certification Manual. When a qualified Tenant is located, the Project Owner will be responsible for adapting the Unit per the tenant's requirements. The cost of adapting the Unit will be borne by the Project Owner. If the Project Owner is unable to locate qualified Persons with Disabilities following a good-faith effort throughout the nine month set aside period, then the Units may be rented to tenants without disabilities, provided that the next available Unit (from among those set aside for Persons with Disabilities) shall first be made available to Persons with Disabilities. To comply with this provision, the Project Owner must maintain a waiting list of qualified Tenants with disabilities throughout the Compliance Period. Each time a Unit set aside for Persons with Disabilities becomes available, the Project Owner must contact persons on the waiting list and/or provide notice to local service providers that such Units are available. If the waiting list or the local service provider cannot locate a qualified Tenant for the next available Unit, then the Unit may be rented to a Tenant without disabilities.

- (a) For physical disabilities, such Units must be designed to meet American National Standards for buildings and facilities providing accessibility and usability for Persons with Disabilities (ANSI A117.1 - 1986) and will conform to the Fair Housing Act.
 - (b) For persons with mental disabilities, there must be a contract to provide appropriate supportive services for persons with mental disabilities between the Project Owner and an experienced service provider.
- At least 7% of the Units are set-aside for persons with physical or mental disabilities, or
- at least 10% of the Units are set-aside for persons with physical or mental disabilities

Handicapped Accessibility for 1999 Allocations, Option §50.6(c)(6)(B)(ii) and 2000-01 Allocations, Option §49.6(c)(6)(B)(ii)

The Project provides Units specifically accessible to persons with physical, visual or hearing disabilities as required by §504 of the Rehabilitation Act of 1973. As required by §504, a one time inspection and corresponding Accessibility Transition Plan will be required upon completion of construction. Project Owners making this election must also comply with the Fair Housing Act.

- At a minimum, 5% of the Units must be usable for persons with mobility impairments and 2% of the Units shall be made accessible for people with hearing or visual impairments, or
- at a minimum 10% of the Units must be usable for persons with mobility impairments and 2% of the Units shall be made accessible for people with hearing or visual impairments

APPENDIX A - ADDITIONAL USE RESTRICTIONS - RIGHT OF FIRST REFUSAL

(Only Projects which made a Right of First Refusal election in calendar years prior to 2001 should include this page as part of this Declaration)

Right of First Refusal to a Tenant or Qualified Nonprofit Organizations for 1998, 1999 and 2000 allocations

The Project Owner has entered into an Agreement for Provision of the Right of First Refusal with the Department. If at any time after the fifteenth year of the Compliance Period, the Project Owner shall determine to sell the Project, this agreement shall serve as evidence that the Project Owner agrees to provide, and provides, to a qualified nonprofit organization (as defined in §42 (h) (5) (C) of the code) or a tenant organization, a right of first refusal to purchase the Project for the minimum purchase price provided in, and in accordance with the requirements of §42 (i) (7) (B) of the Code as shown below

“(B) Minimum purchase price. The minimum purchase price under this subparagraph is an amount equal to the sum of-

- (i) the principal amount of outstanding indebtedness secured by the building (other than indebtedness incurred within the 5-year period ending on the date of the sale to the tenants), and
- (ii) all Federal, State, and local taxes attributable to such sale

Except in the case of Federal income taxes, there shall not be taken into account under clause (ii) any additional tax attributable to the application of clause (ii) ”

The following terms are hereby incorporated into this Declaration

(i) Upon the earlier to occur of

(I) the Project Owner's determination to sell the Project, or

(II) the Project Owner's request to the Department, pursuant to §42 (h)(6)(I) of the Code, to find a buyer who will purchase the Project pursuant to a "qualified contract" within the meaning of §42 (h)(6)(F) of the Code, the Project Owner shall provide a notice of intent to sell the Project ("Notice of Intent") to the Department and to such other parties as the Department may direct at that time. If the Project Owner determines that it will sell the Project at the end of the Compliance Period, the Notice of Intent shall be given no later than two years prior to expiration of the Compliance Period

(ii) During the two years following the giving of Notice of Intent, the Project Owner may enter into an agreement to sell the Project only in accordance with a right of first refusal for sale at the Minimum Purchase Price with parties in the following order of priority

(I) during the first six-month period after the Notice of Intent, only with a Qualified Nonprofit Organization that is also a community housing development organization, as defined for purposes of the federal HOME Investment Partnerships Program at 24 C F R § 92.1 (a "CHDO") and is approved by the Department,

(II) during the second six-month period after the Notice of Intent, only with a Qualified Nonprofit Organization or a Tenant Organization, and

(III) during the second year after the Notice of Intent, only with the Department or with a Qualified Nonprofit Organization approved by the Department or a Tenant Organization approved by the Department

(iii) After the later to occur of (I) the end of the Compliance Period or (II) two years from delivery of a Notice of Intent, the Project Owner may sell the Project without regard to any right of first refusal established by this Declaration if (x) no offer to purchase the Project at or above the Minimum Purchase Price has been made by a Qualified Nonprofit Organization, a Tenant Organization or the Department, or (y) a period of 120 days has expired from the date of acceptance of such offer without the sale having occurred, provided that the failure to close within such 120-day period shall not have been caused by the Project Owner or matters related to the title for the Project

(iv) At any time prior to the giving of the Notice of Intent, the Project Owner may enter into an agreement with one or more specific Qualified Nonprofit Organizations and/or Tenant Organizations to provide a right of first refusal to purchase the Project for the Minimum Purchase Price, but any such agreement shall only permit

² “(I) Period for finding buyer. The period referred to in this subparagraph is the 1-year period beginning on the date (after the 14th year of the compliance period) the taxpayer submits a written request to the housing credit agency to find a person to acquire the taxpayer's interest in the low-income portion of the building ”

purchase of the Project by such organization in accordance with and subject to the priorities set forth in paragraph (ii) of this section

(v) The Department shall, at the request of the Project Owner, identify in this Declaration a Qualified Nonprofit Organization or Tenant Organization which shall hold a limited priority in exercising a right of first refusal to purchase the Project at the Minimum Purchase Price, in accordance with and subject to the priorities set forth in paragraph (ii) of this section

APPENDIX A - ADDITIONAL USE RESTRICTIONS - RIGHT OF FIRST REFUSAL

(Only Projects which made a Right of First Refusal election beginning in 2001 should include this page as part of the LURA)

Right of First Refusal to a Tenant or Qualified Nonprofit Organizations for 2001 and later allocations

The Project Owner has entered into an Agreement for Provision of the Right of First Refusal with the Department. If at any time after the fifteenth year of the Compliance Period, the Project Owner shall determine to sell the Project, this agreement shall serve as evidence that the Project Owner agrees to provide, and provides, to a qualified nonprofit organization (as defined in §42 (h) (5) (C) of the code) or a tenant organization determined to be such by the Department (a "Tenant Organization"), a right of first refusal to purchase the Project for the Minimum Purchase Price provided in, and in accordance with the requirements of §42 (i) (7) (B) of the Code as shown below

"(B) Minimum purchase price The minimum purchase price under this subparagraph is an amount equal to the sum of-

- (i) the principal amount of outstanding indebtedness secured by the building (other than indebtedness incurred within the 5-year period ending on the date of the sale to the tenants), and
- (ii) all Federal, State, and local taxes attributable to such sale

Except in the case of Federal income taxes, there shall not be taken into account under clause (ii) any additional tax attributable to the application of clause (ii) "

The following terms are hereby incorporated into this Declaration

(i) Upon the earlier to occur of

(I) the Project Owner's determination to sell the Project, or (II) the Project Owner's request to the Department, pursuant to §42 (h)(6)(I) of the Code, to find a buyer who will purchase the Project pursuant to a "qualified contract" within the meaning of §42 (h)(6)(F) of the Code, the Project Owner shall provide a notice of intent to sell the Project ("Notice of Intent") to the Department and to such other parties as the Department may direct at that time. If the Project Owner determines that it will sell the Project at the end of the Compliance Period, the Notice of Intent shall be given no later than two years prior to expiration of the Compliance Period

(ii) During the two years following the giving of Notice of Intent, the Project Owner may enter into an agreement to sell the Project only in accordance with a right of first refusal for sale at the Minimum Purchase Price with parties in the following order of priority

(I) during the first six-month period after the Notice of Intent, only with a Qualified Nonprofit Organization that is also a community housing development organization, as defined for purposes of the federal HOME Investment Partnerships Program at 24 C F R § 92.1 (a "CHDO") and is approved by the Department,

(II) during the second six-month period after the Notice of Intent, only with a Qualified Nonprofit Organization or a Tenant Organization, and

(III) during the second year after the Notice of Intent, only with the Department or with a Qualified Nonprofit Organization approved by the Department or a Tenant Organization approved by the Department

(iii) At any time after the fifteenth year of the Compliance Period, but no earlier than two years after delivery of a Notice of Intent, the Project Owner may sell the Project without regard to any right of first refusal established by this Declaration if (x) no offer to purchase the Project at or above the Minimum Purchase Price has been made by a Qualified Nonprofit Organization, a Tenant Organization or the Department, or (y) a period of 120 days has expired from the date of acceptance of such offer without the sale having occurred, provided that the failure to close within such 120-day period shall not have been caused by the Project Owner or matters related to the title for the Project

(iv) At any time prior to the giving of the Notice of Intent, the Project Owner may enter into an agreement with one or more specific Qualified Nonprofit Organizations and/or Tenant Organizations to provide a right of first refusal to purchase the Project for the Minimum Purchase Price, but any such agreement shall only permit purchase of the Project by such organization in accordance with and subject to the priorities set forth in paragraph (ii) of this section

(v) The Department shall, at the request of the Project Owner, identify in this Declaration a Qualified Nonprofit Organization or Tenant Organization which shall hold a limited priority in exercising a right of first

refusal to purchase the Project at the Minimum Purchase Price, in accordance with and subject to the priorities set forth in paragraph (11) of this section

APPENDIX A - MINIMUM APPLICABLE FRACTION BY BUILDING

Building Number	Building Identification Number (BIN)	Minimum Applicable Fraction
1	TX-	
2	TX-	
3	TX-	
4	TX-	
5	TX-	
6	TX-	
7	TX-	
8	TX-	
9	TX-	
10	TX-	
11	TX-	
12	TX-	
13	TX-	
14	TX-	
15	TX-	
16	TX-	
17	TX-	
18	TX-	
19	TX-	
20	TX-	
21	TX-	
22	TX-	
23	TX-	
24	TX-	
25	TX-	
26	TX-	
27	TX-	
28	TX-	
29	TX-	
30	TX-	
31	TX-	
32	TX-	
33	TX-	
34	TX-	
35	TX-	
36	TX-	
37	TX-	
38	TX-	

EXHIBIT B
ADDITIONAL CONVENANTS
LURA HEATHERWILDE ESTATES HOUSING L P

- 1 Landscaping plan and maintenance the attached landscape plan and specifications
- 2 Resident screening criteria per attached documents amendable in accordance with the requirements of law including the fair housing act or subsequent legislation or judicial determination
- 3 Resident services programs at no additional cost to the residents as contained in this LURA in accordance with TDHCA rules and requirements.
- 4 Periodic maintenance of the property in accordance with the specifications contained the project manual as submitted to the building department of the City of San Antonio This includes but is not limited to complete exterior painting, repair and replacement of damaged wood, stucco or other exterior finishes not less than every five years form substantial completion of all buildings
- 5 Compliance with the terms and conditions of the PILOT agreement with the Bexar County Appraisal District for payments in lieu of taxes for the benefit of the school district
- 6 Contribution of five acres of land within the immediate area of the subdivision for the use the community residents to be provided as part of the development as outlined in the attached legal description.

Heatherwilde Estates

Restrictive Covenants

- 1 Low density apartments 12 units per acre maximum/no three (3) story, no balconies facing Sky Harbor neighborhood
- 2 Design of community Sky Harbor/Pace input
- 3 Construction materials Sky Harbor/Pace input
- 4 Security gated key pad/video
- 5 24 hour security patrol
- 6 Entire community fenced with wrought iron/stone columns entire perimeter of site
- 7 Centralized compactor/one dumpster emptied no more than once a week
- 8 Centralized hot water heater – savings on utility bills
- 9 Garbage pickup at door each morning
- 10 Maintenance program guaranteed upkeep of community
- 11 Enhance landscaping requirements along entry to community from Old Pearsall Road.
- 12 Vegetative buffer/screening along railroad right-of-way to screen community from Sky Harbor neighborhood
- 13 Directional lighting away from Sky Harbor neighborhood downwards towards community
- 14 Prohibition of parked wrecked cars
- 15 Van service for school children/residents
- 16 Southwest Housing will pay membership fees for each family within community for either Sky Harbor or Pace Neighborhood Associations
- 17 Resident screening criteria, no felonies, must have jobs, kids must be enrolled in school All of these requirements are independently verified.

Social Services

- 1 Continuing education for adults
- 2 After school care/tutors and computers for children
- 3 Health program – shots, tests, etc
- 4 Dollar for dollar matching program for homebuying/continuing education
- 5 Credit counseling

The proceeding covenants and agreements will be enforced pursuant to a restrictive covenant with the appropriate neighborhood association through the land use control document filed with the State Department of Housing & Community Affairs. In addition, the resident requirements are enforced through the IRS. The state is responsible for auditing the community for compliance, as is the federal government.

Pilot Agreement with Bexar Appraisal District. The Bexar County Housing Authority who is the partner on this community, has agreed to pay pro-rata share of the school taxes. They have agreed to enter into an enforceable contract which can only be amended or terminated by both parties. Bexar County Housing Authority has agreed to amend the document from time to time to assure adequate payment for their share of the school taxes as determined by the Bexar Appraisal District.

AGREEMENT FOR PAYMENTS IN LIEU OF AD VALOREM TAXES

STATE OF TEXAS

§
§
§

COUNTY OF BEXAR

This Agreement for Payments in Lieu of Ad Valorem Taxes (the "Agreement"), made and entered into by and between Bexar County Appraisal District, a body corporate and politic under the laws of the State of Texas (the "BCAD"), and Heatherwilde Estates Housing, L P , a Texas limited partnership, duly organized and existing under the laws of the State of Texas ("Heatherwilde")

I. Definitions

1 **"The Property Tax Exemption"**. Whatever *ad valorem* tax exemption Heatherwilde, its successors or assigns or members or any other entity might be entitled to in regard to the Property or any part thereof pursuant to the *ad valorem* tax exempt status of the General Partner of _____, Heatherwilde SA II Development, LLC, a wholly owned subsidiary of the Bexar County Housing Authority, or as such laws and regulations relate to the payment of *ad valorem* taxes from which Heatherwilde might otherwise be exempt. This definition does not preclude Heatherwilde or any other owner of the Property from claiming any other tax exemption, including *ad valorem* tax exemptions, to which it might be entitled

2 **"Property"** The real property owned within the boundaries of Bexar County, Texas and further described as follows

Tax Account No.	Legal Description	Physical Address
	15 00 acres out of a 65 236 acre tract, NCB 14491, San Antonio, Bexar County, Texas (See Attachment B, Exhibit A)	

and more particularly described in Exhibit A of Attachment B (Subordinate Deed of Trust) to this Agreement

3. **"County"** Bexar County

4. **"Third-Party Beneficiary"**. South West Independent School District

5. **"Net Cash Flow"** For any period, the Project Revenues for such period less Operating Expenses

6. **"Operating Expenses"** For any period, the aggregate amount of expenses incurred by Heatherwilde in connection with the Property pursuant to arm's-length transactions for ordinary and necessary expenses sufficient to provide the amenities and services associated with a multi-family residential facility as follows: all debt service payments of Heatherwilde, costs of providing social services to the tenants of the Property, labor costs; general maintenance, legal and accounting fees relating to the operation of the Property and partnership administration of Heatherwilde, general and administrative costs of Heatherwilde directly attributable to the Property and the administration of Heatherwilde, advertising and marketing costs, supplies for the Property, non-capital repairs and replacements, leasing and brokerage commissions, management fees, costs of licenses, permits and similar fees relating to Property operations, premiums for insurance; charges for electricity and other utilities; water and sewer rents and assessments, payments made into reserve funds pursuant to the Bond Documents, payments of deferred developer fees, franchise and income taxes, and all other expenses incurred in

connection with the ordinary course of Property operations and maintenance, however, any expenses incurred which are applicable to more than one period shall be prorated over the periods for which such expenses are applicable. Any of the foregoing expenses and fees paid to affiliates of Heatherwilde will be included as Operating Expenses in an amount equal to the actual fees and expenses paid or payable to such affiliate, but no in event greater than the amount that would customarily be paid to an unaffiliated third party on an arm's-length basis for such services. Without limiting the generality of those items which shall be excluded from the definition of Operating Expenses, the following shall be specifically excluded from such calculation: depreciation, amortization and other non-cash items, all gains and losses, penalties, late fees and similar charges arising from or on account of Heatherwilde's failure to pay any monetary obligations.

7. **"Project Revenues"** For any period, the revenues actually collected during such period (a) generated from all tenants and others occupying and having a right to occupy or have a right to use the Property or any portion thereof, and (b) from the use and occupancy of any amenities and services of the Property, including vending machine income, cable TV revenues, laundry service and parking income, but exclusive of (i) capital contributions, (ii) net proceeds from the sale or refinancing of the Property, (iii) net proceeds of insurance (other than proceeds of loss of rent insurance to the extent paid for apartment units occupied at the time of the loss), and net condemnation awards, (iv) security deposits and prepaid rents to the extent not permitted to be released to Heatherwilde pursuant to the terms of leases, and (v) interest earnings.

8. **"General Partner"** Heatherwilde SA II Development, LLC, a wholly owned subsidiary of the Bexar County Housing Authority.

9. **"Subordinate Deed of Trust"** That certain Subordinate Deed of Trust, in substantially the form of Attachment B attached hereto, executed by Heatherwilde, as Grantor, to _____, _____, as trustee for the BCAD.

10. **"Bond Documents"** Those certain documents evidencing and/or securing those certain Multi-Family Housing Mortgage Revenue Bonds (Rosemont Apartments Project) Series 2002, in the original aggregate principal amount of \$14,990,000, issued by the Bexar County Housing Finance Corporation, a Texas non-profit housing finance corporation, to finance the acquisition, construction and equipping of a 280-unit multi-family residential rental development known as Rosemont Apartments and located on the Property.

II. Terms

In consideration of mutual covenants and agreements, the parties agree as follows:

1. The BCAD agrees to approve a resolution in substantially the form of **Attachment A** attached hereto.
2. Heatherwilde agrees to be responsible for making the following payments in the amounts stated below directly to the governmental entities named below and whose addresses are listed in **Attachment C** attached hereto, in lieu of all ad valorem taxes which would otherwise be due with respect to the Property if it were not exempt from ad valorem taxation.
 - (a) **Payment for Property** In any year in which the Project is designated by the Bexar Appraisal District as property exempt from ad valorem taxation (a copy of which exemption the Borrower shall provide to the Trustee on or before April 1 of each year) prior to any payment to the Borrower pursuant to Section 6.07(b)(viii) of the Indenture, the Trustee, on behalf of the Borrower, shall pay Southwest Independent School District (the "District") the following payments in lieu of taxes (the "PILOT Agreement Payment")

May-1

Payment Amount

2003-2006 the greater of (i) \$15,000 or (ii) twenty-five percent (25%) of (A) the total amount available for payment to the Borrower pursuant to Section 6.07(b)(viii) of the Indenture on such May 1 (the "Trustee Funds"), (B)

the total amount distributed to the Borrower pursuant to Section 6 07(b)(viii) of the Indenture on each prior Bond Payment Date since the preceding May 1, and (C) the Net Cash Flow of the Project received by the Borrower other than pursuant to Section 6 07(b)(viii) of the Indenture since the preceding May 1, ((B) and (C) together, the "Borrower Funds"); and

2007-2044 one hundred percent (100%) of the amount which the District would have received in such calendar year if the Project were subject to ad valorem taxation, but not exceeding the total amount of Trustee Funds on such May 1 and Borrower Funds received by the Borrower since the preceding May 1

To the extent the amount payable to the District on any May 1 exceeds the amount of Trustee Funds available for such purpose on such date, the Trustee shall so notify the Borrower in writing, and the Borrower shall immediately deposit with the Trustee on such May 1 the amount of any such shortfall, but only to the extent of any Borrower Funds received by the Borrower since the preceding May 1 In no event shall the Borrower be required on any May 1 to pay an amount in excess of the Borrower Funds it has received since the preceding May 1

If the amount so available on any May 1 is less than one hundred percent (100%) of the amount the District would have received in such year if the Project were subject to ad valorem taxation, the unpaid amount shall not accrue or be carried forward to a subsequent year

The Borrower shall provide the Trustee, with a copy to the District, written certification on or before April 1 of each year, commencing in 2007, of the amount of ad valorem taxes that would be due in such calendar year based upon the value of the Project as determined by the Bexar Appraisal District and the District's current tax rate, as if the Project were subject to ad valorem taxation

If required by the Owners of a majority in aggregate principal amount of the Bonds, the obligation of the Borrower to make the payments hereunder may be secured by a deed of trust which is subordinate to the Mortgage

The District shall be a third-party beneficiary of the provisions of this Section and may enforce the payment to the District required under this Section as if it were a party to this Agreement

The Section may be amended with the written consent of the Issuer and the Borrower

(b) **Assignment of Rights** Any Third-Party Beneficiary by resolution in the manner required by law may assign its right to receive payments under subsection (a) of this Section 2 to any other Third-Party Beneficiary In that event, Heatherwilde agrees to make all future payments directly to such Third-Party Beneficiary for their sole use and benefit.

3. Heatherwilde its successors or assigns, as applicable agrees to pay these amounts so long as the owner of the Property is entitled to and receives ad valorem tax exemption above described This amount represents a portion of tax revenue for the applicable year lost by the County and the Third-Party Beneficiary as a result of Heatherwilde receiving the ad valorem tax exemption Notwithstanding the above, in the event that Heatherwilde or any other owner of the Property or a part thereof receives a pro-rata tax exemption, payments to the Third-Party Beneficiary will be reduced by the same pro-rata formula used to determine its tax exemption.

4 This Agreement shall continue for a term of twenty (20) years

5. Heatherwilde acknowledges that this Agreement does not affect any other tax obligations that it may owe to the County or any Third-Party Beneficiary for any property other than the Property

6 All notices and communications under this Agreement must be mailed by certified mail, return-receipt requested, or delivered to the following parties at the following addresses:

Heatherwilde: **Heatherwilde Estates Housing, L.P.**
5910 N Central Expressway, Suite 1145
Dallas, Texas 75206
Attention **Brian Potashnik**

General Partner: Heatherwilde SA II Development, LLC
c/o Bexar County Housing Authority
[REDACTED]
Attention [REDACTED]

All notices and communications under this Agreement must be mailed by certified mail, return-receipt requested, or delivered to the BCAD at the following address

Bexar County Appraisal District
[REDACTED]
Attention. [REDACTED]

Any notice mailed as provided is deemed given upon deposit in the United States mail

7 Heatherwilde may cancel its tax-exempt status at any time. In the event that Heatherwilde should transfer, sell, convey, lease or otherwise dispose of the Property or any interest therein, the agreement and the documents evidencing such transfer, sale, conveyance, lease or disposal must incorporate and preserve all rights granted to BCAD, the County and the Third-Party Beneficiary under this Agreement. BCAD, however, must be notified of any such transfer, sale, conveyance, lease or disposal, of any of the Property within sixty (60) days following such transfer. Heatherwilde shall remain responsible for all payments under this Agreement and the Subordinate Deed of Trust after the effective date of any transfer, sale, conveyance, lease or disposal, unless that purchaser shall enter into an assignment agreement approved by BCAD. Notwithstanding anything contained above to the contrary, the restrictions and obligations of this Section 7 shall not apply to any residential lease of portion(s) of the Property

- 8 If default is made in any payment due any Third-Party Beneficiary when due, then
- a interest at the rate of Ten percent (10%) per annum will accrue on all past due amounts including principal and interest, and
 - b. Heatherwilde shall pay reasonable attorney's fees to Bexar County and or any Third-Party Beneficiary if this Agreement is given to an attorney for collection or enforcement, or if it is collected or enforced through a judicial proceeding, and which amount is in addition to other amounts due

9 The obligations of Heatherwilde under this Agreement shall be secured by the Subordinate Deed of Trust Enforcement of the Subordinate Deed of Trust shall be limited, so that no action may be taken to collect any obligation due and owing under this Agreement which is at least thirty (30) days delinquent until written notice, by Certified Mail, Return Receipt Requested, has been delivered to Heatherwilde, at its address listed herein with copies by Certified Mail, Return Receipt Requested, to Wells Fargo Bank Texas, N.A ("Bond Trustee"), Charter Municipal Mortgage Acceptance Company ("Charter Mac") and Related Capital Company ("Related") at the addresses listed below, and at least one hundred eighty (180) days have elapsed without payment in full.

Bond Trustee Wells Fargo Bank Texas, N A
MAC T5001-061
1001 Louisiana Street, Suite 640
Houston, Texas 77002
Attention: Corporate Trust Department

Charter Mac Charter MAC Equity Issuer Trust
625 Madison Avenue, Fifth Floor
New York, New York 10022
Attention Senior Vice President-
Director of Portfolio Management

Related Related Capital Company
625 Madison Avenue, Fifth Floor
New York, New York 10022
Attention. Marc D. Schnitzer

Each of Bond Trustee, Charter Mac and Related shall be deemed third-party Beneficiary of this Section 9 and shall have the right to enforce the provisions of this Section 9

10. Heatherwilde and BCAD agree and covenant to their obligations under this Agreement in conformity with all applicable laws, rules, and regulations of the State of Texas and of the United States of America. This Agreement is construed and given effect in accordance with the laws of the State of Texas This Agreement is the entire agreement between the parties

11 The Third Party Beneficiary shall have the right to maintain suit in its own right against Heatherwilde or any of its successors and/or assignees for damages and all other legal remedies for breaches by Heatherwilde of any of its obligations under this Agreement

12. This Agreement and the Subordinate Deed of Trust and the rights hereunder and thereunder are subject and subordinate in all respects to the Prior Lien Documents (as defined in the Subordinate Deed of Trust) and any other mortgage, Deed of Trust or other lien encumbrance or indenture, together with any renewals, extensions, consolidations, and replacements of them, that now affect the Property

[SIGNATURE PAGE FOLLOWS]

SIGNATURE PAGE

EXECUTED in duplicate originals on this _____ day of _____, 2002

APPROVED AS TO FORM:

Bexar County Appraisal District,

By _____

HEATHERWILDE ESTATES HOUSING, L.P.,
a Texas limited partnership

By Heatherwilde SA II Development, LLC,
a Texas limited liability company, its General
Partner

By Bexar County Housing Authority

Attest.

By _____
Name _____
Title _____

Secretary,

Attachment A

THE STATE OF TEXAS §
§
COUNTY OF BEXAR §

The Commissioners Court of Bexar County, Texas, convened at a meeting of said Court at the Bexar County Courthouse in the City of San Antonio, Texas, on the _____ day of _____, 2002, with the following members present, to-wit:

County Judge

Commissioner, Precinct No. 1

Commissioner, Precinct No. 2

Commissioner, Precinct No. 3

Commissioner, Precinct No. 4

and the following members absent, to-wit: _____, constituting a quorum, when among other business, the following was transacted.

ORDER AUTHORIZING BEXAR COUNTY TO ENTER INTO AN AGREEMENT FOR PAYMENT IN LIEU OF TAXES WITH HEATHERWILDE SA EAST HOUSING, L.P.

Commissioner _____ introduced an order and made a motion that the same be adopted. Commissioner _____ seconded the motion for adoption of the order. The motion, carrying with it the adoption of the order, prevailed by the following vote:

AYES: _____
NAYS: _____
ABSTENTIONS: _____

The County Judge thereupon announced that the motion had duly and lawfully carried and that the order had been duly and lawfully adopted. The order thus adopted follows:

RECITALS:

WHEREAS, BEXAR COUNTY (the "County"), and HEATHERWILDE SA EAST HOUSING, L.P. ("HEATHERWILDE") desire to enter into an agreement for payment in lieu of taxes to the County and certain Third-Party Beneficiaries named in the agreement;

NOW, THEREFORE, be it ordered by the Commissioners Court of Bexar County, Texas that:

Section 1. The recitals set forth in this order are true and correct.

Section 2. The County Judge is authorized to sign the agreement on behalf of the County.

Attachment B

Subordinate Deed of Trust

THIS DEED OF TRUST INCLUDES PROVISIONS FOR INDEMNITY

Terms

Date: December _____, 2002

Grantor: Heatherwilde Estates Housing, L P
5910 N. Central Expressway, Suite 1145
Dallas, Texas 75206
Attention Brian Potashnik

Trustee _____, Bexar County Appraisal District

Trustee's Mailing Address

Beneficiaries South West School District

Beneficiaries' Mailing Address:

Attention:

Indebtedness and Obligations:

(a) "Indebtedness" means the obligation of the Grantor to pay money to the Beneficiary under the Agreement between Bexar County Appraisal District and the Grantor. The "Agreement" means that certain Agreement for Payment in Lieu of ad valorem taxes by and between the Grantor and Bexar County Appraisal District dated as of _____

(b) The "Indebtedness" represents a portion of the money that would otherwise be owed as ad valorem taxes due on the Property but for certain exemptions granted under state law and that would otherwise be used by Beneficiary to discharge public debts. Grantor represents to Beneficiary that the individuals executing the Agreement and this deed of trust are duly authorized to do so.

(c) "Obligation" All of the agreements, covenants, conditions, warranties, representations and other obligations made or undertaken by Grantor or any other person or entity to Beneficiary or others as set forth in the Agreements.

Property (including any improvements):

That property more particularly described in **Exhibit A**

Prior Lien Documents:

"Prior Lien Documents" shall mean, collectively, the following documents, together with any renewals, extensions, consolidations, and replacements of them:

That certain Deed of Trust , and Security Agreement (with Power of Sale) executed by Grantor for the benefit of Wells Fargo Bank Texas, N A. as Trustee, as security for the loan evidenced by that certain Promissory Note described therein and all modifications, restatements, extensions, renewals and replacements thereof

Subordinate Deed of Trust , Assignment of Leases and Rents, Fixture Filing and Security Agreement executed by Grantor for the benefit of [REDACTED], as security for the loan evidenced by the Subordinate Promissory Note described therein and all modifications, restatements, extensions, renewals and replacements thereof

Other Exceptions to Conveyance and Warranty:

"Other Exceptions to Conveyance and Warranty" shall mean all liens or other encumbrances that now affect the Property

For value received and to secure payment of the Indebtedness, Grantor conveys the Property to Trustee in trust Grantor warrants and agrees to defend the title to the Property, subject to the Prior Lien Documents and the Other Exceptions to Conveyance and Warranty On payment of the Indebtedness and all other amounts secured by this Deed of Trust, this Deed of Trust will have no further effect, and Bexar County will release it at Grantor's expense

Clauses and Covenants

A. Grantor's Obligations. Grantor agrees to-

1. keep the Property in good repair and condition,
2. except as provided for in the Agreement, pay all taxes and assessments on the Property before delinquency; provided, however, that Grantor may in good faith contest the validity, applicability, or amount of any asserted tax or assessment, and pending such contest Grantor shall not be deemed in default under this provision,
3. defend title to the Property subject to the Other Exceptions to Conveyance and Warranty and preserve the lien's priority as it is established in this Deed of Trust;
4. maintain, in a form reasonably acceptable to Bexar County, an insurance policy that-
 - a. covers all improvements for their full insurable value as determined when the policy is issued and renewed, unless Bexar County approves a smaller amount in writing;
 - b. contains an 80 percent coinsurance clause,
 - c. provides fire and extended coverage, including windstorm coverage,
 - d. protects Beneficiary with a standard mortgagee clause,
 - e. provides flood insurance at any time the Property is in a flood hazard area; and
 - f. contains such other coverage as Bexar County may reasonably require, master or blanket policies of insurance reflecting the above requirements as they pertain to the Property shall be sufficient for purposes of this Section 4
5. comply at all times with the requirements of the 80 percent coinsurance clause;
6. deliver the insurance policy or certificate of insurance to Bexar County within ten days of the date of the Deed of Trust and deliver renewals to Bexar County at least fifteen days before expiration,

7 obey all laws, ordinances, and restrictive covenants applicable to the Property, in all material
8 respects
9 keep any buildings occupied as required by the insurance policy, and
10 if the lien of this deed of trust is not a first lien, pay or cause to be paid when due all prior lien
notes and abide by or cause to be abided by all prior lien instruments

**INDEMNIFY TRUSTEE FOR ACTING IN THE EXECUTION OR ENFORCEMENT OF
THE TRUST CREATED BY THIS DEED OF TRUST, WHICH INCLUDES ALL
REASONABLE COURT AND OTHER COSTS, INCLUDING REASONABLE
ATTORNEY'S FEES, INCURRED BY TRUSTEE IN DEFENSE OF ANY ACTION OR
PROCEEDING TAKEN AGAINST TRUSTEE IN THAT CAPACITY, EVEN IF THE
NEED FOR SUCH INDEMNITY IS CAUSED BY THE NEGLIGENCE OF TRUSTEE.**

B. Beneficiary Rights

1 Beneficiary may appoint in writing a substitute trustee, succeeding to all rights and
responsibilities of Trustee
2 Subject to the rights of the Beneficiary under the Prior Lien Documents, Beneficiary may apply
any proceeds received under the insurance policy which remain after the application of such
proceeds in accordance with the documents relating to the obligations secured by the Prior Lien
Documents either to reduce the Indebtedness or to repair or replace damaged or destroyed
improvements covered by the policy
3 Notwithstanding Indebtedness terms to the contrary, and unless applicable law prohibits, all
payments received by any Beneficiary from Grantor under the Indebtedness or this Deed of Trust
may, at that Beneficiary's discretion, be applied first to amounts payable under this Deed of Trust
and then to amounts due and payable to that Beneficiary under the Indebtedness, to be applied to
late charges, principal, or interest in the order that Beneficiary in its discretion determines
4 If Grantor fails to perform any of Grantor's obligations hereunder, Beneficiary may perform those
obligations and be reimbursed by Grantor on demand for any amounts so paid, including
attorney's fees, plus interest on those amounts from the dates of payment at the rate stated in the
Indebtedness for matured, unpaid amounts The amount to be reimbursed will be secured by this
deed of trust
5. Subject to Section 9 of the Agreement, if there is a default in payment of the Indebtedness and
the default continues after any required notice of the default and the time allowed to cure (an
"Event of Default") Beneficiary may;
a. direct Trustee to foreclose this lien, in which case the Beneficiary or the Beneficiary's
agent will cause notice of the foreclosure sale to be given as provided by the Texas
Property Code as then in effect, and
b. purchase the Property at any foreclosure sale by offering the highest bid and then have
the bid credited on the Indebtedness
6 Beneficiary may remedy any default without waiving it and may waive any default without
waiving any prior or subsequent default
7. Beneficiary will notify the Beneficiary under the Prior Lien Documents in the event of Grantor's
default under the Agreement

C. Trustee's Rights and Duties. If directed by Beneficiary to foreclose this lien, Trustee will-

1 either personally or by agent give notice of the foreclosure sale as required by the Texas Property
Code as then in effect,
2 sell and convey all or part of the Property "AS IS" to the highest bidder for cash with a general
warranty binding Grantor, subject to the Prior Lien Documents and to the Other Exceptions to
Conveyance and Warranty and without representation or warranty, express or implied, by
Trustee;
3 from the proceeds of the sale, pay, in this order—

- a. expenses of foreclosure, including a reasonable commission to Trustee,
- b. to Beneficiary, the full amount of unpaid amounts due under the Agreement and due hereunder,
- c. any amounts required by law to be paid before payment to Grantor, and
- d. to Grantor, any balance

D. General Provisions

1. If any of the Property is sold under this Deed of Trust, Grantor must immediately surrender possession to the purchaser. If Grantor fails to do so, Grantor will become a tenant at sufferance of the purchaser, subject to an action for forcible detainer
2. Recitals in any trustee's deed conveying the Property will be presumed to be true
3. Proceeding under this Deed of Trust, filing suit for foreclosure, or pursuing any other remedy will not constitute an election of remedies
4. This lien will remain superior to liens later created even if the time of payment of all or part of the Indebtedness is extended or part of the Property is released
5. If any portion of the Indebtedness cannot be lawfully secured by this Deed of Trust, payments will be applied first to discharge that portion
6. Subject to the Prior Lien Documents, Grantor assigns to Beneficiary all amounts payable to or received by Grantor from condemnation of all or part of the Property, from private sale in lieu of condemnation, and from damages caused by public works or construction on or near the Property which, in all cases, are otherwise payable to Grantor after application of such amounts and damages in accordance with the documents relating to the obligations secured by the Prior Lien Documents (the "Remainder") After deducting any reasonable expenses incurred, including reasonable attorney's fees, court and other costs, Beneficiary will either release the Remainder to Grantor or apply the Remainder to reduce amounts then due under the Indebtedness Beneficiary will not be liable for failure to collect or to exercise diligence in collecting any such amounts. Grantor will immediately give Beneficiary notice of any actual or threatened proceedings for condemnation of all or part of the Property
7. Subject to the Prior Lien Documents, Grantor assigns to Beneficiary as collateral all present and future rent and other income and receipts from the Property which, in all cases, are otherwise payable to Grantor after application of such rent, income, and receipts in accordance with the documents relating to the obligations secured by the Prior Lien Documents. Grantor warrants the validity and enforceability of this assignment If an Event of Default occurs, Beneficiary shall be entitled to exercise their rights as assignee in such rent and other income Beneficiary neither have nor assume any obligations as lessor or landlord with respect to any occupant of the Property Beneficiary may exercise Beneficiary' rights and remedies under this paragraph without taking possession of the Property Beneficiary will apply all rent and other income and receipts collected under this paragraph first to expenses incurred in exercising Beneficiary' rights and remedies and then to Grantor's obligations under the Indebtedness and this Deed of Trust in the order determined by Beneficiary No Beneficiary is required to act under this paragraph, and acting under this paragraph does not waive any of a Beneficiary's other rights or remedies If Grantor becomes a voluntary or involuntary debtor in bankruptcy, a Beneficiary's filing a proof of claim in bankruptcy will be deemed equivalent to the appointment of a receiver under Texas law
8. Interest on the debt secured by this Deed of Trust will not exceed the maximum amount of nonusurious interest that may be contracted for, taken, reserved, charged, or received under law. Any interest in excess of that maximum amount will be credited on the principal of the debt or, if that has been paid, refunded. This provision overrides any conflicting provisions in this and all other instruments concerning the debt
9. In no event may this Deed of Trust secure payment of any debt subject to chapters 342, 343, 345, or 346 of the Texas Finance Code or create a lien otherwise prohibited by law
10. When the context requires, singular nouns and pronouns include the plural
11. The term Indebtedness includes all extensions and renewals of the Indebtedness.

- 12 This Deed of Trust binds, benefits, and may be enforced by the successors in interest of all parties
- 13 Grantor and each surety, endorser, and guarantor of the Indebtedness waive all demand for payment, presentation for payment, notice of intention to accelerate maturity, notice of acceleration of maturity, protest, and notice of protest, to the extent permitted by law
- 14 Grantor agrees to pay reasonable attorney's fees, trustee's fees, court and other costs of enforcing Beneficiary' rights under this Deed of Trust if this Deed of Trust is placed in the hands of an attorney for enforcement
- 15 If any provision of this deed of trust is determined to be invalid or unenforceable, the validity or enforceability of any other provision will not be affected
- 16 Grantor represents that this Deed of Trust and the Indebtedness are given for the purposes stated in the Agreement
- 17 Covenants Running with the Property All obligations contained in this Deed of Trust are intended by Grantor and Beneficiary to be, and shall be construed as, covenants running with the Property during the term of this Deed of Trust. As used herein, "Grantor" shall refer to the party named as Grantor on this Deed of Trust and to any subsequent owner of all or any portion of the Property. All persons or entities who may have or acquire an interest in the Property shall be deemed to have notice of, and be bound by, the terms of the Agreement
- 18 Attorney-in-Fact Grantor hereby irrevocably appoints Beneficiary and its successors and assigns, as its attorney-in-fact, which agency is coupled with an interest and shall be exercisable only if an Event of Default exists and is continuing,
- a. to execute and/or record any notices of completion, cessation of labor or any other notices that Beneficiary deems appropriate to protect Beneficiary' interest, if Grantor shall fail to do so within ten (10) days after written request by Beneficiary,
 - b. upon the issuance of a deed pursuant to the foreclosure of this Deed of Trust or the delivery of a deed in lieu of foreclosure, to execute all instruments of assignment, conveyance or further assurance with respect to the Property in favor of the grantee of any such deed and as may be necessary or desirable for such purpose,
 - c. to prepare, execute and file or record financing statements, continuation statements, applications for registration and like papers necessary to create, perfect or preserve Beneficiary' security interests and rights in or to any of the collateral, and
 - d. while any Event of Default exists, to perform any obligation of Grantor hereunder; however:
 - (i) Beneficiary shall not under any circumstances be obligated to perform any obligation of Grantor,
 - (ii) Beneficiary as such attorney-in-fact shall only be accountable for such funds as are actually received by Beneficiary, and
 - (iii) Beneficiary shall not be liable to Grantor or any other person or entity for any failure to take any action which it is empowered to take under this section
19. Successors and Assigns This Deed of Trust shall be binding upon and inure to the benefit of Beneficiary and Grantor and their respective successors and assigns Grantor shall not, without the prior written consent of Beneficiary, assign any rights, duties or obligations hereunder.
- 20 No Waiver Any failure by Beneficiary to insist upon strict performance of any of the terms, provisions or conditions of the Agreement shall not be deemed to be a waiver of same, and Beneficiary shall have the right at any time to insist upon strict performance of all of such terms, provisions and conditions
- 21 The Agreement. If any conflict or inconsistency exists between this Deed of Trust and the Agreement, the Agreement shall govern
- 22 Obligations of Grantor, Joint and Several. If more than one person or entity has executed this Deed of Trust as "Grantor", the obligations of all such persons or entities hereunder shall be joint and several

- 23 Governing Law This Deed of Trust shall be governed by the laws of the State of Texas without regard to the principles of conflict of laws
- 24 **Notwithstanding any other provision of this Agreement, Bexar County Appraisal District may, without the joinder or authorization of any other Beneficiary, exercise any authority given to the Beneficiary or to a Beneficiary hereunder and such act will have the same effect as if done by all Beneficiary; and no other Beneficiary is authorized to perform an act otherwise authorized of a Beneficiary or Beneficiary hereunder unless the Bexar County Appraisal District has issued an order authorizing such act. All distributions to the Beneficiary in payment of the Indebtedness shall be made pro rata based upon the amounts owing to the Beneficiary under the Agreement. Bexar County Appraisal District shall have full discretion to exercise its authority hereunder and shall have no liability to any other Beneficiary for its actions or inactions, negligent or otherwise, hereunder.**
- 25 This Deed of Trust and the rights hereunder are subject and subordinate in all respects to the Prior Lien Documents and any other mortgage, deed of trust or other lien encumbrance or indenture, together with any renewals, extensions, consolidations, and replacements of them, that now affect the Property

EXECUTED in duplicate originals on this _____ day of _____, 2002

Attest

Heatherwilde SA II Housing, L P.
a Texas limited partnership

Secretary,

By: Heatherwilde SA II Development, LLC,
A Texas limited liability company
its General Partner

By Bexar County Housing Authority,
its Sole Member

ACKNOWLEDGMENTS

STATE OF TEXAS §
§
COUNTY OF BEXAR §

Before me, _____, on this day personally appeared _____,
Secretary of _____, sole member of _____, general partner of
_____, known to me to be the person whose name is subscribed to the foregoing
instrument and acknowledged to me that (s)he executed the same for the purposes and consideration therein
expressed

Given under my hand and seal of office this _____ day of _____, 2002.

[S E A L]

Notary Public, State of Texas
My Commission Expires _____

STATE OF TEXAS §
§
COUNTY OF BEXAR §

Before me, _____, on this day personally appeared _____, President of
_____, sole member of _____, general partner of
_____, known to me to be the person whose name is subscribed to the
foregoing instrument and acknowledged to me that she executed the same for the purposes and consideration
therein expressed.

Given under my hand and seal of office this _____ day of _____, 2002

[S E A L]

Notary Public, State of Texas
My Commission Expires _____

AFTER RECORDING

RETURN TO:

Exhibit A

Property Description:



HEATHERWILDE ESTATES

We, the undersigned, are in support of Heatherwilde Estates, 176 unit multifamily development, at 6300 Old Pearsall Rd. Furthermore, in zoning case #Z2002027, we support the change from C3 to MF25.

NAME	ADDRESS	ZIP CODE	PHONE #
Paul [unclear]	8773 Port of Call	78242	623-8572
Van [unclear]	8753 Port of Call	78242	623-3309
Raul [unclear]	8747 Port of Call	78242	623-1318
Joseph Solis	8745 Port of Call	78242	274-8509
Patricia [unclear]	8769 Port of Call	78242	623-2541
Charles [unclear]	8768 Port of Call	78242	623-2365
[unclear]	8772 Port of Call	78242	623-6811
Scotty Simmons	8739 Port of Call	78242	623-8171
Maria Aguilera	8719 Port of Call	78242	623-2300
Vincent + Marcela Martin	8709 Port of Call	78242	623-8240
Shirley [unclear]	6207 TRAIL VALLEY	78242	623-5580
[unclear]	1235 Elm Valley	78242	724-3770
Jesus [unclear]	P.O. Box 695	78039	
Jesus Alejandro	8831 ANGEL VALLEY	78227	6759549

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NAME	ADDRESS	ZIP CODE	PHONE #
Angela Gonzalez	1510 W. Matil	78242	623-2062
Victor Ramirez	6060 PEARSON RD	78242	623-2963
Juana Quintero	5727 Indian Sky	78242	623-9681
Juan Urbey	6607 FIVE PALMS	78242	623-9820
Yerman Gagny	8926 Skip Sack	78242	623-4980
Santiago Repeda	622 3853 ^{P.O. Box 2524} Macedonia Tx	78242	
ANTONI DIAZ			3630027
José B. Diaz			
Daniel Garcia	5431 Cavilan RD	78242	
Francisca Garcia	9250 Old Sky Harbor	78242	623-6986
Marty Nesit	8888 S.W. Loop 410	78242	623-5742
Muhammed Al-Rafiti	6358 Pearsall Rd	78242	623-7656
Linda Bakellama	6358 Old Pearsall Rd	78242	623-7656
Daniel Gonzalez	162 Paradise Valley	78277	674-8582

2 w. 1/2
w. 1/2

10 years
18 years
18 años
14 años

2 w. 1/2
w. 1/2

owner
owner
MFR.

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NAME	ADDRESS	ZIP CODE	PHONE #
Tony Ramos	7015 Clear Valley	78242	(210) 389-4106
Miguel A. Leal	8715 POTLATCH	78242	623-5422
Mercedes Leal	8715 POTLATCH	78242	623-5422
Patricia Ruyra	5319 Diamond Cove	78242	623-1944
Debbie Aguilar	8610 Youngs Bear	78242	623-6886
Jessica Diaz	8610 Youngs Bear	78242	623-6886
Roxanne Garcia	1071 Honey Tree	78228	623-6886
John TRONEL MIER	6010 OLD PEARSALL (Business)	78224	623-3164
John CASTILLO	6010 OLD PEARSALL (Business)	78224	623-3164
JACK MARTINEZ	5800 Medina Base Rd Apt 24	78242	670-5605
Paul Mendoza	6010 Old Pearsall Rd (Business)	78242	623-3164
Jose Mendoza	8751 Potlatch	78242	378-7782
Lebbie Gonzalez	6010 Old Pearsall Rd (Business)	78242	623-3164
Gersion Hernandez	8423 Standing Rock	78242	922-1736
Erica Davila	8423 Standing Rock	78242	

HEATHERWILDE ESTATES

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NAME	ADDRESS	ZIP CODE	PHONE #
Jua Anze	6102 Pearsall	78242	623-7330
GABRIELA MONSIVAIZ	5311 Prairie flower	78242	623-2698
Lilia Bolaños Mtz	6102 Pearsall	78242	623-1631
Maricela Morales	5507 Little Creek	78242	623-5270
Maya Ali Dills	5507 Little Creek	78242	623-5270

2 years

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NAME	ADDRESS	ZIP CODE	PHONE #
Ricardo Alvarez	7771 Joe Deaton	78250	
Carolea Contreras	8503 big Creek	78242	623-8822
Guadalupe Rodriguez	28135 New Beantles. TX	78130	629-4615
Mary Myela Peranda	9126 Harbor View	78242	623-2877
Frank Negrete	2506 J. Gen McMullen	78226	4335215
Angele Moreno	9203 Five Palms	78242	623-5769
Justin Paulson	9027 Bowline	78242	623-3407
John A. Mast	5918 Seven Seas	78242	626-3445
J.T. Salvador	25048 Deems	78264	626-3621
Erica Marie Juan	8729 Post of Call	78942	623144
Guadalupe Gomez	8223 Great Springs	78242	623-8702
MARISOL	9103 Boston Harbor	62364 78242	623-6992
Henry Velasquez Jr	9063 Portside	78242	665-5968
Guerra of Oliver	5439 Prairie Flower	78242	3633371

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NAME	ADDRESS	ZIP CODE	PHONE #
NORA GARZA	11031 MARINA BAY	78242	1663-8765
Hermelinda Perez	5319 Indian Pipe	78242	623-7457
Debra Titzman	12151 Blanchard Rd.	78002	1622-9664
Matalini Donyalay	5943 Fairwood	78242	1623-4333
Juan de la Cruz	5919 Rows print	78242	623-9867
Rebeca Hernandez	8767 Row 512	78242	
Guillermo Venegas	3310 INDIAN PIPE	78242	623-5307
JUAN C. ZARZA	7409 Pearsall Rd.	78252	
Guadalupe C. Gonzales	9006 Clippin	78242	623-6574
Julian G. Medrano	9006 Clippin	78242	623-6574
M. M. Gallegos	8951 Silverbow	78242	623-7266
Jorge M. Garcia	6251 Culebra	78238	684-2944
Eddie Gallegos	9501 Gun smoke	78242	622-9601
Olivia Villegas	450 Lombardo	78207	389-8952

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NAME	ADDRESS	ZIP CODE	PHONE #
Antonio Melendez	9250 Echo port	78242	313-1812
Reinaldo Plascencia	5618 ocean side	78242	623-6533
Alfredo Plascencia	5618 ocean side	78242	350-4733
Valentin Estrada	10315 MAIN	78054	622-3583
Edgar Ricardo Castellanos	2335 Indian Desert	78242	325-1348
Jimmy Arredondo	10401 Man st Madeira	78054	622-3920
Rubén Gonzalez	638 DULY LN	78211	921-7269
Miriam G. Lopez	5183 Seigamore	78242	623-1051
Ericka Delgado	8902 SEIPACK	78242	623-3481
Mark D. Davis	5826 Catalina Bay	78242	623-7287
Yolery Davis	8811 Catalina Bay	78242	623-2540
Leopoldo Castillo	5716. Nless	78242	651-7019
Yolanda Martinez	9019 Ocean Port #	78242	623-2771
Alice Castellanos	8671 SW Loop 910, 122	78242	623-3581

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NAME	ADDRESS	ZIP CODE	PHONE #
Melvin P. Munoz	8668 Creek Bend	78242	623-1400
Rosa Chavez	7414 Apple Valley	78242	623-3425
Luzmaria R. V.	8955 Silver Bend	78242	623-4371
Eduardo Laseca	16875 L.H. 55 South	78002	
Deana Torres	5642 Stonybrook	78242	
Rosenda Valenciu	" " " "	" "	
Robert Alvarez	5915 Fishers Bend	78242	623-2942
Yvonne Rodriguez	5915 Fishers Bend	"	"
Julie Martinez	5314 Trading Post	78242	623-5984
Shirley Martinez	5314 Trading Post	78242	623-5931
Eugenia Martinez	7526 Breeze Valley	78242	623-5190
Marco A. Gutierrez	13930 KENNEDY RD	78002	622-9669
Cherita H. Hines	8988 OHSKY Harbour	78242	317-6277
Guille D. L.	6106 Lawn Valley Dr	78242	623-8270

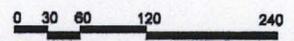


2 BEDROOM-2BATH	110@ 950 S.F.	=104,500 S.F.
2 BEDROOM-2BATH	1@ 1,037 S.F.	= 1,037 S.F.
3 BEDROOM-2 BATH	52@ 1,100 S.F.	= 57,200 S.F.
4 BEDROOM-2 BATH	13@ 1,300 S.F.	= 16,900 S.F.
TOTAL	176 UNITS	=179,637 S.F.

MISCELLANEOUS:		15.00 ACRES
LAND AREA:		11.73 UNITS/ACRE
DENSITY:		352 SPACES
PARKING: SUFACE PARKING REQUIRED		
@ 2 PER UNIT		
SUFACE PARKING PROVIDED		362 SPACES
CLUB		7 SPACES
TOTAL		369 SPACES



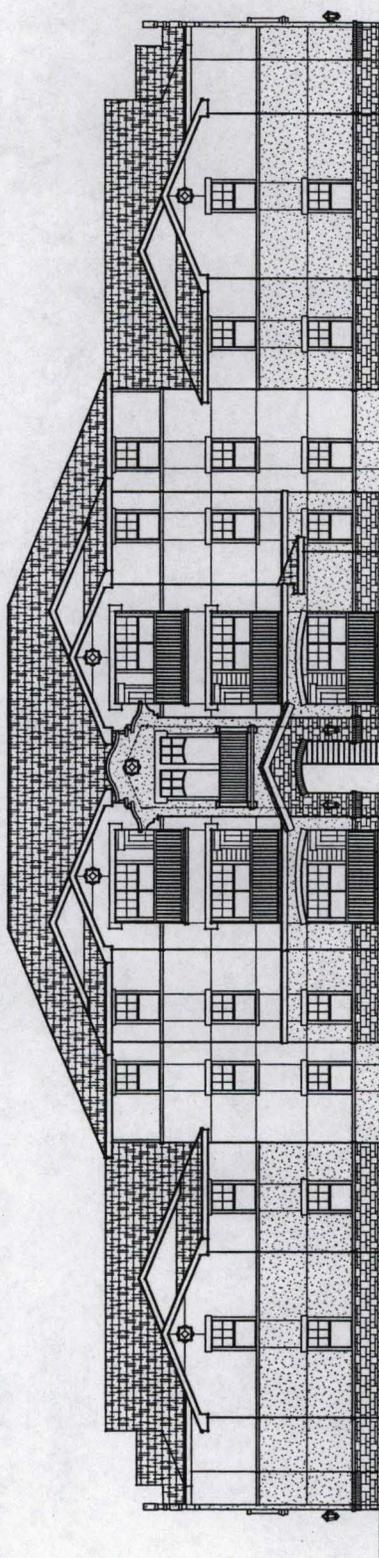
PEARSALL SITE PLAN





PEARSALL LEASING OFFICE





TYPICAL BUILDING ELEVATION