



BOARD OF DIRECTORS REGULAR MEETING

March 10, 2022

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BOARD OF DIRECTORS REGULAR MEETING AGENDA

**Thursday, March 10, 2022 – Noon Central time
BakerRipley Building
4450 Harrisburg Boulevard
Second Floor
Houston, Texas 77011**

Due to health and safety concerns related to COVID-19, this meeting will offer participation by videoconference or in person. The meeting will be open to the public but restrictions regarding masks, allowable room capacity, and seating arrangements may be in place.

The public meeting location will be the BakerRipley Building, 4450 Harrisburg Boulevard, 2nd Floor, Houston, Texas 77011. The Board Chair, as presiding officer of the Board, will be physically present; some Board members may also be physically present. Other Board members will be participating by videoconference in accordance with the provisions of Section 551.127 of the Texas Government Code applicable to a governmental body that extends into three or more counties.

To join by videoconference, please go to: <https://us02web.zoom.us/j/87966649887>

Or join by phone by calling:

877-853-5247 or

888-788-0099

Meeting ID: 879 6664 9887

Please contact info@houstonlandbank.org or call us at 281-655-4600 with any questions.

AGENDA

- I. Call to Order and Roll Call
- II. Public Speakers

Speakers must be registered in advance by 5 p.m. on Wednesday, March 9, 2022. To register, please use the online form at www.houstonlandbank.org/resources, e-mail info@houstonlandbank.org or call 281-655-4600. The Chair will call on speakers and allow three minutes per speaker.

- III. Consideration and Adoption of Meeting Minutes
 - a. January 13, 2022 Board Workshop
 - b. February 10, 2022 Board Meeting
- IV. Chairman's Greeting: Matt Zeis
- V. Committee Reports:
 - a. Executive Committee: Matt Zeis, Chair

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- b. Finance Committee: Laurie Vignaud, Chair
 - 1. Monthly Financial Report
- c. Partnership and Program Development: Courtney Johnson Rose, Chair
- d. Real Estate Acquisition and Disposition: Victor Mondragón, Chair
- e. Procurement and Oversight: Jesus DeAnda, Chair
 - 1. Procurements Overview
- VI. President's Report: Christa Stoneham, CEO/President
 - a. Progress Report
- VII. Board Action Items
 - a. Consideration and Possible Action to Authorize the CEO/President to Negotiate and Execute Contracts with Six Firms as Pre-Qualified Providers of Qualified Environmental Professional Services, With Total Funding Not to Exceed \$500,000
 - 1. Bowman Engineering/Consulting Inc.
 - 2. Geotest Engineering Inc.
 - 3. Ninyo & Moore
 - 4. Tetra Tech
 - 5. ERC Environmental & Construction Services
 - 6. ESE Partners, LLC
 - b. Consideration and Possible Action to Amend the Fiscal Year 2022 Budget
 - c. Consideration and Possible Action to Approve the Proposed Fiscal Year 2023 Preliminary Budget
 - d. Consideration and Possible Action to Amend Traditional Homebuyer Program Guidelines
 - e. Consideration and Possible Action to Approve Round 6 Lot Sales
 - 1. MHL Properties
 - i. 7957 Angus (HCAD# 0300170190100, Settegast, Sales Price \$6,500; Lot Size 4,200 Square Feet)
 - ii. 7973 Fowlie (HCAD# 0300170200034, Settegast, \$6,500; 4,080 SF)
 - iii. 7965 Fowlie (HCAD# 0300170200036, Settegast, \$6,500; 4,080 SF)

- iv. 0 Fowlie (HCAD# 0300170210023, Settegast, \$6,500; 4,200 SF)
- v. 0 Sparta (HCAD# 0300180020032, Settegast, \$6,500; 4,080 SF)
- vi. 0 Sparta (HCAD# 0300180020046, Settegast, \$6,500; 8,160 SF)
- vii. 0 Haight (HCAD# 030018041005, Settegast, \$6,500; 9,650 SF)
- viii. 0 Shotwell (HCAD# 0660250010676, Trinity Gardens, \$19,883.25; 10,260 SF)
- ix. 0 Shotwell (HCAD# 0660250010680, Trinity Gardens, \$22,371.30; 10,260 SF)
- x. 0 Shotwell (HCAD# 0660250030711, Trinity Gardens, \$18,237.15; 10,260 SF)
- xi. 7416 Shotwell (HCAD# 0660250080803, Trinity Gardens, \$20,768.40; 10,200 SF)
- xii. 6925 Hoffman (HCAD# 0660250070828, Trinity Gardens, \$18,529.65; 10,200 SF)

2. SXG Capital dba Green Home Builder

- i. 8000 Phillips (HCAD# 0162550070012, Acres Home, \$20,823.60; 6,000 SF)
- ii. 7800 Beckley (HCAD# 0162610180044, Acres Home, \$25,676.10; 7,410 SF)
- iii. 3931 Davenport (HCAD# 0641680270016, Sunnyside, \$24,140; 5,000 SF)
- iv. 7312 Shotwell (HCAD# 0660250080797, Trinity Gardens, \$18,538.20; 10,200 SF)

3. Lawrence Builders

- i. 0 Weyburn (HCAD# 0731320000375, Trinity Gardens, \$16,267.05; 7,800 SF)
- ii. 7109 Weyburn (HCAD# 0731310000131, Trinity Gardens, \$15,183.90; 7,800 SF)

- iii. 7505 Weyburn (HCAD# 0731320000377, Trinity Gardens, \$14,931.90; 7,800 SF)
- iv. 7422 Touchstone (HCAD# 073132000045, Trinity Gardens, \$16,135.65; 8,400 SF)

- f. Consideration and Possible Action to Purchase Two Properties (Lots 892 and 896, Block 11, Trinity Gardens Section 2 – 6506 and 6524 Hoffman Street, 77028, HCAD #0660250110892 and #0660250110896) from Ironclad Homes LLC for \$33,539.00

VIII. Executive Session

NOTE: The Houston Land Bank Board may go into executive session, if necessary, pursuant to Chapter 551 of the Texas Government Code, for one or more of the following reasons: (1) consultation with its legal counsel to seek or receive legal advice or consultation regarding

pending or contemplated litigation; (2) discussion about the value or transfer of real property; (3) discussion about a prospective gift or donation; (4) consideration of specific personnel matters; (5) discussion about security personnel or devices; or (6) discussion of certain economic development matters. The Board may announce that it will go into executive session on any item listed on this agenda if the subject matter is permitted for a closed session by provisions of Chapter 551 of the Texas Government Code.

Discussion may occur in executive session as provided by State law, but all Board actions will be taken in public.

IX. Board Member Comments

X. Adjournment



**HOUSTON LAND BANK
MINUTES OF THE BOARD OF DIRECTORS REGULAR MEETING
HOUSTON, TEXAS**

February 10, 2022

A regular meeting of the Board of Directors ("Board") of the Houston Land Bank ("HLB"), a Texas non-profit corporation created and organized by the City of Houston as a local government corporation pursuant to the Texas Transportation Code Annotated, Section 431.101, *et seq.*, and the Texas Local Government Code Annotated, Section 394.001 *et seq.*, was held at the Baker Ripley Building, 4450 Harrisburg Boulevard, 2nd Floor, Houston, Texas, on Thursday, February 10, 2022 at 12:00 p.m. Written notice of the regular meeting, which included the date, hour, place and agenda for the regular meeting, was posted in accordance with the Texas Open Meetings Act.

Board members in attendance were:

Matt Zeis	Courtney Johnson Rose
Tonzaino Bailey	Victor A. Mondragón
David Collins	Jesus DeAnda
Carol Galloway	Pastor Steve Hall
Juan Cardoza-Oquendo	

Board directors absent were: John David Vasquez, Laurie Vignaud, Janae Ladet and Antoinette Jackson. Others in attendance included: Christa Stoneham, Chief Executive Officer/President of the HLB; Jennifer Allison, Vice President of Operations and Programs for HLB; David Benson, Director of Organizational Excellence for HLB; Ivan Zapata, Manager of Real Estate and Acquisitions for HLB; and Greg Erwin, and Mark Glanowski (Paralegal) of Winstead PC, outside legal counsel for the HLB; Graciela Saenz, outside legal counsel for the HLB; Gonzalo Gonzalez, Vice President of Finance and Accounting for HLB; Ron Butler, Manager – Property Maintenance for HLB; Kellen Zale of the HLB Advisory Board; Elijah Williams of the HLB Advisory Board; Lawrence Kirby; and Shannon Teasley-Nichols.

I. Call to Order and Roll Call

Chairman Zeis called this regular meeting to order at 12:03 p.m. A roll call of the Board members in attendance immediately followed. Chairman Zeis announced that a quorum of the Board was present.

II. Public Speakers

No public speakers registered to address the Board.

III. Consideration and Adoption of Meeting Minutes

a. December 9, 2021 Board Meeting

Chairman Zeis noted that the minutes for the December 9, 2021 regular meeting of the Board of Directors were previously circulated for review and comment. He asked if there were any comments for discussion to such minutes. Hearing none, he requested a motion to approve and adopt such minutes as written.

Director Galloway made a motion to adopt the minutes of the December 9, 2021 Board Meeting as written, which motion was then duly seconded by Director Hall and passed with the unanimous vote of the Board.

IV. Chairman's Greeting: Matt Zeis

Chairman Zeis thanked the Board members in attendance for volunteering and being available for this first regular meeting of 2022. He then stated that the Board had a good strategy session in January with the new CEO/President Christa Stoneham which replaced the regular Board meeting.

V. Committee Reports:

a. Executive Committee: Matt Zeis, Chair

Chairman Zeis then announced that the Executive Committee met last week to discuss the items on today's meeting agenda, homebuilder contract issues, the sales price cap for 2022 on its affordable houses, and the 501(c)3 creation application. Also, the Committee received an update on the Settegast planning project and on the budget with the Houston Housing Department.

b. Finance Committee: Laurie Vignaud, Chair

Chairman Zeis stated that the Finance Committee did not meet this week and noted that the financial report is included in the meeting packet distributed to the Board.

1. Monthly Financial Report

Nothing to report.

c. Partnership and Program Development Committee: Courtney Johnson Rose, Chair

Director Johnson Rose stated that the Partnership and Program Development Committee meet to discuss informational activities with Ms. Stoneham which included preparing an acquisition strategy to acquire lots, developing larger tracts into lots to provide more affordable housing, and attending more local community engagements with regard to affordable housing development needs. The Committee also discussed future participation in the Houston 2036 Task Force in preparation for the bicentennial of Houston, and involvement with the City of Houston Department of Neighborhoods.

d. **Real Estate Acquisition and Disposition Committee: Victor Mondragón, Chair**

Director Mondragón reported that the READ Committee met on January 26, 2022 to discuss how to establish precedence for construction permits for unique lot situations, and establishing procedures to keep the construction of houses progressing. The Committee also discussed navigating the increasing inflation costs on building materials, the Round 6 Lot sales, and a strategy to acquire additional real estate including lots which already have houses on them, and several requests from homebuilders for sales price increases on their contracts.

Director Collins noted that several builders are not in compliance with the terms of their contracts and asked if this is being addressed. Ms. Stoneham responded that HLB staff has been discussing these homebuilder contracts with Winstead PC to prepare a memorandum identifying contractual obligations for compliance, however this has not yet been completed. Once completed a formal notification will be sent to the homebuilders who are not in compliance with the terms of their contracts. She mentioned that the discussions also included a re-purchase contract as an option and that the contracts with the new home builders will be adjusted to include new provisions for non-compliance of construction deadlines. Director Mondragón stated that non-compliance matters can be discussed within the READ Committee and invited Director Collins to join the READ Committee.

e. **Procurement and Oversight Committee: Jesus DeAnda, Chair**

1. **Procurements Overview**

Director DeAnda reported that the Procurement and Oversight Committee met briefly last week to discuss development related procurements including land surveyor qualifications, acquisition services from real estate brokers, construction inspection services, and title company services. He stated that only one response was received for title company services which was approved by HLB staff and will proceed to next steps at the March meeting for approval by the Board. He mentioned that HLB staff selected Landtech, Inc. as the best surveying company to prepare the drawings needed for the 30 lots without right-of-way access.

Director DeAnda stated that the Committee also examined the six responses to the 2021 RFQ for environmental services which were reviewed and approved by HLB staff. The results of this RFQ will now move forward for consideration by the Board. He then noted that the lot maintenance agreements will expire this year, and that an RFP will need to be prepared for annual audit services.

2. **Annual Policy Review Update and Discussion**

Director DeAnda reported that the Committee has conducted its annual review of Board policies and the recommended changes received from HLB staff have been incorporated into the revised policy. He noted that one change is to rename the position of President to Chief Executive Officer.

VI. President's Report: Christa Stoneham CEO/President

a. January 2022 Progress Report

Ms. Stoneham stated that during her first 30 days in office as President she has been learning the HLB core processes, projects, programs and systems. She has prepared a new presentation to summarize the current status of the development of 100 lots for affordable houses. Ms. Stoneham reported that she spoke at a meeting of the Houston AIA which included architects from the Houston area with regard to the needs of the providers of affordable houses. She then announced that HLB will hold its first builders forum in March to introduce HLB to new builders.

Ms. Stoneham then reported that HLB staff will begin tracking the subsidies to the homebuilders to facilitate development in the City, and that she met with Dr. Holloway to discuss an alignment of Harris County's housing goals with those of HLB. They also discussed the number of vacant properties owned by governmental entities which may be potential opportunities for development of affordable housing.

Ms. Stoneham then reported the HLB staff has finalized the suggested amendments to the Board policy as presented to Procurement and Oversight Committee Chair Jesus DeAnda and other Board members who volunteered to attend several review sessions. The proposed policy revisions are on today's Agenda for approval by the Board. Clean and redline versions of the proposed policies are attached to the Board packet, along with a table highlighting key proposed amendments in each section.

Chairman Zeis requested a list of the lots currently under development, the stage of construction for each house, and the age of the houses which have been already been completed and are available for sale.

b. Presentation and Discussion Regarding Possible Adjustments to Traditional Homebuyer Program Guidelines and Maximum Homes Sales Prices

Ivan Zapata addressed the Board to discuss a PowerPoint presentation with regard to additional affordability options for the Traditional Home Program Builder's Guideline and Framework. He noted that this would be a two-step process.

Mr. Zapata noted that the current minimum construction standards for houses with the maximum sales price of \$212,000 include 1,100 square feet of living space, a minimum of three bedrooms and two bathrooms, a one-car garage, 16 SEER HVAC system, and a one-year warranty. The proposal includes three tiers for homebuilders one being a smaller house with 750 square feet – 1100 square feet of living space having less than three bedrooms/two bathrooms and no garage, but may include a carport. The second tier would cover the medium price range houses which would be approximately 1101 square feet - 1500 square feet of living space and include more amenities. The third tier would cover houses in the maximum sales price range being from \$180,000 to \$212,000 and include a minimum of three bedrooms/two bathrooms, a two-car garage, and 1501 square feet - 1900 square feet of living space.

Mr. Zapata stated that these tiers will provide the builders more flexibility rather than the current required minimum features for each tier level subject to specific design requirements for certain neighborhoods.

Chairman Zeis stated that he has concerns with reducing the construction standards for any of the HLB houses, and emphasized that construction standards should be equal across all three tiers. Mr. Zapata noted that the differences in construction standards would include lesser SEER ratings for the energy efficient HVAC systems, windows, insulation, appliances, and the warranties provided.

Director Mondragón suggested changes in cabinet and door hardware to create price reductions if purchased at scale for example rather than less efficient HVAC units.

VII. Board Action Items

a. Consideration and Possible Action to Approve Proposed Amendments to Houston Land Bank Board Policies as a Result of Required Annual Review

The proposed policy changes were reviewed and discussed at multiple meetings with the Procurement and Oversight Committee and other interested directors who participated from time to time.

The HLB Board policies provide guidance for HLB directors and staff in carrying out the organization's operations. The policies include a requirement for an annual review; which was initiated in the Fall of 2021. HLB Staff proposed a series of adjustments, most of which are "housekeeping" edits that are not substantive.

The primary and most substantial proposed change is to adjust language in the land acquisition and disposition sections regarding the Board of Directors' decision-making authority and responsibility. The current version of the policies includes a process by which committees approve actions and the Board then ratifies such approvals at its next meeting. This creates potential challenges with state open meetings law, including posting of committee meetings; in response, staff has proposed language that makes clear that committees are responsible for recommending Board actions, and the Board of Directors is responsible for considering (approving or denying) property acquisitions and dispositions at its regular scheduled meetings.

Director DeAnda made a motion to approve the proposed amendments to the Board policies pursuant to the annual review and including the specific requests of Directors Galloway and Jackson, which motion was then duly seconded by Director Galloway and passed with the unanimous vote of the Board.

b. Consideration and Possible Action to Approve Creation of a 501(c)(3) Non-Profit Corporation to Support Houston Land Bank Activities

Christa Stoneham stated that it is difficult for HLB to receive donations and gifts without a 501(c)(3) creation. She noted that there will be several additional steps after this with the consensus of the Board to create the non-profit entity.

Director Hall made a motion to approve the creation of a 501(c)(3) non-profit corporation to support Houston Land Bank activities, which motion was duly seconded by Director Collins and passed by the unanimous vote of the Board.

c. **Consideration and Possible Action to Amend a Contract with APD Urban Planning and Management by Increasing the Contract Amount from \$83,918 to \$101,000 for Planning and Design Work Related to Proposed Development in the Settegast Area**

Chairman Zeis reported that the increase in the final contract price is due to attending community meetings and meetings with the City of Houston to confirm its proposals are viable with the City's development plans. These meetings were outside the original scope of the contract for determining infrastructure and funding options. The planning report will then be delivered to HLB within two weeks. Director Bailey asked if this increase is for work to be done or for work which has already been completed. Chairman Zeis stated that this is for the final contract price and delivery of the final report to HLB within 2-weeks.

Director Hall made a motion to amend the Contract with APD Urban Planning to increase the price from \$83,918 to \$101,000, which motion was duly seconded by Director Marquéz and passed by the unanimous vote of the Board. Directors Collins and Galloway abstained from voting on this motion.

d. **Consideration and Possible Action to Ratify the Houston Land Bank's Application for a \$600,000 Brownfields Assessment Grant from the U.S. Environmental Protection Agency's National Brownfields Grant Program and to Accept the Resulting Award of \$600,000 for Program Activities**

Ms. Stoneham reported that HLB is creating an implementation plan which will be launched publicly in April 2022 with regard to the three-year grant for \$600,000 to address environmental justice issues, which is an underlying factor in most of the communities HLB serves. The plan will include Phase I studies which include land title research and Phase II to take and analyze samples of the property for asbestos, lead and other hazardous substances. She noted that this grant is not for environmental mitigation clean-up costs but rather for the identification of sites which require mitigation of hazardous substances.

Ms. Stoneham stated that initially there will be four target areas which include Magnolia Park, Second Ward and Cashmere Gardens in the East End, Fifth Ward, Gulfton, and the Near Northside. Director Galloway stated that it is not Cashmere Gardens but rather Liberty Gardens which is located adjacent to Cashmere Gardens which needs an environmental assessment. Ms. Galloway is also working to correct this inaccuracy with the local news media which has recently telecast stories on environmental problems in the neighborhoods near railroad yard facilities.

Lastly, Ms. Stoneham mentioned that a Brownfield Activization Committee will be formed and that an environmental consultant will be working with the to-be-formed committee.

Director Mondragón suggested that the Board consider the addition of an individual to the Board who is qualified in environmental mitigation matters.

Director Hall then made a motion to ratify the Application for the \$600,000 Brownfields Assessment Grant, which motion was duly seconded by Director Galloway and passed by the unanimous vote of the Board.

VIII. Executive Session

Nothing to report.

IX. Board Member Comments

Director Galloway wished everyone a happy Valentine's Day.

X. Adjournment

Chairman Zeis asked if there were any additional matters to be considered by the Board. Hearing none, the regular Board meeting adjourned at 1:05 p.m. upon the motion of Director Hall, which was duly seconded by Director Bailey and passed with the unanimous vote of the Board.

Minutes Prepared By:

Mark Glanowski (Paralegal) of Winstead PC and
Graciela Saenz of Law Offices of Graciela Saenz, PLLC

Signed on the ____ day of _____, 2022.

Secretary



Houston Land Bank

Profit and Loss
July 2021 - January 2022

	TOTAL
Income	
Acquisition and Development Agreement	
Acquisition Proceeds	745,542.85
Disposition of Lots	236,070.00
Disposition Proceeds	43,976.91
Total Acquisition and Development Agreement	1,025,589.76
Administrative Fees	46,723.70
HLB Program Revenue	
Disposition Proceeds	227,390.00
Total HLB Program Revenue	227,390.00
Operations Agreement	1,030,105.87
Outside Sources Contributions	9,950.00
Total Income	\$2,339,759.33
GROSS PROFIT	\$2,339,759.33
Expenses	
Admin - Other	
Advertising & Marketing	3,193.00
Bank Service Charges	1,148.84
Company Insurance	
General Liability	17,072.59
Officers & Directors Liability	4,679.01
Property Insurance	8,261.74
Total Company Insurance	30,013.34
Computer and Internet Expenses	2,024.09
Conference & Meeting	375.00
Depreciation Expenses	1,400.63
Dues and Subscription	7,756.84
Filing Fees	155.80
Office Expenses	1,461.64
Leasing Office Equipment	1,955.68
Meals & Entertainment	869.28
Office Supplies	-12.03
Postage and Delivery	478.29
Total Office Expenses	4,752.86
Rental and Lease Expense	30,225.00
Software Usage	38,515.54
Storage Rental	546.00



Houston Land Bank

Profit and Loss
July 2021 - January 2022

	TOTAL
Telephone Expense	4,397.96
Travel and Lodging Expenses	
Mileage Expense	513.73
Parking	10.00
Travel Expense	45.94
Total Travel and Lodging Expenses	569.67
Total Admin - Other	125,074.57
Employee Cost	
Health Insurance	39,657.78
Payroll Services Fee	1,124.64
Payroll Taxes	33,057.04
Retirement	7,675.14
Wages and Salary	414,268.69
Total Employee Cost	495,783.29
Legal Fees	50,250.44
Marketing and Promotional	883.63
Miscellaneous Expense	487.39
Professional Services	
Accounting Fee	53,430.00
Audit Fees	14,500.00
Consulting Fee	194,115.15
Contract Work	760.76
Total Professional Services	262,805.91
Property Cost - Maintenance	
Property Expenses	
Clearing of Land Cost	2,700.00
Special Lawn Mowing	14,520.00
Standard Lawn Mowing	235,414.89
Total Property Expenses	252,634.89
Total Property Cost - Maintenance	252,634.89
Property Cost - Disposition HLB	
Clearing and Lawn Maintenance	2,183.79
Closing Cost	-5,941.19
Lots COGS	23,762.46
Property Taxes	6,472.02
Survey and Appraisal Expenses	450.00
Total Property Cost - Disposition HLB	26,927.08



Houston Land Bank

Profit and Loss
July 2021 - January 2022

	TOTAL
Property Cost -Disposition NHDP	
Cleaning and Supplies	9,070.00
Clearing and Lawn Maintenance - NHDP	4,460.00
Land Trust Fee	3,500.00
Legal Fees - NHDP	20,279.10
Lots Sold - NHDP	
Initial Cost of Lot	41,683.04
xImpairment on Lot Sold - (Contra)	-36,593.91
Total Lots Sold - NHDP	5,089.13
Marketing and Showcase	4,400.00
Property Taxes - NHDP	-1,914.56
Repair and Maintenance	276.62
Security and Secure Property Co	5,931.00
Soft Cost of Construction - NHDP	6,590.00
Water and Utilities	5,687.34
Total Property Cost -Disposition NHDP	63,368.63
Total Expenses	\$1,278,215.83
NET OPERATING INCOME	\$1,061,543.50
Other Income	
Interest Income	1,846.78
Total Other Income	\$1,846.78
NET OTHER INCOME	\$1,846.78
NET INCOME	\$1,063,390.28



Houston Land Bank

Balance Sheet
As of January 31, 2022

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
Chase-Operations - 8465	546,724.32
Money Market - Lot Acquisition - 7058	992,928.98
Money Market Unrestricted - 7066	2,751,953.76
MoneyMarket-Unrstr.C Resev 5577	18,025.88
Petty Cash	12.63
Total Bank Accounts	\$4,309,645.57
Accounts Receivable	
Accts Receivable	646,815.63
Total Accounts Receivable	\$646,815.63
Other Current Assets	
Prepaid Expenses	
Prepaid Acquisition Costs	3,700.00
Prepaid Insurance	7,447.26
Prepaid Rent	3,900.00
Prepaid Subscription Services	10,249.48
Total Prepaid Expenses	25,296.74
Undeposited Funds	735.50
Total Other Current Assets	\$26,032.24
Total Current Assets	\$4,982,493.44
Fixed Assets	
Equipment	12,005.12
xAccum. Depreciation	-6,527.59
Total Fixed Assets	\$5,477.53
Other Assets	
Earnest Fee	125,100.00
Investments Held For Sale	9,700,830.93
Security Deposit	4,875.00
Total Other Assets	\$9,830,805.93
TOTAL ASSETS	\$14,818,776.90



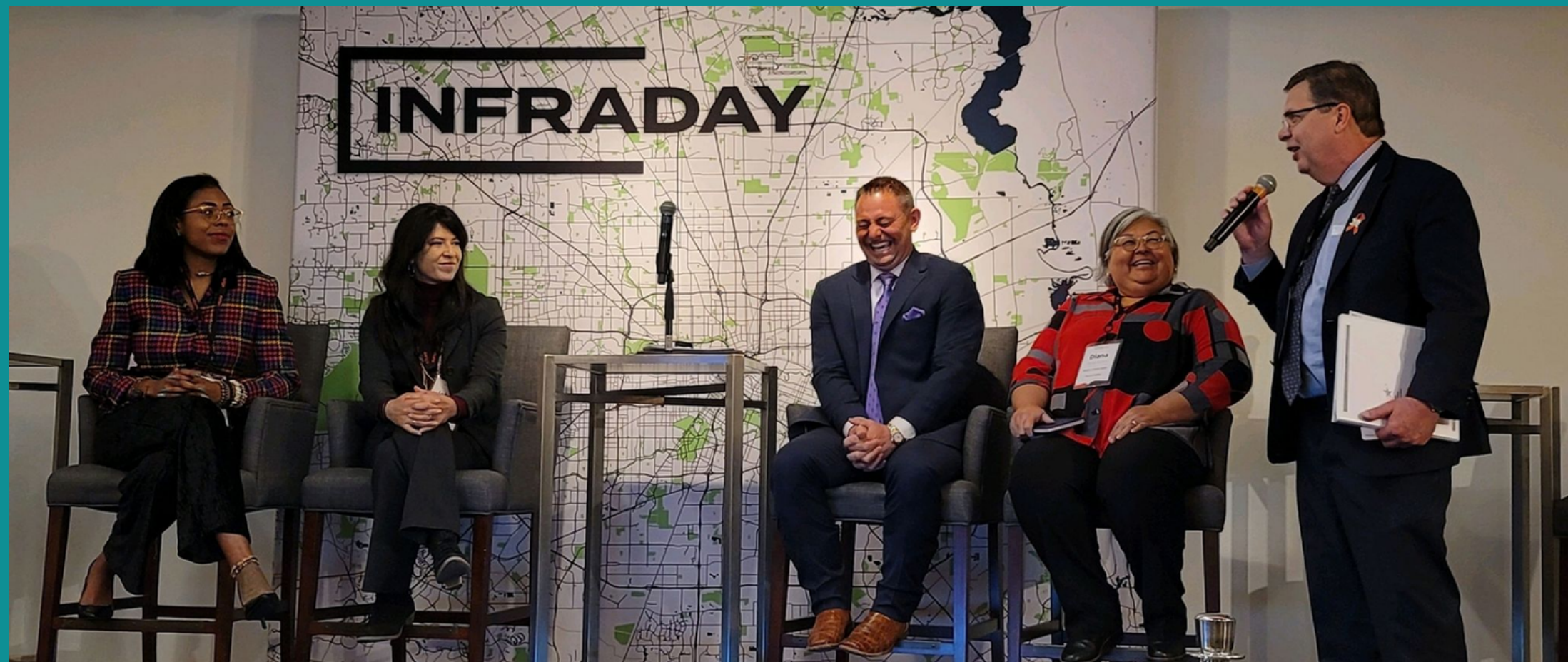
Houston Land Bank

Balance Sheet
As of January 31, 2022

	TOTAL
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	73,148.85
Total Accounts Payable	\$73,148.85
Credit Cards	
Chase Credit Card	4,847.01
Total Credit Cards	\$4,847.01
Other Current Liabilities	
Due to Tax Assessor	2,692.54
Liabilities Due to HCDD	991,797.75
Payroll Liability	2,239.47
Total Other Current Liabilities	\$996,729.76
Total Current Liabilities	\$1,074,725.62
Total Liabilities	\$1,074,725.62
Equity	
Retained Earnings-1	12,680,661.00
Net Income	1,063,390.28
Total Equity	\$13,744,051.28
TOTAL LIABILITIES AND EQUITY	\$14,818,776.90

Banking on the Future of Communities

Houston Land Bank: February President's Report



CHRISTA D. STONEHAM, CEO AND PRESIDENT

HLB Mission:

Strategically acquire, dispose, and steward vacant, abandoned, and damaged property into productive use to catalyze transformative community and economic development for the City of Houston.



Report of the President & CEO to the Board of Directors

March 1, 2022

My focus for February, black history month, was to spend one-on-one time with my Board of Directors, the advisers who are interested and invested in the success of the Houston Land Bank. Below is a summary of the insight I learned from each one:

- The HLB Board Chair, Matthew Zeis, and I frequently speak about building inclusive solutions for builders, communities, private and public entities.
- HLB Vice-Chair David Collins advocates for expedited solutions in the built environment and housing products needed for all families and neighborhoods.
- Director Courtney Johnson-Rose, Program and Partner committee chair, spoke about the untapped opportunities of HLB, such as master planning.
- Director Victor Mondragon, the READ (Real Estate and Development) Committee Chair, educated me about the labor and workforce perspective of the construction industry. Ultimately helping the builder is helping the laborers who live in our areas.
- Director Jesus DeAnda, Procurement Chair, spoke about growing up in a community we serve and the support needed for the super-neighborhoods.
- Director Laurie Vignaud, Finance Committee Chair, spoke about building solutions for empty nesters and transparency for the communities we impact.
- Director Carol Galloway, the councilwoman for District B, showed me the importance of responding to the call to action when you least expect it.
- Director Zano Bailey, an active community leader empowers local builders, develops economic development solutions for District B, and shows the youth successful career options.
- Director Janae Ladet shared a passion to address the need for community engagement. She also inspired innovative opportunities to create a seat at the table for the neighborhoods we serve.
- Pastor and Director Steve Hall spoke on the need to engage the faith-based community. Churches can play many roles in the development process and aspire to be the change they wish to see in the world.

I'm also grateful for the guidance and feedback from elected officials from Districts B, H, I, and J, in addition to Representative Jarvis Johnson and Oscar Aguilar from Senator Carol Alvarado's office. Cultivating relationships, alliances, and networks are tools for effective leadership and vital to growing my capacity, expertise, and experience.

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houstonlandbank.org

CEO AND PRESIDENT OUTCOMES

The monthly president's report serves as a showcase to highlight the priorities of the past month and includes a section touching on the focus for months to come. Below is a summary of the strategic priorities to assess, align and accelerate the growth of the Houston Land Bank's mission provided to the CEO by the HLB Board of Directors BOD).



ACQUIRE & ASSEMBLE

Implement a strategy to maintain subsequently increase the number of affordable housing units by identifying new properties and new partners

- Define HLB's core competencies to understand how we can become a conduit for public/private partnerships
- Begin a process to increase affordable housing stock and decrease barriers to affordability
- Streamline land bank processes to ensure the timely production of affordable housing
- Contribute to the continued success and growth of HLB's programs
- Start developing realistic financial models of typically affordable buyer transactions (ie, a capital stack demonstrating the buyer's /lender's positions, where subsidies come in, HLB's role, and any existing gaps)



PARTNERS & POLITICS

Cultivate a strong partnership between Houston Land Bank and the City of Houston Housing Department, Harris County, and Houston ISD

- Forge/reboot strong relationships with the mayor and new housing department leadership
- create priorities that include all stakeholders buy in
- align board and COH on the goals of HLB
- increase collaboration with the county
- work with COH to ensure success/output of NHDP



TEAMWORK & TALENT

Develop a strong, cohesive HLB team of talented people in the right roles that are energized, accountable, and appreciated while ensuring a smooth transition in leadership

- Retain and reinvigorate staff
- Clarify role and responsibilities
- Support strong team culture that encourages others to lead in their area of accountability
- Celebrate organizational and individual successes
- Supervise, guide, and mentor staff to meet priorities and goals
- Ensure crucial conversations with employees as needed
- Advance a culture that appreciates diversity within staff and organization



MEET & GREET

Demonstrate HLB's value to its partners in the broader Houston community

- Leverage opportunities to strengthen relationships with Harris County and Houston ISD
- Continue collaborations with affordable housing, community, and economic development organizations
- Cultivate whole neighborhood strategies to improve/ expand community engagement in HLB brand recognition



BOARD & OVERSIGHT

Establish a strong bond with the board collectively and nurture individual board relationships

- Prioritize engagement of the board to ensure a sense of commitment to the organization
- Communicate effectively to the board about organizational results, events and needs
- Help lead board meetings

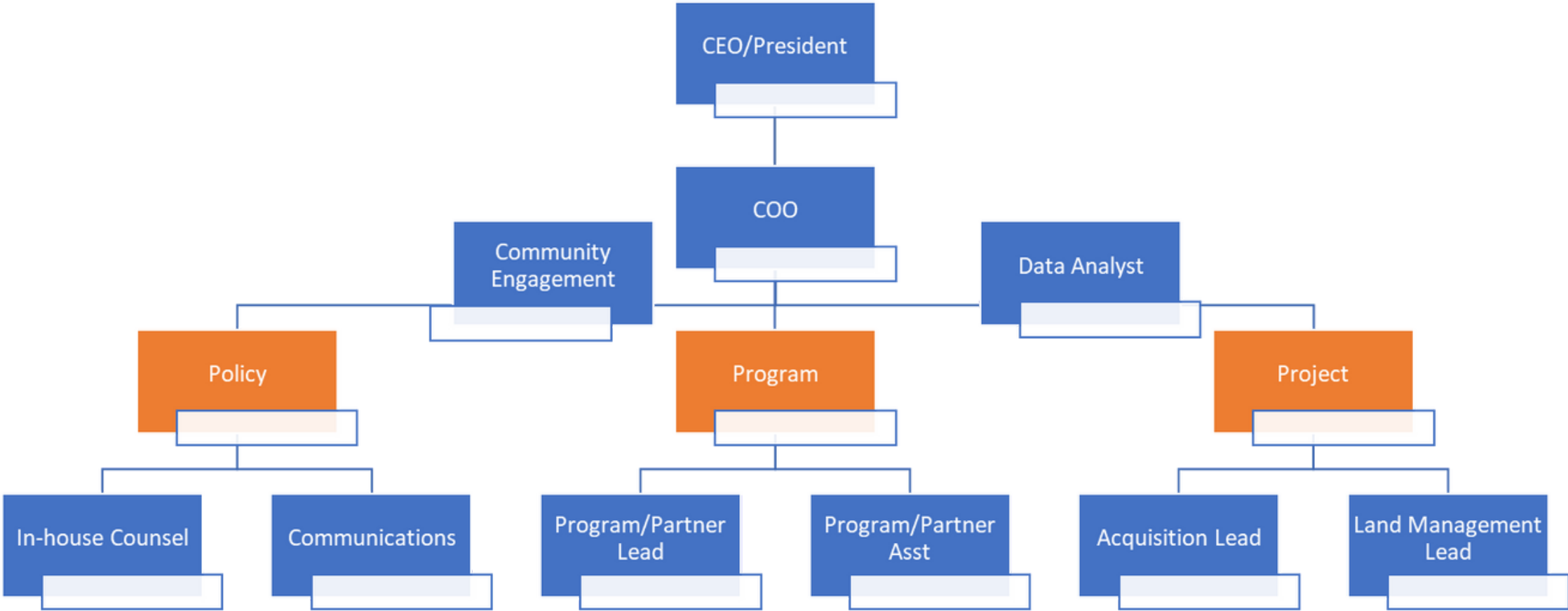


ACQUIRE & ASSEMBLE



Progress

Action Steps	Progress	Update
Define and confirm HLB mission and goals with staff and board members. Identify SWOT, processes, and benchmarks for each HLB program		After meeting with the HLB team, the roles were aligned to the HLB mission. Additionally, 2 FTEs were posted (in-house counsel and community engagement)
Conduct property owner analysis by utilizing HCAD and GIS data in LMI area such as the Complete Communities. Identify surplus property owned by COH, Harris County, Houston Housing Authority, redevelopment authorities, TIRZ, and public entities. Prioritize the acquisition of tax delinquent parcels in high value neighborhoods		<p>The HLB Team created a land analysis rubric to assess properties with the best and highest potential for affordable housing and community development.</p> <p>The HLB Team also met with Linebargen and Goggan to determine any opportunities on the Harris County Struck Off List.</p>
Create housing solutions and programs for all generations and Houstonians. Create “fast track” master permit procedure with COH.		HLB confirmed the Houston Land Bank (HLB) to utilize the HCDD permitting process for HLB Builders on lots in programming. Tracking into the permit system will be set up for HLB homes





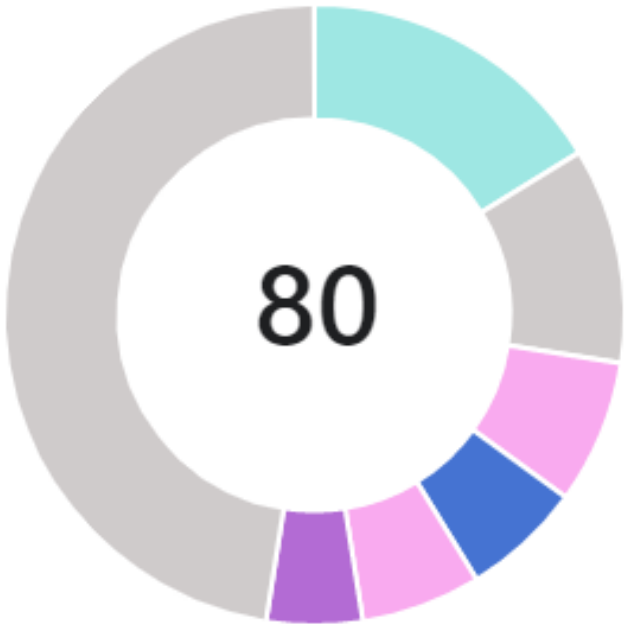
TEAMWORK & TALENT



Progress

Action Steps	Progress	Update
<p>Listen and learn to staff's strengths, goals and skills. Assess operational gaps, and unfulfilled FTEs. Activate teambuilding activities.</p> <p>Determine HLB's SWOT with staff and . Identify resources needed for each team member</p>		<p>HLB Team moved internal operations and communications into a CRM system, Asana. Trainings have been attended by staff and introduced to the HCDD single-family for alignment to the NHDP program.</p>
<p>Schedule reoccurring meetings and mentorship trainings for all HLB staff. Schedule quarterly progress reports for HLB staff.</p>		<p>HLB evaluations have been scheduled for Q1. Job descriptions have been rewritten to reflect and confirm the tasks and needs from staff</p>
<p>Publicly spotlight milestones, mission, board members and staff</p>		<p>HLB Team is preparing BOD, staff, builder and vendor spotlights for all social media channels. New content will post in March</p>

Completed tasks by project



- Brownsfield Project: 13 tasks (16%)
- BOD Meeting: 9 tasks (11%)
- HLB Traditional Lot Sales: 6 tasks (8...)
- Program & Partnership Committee:...
- HLB Builders Forum : 5 tasks (6%)
- CEO Work Plan: 4 tasks (5%)
- Other: 38 tasks (48%)

+ 18 more

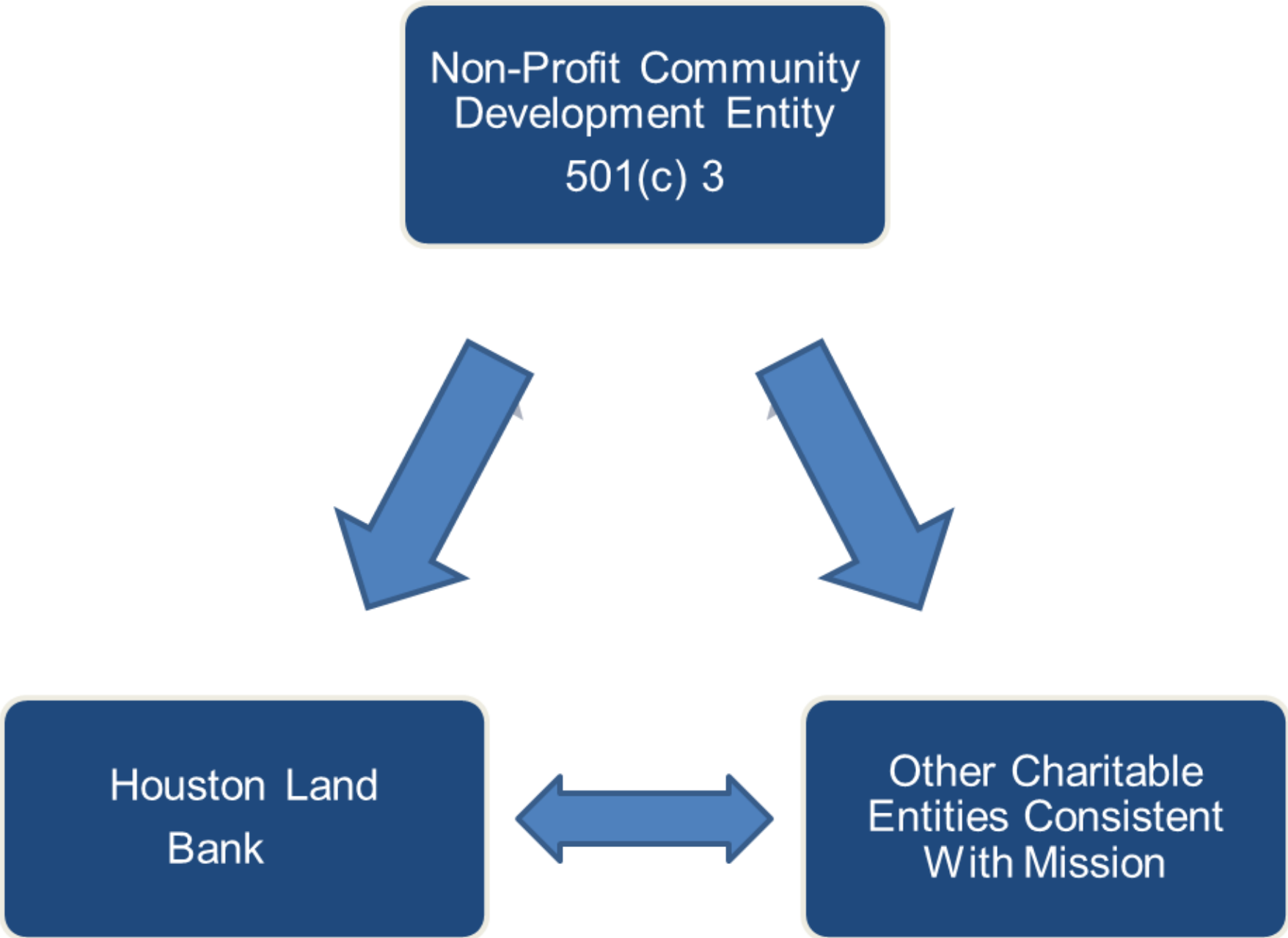


BOARD & OVERSIGHT



Progress

Action Steps	Progress	Update
Listen to Board's concerns and aspirations. Enhance transparency and increase understanding about productivity, policies, and operations. Make recommendations to tailor and fine-tune solutions such as acquisition and disposition policies. Evaluate and revisit the annual targets for acquisition and disposition		<p>HLB CEO met with 11 of the 13 Board members to learn and discuss priorities and strategies.</p> <p>Conversations included the need for community engagement and expansion of HLB programming.</p>
Update 2022 plan of action and host HLB orientation. Purchase online engagement tools such as Menti to improve input and collaboration of board		<p>FY 22 priorities were confirmed and FY 23 plan of action is underway for the upcoming budget year.</p> <p>The initiation of a 501C-3 was approved by the HLB Board on February 10, 2022.</p>





MEET & GREET



Progress

Action Steps

Identify HLB lead and introduce HLB Team to community

Progress



Update

HLB Team began meeting with key coalition partners and community-based organizations such as Avenue, Fifth Ward CRC, and Connect Community to discuss the upcoming launch of the brownfields program.

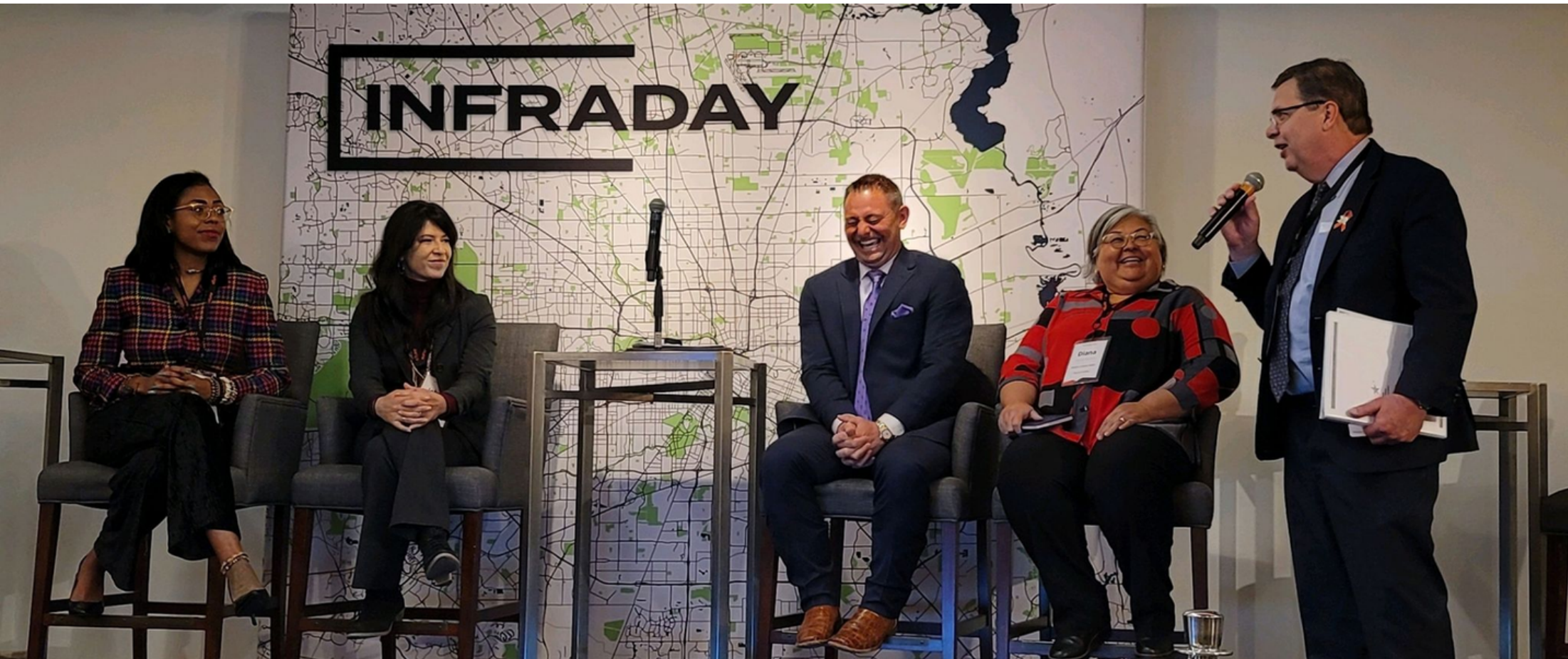
Host call to action and open house with potential aligned partners. Attend and present HLB mission at conferences, ULI luncheons, Bisnow, Houston Business Journal, etc



HLB CEO presented at the Infraday: Texas Panel on February 24, 2022, to almost 300 attendees with the City of Houston and Harris County.

The panel focused on implementing major community enhancement projects in historically underserved communities to ensure that we improve the quality of life for families. Several engineers were inspired and volunteered for opportunities to align with the HLB work in communities such as Settegast.

HLB CEO also attended the BUF TX (Black United Fund) open house to meet aligned leadership in environmental justice.



Recipient: Black United Fund of Texas

Title: The Houston Agri-Power program will address improving environmental quality and health disparities in Texas' largest underserved population in Kashmere Gardens & Greater Fifth Ward Houston.

Location: Houston, TX

The purpose of this ARP funded cooperative agreement is to provide funding to Black United Fund of Texas to develop projects that demonstrate the power and potential of using agriculture to address environmental and public health issues (e.g. poor health related to food insecurity and economic factors; poor air quality; climate change and extreme weather; wide-spread flooding; human exposure to industrial contaminants; and other compounding environmental justice issues). Project activities include a shipping container farm, residential gardens, green technology, tree and native habitat planting, workforce development, and public education. Expected outcomes of this project are long-term improvements in public health trends; alleviation of local flooding; reduction in CO₂ emissions from landfills; and the creation of a culture of healthy eating. Direct beneficiaries are residents of Harris County, Houston, particularly the 5th Ward and Kashmere Gardens. Partners will provide training, technical assistance, subject matter expertise, and coordination support.



PARTNERS & POLITICS



Progress

Action Steps	Progress	Update
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Share 2022 HLB plan and quarterly updates with COH & HLB leadership



The HLB CEO has met with 4 City Council Districts and connected 11 of the 13 board members and the authors of SB 1679, Jarvis Johnson, and the Legislative Director & General Counsel for Senator Alvarado, Oscar Aguilar.

Identify aligned programs at Harris County, HISD and public entities



The HLB Team met with the HCDD team to discuss development opportunities and needs for neighborhoods such as Complete Communities. HLB Team also met with Commissioner Ellis's office to discuss the opportunities and people aligned with HLB.

Establish a standard process for the transfer of surplus property at the City and County



The HLB Team is scheduled to meet with the City of Houston's real estate division to determine opportunities in March 2022.

Preliminary discussions were held with the Aldine school district to understand priorities and processes.

CITY OF HOUSTON
MAYOR SYLVESTER TURNER
OFFICE OF GOVERNMENT RELATIONS
2021 LEGISLATIVE REPORT

[< Back](#)

Legislative Priorities

SB 1679: Houston Land Bank



Bill Sponsors



Sen. Carol Alvarado
D - Houston



Rep. Jarvis D. Johnson
D - Houston

Supporting Documents

The Houston Land Bank (HLB) works closely with the City of Houston, Houston Community Land Trust, and private and non-profit developers to help residents transform their neighborhoods and create more affordable homes. This is vital in the Mayor's mission to create an affordable home for every Houstonian.

- The Houston Land Bank, including HLB-generated sales and construction activity, has created over 600 new affordable homes for income-limited Houstonians since 2004.

Our Next Steps

Timeline for the upcoming quarter

Tasks	March	April
● HLB Team to meet contractors and builders		
● Identify HLB Team to elected officials, HISD, and public entities		
● HLB Launch of Brownfields program		
● Introduce HLB Team to community		



REQUEST FOR BOARD ACTION

Meeting Date: March 10, 2022

Agenda Item VII.a.: Consideration and Possible Action to Authorize the CEO/President to Negotiate and Execute Contracts with Six Firms as Pre-Qualified Providers of Qualified Environmental Professional Services

ACTION SUMMARY

Approval of this agenda item will authorize HLB's CEO/president to negotiate and execute contracts with six firms to provide qualified environmental professional services required to meet the terms of the EPA brownfields grant awarded to the land bank in mid-2021.

BACKGROUND/OVERVIEW

As a property owner, buyer, and developer of land in Houston, environmental due diligence activities are standard practice prior to acquiring properties and cleanup of historic contamination is often required for property development. Environmental conditions, like asbestos containing building materials, lead-based paint, petroleum storage tanks, heavy metals in soil, and other contamination often require further assessment, regulatory reporting, and cleanup in order to even secure funding. To alleviate cost burden on the HLB, HLB and its partners, the City of Houston and Avenue Community Development Corporation, applied for and were awarded a \$600,000 grant in mid-2021 from the U.S. Environmental Protection Agency (EPA).

The EPA defines a brownfield as land for which expansion, redevelopment or reuse may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant. The purpose of the grant to fund site assessments, cleanup planning, reuse strategies and related community engagement and public education toward advancing revitalization and environmental justice projects. The effort to build healthier communities by addressing environmental issues is to focus on Houston's underserved communities, with 70 percent of the grant targeting the East End, Near Northside, Kashmere Gardens and Gulfton neighborhoods. These were selected based on community need and identification of a significant number of brownfields with high reuse probability; the remaining 30 percent of the grant is anticipated in other areas across the city.

HLB issued a request for qualifications from firms to provide environmental services common to real estate redevelopment practices, which may or may not be funded through the EPA grant depending on multiple factors, including eligibility of projects and timeline of project deliverables. The RFQ indicated HLB's intent to retain up to seven firms to provide such services, and HLB received responses from six firms:

- Bowman
- Geotest Engineering
- Ninyo & Moore

- Tetra Tech
- ERC
- ESE Partners

All six firms' statements of qualifications were evaluated by a three-person committee that included two HLB staff members and one representative from the City of Houston's brownfields program. Four firms were deemed qualified in the first round of reviews; deficiencies were identified in the other two responses, and those firms were allowed to correct their responses and resubmit, upon which they were also identified as qualified. HLB staff, aided by a third-party consultant, have been working to develop a contract template. Should the Board of Directors approve these firms, HLB staff will proceed to provide the contract to the six qualified firms so they are ready to proceed in assisting with grant implementation.



REQUEST FOR BOARD ACTION

Meeting Date: March 10, 2022

Agenda Item VII.b.: Consideration and Possible Action to Amend FY 2022 Budget by Reducing Expenditures by \$2,078,246 from \$5,776,914 to \$3,698,668

ACTION SUMMARY

Approval of this item will amend the Houston Land Bank's Fiscal Year 2022 budget by reducing planned expenditures from \$5,776,914 to \$3,698,668 to address feedback and reduced funding from the City of Houston.

BACKGROUND/OVERVIEW

The Budget for Fiscal Year 2022 was approved by the HLB Board of Directors in June 2021. As required by HLB's funding agreements with the City of Houston, the approved budget was routed to the City's Housing and Community Development Department (HCDD) for review and approval.

Citing financial pressures, HCDD staff have asked HLB to reduce its FY 2022 budgeted expenditures by \$2,078,246. This has been accomplished as outlined below:

Total proposed staffing of 12 positions is reduced to nine positions; vacancies for vice president of business and development, director of communications, and marketing/sales manager have been eliminated.

- The budget for legal fees is reduced by \$80,000, reflecting an intent to bring more of HLB's legal work in-house.
- The professional services budget is reduced by \$338,000 with elimination of funding for acquisition support, website support and a new website, marketing strategy, and strategic planning services.
- Under Software and Subscriptions, HLB is not renewing the additional research software Building Blocks; instead, the intent is to utilize City software already accessible to the public. This can be achieved with minor enhancements and yields a reduction of \$24,000.
- Complete removal of the Down Payment Assistance Subsidy program for the HLB Traditional Program as a result of HCDD preferring for subsidies to be solely issued by the HCDD department. Decreased expenditures by \$1.250M.
- Lot maintenance expenditures are reduced by \$78,000 to reflect savings as a result of property sales (HLB no longer needs to maintain properties sold to builders) and experience with the new lot maintenance program (allowing for more accurate cost estimates).

The table below depicts the changes described above; while expenditure reductions generally align with revenue reductions, the proposed amended FY 2022 budget reduces projected year-end fund balance by \$5,000,

Proposed Amended FY 2022 Budget Highlights include:

- Total projected revenues are \$3,709,451, down from \$5.79 million in the approved budget.
- Total projected expenditures are \$3,698,668.
- And projected fund balance remains at \$12.457M which includes tangible assets (land) not solely cash.

HOUSTON LAND BANK				
Proposed Amended Budget FY2022				
Account	FY2021 Annualized	FY2021 Approved Budget	FY2022 BOD Approved Budget June 2021	FY2022 Proposed Amended Budget
HLB Traditional Disp Proceeds	1,203,449	1,200,000	937,500	937,500
A&D Disposition Proceeds	7,931,432	4,939,503	694,857	703,988
Operational Reimbursement	1,403,107	1,820,817	3,862,090	1,782,213
Administrative Fees	157,841	135,000	106,250	93,750
Interest Income	427	2,634	3,000	3,000
Outside Sources Other	25,000	-	189,000	189,000
Total Revenues	\$ 10,721,255	\$ 8,097,954	\$ 5,792,697	\$ 3,709,451
Salaries & Fringe	693,439	753,050	1,285,425	983,212
Legal Fees	154,888	113,836	180,000	100,000
Professional Services	197,602	284,798	536,264	197,800
Lot Maintenance	509,617	536,650	580,566	502,666
Software & Subscriptions	77,331	123,660	81,660	57,740
Office Rent	58,500	65,700	58,500	47,700
Other (Insurance, Car Lease, and Supplies)	5,604	74,523	55,017	50,937
DPA Subsidy Traditional Program	-	-	1,250,000	-
Grant Expenditures	-	-	189,000	189,000
HLB Traditional Acquisitions	49,850	250,000	700,000	725,000
HLB Traditional Disposition Cost	477,509	500,000	540,625	515,625
NHDP Disposition Cost	180,452	991,408	319,857	328,988
A&D Acquisitions	231,146	370,906	-	-
Total Expenditures	\$ 2,635,939	\$ 4,064,531	\$ 5,776,914	\$ 3,698,668
Excess (Deficit) of Revenues over Expenditures	\$ 8,085,317	\$ 4,033,423	\$ 15,783	\$ 10,784
Change in Fund Balance				
Estimated Beginning of Year	4,361,515	4,361,515	12,446,832	12,446,832
Estimated End of Year	\$ 12,446,832	\$ 8,394,938	\$ 12,462,615	\$ 12,457,615



Board of Director's Meeting

March 10, 2022

BOD Approved Budget June 2021

Focus on gray shaded column:

Approved by HLB Board of Director's on June 10, 2021 regular board meeting.

HOUSTON LAND BANK				
Proposed Amended Budget FY2022				
	FY2021	FY2021	FY2022	FY2022
Account	Annualized	Approved Budget	BOD Approved Budget June 2021	Proposed Amended Budget
HLB Traditional Disp Proceeds	1,203,449	1,200,000	937,500	937,500
A&D Disposition Proceeds	7,931,432	4,939,503	694,857	703,988
Operational Reimbursement	1,403,107	1,820,817	3,862,090	1,782,213
Administrative Fees	157,841	135,000	106,250	93,750
Interest Income	427	2,634	3,000	3,000
Outside Sources Other	25,000	-	189,000	189,000
Total Revenues	\$ 10,721,255	\$ 8,097,954	\$ 5,792,697	\$ 3,709,451
Salaries & Fringe	693,439	753,050	1,285,425	983,212
Legal Fees	154,888	113,836	180,000	100,000
Professional Services	197,602	284,798	536,264	197,800
Lot Maintenance	509,617	536,650	580,566	502,666
Software & Subscriptions	77,331	123,660	81,660	57,740
Office Rent	58,500	65,700	58,500	47,700
Other (Insurance, Car Lease, and Supplies)	5,604	74,523	55,017	50,937
DPA Subsidy Traditional Program	-	-	1,250,000	-
Grant Expenditures	-	-	189,000	189,000
HLB Traditional Acquisitions	49,850	250,000	700,000	725,000
HLB Traditional Disposition Cost	477,509	500,000	540,625	515,625
NHDP Disposition Cost	180,452	991,408	319,857	328,988
A&D Acquisitions	231,146	370,906	-	-
Total Expenditures	\$ 2,635,939	\$ 4,064,531	\$ 5,776,914	\$ 3,698,668
Excess (Deficit)	\$ 8,085,317	\$ 4,033,423	\$ 15,783	\$ 10,784
Change in Fund Balance				
Estimated Beginning of Year	4,361,515	4,361,515	12,446,832	12,446,832
Estimated End of Year	\$ 12,446,832	\$ 8,394,938	\$ 12,462,615	\$ 12,457,615

Updates since July 2021

1. Reduced three headcount: VP of Business Development, Marketing Manager, and Communications Manager. All salaries to be absorbed under Operations Agreement.
2. Reduced legal fees as operationally anticipate bringing in more in-house versus outsourcing.
3. Trimmed professional services related to planning, marketing, website enhancements.
4. Reduced lot maintenance due to built in savings of lot dispositions under HLB Traditional Program.
5. Will not renew property research tool under software and subscriptions.
6. Completely removed the \$1.25M down payment assistance program funded by the Operations Agreement.

Discussions with HCDD:

Multiple conversations with department regarding budget cost reductions.

Department had significantly less TIRZ allocation during FY.

Department and Housing Committee have formally approved to proceed and present before City Council.

Recap of Proposed Budget FY2022

Action Item:

Formally approve the proposed amended budget to carry the HLB operations through fiscal year 2022.

Thank you!

HOUSTON LAND BANK				
Proposed Amended Budget FY2022				
Account	FY2021 Annualized	FY2021 Approved Budget	FY2022 BOD Approved Budget June 2021	FY2022 Proposed Amended Budget
HLB Traditional Disp Proceeds	1,203,449	1,200,000	937,500	937,500
A&D Disposition Proceeds	7,931,432	4,939,503	694,857	703,988
Operational Reimbursement	1,403,107	1,820,817	3,862,090	1,782,213
Administrative Fees	157,841	135,000	106,250	93,750
Interest Income	427	2,634	3,000	3,000
Outside Sources Other	25,000	-	189,000	189,000
Total Revenues	\$ 10,721,255	\$ 8,097,954	\$ 5,792,697	\$ 3,709,451
Salaries & Fringe	693,439	753,050	1,285,425	983,212
Legal Fees	154,888	113,836	180,000	100,000
Professional Services	197,602	284,798	536,264	197,800
Lot Maintenance	509,617	536,650	580,566	502,666
Software & Subscriptions	77,331	123,660	81,660	57,740
Office Rent	58,500	65,700	58,500	47,700
Other (Insurance, Car Lease, and Supplies)	5,604	74,523	55,017	50,937
DPA Subsidy Traditional Program	-	-	1,250,000	-
Grant Expenditures	-	-	189,000	189,000
HLB Traditional Acquisitions	49,850	250,000	700,000	725,000
HLB Traditional Disposition Cost	477,509	500,000	540,625	515,625
NHDP Disposition Cost	180,452	991,408	319,857	328,988
A&D Acquisitions	231,146	370,906	-	-
Total Expenditures	\$ 2,635,939	\$ 4,064,531	\$ 5,776,914	\$ 3,698,668
Excess (Deficit)	\$ 8,085,317	\$ 4,033,423	\$ 15,783	\$ 10,784
Change in Fund Balance				
Estimated Beginning of Year	4,361,515	4,361,515	12,446,832	12,446,832
Estimated End of Year	\$ 12,446,832	\$ 8,394,938	\$ 12,462,615	\$ 12,457,615

Questions?



REQUEST FOR BOARD ACTION

Meeting Date: March 10, 2022

Agenda Item VII.c.: Consideration and Possible Action to Approve the Proposed HLB FY 2023 Draft Budget for Submittal to the City of Houston's Finance Department.

ACTION SUMMARY

Approval of this item will approve HLB's Proposed FY 2023 Draft Budget for submittal to the City of Houston as required by City of Houston requirements for local government corporations. Note this is not the final FY 2023 budget, which is to be brought forward for Board approval before the current fiscal year ends June 30.

BACKGROUND/OVERVIEW

City of Houston Administrative Procedure 2-10 requires all local government corporations created to support City operations or programs to submit a draft budget for the upcoming fiscal year by March of each year to the City's Finance Department. As indicated in the summary above, the draft budget is not the final HLB budget for FY 2023. The final budget is to be presented for Board approval and is likely to include adjustments to the draft budget (note annual reimbursements from the City via the Housing and Community Development Department are not set until October of each year, in the fiscal year's second quarter).

HLB is subject to the City requirements; in response, staff have developed a Proposed HLB FY 2023 Draft Budget that includes anticipated revenue of \$4.611 million to fund \$4.467 million in planned expenditures. Proposed FY 2023 expenditures in the draft budget are higher from the \$3.709 million FY 2022 budget amendment approved by the Board in the current meeting for the current fiscal year.

On this memo's final page is a table comparing FY 2022 current revenues and expenditures to the FY 2022 budget approved by the Board and to the preliminary FY 2023 budget as proposed. The latter is driven by the following assumptions and highlights:

Revenue

- HLB Traditional Program dispositions will remain the same from FY 2021 as possibly anticipate more lots being transferred over from HCDD (un-designating) to be used towards the HLB Traditional Program.
- The City's New Home Development Program (NHDP) anticipates 15 home sales for the fiscal year; lots are to be reimbursed at market value along with the administrative fee per closing.



- Funding from the City of Houston through the Operational Agreement is relatively unchanged from year to year.
- Anticipating federal grant reimbursements for the Phase I & Phase II environmental from EPA Brownfield.
- Anticipated fundraising through the newly created 501(c)3 operation.

Expenditures

- Staffing levels to increase by one additional staff member, bring the new total to 10 full-time employees versus the previous approved of nine.
- Legal fees are projected to remain the same compared to prior fiscal year.
- Lot maintenance expenses are expected to decrease from the current fiscal year as reduced inventory yields less area to maintain.
- Grants and non-profit expenditures related to EPA Brownfields environmental Phase I and II studies, along with additional builder subsidies and down payment assistance program for HLB Traditional Program, and additional headcount.
- A planned \$500,000 allocation toward an acquisitions pool for HLB's Home Building Initiative is intended to replenish inventory available for the organization's traditional program for home builders.
- Post construction costs including original land purchase cost through the NHDP Program for 15 home dispositions.

HOUSTON LAND BANK

Proposed Preliminary Budget FY2023

Account	FY2022 Actuals 1.31.22	FY2022 BOD Amended Approved Budget	FY2023 BOD Preliminary Budget Approval
HLB Traditional Disp Proceeds	227,390	937,500	937,500
A&D Disposition Proceeds	995,864	703,988	422,385
Operational Reimbursement	757,471	1,782,214	1,783,097
Administrative Fees	61,724	93,750	56,250
Interest Income	1,816	3,000	2,500
Outside Sources Other (Grants & 501c3)	9,950	189,000	1,410,000
Total Revenues	\$ 2,054,215	\$ 3,709,452	\$ 4,611,732
Salaries & Fringe	459,230	983,212	1,080,399
Legal Fees	45,373	100,000	100,000
Professional Services	215,436	197,800	192,900
Lot Maintenance	216,985	502,666	324,007
Software & Subscriptions	40,088	57,740	49,514
Office Rent	26,325	47,700	48,000
Other (Insurance, Car Lease, and Supplies)	46,670	50,937	50,000
Grant & 501c3 Expenditures	9,950	189,000	1,410,000
HLB Traditional Acquisitions	-	725,000	500,000
HLB Traditional Disposition Cost	26,788	515,625	515,625
NHDP Disposition Cost	56,183	328,988	197,385
A&D Acquisitions	-	-	-
Total Expenditures	\$ 1,143,027	\$ 3,698,668	\$ 4,467,831
Excess (Deficit) of Revenues over Expenditures	\$ 911,188	\$ 10,784	\$ 143,901
Change in Fund Balance			
Estimated Beginning of Year	12,680,663	13,591,851	13,602,635
Estimated End of Year	\$ 13,591,851	\$ 13,602,635	\$ 13,746,536



Board of Director's Meeting

March 10, 2022

FY 2023 Proposed Budget Recap

1. Projecting 75 lot dispositions under HLB Traditional Program and 15 house dispositions under the NHDP program.
2. Still expect funding from HCDD's TIRZ allocation under the Operations Agreement.
3. Anticipate operating newly created 501(c)3 entity with additional funding sources.
4. Added one additional headcount: Communications Manager, new total headcount is 10.
5. Legal fees to remain the same versus prior fiscal year for administrative or real estate services.
6. Professional services to remain the same for planning activities, annual external audit, IT support, legislation implementation support, and grant writing services.
7. Lot maintenance reduced significantly as a result of aggressive lot dispositions and change in operational procedure for ROW won't be cost burdened to HLB.
8. With the 501(c)3 fundraising activities, intend on using those funds for additional builder subsidies, down payment assistance program for potential homebuyers, and expansion of staff.

Note:

This is not the final budget for FY2023 therefore still can modify until the next vote for final ratification on June 9, 2022 Board of Director's meeting.

This budget/vote is needed since clause under operations agreement requires HLB to submit to City of Houston.

Fiscal Year Comparison

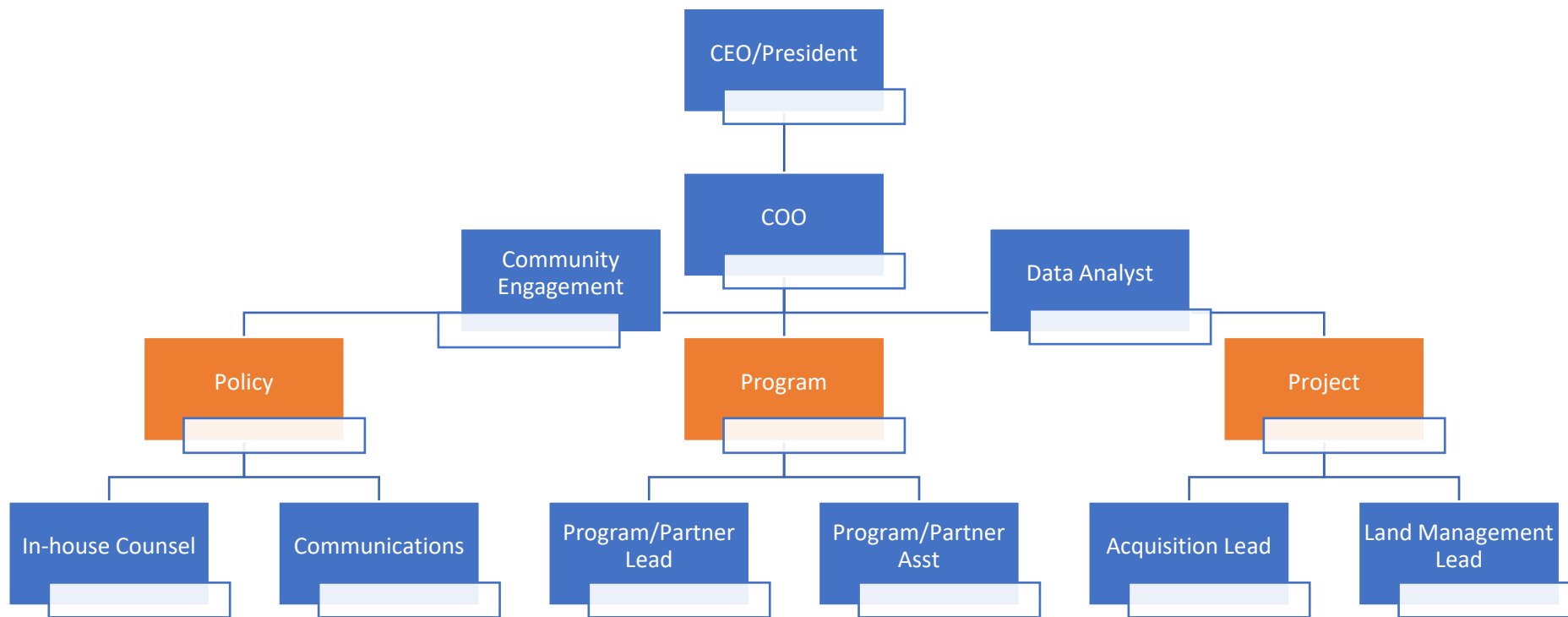
HOUSTON LAND BANK			
Proposed Preliminary Budget FY2023			
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Administrative Fees	61,724	93,750	56,250
Interest Income	1,816	3,000	2,500
Outside Sources Other (Grants & 501c3)	9,950	189,000	1,410,000
Total Revenues	\$ 2,054,215	\$ 3,709,452	\$ 4,611,732
Salaries & Fringe	459,230	983,212	1,080,399
Legal Fees	45,373	100,000	100,000
Professional Services	215,436	197,800	192,900
Lot Maintenance	216,985	502,666	324,007
Software & Subscriptions	40,088	57,740	49,514
Office Rent	26,325	47,700	48,000
Other (Insurance, Car Lease, and Supplies)	46,670	50,937	50,000
Grant & 501c3 Expenditures	9,950	189,000	1,410,000
HLB Traditional Acquisitions	-	725,000	500,000
HLB Traditional Disposition Cost	26,788	515,625	515,625
NHDP Disposition Cost	56,183	328,988	197,385
A&D Acquisitions	-	-	-
Total Expenditures	\$ 1,143,027	\$ 3,698,668	\$ 4,467,831
Excess (Deficit)	\$ 911,188	\$ 10,784	\$ 143,901
Change in Fund Balance			
Estimated Beginning of Year	12,680,663	13,591,851	13,602,635
Estimated End of Year	\$ 13,591,851	\$ 13,602,635	\$ 13,746,536

Action Item:

Formally approve the proposed preliminary budget to send to City of Houston's Finance department for FY 2023.

Thank you!

Questions?





REQUEST FOR BOARD ACTION

Meeting Date: March 10, 2022

Agenda Item VII.d.: Consideration and Possible Action to Approve Proposed Revisions to Houston Land Bank Traditional Program Guidelines

ACTION SUMMARY

Approval of this item will revise the HLB Traditional Program Guidelines as reviewed by the READ, Programs & Partnerships, and Executive Committees to include a revised Home Sales Price Framework and corresponding tiered construction specifications and the inclusion of an HLB Neighborhood Advisory Committee to review and participate in scoring HLB builder applications.

BACKGROUND/OVERVIEW

The HLB Traditional Program Guidelines provide development guidelines, instructions, and parameters for HLB-approved builders when developing affordable homes under the traditional program. The staff has proposed a series of adjustments, some of which are "housekeeping" edits that are not substantive. However, three notable changes are the introduction of a Homes Sales Price Framework, which outlines three price ranges and corresponding construction specifications. Details of pricing and construction specification requirements are included in Exhibit Traditional Homebuyer Program Guidelines. Another notable change consists of introducing an HLB Neighborhood Advisory Committee to review and participate in scoring HLB builder applications. The Advisory Committee will advise on the scale, façade, plans & materials used, community needs, and equitable housing practices. Proposed changes were reviewed at multiple meetings with the READ, Programs & Partnership, Executive Committees, and other interested directors who opted to participate. Redline and "clean" versions of the policies proposed for the Board of Director's approval include the details of the proposed pricing ranges and subsequent requirements.



HOUSTON LAND BANK TRADITIONAL HOMEBUYER PROGRAM GUIDELINES

Last Revised and Reviewed by Board of Directors March 2022

I. INTRODUCTION AND AUTHORITY

The objective of the Houston Land Bank Traditional Homebuyer Program (Program) is to support the City of Houston's goal of making quality affordable homes available to low and moderate-income homebuyers. The Houston Land Bank (HLB) accomplishes this by transforming vacant land to new homes as quickly as possible and providing lots for Homebuilders at below market prices to develop affordable housing; in exchange the Houston Land Bank requires Homebuilders to sell the newly constructed homes at or below a capped price to income-eligible homebuyers.

These guidelines will govern the implementation of this program. The staff of the HLB will administer the program in accordance with its customary policies and procedures set by the Board of Directors of HLB, and City of Houston Code of Ordinances. The President and CEO (President) or a Designee will have approval authority for administrative matters related to the Houston Land Bank Traditional Homebuyer Program and may delegate said authority by authorization of the Board of Directors.

II. DEFINITIONS

"Approved Homebuilders" means a homebuilder that has successfully qualified through the annual Houston Land Bank Builder Request for Qualifications in the categories of Start-up Builder or Established Builder.

"Committee" means Houston Land Bank Real Estate and Development Committee (READ Committee).

"Contract" means HLB contract with Approved Homebuilder for the development of Affordable Housing on a lot purchased through the Program.

"Established Homebuilder" means an experienced builder who has successfully completed at least 10 "ground up" single family residential construction projects. These builders will be eligible to purchase twelve (12) lots in each round but can have no more than twenty-four (24) total at one time.

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“Fair market value” means the market value of a lot as determined by an appraisal.

“Guidelines” Means the Houston Land Bank Traditional Homebuyer Program Guidelines (Guidelines).

“Income Eligible Homebuyers” means a homebuyer whose income has been certified by the Housing and Community Development Department at or below 120% of the Area Median Income (AMI).

“Hold Lot” means each Approved Homebuilder may have up to one additional lot put on hold once they reach their maximum ~~amount~~^{number} of lots if an application has been submitted for a lot during lot sales and they are the successful bidder. The Approved Homebuilder may not close on their Hold Lot until one of their current lots reaches 80% of the construction phase.

“Lot” means an HLB lot made available for sale to an Approved Homebuilder through the Program. Please note that each HCAD is considered an HLB lot for purposes of submitting proposals to purchase, and only one home can be built on each HLB Lot unless multiple are approved during the lot sale process.

“Minimum Standards” means minimum quality standards, construction timelines and financial requirements as outlined in Section II Aiii.

“Maximum Sales Price” means the maximum amount ~~thatfor~~^{for which} an Approved Builder is authorized to sell their home to an Income Eligible Homebuyer under the Guidelines.

“Start-Up Builder” means start-up builders who have proven and/or documented construction experience but little or no experience with selling their products to “income qualified” buyers. Assumptions are these builders can effectively oversee and manage the entire construction process from design, permit, and daily construction operations through issuance of Certificate of Compliance from the City of Houston with some guidance/coaching but may need assistance and guidance in navigating the various components of sales processes necessary to sell to income eligible homebuyers. Start Up Builder’s applying entity will be required to demonstrate experience of at least (3) three “ground up” single family residential construction projects or of comparable size and scope. If “Start-Up Builder” is a new entity or partnership one of the managing partners, responsible for construction operations, will be required to clearly demonstrate the same required experience. These builders will be eligible to purchase up to four (4) lots in each round but can have no more than

eight (8) total at one time.

III. LOT SALES

Approved Homebuilders will be eligible to purchase lots through the Program subject to restrictions as outlined in the Guidelines.

A. Lot Prices

Lots for purchase through the Program will be made available to Approved Homebuilders at a fixed price discounted from the lot's Fair Market Value (FMV). The price of each lot will be based on comparable neighborhood or ~~sub-market~~submarket FMVs, its construction readiness, and marketability for proposed single family residential use.

B. Builder Lot Selection

To purchase a lot through the Program, Approved Homebuilders will be required to submit a proposal for the lot they would like to purchase; the proposal will be submitted online along with backup material which includes:

- i. Proposed floorplan, Elevation, w/ named exterior finishes—~~i.e.i.e.~~, Hardisiding, brick, etc.
- ii. Minimum Building Standards Checklist (submitted on template form)
- iii. Construction Proforma and timeline with proposed maximum sales price to income-qualified homebuyer and sales price per square foot(submitted on template form)
- iv. Construction Financing Commitment
- v. Proof of Ownership and Officers of Corporation, Corporate EntityDocuments

C. Maximum Lot Selections

Approved Builders will be able to submit a proposal for each lot available for sale but will be limited to a total number of lots that they may be awarded in each round based on the builder category.

- i. Established Builder- Limited to 12 lots.
- ii. Start-Up Builder-Limited to 4 lots.

D. Hold Lot

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Approved Homebuilders may be issued a Hold Lot from a previous round of lot sales if they were the successful bidder and have reached their maximum amount of lots. The Approved Builder may not close on their Hold Lot until at least one of their current lots under construction have reached 80% completion of construction. Upon notification that the Approved Builder has been awarded a Hold Lot, the Approved Builder must close on the Hold Lot before purchasing another lot.

E. Required Acknowledgements

Approved Homebuilders will submit each proposal with a signed acknowledgment of having read the Houston Land Bank Traditional Homebuyer Program and Contract Terms and Conditions.

F. Unexpected Development Delays

There may be certain circumstances where an Approved Homebuilder runs into a significant development delay that is beyond their control, such as something that is demonstratable and related to the condition of the lot that was unknown at the time of purchase from HLB, which may cause an unexpected interruption in the construction timeline of the home. HLB and the READ Committee will evaluate each circumstance on a ~~case-by-case~~ case-by-case basis, and basis and provide a timeline extension. In addition, READ may determine if the Approved Homebuilder may be allowed to purchase an additional lot to help prevent any homebuyer losses currently under contract, or substantial revenue deficiencies. The authorization to purchase the additional lot will supersede any current caps on the maximum amount of lots allowed to the Approved Homebuilder in each category and will be based on their experience and capacity to develop the additional lot.

However, delays not subject to extenuating and/or unforeseen circumstances beyond an Approved Builders control will be subject to HLB acting on their Repurchase Rights outlined in Article 3.05 of the Lot Agreement. The Deed provides for various repurchase options in favor of HLB if Approved Builder (i) fails to commence construction of a Residence prior to the Construction Commencement Date, (ii) fails to complete construction of a Residence within 7 days after the Construction Completion Date, or (iii) attempts to sell or convey the Lot prior to commencement of construction of a Residence. The repurchase price under items (i) and (iii) is the Lot Purchase Price paid for such Lot less any unpaid taxes and assessed Monetary Damages. The repurchase price under item (ii) is the Lot Purchase Price paid for the Lot plus certain construction costs as verified and approved by HLB in writing, less any unpaid taxes and assessed Monetary Damages.

H.G. Approved Homebuilder Proposal Scoring and Selection Process

The top three proposals submitted by Approved Homebuilders (meeting

minimum standards outlined in these Guidelines) will be determined by the lowest proposed sales price per square foot of living space of the home. HLB staff will evaluate proposals to ensure they meet minimum standards of the Program (as outlined in these Guidelines). The top three proposals of the lowest sales price per square foot meeting minimum standards will be reviewed by the HLB Staff and assigned a maximum of **50 points** based on:

- i. Neighborhood Design Appropriateness (Whether design fits with Neighborhood); ~~20 points~~ 15 points

~~ii. Additional active "Work Site" proximity considerations (Proximity to other lots Builder is actively developing within a half mile radius); 5 points~~

~~iii.ii.~~ Home enhancements in addition to the Minimum Standards (Features that increase quality of life, home efficiency, and lower long term maintenance cost for the homebuyer); 15 points

~~iv.iii.~~ Proposed sales price per square foot (As originally proposed); ~~1.~~ 5-15 points

~~v.iv.~~ Track Record (Demonstrated ability to advance the sale of a home to a qualified homebuyer in this Program). 5 points

The top scorer will be recommended to the Houston Land Bank Board's READ Committee for approval. Once approved by the READ Committee, the recommendation will be sent to the HLB Board of Directors for consideration. Upon ~~the approval~~ approval by the HLB Board of Directors, the Approved Homebuilder will be notified that they are eligible to purchase the lot from the HLB and will:

- i. Sign a contract for purchase and development of the ~~lot;~~ lot.
- ii. Pay earnest money for the purchase of the lot; and
- iii. At closing, record a Deed of Trust to Secure Performance in favor of the Houston Land Bank, which is forgiven at the satisfactory closing to an income qualified homebuyer. HLB otherwise will be able to recover damages if ~~Approved~~ the Approved Homebuilder fails to perform according to the Houston Land Bank Traditional Homebuyer Program Guidelines and Contract Terms and Conditions.

II. BUILDER REQUIREMENTS & RESTRICTIONS

A. Minimum Standards and Plan Specifications

Approved Homebuilders participating in this program will be required to meet minimum standards for quality, construction timelines, and construction financing as outlined in the Guidelines and approved by the READ Committee:

- i. Meet or Exceed ~~the~~ Minimum Quality Standards for ~~residential home construction as construction for the applicable Tier as~~ outlined in the attached "Exhibit A".
- ii. Meet or Exceed Construction timelines as outlined in the Contract Term sheet.
- iii. Meet Construction Financing Requirements as outlined below:
 - a. Construction Financing letter of commitment from a lender in the amount of the total cost of construction or a bank account statement evidencing said amount.
 - b. In lieu of Commitment Letter a Builder may secure a performance bond in the amount of the total cost of

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construction.

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Plans and specifications and any modifications for each home after the initial award must be approved by the READ Committee.

Digital copies Final City of Houston Permitted Plans along with related COH Project Numbers will be ~~submitted, immediately~~ submitted immediately upon receipt as received, to HLB as record of final 'Approved' plans and specifications for that contract per COH Final Approval. Failure to submit these documents in a timely manner and/or upon HLB request may result in penalties per Sect.VI

B. Minimum ADA Compliance Requirements: Construction Site and Contractor Standards

The Houston Land believes in providing housing options to allow our residents to age in place. The main requirement for an ADA-compliant bathroom and kitchen/common area is accessibility for those who might encounter difficulty moving around. The Americans with Disabilities Act is a civil rights law that protects the equal rights of persons with disability to accessible features.

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The main entrance door, at least one bathroom, and the common area/kitchen must be ADA compliant for single-family homes.

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B.C. Construction Site and Contractor Standards

Approved Homebuilders and their subcontractors participating in the Program will be required to maintain adequate insurance as outlined in the Contract Terms throughout the entire term of construction.

Approved Homebuilders and their subcontractors participating in the Program will be required to maintain a construction site that does not adversely affect neighbors and exhibits HLB's good neighbor values.

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G.D. Construction Deadlines

Approved Homebuilders selected to purchase a lot will be required to adhere to the proposed construction timeline or be subject to penalties which may include liquidated damages as determined by the READ Committee. An Approved Homebuilder unable to meet the proposed construction timeline must submit a request for adjustments to the proposed timeline detailing:

- i. Barriers preventing the adherence to the construction timeline (must be beyond the Approved Homebuilder's ability to control); and
- ii. Proposed new timeline (must be limited to a window of time that is necessary to resolve the expressed barrier).

The Houston Land Bank READ Committee will review staff recommendations, and requests, then and note an adjustment to the construction timeline for the Approved Homebuilder in their file.

D.E. HLB Neighborhood Advisory Committee, and Marketing

The Houston Land Band neighborhood advisory committee will consult, advise, and score a maximum of 15 points for all builder submissions. The committee shall advise on:

- i. Scale, Façade, floor plan, and materials (0-5 pts)
- ii. Community Engagement & Need (0-5 pts)
- iii. Equitable Housing Practices (0-5 pts)

Approved Homebuilders participating in the Program will be required to provide notice to property owners on the street block where new home construction is being proposed via site signage.

One notification sign is required facing the street by which the home's front door is facing.

^{(b)(3)}

- i. include builder's name, contact information (*e.g. monitored website, email address and phone number*)
- ii. indicate Houston Land Bank as a partner with HLB's logo and website
- iii. be a minimum size ~~of 60~~ of 60x30 with lettering legible from the street
- ~~iv.~~ stay erected no less than 21 days prior to home closing (*please inquire with HLB if an example of a sign is needed*)
- ~~v.~~

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~~"Houston Land Bank Traditional Homebuyer Program"~~

~~Builder can notice the neighborhood by erecting a sign with the information above on the property to be developed or distributing door hangers or flyers to each neighbor on the block where home is being constructed.~~

J.F. Construction Progress Reports and Audits

Approved Homebuilders will be required to submit monthly online updates into HLB's property management system reporting the progress of construction of a new home on the lot purchased through the Program. This requirement must be completed on or before the first business day of each month. If there is no progress from the previous month or are no updates, Approved Homebuilders will be required to report a "No Change in Status" report. Construction progress reports submitted by Approved Homebuilders will be subject to monthly review and HLB staff reserves the right to perform more detailed Quality Assurance/Quality Control (QA/QC) inspections on any and all homes built under the Program. If there are discrepancies with the Construction Progress Reports submitted by Homebuilders and the HLB QA/QC inspections, Homebuilders may be required to submit clarification to the READ Committee. Multiple and/or consecutive "No Change in Status" reports or multiple and/or consecutive discrepancies in Homebuilder provided reports and QA/QC inspections may be subject to penalties as outlined in Section VI(b) of the Guidelines. Approved Homebuilders failing to submit the required construction progress reports will be subject to penalties as outlined in Section VI(b) of the Guidelines.

K.G. Homebuyer Eligibility

Approved Homebuilders must sell homes developed on lots purchased through the Program to homebuyers whose incomes are at or below 120% of the Area Median Income, unless otherwise stated in the Lot Sale advertisement/listing and assure that the homebuyer has taken a homebuyer education class of at least 8 hours (and received a certificate).

Eligible homebuyers must be income certified by the City of Houston

Housing and Community Development Department. As of July 2021: This process begins by emailing info@houstonlandbank.org with the subject line: **HLB Traditional Program Income Certification Request** so that a [HAP Homebuyer Assistance Program \(HAP\)](#) number can be requested. Once a HAP number is provided for the homebuyer, they may submit all required documentation via an online portal on the City of Houston Housing and Community Development Department ([HCDD](#)) website.

Field Code Changed

Approved Homebuilders must submit a copy of the homebuyer's Income Certification and Homebuyer Education Certificate to HLB before closing with the homebuyer in order to be approved for closing. Approved Homebuilders failing to do so will be subject to penalties as outlined in Section VI of the Guidelines. *HLB may make updates to this process as those processes are revised by HCDD. Homebuilders are required to comply with any changes.*

Eligible Homebuyers, if applicable, may use any means to close on the home including Community Land Trust (CLT) programs and/or any other Homebuyer Down Payment Assistance benefits as a method for qualifying for the purchase of these homes.

HL Approved Homebuilder Eligibility Requirements

Approved Homebuilders must successfully be qualified through the annual Houston Land Bank Request for Qualifications in the categories of Start-Up Builder or Established Builder. To maintain eligibility Approved Homebuilders must:

- i. Be current on all property taxes owed to taxing jurisdictions in Harris County and Federal Business or Personal Income Taxes;
- ii. Be in compliance with existing contracts with the HLB and its predecessor agency name Land Assemblage Redevelopment Authority; and
- iii. Not be currently assessed a P4 Violation-Program Suspension.

ML Program Prohibitions and Restrictions

Approved Homebuilders participating in the Program shall be prohibited from reselling a lot purchased from the HLB to anyone not approved by the READ Committee.

Approved Homebuilders participating in the Program shall be prohibited from reassigning ownership of a lot purchased from HLB to anyone not approved by the READ Committee.

Approved Homebuilders participating in the Program shall be prohibited

from deviating from the sales contract with regard to the City of Houston Approved constructions plans, modifying the final sales price to homebuyer, or re-plating or subdividing lot(s) purchased from HLB without the written approval and/or consent from the READ Committee, or the HLB Board of Directors, or both.

Violations of this subsection could result in the assessment of penalties outlined in **Section VI** of these guidelines.

IV. ~~Maximum~~ ~~New Home~~ Sales Price Framework

~~The current HLB Board of Directors approved Maximum Sales Price is \$212,000 on all homes to be sold to Income Eligible Homebuyers, and no builder is allowed to sell a home under the Program above this amount. Although \$212,000 is the Maximum Sales Price, The current HLB Board of Directors approved New Homes Sales Price Framework is as follows:~~

Three Approved Price Categories – LOW, MED, HI

LOW = \$115,000 - \$165,000

MED = \$165,000 - \$225,000^(OB)

HI = \$225,000 - \$285,000

Price Category Criteria

LOW = (750 – 1,100 SF conditioned space) at least 2 bedrooms/1 full bathroom, Tier III Construction Standards

MED = (1,101 – 1,400 SF conditioned space) at least 3 bedrooms/2 full bathrooms, Tier II Construction Standards

HI = (1,401+ conditioned space) greater than 3 bedrooms/2 full bathrooms, Tier I Construction Standards

~~e~~Each home built by an Approved Homebuilder shall be sold at the individually contracted sales price ~~based on from~~ the submitted plans and proforma during the lot sale process, unless a price increase request is approved.

V. Contract Amendments

Price ~~Price~~ Increase ~~-~~

Requests

Approved Builders currently under contract may request a Sales Price increase from their contractually obligated Sales Price. ALL requests for Sales Price Increases must submit the following supporting information to be considered for review:

- i. Builder Request Form
- ii. Old Proforma
- iii. New Proforma – with statement as to where costs have increased and why?
- iv. Invoices/Quotes to evidence additional or increased cost

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- v. Summary of request including amount of increase requested, reasons for the request, and other remedies or potential resolutions the Builder has exhausted

~~Once submitted, the Price Increase Request will be reviewed by the READ Committee. The READ Committee may grant or deny requests that are less than a 6% increase. Requests for Sales Prices Increases above 6% of the original contracted Sales Price, will be reviewed and actions, if any, recommended to the Board of Directors for final approval. Once all required approval has been received (READ Committee or Board of Directors, or both), the Approved Builder will receive a contract amendment document to memorialize the terms.~~

Plan/Specification Requests

Each Approved Builder currently under contract who wishes to request approval for a significant construction plan and/or construction specification change must submit the following supporting information to be considered for review:

- i. Builder Request Form – summarizing the change, reasons for the change, and any impact on construction timeline or Sales Price.
- ii. Old Plans
- iii. New Plans
- iv. Site Plan

Once submitted, the plans/specifications change request will be reviewed by the READ Committee and if approved, will be communicated to the Approved Builder. The new plans/specs will be noted and saved within the Approved Builder’s file.

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VI. DEFAULT AND REMEDIES

Generally

Failure of an Approved Homebuilder to meet the terms and conditions of the Contract and or any provision of the Guidelines will subject such Approved Homebuilder to penalties and possible recapture action.

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Penalties may be assessed to an Approved Homebuilder by HLB staff with approval of the READ Committee.

i. Specific Violations

- a.1. Failure to notify community
- b.2. Failure to submit timely reports
- c.3. Failure to maintain proper construction site standards
- d.4. Failure to adhere to construction timeline
- e.5. Failure to build to approved plans and specifications
- f.6. Multiple citations
- g.7. Unauthorized assignment of ownership
- h.8. Failure to complete construction.

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Penalties

- a. P1: Point Deductions (Affects future lot selection)
- b. P2: Monetary Damages (Secured by Deed of Trust to Secure Performance)
- c. P3: Lot Revocation (Approved Homebuilder may forfeit lot

for violation of certain Program Guidelines and Contract Terms and Conditions)

- d. **P4:** Program Suspension (Approved Homebuilder barred from future participation in HLB Home Development Program for a period of one year)

VII. ADDITIONAL REQUIREMENTS FOR START-UP BUILDERS

I. HLB requirements of Start-Up Builders awarded a lot contract:

- i.
 - ~~Interview of each Startup Builder — Builders should be prepared to provide responses or strategies that:~~
 - a. ~~Identify superintendent or onsite supervision and their experience outlined~~
 - a. ~~Strategy or manner in which job site security is addressed?~~
 - a. ~~Marketing team/strategy to identify and contract w/ an Income Qualified Homebuyer?~~
 - a. ~~What is your interest in building for HLB? Why?~~
 - a. ~~Other projects or commitments in which builder is involved?~~
- i. ~~List of potential Mechanical, Electrical and Plumbing subcontractors with license, numbers with references and summary of work experience~~
- i. ~~Naming of design consultants, Architect and specifically structural engineers and a statement as to why particular plans were chosen to develop.~~
- i. ~~Marketing plan and how builder will identify & qualify potential income qualified buyers~~

J. HLB requirements of Startup Builders during construction:

- ~~— Copies of executed sub contracts with license numbers as applicable~~
- ~~— Evidence of lender's commitment to project or proof of funding source~~
- ~~— Certificates of general liability and builder's risk naming HLB as additional insured from Builder and Licensed Subcontractors.~~
- ~~— Pro forma or budget to build a specific floorplan/house on a specific lot once it has been defined~~
- ~~— Digital copies of approved plans and permits once received~~
- ~~— Monthly reporting of progress~~
- ~~— At HLB request, onsite construction status meetings~~

VIII.VII. COMPLAINTS AND APPEALS PROCESS

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HLB has developed a complaint and appeals process, for both homebuyers and Approved Homebuilders.

Homebuyers seeking to file a complaint against an Approved Homebuilder may submit the complaint in writing and send to: dharris@houstonlandbank.org or info@houstonlandbank.org or mailed to:

Houston Land Bank
P.O. Box 131106
Houston, TX 77219

Homebuyer complaints will be reviewed by HLB staff to determine what actions if necessary are to be taken. Approved Homebuilders found to be in violation of the terms of the contract and or the guidelines will be notified within three business days of such determination and shall be given three business days to respond with a plan to remedy the violation. Approved Homebuilders failing to remedy the violation shall be subject to penalties outlined in Section VI of the Guidelines. Approved Homebuilders seeking to file a complaint shall do so in accordance with the terms and conditions of the contract.

III. REGULATORY CONSIDERATIONS

Fair Housing Act

The federal Fair Housing Act prohibits ~~the~~ discrimination in all housing transactions based on race, color, national origin, sex, religion, handicap, or familial status (having children under the age of 18). Homebuyers that feel they have been discriminated against can contact:

U.S. Department of Housing & Urban Development – Fair Housing & Equal Opportunity

Discrimination inquiries and/or complaints
800-669-9777 (Voice)
1-800-927-9275 (TTY)
HUD Local 713-718-3199
(Ask for a FHEO) www.hud.gov/offices/fheo

OR

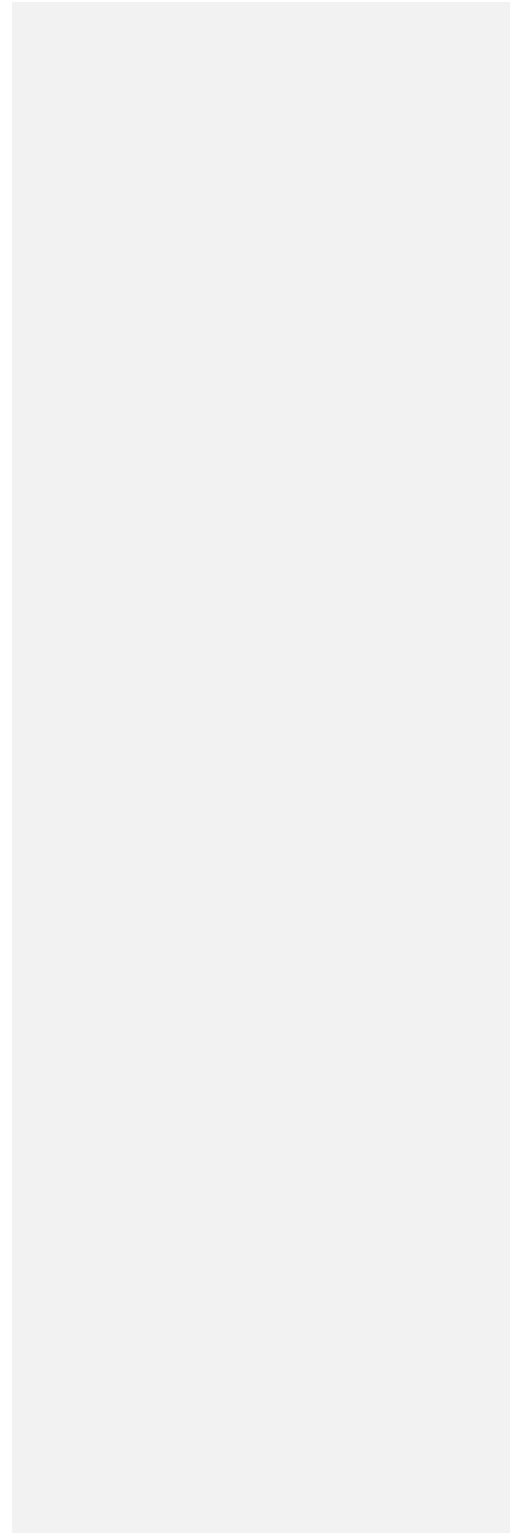
Texas Workforce Commission

Civil Rights Division
1-888-452-4778 (Voice)
1-800-735-2989 (TTY)

|

EXHIBIT A

MINIMUM RESIDENTIAL CONSTRUCTION STANDARDS AND SPECIFICATIONS



TIER I, TIER II, TIER III

TIER III = (750 – 1100 conditioned SF), at least 2bd/1bth, NO GARAGE?? 1yr warranty, Central HVAC 16 SEER, vinyl double double paned low E glass windows, at least R – 19 in walls R – 30 in ceiling?? wall/ceiling insulation, appliances = New & all to be of same MFG stove/cooktop, built in microwave built-in-micro, garbage disposal, dishwasher, kitchen and bathroom counter tops to be of water resistant material, if material is pourous and requires sealant- sealant shall be applied

TIER II = (1100 - 1400 conditioned SF), at least 3 bd/2bth, NO GARAGE/1 car/carport??, 1-3 yr warranty, central HVAC 18?? SEER, vinyl double paned low E glass windows = xx?, at least R-19 in walls R – 30 in ceiling insulation = xx?, appliances = New & all to be of same MFG stove/cooktop, built in microwave, garbage disposal, dishwasherxx?, kitchen and bathroom counter tops to be of granite or comparable materials

TIER I = (1401+ conditioned SF), greater than 3 bd/2bth, 2 car garage, 3+ yr warranty, central HVAC 20?? SEER, vinyl double paned low E glass argon gas filled windows = yy?, R – 19 in walls R – 30 in ceiling insulation = yy?, appliances = New & all to be of same MFG stove/cooktop, built in microwave, garbage disposal, dishwasher yy??, kitchen and bathroom counter tops to be of granite or comparable materials

MINIMUM RESIDENTIAL CONSTRUCTION STANDARDS & SPECIFICATIONS

Return your completed excel files to info@builders@houstonlandbank.org

Houston Land Bank

Revised: Jan/Mar 2020/2

Terminal Objective: To construct a single-family/home under the new Tier Structure and Framework with AT-LEAST 3 bedrooms, 2 full baths, 1 car garage with a minimum of 1,400 square feet subject to COH approved plans, subject to sealed engineered plans as required, and subject to the specifications detailed below.

Name of Builder:	
Offer Submission Date:	
List All Plan numbers and Names that apply	
List Sq footages of all Plans that apply	

If any conflicts between any specifications listed or detailed below and project relevant COH permit approved Engineered or Sealed Plans and Notes/Details exist, Then the relevant permit approved Engineered or Sealed Plans and specifications or construction notes will govern. If no Engineered or Sealed Plans or Notes/Details exist or apply, these specifications will be the MINIMUM construction standard or requirement.

1 Sitework	Standard Met
<p>a. <u>Site Clearing</u>: All trees/structures within 3 linear feet of building footprint have been removed & hauled away</p> <p>b. <u>Site Drainage</u>: Final grade for positive drainage per minimum COH Code Enforcement standards--drain to ROW not crossing property lines--to include<u>include</u> NO PONDING or STANDING WATER, after 24hrs of rain event, within 2 linealfeet of any slab on grade nor ponding under house or in crawl spaces if pier & beam foundation. NO PONDING or STANDING WATER, after 24hrs of rain event, in/around walk or pathways to/from main front/back entrances of home</p> <p>c. <u>Drainage, Culverts, and Sidewalks</u>: as required/determined by site specific COH permitting standards per Structural and/or Civil Engineer sealed plans and notes/details.</p> <p>d. <u>Driveways</u>: as required/determined by site specific COH permitting standards, per structural engineer sealed plans and note details.</p> <p>i. <u>Width</u>: Per COH approved site plan or others related</p> <p>ii. <u>Material</u>: At least 3000 psi Concrete</p> <p>iii. <u>Thickness</u>: 6" at approach or in ROW, 4" at parking pad</p> <p>f. <u>Landscaping</u>: as required/determined by site specific COH permitting standards</p> <p>i. Sod on Yard--St. Augustine or comparable</p> <p>1. Coverage of entire yard</p> <p>ii. Decorative landscape package:</p> <p>1. Front: Minimum COH permit required trees & calipers plus decorative shrubs, bushes, and/or flowers. New mulch around all new trees and in all flower beds</p> <p>g. <u>Fencing</u>:</p> <p>i. Minimum 6' tall privacy wooden fence w/ treated or cedar lumber pickets and concrete set posts to enclose the backyard</p> <p>ii. At least (1) one access gate with ability to lock. Provide padlock and keys.</p>	
2 Foundation and Structure:	
<p>a. <u>Geotechnical and/or Soils Report</u>: Site specific geotechnical report REQUIRED for REQUIRED Sealed Strucutral<u>Structural</u> Plans</p> <p>b. <u>Foundation and Structural<u>Structural</u> Components</u>: REQUIRE design per sealed structural engineer plans AND per COH permitting requirements & approvals</p> <p>c. <u>Building Pad</u>: remove 18" existing soils within building foot print<u>footprint</u> including 12" overburden, replace w/ 18" compacted select fill</p> <p>d. <u>Types of allowable foundations</u>: Slab on Grade & Pier-and-Beam, others by review & approval. Other foundation designs will REQUIRE a submissions<u>submission</u> of related sealed structural and/or geotechnical engineered drawings and reports.</p> <p>i. <u>Slab on Grade</u>: at Least 3000 psi concrete, 6" slab, 1'x2' perimeter & interior beams, #4 rebar 18" OC, post tensioned, or per sealed structural engineered plans & specs</p> <p>ii. <u>Pier & Beam</u>: Pier design, depth, dimension, and number will REQUIRE geotechnical<u>geotechnical</u> and structural sealed plans & notes. Beams/Subflooring by engineer design or minimum 6x10 wood beams 8' OC, 2x12 floor joists 18" OC, decking to be 1-1/2" tongue and groove deck boards. Plywood, OSB, or comparable</p> <p>e. <u>Walls and/or Structural Framing & Windstorm design</u>: REQUIRE sealed/engineered plans and specifications</p> <p>f. <u>Off-Site built, Pre Manufactured<u>Manufactured</u> Structural Components, or Modular Structures</u>: TBD upon submittal of Sealed/Engineered Plans and Specifications</p>	
3 Exterior:	
<p>a. <u>Exterior Materials</u>: Siding to be Hardi, Cedar, Pine, Brick/Stone other comparable. Sealed and Painted to provide adequate weather protection to ensure exterior materials do not peel, flake, warp, or fade. Exterior materials to coincide w/ primary neighborhood conditions</p>	

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b. Soffit Vents: Continuous and of similar material as Exterior Siding Material. Hardi or other comparable	
c. Gutters and Downspouts ; Material to be Alumninum <u>aluminum</u> or comparable AND as necessary to ensure Positive Drainageas detailed above in item 1B--Sitework to include splash blocks	
d. Exterior Electrical : (2) Two Exterior Grade electrical outlets. One at the front and One at back of the home. (3) exterior grade light fixtures. One at/near the front entrance and One at/near the back entrance. Provide exterior flood light fixture w/ motion detection at garage door. 1 outlet for garage door opener.	
d. Exterior Plumbing : (2) Two Hose bibs. One at the front and One at back of the home. Accessible plumbing cleanouts.	
f. Roofing : Underlayment to be 30 iblb <u>lb</u> . Felt Paper or comparable. Shingle Material to be 30 yryt <u>yr</u> . composition shingles, include proper ridge venting, all roofing boots or necessary roofing vents & covers. Paint all roof vents and piping to match exterior of home.	
g. Wall Vapor Barrier : TYVEK, 30 iblb <u>lb</u> . Felt Paper or other comparble <u>comparable</u> . Appropriate tape seal at all seams/joints.	
h. Doors : Hung plumb and square to be of Wood, Metal, or comparable approved material. Exterior doors will NOT be of hollow wood material. Interior thumb locked dead bolt in addition to typical door hardware.	
i. Windows : Energy efficient insulated singls <u>double</u> paned Low E rated glass. Vynw <u>Vinyl</u> or comparable frame. Frame colors to be relevant to final exterior colors	
j. Garage doors : Aluminum or comparable material with design or pattern. Door to be painted. Provide automatic garage door opener.	
4 Interior:	
a. Finishes:	
i. Interior walls will be textured (orange peel, knock down, or comparable) and painted	



**HOUSTON LAND BANK
TRADITIONAL HOMEBUYER PROGRAM GUIDELINES**

Last Revised and Reviewed by Board of Directors March 2022

I. INTRODUCTION AND AUTHORITY

The objective of the Houston Land Bank Traditional Homebuyer Program (Program) is to support the City of Houston's goal of making quality affordable homes available to low and moderate-income homebuyers. The Houston Land Bank (HLB) accomplishes this by transforming vacant land to new homes as quickly as possible and providing lots for Homebuilders at below market prices to develop affordable housing; in exchange the Houston Land Bank requires Homebuilders to sell the newly constructed homes at or below a capped price to income-eligible homebuyers.

These guidelines will govern the implementation of this program. The staff of the HLB will administer the program in accordance with its customary policies and procedures set by the Board of Directors of HLB, and City of Houston Code of Ordinances. The President and CEO (President) or a Designee will have approval authority for administrative matters related to the Houston Land Bank Traditional Homebuyer Program and may delegate said authority by authorization of the Board of Directors.

II. DEFINITIONS

"Approved Homebuilders" means a homebuilder that has successfully qualified through the annual Houston Land Bank Builder Request for Qualifications in the categories of Start-up Builder or Established Builder.

"Committee" means Houston Land Bank Real Estate and Development Committee (READ Committee).

"Contract" means HLB contract with Approved Homebuilder for the development of Affordable Housing on a lot purchased through the Program.

"Established Homebuilder" means an experienced builder who has successfully completed at least 10 "ground up" single family residential construction projects. These builders will be eligible to purchase twelve (12) lots in each round but can have no more than twenty-four (24) total at one time.

“Fair market value” means the market value of a lot as determined by an appraisal.

“Guidelines” Means the Houston Land Bank Traditional Homebuyer Program Guidelines (Guidelines).

“Income Eligible Homebuyers” means a homebuyer whose income has been certified by the Housing and Community Development Department at or below 120% of the Area Median Income (AMI).

“Hold Lot” means each Approved Homebuilder may have up to one additional lot put on hold once they reach their maximum number of lots if an application has been submitted for a lot during lot sales and they are the successful bidder. The Approved Homebuilder may not close on their Hold Lot until one of their current lots reaches 80% of the construction phase.

“Lot” means an HLB lot made available for sale to an Approved Homebuilder through the Program. Please note that each HCAD is considered an HLB lot for purposes of submitting proposals to purchase, and only one home can be built on each HLB Lot unless multiple are approved during the lot sale process.

“Minimum Standards” means minimum quality standards, construction timelines and financial requirements as outlined in Section II Aiii.

“Maximum Sales Price” means the maximum amount for which an Approved Builder is authorized to sell their home to an Income Eligible Homebuyer under the Guidelines.

“Start-Up Builder” means start-up builders who have proven and/or documented construction experience but little or no experience with selling their products to “income qualified” buyers. Assumptions are these builders can effectively oversee and manage the entire construction process from design, permit, and daily construction operations through issuance of Certificate of Compliance from the City of Houston with some guidance/coaching but may need assistance and guidance in navigating the various components of sales processes necessary to sell to income eligible homebuyers. Start Up Builder’s applying entity will be required to demonstrate experience of at least (3) three “ground up” single family residential construction projects or of comparable size and scope. If “Start-Up Builder” is a new entity or partnership one of the managing partners, responsible for construction operations, will be required to clearly demonstrate the same required experience. These builders will be eligible to purchase up to four (4) lots in each round but can have no more than

eight (8) total at one time.

III. LOT SALES

Approved Homebuilders will be eligible to purchase lots through the Program subject to restrictions as outlined in the Guidelines.

A. Lot Prices

Lots for purchase through the Program will be made available to Approved Homebuilders at a fixed price discounted from the lot's Fair Market Value (FMV). The price of each lot will be based on comparable neighborhood or submarket FMVs, its construction readiness, and marketability for proposed single family residential use.

B. Builder Lot Selection

To purchase a lot through the Program, Approved Homebuilders will be required to submit a proposal for the lot they would like to purchase; the proposal will be submitted online along with backup material which includes:

- i. Proposed floorplan, Elevation, w/ named exterior finishes—i.e., Hardisiding, brick, etc.
- ii. Minimum Building Standards Checklist (submitted on template form)
- iii. Construction Proforma and timeline with proposed maximum sales price to income-qualified homebuyer and sales price per square foot(submitted on template form)
- iv. Construction Financing Commitment
- v. Proof of Ownership and Officers of Corporation, Corporate Entity Documents

C. Maximum Lot Selections

Approved Builders will be able to submit a proposal for each lot available for sale but will be limited to a total number of lots that they may be awarded in each round based on the builder category.

- i. Established Builder- Limited to 12 lots.
- ii. Start-Up Builder-Limited to 4 lots.

D. Hold Lot

Approved Homebuilders may be issued a Hold Lot from a previous round of lot sales if they were the successful bidder and have reached their maximum amount of lots. The Approved Builder may not close on their Hold Lot until at least one of their current lots under construction have reached 80% completion of construction. Upon notification that the Approved Builder has been awarded a Hold Lot, the Approved Builder must close on the Hold Lot before purchasing another lot.

E. Required Acknowledgements

Approved Homebuilders will submit each proposal with a signed acknowledgment of having read the Houston Land Bank Traditional Homebuyer Program and Contract Terms and Conditions.

F. Unexpected Development Delays

There may be certain circumstances where an Approved Homebuilder runs into a significant development delay that is beyond their control, such as something that is demonstratable and related to the condition of the lot that was unknown at the time of purchase from HLB, which may cause an unexpected interruption in the construction timeline of the home. HLB and the READ Committee will evaluate each circumstance on a case-by-case basis and provide a timeline extension. In addition, READ may determine if the Approved Homebuilder may be allowed to purchase an additional lot to help prevent any homebuyer losses currently under contract, or substantial revenue deficiencies. The authorization to purchase the additional lot will supersede any current caps on the maximum amount of lots allowed to the Approved Homebuilder in each category and will be based on their experience and capacity to develop the additional lot.

However, delays not subject to extenuating and/or unforeseen circumstances beyond an Approved Builders control will be subject to HLB acting on their Repurchase Rights outlined in Article 3.05 of the Lot Agreement. The Deed provides for various repurchase options in favor of HLB if Approved Builder (i) fails to commence construction of a Residence prior to the Construction Commencement Date, (ii) fails to complete construction of a Residence within 7 days after the Construction Completion Date, or (iii) attempts to sell or convey the Lot prior to commencement of construction of a Residence. The repurchase price under items (i) and (iii) is the Lot Purchase Price paid for such Lot less any unpaid taxes and assessed Monetary Damages. The repurchase price under item (ii) is the Lot Purchase Price paid for the Lot plus certain construction costs as verified and approved by HLB in writing, less any unpaid taxes and assessed Monetary Damages.

G. Approved Homebuilder Proposal Scoring and Selection Process

The top three proposals submitted by Approved Homebuilders (meeting minimum standards outlined in these Guidelines) will be determined by the lowest proposed sales price per square foot of living space of the home.

HLB staff will evaluate proposals to ensure they meet minimum standards of the Program (as outlined in these Guidelines). The top three proposals of the lowest sales price per square foot meeting minimum standards will be reviewed by the HLB Staff and assigned a maximum of **50 points** based on:

- i. Neighborhood Design Appropriateness (Whether design fits with Neighborhood); 15 points
- ii. Home enhancements in addition to the Minimum Standards (Features that increase quality of life, home efficiency, and lower long term maintenance cost for the homebuyer); 15 points
- iii. Proposed sales price per square foot (As originally proposed). 15 points
- iv. Track Record (Demonstrated ability to advance the sale of a home to a qualified homebuyer in this Program). 5 points

The top scorer will be recommended to the Houston Land Bank Board's READ Committee for approval. Once approved by the READ Committee, the recommendation will be sent to the HLB Board of Directors for consideration. Upon approval by the HLB Board of Directors, the Approved Homebuilder will be notified that they are eligible to purchase the lot from the HLB and will:

- i. Sign a contract for purchase and development of the lot.
- ii. Pay earnest money for the purchase of the lot; and
- iii. At closing, record a Deed of Trust to Secure Performance in favor of the Houston Land Bank, which is forgiven at the satisfactory closing to an income qualified homebuyer. HLB otherwise will be able to recover damages if the Approved Homebuilder fails to perform according to the Houston Land Bank Traditional Homebuyer Program Guidelines and Contract Terms and Conditions.

II. BUILDER REQUIREMENTS & RESTRICTIONS

A. Minimum Standards and Plan Specifications

Approved Homebuilders participating in this program will be required to meet minimum standards for quality, construction timelines, and construction financing as outlined in the Guidelines and approved by the READ Committee:

- i. Meet or Exceed the Minimum Quality Standards for residential construction for the applicable Tier as outlined in the attached "Exhibit A."
- ii. Meet or Exceed Construction timelines as outlined in the Contract Term sheet.
- iii. Meet Construction Financing Requirements as outlined below:
 - a. Construction Financing letter of commitment from a lender in the amount of the total cost of construction or a bank account statement evidencing said amount.
 - b. In lieu of Commitment Letter a Builder may secure a performance bond in the amount of the total cost of

construction.

Plans and specifications and any modifications for each home after the initial award must be approved by the READ Committee.

Digital copies Final City of Houston Permitted Plans along with related COH Project Numbers will be submitted immediately upon receipt. to HLB as record of final 'Approved' plans and specifications for that contract per COH Final Approval. Failure to submit these documents in a timely manner and/or upon HLB request may result in penalties per Sect.VI

B. Minimum ADA Compliance Requirements:

The Houston Land believes in providing housing options to allow our residents to age in place. The main requirement for an ADA-compliant bathroom and kitchen/common area is accessibility for those who might encounter difficulty moving around. The Americans with Disabilities Act is a civil rights law that protects the equal rights of persons with disability to accessible features.

The main entrance door, at least one bathroom, and the common area/kitchen must be ADA compliant for single-family homes.

C. Construction Site and Contractor Standards

Approved Homebuilders and their subcontractors participating in the Program will be required to maintain adequate insurance as outlined in the Contract Terms throughout the entire term of construction.

Approved Homebuilders and their subcontractors participating in the Program will be required to maintain a construction site that does not adversely affect neighbors and exhibits HLB's good neighbor values.

D. Construction Deadlines

Approved Homebuilders selected to purchase a lot will be required to adhere to the proposed construction timeline or be subject to penalties which may include liquidated damages as determined by the READ Committee. An Approved Homebuilder unable to meet the proposed construction timeline must submit a request for adjustments to the proposed timeline detailing:

- i. Barriers preventing the adherence to the construction timeline (must be beyond the Approved Homebuilder's ability to control); and
- ii. Proposed new timeline (must be limited to a window of time that is necessary to resolve the expressed barrier).

The Houston Land Bank READ Committee will review staff recommendations and requests, then note an adjustment to the construction timeline for the Approved Homebuilder in their file.

E. HLB Neighborhood Advisory Committee, and Marketing

The Houston Land Band neighborhood advisory committee will consult, advise, and score a maximum of 15 points for all builder submissions. The committee shall advise on:

- i. Scale, Façade, floor plan, and materials (0-5 pts)
- ii. Community Engagement & Need (0-5 pts)
- iii. Equitable Housing Practices (0-5 pts)

Approved Homebuilders participating in the Program will be required to provide notice to property owners on the street block where new home construction is being proposed via site signage.

One notification sign is required facing the street by which the home's front door is facing.

[OBJ]

- i. include builder's name, contact information (*e.g. monitored website, email address and phone number*)
- ii. indicate Houston Land Bank as a partner with HLB's logo and website
- iii. be a minimum size of 60x30 with lettering legible from the street stay erected no less than 21 days prior to home closing (*please inquire with HLB if an example of a sign is needed*)

F. Construction Progress Reports and Audits

Approved Homebuilders will be required to submit monthly online updates into HLB's property management system reporting the progress of construction of a new home on the lot purchased through the Program. This requirement must be completed on or before the first business day of each month. If there is no progress from the previous month or are no updates, Approved Homebuilders will be required to report a "No Change in Status" report. Construction progress reports submitted by Approved Homebuilders will be subject to monthly review and HLB staff reserves the right to perform more detailed Quality Assurance/Quality Control (QA/QC) inspections on any and all homes built under the Program. If there are discrepancies with the Construction Progress Reports submitted by Homebuilders and the HLB QA/QC inspections, Homebuilders may be required to submit clarification to the READ Committee. Multiple and/or consecutive "No Change in Status" reports or multiple and/or consecutive discrepancies in Homebuilder provided reports and QA/QC inspections may be subject to penalties as outlined in Section VI(b) of the Guidelines. Approved Homebuilders failing to submit the required construction progress reports will be subject to penalties as outlined in Section VI(b) of the Guidelines.

G. Homebuyer Eligibility

Approved Homebuilders must sell homes developed on lots purchased through the Program to homebuyers whose incomes are at or below 120% of the Area Median Income, unless otherwise stated in the Lot Sale advertisement/listing and assure that the homebuyer has taken a homebuyer education class of at least 8 hours (and received a certificate).

Eligible homebuyers must be income certified by the City of Houston

Housing and Community Development Department. As of July 2021: This process begins by emailing info@houstonlandbank.org with the subject line: **HLB Traditional Program Income Certification Request** so that a Homebuyer Assistance Program (HAP) number can be requested. Once a HAP number is provided for the homebuyer, they may submit all required documentation via an online portal on the City of Houston Housing and Community Development Department (HCDD) website.

Approved Homebuilders must submit a copy of the homebuyer's Income Certification and Homebuyer Education Certificate to HLB before closing with the homebuyer in order to be approved for closing. Approved Homebuilders failing to do so will be subject to penalties as outlined in Section VI of the Guidelines. *HLB may make updates to this process as those processes are revised by HCDD. Homebuilders are required to comply with any changes.*

Eligible Homebuyers, if applicable, may use any means to close on the home including Community Land Trust (CLT) programs and/or any other Homebuyer Down Payment Assistance benefits as a method for qualifying for the purchase of these homes.

H. Approved Homebuilder Eligibility Requirements

Approved Homebuilders must successfully be qualified through the annual Houston Land Bank Request for Qualifications in the categories of Start-Up Builder or Established Builder. To maintain eligibility Approved Homebuilders must:

- i. Be current on all property taxes owed to taxing jurisdictions in Harris County and Federal Business or Personal Income Taxes;
- ii. Be in compliance with existing contracts with the HLB and its predecessor agency name Land Assemblage Redevelopment Authority; and
- iii. Not be currently assessed a P4 Violation-Program Suspension.

I. Program Prohibitions and Restrictions

Approved Homebuilders participating in the Program shall be prohibited from reselling a lot purchased from the HLB to anyone not approved by the READ Committee.

Approved Homebuilders participating in the Program shall be prohibited from reassigning ownership of a lot purchased from HLB to anyone not approved by the READ Committee.

Approved Homebuilders participating in the Program shall be prohibited

from deviating from the sales contract with regard to the City of Houston Approved constructions plans, modifying the final sales price to homebuyer, or re-plating or subdividing lot(s) purchased from HLB without the written approval and/or consent from the READ Committee, or the HLB Board of Directors, or both.

Violations of this subsection could result in the assessment of penalties outlined in **Section VI** of these guidelines.

IV. Home Sales Price Framework

The current HLB Board of Directors approved New Homes Sales Price Framework is as follows:

Three Approved Price Categories – LOW, MED, HI

LOW = \$115,000 - \$165,000

MED = \$165,000 - \$225,000^(OBJ)

HI = \$225,000 - \$285,000

Price Category Criteria

LOW = (750 – 1,100 SF conditioned space) at least 2 bedrooms/1 full bathroom, Tier III Construction Standards

MED = (1,101 – 1,400 SF conditioned space) at least 3 bedrooms/2 full bathrooms, Tier II Construction Standards

HI = (1,401+ conditioned space) greater than 3 bedrooms/2 full bathrooms, Tier I Construction Standards

Each home built by an Approved Homebuilder shall be sold at the individually contracted sales price based on the submitted plans and proforma during the lot sale process, unless a price increase request is approved.

V. Contract Amendments

Price Increase Requests

Approved Builders currently under contract may request a Sales Price increase from their contractually obligated Sales Price. ALL requests for Sales Price Increases must submit the following supporting information to be considered for review:

- i. Builder Request Form
- ii. Old Proforma
- iii. New Proforma – with statement as to where costs have increased and why?
- iv. Invoices/Quotes to evidence additional or increased cost
- v. Summary of request including amount of increase requested, reasons for the request, and other remedies or potential resolutions the Builder has exhausted

Plan/Specification Requests

Each Approved Builder currently under contract who wishes to request approval for a significant construction plan and/or construction specification change must submit the following supporting information to be considered for review:

- i. Builder Request Form – summarizing the change, reasons for the change, and any impact on construction timeline or Sales Price.
- ii. Old Plans
- iii. New Plans
- iv. Site Plan

Once submitted, the plans/specifications change request will be reviewed by the READ Committee and if approved, will be communicated to the Approved Builder. The new plans/specs will be noted and saved within the Approved Builder's file.

VI. DEFAULT AND REMEDIES

Generally

Failure of an Approved Homebuilder to meet the terms and conditions of the Contract and or any provision of the Guidelines will subject such Approved Homebuilder to penalties and possible recapture action.

Penalties may be assessed to an Approved Homebuilder by HLB staff with approval of the READ Committee.

- i. Specific Violations
 1. Failure to notify community
 2. Failure to submit timely reports
 3. Failure to maintain proper construction site standards
 4. Failure to adhere to construction timeline
 5. Failure to build to approved plans and specifications
 6. Multiple citations
 7. Unauthorized assignment of ownership
 8. Failure to complete construction.

Penalties

- a. **P1:** Point Deductions (Affects future lot selection)
- b. **P2:** Monetary Damages (Secured by Deed of Trust to Secure Performance)
- c. **P3:** Lot Revocation (Approved Homebuilder may forfeit lot

for violation of certain Program Guidelines and Contract Terms and Conditions)

- d. **P4:** Program Suspension (Approved Homebuilder barred from future participation in HLB Home Development Program for a period of one year)

VII. COMPLAINTS AND APPEALS PROCESS

HLB has developed a complaint and appeals process, for both homebuyers and Approved Homebuilders.

Homebuyers seeking to file a complaint against an Approved Homebuilder may submit the complaint in writing and send to: or mail to:

Houston Land Bank
P.O. Box 131106
Houston, TX 77219

Homebuyer complaints will be reviewed by HLB staff to determine what actions if necessary are to be taken. Approved Homebuilders found to be in violation of the terms of the contract and or the guidelines will be notified within three business days of such determination and shall be given three business days to respond with a plan to remedy the violation. Approved Homebuilders failing to remedy the violation shall be subject to penalties outlined in Section VI of the Guidelines. Approved Homebuilders seeking to file a complaint shall do so in accordance with the terms and conditions of the contract.

III. REGULATORY CONSIDERATIONS

Fair Housing Act

The federal Fair Housing Act prohibits discrimination in all housing transactions based on race, color, national origin, sex, religion, handicap, or familial status (having children under the age of 18). Homebuyers that feel they have been discriminated against can contact:

U.S. Department of Housing & Urban Development – Fair Housing & Equal Opportunity

Discrimination inquiries and/or complaints
800-669-9777 (Voice)
1-800-927-9275 (TTY)
HUD Local 713-718-3199
(Ask for a FHEO) www.hud.gov/offices/fheo

OR

Texas Workforce Commission

Civil Rights Division
1-888-452-4778 (Voice)
1-800-735-2989 (TTY)

EXHIBIT A

MINIMUM RESIDENTIAL CONSTRUCTION STANDARDS AND SPECIFICATIONS

TIER I, TIER II, TIER III

TIER III = (750 – 1100 conditioned SF), at least 2bd/1bth, NO GARAGE 1yr warranty, Central HVAC 16 SEER, vinyl double paned low E glass windows, at least R – 19 in walls R – 30 in ceiling insulation, applicances = New & all to be of same MFG stove/cooktop, built in microwave , garbage disposal, dishwasher, kitchen and bathroom counter tops to be of water resistant material, if material is pourous and requires sealant- sealant shall be applied

TIER II = (1100 1400 conditioned SF), at least 3 bd/2bth, 1 car/carport, 1-3 yr warranty, central HVAC 18 SEER, vinyl double paned low E glass windows, at least R-19 in walls R – 30 in ceiling insulation , appliances = New & all to be of same MFG stove/cooktop, built in microwave, garage disposal, dishwasher, kitchen and bathroom counter tops to be of granite or comparable materials

TIER I = (1401+ conditioned SF), greater than 3 bd/2bth, 2 car garage, 3+ yr warranty, central HVAC 20 SEER, vinyl double paned low E glass argon gas filled windows, R – 19 in walls R – 30 in ceiling insulation , appliances = New & all to be of same MFG stove/cooktop, built in microwave, garbage disposal, dishwasher kitchen and bathroom counter tops to be of granite or comparable materials

MINIMUM RESIDENTIAL CONSTRUCTION STANDARDS & SPECIFICATIONS

Return your completed excel files to info@houstonlandbank.org Houston Land Bank
Revised: Mar 2022

Terminal Objective: To construct a single-family home under the new Tier Structure and Framework subject to COH approved plans,subject to sealed engineered plans as required, and subject to the specifications detailed below.

Name of Builder:	
Offer Submission Date:	
List All Plan numbers and Names that apply	
List Sq footages of all Plans that apply	

If any conflicts between any specifications listed or detailed below and project relevant COH permit approved Engineered or Sealed Plans and Notes/Details exist, Then the relevant permit approved Engineered or Sealed Plans and specifications or construction notes will govern. If no Engineered or Sealed Plans or Notes/Details exist or apply, these specifications will be the MINIMUM construction standard or requirement.

1 Sitework	Standard Met
a. <u>Site Clearing</u> : All trees/structures within 3 linear feet of building footprint have been removed & hauled away	
b. <u>Site Drainage</u> : Final grade for positive drainage per minimum COH Code Enforcement standards--drain to ROW not crossing property lines--to include NO PONDING or STANDING WATER, after 24hrs of rain event, within 2 linear feet of any slab on grade nor ponding under house or in crawl spaces if pier & beam foundation. NO PONDING or STANDING WATER, after 24hrs of rain event, in/around walk or pathways to/from main front/back entrances of home	
c. <u>Drainage, Culverts, and Sidewalks</u> : as required/determined by site specific COH permitting standards per Structural and/or Civil Engineer sealed plans and notes/details.	
d. <u>Driveways</u> : as required/determined by site specific COH permitting standards, per structural engineer sealed plansand note details.	
i. Width: Per COH approved site plan or others related	
ii. Material: At least 3000 psi Concrete	
iii. Thickness: 6" at approach or in ROW, 4" at parking pad	
f. <u>Landscaping</u> : as required/determined by site specific COH permitting standards	
i. Sod on Yard--St. Augustine or comparable	
1. Coverage of entire yard	
ii. Decorative landscape package:	
1. Front: Minimum COH permit required trees & calipers plus decorative shrubs, bushes, and/or flowers. New mulch around all new trees and in all flower beds	
g. <u>Fencing</u> :	
i. Minimum 6' tall privacy wooden fence w/ treated or cedar lumber pickets and concrete set posts to enclose the backyard	
ii. At least (1) one access gate with ability to lock. Provide padlock and keys.	
2 Foundation and Structure:	
a. <u>Geotechnical and/or Soils Report</u> : Site specific geotechnical report REQUIRED for REQUIRED Sealed Structural Plans	
b. <u>Foundation and Structural Components</u> : REQUIRE design per sealed structural engineer plans AND per COH permitting requirements & approvals	
c. <u>Building Pad</u> : remove 18" existing soils within building footprint including 12" overburden, replace w/ 18" compacted select fill	
d. <u>Types of allowable foundations</u> : Slab on Grade & Pier-and-Beam, others by review & approval. Otherfoundation designs will REQUIRE a submission of related sealed structural and/or geotechnical engineered drawings and reports.	
i. <u>Slab on Grade</u> : at Least 3000 psi concrete, 6" slab, 1'x2' perimeter & interior beams, #4 rebar 18" OC, post tensioned, or per sealed structural engineered plans & specs	
ii. <u>Pier & Beam</u> : Pier design, depth, dimension, and number will REQUIRE geotechnical and structural sealed plans & notes. Beams/Subflooring by engineer design or minimum 6x10 wood beams 8' OC, 2x12 floor joists 18" OC, decking to be 1-1/2 " tongue and groove deck boards. Plywood, OSB, or comparable	
e. <u>Walls and/or Structural Framing & Windstorm design</u> : REQUIRE sealed/engineered plans and specifications	
f. <u>Off-Site built, Pre Manufactured Structural Components, or Modular Structures</u> : TBD upon submittal of Sealed/Engineered Plans and Specifications	
3 Exterior:	
a. <u>Exterior Materials</u> : Siding to be Hardi, Cedar, Pine, Brick/Stone other comparable. Sealed and Painted to provide adequate weather protection to ensure exterior materials do not peel, flake, warp, or fade. Exterior materials to coincide w/ primary neighborhood conditions	

<p>b. Soffit Vents: Continuous and of similar material as Exterior Siding Material. Hardi or other comparable</p> <p>c. <u>Gutters and Downspouts</u>: Material to be aluminum or comparable AND as necessary to ensure Positive Drainage as detailed above in item 1B--Sitework to include splash blocks</p> <p>d. <u>Exterior Electrical</u>: (2) Two Exterior Grade electrical outlets. One at the front and One at back of the home. (3) exterior grade light fixtures. One at/near the front entrance and One at/near the back entrance. Provide exterior flood light fixture w/ motion detection at garage door. 1 outlet for garage door opener.</p> <p>d. <u>Exterior Plumbing</u>: (2) Two Hose bibs. One at the front and One at back of the home. Accessible plumbing cleanouts.</p> <p>f. <u>Roofing</u>: Underlayment to be 30 lb. Felt Paper or comparable, Shingle Material to be 30 yr. composition shingles, include proper ridge venting, all roofing boots or necessary roofing vents & covers. Paint all roof vents and piping to match exterior of home.</p> <p>g. <u>Wall Vapor Barrier</u>: TYVEK, 30 lb. Felt Paper or other comparable. Appropriate tape seal at all seams/joints.</p> <p>h. <u>Doors</u>: Hung plumb and square to be of Wood, Metal, or comparable approved material. Exterior doors will NOT be of hollow wood material. Interior thumb locked dead bolt in addition to typical door hardware.</p> <p>i. <u>Windows</u>: Energy efficient insulated single paned Low E rated glass. Vinyl or comparable frame. Frame colors to be relevant to final exterior colors</p> <p>j. <u>Garage doors</u>: Aluminum or comparable material with design or pattern. Door to be painted. Provide automatic garage door opener.</p>	
4 Interior:	
a. Finishes:	
i. Interior walls will be textured (orange peel, knock down, or comparable) and painted	



REQUEST FOR BOARD ACTION

Meeting Date: March 10, 2022

Agenda Item VII.e.: Consideration and Possible Action to Approve Round 6 Lot Sales

ACTION SUMMARY

Approval of this item will accept Real Estate Acquisition and Disposition (READ) Committee recommendations of builder lot selections resulting from the Traditional Program's Round 6 of Lot Sales. Approval of this item will also authorize staff to initiate the execution of contracts for the sale of lots to builders as described below.

BACKGROUND/OVERVIEW

Round 6 of lot sales was opened all HLB Approved Builders, including those approved as part of the 2021 Request for Qualifications from builders and developers. HLB listed 33 lots and received 55 applications from six builders. After staff scoring, review, and READ Committee discussion and approval, the following 20 lot sales to three builders are recommended for approval by the Board of Directors. Twelve lots were awarded but held pending builder response and final READ recommendation.

Exhibit below with information regarding price, builder, size of lot, home sales price, etc.

Round 6 Lot Sales Information

	HCAD	Address	Lot Sq. Ft.	Neighborhood	Builder	Lot Sales Price	Home Sales Price
1	0731310000131	7109 Weyburn	7,800	Trinity Garden	Lawrence Builders	\$15,184	\$212,000
2	0731320000375	0 Weyburn	7,800	Trinity Garden	Lawrence Builders	\$16,267	\$212,000
3	0731320000377	7505 Weyburn	7,800	Trinity Garden	Lawrence Builders	\$14,932	\$212,000
4	0731320000455	7422 Touchstone	8,400	Trinity Garden	Lawrence Builders	\$16,136	\$212,000
5	0300170190100	7957 Angus	4,199	Settegast	MHL Properties	\$6,500	\$180,000
6	0660250070828	6925 Hoffman	10,200	Trinity Garden	MHL Properties	\$18,530	\$212,000
7	0660250010676	0 Shotwell	10,260	Trinity Garden	MHL Properties	\$19,883	\$212,000
8	0300170200034	7973 Fowlie	4,082	Settegast	MHL Properties	\$6,500	\$180,000
9	0300170200036	7965 Fowlie	4,080	Settegast	MHL Properties	\$6,500	\$180,000
10	0300170210023	0 Fowlie	4,199	Settegast	MHL Properties	\$6,500	\$180,000
11	0300180020032	0 Sparta	4,082	Settegast	MHL Properties	\$6,500	\$180,000
12	0300180020046	0 Sparta	8,160	Settegast	MHL Properties	\$6,500	\$180,000
13	0300180410005	0 Haight	9,583	Settegast	MHL Properties	\$6,500	\$180,000
14	0660250010680	0 Shotwell	10,260	Trinity Garden	MHL Properties	\$22,371	\$212,000
15	0660250030711	0 Shotwell	10,260	Trinity Garden	MHL Properties	\$18,237	\$212,000
16	0660250080803	7416 Shotwell	10,200	Trinity Garden	MHL Properties	\$20,768	\$212,000
17	0641680270016	3931 Davenport	5,000	Sunnyside	SXG Capital Group	\$24,140	\$212,000
18	0162550070012	8000 Phillips	6,000	Acres Homes	SXG Capital Group	\$20,824	\$212,000
19	0162610180044	7800 Beckley	7,410	Acres Homes	SXG Capital Group	\$25,676	\$212,000
20	0660250080797	7312 Shotwell	10,200	Trinity Garden	SXG Capital Group	\$18,538	\$212,000
					TOTAL GROSS PROCEEDS	\$296,986	

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281.655.4600

houstonlandbank.org



REQUEST FOR BOARD ACTION

Meeting Date: March 10, 2022

Agenda Item VII.f.: Consideration and Possible Action to Purchase Two Properties (Lots 892 and 896, Block 11, Trinity Gardens Section 2 - 6506 and 6524 Hoffman Street, 77028, HCAD #0660250110892 and #0660250110896) from Ironclad Homes LLC for \$33,539.00

ACTION SUMMARY

Approval of this item will authorize HLB's repurchase of two properties from Ironclad Homes LLC at the same price at which the properties were sold to Ironclad by HLB.

BACKGROUND/OVERVIEW

Ironclad Homes purchased the lots at 6506 and 6524 Hoffman Street in Trinity Gardens for \$33,539.00 as part of Round 3 of HLB's lot sales through the Traditional Homebuyer Program. Ironclad subsequently determined that it could not construct homes on the properties and sell them at a price compliant with HLB's \$212,000 price cap without taking a loss on the homes. As a result, the builder wishes to return the two lots to HLB at the same price for which they were originally purchased from HLB. Pending Board approval, the sale is to close March 11, 2022.

The lots are to be included in a subsequent round of lot sales with the goal of conveying them to another builder that can deliver affordable single-family homes within HLB's price cap and without suffering a financial loss as a result.



UNIMPROVED PROPERTY CONTRACT

NOTICE: Not For Use For Condominium Transactions



1. PARTIES: The parties to this contract are Ironclad Homes LLC (Seller) and Houston Land Bank (Buyer). Seller agrees to sell and convey to Buyer and Buyer agrees to buy from Seller the Property defined below.

2. PROPERTY: Lot 892 & 896, Block 11,
Trinity Gardens Section 2 Addition,
 City of Houston, County of Harris, Texas,
 known as 6506 & 6524 Hoffman St 77028 (HCAD ID 0660250110892 & 0660250110896) respectively
 (address/zip code), or as described on attached exhibit together with all rights, privileges and appurtenances pertaining thereto, including but not limited to: water rights, claims, permits, strips and gores, easements, and cooperative or association memberships (the Property).
 RESERVATIONS: Any reservation for oil, gas, or other minerals, water, timber, or other interests is made in accordance with an attached addendum.

3. SALES PRICE:

- A. Cash portion of Sales Price payable by Buyer at closing\$ 33,539.00
 B. Sum of all financing described in the attached: ☐ Third Party Financing Addendum,
☐ Loan Assumption Addendum, ☐ Seller Financing Addendum.....\$ 0
 C. Sales Price (Sum of A and B)\$ 33,539.00

4. LICENSE HOLDER DISCLOSURE: Texas law requires a real estate license holder who is a party to a transaction or acting on behalf of a spouse, parent, child, business entity in which the license holder owns more than 10%, or a trust for which the license holder acts as trustee or of which the license holder or the license holder's spouse, parent or child is a beneficiary, to notify the other party in writing before entering into a contract of sale. Disclose if applicable: _____.

5. EARNEST MONEY: Within 5 days after the Effective Date, Buyer must deliver \$ 100.00 as earnest money to Kei Ashizawa, Esq, as escrow agent, at 5005 Riverway #250 Houston, TX 77056 (address). Buyer shall deliver additional earnest money of \$ N/A to escrow agent within N/A days after the Effective Date of this contract. If Buyer fails to deliver the earnest money within the time required, Seller may terminate this contract or exercise Seller's remedies under Paragraph 15, or both, by providing notice to Buyer before Buyer delivers the earnest money. If the last day to deliver the earnest money falls on a Saturday, Sunday, or legal holiday, the time to deliver the earnest money is extended until the end of the next day that is not a Saturday, Sunday, or legal holiday. **Time is of the essence for this paragraph.**

6. TITLE POLICY AND SURVEY:

- A. TITLE POLICY: Seller shall furnish to Buyer at ☒ Seller's ☐ Buyer's expense an owner's policy of title insurance (Title Policy) issued by Diverse Title Co (Title Company) in the amount of the Sales Price, dated at or after closing, insuring Buyer against loss under the provisions of the Title Policy, subject to the promulgated exclusions (including existing building and zoning ordinances) and the following exceptions:
- (1) Restrictive covenants common to the platted subdivision in which the Property is located.
 - (2) The standard printed exception for standby fees, taxes and assessments.
 - (3) Liens created as part of the financing described in Paragraph 3.
 - (4) Utility easements created by the dedication deed or plat of the subdivision in which the Property is located.
 - (5) Reservations or exceptions otherwise permitted by this contract or as may be approved by Buyer in writing.
 - (6) The standard printed exception as to marital rights.
 - (7) The standard printed exception as to waters, tidelands, beaches, streams, and related matters.
 - (8) The standard printed exception as to discrepancies, conflicts, shortages in area or boundary lines, encroachments or protrusions, or overlapping improvements:
- ☒ (i) will not be amended or deleted from the title policy; or
☐ (ii) will be amended to read, "shortages in area" at the expense of ☐ Buyer ☐ Seller.
- (9) The exception or exclusion regarding minerals approved by the Texas Department of Insurance.
- B. COMMITMENT: Within 20 days after the Title Company receives a copy of this contract, Seller shall furnish to Buyer a commitment for title insurance (Commitment) and, at Buyer's expense, legible copies of restrictive covenants and documents evidencing exceptions in the Commitment (Exception Documents) other than the standard printed exceptions. Seller authorizes the Title Company to deliver the Commitment and Exception Documents to Buyer at Buyer's address

Initialed for identification by Buyer CS and Seller K.F TREC NO. 9-13

Christa Stoneham

Doc ID: 136673065210592032100922687622858921

shown in Paragraph 21. If the Commitment and Exception Documents are not delivered to Buyer within the specified time, the time for delivery will be automatically extended up to 15 days or 3 days before the Closing Date, whichever is earlier. If the Commitment and Exception Documents are not delivered within the time required, Buyer may terminate this contract and the earnest money will be refunded to Buyer.

C. SURVEY: The survey must be made by a registered professional land surveyor acceptable to the Title Company and Buyer's lender(s). (Check one box only)

- ☒ (1) Within 5 days after the Effective Date of this contract, Seller shall furnish to Buyer and Title Company Seller's existing survey of the Property and a Residential Real Property Affidavit promulgated by the Texas Department of Insurance (T-47 Affidavit). **If Seller fails to furnish the existing survey or affidavit within the time prescribed, Buyer shall obtain a new survey at Seller's expense no later than 3 days prior to Closing Date.** If the existing survey or affidavit is not acceptable to Title Company or Buyer's lender(s), Buyer shall obtain a new survey at ☐ Seller's ☐ Buyer's expense no later than 3 days prior to Closing Date.
- ☐ (2) Within _____ days after the Effective Date of this contract, Buyer shall obtain a new survey at Buyer's expense. Buyer is deemed to receive the survey on the date of actual receipt or the date specified in this paragraph, whichever is earlier.
- ☐ (3) Within _____ days after the Effective Date of this contract, Seller, at Seller's expense shall furnish a new survey to Buyer.

D. OBJECTIONS: Buyer may object in writing to (i) defects, exceptions, or encumbrances to title: disclosed on the survey other than items 6A(1) through (7) above; or disclosed in the Commitment other than items 6A(1) through (9) above; (ii) any portion of the Property lying in a special flood hazard area (Zone V or A) as shown on the current Federal Emergency Management Agency map; or (iii) any exceptions which prohibit the following use or activity:

N/A

Buyer must object the earlier of (i) the Closing Date or (ii) 5 days after Buyer receives the Commitment, Exception Documents, and the survey. Buyer's failure to object within the time allowed will constitute a waiver of Buyer's right to object; except that the requirements in Schedule C of the Commitment are not waived. Provided Seller is not obligated to incur any expense, Seller shall cure any timely objections of Buyer or any third party lender within 15 days after Seller receives the objections (Cure Period) and the Closing Date will be extended as necessary. If objections are not cured within the Cure Period, Buyer may, by delivering notice to Seller within 5 days after the end of the Cure Period: (i) terminate this contract and the earnest money will be refunded to Buyer; or (ii) waive the objections. If Buyer does not terminate within the time required, Buyer shall be deemed to have waived the objections. If the Commitment or Survey is revised or any new Exception Document(s) is delivered, Buyer may object to any new matter revealed in the revised Commitment or Survey or new Exception Document(s) within the same time stated in this paragraph to make objections beginning when the revised Commitment, Survey, or Exception Document(s) is delivered to Buyer.

E. TITLE NOTICES:

- (1) ABSTRACT OR TITLE POLICY: Broker advises Buyer to have an abstract of title covering the Property examined by an attorney of Buyer's selection, or Buyer should be furnished with or obtain a Title Policy. If a Title Policy is furnished, the Commitment should be promptly reviewed by an attorney of Buyer's choice due to the time limitations on Buyer's right to object.
- (2) MEMBERSHIP IN PROPERTY OWNERS ASSOCIATION(S): The Property ☐ is ☒ is not subject to mandatory membership in a property owners association(s). If the Property is subject to mandatory membership in a property owners association(s), Seller notifies Buyer under §5.012, Texas Property Code, that, as a purchaser of property in the residential community identified in Paragraph 2 in which the Property is located, you are obligated to be a member of the property owners association(s). Restrictive covenants governing the use and occupancy of the Property and all dedicatory instruments governing the establishment, maintenance, and operation of this residential community have been or will be recorded in the Real Property Records of the county in which the Property is located. Copies of the restrictive covenants and dedicatory instruments may be obtained from the county clerk. **You are obligated to pay assessments to the property owners association(s). The amount of the assessments is subject to change. Your failure to pay the assessments could result in enforcement of the association's lien on and the foreclosure of the Property.**

Section 207.003, Property Code, entitles an owner to receive copies of any document that governs the establishment, maintenance, or operation of a subdivision, including, but not limited to, restrictions, bylaws, rules and regulations, and a resale certificate from a property owners' association. A resale certificate contains information including, but not limited to, statements specifying the amount and frequency of regular assessments and the style and cause number of lawsuits to which the property owners' association is a party, other than lawsuits relating to unpaid ad valorem taxes of an individual member of the association. These documents must be made available to you by the property owners' association or the association's agent on your request.

If Buyer is concerned about these matters, the TREC promulgated Addendum for Property Subject to Mandatory Membership in a Property Owners Association should be used.

- (3) **STATUTORY TAX DISTRICTS:** If the Property is situated in a utility or other statutorily created district providing water, sewer, drainage, or flood control facilities and services, Chapter 49, Texas Water Code, requires Seller to deliver and Buyer to sign the statutory notice relating to the tax rate, bonded indebtedness, or standby fee of the district prior to final execution of this contract.
- (4) **TIDE WATERS:** If the Property abuts the tidally influenced waters of the state, §33.135, Texas Natural Resources Code, requires a notice regarding coastal area property to be included in the contract. An addendum containing the notice promulgated by TREC or required by the parties must be used.
- (5) **ANNEXATION:** If the Property is located outside the limits of a municipality, Seller notifies Buyer under §5.011, Texas Property Code, that the Property may now or later be included in the extraterritorial jurisdiction of a municipality and may now or later be subject to annexation by the municipality. Each municipality maintains a map that depicts its boundaries and extraterritorial jurisdiction. To determine if the Property is located within a municipality's extraterritorial jurisdiction or is likely to be located within a municipality's extraterritorial jurisdiction, contact all municipalities located in the general proximity of the Property for further information.
- (6) **PROPERTY LOCATED IN A CERTIFICATED SERVICE AREA OF A UTILITY SERVICE PROVIDER:** Notice required by §13.257, Water Code: The real property, described in Paragraph 2, that you are about to purchase may be located in a certificated water or sewer service area, which is authorized by law to provide water or sewer service to the properties in the certificated area. If your property is located in a certificated area there may be special costs or charges that you will be required to pay before you can receive water or sewer service. There may be a period required to construct lines or other facilities necessary to provide water or sewer service to your property. You are advised to determine if the property is in a certificated area and contact the utility service provider to determine the cost that you will be required to pay and the period, if any, that is required to provide water or sewer service to your property. The undersigned Buyer hereby acknowledges receipt of the foregoing notice at or before the execution of a binding contract for the purchase of the real property described in Paragraph 2 or at closing of purchase of the real property.
- (7) **PUBLIC IMPROVEMENT DISTRICTS:** If the Property is in a public improvement district, §5.014, Property Code, requires Seller to notify Buyer as follows: As a purchaser of this parcel of real property you are obligated to pay an assessment to a municipality or county for an improvement project undertaken by a public improvement district under Chapter 372, Local Government Code. The assessment may be due annually or in periodic installments. More information concerning the amount of the assessment and the due dates of that assessment may be obtained from the municipality or county levying the assessment. The amount of the assessments is subject to change. Your failure to pay the assessments could result in a lien on and the foreclosure of your property.
- (8) **TEXAS AGRICULTURAL DEVELOPMENT DISTRICT:** The Property ☐ is ☒ is not located in a Texas Agricultural Development District. For additional information, contact the Texas Department of Agriculture.
- (9) **TRANSFER FEES:** If the Property is subject to a private transfer fee obligation, §5.205, Property Code requires Seller to notify Buyer as follows: The private transfer fee obligation may be governed by Chapter 5, Subchapter G of the Texas Property Code.
- (10) **PROPANE GAS SYSTEM SERVICE AREA:** If the Property is located in a propane gas system service area owned by a distribution system retailer, Seller must give Buyer written notice as required by §141.010, Texas Utilities Code. An addendum containing the notice approved by TREC or required by the parties should be used.
- (11) **NOTICE OF WATER LEVEL FLUCTUATIONS:** If the Property adjoins an impoundment of water, including a reservoir or lake, constructed and maintained under Chapter 11, Water Code, that has a storage capacity of at least 5,000 acre-feet at the impoundment's normal operating level, Seller hereby notifies Buyer: "The water level of the impoundment of water adjoining the Property fluctuates for various reasons, including as a result of: (1) an entity lawfully exercising its right to use the water stored in the impoundment; or (2) drought or flood conditions."

7. PROPERTY CONDITION:

- A. **ACCESS, INSPECTIONS AND UTILITIES:** Seller shall permit Buyer and Buyer's agents access to the Property at reasonable times. Buyer may have the Property inspected by inspectors selected by Buyer and licensed by TREC or otherwise permitted by law to make inspections. Seller at Seller's expense shall immediately cause existing utilities to be turned on and shall keep the utilities on during the time this contract is in effect.
NOTICE: Buyer should determine the availability of utilities to the Property suitable to satisfy Buyer's needs.
- B. **ACCEPTANCE OF PROPERTY CONDITION:** "As Is" means the present condition of the Property with any and all defects and without warranty except for the warranties of title and the warranties in this contract. Buyer's agreement to accept the Property As Is under Paragraph 7B (1) or (2) does not preclude Buyer from inspecting the Property under Paragraph 7A, from negotiating repairs or treatments in a subsequent amendment, or from terminating this contract during the Option Period, if any.

(Check one box only)

- ☒ (1) Buyer accepts the Property As Is.
☐ (2) Buyer accepts the Property As Is provided Seller, at Seller's expense, shall complete the following specific repairs and treatments: _____

(Do not insert general phrases, such as "subject to inspections" that do not identify specific repairs and treatments.)

- C. COMPLETION OF REPAIRS: Unless otherwise agreed in writing: (i) Seller shall complete all agreed repairs and treatments prior to the Closing Date; and (ii) all required permits must be obtained, and repairs and treatments must be performed by persons who are licensed to provide such repairs or treatments or, if no license is required by law, are commercially engaged in the trade of providing such repairs or treatments. At Buyer's election, any transferable warranties received by Seller with respect to the repairs and treatments will be transferred to Buyer at Buyer's expense. If Seller fails to complete any agreed repairs and treatments prior to the Closing Date, Buyer may exercise remedies under Paragraph 15 or extend the Closing Date up to 5 days, if necessary, for Seller to complete repairs and treatments.
- D. ENVIRONMENTAL MATTERS: Buyer is advised that the presence of wetlands, toxic substances, including asbestos and wastes or other environmental hazards, or the presence of a threatened or endangered species or its habitat may affect Buyer's intended use of the Property. If Buyer is concerned about these matters, an addendum promulgated by TREC or required by the parties should be used.
- E. SELLER'S DISCLOSURES: Except as otherwise disclosed in this contract, Seller has no knowledge of the following:
- (1) any flooding of the Property which has had a material adverse effect on the use of the Property;
 - (2) any pending or threatened litigation, condemnation, or special assessment affecting the Property;
 - (3) any environmental hazards that materially and adversely affect the Property;
 - (4) any dumpsite, landfill, or underground tanks or containers now or previously located on the Property;
 - (5) any wetlands, as defined by federal or state law or regulation, affecting the Property; or
 - (6) any threatened or endangered species or their habitat affecting the Property.

8. BROKERS' FEES: All obligations of the parties for payment of brokers' fees are contained in separate written agreements.

9. CLOSING:

A. The closing of the sale will be on or before March 4, 2022, or within 30 days after objections made under Paragraph 6D have been cured or waived, whichever date is later (Closing Date). If either party fails to close the sale by the Closing Date, the non-defaulting party may exercise the remedies contained in Paragraph 15.

B. At closing:

- (1) Seller shall execute and deliver a general warranty deed conveying title to the Property to Buyer and showing no additional exceptions to those permitted in Paragraph 6 and furnish tax statements or certificates showing no delinquent taxes on the Property.
- (2) Buyer shall pay the Sales Price in good funds acceptable to the escrow agent.
- (3) Seller and Buyer shall execute and deliver any notices, statements, certificates, affidavits, releases, loan documents and other documents reasonably required for the closing of the sale and the issuance of the Title Policy.
- (4) There will be no liens, assessments, or security interests against the Property which will not be satisfied out of the sales proceeds unless securing the payment of any loans assumed by Buyer and assumed loans will not be in default.

10. POSSESSION:

A. Buyer's Possession: Seller shall deliver to Buyer possession of the Property in its present or required condition upon closing and funding.

B. Leases:

- (1) After the Effective Date, Seller may not execute any lease (including but not limited to mineral leases) or convey any interest in the Property without Buyer's written consent.
- (2) If the Property is subject to any lease to which Seller is a party, Seller shall deliver to Buyer copies of the lease(s) and any move-in condition form signed by the tenant within 7 days after the Effective Date of the contract.

11. SPECIAL PROVISIONS: (Insert only factual statements and business details applicable to the sale. TREC rules prohibit license holders from adding factual statements or business details for which a contract addendum or other form has been promulgated by TREC for mandatory use.)

12. SETTLEMENT AND OTHER EXPENSES:

A. The following expenses must be paid at or prior to closing:

(1) Expenses payable by Seller (Seller's Expenses):

(a) Releases of existing liens, including prepayment penalties and recording fees; release of Seller's loan liability; tax statements or certificates; preparation of deed; one-half of escrow fee; and other expenses payable by Seller under this contract.

(b) Seller shall also pay an amount not to exceed \$_____ to be applied in the following order: Buyer's Expenses which Buyer is prohibited from paying by FHA, VA, Texas Veterans Land Board or other governmental loan programs, and then to other Buyer's Expenses as allowed by the lender.

(2) Expenses payable by Buyer (Buyer's Expenses): Appraisal fees; loan application fees; origination charges; credit reports; preparation of loan documents; interest on the notes from date of disbursement to one month prior to dates of first monthly payments; recording fees; copies of easements and restrictions; loan title policy with endorsements required by lender; loan-related inspection fees; photos; amortization schedules; one-half of escrow fee; all prepaid items, including required premiums for flood and hazard insurance, reserve deposits for insurance, ad valorem taxes and special governmental assessments; final compliance inspection; courier fee; repair inspection; underwriting fee; wire transfer fee; expenses incident to any loan; Private Mortgage Insurance Premium (PMI), VA Loan Funding Fee, or FHA Mortgage Insurance Premium (MIP) as required by the lender; and other expenses payable by Buyer under this contract.

B. If any expense exceeds an amount expressly stated in this contract for such expense to be paid by a party, that party may terminate this contract unless the other party agrees to pay such excess. Buyer may not pay charges and fees expressly prohibited by FHA, VA, Texas Veterans Land Board or other governmental loan program regulations.

13. PRORATIONS AND ROLLBACK TAXES:

A. PRORATIONS: Taxes for the current year, interest, maintenance fees, assessments, dues and rents will be prorated through the Closing Date. The tax proration may be calculated taking into consideration any change in exemptions that will affect the current year's taxes. If taxes for the current year vary from the amount prorated at closing, the parties shall adjust the prorations when tax statements for the current year are available. If taxes are not paid at or prior to closing, Buyer shall pay taxes for the current year.

B. ROLLBACK TAXES: If this sale or Buyer's use of the Property after closing results in the assessment of additional taxes, penalties or interest (Assessments) for periods prior to closing, the Assessments will be the obligation of Buyer. If Assessments are imposed because of Seller's use or change in use of the Property prior to closing, the Assessments will be the obligation of Seller. Obligations imposed by this paragraph will survive closing.

14. CASUALTY LOSS: If any part of the Property is damaged or destroyed by fire or other casualty after the Effective Date of this contract, Seller shall restore the Property to its previous condition as soon as reasonably possible, but in any event by the Closing Date. If Seller fails to do so due to factors beyond Seller's control, Buyer may (a) terminate this contract and the earnest money will be refunded to Buyer (b) extend the time for performance up to 15 days and the Closing Date will be extended as necessary or (c) accept the Property in its damaged condition with an assignment of insurance proceeds, if permitted by Seller's insurance carrier, and receive credit from Seller at closing in the amount of the deductible under the insurance policy. Seller's obligations under this paragraph are independent of any other obligations of Seller under this contract.

15. DEFAULT: If Buyer fails to comply with this contract, Buyer will be in default, and Seller may (a) ~~enforce specific performance~~, seek such other relief as may be provided by law, or both, or (b) terminate this contract and receive the earnest money as liquidated damages, thereby releasing both parties from this contract. If Seller fails to comply with this contract, Seller will be in default and Buyer may (a) ~~enforce specific performance~~, seek such other relief as may be provided by law, or both, or (b) terminate this contract and receive the earnest money, thereby releasing both parties from this contract.

16. MEDIATION: It is the policy of the State of Texas to encourage resolution of disputes through alternative dispute resolution procedures such as mediation. Any dispute between Seller and Buyer related to this contract which is not resolved through informal discussion will be submitted to a mutually acceptable mediation service or provider. The parties to the mediation shall bear the mediation costs equally. This paragraph does not preclude a party from seeking equitable relief from a court of competent jurisdiction.

17. ATTORNEY'S FEES: A Buyer, Seller, Listing Broker, Other Broker, or escrow agent who prevails in any legal proceeding related to this contract is entitled to recover reasonable attorney's fees and all costs of such proceeding.

18. ESCROW:

A. ESCROW: The escrow agent is not (i) a party to this contract and does not have liability for the performance or nonperformance of any party to this contract, (ii) liable for interest on the earnest money and (iii) liable for the loss of any earnest money caused by the failure of any financial institution in which the earnest money has been deposited unless the financial institution is acting as escrow agent.

B. EXPENSES: At closing, the earnest money must be applied first to any cash down payment, then to Buyer's Expenses and any excess refunded to Buyer. If no closing occurs, escrow

agent may: (i) require a written release of liability of the escrow agent from all parties, (ii) require payment of unpaid expenses incurred on behalf of a party, and (iii) only deduct from the earnest money the amount of unpaid expenses incurred on behalf of the party receiving the earnest money.

- C. DEMAND: Upon termination of this contract, either party or the escrow agent may send a release of earnest money to each party and the parties shall execute counterparts of the release and deliver same to the escrow agent. If either party fails to execute the release, either party may make a written demand to the escrow agent for the earnest money. If only one party makes written demand for the earnest money, escrow agent shall promptly provide a copy of the demand to the other party. If escrow agent does not receive written objection to the demand from the other party within 15 days, escrow agent may disburse the earnest money to the party making demand reduced by the amount of unpaid expenses incurred on behalf of the party receiving the earnest money and escrow agent may pay the same to the creditors. If escrow agent complies with the provisions of this paragraph, each party hereby releases escrow agent from all adverse claims related to the disbursal of the earnest money.
- D. DAMAGES: Any party who wrongfully fails or refuses to sign a release acceptable to the escrow agent within 7 days of receipt of the request will be liable to the other party for (i) damages; (ii) the earnest money; (iii) reasonable attorney's fees; and (iv) all costs of suit.
- E. NOTICES: Escrow agent's notices will be effective when sent in compliance with Paragraph 21. Notice of objection to the demand will be deemed effective upon receipt by escrow agent.

19. REPRESENTATIONS: All covenants, representations and warranties in this contract survive closing. If any representation of Seller in this contract is untrue on the Closing Date, Seller will be in default. Unless expressly prohibited by written agreement, Seller may continue to show the Property and receive, negotiate and accept back up offers.

20. FEDERAL TAX REQUIREMENTS: If Seller is a "foreign person," as defined by Internal Revenue Code and its regulations, or if Seller fails to deliver an affidavit or a certificate of non-foreign status to Buyer that Seller is not a "foreign person," then Buyer shall withhold from the sales proceeds an amount sufficient to comply with applicable tax law and deliver the same to the Internal Revenue Service together with appropriate tax forms. Internal Revenue Service regulations require filing written reports if currency in excess of specified amounts is received in the transaction.

21. NOTICES: All notices from one party to the other must be in writing and are effective when mailed to, hand-delivered at, or transmitted by fax or electronic transmission as follows:

To Buyer

at: Houston Land Bank

Phone: (713) 314 0525

Fax: ()

E-mail: izapata@houstonlandbank.org

To Seller

at: Kobrey Ferguson

Phone: (832) 306 9965

Fax: ()

E-mail: kobreyferguson@yahoo.com

22. AGREEMENT OF PARTIES: This contract contains the entire agreement of the parties and cannot be changed except by their written agreement. Addenda which are a part of this contract are (check all applicable boxes):

- | | |
|---|---|
| <input type="checkbox"/> Third Party Financing Addendum | <input type="checkbox"/> Addendum for Coastal Area Property |
| <input type="checkbox"/> Seller Financing Addendum | <input type="checkbox"/> Environmental Assessment, Threatened or Endangered Species and Wetlands Addendum |
| <input type="checkbox"/> Addendum for Property Subject to Mandatory Membership in a Property Owners Association | <input type="checkbox"/> Addendum for Property Located Seaward of the Gulf Intracoastal Waterway |
| <input type="checkbox"/> Buyer's Temporary Residential Lease | <input type="checkbox"/> Addendum for Sale of Other Property by Buyer |
| <input type="checkbox"/> Seller's Temporary Residential Lease | <input type="checkbox"/> Addendum for Property in a Propane Gas System Service Area |
| <input type="checkbox"/> Addendum for Reservation of Oil, Gas and Other Minerals | <input checked="" type="checkbox"/> Other (list): <u>Houston Land Bank Addendum</u> |
| <input type="checkbox"/> Addendum for "Back-Up" Contract | |
| <input type="checkbox"/> Addendum Concerning Right to Terminate Due to Lender's Appraisal | |

- 23. TERMINATION OPTION:** For nominal consideration, the receipt of which is hereby acknowledged by Seller, and Buyer's agreement to pay Seller \$ N/A (Option Fee) within 15 days after the Effective Date of this contract, Seller grants Buyer the unrestricted right to terminate this contract by giving notice of termination to Seller within N/A days after the Effective Date of this contract (Option Period). Notices under this paragraph must be given by 5:00 p.m. (local time where the Property is located) by the date specified. If no dollar amount is stated as the Option Fee or if Buyer fails to pay the Option Fee to Seller within the time prescribed, this paragraph will not be a part of this contract and Buyer shall not have the unrestricted right to terminate this contract. If Buyer gives notice of termination within the time prescribed, the Option Fee will not be refunded; however, any earnest money will be refunded to Buyer. The Option Fee ☒ will ☐ will not be credited to the Sales Price at closing. **Time is of the essence for this paragraph and strict compliance with the time for performance is required.**
- 24. CONSULT AN ATTORNEY BEFORE SIGNING:** TREC rules prohibit real estate license holders from giving legal advice. READ THIS CONTRACT CAREFULLY.

Buyer's
Attorney is: Greg Erwin, Winstead PC

Seller's
Attorney is: _____

Phone: (713)650 2781

Phone: _____

Fax: ()

Fax: ()

E-mail: gerwin@winstead.com

E-mail: _____

EXECUTED the _____ day of _____, 20____ (Effective Date).
(BROKER: FILL IN THE DATE OF FINAL ACCEPTANCE.)

Christa Stoneham

Whitney

Buyer

Seller

Buyer

Seller



The form of this contract has been approved by the Texas Real Estate Commission. TREC forms are intended for use only by trained real estate license holders. No representation is made as to the legal validity or adequacy of any provision in any specific transactions. It is not intended for complex transactions. Texas Real Estate Commission, P.O. Box 12188, Austin, TX 78711-2188, (512) 936-3000 (<http://www.trec.texas.gov>) TREC NO. 9-13. This form replaces TREC NO. 9-12.

BROKER INFORMATION
(Print name(s) only. Do not sign)

N/A
Other Broker Firm License No.

represents ☐ Buyer only as Buyer's agent
☐ Seller as Listing Broker's subagent

Associate's Name License No.

Associate's Email Address Phone

Licensed Supervisor of Associate License No.

Other Broker's Address Phone

City State Zip

N/A
Listing Broker Firm License No.

represents ☐ Seller and Buyer as an intermediary
☐ Seller only as Seller's agent

Listing Associate's Name License No.

Listing Associate's Email Address Phone

Licensed Supervisor of Listing Associate License No.

Listing Broker's Office Address Phone

City State Zip

Selling Associate's Name License No.

Selling Associate's Email Address Phone

Licensed Supervisor of Selling Associate License No.

Selling Associate's Office Address

City State Zip

Listing Broker has agreed to pay Other Broker N/A of the total sales price when the Listing Broker's fee is received. Escrow agent is authorized and directed to pay Other Broker from Listing Broker's fee at closing.

OPTION FEE RECEIPT

Receipt of \$ _____ (Option Fee) in the form of _____
is acknowledged.

Seller or Listing Broker

Date

EARNEST MONEY RECEIPT

Receipt of \$ _____ Earnest Money in the form of _____
is acknowledged.

Escrow Agent

Received by

Email Address

Date/Time

Address

Phone

City

State

Zip

Fax

CONTRACT RECEIPT

Receipt of the Contract is acknowledged.

Escrow Agent

Received by

Email Address

Date

Address

Phone

City

State

Zip

Fax

ADDITIONAL EARNEST MONEY RECEIPT

Receipt of \$ _____ additional Earnest Money in the form of _____
is acknowledged.

Escrow Agent

Received by

Email Address

Date/Time

Address

Phone

City

State

Zip

Fax

TITLE	Contract for Buy Back 6524& 6504 Hoffman
FILE NAME	CONTRACT Ironclad...ffman BUYBACK.pdf
DOCUMENT ID	13b6ddccf53f2b0f524823199ef2f4a7622a6891
AUDIT TRAIL DATE FORMAT	MM / DD / YYYY
STATUS	● Signed

Document History



SENT

02 / 18 / 2022

10:19:59 UTC-6

Sent for signature to Kobrey Ferguson
(kobreyferguson@yahoo.com) from izapata@houstonlandbank.org
IP: 98.201.118.208



VIEWED

02 / 18 / 2022

18:31:25 UTC-6

Viewed by Kobrey Ferguson (kobreyferguson@yahoo.com)
IP: 107.115.5.93



SIGNED

02 / 18 / 2022

18:32:28 UTC-6

Signed by Kobrey Ferguson (kobreyferguson@yahoo.com)
IP: 107.115.5.93



COMPLETED

02 / 18 / 2022

18:32:28 UTC-6

The document has been completed.

TITLE	Contract for Buy Back 6524& 6504 Hoffman
FILE NAME	CONTRACT Ironclad...ffman BUYBACK.pdf
DOCUMENT ID	da6ec73842f45c5940342b4fb24668fe8d8b4721
AUDIT TRAIL DATE FORMAT	MM / DD / YYYY
STATUS	● Signed

Document History



SENT

02 / 21 / 2022

10:26:57 UTC-6

Sent for signature to Christa Stoneham
(cstoneham@houstonlandbank.org) from
izapata@houstonlandbank.org
IP: 98.201.118.208



VIEWED

02 / 21 / 2022

10:59:52 UTC-6

Viewed by Christa Stoneham (cstoneham@houstonlandbank.org)
IP: 99.45.234.194



SIGNED

02 / 21 / 2022

13:50:03 UTC-6

Signed by Christa Stoneham (cstoneham@houstonlandbank.org)
IP: 99.45.234.194



COMPLETED

02 / 21 / 2022

13:50:03 UTC-6

The document has been completed.

**AMENDMENT**
TO CONTRACT CONCERNING THE PROPERTY AT

6506 & 6524 Hoffman Houston, TX 77028

(Street Address and City)

Seller and Buyer amend the contract as follows: (check each applicable box)

- ☐ (1) The Sales Price in Paragraph 3 of the contract is:
- A. Cash portion of Sales Price payable by Buyer at closing \$ _____
- B. Sum of financing described in the contract \$ _____
- C. Sales Price (Sum of A and B) \$ _____
- ☐ (2) In addition to any repairs and treatments otherwise required by the contract, Seller, at Seller's expense, shall complete the following repairs and treatments:
- ☒ (3) The date in Paragraph 9 of the contract is changed to March 11, 2022.
- ☐ (4) The amount in Paragraph 12A(1)(b) of the contract is changed to \$ _____.
- ☐ (5) The cost of lender required repairs and treatment, as itemized on the attached list, will be paid as follows: \$ _____ by Seller; \$ _____ by Buyer.
- ☐ (6) Buyer has paid Seller an additional Option Fee of \$ _____ for an extension of the unrestricted right to terminate the contract on or before 5:00 p.m. on _____, 20_____. This additional Option Fee ☒ will ☐ will not be credited to the Sales Price.
- ☐ (7) Buyer waives the unrestricted right to terminate the contract for which the Option Fee was paid.
- ☐ (8) The date for Buyer to give written notice to Seller that Buyer cannot obtain Buyer Approval as set forth in the Third Party Financing Addendum is changed to _____, 20_____.
- ☐ (9) **Other Modifications:** (Insert only factual statements and business details applicable to this sale.)

EXECUTED the _____ day of _____, 20_____. (BROKER: FILL IN THE DATE OF FINAL ACCEPTANCE.)

Buyer

Seller

Buyer

Seller



This form has been approved by the Texas Real Estate Commission for use with similarly approved or promulgated contract forms. Such approval relates to this form only. TREC forms are intended for use only by trained real estate license holders. No representation is made as to the legal validity or adequacy of any provision in any specific transactions. It is not intended for complex transactions. Texas Real Estate Commission, P.O. Box 12188, Austin, TX 78711-2188, 512-936-3000 (<http://www.trec.texas.gov>) TREC No. 39-8. This form replaces TREC No. 39-7.

TITLE	Amendment to Closing - buy back Hoffman Lots
FILE NAME	TREC Contract Ame... 6506 Hoffman.pdf
DOCUMENT ID	6d9e005271b8a4642fdf42a8fafbf2da6f5ffb99
AUDIT TRAIL DATE FORMAT	MM / DD / YYYY
STATUS	● Signed

Document History



SENT

03 / 01 / 2022

15:53:19 UTC-6

Sent for signature to Kobrey Ferguson
(kobreyferguson@yahoo.com) from izapata@houstonlandbank.org
IP: 98.201.118.208



VIEWED

03 / 01 / 2022

16:34:00 UTC-6

Viewed by Kobrey Ferguson (kobreyferguson@yahoo.com)
IP: 107.115.5.105



SIGNED

03 / 01 / 2022

18:19:34 UTC-6

Signed by Kobrey Ferguson (kobreyferguson@yahoo.com)
IP: 107.115.5.105



COMPLETED

03 / 01 / 2022

18:19:34 UTC-6

The document has been completed.

TITLE	Amendment to Closing - buy back Hoffman Lots
FILE NAME	Amendment_to_Clos...LLER EXECUTED.pdf
DOCUMENT ID	200768ca7db6da2b8f1c440f855121717b6e2ef3
AUDIT TRAIL DATE FORMAT	MM / DD / YYYY
STATUS	● Signed

Document History



SENT

03 / 01 / 2022

19:00:04 UTC-6

Sent for signature to Christa Stoneham
(cstoneham@houstonlandbank.org) from
izapata@houstonlandbank.org
IP: 98.201.118.208



VIEWED

03 / 02 / 2022

06:54:33 UTC-6

Viewed by Christa Stoneham (cstoneham@houstonlandbank.org)
IP: 99.45.234.194



SIGNED

03 / 02 / 2022

06:54:46 UTC-6

Signed by Christa Stoneham (cstoneham@houstonlandbank.org)
IP: 99.45.234.194



COMPLETED

03 / 02 / 2022

06:54:46 UTC-6

The document has been completed.