

**September 11, 2025
11:00 A.M.**

The Board of Directors will meet at 1033 La Posada Drive, Suite 180 Austin, Texas 78752 and via Zoom.

Join the Meeting by using the Link provided below:

<https://us06web.zoom.us/j/89962622179?pwd=8uyj31JWaNPzPziF1wXiYbg6uy255.1>

The Board of Directors will consider and may take action on the following items:

I. CALL TO ORDER / ROLL CALL / CONFIRMATION OF QUORUM

II. PUBLIC FORUM / CITIZEN COMMUNICATION

- *Anyone desiring to comment on items related to Strategic HFC's work may address the Board of Directors.*
- *If the item is deemed related to an Agenda item at the current meeting, the presiding officer will inform the citizen that pending action(s) remain.*
- *Speakers should register prior to the start of the Board Meeting by emailing Debbie Honeycutt at Debbie.Honeycutt@strategichfc.org*
- *Three-minute limit per speaker.*

III. DIRECTOR'S REPORT

- A. Update from the Executive Director – *Dianna Grey*
1. Financial Report
 2. Portfolio Report
 3. Calendar Overview & Reminders
 4. Travis County Commissioners' Court Briefing Update
 5. Office Update
 6. Residences at Decker Apartments Update
 7. Board Vacancy

IV. CONSENT AGENDA

- A. Approval of the Minutes from the August 14, 2025 Regular Meeting.

V. ACTION ITEMS

- A. Resolution No. SHFC-2025-30: Consideration and possible action to authorize negotiation for the acquisition of Limited Partner interests in Cambridge Villas Apartments Limited Partnership (The “Partnership”); and the execution and delivery of an assignment agreement and other necessary documents to effectuate such interests acquisition, in connection with the partnership’s operation of a multifamily residential development located at 15711 Dessau Road, Pflugerville, Texas 78660 (The “Development.”); and containing other provisions related thereto

VI. DISCUSSION ITEMS

- A. 2026 Budget: 2026 Staff Proposal and Board Priorities
B. Portfolio Risk Rating System
C. Introduction to Strategic Affordability Impact Metric (“Strategic AIM”)

VII. EXECUTIVE SESSION

The Board of Directors may consider any item posted on the Agenda in Executive Session if there are issues that require consideration, and the Board of Directors announce that the item will be considered during such time in accordance with one or more of the following:

- *Texas Government Code Annotated 551.071, Consulting with Attorney*
 - *Texas Government Code Annotated 551.072, Real Property*
 - *Texas Government Code Annotated 551.074, Personnel Matters*
 - *Texas Government Code Annotated 551.076, Security*
 - *Texas Government Code Annotated 551.087, Economic Development Negotiation*
- A. Consult with counsel on litigation related to TX Lakeway Apartments, TX Creekview Austin, Austin Colorado Creek Apartments, and TX Austin Manor

VIII. ADJOURNMENT



III.A. DIRECTOR'S REPORT

1. Financial Report



June 2025 Finance Narrative

Summary

At the close of July, Strategic HFC's assets totaled \$24.12M. Performance against budget is strong and favorable, with YTD revenues of \$8.33M exceeding YTD budgeted revenue (\$2.53M) and total YTD expenditures of \$1.63M under budgeted projections (\$2.05M). Strategic HFC's net income for this reporting period is \$6.7M - a notable increase over budgeted projections (\$483.9K). This positive position is largely attributable to the closing of the Silver Springs transaction in March, which brought in \$7.2M in unbudgeted revenue.

Cash Management

Reporting Period: July 30, 2025	
Cash in bank (IBC)	\$ 341,422.00
Housing Production Fund (held in TexPool)	\$ 15,000,000.00
Reserve Fund (held in TexPool)	\$ 3,600,000.00
Unallocated cash in Texpool investments	\$ 4,890,500.00
Total Cash	\$ 23,831,922.00
Estimated monthly operating expenses (2025)	\$ 292,794.42
Months of operating cash in Board Designated Fund: Operating Reserve	12.30
Months of unobligated operating cash	17.87
Total months of operating cash available	30.16

- For 2025, Strategic HFC's budgeted operating expenses per month are \$292.8K.
- Combining the Reserve Fund, cash in bank accounts, and unallocated cash held in the TexPool account, Strategic HFC has over 30 months of operating cash on hand. This does not include funds held in the board-designated Housing Production Fund.
- The sale of Silver Springs in March makes up 86% of all revenue received YTD in 2025.



Budget Performance

Year to Date Budget Performance

At the end of July, 58% of the 2025 fiscal year had passed. So far, the organization has earned 192% of total anticipated revenue and spent 46% of anticipated expenditures. This means that Strategic HFC is currently ahead of schedule for revenue and currently underspent on expenses.

INCLUDING SILVER SPRINGS SALE REVENUE				
	2025 Actuals (YTD)	2025 Budget (Full Year)	Progress Through Annual Budget	Progress Through Year
Revenue	\$ 8,332,952	\$ 4,343,147	192%	58%
Expenses	\$ 1,632,789	\$ 3,513,533	46%	58%
Net	\$ 6,700,163	\$ 829,614		

Most of the revenue recorded in 2025 was from the sale of Silver Springs. When excluding those funds, the revenue progress made so far is behind budgeted goals, largely due to current market conditions that have postponed closings and negatively impacted cash flow in the operating portfolio. Without Silver Springs revenue, Strategic HFC has earned 26% of annual budgeted revenue. Note, however, that receipt of an anticipated \$800K+ developer fee by year-end would move the organization significantly closer to annual projected revenue levels.

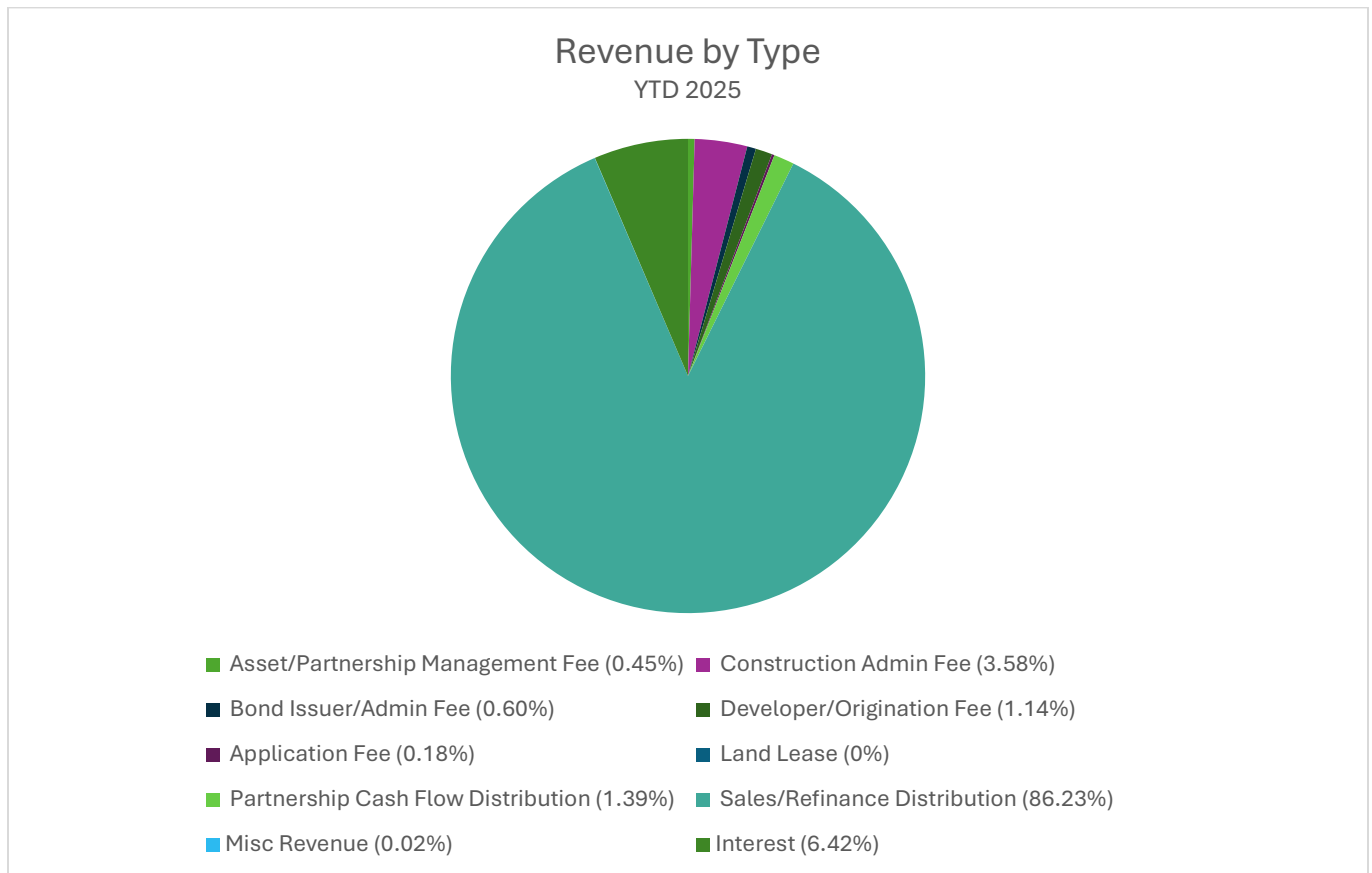
EXCLUDING SILVER SPRINGS SALE REVENUE				
	2025 Actuals (YTD)	2025 Budget (Full Year)	Progress Through Annual Budget	Progress Through Year
Revenue	\$ 1,147,278	\$ 4,343,147	26%	58%
Expenses	\$ 1,632,789	\$ 3,513,533	46%	58%
Net	\$ (485,511)	\$ 829,614		



Budget Performance Detail: Revenue & Expense

Revenue

Specific revenue receipts in July included two developer fee distributions, totaling \$60K, as well as \$88K in interest income. As discussed above, the majority of revenue recorded in 2025 is associated with the sale of Silver Springs, though June saw an increase in other programmatic revenue received.





Notable Expense Budget-to-Actual Variances

The 2025 budget is spread equally over the 12 months of the year, which may present as spending over budget when expenditures are not evenly spaced. For July 2025, most expenses are at or under budgeted goals.

Employee Expenses: Overall, Employee Expenses are significantly under budget, due to hiring timelines and savings associated with negotiated salary levels. However, “Paid Time Off” has trended higher than budgeted, due to its uneven usage throughout the year. Any overages in PTO will be counterbalanced by savings in the salary line item by year end. In June, Strategic HFC updated the way Paid Time Off (PTO) is reflected, so that the category now tracks actual usage of PTO rather than full liability of PTO. The full liability of the Paid Time Off category will be updated at the close of the fiscal year in December 2025.

Software & Hardware < \$5,000: This line has exceeded budget by \$14.9K YTD as new tools have been purchased for the organization. The largest expenditures in this line are the following:

- Lobby CRE – a tool to connect to the property management systems of properties in our portfolio, allowing us to access data, metrics, and other information. Strategic HFC has invested ~\$7.92K into this tool so far, and total annual cost is estimated at \$19.8K. Expenditures for this purpose were initially contemplated as part of the Contract & Consulting budget line item, which is under budget by \$154.6K YTD.
- Asana – a project management tool that was recently implemented org wide. This tool has a total annual cost of ~\$5K. Strategic opted to pay the annual cost in full for a discount on the tool.

Attorney & Legal: Legal expenditures have exceeded year-to-date budgeted amounts as Strategic has continued to engage counsel for ongoing or anticipated litigation as well as routine matters. Previously, Strategic HFC estimated the non-routine costs of legal to total approximately \$150K, but no formal amendment was made to the annual budgeted amount of \$80,000.

- As of July 31, the non-routine legal costs have exceeded this estimate and currently total \$250K (80.6%) of the \$310K total legal spend.
- Strategic HFC staff is monitoring the budget to ascertain whether savings in other line items can cover the anticipated overage in Legal expenses. One of the purposes of the board-designated Operating Reserve is to cover non-routine legal costs. Funds could be drawn from



the Operating Reserve to cover this additional expenditure with approval from the Board of Directors if necessary.

Furnishings & Fixtures >\$5000: Costs of \$8,021 YTD are associated with the office expansion and related furniture and fixture needs and exceed the YTD budget by \$4,821. Spending in this category was higher than budgeted as staff optimized a new office space in Q1 2025 and is expected to surpass budgeted amounts by year end, particularly if a new office space is confirmed and occupied in 2025.

Staff Development: Expenditures YTD total \$18.3K, representing \$6.7K over the YTD budget. This overage is largely associated with a weeklong intensive training institute in February, which six staff members attended. This will likely be the largest single training expense of the year. Still, as Strategic focuses on equipping a new team with necessary skills and growth opportunities, total spending for this line item will surpass budgeted amounts by year end.

Business Taxes & Licensing Fees: No funds were assigned here in Strategic HFC's 2025 budget. The line currently contains notary registration expenses for 3 administrative staff, as well as payments made for outstanding prior year franchise tax work to Naman Howell, LLC.



Financial Dashboard - July 2025

Strategic Housing Finance Corp.
July 2025

Published on 11 Aug 2025

Financial Statements

STATEMENT OF FINANCIAL POSITION	2025 (YTD)	2024 (YTD)	Variance (\$)
ASSETS			
Cash & Equivalents			
Cash			
IBC Checking x0896	\$341,422	\$851,827	(\$510,406)
Tex Pool Investment x0001	\$23,490,500	\$8,090,715	\$15,399,785
Total Cash & Equivalents	\$23,831,922	\$8,942,542	\$14,889,379
Accounts Receivable			
Accounts Receivable	\$492,500	\$472,500	\$20,000
Other Current Assets			
Other Current Assets			
Prepaid Expenses	\$558	\$477	\$81
Security Deposit	\$7,284	\$5,073	\$2,211
Total Other Current Assets	\$7,842	\$5,549	\$2,292
Total Current Assets	\$24,332,263	\$9,420,592	\$14,911,671
Fixed Assets			
Fixed Operating Assets			
Computers and IT	\$3,885	\$3,885	\$0
Furniture, Fixtures, & Equipment	\$0	\$13,605	(\$13,605)
Lease Office (ROU)	\$73,092	\$39,915	\$33,177
Total Fixed Operating Assets	\$76,977	\$57,405	\$19,572
Accum Depreciation - Fixed Operating Assets			
Accum Deprec - Computers and IT	(\$3,885)	(\$3,561)	(\$324)
Accum Deprec - Furn, Fix, Equip	\$0	(\$2,440)	\$2,440
Accum Deprec - Lease Office (ROU)	(\$59,837)	(\$6,141)	(\$53,696)
Total Accum Depreciation - Fixed Operating ...	(\$63,722)	(\$12,142)	(\$51,580)
Total Fixed Assets	\$13,254	\$45,263	(\$32,009)
Investments or Other Non-Current Assets			
Notes Receivable			
HATC GP - SEA RAD LP Note-Notes receiv...	\$1,561,000	\$1,561,000	\$0
SEA RAD LP-Notes receivables	\$179,702	\$179,702	\$0
HATC GP for SEA RAD LP Oper Reserve-No...	\$301,035	\$301,035	\$0
SEA RAD LP - SHFC-Notes receivables	\$357,231	\$357,231	\$0
Total Notes Receivable	\$2,398,968	\$2,398,968	\$0
Allowance for Notes Receivable	(\$2,398,968)	(\$2,398,968)	\$0
Southpark Ranch Fractional Ownership	\$645,000	\$645,000	\$0
Total Investments or Other Non-Current Assets	\$645,000	\$645,000	\$0
Total Non-Current Assets	\$658,254	\$690,263	(\$32,009)
Total Assets	\$24,990,518	\$10,110,855	\$14,879,663
LIABILITIES			
Short Term Debt			
FNBO Visa CC x5118	\$4,227	\$4,575	(\$348)
Divvy Payable	\$5,699	\$0	\$5,699
Total Short Term Debt	\$9,925	\$4,575	\$5,350
Accounts Payable			
Accounts Payable (A/P)	\$72,777	\$12,528	\$60,249
Other Current Liabilities			
Accrued Liabilities			
Accrued Expenses	\$0	\$1,449	(\$1,449)
Lease Office Liability	\$15,492	\$36,292	(\$20,800)
Total Accrued Liabilities	\$15,492	\$37,741	(\$22,249)
Accrued Payroll			
Accrued Payroll - PTO	\$29,954	\$6,983	\$22,971
Grants Payable	\$745,200	\$0	\$745,200
Total Other Current Liabilities	\$790,646	\$44,724	\$745,922
Total Current Liabilities	\$873,348	\$61,827	\$811,522

	2025 (YTD)	2024 (YTD)	Variance (\$)
Total Non-Current Liabilities	\$0	\$0	\$0
Total Liabilities	\$873,348	\$61,827	\$811,522
NET ASSETS			
Retained Net Assets			
Net Assets without Donor Restrictions	\$7,636	\$8,791,252	(\$8,783,616)
Current Net Assets			
Net Revenue	\$6,700,164	\$1,257,776	\$5,442,388
Other Net Assets			
Housing Production Fund	\$13,809,370	\$0	\$13,809,370
Reserve Fund	\$3,600,000	\$0	\$3,600,000
Total Other Net Assets	\$17,409,370	\$0	\$17,409,370
Total Net Assets	\$24,117,169	\$10,049,028	\$14,068,141
Total Liabilities & Net Assets	\$24,990,518	\$10,110,855	\$14,879,663

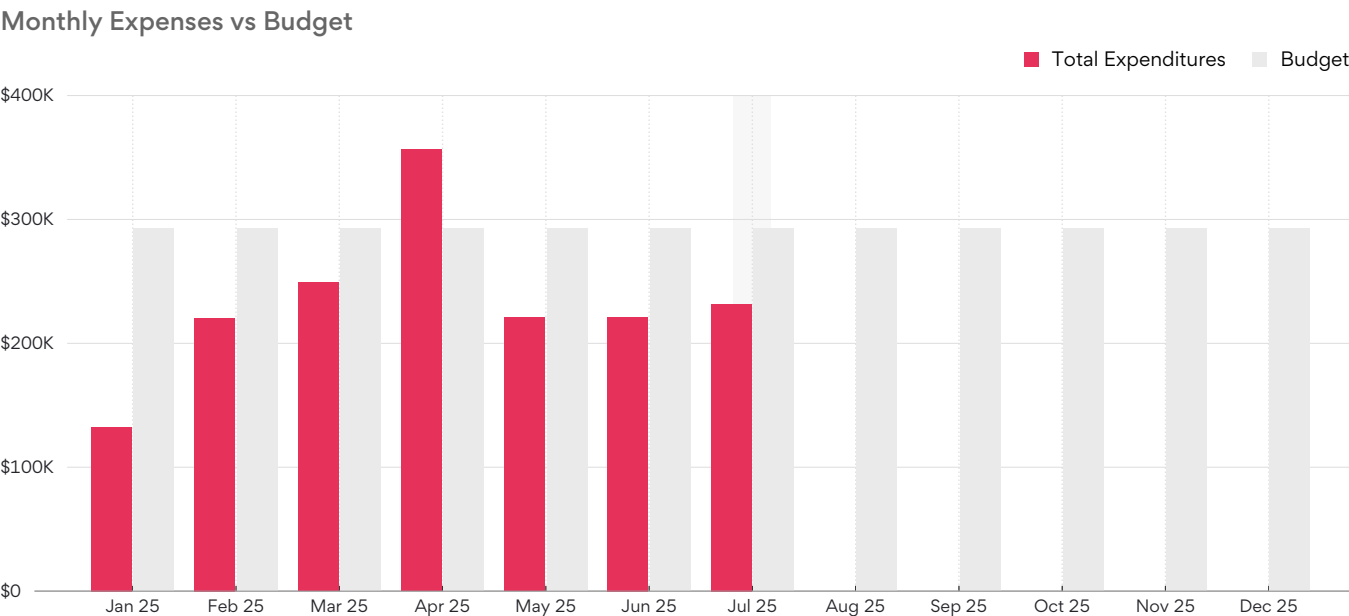
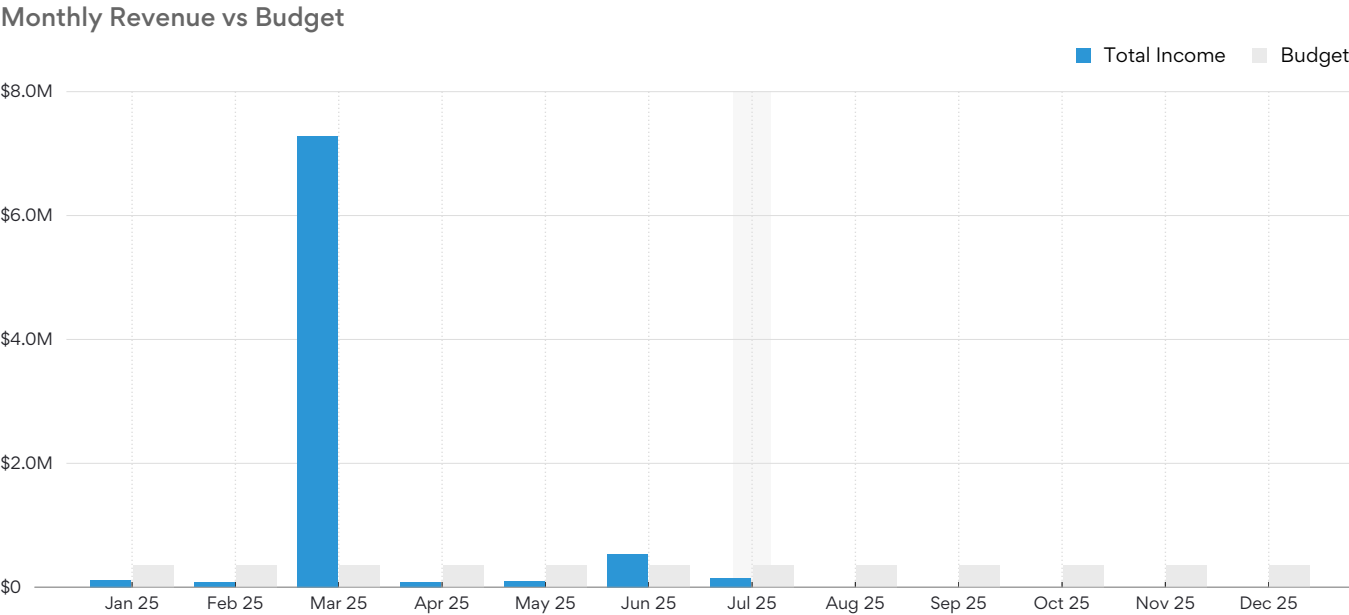
STATEMENT OF ACTIVITIES	Jul 2025	Budget (Jul 2025)	This month vs budget (%)	This month vs budget (\$)
Income				
Program Sales & Fees				
Asset/Partnership Management Fee	\$0	\$20,321	-100.00%	(\$20,321)
Construction Admin Fees	\$0	\$5,635	-100.00%	(\$5,635)
Bond Issuer/Admin Fee	\$0	\$21,600	-100.00%	(\$21,600)
Developer/Origination Fee	\$60,000	\$116,577	-48.53%	(\$56,577)
Land Lease	\$0	\$13,773	-100.00%	(\$13,773)
Partnership Cash Flow Distribution	\$0	\$11,333	-100.00%	(\$11,333)
Total Program Sales & Fees	\$60,000	\$189,240	-68.29%	(\$129,240)
Misc. Revenue	\$0	\$141,439	-100.00%	(\$141,439)
Interest	\$88,022	\$31,250	181.67%	\$56,772
Total Income	\$148,022	\$361,929	-59.10%	(\$213,907)
Expenses				
Salaries & Related Expenses				
Salaries & Wages	\$93,006	\$120,255	-22.66%	(\$27,249)
Employee Benefits	\$17,408	\$39,669	-56.12%	(\$22,261)
401k/403b Match	\$4,393	\$4,810	-8.66%	(\$417)
Payroll Taxes	\$8,258	\$10,402	-20.61%	(\$2,144)
Payroll Service Fees	\$587	\$674	-12.92%	(\$87)
Paid Time Off	\$10,718	\$2,909	268.49%	\$7,809
Workers Comp	\$302	\$247	22.01%	\$54
Total Salaries & Related Expenses	\$134,671	\$178,965	-24.75%	(\$44,294)
Contract Service Expenses				
Contract & Consulting	\$17,310	\$45,042	-61.57%	(\$27,732)
Accounting	\$11,809	\$4,417	167.37%	\$7,392
Attorney & Legal	\$26,898	\$6,667	303.47%	\$20,232
IT Consultant	\$1,640	\$4,167	-60.64%	(\$2,527)
Marketing Consultant	\$1,500	\$8,667	-82.69%	(\$7,167)
Total Contract Service Expenses	\$59,157	\$68,958	-14.21%	(\$9,801)
Nonpersonnel Expenses				
Supplies	\$25	\$600	-95.79%	(\$575)
Food & Refreshments	\$691	\$1,000	-30.94%	(\$309)
Telephone & Internet	\$825	\$1,654	-50.13%	(\$829)
Postage & Shipping	\$58	\$100	-41.60%	(\$42)
Equipment Rental	\$343	\$400	-14.13%	(\$57)
Software & Hardware < \$5,000	\$5,323	\$2,649	100.92%	\$2,674
Printing & Copying	\$98	\$208	-53.07%	(\$111)
Subscriptions	(\$123)	\$300	-140.93%	(\$423)
Furnishings & Fixtures < \$5,000	\$0	\$533	-100.00%	(\$533)
Total Nonpersonnel Expenses	\$7,240	\$7,444	-2.75%	(\$204)
Facility Expenses				
Office & Storage Rent	\$9,671	\$4,529	113.52%	\$5,142
Utilities	\$4,188	\$1,812	131.14%	\$2,376
Repairs & Maintenance	\$0	\$625	-100.00%	(\$625)
Total Facility Expenses	\$13,858	\$6,966	98.95%	\$6,892
Travel & Conference Expenses				
Transportation	\$855	\$500	71.01%	\$355
Airfare	\$239	\$1,200	-80.09%	(\$961)
Meals	\$113	\$736	-84.62%	(\$623)
Hotels & Lodging	\$684	\$1,950	-64.93%	(\$1,266)

	Jul 2025	Budget (Jul 2025)	This month vs budget (%)	This month vs budget (\$)
Conference Registration Fees	\$3,660	\$2,200	66.36%	\$1,460
Vehicles	\$46	\$1,150	-95.98%	(\$1,104)
Total Travel & Conference Expenses	\$5,597	\$7,736	-27.65%	(\$2,139)
Other Expenses				
Insurance - Non-employee Related	\$0	\$4,167	-100.00%	(\$4,167)
Membership Dues - Organization	\$82	\$625	-86.84%	(\$543)
Staff Development	\$2,438	\$1,663	46.63%	\$775
Advertising Expenses	\$222	\$100	122.00%	\$122
Other Expenses	\$0	\$5,741	-100.00%	(\$5,741)
Total Other Expenses	\$2,742	\$12,295	-77.70%	(\$9,553)
Sponsorships	\$8,500	\$2,083	308.00%	\$6,417
Employee Incentive Pay	\$0	\$7,096	-100.00%	(\$7,096)
Community Events	\$0	\$1,250	-100.00%	(\$1,250)
Total Expenses	\$231,766	\$292,794	-20.84%	(\$61,029)
Operating Surplus/Deficit	(\$83,743)	\$69,135	-221.13%	(\$152,878)
Change in Net Assets	(\$83,743)	\$69,135	-221.13%	(\$152,878)

STATEMENT OF ACTIVITIES	2025 (YTD)	Budget (YTD)	This year vs budget (% YTD)	This year vs budget (\$ YTD)
Income				
Program Sales & Fees				
Asset/Partnership Management Fee	\$37,400	\$142,245	-73.71%	(\$104,845)
Construction Admin Fees	\$298,148	\$39,446	655.83%	\$258,702
Bond Issuer/Admin Fee	\$49,950	\$151,202	-66.96%	(\$101,252)
Developer/Origination Fee	\$94,602	\$816,041	-88.41%	(\$721,439)
Application Fee	\$15,000	\$0	-	\$15,000
Land Lease	\$0	\$96,414	-100.00%	(\$96,414)
Partnership Cash Flow Distribution	\$115,671	\$79,332	45.81%	\$36,339
Sales/Refinance Distribution	\$7,185,674	\$0	-	\$7,185,674
Total Program Sales & Fees	\$7,796,445	\$1,324,680	488.55%	\$6,471,766
Misc. Revenue	\$1,507	\$990,073	-99.85%	(\$988,566)
Interest	\$535,000	\$218,750	144.57%	\$316,250
Total Income	\$8,332,952	\$2,533,503	228.91%	\$5,799,450
Expenses				
Salaries & Related Expenses				
Salaries & Wages	\$628,565	\$841,783	-25.33%	(\$213,217)
Employee Benefits	\$121,776	\$277,681	-56.15%	(\$155,905)
401k/403b Match	\$28,810	\$33,671	-14.44%	(\$4,861)
Payroll Taxes	\$55,789	\$72,814	-23.38%	(\$17,025)
Payroll Service Fees	\$4,077	\$4,717	-13.56%	(\$640)
Paid Time Off	\$97,644	\$20,360	379.60%	\$77,285
Workers Comp	\$1,521	\$1,730	-12.09%	(\$209)
Total Salaries & Related Expenses	\$938,182	\$1,252,756	-25.11%	(\$314,573)
Contract Service Expenses				
Contract & Consulting	\$160,712	\$315,292	-49.03%	(\$154,580)
Accounting	\$32,826	\$30,917	6.17%	\$1,909
Attorney & Legal	\$252,166	\$46,667	440.36%	\$205,499
IT Consultant	\$19,034	\$29,167	-34.74%	(\$10,132)
Marketing Consultant	\$28,826	\$60,667	-52.48%	(\$31,840)
Total Contract Service Expenses	\$493,564	\$482,708	2.25%	\$10,856
Nonpersonnel Expenses				
Supplies	\$2,372	\$4,200	-43.51%	(\$1,828)
Food & Refreshments	\$4,608	\$7,000	-34.17%	(\$2,392)
Telephone & Internet	\$8,236	\$11,576	-28.85%	(\$3,340)
Postage & Shipping	\$195	\$700	-72.08%	(\$505)
Equipment Rental	\$2,228	\$2,800	-20.43%	(\$572)
Software & Hardware < \$5,000	\$33,395	\$18,544	80.09%	\$14,852
Printing & Copying	\$1,255	\$1,458	-13.91%	(\$203)
Subscriptions	\$352	\$2,100	-83.23%	(\$1,748)
Furnishings & Fixtures < \$5,000	\$8,021	\$3,733	114.86%	\$4,288
Total Nonpersonnel Expenses	\$60,665	\$52,111	16.41%	\$8,553
Facility Expenses				
Office & Storage Rent	\$36,064	\$31,704	13.75%	\$4,360
Utilities	\$12,367	\$12,682	-2.48%	(\$314)
Repairs & Maintenance	\$1,988	\$4,375	-54.56%	(\$2,387)
Total Facility Expenses	\$50,420	\$48,761	3.40%	\$1,659
Travel & Conference Expenses				
Transportation	\$1,741	\$3,500	-50.27%	(\$1,759)
Airfare	\$6,326	\$8,400	-24.69%	(\$2,074)
Meals	\$4,148	\$5,152	-19.48%	(\$1,004)

	2025 (YTD)	Budget (YTD)	This year vs budget (% YTD)	This year vs budget (\$ YTD)
Hotels & Lodging	\$9,222	\$13,650	-32.44%	(\$4,428)
Conference Registration Fees	\$17,264	\$15,400	12.11%	\$1,864
Vehicles	\$458	\$8,050	-94.31%	(\$7,592)
Total Travel & Conference Expenses	\$39,160	\$54,152	-27.69%	(\$14,992)
Other Expenses				
Insurance - Non-employee Related	\$0	\$29,167	-100.00%	(\$29,167)
Membership Dues - Organization	\$3,599	\$4,375	-17.74%	(\$776)
Staff Development	\$18,322	\$11,638	57.44%	\$6,684
Bank Fees	\$220	\$0	-	\$220
Advertising Expenses	\$482	\$700	-31.14%	(\$218)
Business Taxes & Licensing Fees	\$4,197	\$0	-	\$4,197
Other Expenses	\$163	\$40,188	-99.60%	(\$40,025)
Total Other Expenses	\$26,982	\$86,067	-68.65%	(\$59,085)
Sponsorships	\$20,750	\$14,583	42.29%	\$6,167
Employee Incentive Pay	\$3,065	\$49,673	-93.83%	(\$46,607)
Community Events	\$0	\$8,750	-100.00%	(\$8,750)
Total Expenses	\$1,632,789	\$2,049,561	-20.33%	(\$416,772)
Operating Surplus/Deficit	\$6,700,164	\$483,942	1,284.50%	\$6,216,222
Change in Net Assets	\$6,700,164	\$483,942	1,284.50%	\$6,216,222

Budget vs. Actuals Overview



KPIs (This year vs target)	Jul 2025	Budget (This Month)	YTD	Budget (YTD)	Budget (Current Year)
Total Income	\$148,022	\$361,929	\$8,332,952	\$2,533,503	\$4,343,147
Total Expenditures	\$231,766	\$292,794	\$1,632,789	\$2,049,561	\$3,513,533



III.A. DIRECTOR'S REPORT

2. Portfolio Report



Strategic Housing Finance Corporation of TRAVIS COUNTY

	Aging Accounts Receivable per Unit	Opex per Unit	End of Month Occupancy	Turnover Rate
# of Properties Reporting	10	11	13	11
AVERAGE	\$286	\$553	84%	3%
Residences at Decker	\$210	\$752	87%	3%
Silver Springs	\$1482	\$649	81%	3%
Cambridge Villas	\$42	\$512	87%	1%
Beckett	No Data	\$556	84%	2%
Southpark	\$65	\$521	78%	3%
Forest Park	\$100	No Data	78%	No Data
Villages @ Fiskville	\$168	\$458	72%	No Data
Commons @ Manor	No data	\$564	88%	1%
Menchaca Commons	No data	\$472	94%	3%
Paddock @ Norwood	\$169	\$537	91%	2%
Colorado Creek	No Data	No Data	No Data	No Data
Creekview	No Data	No Data	No Data	No Data
Heights on Parmer	\$137	\$586	76%	1%
Wildhorse Flats	\$353	No Data	82%	5%
William Cannon	\$162	\$472	92%	5%

JULY PORTFOLIO KPI OBSERVATIONS



Data Limitations

- Budget Variance is missing for this month due to pending data transfer within Lobby
- Commons at Manor and Manchaca Commons is missing Aged Receivable data due to their site having posted prepaid amounts prior to rent charges.
- Rise properties financial information not received as requested

End of Month Occupancy	Aged Receivables	OpEx Costs	Budget Variance	Turnover Rate
<ul style="list-style-type: none">• Portfolio Average occupancy is 83%• January – 83%, February – 82%, March – 81%, April – 83%, June—83%• Flagged: Forest Park, Fiskville, Southpark, and Heights on Parmer	<ul style="list-style-type: none">• Additional detail needed to ID 30/60/90 days aging• Flagged: Silver Springs -non-payment /lack of evictions/ support resources	<ul style="list-style-type: none">• Average \$527• Flagged: Residence @ Decker and Silver Springs	<ul style="list-style-type: none">• Uncollected data for July 2025	<ul style="list-style-type: none">• A healthy turnover rate would be no more than 4-5%• A decrease in turnover rate – now 2% but maybe due to a lack of data collected for July 2025



III.A. DIRECTOR'S REPORT

6. Residences at Decker Apartments Update



To: Strategic HFC Board of Directors
From: Jim Ward, Director of Planning and External Affairs
Date: September 5, 2025
Subject: Residences at Decker – Status Update and Contextual Summary

I. Property Overview

Residences at Decker (Decker) is a 4% Low Income Housing Tax Credit (LIHTC) property in the Strategic HFC Portfolio brought online in 2021 by the NRP Group. The Property is located in Precinct 2 of Travis County, at 9000 Decker Lane. There are 262 units in the development, all dedicated to families earning less than 60% area median income.

II. Context

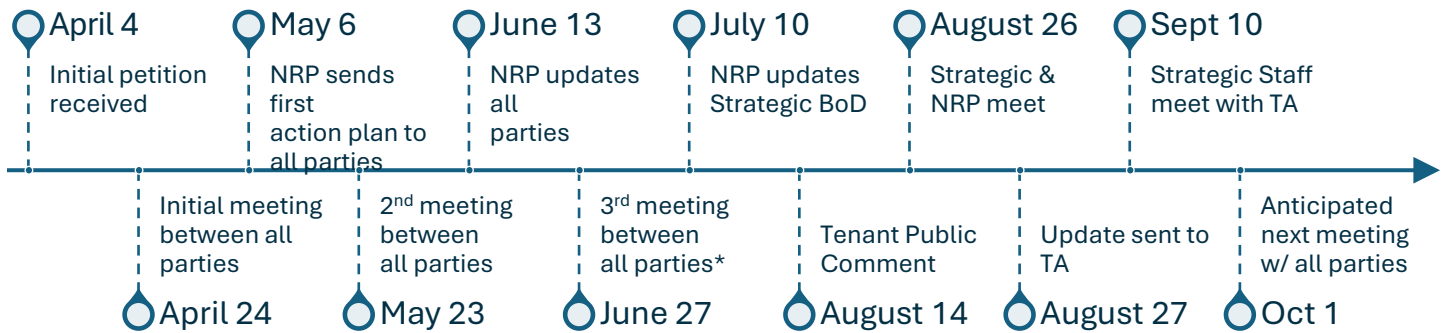
In early 2025, a group of tenants living at Decker developed a Tenant Association. This group was formed with the support of Building and Strengthening Tenant Action! (BASTA!), with the intent of improving conditions for tenants living on site. In April 2025, tenant representatives emailed a petition to leadership staff at both NRP Group and Strategic HFC. The petition set forward several grievances, including unfair towing practices, safety and security concerns, unfair property management practices, insufficient maintenance, and janitorial services.

Below is the list of concerns highlighted in the petition.

Towing and parking	Property maintenance	Security
Large pothole	Accessibility	Excessive unit inspections
High utility bills	Disrespectful communication	Unfair lease violations

Over the subsequent months, Strategic HFC Staff, NRP Staff, BASTA, and the Tenant Association have met monthly to address progress toward specific goals intended to address the concerns above. Meetings have generally been productive with progress made towards the tenants' requests. Following the June 2025 meeting, it was collectively decided to reduce the frequency of meetings to quarterly.

III. Timeline



*After the June meeting, the schedule was reduced to quarterly meetings at the request of the Tenant Association/BASTA!. Updates between all parties have been happening via email since July.

IV. Successes

While many of the improvements to the conditions at Decker will take many months to complete, the relational damage may take longer to repair. Strategic HFC has been pleased with NRP's responsiveness to the tenants and Strategic. Before the initial meeting in April, the pothole referenced in the tenants' petition was repaired. In May, the NRP group separated from the legacy on-site property manager, and by most accounts, property management practices are improving at Decker. There have been changes to the towing policies at Decker. The NRP group has agreed to implement significant security enhancements at the property, including improvements to lighting and camera systems informed by the Tenant Association.

V. Challenges

Following a June 27 meeting with the Tenant Association, Strategic HFC was under the impression that conditions at Residences at Decker were trending in the right direction. Staff have requested to meet with the Tenant Association following the public testimony at the August 14th board meeting, where tenants voiced some continuing concerns. The specific topics raised include ongoing issues around towing practices, insufficient maintenance and janitorial services, inconsistent on-site property management, and evictions.

VII. Conclusion

The concerns raised by tenants in the Public Comment section of the August 14th board meeting merit a closer look. Strategic HFC staff have engaged both NRP and BASTA/TA to learn more. A meeting has been set with the Residences at Decker Tenants Association for September 10th. Staff will suggest focused meetings more frequently if concerns need more attention or if progress is not timely.



IV.A. CONSENT AGENDA

Approval of Minutes from the August 14th, 2025 Regular Meeting

STRATEGIC HOUSING FINANCE CORPORATION OF TRAVIS COUNTY
BOARD OF DIRECTORS
REGULAR MEETING
1033 La Posada Drive, Suite 180
Austin, Texas 78752
August 14, 2025
11:00 a.m.

MINUTES

Strategic Housing Finance Corporation of Travis County held a Regular Board of Directors Meeting at 1033 La Posada Drive, Suite 180 Austin, Texas 78752 and via Zoom.

A recording and transcript of the meeting can be found online at:
<https://strategichfc.org/board-meetings/july-10th-2025>

I. CALL TO ORDER / ROLL CALL / CONFIRMATION OF QUORUM

A quorum was established, and President Jan Wenig called the meeting to order at 11:01a.m.

Directors in attendance: President Jan Wenig; First Vice-President Kecia Prince; Second Vice-President Ashley Huddleston via Zoom; Director Julio Gonzalez Altamirano via Zoom; Director Kerri Dorman; Director Beatriz (Bea) Arce.

Executive Coordinator Debbie Honeycutt certified the quorum.

Guest: Scott Marks with Duane Morris

Staff in Attendance: Executive Director Dianna Grey via Zoom; Deputy Director David Dinoff; Executive Coordinator Debbie Honeycutt; Administration Katie Adams; Operations Assistant Marisol Guerra; Director of Real Estate Alex Radtke; Development Manager Keith Hoffpauir; Development Analyst II Jackson Mabray; Portfolio Manager Chelley Lenz; Affordable Housing Assistant Anna Martinez; Development Analyst II Gloria Nguyen; Director of Planning & External Affairs Jim Ward; Housing Policy & Communications Specialist III Kaylin Rubin; and consultants Kevin Bryniak.

II. PUBLIC FORUM / CITIZEN COMMUNICAION

Sedalia Hodges and Frank Shealy addressed the board regarding issues at Residences at Decker Apartments.

Shoshana Krieger with BASTA read a testimony from a tenant Mosie Parks at Residences at Decker Apartments.

Bren Bradford with BASTA addressed the board regarding issues at Residences at Decker Apartments.

III. DIRECTOR'S REPORT

A. Update from the Executive Director

- Deputy Director David Dinoff presented the calendar overview.
- June 2025 Financials provided by Katie Adams, Director of Finance & Administration
- June 2025 Portfolio Data provided by Chelley Lenz, Portfolio Manager

IV. CONSENT AGENDA

A. Approval of the Minutes from the July 10, 2025 Regular Meeting.

President Jan Wenig called for a unanimous consent to **Approve** Item IV.A. The Item was **Approved** by unanimous consent.

V. ACTION ITEMS

A. Resolution No. SHFC-2025-22: To consider and take action to approve Employee Code of Conduct

Director Kerri Dorman made a **motion** to approve Item V.A. Resolution No. SHFC-2025-22. Vice-President Kecia Prince seconded the motion, which **passed** unanimously.

B. Resolution No. SHFC-2025-23: To consider and take action to approve Record Management Policy

Director Bea Arce made a **motion** to approve Item V.B. Resolution No. SHFC-2025-23. Vice-President Kecia Prince seconded the motion, which **passed** unanimously.

C. Resolution No. SHFC-2025-24: To consider and take action to approve Revised Bylaws

Director Kerri Dorman made a **motion** to approve Item V.C. Resolution No. SHFC-2025-24. Director Bea Arce seconded the motion, which **passed** unanimously.

D. Resolution No. SHFC-2025-25: To consider and take action to approve Procurement and Purchasing Standards

Vice-President Kecia Prince made a **motion** to approve Item V.D. Resolution No. SHFC-2025-25. Director Kerri Dorman seconded the motion, which **passed** unanimously.

- E. Resolution No. SHFC-2025-26: Consideration and possible action to authorize the execution of a Memorandum of Understanding regarding participation in the ownership and operation of Cambridge Villas Apartments, a multifamily residential development located at 15711 Dessau Road, Pflugerville, Texas 78660; and containing other provisions related thereto

Vice-President Kecia Prince made a **motion** to approve Item V.E. Resolution No. SHFC-2025-26. Director Kerri Dorman seconded the motion, which **passed** unanimously.

- F. Resolution No. SHFC-2025-27: Consideration and possible action to authorize the formation of SHFC Cambridge Villas Land, LLC (The “Ground Lessor”); Authorizing the designation of the corporation as the sole member of the ground lessor; Approving the form and substance of a limited liability company agreement and the execution therefore; ratifying certain actions heretofore taken in connection with the ground lessor; Authorizing the execution of documents and instruments necessary or convenient to carry out the purposes of this resolution; and containing other provisions related thereto

Director Kerri Dorman made a **motion** to approve Item V.F. Resolution No. SHFC-2025-27. Vice-President Kecia Prince seconded the motion, which **passed** unanimously.

- G. Resolution No. SHFC-2025-28: Consideration and possible action to authorize negotiation for the acquisition of Limited Partner interests in Cambridge Villas Apartments Limited Partnership (The “Partnership”); and the execution and delivery of an assignment agreement and other necessary documents to effectuate such interests acquisition, in connection with the partnership’s operation of a multifamily residential development located at 15711 Dessau Road, Pflugerville, Texas 78660 (The “Development.”); and containing other provisions related thereto

Item V.G. Resolution No. SHFC-2025-28 **was not** discussed.

- H. Resolution No. SHFC-2025-29: To consider and take action authorizing the Executive Director to negotiate and execute a lease agreement for office space.

Vice-President Kecia Prince made a **motion** to approve Item V.H. Resolution No. SHFC-2025-29. Director Kerri Dorman seconded the motion, which **passed** unanimously.

VI. DISCUSSION ITEMS

A. Budget: 2026 Revenue Projections

Katie Adams presented the 2026 Revenue Projections, Notes on Methodology and a 2026 Budget Timeline.

B. 2026 Budget Board Priorities

No discussion

C. Portfolio Report 1.0

Chelley Lenz and Alex Radtke presented a Mid-Year Performance Report.

VII. EXECUTIVE SESSION

- The Board of Directors may consider any item posted on the Agenda in Executive Session if there are issues that require consideration, and the Board of Directors announce that the item will be considered during such time in accordance with one or more of the following:
 - *Texas Government Code Annotated 551.071, Consulting with Attorney*
 - *Texas Government Code Annotated 551.072, Real Property*
 - *Texas Government Code Annotated 551.074, Personnel Matters*
 - *Texas Government Code Annotated 551.076, Security*
Texas Government Code Annotated 551.087, Economic Development Negotiations

A. Consult with counsel on litigation related to TX Lakeway Apartments, TX Creekview Austin, Austin Colorado Creek Apartments, and TX Austin Manor

Director Kerri Dorman made a **motion** to adjourn to Executive Session under Texas Government Code Annotated 551.071, Consulting with Attorney to discuss Item VII.A Director Bea Arce seconded the motion, which **passed** unanimously.

The Board adjourned to Executive Session at 1:06 p.m.
The Board reconvened at 1:59 p.m. No action taken.

VIII. ADJOURNMENT

There being no further business, the meeting adjourned at 2:00 p.m.

Respectfully submitted,

Dianna Grey, Executive Director and Secretary



Board Meeting Date: September 11, 2025

Agenda Item: VI.A: 2026 Budget: 2026 Staff Proposal and Board Priorities

Background Information

Staff is presenting the projected budget for 2026, accompanied by refined 2026 revenue projections. **These items are for discussion only at this time.** After making any revisions based on board feedback, staff expect to present a budget for formal adoption at a subsequent meeting.

The projected general operating budget for 2026 is \$3,782,637, which represents an **8% increase over the 2025 approved budget, or \$269,104 in additional expenditure.** This does not include a projected \$225,000 in non-routine legal fees associated with ongoing litigation. Including those non-routine legal fees, the total year-over-year budget increase would be 14%.

Budget Category Overview

Salaries and Related Expenses: \$2.334,062 (*increase of 5%, or \$101,328*)

Salaries and related expenses are the organization's largest expenditure category. The overall increase in this category is 5% over the 2025 budget, with no additional FTEs anticipated this year. A Cost-of-Living Adjustment (COLA) is proposed for all employees, at 2.5% of base salary, up to a maximum of \$3,300. Additionally, a separate pool equal to 2.5% of total salaries is proposed to accommodate any 2025 end-of-year merit-based salary increases. Finally, funding is included to allow for 2026 year-end bonuses. The budget also contemplates an increase in retirement fund matching contributions from 4% to 6%, and a decrease in budgeted employee benefit costs.

Contract Services: \$897,783 (*increase of 8%, or \$70,283*)

This category includes accounting, routine legal costs, IT services, marketing consultants (to include website redesign), and other general contract and consulting. The most significant driver of increased total budget relates to the organization's annual audit and specialized accounting services. (Note that non-routine legal costs, estimated at \$225,000, currently sit outside of the general operating budget line item)

Non-Personnel Expenses: \$149,459 (*increase of 67%, or \$60,125*)



This category includes routine expenses related to Strategic HFC's day-to-day operations. The largest increases in this category relate to costs associated with access to specialized software and subscription services relevant to the organization's activities. These include \$27,000 annually for Lobby CRE (integrated portfolio data platform), \$12,000 for a TOMA-compliant board meeting & agenda management service, and \$10,000 budgeted for subscriptions to services providing market analytics and submarket-specific rent comparables.

Facility Expenses: \$119,812 (*increase of 43%, or \$36,222*)

Increased costs are associated with Strategic HFC's anticipated move to a new office space.

Travel & Conference Expenses: \$114,089 (*increase of 23%, or \$21,257*)

Travel and conference registration costs for both staff and board.

Other Program Specific Expenses: \$31,000 (*increase of \$107%, or \$16,000*)

Funding in this category is intended to support events organized by Strategic HFC to support tenant and community engagement.

Other Expenses: \$136,432 (*decrease of 21%, or -\$36,111*)

Supports staff development, third-party event sponsorship, and membership dues in industry organizations, as well as other miscellaneous expense.

Revenue Projections

Revenues are projected to continue to be modest in 2026 as the multifamily market recovers, deal flow improves, and occupancy increases. Annual 2026 revenues are projected at \$3,523,106, for a projected excess of expenditure over income of \$259,531. This does not include the anticipated non-routine legal expense of \$225,000, which would cause expenses to exceed revenue by an estimated total of \$484,531.

In response to market conditions, Strategic HFC board and staff began preparing for this scenario last year, creating a board-designated Operating Reserve of \$3.6M available to respond to temporary disruptions of the organization's revenue streams. In addition to the Operating Reserve, Strategic HFC also currently has approximately \$5M in other unrestricted cash on hand.

Attachments: 2026 Budget and Revenue Projections



Income

5100 Program Sales & Fees

5110 Pipeline Projections

5120 Asset/Partnership Management Fee

5130 Construction Admin Fees

5140 Bond Issuer/Admin Fee

5150 Developer/Origination Fee

5160 Application Fee

5170 Land Lease

5180 Partnership Cash Flow Distribution

5190 Sales/Refinance Distribution

Total 5100 Program Sales & Fees

5900 Investment Activity

5910 Interest

Total 5900 Investment Activity

5999 Misc. Revenue

Total Income

Expenses

7200 Salaries & Related Expenses

7210 Salaries & Wages

7220 Retirement Fund Contributions

7230 Employee Benefits

7240 Payroll Taxes

Budget 2025		Budget TOTAL 2026	Percent change 2025/2026 budget	Anticipated percent change 2026/2027 budget	
\$	1,697,268.00	\$	632,512.00	-63%	
\$	243,848.04	\$	39,678.00	-84%	
\$	67,622.04	\$	578,809.50	756%	
\$	259,203.00	\$	261,983.20	1%	
\$	1,398,927.00	\$	1,092,431.86	-22%	
\$	-	\$	50,000.00		
\$	165,281.04	\$	203,771.40	23%	
\$	135,998.04	\$	159,920.33	18%	
\$	-	\$	-		
\$	3,968,147.16	\$	3,019,106.29	-24%	
\$	375,000.00	\$	504,000.00	34%	
\$	375,000.00	\$	504,000.00	34%	
		\$	-		
\$	6,040,415.16	\$	3,523,106.29	-42%	
\$	1,443,056.04	\$	1,484,755.64	3%	3-5%
\$	57,722.04	\$	86,939.73	51%	3-5%
\$	476,025.00	\$	368,960.00	-22%	8-12%
\$	124,824.00	\$	150,695.54	21%	2-4%

7250 Payroll Service Fees	\$	8,085.96	\$	7,633.92	-6%	3-5%
7260 Paid Time Off	\$	34,902.00	\$	120,968.69	247%	0%
7270 Employee Incentive Pay	\$	85,152.96	\$	108,674.67	28%	5%
7290 Workers Comp	\$	2,966.04	\$	5,433.73	83%	8-12%
Total 7200 Salaries & Related Expenses	\$	2,232,734.04	\$	2,334,061.92	5%	4%
7500 Contract Service Expenses						
7510 Contract & Consulting	\$	540,500.04	\$	583,000.00	8%	3%
7520 Accounting	\$	53,000.04	\$	113,783.00	115%	10-25%
7530 Attorney & Legal	\$	80,000.04	\$	75,000.00	-6%	8-15%
7540 IT Consultant	\$	50,000.04	\$	55,000.00	10%	3-5%
7550 Marketing Consultant	\$	104,000.04	\$	71,000.00	-32%	8-10%
Total 7500 Contract Service Expenses	\$	827,500.20	\$	897,783.00	8%	6%
8100 Non-personnel Expenses						
8110 Supplies	\$	7,200.00	\$	7,200.00	0%	3-5%
8115 Food & Refreshments	\$	12,000.00	\$	12,000.00	0%	2-5%
8120 Telephone & Internet	\$	19,845.00	\$	16,845.00	-15%	5-8%
8130 Postage & Shipping	\$	1,200.00	\$	900.00	-25%	3-5%
8140 Equipment Rental	\$	4,800.00	\$	4,980.00	4%	5%
8150 Software & Hardware < \$5,000	\$	31,788.96	\$	82,353.68	159%	8-12%
8160 Printing & Copying	\$	2,499.96	\$	4,500.00	80%	8-12%
8170 Subscriptions	\$	3,600.00	\$	12,780.00	255%	8-12%
8180 Furnishings & Fixtures < \$5,000	\$	6,399.96	\$	7,900.00	23%	3-5%
Total 8100 Non-personnel Expenses	\$	89,333.88	\$	149,458.68	67%	8%
8200 Facility Expenses						
8210 Office & Storage Rent	\$	54,350.04	\$	78,124.95	44%	20%
8220 Utilities	\$	21,740.04	\$	37,687.50	73%	3-5%
8230 Repairs & Maintenance	\$	7,500.00	\$	4,000.00	-47%	2-4%
8290 Depreciation & Amortization	\$	-	\$	-		
Total 8200 Facility Expenses	\$	83,590.08	\$	119,812.45	43%	14%
8300 Travel & Conference Expenses						
8310 Transportation	\$	6,000.00	\$	8,880.00	48%	5-8%

8320 Airfare	\$	14,400.00	\$	18,000.00	25%	3-5%
8330 Meals	\$	8,832.00	\$	15,824.00	79%	3-5%
8340 Hotels & Lodging	\$	23,400.00	\$	32,175.00	38%	3-5%
8350 Conference Registration Fees	\$	26,400.00	\$	26,250.00	-1%	2-5%
8360 Vehicles	\$	13,800.00	\$	12,960.00	-6%	3-5%
Total 8300 Travel & Conference Expenses	\$	92,832.00	\$	114,089.00	23%	4%
8400 Other Program Specific Expenses						
8410 Venue Rental			\$	1,000.00		2-10%
8420 Community Events	\$	15,000.00	\$	30,000.00	100%	2-5%
8430 Housing Program Activities			\$	-		N/A
Total 8400 Other Program Specific Expenses	\$	15,000.00	\$	31,000.00	107%	3%
8500 Other Expenses						
8510 Interest Expense			\$	-		
8520 Insurance - Non-employee Related	\$	50,000.04	\$	50,000.00	0%	10-25%
8530 Membership Dues - Organization	\$	7,500.00	\$	12,032.00	60%	3-5%
8540 Staff Development	\$	19,950.00	\$	31,200.00	56%	5-8%
8550 Bank Fees	\$	-	\$	500.00		2-3%
8560 Merchant Fees	\$	-	\$	-		
8570 Advertising Expenses	\$	1,200.00	\$	4,200.00	250%	10-15%
8575 Sponsorships	\$	24,999.96	\$	33,500.00	34%	10-20%
8580 Business Taxes & Licensing Fees	\$	-	\$	-		
8590 Other Expenses	\$	68,892.96	\$	5,000.00	-93%	1500%
Total 8500 Other Expenses	\$	172,542.96	\$	136,432.00	-21%	66%
Total Expenses	\$	3,513,533.16	\$	3,782,637.05	8%	
Net Operating Income	\$	2,526,882.00	\$	(259,530.76)		
ADD EXPENSE: Non Routine Legal			\$	(225,000.00)		
ADD: Draw from Board Designated Funds			\$	484,530.76		
Final Net Income			\$	-		

2026 REVENUE PROJECTIONS

Revenue Type	Category	As Scheduled	2026 Risk Adjusted	Risk Adjusted Amount for 2026 Budget
Pipeline (Board Approved)	Contingent	\$2,418,416	26% (rated by project)	\$632,512
Application Fee	Contingent	\$50,000	100%	\$50,000
Construction Admin Fees	Earned	\$771,746	75%	\$578,810
Bond Issuer/Admin Fee	Earned	\$327,479	80%	\$261,983
Developer Fee (construction milestone)	Earned	\$1,254,715	75%	\$941,036
Asset/Partnership Management Fee	Cash flow dependent	\$39,678	100%	\$39,678
Deferred Developer Fee (operational)	Cash flow dependent	\$151,396	100%	\$151,396
Ground Lease	Cash flow dependent	\$226,413	90%	\$203,771
Partnership Cash Flow Distribution	Cash flow dependent	\$456,915	35%	\$159,920
TexPool Interest	Contingent	\$960,000	53%	\$504,000

**All revenue types (excluding contingent categories) underwent a series of projections assuming 2025 conditions would remain consistent in 2026 before being additionally discounted by the percentages shown here.*

2026 BUDGET SNAPSHOT

Category	2026 Budget
Revenue	\$3,523,106
Expense	\$3,782,637
Net Income	\$(259,531)



Board Meeting Date: September 11, 2025

Agenda Item: VI.B: Risk Rating Process

Background Information

Purpose: Proactively identify and address operational risks across Strategic HFC's portfolio of operating properties, using a standardized risk rating system, data-driven evaluations and collaborative interventions with partners.

Risk Rating Calculation: The Risk Rating Process will occur on a quarterly cycle and begin with a Risk Calculation based on different risk indicators broken into five risk categories: Physical Condition, Financial Performance, Occupancy & Revenue Stability, Tenant Experience and Partnership & Compliance. Each category has 3-4 for individual indicators that are weighted to create a Risk Category score in each of the five categories. Those five scores are then averaged into an overall Risk Score. Scoring is based on a 1 as low risk up to a 5 as high risk.

Once all properties have a calculated Risk Score, they will be divided into three groups: High Priority, Watchlist and Routine Monitoring. The Portfolio Manager will focus primarily on the High Priority projects for that quarter.

Quarterly Cycle: Each quarter the asset manager will go through the following steps in identifying and addressing high risk issues at properties:

- Month 1: Data Collection & Risk Calculation followed by Manager Check-ins and Property Tours to determine what is causing high risk issues.
- Month 2: Action Planning and Preparation in Collaboration with Development/Property Partners
- Month 3: Response Monitoring and Adjustment

Attachments: Risk Rating Process description



Strategic HFC

PORTFOLIO OVERSIGHT & INTERVENTION PLAN



PURPOSE

Strategic HFC plans to implement a risk rating process to monitor and intervene in operational partnerships when potential risk indicators become concerning. The process includes the following:

- Identify properties requiring enhanced oversight
- Perform data-driven and site evaluations
- Engage regional managers for targeted problem-solving
- Monitor progress and follow up

RISK RATING



INDICATOR CALCULATION OVERVIEW

A variety of different risk indicators have been selected for monitoring and broken into the following five categories:

1. Physical Condition
2. Financial Performance
3. Occupancy & Revenue Stability
4. Tenant Experience
5. Partnership & Compliance

Properties will be assessed and a risk rating calculated on a quarterly basis following the calendar year (eg Q1 = January – March). Details for the Risk Rating Indicators and Calculation are located in the Risk Rating Calculator spreadsheet. Each indicator has a definition; data source; specific scoring with risk scores range from 1 (Low Risk) to 5 (High Risk); and weighting of that indicator within its Risk Category. This will result in each property receiving a quarterly risk score for each individual indicator, a weighted score for each Risk Category and an overall risk score that will be the average of the Risk Category scores.

Below is the list of risk indicators and their risk category:

RISK RATING MATRIX

KEY RISK INDICATORS

PHYSICAL CONDITION	FINANCIAL PERFORMANCE	OCCUPANCY	TENANT EXPERIENCE	PARTNERSHIP & COMPLIANCE
Physical Inspection Score	OPEX Per Unit	Current Occupancy Rate	Tenant Retention	Property Manager Turnover
Murphy HTC or Staff Site Visit	AR Aging per unit	Turnover Rates	Tenant Surveys	Internal Partnership Ratings
Open Code Violations	DSCR	Occupancy Trends	Services Spending per Unit	Compliance Reporting
	% Budget-to-Actual		Eviction Filings	

PROPERTY RISK CATEGORIES



Once the risk rating overall score is calculated, properties will be broken into three categories:

A. HIGH RISK PRIORITY GROUP - IMMEDIATE ACTION

These properties are at moderate risk (score three across categories, with no 4s or 5s) and will continue to undergo quarterly reassessments and annual site visits.

PROPERTY	AVG SCORE	CONCERN AREAS
Property A	2.9	Ex: Financial 5, Partnership & Compliance 5, Tenant Experience 4

B. WATCHLIST GROUP - EARLY INTERVENTION

These properties have an average rating of 3, but at least two category scores of 4+, indicating deterioration that requires early intervention to prevent serious declines.

PROPERTY	AVG SCORE	CONCERN AREAS
Property A	3.4	Occupancy 4, Tenant Experience 5

C. ROUTINE MONITORING GROUP - STABLE

These properties are at moderate risk (score three across categories, with no 4s or 5s) and will continue to undergo quarterly reassessments and annual site visits.

PROPERTY	AVG SCORE	CONCERN AREAS
Property A	2.9	

QUARTERLY OVERSIGHT & INTERVENTION PLAN



The Risk Rating System will be on a quarterly cycle, broken into the following action sequence:

WEEK 1-2

DATA COLLECTION & VERIFICATION

- Pull updated KPI data for all properties (inspections, NOI, occupancy, eviction filings, compliance results, tenant satisfaction data).
- Deliverable: Complete data spreadsheet.

RISK RATING PRIORITIZATION

- Pull updated KPI data for all properties (inspections, NOI, occupancy, eviction filings, compliance results, tenant satisfaction data).
- Deliverable: Complete data spreadsheet.

WEEK 3-4

REGIONAL MANAGER ONE-ON-ONE

- Meet with regional managers for High Priority properties.
- Validate data, gather operational context (staffing, market pressures, maintenance backlog, tenant service issues).
- Deliverable: Regional consultation
- Focus Properties: Property A & Property B

TARGETED PROPERTY TOURS

- On-site visits for High Priority properties; physical walkthroughs
- Deliverable: Site Visit Note Summary with photo documentation.
- Site Visits: Property A, Property B, Property C

QUARTERLY OVERSIGHT & INTERVENTION PLAN CONT.



WEEK 5-6

INTERVENTION PLANNING

- Align goals to indicator improvements (e.g., raise Physical Condition from 4 to 3; cut eviction filings by 50%).
- Deliverable: Draft Intervention Plans.
- Properties Addressed: High Priority first, then Watchlist.

REGIONAL FEEDBACK & FINALIZATION

- Review plans with Regional Managers for feasibility and resource needs.
- Involve the development partner if needed to enact the intervention.
- Deliverable: Final Intervention plan for each High Risk and Watchlist property.

WEEK 7

PREPARATION FOR LAUNCH

- Distribute final plans to management
- Maintain an updated spreadsheet, weekly for High Priority and bi-weekly for Watchlist.
- Deliverable: Active Implementation, Live Dashboard.

WEEK 8-12

MONITORING & ADJUSTMENT

- Track KPI trend changes.
- Adjust interventions if the property is off trajectory after 30 days.
- Deliverable: quarterly report to Leadership.

INTERVENTION EXAMPLES



Below are examples of different targeted interventions depending on the risk indicator metric that was flagged.

Note: Many of these would have to be executed by a property manager or development partner.

INDICATOR	INTERVENTION ACTION ITEMS
Low Occupancy/ High Vacancy	<ul style="list-style-type: none">• Increase marketing campaigns and update each property listing.• Walk and improve property/unit condition for tours and move-ins.• Address location-related challenges with competitive pricing or incentives.• Investigate causes of evictions or skips and refine tenant screening. Are tenants being given resources?• Analyze reasons for non-renewals and improve retention efforts.
High-Aged Receivables	<ul style="list-style-type: none">• Increase and track collection efforts with frequent follow-ups.• Adjust move-in incentives that lead to high renewal rates and aged receivables.• Proper documentation of payment plans• Offer community incentives for prompt payments.
+/- Operating Expenses	<ul style="list-style-type: none">• Review budget-to-actual variances and monitor corrective action 2x a month• Audit spending in maintenance, insurance, marketing, admin, payroll, and tenant fees.• Renegotiate vendor contracts• Streamline billing processes for accuracy
Low Renewal Rates	<ul style="list-style-type: none">• Improve staff responsiveness and maintenance service quality.• Respond to competitive market incentives with better renewal offers.• Conduct feedback sessions to address resident complaints.• Implement proactive outreach before lease expiration for retention.• Implement proactive outreach to check on closed maintenance requests.• Review staff-initiated non-renewals to ensure fair process and provide remediation opportunities.



Board Meeting Date: September 11, 2025

Agenda Item: VI.C. – Introduction to Strategic Affordability Impact Metric (“Strategic AIM”)

Background Information

Strategic AIM, which stands for Strategic Affordability Impact Metric, is derived from prior board and committee meeting discussions about how to measure the impact a prospective project would have through a mission-driven lens. In the first half of 2025, staff and directors, through the Real Estate Committee, iterated a few versions of the metric, and staff is now piloting Strategic AIM through the end of the year.

The purpose of Strategic AIM is for the organization to have a quantifiable way to evaluate a particular strategy or project type’s productive value that goes beyond number of units, weighing depth of affordability, length of affordability, number of bedrooms, strength of its location, and the physical quality of the development.

Strategic AIM is calculated by multiplying certain factors together. The formula is as follows: $\text{Volume} \times \text{Affordability} \times \text{Years} \times (1 + \text{Quality Adjustments}) = \text{Strategic AIM}$

Volume accounts for units and bedroom counts

Affordability pertains to the affordable rental restrictions

Years refers to the number of years of affordability covenants, and

Quality Adjustments evaluate a number of project characteristics including location and design-based features.

Attachments

An Introduction to Strategic AIM



Strategic
Housing Finance
Corporation
of TRAVIS COUNTY



An Introduction to Strategic AIM

July 3, 2025

Purpose

The purpose of Strategic AIM, which stands for Strategic Affordability Impact Metric, is for the organization to have a quantifiable way to evaluate a particular strategy or project type's productive value that goes beyond number of units, weighing depth of affordability, length of affordability, number of bedrooms, strength of its location, and the physical quality of the development.

This allows us to:

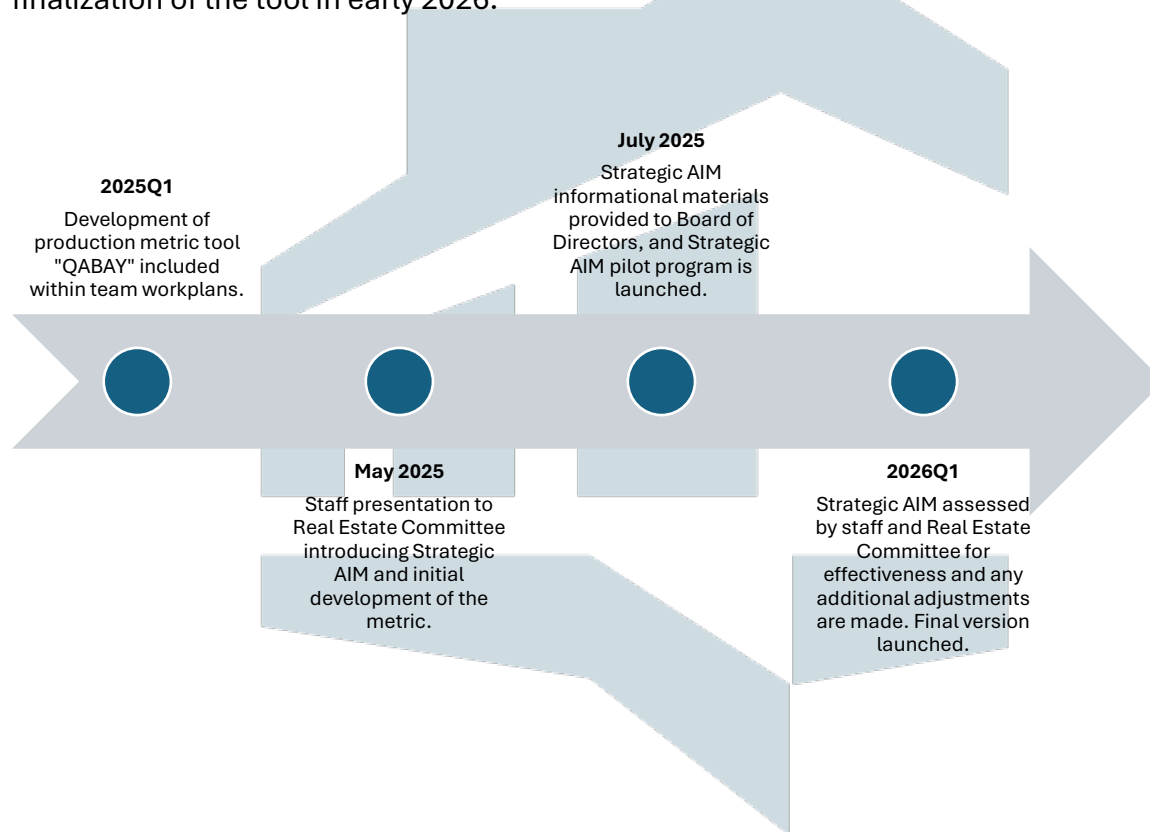
- Create more meaningful production goals
- Understand the potential “return on mission” of a prospect
- Determine and more effectively communicate how a project contributes to production goals
- Quickly screen and prioritize prospects and guide the allocation of staff capacity

What this is not:

- Substitute for public benefit analysis
- Underwriting criteria
- Threshold scoring system
- Evaluation of the economic benefits paid to Strategic from a project
- External communication tool
- Ongoing measure of a property's performance

History and Launch of Strategic AIM Pilot

Strategic AIM is the formalization of “QABAY”, which was an organizational goal to measure the impact of a given project through Quality Adjustments, Bedrooms, Affordability, and Years. Staff and Directors on the Real Estate Committee collaborated to define, develop, and test the metrics of Strategic AIM over the course of the first half of 2025. Strategic AIM will launch as a pilot program and will be utilized by staff to assess the impact of prospective deals on annual production goals, including those within the Strategic Outlook. The staff will revisit the effectiveness and accuracy of the metrics within Strategic AIM approximately 6 months after launching the pilot program and will pursue finalization of the tool in early 2026.



Factors within Strategic AIM

Strategic AIM consists of four factors to calculate the overall Strategic AIM value of a property: volume, depth of affordability, years of affordability, and quality adjustments made for location and design characteristics. It is a simple multiplication equation that is calculated as follows:

$$\text{Volume} \times \text{Affordability} \times \text{Years} \times (1 + \text{Quality Adjustments}) = \text{Strategic AIM}$$

The combination of these factors provides guidance on how projects affect our portfolio production goals from a *mission* perspective, valuing bedrooms and the affordability of rents along with considerations for high-opportunity locations and high-quality design and construction considerations.

The weighting of factors will be re-evaluated at the end of the Strategic AIM Pilot Program.

Considerations for Developing Strategic AIM Measures

Staff developed the values of each Strategic AIM factor by first establishing a baseline. The baseline is meant to be representative of a standard affordable housing community subsidized by the 4% low income housing tax credit (LIHTC) program. In other words, this type of project would be considered the path of least resistance to delivering a LIHTC property to the market.

Based on trends staff observed within Strategic HFC's portfolio and other LIHTC projects throughout the county and state, this is a 250-unit development, consisting entirely of 1-bedroom units, with rent and income restrictions at 60% of the Area Median Family Income (AMFI), of average design, and placed in an average location. This project would have a Strategic AIM of 250, with a per unit per year AIM of 1. From there, values were assigned to give higher Strategic AIM for projects that deliver deeper affordability, higher quantities of bedrooms, better locations, and/or more ambitious design considerations.

Please see page 12 for more detail on how the baseline assumption would be valued through Strategic AIM.

Volume

Strategic AIM utilizes bedroom count within a project to assess volume rather than unit counts. Unit count does not capture the value of multi-bedroom apartments in the low- and moderate-income housing industry. Strategic HFC seeks to provide housing for a variety of family and household sizes.

Volume value is assessed as follows:

Bedrooms	Value
Efficiency	0.9
1	1
2	1.33
3	1.67
4+	2

Volume is calculated by taking the number of units at each bedroom size and multiplying it by the given value, then totaling all values.

Affordability

Strategic AIM values deep affordability. More low-income (60% AMFI), very low-income (50% AMFI), and extremely low-income (30% AMFI) units within a development will result in a much higher score. The tool also recognizes that any unit created provides value in the market as added supply at any rental rate can reduce demand for units down market. Units that are affordable to incomes greater than 80% AMFI are valued by the tool equally, whether they are affordable to 100% AMFI, or 120% AMFI, as these rental rates are often at or above the market rate in most submarkets within Travis County. For the purposes of this tool, any rental units that will charge market rate rents are included in the 120% AMFI unit count. The tool assumes units affordable to extremely low incomes are valued 4 times more than a unit affordable only those households with greater than 80% AMFI.

Affordability value is assessed as follows:

AMFI %	Value
30	2
40	1.67
50	1.33
60	1
70	0.75

80	0.5
90	0.05
100	0.05
110	0.05
120+/Market Rate	0.05

Affordability is calculated by taking the number of units at each AMFI level and multiplying it by the given value, totaling all values, then dividing that total by the number of units in the project so as not to “double count” volume, which is already accounted for the Volume factor through bedroom counts.

Years of Affordability

The time duration of affordability covenants gives consideration for the length of time in which affordable units will be in the market. This allows for recognition of the value of property that offers more affordability than another. For example, if Development ABC has 30 years of affordability restrictions while Development XYZ has 15 years of affordability restrictions, Strategic AIM will adequately capture that Development ABC is twice as valuable as Development XYZ from a Years factor perspective, as the affordable units in Development ABC will be in the market twice as long Development XYZ.

However, Strategic AIM provides for linear diminishing returns after year 40. Any restrictive covenants beyond year 40 have value, but less value than prior years. This was done because the useful life of a building can be assumed to be about 40 years before serious redevelopment would need to be considered, in which case the development may need to be recapitalized and affordability requirements may change.

Years value is assessed as follows:

Years - Low	Years - High	Value Increment
1	40	1
41	100	0.25

The Years factor is calculated by giving it equal value to the years of restrictive covenants up to 40. If a project has more than 40 years of restrictive covenants, each year thereafter is multiplied by 25% and then added to 40.

Quality Adjustments

Location

A development is given consideration for its location within Travis County based on two objective and quick to assess concepts: the median income of the census tract of the development is located within compared to the Austin Metropolitan Statistical Area's (MSA) median income, and its proximity to a transit stop.

Income

Since one purpose of Strategic AIM is to allow for Strategic HFC staff to assess projects' Strategic AIM quickly and objectively, a single and simple measure was needed to provide consideration for various educational, health, and economic outcomes and opportunities that may result from a resident being located in one part of Travis County versus another. Comparing the median income of households within the census tract the development is located into the median income of households throughout the Austin MSA may be predictive of the quality of those outcomes and opportunities. Generally, those earning higher incomes have more choice in where they live, and will choose to be located near better schools, healthcare options, quality neighborhood amenities, etc., and away from high crime areas, distressed schools, unhealthy environmental factors such as highways and industrial facilities, lacking services, and limited job prospects.

The Income location quality adjustment is valued as follows:

Ratio - Low	Ratio - High	Bonus Value
0	0.6	0
0.61	0.8	0.05
0.81	1	0.1
1	2+	0.2

The Income quality adjustment is calculated by dividing the census tract median income by the MSA median income to create an income ratio. Then, depending on where that ratio sits within the above ranges, it is given a bonus value to add to overall quality adjustments.

Transit Stop

If a development is located within reasonable walking distance to a Capital Metro transit stop, it may allow some tenants to use a form of transportation other than a personal vehicle to get to and from work and access services and amenities. Utilizing public transportation may create positive financial impacts for low- and moderate-income households, such as removing the need for additional cars within a household or providing

options for residents to continue to be able to get to their job when they are experiencing issues with their personal vehicle.

The Transit Stop location quality adjustment is valued as follows:

Low - Miles	High - Miles	Bonus Value
0	0.25	0.01
0.26	0.5	0.005
0.51	1	0.0005
1.01	99	0

High Frequency	Bonus Value
Yes or No	0.17

Once the walking distance from the development address to the nearest transit stop is determined, the project is assigned a bonus value based on which range the distance falls into. Additional value is provided if there is at least one high frequency route serving that transit stop, as identified by Capital Metro. These bonus values are then added to overall quality adjustments.

Design

Design quality adjustments must be able to be assessed objectively and without regard to where a project is in its predevelopment life cycle. Often times, developers may not yet have detailed architectural drawings, plans for landscaping or interior design, specifications for the materials to be used in the finish-out of apartments when they come to Strategic HFC to explore a partnership. However, they generally know the planned building form, construction type, and common amenities at the conceptual stage of a project in predevelopment.

Building Style/Form

While imperfect, measuring a project's architectural creativity and contribution to the surrounding built environment by assessing its building form avoids subjectivity or needing to wait until the project goes through various phases of the design process, and may serve as an indicator of how the building will integrate into the neighborhood fabric. Sprawling, low-density garden apartments are commonplace in affordable housing development and are generally more closed-off or isolated from the surrounding area. However, building forms such as wraps (also known as the "Texas Doughnut") and mixed-

use mid- or high-rises with ground floor commercial retail are indicators of a property more integrated within and contributory to its community, as this are forms used in more dense environments that may have more walkability and more creative architectural design to blend in with the surrounding neighborhood.

Building Style design quality adjustment is assessed by using common building types for Texas multifamily rental housing, as shown below:

Building Style	Description	Bonus Value
Garden Apartments	Group of low-rise buildings surrounded by surface parking and open space.	0
Mixed-Use	Apartment building with ground floor commercial retail. May be a wrap or mid/high-rise building.	0.01
Wrap	Mutistory apartment building with residential units on the exterior and parking structure or courtyard/pool on the interior.	0.005
Mid & High-Rise	Apartment building exceeding 4 stories. Can include podium buildings.	0.005

Construction Type

The International Code identifies five construction types. These types denote the expected fire resistance and types of materials used in building exterior walls and interior framing. Using this serves as an indicator of the quality of construction materials that may be used within all divisions of construction. If a developer intends to build a more costly construction type, it is likely that they may also be using high quality materials to be marketable to market rate tenants. For example, Type V construction is the least costly of the five types and may indicate that a developer is looking to cut construction costs whenever possible, including on things like countertops, cabinets, and appliances. A developer who has the option of building Type V but has elected to build Type III may intend to build a high-quality product that has improved marketability and benefit to tenants.

The five types are valued for the Construction Type design quality adjustment as follows:

Type	Description	Bonus Value
V	Wood construction	0
IV	Heavy timber construcion	0.01
III	Brick, masonry, concrete block, or precast panel exterior wall construction.	0.01

II	All building materials, including interior walls, made of noncombustible material (5 stories or less).	0.02
I	All building materials, including interior walls, made of noncombustible material (6 stories or more).	0.02

Common Amenities

Consideration is given for common amenities that are included onsite within the development. For simplicity's sake, Strategic AIM gives equal weight to amenities regardless of what they are. Types of amenities can be referenced in the Texas Department of Housing and Community Affairs' Qualified Allocation Plan. Bonus value is given based on the number of common amenities. Below is a list of potential common amenities and the bonus value of for an amenity.

Pool	Dog Park
Fitness Center	Laundry Room (must have in-unit)
Community Room	Business Center
Children's Playscape	Theater Room
Splash Pad	Bicycle Parking
Sport Court	

Bonus Value	0.001
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Acquisition of Existing Multifamily Buildings

In addition to the other design-related quality adjustments above, Strategic AIM gives consideration for existing multifamily buildings that are to be acquired by Strategic HFC partnerships. For the purposes of this tool only, the acquisition of buildings that were constructed within the prior 8 years are considered new construction, and the below bonus value criteria does not apply.

Design bonus value is provided depending on the level of redevelopment planned for the building post-acquisition, as follows below:

Standard	Description	Bonus Value
Distressed	Acquisition of an existing apartment building(s) with no redevelopment planned; age of building is greater than 8 years old.	-0.5
Renovation	Existing building(s) will have light renovations with construction costs not to exceed \$125,000 per unit.	0
Rehabilitation	Full rehabilitation of existing building(s) with construction costs greater than \$125,000 per unit.	0.015

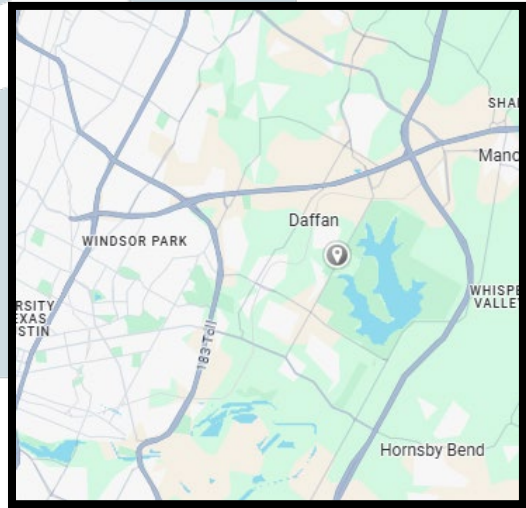
Example Project Descriptions



Baseline LIHTC Apartments

This is representative of the most baseline 4% LIHTC property possible, and commonplace in Strategic HFC's legacy operating portfolio. This is a 250-unit, new construction garden style apartment building, made up entirely of 1-bedrooms, all of which are affordable to residents making at or below 60% AMFI. It is in an area where land is relatively cheap to acquire for development, such as northeast Austin. Amenities include a pool, fitness center, and community room. Transit options are available, but far distance, and the census tract is low income compared to the rest of the Metropolitan Statistical Area.

The below images are provided as visual examples only:



Strategic AIM Pilot

Property Name
 # of Units

New Construction or Acquisition?

Bedroom Count	Units
Efficiency	<input type="text" value="0"/>
1	<input type="text" value="250"/>
2	<input type="text" value="0"/>
3	<input type="text" value="0"/>
4+	<input type="text" value="0"/>

AMFI %	Units
30	<input type="text" value="0"/>
40	<input type="text" value="0"/>
50	<input type="text" value="0"/>
60	<input type="text" value="250"/>
70	<input type="text" value="0"/>
80	<input type="text" value="0"/>
90	<input type="text" value="0"/>
100	<input type="text" value="0"/>
110	<input type="text" value="0"/>
120+	<input type="text" value="0"/>

Years of Affordability

Building Style
 Construction Type

Census Tract Income (2024)

Walking Distance to Transit Stop (Miles)
 High Frequency Transit ☐

Common Amenities	
Pool	<input checked="" type="checkbox"/>
Fitness Center	<input checked="" type="checkbox"/>
Community Room	<input checked="" type="checkbox"/>
Children's Playscape	<input type="checkbox"/>
Splash Pad	<input type="checkbox"/>
Sport Court	<input type="checkbox"/>

Dog Park	<input type="checkbox"/>
Laundry Room (must have in-unit)	<input type="checkbox"/>
Business Center	<input type="checkbox"/>
Theater Room	<input type="checkbox"/>
Bicycle Parking	<input type="checkbox"/>
Other _____	<input type="checkbox"/>

Strategic AIM Summary

Total AIM	7,523
AIM/Unit	30.09
AIM/Unit/Year	1.00
Volume AIM	250
Affordability AIM	1
Years of Affordability AIM	30
Design Quality Adjustment	0.003
Location Quality Adjustment	0

Strategic AIM Pilot

Scoring Detail

Baseline LIHTC Apartments

AIM Total 7,523

AIM/Unit 30.09

AIM/Unit/Year 1.00

Volume	250		
Bedrooms	Value	Units	Total
Efficiency	0.9	0	0
1	1	250	250
2	1.33	0	0
3	1.67	0	0
4+	2	0	0

Years of Affordability	30		
Years - Low	Years - High	Value Increment	Total
1	40	1	30
41	100	0.25	0

Quality Adjustments 0.003

MSA Income (2024)	\$126,000	0.40	
Income Ratio	0		
Ratio - Low	Ratio - High	Bonus Value	Total
0	0.6	0	0
0.61	0.8	0.05	0
0.81	1	0.1	0
1	2+	0.2	0

Transit Stop	0		
Low - Miles	High - Miles	Bonus Value	Total
0	0.25	0.01	0
0.26	0.5	0.005	0
0.51	1	0.0005	0
1.01	99	0	0
	High Frequency	Bonus Value	Total
	FALSE	0.17	0

Affordability	1		
AMFI %	Value	Units	Total
30	2	0	0
40	1.67	0	0
50	1.33	0	0
60	1	250	250
70	0.75	0	0
80	0.5	0	0
90	0.05	0	0
100	0.05	0	0
110	0.05	0	0
120+/Market Rate	0.05	0	0

Design	0.003	
Building Style	Bonus Value	Total
Garden Apartments	0	0
Mixed Use	0.01	0
Wrap	0.005	0
Mid- or High-Rise	0.005	0

Construction Type	Bonus Value	Total
V	0	0
IV	0.01	0
III	0.01	0
II	0.02	0
I	0.02	0

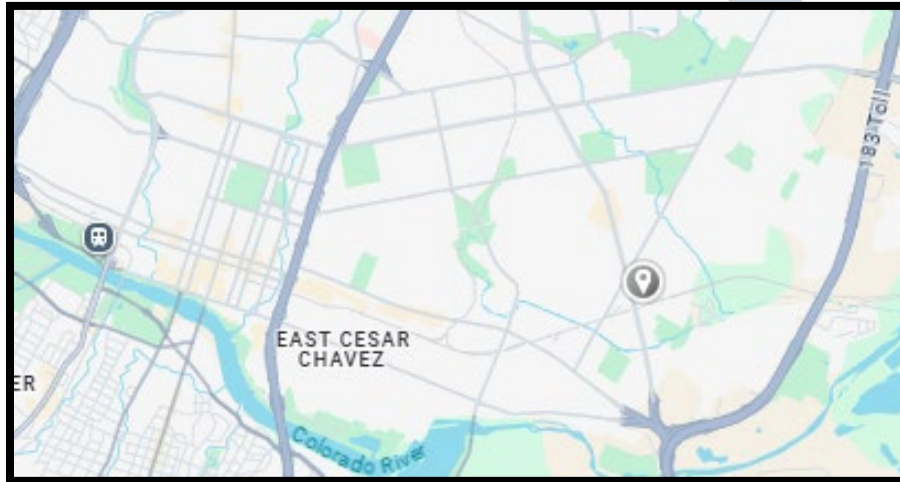
Amenities 0.001 0.003

Acquisition Only		
Planned Rehab/Renovation	Bonus Value	Total
Distressed	-0.5	0
Renovation	0	0
Rehabilitation	0.015	0

Mixed Income Workforce Housing Apartments

This is an example of a general “workforce” housing or mixed-income new construction development that is not subsidized by low-income housing tax credits. This is a 180-unit, 4-story wrap style building with 10% of units at market rate, and a mix of affordability between 50%, 60%, and 80% AMFI. It is located in the Eastern Crescent of Austin and located within walking distance of high-frequency Capital Metro routes. It includes a number of amenities to remain competitive in the market.

The below images are provided as visual examples only:



Strategic AIM Pilot

Property Name Mixed Income WFH Apartments
 # of Units 180

New Construction or Acquisition? New Construction

Bedroom Count	Units
Efficiency	15
1	20
2	80
3	55
4+	10

AMFI %	Units
30	0
40	0
50	18
60	72
70	0
80	72
90	0
100	0
110	0
120+	18

Years of Affordability 10

Building Style Wrap
 Construction Type V

Census Tract Income (2024) \$94,689

Walking Distance to Transit Stop (Miles) 0.15
 High Frequency Transit ☒

Common Amenities	
Pool	<input checked="" type="checkbox"/>
Fitness Center	<input checked="" type="checkbox"/>
Community Room	<input checked="" type="checkbox"/>
Children's Playscape	<input type="checkbox"/>
Splash Pad	<input type="checkbox"/>
Sport Court	<input type="checkbox"/>

Dog Park	<input checked="" type="checkbox"/>
Laundry Room (must have in-unit)	<input checked="" type="checkbox"/>
Business Center	<input type="checkbox"/>
Theater Room	<input type="checkbox"/>
Bicycle Parking	<input checked="" type="checkbox"/>
Other _____	<input type="checkbox"/>

Strategic AIM Summary

Total AIM	2,306
AIM/Unit	12.81
AIM/Unit/Year	1.28
Volume AIM	251.75
Affordability AIM	0.738
Years of Affordability AIM	10
Design Quality Adjustment	0.011
Location Quality Adjustment	0.23

Strategic AIM Pilot

Scoring Detail Mixed Income WFH Apartments

AIM Total 2,306

AIM/Unit 12.81

AIM/Unit/Year 1.28

Volume	251.75		
Bedrooms	Value	Units	Total
Efficiency	0.9	15	13.5
1	1	20	20
2	1.33	80	106
3	1.67	55	91.9
4+	2	10	20

Years of Affordability	10		
Years - Low	Years - High	Value Increment	Total
1	40	1	10
41	100	0.25	0

Quality Adjustments 0.241

MSA Income (2024)	\$126,000	0.75	
Income Ratio	0.05		
Ratio - Low	Ratio - High	Bonus Value	Total
0	0.6	0	0
0.61	0.8	0.05	0.05
0.81	1	0.1	0
1	2+	0.2	0

Transit Stop	0.18		
Low - Miles	High - Miles	Bonus Value	Total
0	0.25	0.01	0.01
0.26	0.5	0.005	0
0.51	1	0.0005	0
1.01	99	0	0
	High Frequency	Bonus Value	Total
	TRUE	0.17	0.17

Affordability	0.738		
AMFI %	Value	Units	Total
30	2	0	0
40	1.67	0	0
50	1.33	18	23.94
60	1	72	72
70	0.75	0	0
80	0.5	72	36
90	0.05	0	0
100	0.05	0	0
110	0.05	0	0
120+/Market Rate	0.05	18	0.9

Design	0.011	
Building Style	Bonus Value	Total
Garden Apartments	0	0
Mixed Use	0.01	0
Wrap	0.005	0.005
Mid- or High-Rise	0.005	0

Construction Type	Bonus Value	Total
V	0	0
IV	0.01	0
III	0.01	0
II	0.02	0
I	0.02	0

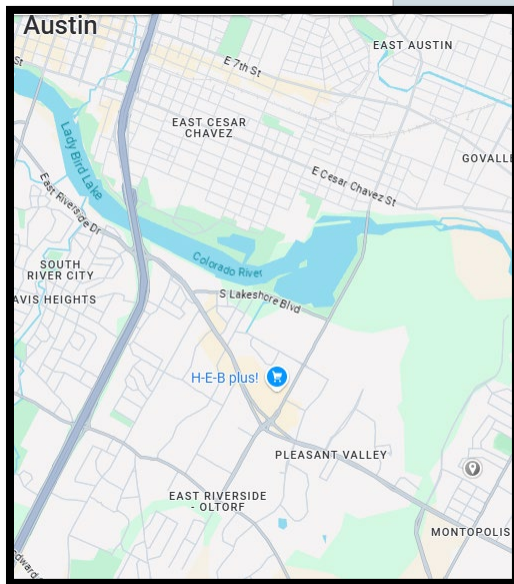
Amenities 0.001 0.006

Acquisition Only		
Planned Rehab/Renovation	Bonus Value	Total
Distressed	-0.5	0
Renovation	0	0
Rehabilitation	0.015	0

Well-Constructed Workforce Housing Apartments

This is an example of a workforce housing project that is constructed using high durability materials. It is a 101-unit midrise consisting of efficiency and 1- and 2-bedroom apartments. Half of the units are affordable to households earning 60% AMFI, and half are made available at market rate. It is located in a low-income census tract, offers residents a few amenities, and is within moderate walking distance to a high-frequency bus line.

The below images are provided as visual examples only:



Strategic AIM Pilot

Property Name

Well Constructed WFH Apartments

of Units

101

New Construction or Acquisition?

New Construction

Bedroom Count	Units
Efficiency	40
1	43
2	18
3	0
4+	0

AMFI %	Units
30	0
40	0
50	0
60	51
70	0
80	0
90	0
100	0
110	0
120+	50

Years of Affordability

10

Building Style

Mid- or High-Rise

Construction Type

II

Census Tract Income (2024)

\$49,858

Walking Distance to Transit Stop (Miles)

0.4

High Frequency Transit

☒

Common Amenities

Pool

☒

Fitness Center

☒

Community Room

☐

Children's Playscape

☐

Splash Pad

☐

Sport Court

☐

Dog Park

☐

Laundry Room (must have in-unit)

☐

Business Center

☐

Theater Room

☐

Bicycle Parking

☒

Other _____

☐

Strategic AIM Summary

Total AIM	656
AIM/Unit	6.49
AIM/Unit/Year	0.65
Volume AIM	102.94
Affordability AIM	0.52970297
Years of Affordability AIM	10
Design Quality Adjustment	0.028
Location Quality Adjustment	0.175

Strategic AIM Pilot

Scoring Detail Well Constructed WFH Apartments

Volume	102.94		
Bedrooms	Value	Units	Total
Efficiency	0.9	40	36
1	1	43	43
2	1.33	18	23.9
3	1.67	0	0
4+	2	0	0

Years of Affordability	10		
Years - Low	Years - High	Value Increment	Total
1	40	1	10
41	100	0.25	0

Quality Adjustments	0.203
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MSA Income (2024)		\$126,000	0.40	
Income Ratio		0		
Ratio - Low		Ratio - High	Bonus Value	Total
0		0.6	0	0
0.61		0.8	0.05	0
0.81		1	0.1	0
1		2+	0.2	0

Transit Stop	0.175		
Low - Miles	High - Miles	Bonus Value	Total
0	0.25	0.01	0
0.26	0.5	0.005	0.01
0.51	1	0.0005	0
1.01	99	0	0
High Frequency		Bonus Value	Total
TRUE		0.17	0.17

AIM Total	656
AIM/Unit	6.49
AIM/Unit/Year	0.65

Affordability	0.52970297		
AMFI %	Value	Units	Total
30	2	0	0
40	1.67	0	0
50	1.33	0	0
60	1	51	51
70	0.75	0	0
80	0.5	0	0
90	0.05	0	0
100	0.05	0	0
110	0.05	0	0
120+/Market Rate	0.05	50	2.5

Design	0.028	
Building Style	Bonus Value	Total
Garden Apartments	0	0
Mixed Use	0.01	0
Wrap	0.005	0
Mid- or High-Rise	0.005	0.005

Construction Type	Bonus Value	Total
V	0	0
IV	0.01	0
III	0.01	0
II	0.02	0.02
I	0.02	0

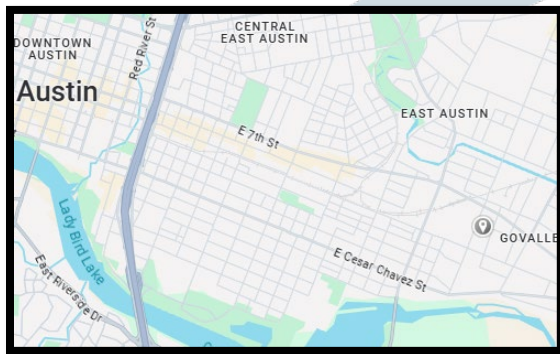
Amenities	0.001	0.003
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Acquisition Only		
Planned Rehab/Renovation	Bonus Value	Total
Distressed	-0.5	0
Renovation	0	0
Rehabilitation	0.015	0

Supportive Housing

This is an example of a supportive housing project, serving primarily a population that is at-risk or currently experiencing homelessness. It has amenities on-site in order to provide supportive services to residents. It consists of 120 units that are deeply affordable across efficiency and 1- and 2-bedroom apartments. 24 units are available to households making at or below 30% AMFI, and the rest are affordable to households making 50% AMFI. The property is located near the urban core so residents may access additional services and job centers off-site.

The below images are provided as visual examples only:



Strategic AIM Pilot

Property Name

Supportive Housing

of Units

120

New Construction or Acquisition?

New Construction

Bedroom Count Units

Efficiency 44

1 52

2 24

3 0

4+ 0

Years of Affordability

40

Building Style

Wrap

Construction Type

V

AMFI % Units

30 24

40 0

50 96

60 0

70 0

80 0

90 0

100 0

110 0

120+ 0

Census Tract Income (2024)

\$81,950

Walking Distance to Transit Stop (Miles)

0.4

High Frequency Transit

☒

Common Amenities

Pool

☐

Fitness Center

☒

Community Room

☒

Children's Playscape

☐

Splash Pad

☐

Sport Court

☐

Dog Park

☐

Laundry Room (must have in-unit)

☒

Business Center

☒

Theater Room

☐

Bicycle Parking

☐

Other _____

☐

Strategic AIM Summary

Total AIM	8,926
AIM/Unit	74.38
AIM/Unit/Year	1.86
Volume AIM	123.52
Affordability AIM	1.464
Years of Affordability AIM	40
Design Quality Adjustment	0.009
Location Quality Adjustment	0.225

Strategic AIM Pilot

Scoring Detail Supportive Housing

Volume	123.52		
Bedrooms	Value	Units	Total
Efficiency	0.9	44	39.6
1	1	52	52
2	1.33	24	31.9
3	1.67	0	0
4+	2	0	0

Years of Affordability	40		
Years - Low	Years - High	Value Increment	Total
1	40	1	40
41	100	0.25	0

Quality Adjustments 0.234

MSA Income (2024)	\$126,000	0.65	
Income Ratio	0.05		
Ratio - Low	Ratio - High	Bonus Value	Total
0	0.6	0	0
0.61	0.8	0.05	0.05
0.81	1	0.1	0
1	2+	0.2	0

Transit Stop	0.175		
Low - Miles	High - Miles	Bonus Value	Total
0	0.25	0.01	0
0.26	0.5	0.005	0.01
0.51	1	0.0005	0
1.01	99	0	0
High Frequency		Bonus Value	Total
TRUE		0.17	0.17

AIM Total 8,926

AIM/Unit 74

AIM/Unit/Year 2

Affordability	1.464		
AMFI %	Value	Units	Total
30	2	24	48
40	1.67	0	0
50	1.33	96	127.68
60	1	0	0
70	0.75	0	0
80	0.5	0	0
90	0.05	0	0
100	0.05	0	0
110	0.05	0	0
120+/Market Rate	0.05	0	0

Design	0.009	
Building Style	Bonus Value	Total
Garden Apartments	0	0
Mixed Use	0.01	0
Wrap	0.005	0.005
Mid- or High-Rise	0.005	0

Construction Type	Bonus Value	Total
V	0	0
IV	0.01	0
III	0.01	0
II	0.02	0
I	0.02	0

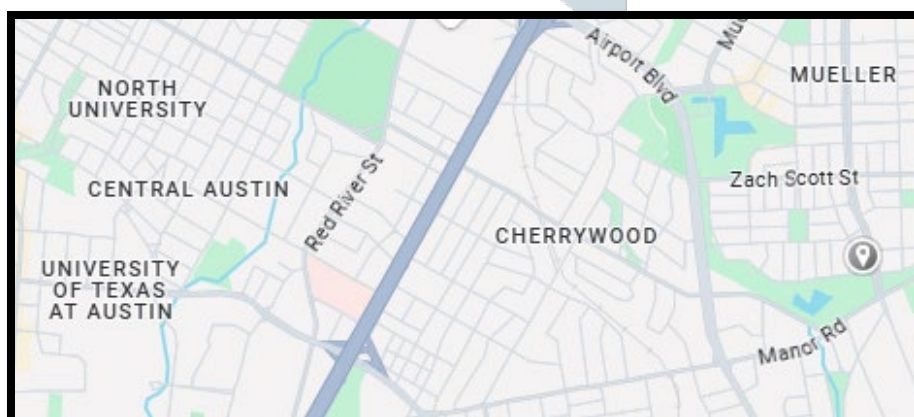
Amenities	Bonus Value	Total
	0.001	0.004

Acquisition Only	Bonus Value	Total
Planned Rehab/Renovation		
Distressed	-0.5	0
Renovation	0	0
Rehabilitation	0.015	0

Flagship Affordable Housing Development

This project is an example of an affordable housing project that seeks to serve low-income, very low-income, and extremely low-income populations, and provide bedroom options up to and including 4-bedroom units. The development takes advantage of dense designs to maximize the use of its location in a high-demand neighborhood in Austin. Residents have access to some amenities and a high-frequency bus line within feet of the building. It is also affordable for the expected life of the building.

The below images are for visual examples only:



Strategic AIM Pilot

Property Name

Flagship Affordable

of Units

264

New Construction or Acquisition?

New Construction

Bedroom Count	Units
Efficiency	88
1	95
2	57
3	21
4+	3

AMFI %	Units
30	90
40	0
50	51
60	123
70	0
80	0
90	0
100	0
110	0
120+	0

Years of Affordability

40

Building Style

Mixed Use

Construction Type

V

Census Tract Income (2024)

\$94,689

Walking Distance to Transit Stop (Miles)

0.053977273

High Frequency Transit



Common Amenities

Pool



Fitness Center



Community Room



Children's Playscape



Splash Pad



Sport Court



Dog Park



Laundry Room (must have in-unit)



Business Center



Theater Room



Bicycle Parking



Other _____



Strategic AIM Summary

Total AIM	20,313
AIM/Unit	76.94
AIM/Unit/Year	1.92
Volume AIM	291.08
Affordability AIM	1.404659091
Years of Affordability AIM	40
Design Quality Adjustment	0.012
Location Quality Adjustment	0.23

Strategic AIM Pilot

Scoring Detail

Flagship Affordable

AIM Total

20,313

AIM/Unit

77

AIM/Unit/Year

2

Volume

291.08

Bedrooms	Value	Units	Total
Efficiency	0.9	88	79.2
1	1	95	95
2	1.33	57	75.8
3	1.67	21	35.1
4+	2	3	6

Years of Affordability

40

Years - Low	Years - High	Value Increment	Total
1	40	1	40
41	100	0.25	0

Quality Adjustments

0.242

MSA Income (2024)

\$126,000

0.75

Income Ratio

0.05

Ratio - Low	Ratio - High	Bonus Value	Total
0	0.6	0	0
0.61	0.8	0.05	0.05
0.81	1	0.1	0
1	2+	0.2	0

Transit Stop

0.18

Low - Miles	High - Miles	Bonus Value	Total
0	0.25	0.01	0.01
0.26	0.5	0.005	0
0.51	1	0.0005	0
1.01	99	0	0
High Frequency		Bonus Value	Total
TRUE		0.17	0.17

Affordability

1.40465909

AMFI %	Value	Units	Total
30	2	90	180
40	1.67	0	0
50	1.33	51	67.83
60	1	123	123
70	0.75	0	0
80	0.5	0	0
90	0.05	0	0
100	0.05	0	0
110	0.05	0	0
120+/Market Rate	0.05	0	0

Design

0.012

Building Style	Bonus Value	Total
Garden Apartments	0	0
Mixed Use	0.01	0.01
Wrap	0.005	0
Mid- or High-Rise	0.005	0

Construction Type	Bonus Value	Total
V	0	0
IV	0.01	0
III	0.01	0
II	0.02	0
I	0.02	0

Amenities	0.001	0.002
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Acquisition Only

Planned Rehab/Renovation	Bonus Value	Total
Distressed	-0.5	0
Renovation	0	0
Rehabilitation	0.015	0

Summary of Example Projects

Property Name	Units	AIM Total	AIM/Unit	AIM/Unit/Year
Baseline LIHTC Apartments	250	7,523	30.09	1.00
Mixed Income WFH Apartments	180	2,306	12.81	1.28
Well-Constructed WFH	101	656	6.49	0.65
Supportive Housing	120	8,926	74.38	1.86
Flagship Affordable	264	20,313	76.94	1.92

