Question Set 1

1. **Conflict of Interest – is there a list of partners, investors, lenders, etc. to identify conflict of interest disclosures?**

   Primary entities to consider when responding will include the following:

   Investor Limited Partners

   - Alden Torch Financial LLC
   - Columbia Housing/PNC Institutional Fund
   - Pedcor Investments
   - RS SS Impact LLC
   - First Sterling Investor 051 LLC
   - 42 Equity
   - U.S. Bancorp Community Development Corporation
   - WNC & Associates, Inc
   - Boston Financial Investment Management
   - Citibank North America - CITI - ESG LIHTC Partners I, LLC
   - Braker PropCo Holdings, LLC
   - Bank of America, North America
   - Red Stone Equity
   - The Huntington Community Development Corporation
   - AEGON USA Realty Advisors
   - PPR Capital Management

   Pending Litigation

   - Colony Insurance
   - Austin Hi-tech Restoration
   - RISE Residential

   Development Partners

   - Alden Torch
   - Versa
   - PEDCOR Investments
   - OTH Capital
   - LDG Development
   - NRP Lone Star Development

- Banyan Residential
- Elmington Capital Group
- Notional Development Partners

2. **Section D, #4 – Does SHFC intend for consultant to provide tools list and tool development, as well as implementation, within the contract period?**

   Strategic expects consultant to create tools list and roadmap of tool development and implementation during contract period. Full tool development and implementation is expected to occur primarily after contract period.

3. **If possible, please provide a Real Estate Owned schedule. Does your data system allow sorting your portfolio by owner, investor, and property type. Does SHFC play an active managerial role in the operation of the portfolio.**

   Please see chart below. Strategic is not the active manager for any partnership other than Cambridge Villas Apartments. Active management is expected to be done by the developer entity in the partnership.

PROPERTY NAME	ADDRESS	STATUS	DEVELOPER	INVESTOR LIMITED PARTNER	PROPERTY MGMT	PLACED IN SERVICE/AFF START DATE
BANYAN BRAKER LANE	2611 East Braker Ln, Austin, TX	CONSTRUCTION / LEASE-UP	Banyan Residential	Braker PropCo Holdings, LLC	Greystar	Lease-Up ETA Q1 2026
BLUE RIDGE APTS.	290 East Parmer Ln, Austin, TX	LEASE-UP	Elmington Capital Group	Red Stone Equity – Fund 101, LP	Elmington	Lease-Up ETA 2027
CAMBRIDGE VILLAS APTS.	15711 Dessau Rd, Pflugerville, TX	OPERATING	Centerline Corporate Partners / Alden Torch	Alden Torch Financial LLC	Capstone	2006
COLORADO CREEK APTS.	2917 Fallwell Ln, Austin, TX	OPERATING	Sonoma Housing Advisors, LLC	42 Equity	Rise PMC	2013
COMMONS AT MANOR VILLAGE APTS	12219 East US HWY 290, Manor, TX	OPERATING	LDG Development, LLC	Boston Financial Investment Management	Solidago	2018
CREEKVIEW APT. HOMES	5001 Crainway Dr, Austin, TX	OPERATING	Sonoma Housing Advisors, LLC	42 Equity	Rise PMC	2017
DAFFAN FLATS	7400 Daffan Ln, Austin, TX	LEASE-UP	Elmington Capital Group	Red Stone Equity	Elmington	2023
DEL VALLE 969 / THE BECKETT	14011 FM 969 Austin, TX 78724	OPERATING	NRP Lone Star Development	U.S. Bancorp Community Development Corporation	NRP	2018

PROPERTY NAME	ADDRESS	STATUS	DEVELOPER	INVESTOR LIMITED PARTNER	PROPERTY MGMT	PLACED IN SERVICE/AFF START DATE
FOREST PARK APTS.	1088 Park Plaza Dr., Austin, TX	OPERATING	OTH	OTH	Avita	2014
HEIGHTS ON PARMER APTS.	1500 East Parmer Ln, Austin, TX	OPERATING	PEDCOR Investments	Pedcor Investments	Pedcor	2018
HEIGHTS ON PARMER APTS. PHASE 2	1500 East Parmer Ln, Austin, TX	OPERATING	PEDCOR Investments	USBCDC	Pedcor	2017
MANCHACA COMMONS APTS.	12040 Manchaca Rd, Austin, TX	OPERATING	LDG Development, LLC	Citibank North America - CITI - ESG LIHTC Partners I, LLC	Solidago	2019
PADDOCK AT NORWOOD	1044 Norwood Park Blvd., Austin, TX	OPERATING	LDG Development, LLC	First Sterling Investor 051 LLC	Solidago	2013
RESIDENCES AT DECKER	9000 Decker Ln, Austin, TX	OPERATING	NRP Lone Star Development	Bank of America, North America	NRP	2019
RESIDENCES AT RUBI	1418 Frontier Valley Dr, Austin, TX 78741	LEASE-UP	PPR Capital Management	PPR Capital Management	Greystar	2025
SANTIAGO ESTATES	11901 Dionda Ln, Austin, TX	CONSTRUCTION / LEASE-UP	PEDCOR Investments	The Huntington Community Development Corporation	Pedcor	2026
SILVER SPRINGS APTS.	12151 North IH-35, Austin, TX	OPERATING	OTH	OTH	Avita	2014
SOUTHPARK RANCH APTS.	9401 S 1st St., Austin, TX	OPERATING	Versa	Columbia Housing/PNC Institutional Fund	United Apartment Group	2016
THE MANCHESTER	6625 East Parmer Ln, Austin, TX 78653	CONSTRUCTION	Sonoma Housing Advisors, LLC	42 Equity	Rise PMC	ETA 2026
VILLAGES AT FISKVILLE	10127 Middle Fiskville Rd, Austin, TX	OPERATING	LDG Development, LLC	AEGON USA Realty Advisors	Solidago	2022
VILLAS AT CARDINAL HILLS	2309 North FM 620, Austin, TX 78734	CONSTRUCTION	Sonoma Housing Advisors, LLC	42 Equity	Rise PMC	ETA 2027

PROPERTY NAME	ADDRESS	STATUS	DEVELOPER	INVESTOR LIMITED PARTNER	PROPERTY MGMT	PLACED IN SERVICE/AFF START DATE
WILDHORSE FLATS	10525 Wildhorse Ranch Trl, Manor, TX	OPERATING	Elmington Capital Group	U.S. Bancorp Community Development Corporation	Elmington	2021
WILLIAM CANNON PLACE APTS.	2112 East William Cannon Dr, Austin, TX	OPERATING	PEDCOR Investments	WNC & Associates, Inc	Pedcor	2014
YAGER FLATS APTS.	4818 Yager Ln, Manor, TX	OPERATING	Elmington Capital Group	Red Stone Equity – Fund 86 Limited Partnership	Elmington	2021

4. **Has SFHC identified outsourced areas that it intends to onboard in-house as part of the assessment, augmentation of organizational capacity and functions?**

   At this time the only outsourced asset management done is through a 3rd party compliance vendor who does a property site visit each six months for each stabilized property in the portfolio.

Question Set 2

1. **Is Strategic HFC accepting responses from qualified firms that did not receive a direct invitation?**

   Yes, we're interested in all qualified firms.

2. **May the required 10 years of affordable multifamily asset management or portfolio advisory experience be demonstrated collectively by the prime consultant and a proposed subcontractor?**

   Yes

3. **May the two comparable engagements be provided by a proposed subcontractor or team member?**

   Yes, as long as the proposed subcontractor or team member who worked on the comparable engagements is also in the proposed team for our engagement.

4. **What minimum limits are required for general liability, professional liability, workers' compensation, and cyber liability insurance?**

Strategic will review proposals and negotiate the limits as needed with respondents of interest.

5. **Does Strategic HFC expect the consultant to develop any operational dashboards, trackers, or templates during the engagement, or only recommend and prioritize them?**

   The consultant should develop plans, tools, templates, dashboards, or other deliverables necessary to achieve the scope of work outlined.

Question Set 3

1. **We understand the number of units and properties in the Strategic HFC portfolio. It would be helpful to know some additional information about the composition of the portfolio. For example, how many development partners, property managers, properties currently in construction or lease-up, and properties approaching Year 15 are included in the portfolio?**

   Please see the portfolio chart above for information.

2. **Regarding representative sample of documents to be reviewed (Task 1): How standardized are documents? How many transactions will need to be reviewed for a representative sample?**

   Documents vary since Strategic has deals that span a twenty year period. Consultant would be expected to review a sample 4-5 deals.

3. **How comprehensive is the data on the properties and investments in the current systems used to capture, store, and analyze data?**

   Strategic has partnership documents, and recent compliance, audit, tax return and performance metric reporting from past two years for most properties.

4. **Based on our experience, we suspect that the tasks outlined could take more than 4 months. Would Strategic HFC prefer to see our proposal address (1) what we think can realistically be accomplished in four months or (2) accomplishing all the tasks described, even if it involves a timeline in excess of four months?**

   Strategic would prefer to see what could be accomplished in four months.

5. **Could you share a list of current development partners, investors and service providers so that respondents may determine any conflicts of interest?**

Please see responses above.

6. **Regarding the insurance requirement in General Terms (Section J): We would be able to add Strategic HFC as an additional insured after contract signature, please let us know if this would not be sufficient.**

   Yes, this would suffice.

Question Set 4

PORTFOLIO AND SCOPE

1. **Bond-issuer-only properties. Attachment A, Section 1.2 extends the Plan to properties where Strategic HFC is only the bond issuer. How many such properties are there? Should the Plan include issuer-level bond compliance monitoring (e.g., private activity bond requirements and post-issuance tax compliance), or focus on the 24 co-owned properties?**

   There are only three bond-issuer only properties which Strategic would like to include some high level of monitoring in the plan.

2. **Portfolio composition. For the co-owned properties, could you share the approximate breakdown by lifecycle stage (development, lease-up, stabilized, post-compliance) and by program type (LIHTC 4% and 9%, bond-financed, workforce housing, tax-abated)? Are any properties subject to HUD programs, City of Austin affordability programs, Permanent Supportive Housing or other targeted set-asides, or other layered regulatory agreements?**

   Please see the chart above. Most of the properties are 4% LIHTC deals. The only two non-LIHTC deals are Residences at Rubi and Banyan Braker Ln. Four properties are past initial 15-year compliance period – Cambridge Villas, Southpark, Silver Springs and Forest Park. One deal has a HUD loan but otherwise none are part of HUD programs. None of the properties are Permanent Supportive Housing. None of the properties have RHDA funding. One property has a City of Austin density bonus regulatory agreement.

3. **Property management. How many property management companies currently manage the co-owned portfolio, and how long have the current management agents been in place?**

Please see the chart above. Most of the companies have been in place since initial lease up with the exception of three properties that were repositioned and new partners brought in new management.

4. **Document review sample. For the Task 1 review of partnership agreements, LURAs, loan documents, and regulatory agreements, approximately how many properties or document sets does Strategic HFC expect? Should the sample cover each program type and both pre-2025 and post-2025 partnerships? Are these documents available electronically?**

   Yes these documents are available electronically and Strategic expects a review of 4-5 deals total with a mix of different aged deals.

COMPLIANCE

5. **Framework design vs. compliance testing. Is the consultant expected only to design compliance monitoring procedures and tools, or also to test current compliance status? If an existing noncompliance issue is identified during the review, what escalation process should the consultant follow?**

   Consultant is expected to either build on existing compliance monitoring procedures and tools or design new tools where needed. For existing noncompliance issues consultant should notify staff so that they can handle matter.

6. **Current compliance consultant. What services does Patricia Murphy Consulting currently provide (e.g., TDHCA monitoring, tenant file reviews, CMTS reporting, workforce/LURA income testing)? Should the Plan document the current division of responsibilities as it stands, or recommend changes? Will Patricia Murphy Consulting and the other named advisors be available for interviews?**

   Patricia Murphy Consulting currently provides monitoring of CMTS reporting and a site visit report of each property every six months. The consultant should recommend how best to use Staff and/or Patricia Murphy Consulting to cover compliance needs. Strategic would need to confirm availability for interview.

7. **Chapter 394 / HB 21 and term sheet requirements. Should the Plan include a compliance tracking framework for Chapter 394 / HB 21 requirements, including tenant protections and any reporting or audit obligations? How many properties are subject to these requirements, and do they apply differently to partnerships closed before and after the law took effect? Will Strategic HFC provide its**

standard term sheet requirements (the "Strategic Organizational Requirements" referenced in Section 8.1)?

Plan should provide general SOP for staying up to date with statutory changes. Strategic staff have already developed a pilot audit tool for workforce properties that are subject to all the new requirements. At this time it only impacts two of the portfolio properties. LIHTC properties are not subject to the majority of the HB 21 changes. Strategic's termsheets can be found here: https://strategichfc.org/partnerships.

8. **Breadth of compliance tracking. Should the compliance calendar and supporting tools cover every requirement listed in Attachment A, Section 6.2 — including City of Austin inspections, appraisal district exemption filings, Texas franchise tax, IRS filings, and investor and lender reporting — or focus on housing program compliance (LIHTC, LURAs, workforce housing, TDHCA)?**

   Strategic would like the compliance calendar to cover all compliance deadlines.

EXISTING MATERIALS, DATA, AND TOOLS

9. **Will the Risk Rating Program document, the Portfolio Risk Rating Dashboard workbook, and the transition document referenced in Section 3.2.2 be shared with respondents before the due date, or with the selected consultant at kickoff? Is refining the existing 1–5 Risk Rating System within scope, or should it be treated as final?**

   The Risk Rating Program documents will be shared with the selected consultant at kick off. If time and the scope allows for recalibrating the Risk Rating calculation system Strategic is open to that but it is not a priority.

10. **Will the selected consultant have access to the most recent audited financial statements for all partnership entities, and to current property-level financial and operating data, including T-12 operating statements, balance sheets, trial balances, occupancy and vacancy trends, eviction and bad debt data, and capital and deferred maintenance project lists?**

    Strategic has records of all recent audited financials and receives quarterly performance data from each property. Additional property level reporting can be requested from partners.

11. **For ancillary tools, does Strategic HFC expect the consultant to recommend and specify tools only, or also to build selected tools during the engagement? Are there preferred platforms (e.g., Excel, SharePoint, Power BI, etc)?**

    Strategic expects consultant to recommend tools and support staff in build out as timing allows. Currently Strategic relies heavily on SharePoint and Excel but is open to use of other platforms.

ENGAGEMENT LOGISTICS

12. **Does Strategic HFC expect on-site work in Austin, and if so, for which activities (training, interviews)?**

    No Strategic does not expect on-site work.

13. **How many staff members are expected to participate in training, and should the final Plan be presented to the Real Estate Committee or Board?**

    Approximately 3-6 staff members are expected to participate in training. The final plan will likely be presented to Real Estate Committee.

SUBMISSION AND CONFLICTS OF INTEREST

14. **Are subconsultants permitted as part of the proposed team? Does Strategic HFC give any consideration to HUB-certified or minority- and woman-owned firms?**

    Subconsultants are permitted. Strategic does not have any special preference for HUB firms.

15. **Regarding the requirement for comparable engagements completed within the past 10 years, may respondents cite ongoing or multi-phase engagements in which defined phases or deliverables have been completed?**

    Yes.

16. **Will Strategic HFC provide a list of its current development partners, investors, lenders, property managers, and service providers so respondents can identify and disclose potential conflicts? If a member of a proposed team currently provides services to one of these parties, would that be disqualifying, or can it be addressed through disclosure and a mitigation plan?**

Please see chart above. If the selected consultant provides services to one of those parties it is not an automatic disqualification but Strategic will need to evaluate the relationship between parties to ensure it does not feel that relationship might cause conflict of interest or impact consultant's work negatively.