



## BOARD OF DIRECTORS REGULAR MEETING March 23, 2026

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BOARD OF DIRECTORS REGULAR MEETING  
AGENDA

March 23, 2026 – Noon Central Time

LISC

602 Sawyer, Suite 210, Houston, Texas 77007

The meeting will be in person and open to the public but restrictions regarding masks, allowable room capacity, and seating arrangements may be in place.

The public meeting location will be at 602 Sawyer, Suite 210, Houston, Texas 77007. The Board Chair, as presiding officer of the Board, will be physically present; Board members will also be physically present.

**Please contact [info@houstonlandbank.org](mailto:info@houstonlandbank.org) or call us at 281-655-4600 with any questions.**

AGENDA

- I. Call to Order and Roll Call
- II. Public Speakers & Registered Attendees

***Speakers must be registered by 5 p.m. on Friday, March 20, 2026. To register, please use the online form at [www.houstonlandbank.org/resources](http://www.houstonlandbank.org/resources), e-mail [info@houstonlandbank.org](mailto:info@houstonlandbank.org) or call 281-655-4600. The Chair will call on speakers and allow three minutes per speaker.***
- III. Consideration and Adoption of Meeting Minutes
  - a. February 23<sup>rd</sup>, 2026, Board Meeting
- IV. Chairman's Greeting: Matt Zeis
- V. Committee Reports:
  - a. Executive Committee: Matt Zeis, Chair
  - b. Finance Committee: Rickie Bradshaw III, Chair
  - c. Partnership and Program Development: Chrishelle Palay, Chair
  - d. Real Estate Acquisition and Disposition: Francisco Castillo, Chair
  - e. Procurement and Oversight: Elaine Morales-Diaz, Chair
- VI. Board Action Items
  - a. Consideration and Possible Action to Approve the Successful Submitters (Velox Valuations LLC & Nations Real Estate), under the Request for Proposals for Appraisal Services issued on January 20, 2026.

- b. Consideration and Possible Action to Approve and Authorize the CEO/President of the Houston Land Bank to execute an eighteen-month extension to the Option Purchase Agreement between Houston Land Bank and The Trinity East Village CDC/NHP Foundation.
- c. Consideration and Possible Action to Approve the Proposed Fiscal Year 2027 Preliminary Budget for Submittal to the City of Houston's Finance Department.

VII. Executive Session

***NOTE: The Houston Land Bank Board may go into executive session, if necessary, pursuant to Chapter 551 of the Texas Government Code, for one or more of the following reasons: (1) consultation with its legal counsel to seek or receive legal advice or consultation regarding pending or contemplated litigation; (2) discussion about the value or transfer of real property; (3) discussion about a prospective gift or donation; (4) consideration of specific personnel matters; (5) discussion about security personnel or devices; or (6) discussion of certain economic development matters. The Board may announce that it will go into executive session on any item listed on this agenda if the subject matter is permitted for a closed session by provisions of Chapter 551 of the Texas Government Code.***

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

VIII. Board Member Comments

IX. Adjournment

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

**February 23, 2026**

A regular meeting of the Board of Directors ("Board") of the Houston Land Bank ("HLB"), a Texas non-profit corporation created and organized by the City of Houston as a local government corporation pursuant to the Texas Transportation Code Annotated, Section 431.101, *et seq.*, and the Texas Local Government Code Annotated, Section 394.001 *et seq.*, was held at 602 Sawyer Street, Suite 210, Houston, Texas, on Monday, February 23, 2026 at 12:00 p.m. Written notice of the regular meeting, which included the date, hour, place and agenda for the regular meeting, was posted in accordance with the Texas Open Meetings Act.

Board members in attendance were:

Elaine Morales-Diaz	Rickie Bradshaw
Matt Zeis	Chrishelle Palay
Francisco Castillo	Ge'Juan Cole
David Collins	

Board directors absent were Thomas Simpson, Marilyn Muguerza, Janae Ladet-Gardner and Dwantrina Russell. Others in attendance included: Christa Stoneham, Chief Executive Officer/President of the HLB; LaTosha Okoiron, in-house counsel and Compliance Manager of the HLB; Isai Mendez, Finance Director for the HLB; Lindsey Williams, Director of Community Development for the HLB; Melanie Young, Director of Operations; Donesha Albrow, Program Manager for the HLB; LeKendra Drayton, Administrative Assistant for the HLB; Mark Glanowski (Paralegal) of Winstead PC; Gracie Saenz, outside counsel to the Houston Land Bank, and Juanita from the tree trimming company.

**I. Call to Order and Roll Call**

Chairman Zeis called this regular meeting to order at 12:13 p.m. A roll call of the Board members attending in person immediately followed. Chairman Zeis then announced that an in-person quorum of the Board was now present for this meeting.

**II. Public Speakers & Registered Attendees**

Nothing to report due to no public speakers in attendance.

**III. Consideration and Adoption of Meeting Minutes**

**a. January 26, 2026, Board Meeting**

Chairman Zeis noted that the minutes for January 26, 2026, regular meeting of the Board were previously circulated for review and comment to the Directors.

Director Castillo then made a motion to approve the written minutes for the meeting held on January 26, 2026, which motion was duly seconded by Director Cole and approved with the unanimous vote of the Board.

#### **IV. Chairman's Greeting: Matt Zeis**

Chairman Zeis thanked everyone for attending today's meeting. He then wished everyone a happy Black History Month.

#### **V. Committee Reports:**

##### **a. Executive Committee: Matt Zeis, Chair**

Chairman Zeis reported that the Executive Committee met earlier this month to discuss the items on the Board meeting Agenda. The Executive Committee also discussed the update by HLB staff on the lots for sale in the Round 10 Lot Sale, the partnership for development of the former Yellow Cab site, and the RICE Management Group contract.

##### **b. Finance Committee: Ricky Bradshaw**

Director Bradshaw reported that the Finance Committee met this month to discuss the financial budget versus actual revenue and expenses and noted that the HLB is \$360,000 below its budget. The Finance Committee is recommending reducing the costs to maintain lawns on the HLB owned lots and reducing the number of bank accounts within the organization. He mentioned that the draft budget to the city of Houston is due on March 1<sup>st</sup>. Lastly, he stated that the Finance Committee needs more members.

##### **c. Partnership and Program Development Committee: Chrishelle Palay, Chair**

Director Palay reported that the Partnership and Program Development Committee met on February 12, 2026, to discuss the strategy for disposition of eleven properties which do not serve the HLB mission. She noted that the Committee also discussed the status of the Family Home workshops, and the Finding Home Program, however, the Fifth Ward Relocation Program is currently inactive. The Partnership Committee has completed title review and reconciliation for 45 lots over a three-year period. She noted that the development with the Local Initiatives Support Corporation is active and the Rockwell grant includes Auburn University.

##### **d. Real Estate Acquisition and Disposition Committee: Francisco Castillo, Chair**

Director Castillo reported that the Real Estate Acquisition and Disposition Committee met on February 2, 2026, to discuss the extension of the Trinity contract and the Round 10 Lot Sales. He also noted that there are currently 13 houses under construction. However, there are 26 unviable lots which are costing the HLB \$60,000 to maintain. Director Castillo then mentioned that the Settegast project has stalled however the holding costs are low, and the Harrisburg development RFP will be ready in early March.

e. **Procurement and Oversight Committee: Elaine Morales-Diaz, Chair**

Director Morales-Diaz reported that the Procurement and Oversight Committee did not meet this month but noted that the RFP for appraisal services will be issued in March.

**VI. Board Action Items**

a. **Consideration and Possible Action to approve the Houston Land Bank to dispose of 13 lots under Round Ten Pilot Lot Sale to SXG Capital Group, LLC, under the Houston Land Bank Builder Traditional Program**

Chairman Zies announced that approval of this action item will accept the READ Committee recommendations for builder lot selections resulting from the Traditional Program's Round 10 Pilot Lot Sales. Upon approval by the Board the HLB staff will then prepare to initiate the execution of contracts for the sale of these lots to the successful bids submitted by the builders. Ms. Okoiron stated that the sales of these lots will close in the next 30-60 days after title is opened.

Under the HLB Traditional Homebuyer Program approved builders may acquire properties from HLB to construct quality affordable homes, with price and design approved by HLB during the lot sale process. The Round 10 Pilot Lot Sale included a selection of lots paired with pre-approved plans through our Land + Plan Strategy, designed to streamline permitting, support resilient construction, and maintain high-quality standards across all HLB houses.

Ms. Stoneham noted that the Round 10 Lot Sale opened December 5, 2025, and closed on December 28, 2025. There were 26 builders invited to participate in the lot sale, and of those, 4 builders participated by submitting bids for their desired lots. There were 16 lots listed for sale all of which received submissions, and 13 of those lots were recommended for contract execution. The awarded lot count was reduced from 16 to 13 because one lot was removed from the sale after the lot sale closing due to an encroachment issue. Additionally, 2 lots were not awarded because only one builder submitted proposals, and that builder did not provide construction plans that fit the necessary lot dimensions, which prevented the HLB from awarding those lots.

The Round 10 Lot Sale lots are located in the following neighborhoods:

- Acres Homes – 11 lots
- Fifth Ward – 2 lots

HCAD	Lot Address	Lot Size	Bid Price	Builder	Home Size	Bed/Bath/Garage	Tier	Home Sales Price
0162750140008	6624 Tuskegee (Acres Homes)	3000	\$12,000	SXG Capital Group	1619	3/2.5/1	III	\$225,000
0162750140007	6624 Tuskegee (Acres Homes)	3000	\$12,000	SXG Capital Group	1619	3/2.5/1	III	\$225,000
0162760240022	6521 Knox (Acres Homes)	3000	\$7,500	SXG Capital Group	1024	2/2/0	Finding Home	\$180,233
0162750170016	0 Utah	3000	\$12,000	SXG Capital	1619	3/2.5/1	III	\$225,000

HCAD	Lot Address	Lot Size	Bid Price	Builder	Home Size	Bed/Bath/ Garage	Tier	Home Sales Price
	(Acres Homes)			Group				
0162750130006	0 Tuskegee (Acres Homes)	3000	\$6,000	SXG Capital Group	1024	2/2/0	Finding Home	\$180,233
0162750130007	0 Tuskegee (Acres Homes)	3000	\$4,500	SXG Capital Group	1024	2/2/0	Finding Home	\$180,233
0162750130008	0 Tuskegee (Acres Homes)	3000	\$4,500	SXG Capital Group	1024	2/2/0	Finding Home	\$180,233
0162750140025	0 Arabella (Acres Homes)	3000	\$12,000	SXG Capital Group	1619	3/2.5/1	III	\$225,000
0092470000001	0 Sakowitz (Fifth Ward)	4500	\$15,000	SXG Capital Group	1364	3/2/0	Finding Home	\$241,124
0162730050011	0 Apollo (Acres Homes)	3000	\$15,000	SXG Capital Group	1619	3/2.5/1	III	\$225,000
0162750150014	0 Tuskegee (Acres Homes)	3000	\$15,000	SXG Capital Group	1619	3/2.5/1	III	\$225,000
0162750170029	0 Utah (Acres Homes)	3000	\$7,500	SXG Capital Group	1024	2/2/0	Finding Home	\$180,233
0300190010010	3711 Leila (Fifth Ward)	4500	\$15,000	SXG Capital Group	1364	3/2/0	Finding Home	\$241,332

The lot sale awards were determined based on established evaluation criteria, including a review of the proposed home design and confirmation that the plan appropriately fit the site, the builder's purchase bid price, neighborhood appropriateness as scored by the NAC Committee, the use of the designated Finding Home plan options for the site, and submission of a pro forma outlining estimated construction costs and the proposed sales price.

Director Castillo made a motion to approve the sale of the 13 lots to SXG Capital Group, LLC which motion was duly seconded by Director Bradshaw and approved by the unanimous vote of the Board.

## **VII. Executive Session**

No need for any Agenda items to go into Executive Session.

## **VIII. Board Member Comments**

Nothing to report.

**IX. Adjournment**

Chairman Zeis asked if there were any additional matters to be discussed or considered by the Board. Hearing none, this regular Board meeting then adjourned at 12:34 p.m. upon the motion of Director Morales-Diaz which was duly seconded by Director Bradshaw and passed with the unanimous vote of the Board.

Minutes Prepared By:

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

Signed on the \_\_\_\_ day of \_\_\_\_\_, 2026.

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Secretary

**Houston Land Bank**  
**Balance Sheet**  
**As of January 31, 2026**

	<b>TOTAL</b>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Bank Accounts</b>	
<b>Total Bank Accounts</b>	<b>\$ 4,117,341</b>
<b>Accounts Receivable</b>	
12100 Accts Receivable	937,351
<b>Total Accounts Receivable</b>	<b>\$ 937,351</b>
<b>Other Current Assets</b>	
<b>Prepaid Expenses</b>	
14100 Prepaid Acquisition Costs	190,491
14200 Prepaid Insurance	92,877
14400 Prepaid Security Deposit	6,138
14500 Prepaid Subscription Services	25,948
<b>Total Prepaid Expenses</b>	<b>\$ 315,455</b>
<b>Total Other Current Assets</b>	<b>\$ 315,455</b>
<b>Total Current Assets</b>	<b>\$ 5,370,147</b>
<b>Fixed Assets</b>	
15100 Equipment	21,905
15900 Accum. Depreciation	-15,935
<b>Total Fixed Assets</b>	<b>\$ 5,970</b>
<b>Other Assets</b>	
16200 Lease Asset	12,313
<b>Total 17100 Investments Held For Sale</b>	10,291,297
<b>Total Other Assets</b>	<b>\$ 10,303,611</b>
<b>TOTAL ASSETS</b>	<b>\$ 15,679,727</b>
<b>LIABILITIES AND EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
20100 Accounts Payable	47,962
<b>Total Accounts Payable</b>	<b>\$ 47,962</b>
<b>Other Current Liabilities</b>	
21100 Liabilities Due to HCDD	1,361,041
21300 Payroll Liability	31,463
21302 Medical Liability	-7,868
21303 Dental Liability	346
21304 Vision Liability	-676
21305 Disability Liability	-370
21400 Liabilities Due to HLB Fund	-5,129
21600 Lease Liability - Current	3,356

**Houston Land Bank**  
**Balance Sheet**  
**As of January 31, 2026**

	<b>TOTAL</b>
21800 Unearned Revenue	369,835
Total Other Current Liabilities	<b>\$ 1,751,999</b>
<b>Total Current Liabilities</b>	<b>\$ 1,799,961</b>
<b>Long-Term Liabilities</b>	
22600 Lease Liability - Noncurrent	10,395
Total Long-Term Liabilities	<b>\$ 10,395</b>
<b>Total Liabilities</b>	<b>\$ 1,810,355</b>
<b>Equity</b>	
30100 Unrestrict (retained earnings)	13,631,315
Net Income	238,056
<b>Total Equity</b>	<b>\$ 13,869,372</b>

**Houston Land Bank  
Income Statement  
July - January, 2026**

	<b>TOTAL</b>
<b>Income</b>	
40100 Acquisition and Development Agreement	768,217
40500 Outside Sources Contributions	839,707
<b>Total Income</b>	<b>\$ 1,607,924</b>
<b>Gross Profit</b>	<b>\$ 1,607,924</b>
<b>Expenses</b>	
60100 Salaries and Fringe	560,171
60200 Legal Fees	81,331
60300 Professional Services	175,550
60400 Property Cost - Lot Maintenance	271,084
60500 Software and Subscriptions	29,497
60600 Rent Expense	33,880
60700 Advertising and Marketing	36,000
60800 Bank Fees	1,023
60900 Events and Meetings	7,874
61000 Depreciation Expense	1,155
61100 Environmental Services	98,719
61200 Insurance	58,185
61300 Membership and Dues	2,446
61400 Office Expense	641
61500 Phone and Internet	5,934
61700 Travel Expense	4,632
61800 Other Miscellaneous Expense	9,306
62200 Property Cost Disposition - HLB Traditional	6,096
63200 Property Cost Disposition - NHDP	35,069
<b>Total Expenses</b>	<b>\$ 1,418,593</b>
<b>Net Operating Income</b>	<b>\$ 189,331</b>
<b>Other Income</b>	
70100 Interest Income	48,725
<b>Total Other Income</b>	<b>\$ 48,725</b>
<b>Net Other Income</b>	<b>\$ 48,725</b>
<b>Net Income</b>	<b>\$ 238,056</b>

## REQUEST FOR BOARD ACTION

**Meeting Date: March 16, 2026**

**Agenda Item IV a: Consideration and Possible Action to Approve the Successful Submitters (Velox Valuations LLC & Nations Real Estate), under the Request for Proposals for Appraisal Services issued on January 20, 2026.**

### ACTION SUMMARY

Approval of this agenda item will authorize HLB to contract with the successful submitters as described under the Houston Land Bank Request for Proposals for Appraisal Services issued on January 20, 2026. This service is imperative as it will determine the market value of the land of the undeveloped property and newly constructed homes developed throughout all HLB programs.

### BACKGROUND/OVERVIEW

HLB Request for Appraisal Services issued on January 20, 2026. The RFP closed on February 13, 2026 and received four submissions. HLB staff presented the results of this procurement to the P & O committee on March 2, 2026. The committee approved moving the procurement forward with the successful submitters. Submission breakdown is as follows:

- |  |  |
|--|--|
| 1. Velox Valuations LLC                      | Successful   |
| 2. Nations Real Estate                       | Successful   |
| 3. G. K. Coleman & Sons Appraisals and Sales | Unsuccessful (Did not submit all required information) |
| 4. Keys Real Estate Services                 | Unsuccessful (Did not submit all required information) |

Should the Board of Directors approve this item, HLB will move forward with contracting with the successful submitters



## Request For Proposals: Appraisal Services

EXPECTED TIMELINE (SUBJECT TO CHANGE):

RFP release: Tuesday, January 20, 2026

Deadline for submitting questions: Tuesday, February 3, 2026, by 5 p.m. Central time

RFP responses are due: Friday, February 13, 2026 by 5pm CST. Submission due via [HLB Intake Form](#)

### Objective:

The Houston Land Bank (HLB) is seeking professional appraisal services to determine the market value of the land of the undeveloped property and newly constructed homes developed throughout all HLB programs. The primary objective is to obtain accurate, data-supported valuations that reflect current market conditions and ensure compliance with underwriting, financing, and resale standards.

### Scope of Work:

#### Property Appraisals:

- Conduct a Uniform Residential Appraisal Report (URAR) or similar comprehensive appraisal for each property listed.
- Evaluate comparable properties using current sales data, active listings, and pending sales within the surrounding area.
- Account for characteristics including square footage, condition, location, and market trends.
- Assess neighborhood influences and economic factors impacting property value.

#### Market Valuation:

- Provide as-is market value based on current conditions.
- Ensure valuations meet industry standards, including Uniform Standards of Professional Appraisal Practice (USPAP).

#### Compliance and Standards:

- Ensure all appraisals comply with applicable local, state, and federal regulations.
- Include photographs of the property, maps, and necessary supporting exhibits.

**Turnaround and Coordination:**

- Complete all appraisal reports within ten (10) business days of assignment unless otherwise agreed upon.
- Coordinate with HLB staff for site access and scheduling.
- Maintain professional communication regarding scheduling, delays, or issues encountered during appraisal completion.

**Deliverables:**

- Full appraisal report for each assigned property, compliant with USPAP and applicable lender guidelines.
- Summary memo outlining any factors that may affect valuation or salability.
- Electronic delivery of all reports in PDF format and submission of hard copies, if requested.

**Qualifications:**

- Certified Residential or General Appraiser licensed by the State of Texas.
- Minimum of five (3) years of experience conducting residential property appraisals, including new construction.
- Familiarity with the Houston-area real estate market and valuation of homes in low- to moderate-income neighborhoods.
- Demonstrated ability to provide timely, accurate, and well-supported valuation reports.

**Compensation:**

- Fixed fee per appraisal or competitive pricing structure based on volume or scope.
- Payment upon satisfactory submission and acceptance of each appraisal report by HLB.

**Submission Requirements:**

- Respondents must meet the qualifications and approach described above and provide complete submission and pay the \$100 nonrefundable application fee for consideration.

Submission should include:

- Fee structure per property
  - Sample redacted appraisal report
  - Proof of licensure and relevant certifications
- Please submit qualifications via the [HLB Intake Form](#) by 5 p.m. Central time on February 13, 2026.
- Respondents may ask questions regarding this solicitation by submitting via email to [procurements@houstonlandbank.org](mailto:procurements@houstonlandbank.org) by February 3, 2026, by 5 p.m. Central time. HLB will

post written responses to all questions received by the deadline on the HLB website at [www.houstonlandbank.org](http://www.houstonlandbank.org) (please see the Procurements Section on the Resources page).

## **REQUEST FOR BOARD ACTION**

**Meeting Date: March 16, 2026**

**Agenda Item VI b: Consideration and Possible Action to Approve and Authorize the CEO/President of the Houston Land Bank to execute an eighteenth-month extension to the Option Purchase Agreement between Houston Land Bank and The Trinity East Village CDC/NHP Foundation.**

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### **ACTION SUMMARY**

Approval of this agenda item will authorize HLB to extend the current option to purchase agreement made between the Trinity East Village CDC/ NHP Foundation and the Houston Land Bank. Section 3 of the current option agreement allows for the extension of the option agreement, and the parties wish to renew and execute the option.

### **BACKGROUND/OVERVIEW (Background of the Agreement and Summary)**

Trinity East Village CDC and the NHP Foundation have been working together since 2019 to build apartment homes for seniors and families on land owned by Trinity East United Methodist Church at Live Oak and McGowen Streets. These homes will help Third Ward residents facing displacement due to gentrification and the redevelopment of Cuney Homes remain in their neighborhood. The partners obtained site control for 7 lots controlled by the Houston Land Bank (Exhibit A), and lots controlled by the Midtown Redevelopment Authority in 2019 when we worked to complete a 9% LIHTC application for the project.

As part of that work, Trinity East Village CDC had discussions with the leadership of the City's Housing and Community Development Department and Houston Land Bank at that time about earmarking these lots for affordable rental development and transferring the lots. With renewed interest in the project by Harris County, the Houston Housing Authority, and Rice Management Company, the development team is ready to make this project a reality in 2027. From the outset, the proposed development has received widespread support among Third Ward community groups and residents. Organizations from the Third Ward Super Neighborhood to the Emancipation Economic Development Council have submitted letters of support for the development. In addition to the community support, The City of Houston Housing and Community Development has voiced no objection to this request.

The agreement, including Exhibit A, is attached. Should the HLB Board of Directors approve this board action, the purchase agreement's renewal option will be exercised.

January 23, 2026

Christa Stoneham, Executive Director  
Houston Land Bank  
Via email: [cstoneham@houstonlandbank.org](mailto:cstoneham@houstonlandbank.org)

RE: Trinity East Village Project Status Report and Option Agreement Extension Request

Dear Director Stoneham:

Trinity East Village CDC and the NHP Foundation (NHPF) are partnering to develop affordable housing for families and seniors on the block adjacent to the Trinity East United Methodist Church (bounded by McGowen, Live Oak, Tuam, and St Charles streets) in Houston's Third Ward. As required in Section 3 of the Option Agreement between NHPF and the Houston Land Bank, we are providing this project status update and requesting:

1. An extension of the existing Option to Purchase that NHPF has with the Houston Land Bank for seven lots to allow for a closing in mid-2027.
2. The ability for NHPF to assign its interest in the Option to Trinity East Village CDC, or have the CDC enter into a new Option Agreement with Houston Land Bank, to streamline site control for the project.

We appreciate the Land Bank's partnership on this important two-phase project, phase one of which is breaking ground this spring as 90 apartments for low-income seniors, many of whom will be relocating from Cuney Homes as it is redeveloped under the Choice Neighborhoods program. The lots owned by the Houston Land Bank are contained in phase two of the project, which will serve lower income families and individuals from Cuney Homes, Third Ward, and greater Houston. With 4% Low Income Housing Tax Credits, we plan to start construction of the second phase in 2027.

There are seven parcels of land under the Option Agreement, all of which support the development of phase two of the project. These lots comprise less than 20% of the total project area but are integral to making phase two a reality. Without these lots, the construction of the family phase will not be possible.

### **Project Update: Progress made over the last year and upcoming milestones**

**The Trinity East Village Senior** received an allocation of 9% Low Income Housing Tax Credits (LIHTCs) in the 2025 round, as well as \$4 million from the City of Houston. The Houston Housing Authority is serving in a variety of roles on the project to provide Project-Based rental assistance vouchers on 90% of the units, \$500,000 in funding, and a property tax exemption to ensure the affordability of the property in perpetuity. The closing process is currently underway with construction anticipated to start in spring 2026 and finish in fall 2027.

**Trinity East Village Family** will utilize 4% LIHTCs rather than 9% LIHTCs because the Houston Housing Authority's phasing plan for the build-out of the Cuney Homes redevelopment contemplates 9% LIHTC applications every round for the next several rounds. Rather than compete against HHA's applications, 4% LIHTCs are non-competitive and granted to projects that receive an allocation of Private Activity Bonds. We will apply for these bonds in 2026. The Houston Housing Finance

Corporation has expressed their willingness to serve as Private Activity Bond issuer and we will work with them to submit a Traditional Carryforward application to the Texas Bond Review Board for bond allocation. We expect that we will receive an allocation of bonds in January 2027, at which point we would submit a 4% LIHTC application to TDHCA, enabling us to close in mid-2027.

### **Overall Timeline**

Trinity East Village Senior:

- Anticipated closing: March/April 2026
- Construction start: April 2026
- Construction end: October 2027

Trinity East Village Family:

- Anticipated Bond Reservation: January 2027
- Anticipated closing deadline: within 180 days of bond reservation date
- Anticipated construction start: July 2027
- Anticipated construction end: Q1 2029

As you can see from the update above, we remain deeply committed to this project, which continues to enjoy widespread support among the community. We have made significant progress in the last year to get the first phase of the project underway, with construction starting this spring. With the Land Bank's support, we can bring phase two to fruition, ensuring long-term affordable homes for families in Third Ward.

Please contact me if you have any questions or would like additional information. I appreciate your consideration of our request.

Sincerely,



Lauren Avioli, Assistant Vice President  
The NHP Foundation

[lavioli@nhpfoundation.org](mailto:lavioli@nhpfoundation.org) | 832-280-7554

Attachment: Presentation slides



# Trinity East Village A Community for Seniors and Families in the Third Ward

Update to Houston Land Bank

1/2026

# Trinity East Village

- Located in historic Third Ward, just blocks from Emancipation Park
- Two phases:
  - 90 apts for seniors: part of Houston Housing Authority's Choice Neighborhoods Redevelopment
  - Approx. 60 apts for families
- Serving households 30-80% AMI
- On-site resident services



- Family Phase 
- Senior Phase 
- Trinity East United Methodist Church 
- Midtown Redevelopment 
- Houston Land Bank 
- Jordan Grove Missionary Baptist Church\* 
- NHP Foundation 
- Elaheeb Karim\* 

\* Not a part of the proposed development



# Trinity East Village - Senior

- Committed funders:
  - City of Houston
  - Houston Housing Authority
  - 9% Low Income Housing Tax Credit Equity
- Focuses on extremely low-income seniors
- At least 60 units for Cuney Homes residents
- 90% of units have Project Based Voucher rental assistance
- Timeline:
  - Closing spring 2026
  - Construction: Q2 2026 – Q4 2027



# Trinity East Village - Family

- 4% Low Income Housing Tax Credits (non-competitive)
- Houston Housing Finance Corporation as likely bond issuer
- Timeline:
  - Bond Carryforward submittal early 2026
  - Closing mid 2027
  - Construction: 2027 – 2028
- Focuses on families and individuals from Cuney Homes and Third Ward
- Could provide additional replacement housing for Cuney Homes residents as The Carpenter (other replacement site) is focused on scholar housing



# Widespread Community Support

- Greater Third Ward Super Neighborhood
- Third Ward Community Cloth Cooperative
- Emancipation Economic Development Council
- Kinder Foundation
- Row House CDC
- University of Houston
- Texas Southern University
- OST/Almeda Corridors Redevelopment Authority
- Change Happens CDC
- Boynton Chapel
- Coalition for the Homeless/The Way Home

# Request

- Extend Option to mid-2027 (through anticipated closing timeline)
- Assign Option to Trinity East Village CDC (or enter into new Option Agreement) to streamline site control
  - Trinity East Village CDC has Option to Purchase with Midtown Redevelopment Authority for their 2 lots

## OPTION AGREEMENT EXTENSION

THIS OPTION AGREEMENT (this “Agreement”) entered into originally as of October 17, 2023 (the “Effective Date”) by and between HOUSTON LAND BANK (formerly known as LAND ASSEMBLAGE REDEVELOPMENT AUTHORITY), a Texas non-profit local government corporation (“HLB”) and THE NHP FOUNDATION, a District of Columbia nonprofit corporation and/or its designated affiliate, subsidiary, or assigns (“NHP”) and extended effective \_\_\_\_\_, \_\_\_\_\_. 2026 between HOUSTON LAND BANK (formerly known as LAND ASSEMBLAGE REDEVELOPMENT AUTHORITY), a Texas non-profit local government corporation (“HLB”) and THE TRINITY EAST VILLAGE COMMUNITY DEVELOPMENT CORPORATION (TEVCDC), an assignee of NHP. HLB and TEVCDC are collectively referred to herein as the “Parties” and individually as a “Party”.

### RECITALS

- A. TEVCDC plans to develop an affordable housing project located in Houston, Harris County, Texas (the “Project”).
- B. HLB owns seven (7) unimproved real property lots described on Exhibit A attached hereto and incorporated herein by reference (the “Option Property”) which is located in Houston, Harris County, Texas.
- C. TEVCDC proposes that HLB sell the Option Property to TEVCDC at the Purchase Price (defined below) for the Project, and HLB upon determining that the Project is consistent with its affordable housing strategy agrees to sell to TEVCDC an option to acquire the Option Property for the Purchase Price subject to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the Purchase Price, the foregoing premises, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. **Grant of Option.** HLB hereby agrees to grant to TEVCDC the exclusive option to acquire the Option Property for the Purchase Price and upon and subject to the terms and conditions set forth herein (the “Option”) in exchange for a \$100 option fee (the “Option Fee”) to be paid at the execution of this Agreement.

2. **Purchase Price.** The purchase price (“Purchase Price”) for the Option Property shall be (i) the greater of (x) the fair market value of the Option Property as determined by an appraisal obtained by HLB from a MAI appraiser reasonably acceptable to TEVCDC or (y) the amount paid by HLB to acquire the Option Property plus (ii) HLB's costs of holding the Option Property through the date of sale to TEVCDC (the “Holding Costs”). A statement of the Purchase Price (“Purchase Price Statement”) shall be prepared by HLB and submitted to TEVCDC within thirty (30) days prior to the Closing Date (as hereinafter defined). The Purchase Price Statement shall include the Holding Costs itemized in reasonable detail and supported by reasonable substantiating data.

3. **Lawn Maintenance.** As a condition of the option extension, HLB is requiring TEVCDC to provide for the lawn Maintenance of the lots as described under this agreement.

TEVCDC shall furnish all labor, material, tools, equipment, transportation, insurance, incidentals, and other facilities to perform all work for the landscaping and grounds maintenance of the lots. Services to be rendered include but are not limited to the following: a) Maintenance of grass and groundcover areas, b) removal of litter and debris, c) tree services where needed, d) application of lawn care agents for control of weeds, plant disease, insects, or pests.

HLB grants TEVCDC its contractors and assigns access to the lots described in this agreement to provide lawn maintenance in accordance with this clause. TEVCDC, its contractors, and assigns must have the proper liability insurance in accordance with the performance of lawn maintenance duties. TEVCDC may enter onto the lots described in this agreement at reasonable times to conduct lawn maintenance.

4. **Exercise of Option.** The right of TEVCDC to exercise the Option to acquire the Option Property is conditioned on TEVCDC having first obtained and submitted to HLB written evidence of the following in connection with the development of the Project (and such related information as HLB may reasonably request in connection with the development of the Project): (i) binding commitment(s) for funding in an aggregate amount sufficient to pay the total costs of developing the Project as evidenced by substantiating data satisfactory to HLB in its reasonable business judgment ; and (ii) approval from the Texas Department of Housing and Community Affairs of housing tax credits for the Project (or in its place binding commitments of funding from other sources which will substitute for the tax credits) (items (i) and (ii) collectively, the “Financing Commitments”). Upon TEVCDC'S satisfaction of the Financing Commitments, TEVCDC shall have the right to exercise the Option to acquire the Option Property by delivering written notice (“Option Notice”) to HLB no later than September 1, 2027 (“Outside Option Exercise Date”); provided however, the Outside Option Exercise Date may be extended twelve months if TEVCDC delivers to HLB on or before March 1, 2027 a written Project status report of its efforts to obtain Financing Commitments and evidence satisfactory to HLB in its good faith business judgment that funding sufficient to pay the costs of developing the Project is likely obtainable on or before the end of such extension. The actual date on which the Option Notice is delivered to HLB is hereafter referred to as the “Option Exercise Date.” If TEVCDC fails to exercise the Option on or before the Outside Option Exercise Date, then this Option shall lapse and HLB shall have the right to terminate this Agreement and shall have the additional purchase right set forth in Exhibit D, attached hereto.

5. **Term of Option.** The Option shall remain in full force and effect from and including the Effective Date until the earlier to occur of (and including) the (i) the Outside Option Exercise Date, and (ii) the Closing Date (hereinafter, the “Option Term”). TEVCDC shall not be entitled to exercise the Option after the expiration of the Option Term, except as approved in writing by HLB in its sole and absolute discretion.

6. **Terms of Acquisition.** In the event TEVCDC delivers an Option Notice to HLB in accordance with Section 2 hereof, the Parties agree to consummate the conveyance of the Option Property from HLB to TEVCDC on and subject to the following terms and conditions:

- a. **Consideration.** HLB will deed the Option Property to TEVCDC and TEVCDC shall pay the Purchase Price to HLB, subject to and in accordance with the terms and conditions of this Agreement. The Deed (as hereinafter defined) shall contain the affordable housing use restrictions set forth in Exhibit B, attached hereto

(“Affordable Housing Use Restrictions”).

- b. **Title Commitment.** During the term of this Agreement, TEVCDC shall have the right to obtain at TEVCDC's cost: (a) a title commitment issued by a national title insurance company, or its agent or affiliate, which is licensed to do business in the State of Texas, as TEVCDC selects subject to HLB's reasonable approval thereof (the “Title Company”) setting forth the basis upon which the Title Company is willing to insure title to all parcels of the Option Property (the “Title Commitment”), together with all of the documents listed or referenced in the Title Commitment (the “Exception Documents”), and (b) a current survey of the Option Property prepared in accordance with the then current Minimum Standard Detail Requirements for ALTA/ACSM Land Title Surveys as adopted by American Land Title Association and National Society of Professional Surveyors (the “Survey”). Copies of the Title Commitment, Exception Documents and Survey shall be provided to HLB promptly upon receipt by TEVCDC, and HLB shall be included as a certified party in the Survey. If the Title Commitment or the Survey, or updates thereof disclose defects or other matters objected to by TEVCDC, TEVCDC shall advise HLB of the same in writing no later than thirty (30) days after the Option Exercise Date. The Affordable Housing Use Restrictions and any other title exceptions and survey matters not objected to by TEVCDC within said period or waived by TEVCDC in accordance with clause (x) in the following sentence shall collectively constitute the “Permitted Encumbrances.” If HLB is unable or unwilling to correct such title matters as to which TEVCDC objects, then TEVCDC shall have the right, at its option, either to (x) waive such objections and accept such title as HLB is able to convey, in which event this Agreement shall continue in full force and effect without change in or to the terms hereof; or terminate this Agreement in writing and the parties hereto shall be thereafter be released from any further obligations hereunder.
- c. **Title Policy.** At Closing, TEVCDC shall obtain, at TEVCDC'S expense, an TLTA Owner's Policy of Title Insurance (or pro forma thereof) (the “Title Policy”), issued by the Title Company, insuring fee simple title to TEVCDC as of the date and time of the recording of the Deed, subject only to the Permitted Encumbrances.
- d. **TEVCDC's Due Diligence.** TEVCDC, or its representative, will have the right to enter the Option Property at any time after the Effective Date, and will have the right to conduct tests and inspections, including Phase I environmental studies (and if recommended by the Phase I, a Phase II environmental study), surveys, preliminary engineering, site planning, soil boring tests and other appropriate inspections and tests as TEVCDC deems necessary provided that TEVCDC (i) provides HLB with prior notice of the proposed time and nature of any such studies, tests and inspections and furnishes HLB the certificate of insurance required below; (ii) conducts such studies, tests and inspections during normal business hours at times reasonably approved by HLB; (iii) if reasonably requested by HLB, conducts such studies, tests and inspections in the presence of a representative of HLB (provided that the presence of such a representative shall not be a condition precedent to conducting such tests and inspections if TEVCDC otherwise complies with clauses (i) and (ii) above); and (iv) promptly provides HLB with copies of written reports received from its contractors arising out of such studies, tests and

inspections. In the event either Party rightfully terminates this Agreement prior to Closing or the Option Term expires without a Closing, TEVCDC shall promptly repair any damage to the Option Property caused by TEVCDC's inspections or testing of the Option Property, restore the Option Property to the substantially the same or better condition than existed prior to such inspections or testing and indemnify and hold HLB harmless for any and all actual claims and damages arising in connection with such inspections or testing; provided, however, that in no event shall the scope of the foregoing indemnification obligations include (x) claims or damages arising out of the acts or omissions of HLB or its agents, employees, contractors or other representatives, (y) any diminution in value to the Option Property unless such diminution in value results from acts or omissions of TEVCDC or its agents, employees, contractors or other representatives, nor (z) the mere discovery of existing conditions in, on or under the Option Property. Prior to any entry upon the Option Property, TEVCDC shall procure and continue in force and effect from and after the date TEVCDC first desires to enter on the Option Property, and continuing throughout the term of this Agreement, the following insurance coverages placed with a responsible insurance company licensed to do business in Texas: commercial general liability insurance with (i) a combined single limit of not less than \$2,000,000.00 per occurrence and \$2,000,000.00 in the aggregate limit, insuring, without limitation, coverage for bodily injury, property damage, contractual liability, and personal injury liability with respect to the improvements on the Option Property or arising out of any of TEVCDC's or the parties acting by, under or for the benefit of TEVCDC's use, inspection or occupancy of the Option Property, conduct of its due diligence, or arising out of any of the indemnified claims. TEVCDC shall deliver a copy of a certificate of insurance evidencing such insurance coverage to the HLB upon written request (but in all events prior to any contractors or consultants of TEVCDC entering upon the Option Property).

- e. **Covenants Regarding the Option Property.** From and after the Effective Date until the earlier of the Closing or the expiration or termination of this Agreement (i) neither HLB nor its agents or representatives will make or enter into any lease for the Option Property or any portion thereof or make or enter into any other contract, or other agreement affecting the Option Property, any part thereof or any interest therein other than contracts related to the improvement and maintenance of and security for the Option Property and contracts or leases which will terminate or expire on or before conveyance of the Option Property to TEVCDC; (ii) HLB will take no action which will materially or adversely affect the condition of the Option Property or any portion thereof; and (iii) HLB will not enter into any mortgage, deed of trust, lien, covenant, condition, restriction, easement or right-of-way which would encumber the Option Property after Closing without the prior written consent of TEVCDC.
- f. **Condition of the Option Property at Closing.** At Closing, HLB will deliver the Option Property to TEVCDC "as is, where is and with all faults."
- g. **Form of Deed.** At Closing, HLB will convey by special warranty deed to TEVCDC indefeasible fee simple title to the Option Property, subject only to the Permitted Encumbrances, including the Affordable Housing Use Restrictions, and

to the general encumbrances and “as is” provisions set forth in the Special Warranty Deed, substantially in the form of Exhibit C attached hereto and incorporated herein for all purposes (the “Deed”). The legal description of the Option Property set forth in the Title Commitment and Survey shall be incorporated into the Deed on approval of the same by HLB and the Title Company.

- h. Governmental Authorizations. Prior to the Closing, TEVCDC, and its agents, representatives, and designees shall have the right to pursue all necessary authorizations, including, without limitation, permits, registrations, licenses, and any other approvals necessary for the intended use of the Option Property, from all applicable governmental authorities on such terms and conditions, as TEVCDC deems acceptable and at TEVCDC's expense (collectively, “Governmental Authorizations”); and to the extent necessary in connection therewith, HLB will reasonably cooperate with TEVCDC in TEVCDC's efforts to obtain any necessary Governmental Authorizations, including without limitation by executing any applications, agreements, affidavits, or other documentation that requires HLB's signature or acknowledgment and by providing any information necessary for the processing of any Governmental Authorizations provided that HLB shall not be required to incur any expense in connection with such matters. The foregoing notwithstanding, TEVCDC shall not file or record any documents in the public records of Harris County, Texas in connection with the Governmental Authorizations or the Option Property until after Closing, except as described in Section 13 below.
- i. Taxes and Assessments and Other Adjustments. HLB shall pay in full all taxes, general and special, against the Option Property, if any, which are due or have accrued up to the Closing Date, and TEVCDC shall pay all such taxes and assessments and installments of unpaid special assessments becoming due or accruing from and after the Closing Date. In the event that the amount of any such tax or assessment for the year in which the Closing Date occurs cannot be determined, then as soon as taxes on the Option Property for the year of Closing are known HLB and TEVCDC shall upon demand by either Party readjust the amount to be paid by each Party with the result that TEVCDC pays only for taxes attributable to the period of time commencing with the Closing Date and HLB receives any adjustment for overpayment of taxes previously paid by HLB. Except as otherwise expressly set forth here in, any other items of revenue or expense shall be adjusted and prorated in the manner typically adjusted or prorated in connection with the conveyance of unimproved real property in Texas. This provision shall survive Closing.
- j. Closing. The closing of the conveyance of the Option Property (the “Closing”) will take place in the offices of Title Company on a mutually agreeable date and time no later than sixty (60) days after Option Exercise Date. The date on which Closing actually occurs shall be referred to herein as the “Closing Date”.

At Closing, HLB shall deliver to TEVCDC and Title Company the following (collectively, the “Seller's Closing Documents”):

- i. The Deed conveying the Option Property to TEVCDC;

- ii. An Affidavit of Non-Foreign Status of HLB;
- iii. Such statutory notices, authorizing resolutions and other documents (such as commercially reasonable affidavits) as may be required by the Title Company in order for the Title Company to issue the Title Policy; and
- iv. Such other documents as are typically provided in connection with the conveyance of unimproved real property in Texas or as may be reasonably required to consummate the transaction contemplated hereby.

At Closing, TEVCDC shall deliver to HLB and Title Company the following:

- i. Purchase Price;
- ii. Original executed counterpart of the Deed;
- iii. Such statutory notices, authorizing resolutions and other documents as are typically provided in connection with the conveyance of unimproved real property in Texas or as may be reasonably required to consummate the transaction contemplated hereby or as may be required by the Title Company in order for the Title Company to issue the Title Policy.

At Closing, (x) HLB shall pay the cost of its attorneys' fees (if any), and (y) TEVCDC shall pay the cost of its attorneys' fees (if any) and all other costs of Closing including, without limitation, the escrow fees of Title Company, the premiums for the Title Policy and all endorsements thereto, the recording fees for the Deed and the costs of its inspections and the Survey.

- k. **Funding Commitment.** As a condition precedent to each party's obligation to close under this Agreement, TEVCDC shall have received approval from either the Texas Department of Housing and Community Affairs of housing tax credits for the Project or (ii) a funding commitment from another governmental agency; and in either case provided HLB with written evidence of such approval or commitment; provided however, HLB in its sole discretion may waive this requirement.
- l. **Funding.** As a further condition precedent to each party's obligation to close under this Agreement, TEVCDC shall have received and provided HLB with written evidence of the Financing Commitments sufficient to pay the costs of developing the Project.

**7. Representations and Warranties of HLB.**

- i. HLB represents and warrants to TEVCDC the accuracy of the following statements as of the Effective Date hereof and the date of Closing.
- ii. HLB is a non-profit local government corporation that is duly organized and validly existing and in good standing under the laws of the State of Texas.
- iii. HLB has all requisite power and authority to execute, deliver, and perform this Agreement and to consummate the conveyance of the Option Property

- in the event that TEVCDC exercises the Option hereunder.
- iv. HLB is not a “foreign person” within the meaning of Section 1445 of the Internal Revenue Code.
  - v. This Agreement is, and (when executed and delivered to TEVCDC at the Closing) the Deed will be, a valid and binding obligation of HLB, enforceable against HLB by TEVCDC in accordance with its terms, except in each case to the extent limited by application of general principles of equity and by bankruptcy, insolvency, debtor relief, and similar laws of general application affecting the enforcement of contractual rights and obligations and such laws as are applicable to governmental entities.
  - vi. To the actual current knowledge of the President of HLB without any independent investigation (and without any personal liability on the part of such individual) of HLB without the duty of investigation or inquiry, there is no pending or threatened claim, cause of action, proceeding, or other litigation involving the Option Property (including but not limited to eminent domain, takings or condemnation of any portion of the Option Property or violations of applicable law) or HLB to the extent that same, if decided adversely to HLB would result in a lien against, or be binding upon the owner of, the Option Property from and after the Closing Date.
- b. TEVCDC represents and warrants to HLB the accuracy of the following statements as of the Effective Date hereof and the date of Closing.
    - i. TEVCDC is a non-profit corporation that is duly organized and validly existing and in good standing under the laws of the State of Delaware.
    - ii. TEVCDC has all requisite power and authority to execute, deliver, and perform this Agreement and to consummate the closing of the Option Property in the event that HLB exercises the Option hereunder.
    - iii. TEVCDC is not a “foreign person” within the meaning of Section 1445 of the Internal Revenue Code.
    - iv. This Agreement is a valid and binding obligation of TEVCDC, enforceable against TEVCDC by HLB in accordance with its terms, except in each case to the extent limited by application of general principles of equity and by bankruptcy, insolvency, debtor relief, and similar laws of general application affecting the enforcement of contractual rights and obligations and such laws as are applicable to governmental entities.
  - c. The representations and warranties set forth in this Section 5 shall survive Closing for a period of one (1) year.

8. **LIMITED WARRANTY.** EXCEPT WITH RESPECT TO THE REPRESENTATIONS AND WARRANTIES EXPRESSLY SET FORTH IN THIS AGREEMENT OR THE SELLER'S CLOSING DOCUMENTS:

- a. THE OPTION PROPERTY IS BEING ACQUIRED “AS IS, WHERE IS, AND WITH ALL FAULTS;” AND
- b. HLB MAKES NO REPRESENTATION OR WARRANTY, EITHER EXPRESS OR IMPLIED, WITH RESPECT TO THE CONDITION, VALUE OR QUALITY OF ANY OF THE OPTION PROPERTY, OR THE USE OR SUITABILITY THEREOF FOR ANY INTENDED PURPOSE, OR THE ABSENCE OF ANY

LATENT OR PATENT DEFECTS THERE IN, OR THE WORKMANSHIP THEREOF, OR THE EXISTENCE, COMPLIANCE WITH OR SUFFICIENCY OF ANY LICENSES HELD OR REQUIRED IN CONNECTION WITH THE OWNERSHIP, USE OR OPERATION THEREOF, OR WITH RESPECT TO THE STATUS, ASSIGNABILITY OR RIGHTS UNDER ANY CONTRACT, LICENSE OR ANY OTHER MATTERS, OR THE RISKS THAT MIGHT BE ENCOUNTERED IN THE OPERATION THEREOF.

THE PROVISIONS OF THIS SECTION HAVE BEEN NEGOTIATED BY THE PARTIES HERETO AFTER DUE CONSIDERATION AND, EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES EXPRESSLY SET FORTH IN THIS AGREEMENT, OR THE DEED ARE INTENDED TO BE A COMPLETE EXCLUSION AND NEGATION OF ANY REPRESENTATIONS AND WARRANTIES, WHETHER EXPRESS OR IMPLIED OR STATUTORY, WITH RESPECT TO THE OPTION PROPERTY AND RIGHTS THAT MAY ARISE PURSUANT TO ANY LAW NOW OR HEREAFTER IN EFFECT, OR OTHERWISE. TEVCDC HAS BEEN, OR WILL BE GIVEN UNDER THIS AGREEMENT THE OPPORTUNITY TO PERFORM THE DUE DILIGENCE IT DEEMS NECESSARY IN ORDER TO MAKE AN INFORMED DECISION AS TO WHETHER TO CONSUMMATE THE TRANSACTIONS DESCRIBED HEREIN. THE TERMS AND PROVISIONS OF THIS SECTION 6 SHALL SURVIVE THE CLOSING OF THIS AGREEMENT.

9. **Notices.** Any notices, requests or other communications required or permitted to be given hereunder shall be in writing and shall be deemed given (except as otherwise provided herein) when received if (i) delivered by hand, (ii) deposited with a widely recognized national overnight courier service, or (iii) transmitted by electronic mail (provided that a copy of such notice is subsequently delivered within one (1) business day by one of the methods described in clauses (i) or (ii) above), and in each case addressed to each Party at its address set forth below:

If to HLB:                   Houston Land Bank  
                                  P.O. Box 131106  
                                  Houston, Texas 77219  
                                  Attn: Christa Stoneham  
                                  Email: cstoneham@houstonlandbank.org

If to TEVCDC:               The TEVCDC Foundation, Inc.  
\_\_\_\_\_  
\_\_\_\_\_  
Attn: \_\_\_\_\_  
Email: \_\_\_\_\_

Rejection or other refusal to accept or inability to deliver because of changed address of which no notice was given shall be deemed to be receipt of the notice, request or other communication. Either Party may from time to time change its notice address hereunder, upon written notice to the other Party. Notice tendered by counsel to one of the Parties hereto shall be

deemed notice from the applicable Party itself.

10. **TEVCDC's Remedies.** In the event of any material breach of or default under this Agreement or any of the terms and provisions hereof by HLB, TEVCDC'S sole remedies shall be to: (i) demand specific performance of HLB'S obligation to close under this Agreement, provided that (A) TEVCDC delivered the Option Notice (B) TEVCDC is not in breach or default of its obligations under this Agreement, and (C) all conditions precedent to HLB's obligation to close under this Agreement have been satisfied or waived in writing; or (ii) terminate this Agreement. The foregoing shall not limit HLB's liability for breaches under Section 6 of this Agreement, which shall be limited to TEVCDC's actual damages for any breach thereof.

11. **HLB's Remedies.** In the event of any material breach of or default under the this Agreement or any of the terms or provisions hereof by TEVCDC, HLB'S sole remedies shall be to: (i) demand specific performance of TEVCDC's obligation to close under this Agreement, provided that (A) TEVCDC has delivered the Option Notice, (B) HLB is not in breach or default of its obligations under this Agreement, and (C) all conditions precedent to TEVCDC's obligation to close under this Agreement have been satisfied or waived in writing; or (ii) terminate this Agreement. The foregoing shall not limit TEVCDC's liability for breaches under Section 6 of this Agreement, which shall be limited to HLB's actual damages for any breach thereof.

12. **Successors and Assigns.** This Agreement shall inure to the benefit of and be binding upon HLB and TEVCDC and their respective representatives, successors and assigns, and shall run with the land.

13. **Assignments.** TEVCDC shall not be entitled to assign this Agreement or any rights hereunder without the prior written consent of HLB; provided that without HLB's consent, TEVCDC shall have the right to assign this Agreement to an Affiliate of TEVCDC formed for the purpose of taking title to the Option Property, and upon such assignment, the assignee shall assume in writing all of TEVCDC's rights and obligations under this Agreement. TEVCDC shall be released and discharged from its obligations under this Agreement only after (i) a fully-executed copy of any such assignment and assumption is provided to HLB, and (ii) evidence reasonably satisfactory to HLB that such assignee is in fact an Affiliate of TEVCDC and that the Financing Commitments inure to the benefit of such assignee. As used in this Section 1 1, the term "Affiliate" shall mean an entity that controls, is controlled by or is under common control with TEVCDC.

14. **Governing Law.** This Agreement shall be construed in accordance with the laws of the State of Texas.

15. **Recording.** The Parties agree that this Agreement will not be recorded in the public records of Harris County, Texas; provided, however, that the parties agree to (a) execute and deliver a memorandum of this Agreement and a termination of memorandum of this Agreement on the Effective Date, each in recordable form and otherwise in form reasonably acceptable to the parties hereto, (b) have the memorandum of this Agreement recorded at TEVCDC's sole cost and expense on or promptly after the Effective Date, and (c) deposit the termination of memorandum of this Agreement with Title Company to hold in escrow until the earlier to occur of (i) either (A) the Outside Option Exercise Date if TEVCDC has not delivered the Option Notice prior to such date, or (B) any early termination of this Agreement, in either of which cases the termination shall be recorded, or (ii) the Closing Date, in which case the termination shall be destroyed by Title Company and be of no further force or effect.

16. **Attorneys' Fees.** In the event either Party brings suit to construe or enforce the terms hereof, or raises this Agreement as a defense in a suit brought by another party, the prevailing party as determined by the court is entitled to recover its attorneys' fees and expenses.

17. **Counterparts.** The Parties acknowledge and agree that this Agreement may be executed by original or scanned signatures in any number of counterpart original instruments, all of which taken together shall constitute one fully executed Agreement.

18. **Timing.** Time is of the essence. If any day on which an event is scheduled to occur under this Agreement falls on a Saturday or Sunday or legal holiday, the time period for such event shall be automatically extended until the next business day.

19. **Severability.** All of the terms, covenants or conditions contained in this Agreement shall be construed together, but if it shall at any time be held that any one of said terms, covenants or conditions or any part thereof, is invalid or for any reason becomes unenforceable, no other terms, covenants, or conditions or any part thereof shall be thereby affected or impaired.

20. **Brokers.** HLB and TEVCDC each represent and warrant to the other that, no real estate brokerage commission is payable to any person or entity in connection with the transaction contemplated hereby, and each agrees, to the extent allowed by law, to hold the other harmless against the payment of any commission to any other person or entity claiming by, through or under such party.

21. **Statutory Notices.** HLB hereby gives and TEVCDC hereby acknowledges the following notices and disclosures regarding the Option Property and agrees to execute related documents on or before Closing at the request of HLB or Title Company:

- a. **Statutory District Notice:** If the Option Property is situated in a utility or other statutorily created district providing water, sewer, drain age, or flood control facilities and services, Chapter 49, Texas Water Code, requires HLB to deliver and TEVCDC to sign the statutory notice relating to the tax rate, bonded indebtedness, or standby fee of the district. The Option Property is situated in the Third Ward, Houston, Harris County, Texas.
- b. **Tide Water:** If the Option Property abuts the tidally influenced waters of the state, §33.135, Texas Natural Resources Code, requires a notice regarding coastal area property to be included in this Agreement.
- c. **Public Improvement Districts:** If the Option Property is in a public improvement district, §5.014, Property Code, requires HLB to notify TEVCDC as follows: As a purchaser of this parcel of real property you are obligated to pay an assessment to a municipality or county for an improvement project undertaken by a public improvement district under Chapter 372, Local Government Code. The assessment may be due annually or in periodic installments. More information concerning the amount of the assessment and the due dates of that assessment may be obtained from the municipality or county levying the assessment. The amount of the assessments is subject to change. Failure to pay the assessments could result in a lien on and the foreclosure of the Option Property.

d. **Additional Taxes:** The following disclosure is made for the purpose of complying with the provisions of Section 5.010(d) of the Texas Property Code:

**NOTICE REGARDING POSSIBLE LIABILITY FOR ADDITIONAL TAXES**

**If for the current ad valorem tax year the taxable value of the land that is the subject of this Agreement is determined by a special appraisal method that allows for the appraisal of the land at less than its market value, the person to whom the land is transferred may not be allowed to qualify the land for that special appraisal in a subsequent tax year and the land may then be appraised at its full market value. In addition, the transfer of the land or a subsequent change in the use of the land may result in the imposition of an additional tax plus interest as a penalty for the transfer or the change in use of the land. The taxable value of the land and the applicable method of appraisal for current tax year is public information and may be obtained from the tax appraisal district established for the county in which the land is located.**

[Remainder of page intentionally left blank; signature pages follow]

HLB and TEVCDC have executed this Agreement as of the Effective Date.

**HLB:**

**HOUSTON LAND BANK (formerly known as LAND ASSEMBLAGE REDEVELOPMENT AUTHORITY),**  
a Texas non-profit local government corporation

By : \_\_\_\_\_  
Christa Stoneham, CEO/President

**NHP:**

**THE NHP FOUNDATION,**  
a District of Columbia nonprofit corporation

By : \_\_\_\_\_  
\_\_\_\_\_, \_\_\_\_\_

**TEVCDC:**

**THE TRINITY EAST VILLAGE COMMUNITY DEVELOPMENT CORPORATION ,**  
**An assignee of THE NHP FOUNDATION**

By : \_\_\_\_\_  
\_\_\_\_\_, \_\_\_\_\_

## EXHIBIT A

### Option Property

Map ID	Address	Parcel number	Legal Description	Property Owner
1	0 SAINT CHARLES ST. Houston TX 77004	1382230010001	LT 1 BLK 1, LINCOLN CENTURY	LAND ASSEMBLAGE REDEVELOPMENT AUTHORITY
2	0 SAINT CHARLES ST. Houston TX 77004	1382230010002	LT 2 BLK1 LINCOLN CENTURY	LAND ASSEMBLAGE REDEVELOPMENT AUTHORITY
3	0 SAINT CHARLES ST. Houston TX 77004	1382230010003	LT 3 BLK1 LINCOLN CENTURY	LAND ASSEMBLAGE REDEVELOPMENT AUTHORITY
4		1367970010003	LT 3 BLK 1 LIVE OAK ESTATES	LAND ASSEMBLAGE REDEVELOPMENT AUTHORITY
5	0 LIVE OAK ST HOUSTON TX 77004	1367970010002	LT 2 BLK 1 LIVE OAK ESTATES	LAND ASSEMBLAGE REDEVELOPMENT AUTHORITY
6	0 LIVE OAK ST HOUSTON TX 77004	1367970010001	LT 1 BLK 1 LIVE OAK ESTATES	LAND ASSEMBLAGE REDEVELOPMENT AUTHORITY
7	2806 Live Oak St HOUSTON TX 77004	0190540010038	Lt 24 BLK 2 BINZ & SETTEGAST	LAND ASSEMBLAGE REDEVELOPMENT AUTHORITY

## **EXHIBIT B**

### **Affordable Housing Restrictions Restriction of Affordable Housing Use:**

“Affordable Housing” means that at least 51% of the Units are leased to lessees whose annual income at initial occupancy does not exceed 80% of the Area Median Income (“Median Income”). For purposes of clarification, in the event a resident of a Unit meets the applicable Median Income thresholds of Affordable Housing definition set forth above at the time of Grantee's underwriting thereof, it shall not be a violation of the terms of these Restrictions if such resident's Median Income thereafter exceeds the applicable Median Income thresholds during the term of such resident's lease and occupancy of the Unit (as such lease may be amended, extended or renewed from time to time).

“Affordability Period” means the minimum period of time during which the Restrictions apply to the occupied residential units to be built on the Property (“Units”), which period shall be forty (40) years after the date this Deed is recorded, unless the Zone is no longer in existence, in which case, the period shall end the first day that the Zone is no longer in existence.

**EXHIBIT C**

**Form of Special Warranty Deed**

**NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER**

**SPECIAL WARRANTY DEED**

THE STATE OF TEXAS     §  
  §  
COUNTY OF HARRIS     §

THAT LAND ASSEMBLAGE REDEVELOPMENT AUTHORITY, a Texas non-profit local government corporation (“Grantor”), whose address is Houston Land Bank, P.O. Box 1311 06, Houston, Texas 77219 for and in consideration of the sum of TEN AND NO/100THS DOLLARS (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, has GRANTED, BARGAINED, SOLD, and CONVEYED and by these presents does GRANT, BARGAIN, SELL, AND CONVEY unto THE TEVCDC FOUNDATION, a District of Columbia nonprofit corporation (“Grantee”), whose address is 122 East 42nd Street, Suite 3500, New York, New York 10168, that certain tract or parcel of land in Harris County, Texas more particularly described in Exhibit A attached hereto and incorporated herein by this reference (the “Land”), together with all improvements thereon and all rights and interests appurtenant thereto (such land, improvements, rights and interests are hereinafter collectively referred to as the “Property”).

This Special Warranty Deed (the “Deed”) and the conveyance hereinabove set forth is executed by Grantor and accepted by Grantee subject to the following matters (hereinafter referred to collectively as the “Permitted Encumbrances”):

- a. All easements, restrictions, reservations, covenants, conditions, oil and gas leases, mineral severances and other matters of record (excluding prior conveyances of the surface estate) in the Official Public Records of Harris County, Texas which are applicable to and enforceable against the Property including, without limitation, those matters of record described in Exhibit B attached hereto and incorporated herein by this reference;
- b. Any discrepancies, conflicts or shortages in area or boundary lines or any encroachments or any overlapping of improvements which a current survey of the Property would show;
- c. Visible or apparent easements which encumber or affect the Property and do not appear of record in the Official Public Records of Harris County, Texas; and
- d. Ad valorem taxes and assessments applicable to the Property for the current year, if any.

This Deed is additionally executed by Grantor and accepted by Grantee subject to the use restrictions set forth below which shall encumber the Property and constitute covenants running

with the land (the “Restrictions”).

### **RESTRICTION TO AFFORDABLE HOUSING USE**

1. Definitions. Unless a particular word or phrase is otherwise defined or the context otherwise requires, capitalized words and phrases used in this Deed shall have the following meanings:

“Affordable Housing” means that 51% of the Units are leased to lessees whose annual income at initial occupancy does not exceed 80% of the Median Income. For purposes of clarification, in the event a resident of a Unit meets the applicable Median Income thresholds of Affordable Housing definition set forth above at the time of Grantee's underwriting thereof, it shall not be a violation of the terms of these Restrictions if such resident's Median Income thereafter exceeds the applicable Median Income thresholds during the term of such resident's lease and occupancy of the Unit (as such lease may be amended, extended or renewed from time to time).

“Affordability Period” means the minimum period of time during which the Restrictions apply to the occupied residential units to be built on the Property (“Units”), which period shall be forty (40) years after the date this Deed is recorded, unless the Zone is no longer in existence, in which case, the period shall end the first day that the Zone is no longer in existence.

“HUD” means the United States Department of Housing and Urban Development.

“Median Income” means the median income for the area in which the Zone is located, as determined by the Secretary of HUD, with adjustments for smaller and larger families, as of the date this Deed is recorded and thereafter as updated annually by the Secretary of HUD.

“Zone” means Reinvestment Zone Number Two, City of Houston, Texas, a tax increment reinvestment zone created by the City of Houston, Texas in accordance with Chapter 311, Texas Tax Code.

2. Restrictions. As a material portion of the consideration for this Deed and the conveyance hereinabove set forth, this Deed is executed by Grantor and accepted by Grantee subject to the following Restrictions which are hereby adopted and established for, imposed upon and made applicable to the Property:

The Property, and any improvements constructed on the Property, shall be used to provide Affordable Housing for a period of not less than the Affordability Period as defined in this Deed. The Restrictions shall run with the Property, shall be binding on Grantee, its successors and assigns for the Affordability Period, and shall inure to the benefit of Grantor, its successors and assigns for the Affordability Period. Notwithstanding any provision of this Deed

or applicable law to the contrary, these Restrictions shall automatically terminate without the requirement of further action of any party upon the expiration of the Affordability Period.

3. Covenants Running with the Land. All of the agreements, conditions, and restrictions contained in this Deed shall be deemed covenants running with the land and shall inure to the benefit of Grantee as the owner of the Property and each successor owner of any of the Property and the Grantor.

4. Reconveyance Right. If during the Affordability Period the Reconveyance Right Trigger Event occurs, Grantor reserves and shall have the right (the “Reconveyance Right”), but not the obligation, to require Grantee to reconvey the Property (together with all improvements thereon and appurtenances thereto) to Grantor in accordance with the terms and conditions of this Section 4.

(a) For purposes hereof, “Reconveyance Right Trigger Event” shall mean either (i) the failure of Grantee to commence construction of the Units on or before the second anniversary of the date of extension of this Deed (the “Commencement Date”) and, for purposes of this Section 4(a), commencement of construction of the Units shall mean pouring of foundations for all Units have been poured or (ii) the failure of Grantee to substantially complete construction of the Units and obtain all permits and governmental authorizations required by applicable law for the use and occupancy of the Units, which shall be deemed satisfied by Grantee's receipt of a temporary certificate of occupancy (or local equivalent) on or before the fourth (4th) anniversary of the date of execution of this Deed (the “Completion Date”).

(b) Upon the occurrence of a Reconveyance Right Trigger Event, Grantor may elect to exercise the Reconveyance Right by giving written notice to Grantee (to be delivered by hand or by national overnight carrier to the address set forth in the introductory paragraph of this Deed). Closing under the valid exercise of the Reconveyance Right shall be completed within thirty (30) days from the date of Grantor's notice to Grantee of its election to exercise its Reconveyance Right. Such closing shall occur at Grantor's option, at the offices of the Grantor's legal counsel or at a title company selected by Grantor, and at closing, the Property shall be reconveyed by Grantee to Grantor by special warranty deed, subject only to the Permitted Encumbrances and the Restrictions, but otherwise free and clear of any and all monetary liens and encumbrances incurred or permitted by Grantee. In the event Grantee fails to comply with the terms of this subparagraph (b) upon the valid exercise of the Reconveyance Right, Grantor shall have the right to pursue an action for specific performance of Grantee's obligation to close in accordance with this Section 4 (b).

(c) If any indebtedness is secured by any deed of trust or mortgage encumbering all of the Land (“Mortgage”) the beneficiary of such Mortgage (“Mortgagee”) or Grantee may give Grantor written notice thereof, and upon receipt of such notice, Grantor agrees to the following: (i) deliver any notices given by Grantor to Grantee hereunder simultaneously to such Mortgagee, (ii) afford any such Mortgagee an additional sixty (60) days beyond the notice and cure periods set forth herein to cure any default by Grantee under the Restrictions, (iii) accept performance by any such

Mortgagee of any of Grantee's cure rights hereunder as performance by Grantee, and

(iv) enter into an estoppel certificate or subordination agreement, in form acceptable to HLB, within thirty (30) days after written request by Grantee or such Mortgagee (which notice shall be accompanied by such Mortgagee's proposed reasonable form thereof).

(d) The Reconveyance Right (i) is personal to Grantor, (ii) shall not be assignable by Grantor except to the City of Houston, and (iii) shall automatically terminate upon the completion of construction of the Units without further action of the parties burdened or benefited thereby. Without limiting the foregoing, upon the request of either party hereto after the completion of construction of the Units, the other shall promptly execute and deliver (and have notarized) an acknowledgement of the completion of construction of the Units and the termination of the Reconveyance Right in recordable form.

(e) Grantor agrees not to exercise the Reconveyance Right if the construction of the Units is not commenced by the Commencement Date or Completion Date, as applicable, due to the occurrence of a Force Majeure Event (hereafter defined) provided that Grantee resumes and diligently pursues the commencement or complete on, as applicable, of the construction of the Units after the Force Majeure Event has abated. "Force Majeure Event" shall mean any period or periods of delay caused by strikes, lockouts or other labor disputes; fire or other casualty; storms, floods or other inclement weather; terrorism, riots, insurrection or demonstrations; or any other causes (other than financial) beyond the reasonable control of the Grantee.

5. Attorney's Fees. In the event any Party or Parties shall institute any action or proceeding, excluding any arbitration proceeding, against the other Party or Parties relating to the provisions of these Restrictions, then, and in that event, the non-prevailing Party or Parties in such action or proceeding shall reimburse the prevailing Party or Parties for the reasonable expenses of attorney's fees and disbursements incurred in connection with such action or proceeding.

6. Governing Law. The Restrictions shall be governed by and construed in accordance with the laws of the State of Texas.

7. Remedies. After completion of construction of the Units and during the Affordability Period, in the event the Property fails to be used or operated to provide Affordable Housing for a period of greater than 180 days after written notice by Grantor to Grantee (and any Mortgagee, if applicable), Grantor shall have the right to seek (a) an injunction to enjoin the future leasing of the Units to residents who do not meet the Median Income thresholds of Affordable Housing definition set forth above, or (b) any and all other remedies at law or in equity to which Grantor is entitled. Notwithstanding any provision hereof to the contrary, (x) in no event shall Grantor be entitled to seek damages or other legal or equitable remedies for a violation of the Restrictions, unless Grantee violates the Restrictions for a period of greater than 180 days after written notice by Grantor to Grantee (and any Mortgagee, if applicable); (y) any claim for damages arising from a violation of the Restrictions shall be limited to actual damages, and (z) in no event shall any party to this Deed be subject to a claim for punitive, special or consequential damages.

8. Waiver of Default. No waiver of any violation of the Restrictions shall be implied from any omission by any benefited party to take any action in respect of such violation if such violation continues or is repeated. No express waiver of any violation shall affect any violation or cover any period of time other than the violation and period of time specified in such express waiver. One or more waivers of any violation of any term contained in this shall not be deemed to be a waiver of any subsequent violation of the same term contained in the Restrictions. The consent or approval by any party to or of any act or request by any other party requiring consent or approval shall not be deemed to waive or render unnecessary the consent to or approval of any subsequent similar acts or requests. The rights and remedies given to any party by the Restrictions shall be deemed to be cumulative and no one of such rights and remedies shall be exclusive of any of the others, or of any other right or remedy at law or in equity, which any such party might otherwise have by virtue of a violation under the Restrictions, and the exercise of one such right or remedy by any such party shall not impair such party's standing to exercise any other right or remedy.

9. Amendments. The Restrictions may be amended or modified only by a written instrument executed by all of the then owners of the Land, their respective Mortgagees, if any, and the Grantor or its successors and assigns. Any early termination of the Restrictions (as opposed to termination

upon expiration of the Affordability Period) will require the prior written consent of all owners of the Land, their respective Mortgagees, if any, and the Grantor or its successors and assigns. Each of such owners will provide the name and address of applicable Mortgagees upon receipt of a written request therefor from any owner seeking to amend the Restrictions or from Grantor or its successors and assigns.

TO HAVE AND TO HOLD the Property, together with all and singular the rights and appurtenances thereunto in anywise belonging, unto Grantee, its successors and assigns forever, and Grantor does hereby bind itself, and its successors and assigns, to WARRANT AND FOREVER DEFEND all and singular the title to the Property unto the said Grantee, its successors and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, BY, THROUGH, OR UNDER GRANTOR, BUT NOT OTHERWISE subject to the Permitted Encumbrances, the Restrictions and the matters herein stated.

**EXCEPT WITH RESPECT TO THE OBLIGATIONS OF GRANTOR EXPRESSLY SET FORTH IN THAT CERTAIN OPTION AGREEMENT DATED MARCH [XXX], 2019 BETWEEN GRANTOR AND GRANTEE (THE "AGREEMENT") WHICH EXPRESSLY SURVIVE THE CLOSING OF THE TRANSACTION PURSUANT TO THE AGREEMENT OR CONTEMPLATE PERFORMANCE AFTER THE DATE OF THIS DEED, THE REPRESENTATIONS AND WARRANTIES OF SELLER EXPRESSLY SET FORTH IN THE AGREEMENT AND THE WARRANTY OF TITLE IN THIS SPECIAL WARRANTY DEED (THE "SURVIVING OBLIGATIONS"):**

**(a) THE PROPERTY IS BEING ACQUIRED "AS IS, WHERE IS, AND WITH ALL FAULTS;" AND**

**(b) GRANTOR MAKES NO REPRESENTATION OR WARRANTY, EITHER EXPRESS OR IMPLIED, WITH RESPECT TO THE CONDITION,**

**VALUE OR QUALITY OF ANY OF THE PROPERTY, OR THE USE OR SUITABILITY THEREOF FOR ANY INTENDED PURPOSE, OR THE ABSENCE OF ANY LATENT OR PATENT DEFECTS THEREIN, OR THE WORKMANSHIP THEREOF, OR THE EXISTENCE, COMPLIANCE WITH OR SUFFICIENCY OF ANY LICENSES HELD OR REQUIRED IN CONNECTION WITH THE OWNERSHIP, USE OR OPERATION THEREOF, OR WITH RESPECT TO THE STATUS, ASSIGNABILITY OR RIGHTS UNDER ANY CONTRACT, LICENSE OR ANY OTHER MATTERS, OR THE RISKS THAT MIGHT BE ENCOUNTERED IN THE OPERATION THEREOF.**

**THE PROVISIONS OF THIS SECTION HAVE BEEN NEGOTIATED BY THE PARTIES HERETO AFTER DUE CONSIDERATION AND, EXCEPT FOR THE SURVIVING OBLIGATIONS, ARE INTENDED TO BE A COMPLETE EXCLUSION AND NEGATION OF ANY REPRESENTATIONS AND WARRANTIES, WHETHER EXPRESS OR IMPLIED OR STATUTORY, WITH RESPECT TO THE PROPERTY AND RIGHTS THAT MAY ARISE PURSUANT TO ANY LAW NOW OR HEREAFTER IN EFFECT, OR OTHERWISE. GRANTEE HAS BEEN GIVEN THE OPPORTUNITY TO PERFORM THE DUE DILIGENCE IT DEEMS NECESSARY IN ORDER TO MAKE AN INFORMED DECISION AS TO WHETHER TO ACQUIRE THE PROPERTY. NOTWITHSTANDING ANY PROVISION OF THIS DEED TO THE CONTRARY, THE AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES THERETO ARE PERSONAL TO**

**GRANTOR AND GRANTEE, AND THE REFERENCE TO THE AGREEMENT IN THIS DEED IS NOT INTENDED TO CAUSE THE AGREEMENT TO BE A LIEN OR ENCUMBRANCE ON TITLE TO THE PROPERTY, TO RUN WITH TITLE TO THE LAND OR TO BE BINDING UPON GRANTEE'S SUCCESSORS AND ASSIGNS.**

Ad valorem taxes on the Property, if any, for the year in which this Deed is recorded (“Current-Year Taxes”) have been prorated as of the date hereof, with Grantor giving a credit to Grantee of its proportionate share of any such Current-Year Taxes. Grantee, by its acceptance of this Special Warranty Deed assumes the payment of any Current-Year Taxes, taxes for subsequent years, and, solely to the extent the same are due to Grantee's change in usage of the Property, any ad valorem taxes on the Property for years prior to the Current-Year Taxes; provided, however, Grantee by its acceptance of this Special Warranty Deed does not assume payment of any ad valorem taxes on the Property for prior years due to changes in land usage of the Property by Grantor or denial of a special use valuation on the Property claimed by Grantor, nor delinquent taxes for any year prior to Current- Year Taxes, each of which shall remain the obligation of Grantor.

[Execution Page to Follow]

EXECUTED this the \_\_\_\_ day of \_\_\_\_\_, 2026.

GRANTOR:

**HOUSTON LAND BANK (formerly known as LAND ASSEMBLAGE REDEVELOPMENT AUTHORITY),**  
a Texas non-profit local government corporation

By : \_\_\_\_\_  
Christa Stoneham, CEO/President

THE STATE OF TEXAS     §  
  §  
COUNTY OF HARRIS     §

This instrument was acknowledged before me on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by Christa Stoneham, CEO/President of THE HOUSTON LAND BANK., a Texas non-profit local government corporation.

\_\_\_\_\_  
Notary Public in and for the State of Texas

GRANTEE:

**THE NHP FOUNDATION,**  
a District of Columbia nonprofit corporation

By : \_\_\_\_\_  
Its: \_\_\_\_\_

THE STATE OF TEXAS     §  
  §  
COUNTY OF HARRIS     §

This instrument was acknowledged before me on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by \_\_\_\_\_ of THE NHP FOUNDATION, INC., a District of Columbia nonprofit corporation.

\_\_\_\_\_  
Notary Public in and for the State of Texas

ASSIGNEE:  
**TRINITY VILLAGE EAST CDC**

By : \_\_\_\_\_  
Its: \_\_\_\_\_

THE STATE OF TEXAS     §  
  §  
COUNTY OF HARRIS     §

          This instrument was acknowledged before me on this \_\_\_\_ day of \_\_\_\_\_,  
20\_\_\_\_, by \_\_\_\_\_ of TRINTY VILLAGE EAST CDC.

\_\_\_\_\_  
Notary Public in and for the State of Texas

**EXHIBIT A**

**PROPERTY DESCRIPTIONS**

[To be inserted from title commitment.]

**EXHIBIT B**

**PERMITTED ENCUMBRANCES OF RECORD**

[To be inserted from title commitment.]

## **EXHIBIT D**

### **ADDITIONAL PURCHASE OPTION**

TEVCDC grants to HLB an additional purchase option (“Additional Option”) to acquire the lot located at 2620 Live Oak Street, Houston, Texas 77004 (“Live Oak Property”) for a purchase price equal to the fair market value of the Live Oak Property determined as provided in Section 2(i)(x) of the Option Agreement to which this Exhibit is attached; provided that, th is Additional Option may only be exercised after the Option lapses unexercised and must be exercised within one hundred and twenty (120) days after termination of the Option and closed within thirty (30) days after the Additional Option is exercised. If HLB exercises the Additional Option, the Live Oak Property shall be conveyed by TEVCDC to HLB upon the same terms and conditions as provided in Sections 4(b), (c), (d), (e), (f), (g), (h), (i) and G) of the Option Agreement to which this Exhibit is attached.

## REQUEST FOR BOARD ACTION

**Meeting Date: March 23, 2026**

### **Agenda Item VI c: Consideration and Possible Action to Approve the Proposed Fiscal Year 2027 Preliminary Budget for Submittal to the City of Houston's Finance Department**

#### **Action Summary**

Approval of this item will authorize HLB to submit the proposed preliminary budget for fiscal year 2027 to the City of Houston, as required by local government corporation regulations. Please note that this is not the final budget; the final budget will be presented for approval before the end of the current fiscal year on June 30th.

#### **Background**

The City of Houston Administrative Procedure 2-10 (AP2-10) requires all local government corporations supporting city operations or programs to submit a board-approved draft budget at least 120 days before the start of the fiscal year, followed by a final approved budget prior to the fiscal year's commencement.

The preliminary budget is based on historical costs and anticipated operational needs for the upcoming year. It includes administrative expenditures, such as staff salaries and essential operating expenses, as well as maintenance costs for HLB's real estate assets. The budget accounts for specific program activities and their associated costs, ensuring that financial planning aligns with the organization's goals and ongoing initiatives.

In February 2026, the HLB Finance Committee reviewed the staff-prepared preliminary budget proposal. Following their review, the committee approved a recommendation to present the fiscal year 2027 preliminary budget for board approval.

#### **Budget Summary**

Includes:

- Total projected operating revenue: \$2,892,362
- Total projected operating expense: \$2,942,134
- Projected net income (after non-operating income): \$228
- Total projected capitalized expenditure: \$100,000
- Total change in reserves: -\$99,772 (5% decrease)

The following pages include the preliminary budget with assumption notes and the FY2026 approved budget.

#### **Board Action Request**

The Board is requested to:

- Review and discuss the proposed preliminary budget.
- Approve the revised budget as presented.
- Authorize HLB to submit the proposed preliminary budget for fiscal year 2026 to the City of Houston.

**Houston Land Bank  
Budget Summary by Department  
FY2027 (Preliminary)**

		Acquisitions & Disposition									
FY2026 Budget		Traditional Homebuyer Program	New Home Development Program	Finding Home Program	Brownfield Redevelopment	Property Management & Maintenance	Administration & Operations	Total	Difference from PY Budget	NOTES	
<b>Operating Revenue</b>											
40100	Acquisition and Development Agreement	\$ 652,341	\$ -	\$ 191,865	\$ -	\$ -	\$ -	\$ 191,865	\$ (460,476)	A	
40200	Administrative Fees	63,750	-	18,750	-	-	-	18,750	(45,000)	A	
40300	HLB Program Revenue	300,000	1,280,000	-	-	-	-	1,280,000	980,000	B	
40400	Operations Agreement	750,000	-	-	-	-	-	-	(750,000)	C	
40500	Outside Sources Contributions	1,345,391	-	-	644,547	737,200	-	20,000	56,356	D	
<b>Total Operating Revenue</b>		<b>3,111,482</b>	<b>1,280,000</b>	<b>210,615</b>	<b>644,547</b>	<b>737,200</b>	<b>-</b>	<b>20,000</b>	<b>2,892,362</b>	<b>(219,120)</b>	
<b>Operating Expense</b>											
60100	Salaries and Fringe	\$ 1,016,682	\$ -	\$ -	\$ -	\$ -	\$ 947,047	\$ 947,047	\$ (69,635)	E	
60200	Legal Fees	89,584	-	-	-	20,000	17,500	37,500	(52,084)	F	
60300	Professional Services	623,850	-	-	591,182	-	45,000	47,078	59,410	D	
60400	Property Cost - Lot Maintenance	362,000	-	-	-	279,000	-	279,000	(83,000)	G	
60500	Software and Subscriptions	47,266	-	-	-	19,496	22,745	42,241	(5,025)		
60600	Rent Expense	50,425	-	-	-	-	56,068	56,068	5,643		
60700	Advertising and Marketing	643	-	-	-	-	-	-	(643)		
60800	Bank Fees	2,000	-	-	-	-	2,000	2,000	-		
60900	Events	1,500	-	-	-	-	1,500	1,500	-		
61000	Depreciation Expense	1,980	-	-	-	-	1,980	1,980	-		
61100	Environmental	665,625	-	-	-	665,625	-	665,625	-		
61200	Insurance	70,202	-	-	-	49,700	16,154	65,854	(4,348)		
61300	Membership and Dues	3,448	-	-	-	-	3,448	3,448	-		
61400	Office Expense	5,500	-	-	-	-	5,500	5,500	-		
61500	Phone and Internet	9,616	-	-	-	-	9,616	9,616	-		
61600	Training and Development	-	-	-	-	-	-	-	-		
61700	Travel Expense	9,630	500	-	-	-	9,130	9,630	-		
61800	Other Miscellaneous Expense	-	-	-	-	-	-	-	-		
62100	Acquisition Costs - HLB Traditional	-	-	-	-	-	-	-	-		
62200	Property Cost Disposition - HLB Traditional	130,000	110,000	-	-	-	-	110,000	(20,000)	H	
63100	Acquisition Cost - NHDP	-	-	-	-	-	-	-	-		
63200	Property Cost Disposition - NHDP	74,341	-	21,865	-	-	-	21,865	(52,476)	I	
<b>Total Operating Expense</b>		<b>\$ 3,164,292</b>	<b>\$ 110,500</b>	<b>\$ 21,865</b>	<b>\$ 591,182</b>	<b>\$ 715,325</b>	<b>\$ 363,496</b>	<b>\$ 1,139,766</b>	<b>\$ 2,942,134</b>	<b>\$ (222,158)</b>	
<b>Operating Income/Loss</b>		<b>\$ (52,810)</b>	<b>\$ 1,169,500</b>	<b>\$ 188,750</b>	<b>\$ 53,365</b>	<b>\$ 21,875</b>	<b>\$ (363,496)</b>	<b>\$ (1,119,766)</b>	<b>\$ (49,772)</b>	<b>\$ 3,038</b>	
<b>Non-Operating Revenue</b>											
70100	Interest Income	50,000	-	-	-	-	50,000	50,000	-		
<b>Total Non-Operating Income/Loss</b>		<b>\$ 50,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 50,000</b>	<b>\$ 50,000</b>	<b>\$ -</b>		
<b>Total Net Income/Loss</b>		<b>\$ (2,810)</b>	<b>\$ 1,169,500</b>	<b>\$ 188,750</b>	<b>\$ 53,365</b>	<b>\$ 21,875</b>	<b>\$ (363,496)</b>	<b>\$ (1,069,766)</b>	<b>\$ 228</b>	<b>\$ 3,038</b>	

**Budget Assumptions - Notes**

- A Includes: 5 NHDP homes to be sold (based on current inventory). FY2026 budget reflected 17 dispositions.
- B Includes:
  - Traditional Program Round Sales (\$300K) - 20 lots to be sold at future round sales (not including Round 10). Same as FY2026 goal.
  - Lot sale for operations gap (\$980K) - Lots to sell for operation support (based on lot list approved at READ Feb. and Mar. 2026).
  - Need to sell 34% of designated lots at low-end FMV.
- C The budget no longer reflects possible operating funds from HCDD/COH.
- D Includes several changes in grant funding within the A&D Program.
  - Grants expired from FY2026: Harris County Grant 24-26, Fannie Mae Grant 24-25, HCLT 24-25
  - Grants added for FY2027: Fannie Mae Grant 25-26, Auburn University Grant 25-26, LISC Grant 25-26, Unidos Casa Y Carreras Grant 25-26
- E Personnel-related expenditures will be reallocated to programs in the final budget draft.
- F Includes decreases from:
  - Harris County Grant 24-26 (\$28K) - End of expenditures related to grant funds.
  - Legal fees (\$32K) - Based on a expected decrease in legal cases for FY2027.
- G Includes a general decrease of 25% (based on a decrease in lot maintenance services).
- H Decrease in open liens expenditures. Cost to be covered by HLBF grant.
- I Decrease is based on NHDP dispositions. See notes for 40100.
- J Included: \$100K for capitalized expenditures. This is a decreased from FY2026 (\$200K).

**Projected Beginning Fund Balance:**

**\$ 1,995,291**

**Fund Designations for FY2027:**

Acquisitions & Disposition (Gain)	1,411,615
Brownfield Redevelopment (Gain)	21,875
Property Management & Maintenance (Loss)	(363,496)
Administration & Operations (Loss)	(1,069,766)

Less (Capital Exp.) Lot Acquisition:

-

Less (Capital Exp.) Inventory Predevelopment:

(100,000)

**Projected Ending Fund Balance:**

**\$ 1,895,519**

Change in Fund Balance \$:

**\$ (99,772)**

Change in Fund Balance %:

**-5.00%**

**Houston Land Bank**  
**Budget Summary by Department**  
FY2026

		<u>Acquisitions &amp; Disposition</u>						
		<u>Traditional Homebuyer Program</u>	<u>New Home Development Program</u>	<u>Finding Home Program</u>	<u>Brownfield Redevelopment</u>	<u>Property Management &amp; Maintenance</u>	<u>Administration &amp; Operations</u>	<u>Total</u>
<b>Operating Revenue</b>								
40100	Acquisition and Development Agreement	\$ -	\$ 652,341	\$ -	\$ -	\$ -	\$ -	\$ 652,341
40200	Administrative Fees	-	63,750	-	-	-	-	63,750
40300	HLB Program Revenue	300,000	-	-	-	-	-	300,000
40400	Operations Agreement	-	-	-	-	405,000	345,000	750,000
40500	Outside Sources Contributions	440,941	-	147,250	737,200	-	20,000	1,345,391
<b>Total Operating Revenue</b>		<u>740,941</u>	<u>716,091</u>	<u>147,250</u>	<u>737,200</u>	<u>405,000</u>	<u>365,000</u>	<u>3,111,482</u>
<b>Operating Expense</b>								
60100	Salaries and Fringe	\$ 49,361	\$ -	\$ -	\$ -	\$ -	\$ 967,321	\$ 1,016,682
60200	Legal Fees	28,573	-	-	-	43,511	17,500	89,584
60300	Professional Services	323,635	-	264,650	-	-	35,565	623,850
60400	Property Cost - Lot Maintenance	23,155	-	-	-	338,845	-	362,000
60500	Software and Subscriptions	7,820	-	-	-	19,496	19,950	47,266
60600	Rent Expense	3,057	-	-	-	-	47,368	50,425
60700	Advertising and Marketing	643	-	-	-	-	-	643
60800	Bank Fees	-	-	-	-	-	2,000	2,000
60900	Events	467	-	-	-	-	1,033	1,500
61000	Depreciation Expense	125	-	-	-	-	1,855	1,980
61100	Environmental	-	-	-	665,625	-	-	665,625
61200	Insurance	2,549	-	-	49,700	4,348	13,605	70,202
61300	Membership and Dues	351	-	-	-	-	3,097	3,448
61400	Office Expense	742	-	-	-	-	4,758	5,500
61500	Phone and Internet	464	-	-	-	-	9,152	9,616
61600	Training and Development	-	-	-	-	-	-	-
61700	Travel Expense	500	-	-	-	-	9,130	9,630
61800	Other Miscellaneous Expense	-	-	-	-	-	-	-
62100	Acquisition Costs - HLB Traditional	-	-	-	-	-	-	-
62200	Property Cost Disposition - HLB Traditional	130,000	-	-	-	-	-	130,000
63100	Acquisition Cost - NHDP	-	-	-	-	-	-	-
63200	Property Cost Disposition - NHDP	-	74,341	-	-	-	-	74,341
<b>Total Operating Expense</b>		<u>\$ 571,442</u>	<u>\$ 74,341</u>	<u>\$ 264,650</u>	<u>\$ 715,325</u>	<u>\$ 406,200</u>	<u>\$ 1,132,334</u>	<u>\$ 3,164,292</u>
<b>Operating Income/Loss</b>		<u>\$ 169,499</u>	<u>\$ 641,750</u>	<u>\$ (117,400)</u>	<u>\$ 21,875</u>	<u>\$ (1,200)</u>	<u>\$ (767,334)</u>	<u>\$ (52,810)</u>
<b>Non-Operating Revenue</b>								
70100	Interest Income	-	-	-	-	-	50,000	50,000
<b>Total Non-Operating Income/Loss</b>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50,000</u>	<u>\$ 50,000</u>
<b>Total Net Income/Loss</b>		<u>\$ 169,499</u>	<u>\$ 641,750</u>	<u>\$ (117,400)</u>	<u>\$ 21,875</u>	<u>\$ (1,200)</u>	<u>\$ (717,334)</u>	<u>\$ (2,810)</u>