

Arx Housing Initiatives, LLC Robbye G. Meyer 1305 Dusky Thrush Trail Austin, Texas 78746 (512) 963-2555 robbye@arxadvantage.net

January 23, 2025

Sussette Kenney Texas Department of Housing and Community Affairs 221 E. 11th Street Austin, Texas 78701

Dear Ms. Kenney,

We are representing the Cleveland Square Housing, Ltd. (the "Owner") with the attached amendment request for the Cleveland Square development (Application #23081).

The Owner submitted an application for 2023 Housing Tax Credits and received an award in July 2023 for the proposed development.

During the process of acquisition, it was discovered that the existing development parking spaces along Waco and Travis Streets were outside of the development boundaries within encumbrances of the City of Cleveland. The City was not maintaining the parking spaces which presented challenges to the development to be able to provide the required ADA compliance. It was the City's preference to grant the parking area to the development to remove any maintenance and compliance obligations.

Due to this granting of parking to the development, it has increased the site acreage of 0.5304 acres and reduction in density of 8.5%. In accordance with \$10.405(a)(4)(F) of the Asset Management Rules, we are requesting a material amendment for this change. Exhibits accompanying this request are: Exhibit A-the original survey with application; Exhibit B-the special warranty deed and Exhibit C-the City Ordinance granting the abandonment to the owner.

Additionally, the increase in site acreage is necessary for the owner to keep the development in compliance with ADA requirements, which is the good cause for the change. This was unforeseeable by the owner until all due diligence was completed through the purchase process.

Should you have any questions or you need additional information, please feel free to contact me.

Sincerely, Koly G May

Robbye G. Meyer Arx Housing Initiatives, Managing Member

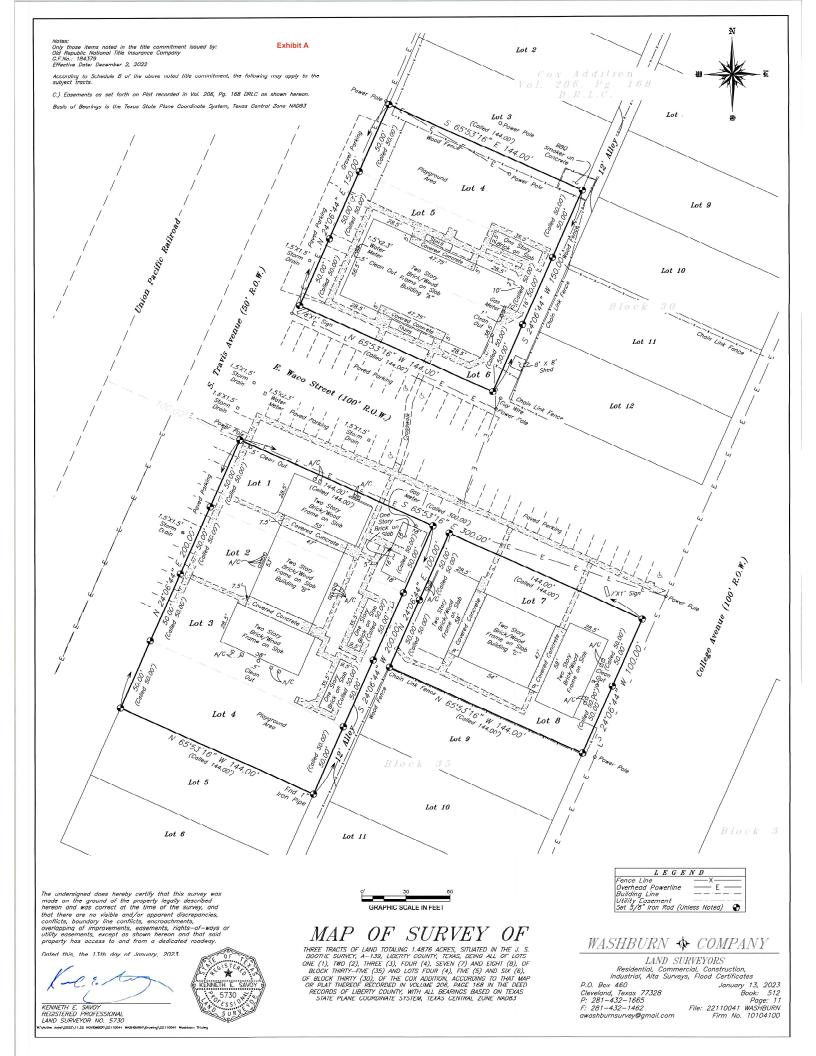


Exhibit B

SPECIAL WARRANTY DEED WITH ASSUMPTION

(Cleveland Square Apartments) Addresses:

101 East Waco Street, Cleveland, Liberty County, Texas 104 East Waco Street, Cleveland, Liberty County, Texas 405 South Travis Avenue, Cleveland, Liberty County, Texas

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL 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.

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THE STATE OF TEXAS

COUNTY OF LIBERTY

KNOW ALL MEN BY THESE PRESENTS:

THAT CLEVELAND SQUARE, LTD., a Texas limited partnership, owning property in Liberty County, State of Texas, hereinafter each and collectively called "<u>Grantor</u>" (whether one or more), for and in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable consideration to Grantor in hand by CLEVELAND SQUARE HOUSING, LTD., a Texas limited partnership, hereinafter called "<u>Grantee</u>" (whether one or more) whose mailing address is P.O. Box 489 New Caney, TX 77357, the receipt of which is hereby acknowledged, AND FURTHER CONSIDERATION that the Grantee hereby assumes and promises to pay, according to the terms thereof all of the following (each and collectively, the "<u>USA Note</u>"):

> (i) all principal and interest now remaining unpaid on the following two promissory notes, being: (1) that certain Promissory Note dated November 6, 1989 in the original principal amount of \$454,000.00, and (2) that certain Promissory Note dated February 15, 1990 in the original principal amount of \$417,700.00, each executed by Grantor, payable to the order of THE UNITED STATES OF AMERICA, ACTING HOME THROUGH THE FARMERS ADMINISTRATION, United States Department of Agriculture, and secured by the following deeds of trust: (a) that certain Real Estate Deed of Trust for Texas dated November 6, 1989, in favor of J. Lynn Futch, as Trustee, as recorded in Volume 1299, Page 798 of the Official Public Records of Liberty County, Texas; (b) that certain Deed of Trust and Security Agreement dated November 6, 1989, in favor of Orrin M. Gowen, as Trustee for the benefit of Midland Mortgage Investment Corporation, as recorded under Vol. 1299, page 804 of the Official Public Records of Liberty County, Texas, as assigned to THE UNITED STATES OF AMERICA, ACTING THROUGH THE FARMERS HOME ADMINISTRATION, United States Department of Agriculture by that certain Assignment of Deed of Trust, Promissory Note, and Assignment of Rents, Leases, and Profits dated February 14, 1990, and as recorded under Vol. 1312, Page 339 of the Official Public Records of Liberty County, Texas ; and (c) that certain Deed of Trust filed for record February 20, 1990, recorded in/under Volume 1312, Page 341 of the Official Public Records of Liberty County, Texas, executed by Cleveland Square, Ltd., a Texas limited partnership, securing the payment of notes in the principal amounts of \$454,000.00 and 417,700.00, bearing interest and payable as therein provided to the order of



United States of America, acting through the Farmers Home Administration, United States Department of Agriculture (as to Tract 1 and Tract 2);

(ii) and for the further consideration of the execution and delivery by said Grantee of that one certain Assumption Agreement in the original principal amount of \$346,667.82 of even date herewith, payable to the order of the UNITED STATES OF AMERICA, ACTING THROUGH THE RURAL HOUSING SERVICE. UNITED STATES DEPARTMENT OF AGRICULTURE, or its successor Agency (hereinafter called "Mortgagee"), bearing interest at the rate stated therein and with said Assumption Agreement containing an attorney's fee clause and various acceleration of maturity clauses in case of default, and being secured by a vendor's lien and superior title retained herein in favor of Grantor and assigned to Mortgagee, and also being secured by a Deed of Trust of even date herewith from Grantee to United States of America acting through Rural Housing Service, Director of Multifamily Housing Asset Management Division, Mike Resnik, or assignee, Area Technician for USDA Rural Development, with an address of 1305 South Main Street, #103, Henderson, Texas 75654, as Trustee (as to Tracts 1 & 2).

WHEREAS, Mortgagee has, at the special instance and request of Grantee, paid to Grantor a portion of the purchase price of the Property hereinafter described, as evidenced by the above described USA Note, said Vendor's Lien and Superior Title against said property securing the payment of said USA Note is hereby assigned, transferred and delivered without recourse to Mortgagee, Grantor hereby conveying to said Mortgagee the said Superior Title to said Property, subrogating said Mortgagee to all the rights and remedies of Grantor in the premises by virtue of said lien;

WHEREAS, as additional consideration for the purchase and development of the Property (defined below), Grantee has executed and delivered that certain Promissory Note of even date herewith (the "<u>Bank</u> <u>Note</u>") payable to the order of BOKF, NA, a national banking association d/b/a Bank of Texas whose address is P.O. Box 2300, Tulsa, Oklahoma 74102 (the "<u>Lender</u>"), in the original principal amount of up to **\$6,115,000.00** which Bank Note is secured by (a) a vendor's lien herein retained, and (b) that certain Multifamily Construction Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing of even date executed by Grantee to Lisa E. Albers, as Trustee ("<u>Trustee</u>"), for the benefit of Lender covering the Property, and in connection with the Bank Note

- (a) it is expressly agreed that the vendor's lien associated with the Bank Note, as well as the Superior Title in and to the Property, is retained against the Property until the above described Bank Note and all interest thereon is fully paid according to the face, tenor, effect and reading thereof when this Special Warranty Deed shall become absolute. The vendor's lien associated with the Bank Note is hereby assigned by Grantor to Lender without recourse or warranty.
- (b) It is further expressly agreed that the vendor's lien associated with the Bank Note herein retained shall secure the Bank Note, and in the event of default in the payment of the Bank Note (or default in any covenant or condition of any instrument securing payment of the Bank Note), the Lender shall have the right and privilege of foreclosing the vendor's lien reserved in its favor herein

And Grantor has GRANTED, SOLD AND CONVEYED, and by these present does GRANT, SELL AND CONVEY, unto said Grantee, the following described real property including all improvements

thereon, consisting of contiguous and adjoining tracts of land as more fully described below and in the Exhibits attached hereto and made a part hereof for all purposes, together with (a) all improvements located thereon, (b) all rights, benefits, privileges, easements, tenements, hereditaments and appurtenances there unto belonging or in any way, pertaining thereto, and (c) all of Grantor's right, title and interest in and to adjacent strips, gores, streets, roads, driveways, rights-of-way, and alleys (collectively, the "**Property**"), to-wit;

<u>Tract 1</u>:

Lots 1, 2, 3, 4, 7 and 8 in Block 35 of COX ADDITION, an addition in the City of Cleveland, Liberty County, Texas, according to the map or plat thereof recorded in Volume 206, Page 168 of the Deed Records of Liberty County, Texas; and being commonly known by its street addresses as: (i) 405 South Travis Avenue, Cleveland, Texas; and (ii) 104 East Waco Street, Cleveland, Texas; and as shown or depicted in the survey attached hereto as **Exhibit "A**" and incorporated by this reference for all purposes; and

<u>Tract 2:</u>

Lots 4, 5, and 6 in Block 30 of COX ADDITION, an addition in the City of Cleveland, Liberty County, Texas, according to the map or plat thereof recorded in Volume 206, Page 168 of the Deed Records of Liberty County, Texas; and being commonly known by its street address as 101 East Waco Street, Cleveland, Texas; and as shown or depicted in the survey attached hereto as **Exhibit "A**" and incorporated by this reference for all purposes; and

Parcel A (called Tract A on the survey attached as Exhibit "D")

All of that area of land situated south of E. Waco Street and west of S. Travis street containing 15,127.5 square feet (0.3473 acres) of land, more or less, lying and being situated in the Cox Subdivision of the J.S. Boothe Survey in Liberty County, Texas as more particularly described in <u>EXHIBIT "B"</u>, and depicted in the survey plat attached hereto as <u>Exhibit "D"</u>, each attached hereto and made a part hereof for all intents and purposes; and

Parcel B (called Tract B on the survey attached as Exhibit "D")

All of that area of land situated north of E. Waco Street and west of S. Travis street containing 7,978.5 square feet (0.1831 acres) of land, more or less, lying and being situated in the Cox Subdivision of the J.S. Boothe Survey in Liberty County, Texas as more particularly described by metes and bounds in **EXHIBIT "C"**, and depicted in the survey plat attached hereto as **Exhibit "D**", each attached hereto and made a part hereof for all intents and purposes.

AND there is also conveyed to Grantee all tax, insurance and other escrow funds, if any, now held in connection with the above identified liens by the respective lienholders.

This Special Warranty Deed and the conveyance hereinabove set forth is executed by Grantor and accepted by Grantee subject to the following matters (collectively, the "<u>Permitted Encumbrances</u>"): (i) all zoning laws, regulations, restrictions and ordinances of municipal or other governmental authorities, if any, but only to the extent same are valid and subsisting; and (ii) any and all rights and interest to any mineral leases or royalty interests of the mineral estate.

This conveyance is made and accepted subject to all restrictions, covenants, conditions, rights-ofway, easements and oil, gas and other mineral reservations, if any, that are valid, existing, and properly of record.

Taxes for the current year have been prorated as of the effective date hereof and Grantee fully assumes and agrees to pay the same.

TO HAVE AND TO HOLD the above described Property, together with all and singular, the rights and appurtenances thereunto in anywise belonging unto the said Grantee, its successors and assigns, forever. And Grantor does hereby bind itself, its successors and assigns, to warrant and forever defend all and singular the said 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 Granter but not otherwise, subject to the Permitted Exceptions.

When the context requires, singular nouns and pronouns include the plural.

By delivery and recording of this Special Warranty Deed, Grantee hereby irrevocably accepts this Special Warranty Deed and acknowledges, consents and agrees to the terms and conditions of this instrument for all purposes.

NEXT PAGE IS THE SIGNATURE PAGE.

Signature Page to SPECIAL WARRANTY DEED WITH ASSUMPTION

EXECUTED, EFECTIVE AND DELIVERED as of July 30, 2024.

<u>GRANTOR:</u> CLEVELAND SQUARE, LTD., a Texas limited partnership

By: Lucky Lindy Development Corp. Its: General Partner

By

Name: Ronald E. Hill, President

Acknowledgement

THE STATE OF TEXAS § COUNTY OF WASHINGTON §

This instrument was acknowledged before me on the 3D day of 3D/4, 2024, by Ronald E. Hill, as President of Lucky Lindy Development Corp., as the General Partner of Cleveland Square, Ltd., a Texas limited partnership, on behalf of said PARTNERSHIP.



Notary Public, State of Texas

My commission expires: <u>March 25, 2024</u> Notary's Name (printed): <u>Casherine Alley</u>

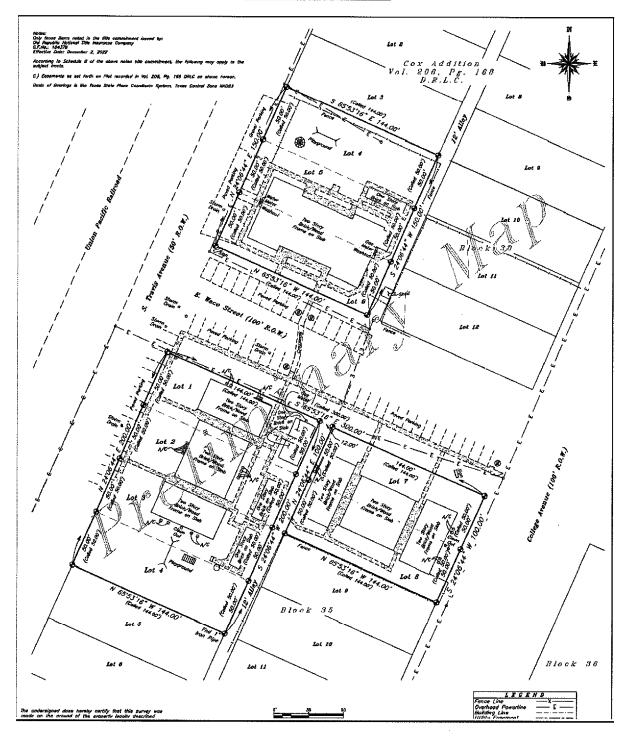
ATTACHMENTS:

Exhibit "A" – Survey of Tracts 1 and 2

Exhibit "B" – Legal Description for Parcel A (0.3473 acres- street abandonment) Exhibit "C" – Legal Description for Parcel B (0.1831 acres – street abandonment) Exhibit "D" – Survey Plat of Parcels A and B (street abandonments)

AFTER RECORDING, RETURN TO:

Jason L. Davis Jason L. Davis & Associates, LLC 1500 Winding Way Friendswood, Texas 77546 <u>Exhibit "A"</u> Survey of Tracts 1 and 2



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Exhibit "B"

Parcel A - Property Legal Description

METES AND BOUNDS DESCRIPTION 0.3473 ACRES "TRACT A" or Parcel A J.S. BOOTHE SURVEY, ABSTRACT No. 139 LIBERTY COUNTY, TEXAS

BEING a 0.3473 acre tract of land, situated in the J.S. Boothe Survey, Abstract No. 139, Liberty County, Texas, being a portion of the right-of-way of East Waco Street (100' R.O.W.) lying between Blocks Thirty (30) and Thirty-Five (35) of the Cox Addition according to that map or plat thereof recorded in Volume 206, Page 168, of the Deed Records of Liberty County, and being a portion of the right-of-way of South Travis Avenue (50' R.O.W.) lying between said Block 35 and the Union Pacific Railroad, being more fully described by metes and bounds as follows with all bearings based on the Texas State Plane Coordinate System, Texas Central Zone, NAD83:

BEGINNING at a set 5/8 inch iron rod being the north corner of said Block 35, same being the north corner of Lot One (1) of said Block 35 and an internal ell corner and **POINT OF BEGINNING** of the herein described tract;

THENCE South 24°06'44" West, along and with the southeast right-of-way line of South Travis Avenue and the northwest line of said Block 35, at 50.00 feet pass a set 5/8 inch iron rod being the west corner of said Lot 1 and the north corner of Lot Two (2) of said Block 35, at 100.00 feet pass a set 5/8 inch iron rod being the west corner of said Lot 2 and the north corner of Lot Three (3) of said Block 35, at 150.00 feet pass a set 5/8 inch iron rod being the west corner of said Lot 3 and the north corner of Lot Four (4) of said Block 35, in all a total distance of 200.00 feet to a set 5/8 inch iron rod being the west corner of said Lot 4 and the north corner of Lot Five (5) of said Block 35, same being the most southerly corner of the herein described tract;

THENCE North 65°53'16" West, departing the northwest line of said Block 35, over and across the right-of-way of said South Travis Avenue, 15.00 feet to a point situated within said right-of-way of South Travis Avenue being the most westerly corner of the herein described tract;

THENCE North 24°06'44" East, over and across the right-of-way of said South Travis Avenue, 238.50 feet to a point situated within said right-of-way of South Travis Avenue and within the right-of-way of East Waco Street, being the most northerly corner of the herein described tract;

THENCE South 65°53'16" East, over and across the right-of-way of said East Waco Street, 315.00 feet to a point situated within the right-of-way of said East Waco Street and being the most easterly corner of the herein described tract;

THENCE South 24°06'44" West, over and across the right-of-way of said East Waco Street, 38.50 feet to a set 5/8 inch iron rod being the east corner of said Block 35 and the east corner of Lot Seven (7) of said Block 35, same being an external ell corner of the herein described tract;

THENCE North 65°53'16" West, along and with the southwest right-of-way line of said East Waco Street and the northeast line of said Block 35, at 144.00 feet pass a set 5/8 inch iron rod being the north corner of said Lot 7, at 156.00 feet pass the east corner of said Lot 1, in all a total distance of 300.00 feet to the **POINT OF BEGINNING**, containing a computed area of 0.3473 acres of land within this metes and bounds description.

Kenneth E. Savoy, R.P.L.S. 5730 07 March, 2024 Washburn & Company Land Surveyors P.O. Box 460 Cleveland, Texas

Exhibit "C"

Parcel B - Property Legal Description

METES AND BOUNDS DESCRIPTION 0.1831 ACRES "TRACT B" or Parcel B J.S. BOOTHE SURVEY, ABSTRACT No. 139 LIBERTY COUNTY, TEXAS

BEING a 0.1831 acre tract of land, situated in the J.S. Boothe Survey, Abstract No. 139, Liberty County, Texas, being a portion of the right-of-way of East Waco Street (100' R.O.W.) lying between Blocks Thirty (30) and Thirty-Five (35) of the Cox Addition according to that map or plat thereof recorded in Volume 206, Page 168, of the Deed Records of Liberty County, and being a portion of the right-of-way of South Travis Avenue (50' R.O.W.) lying between said Block 35 and the Union Pacific Railroad, being more fully described by metes and bounds as follows with all bearings based on the Texas State Plane Coordinate System, Texas Central Zone, NAD83:

BEGINNING at a set 5/8 inch iron rod being the west corner of said Block 30, same being the west corner of Lot Six (6) of said Block 30 and an internal ell corner and **POINT OF BEGINNING** of the herein described tract;

THENCE South 65°53'16" East, along and with the northeast right-of-way line of said East Waco Street and the southwest line of said Block 30, at 144.00 feet pass the south corner of said Lot 6, in all a total distance of 156.00 feet to a point being the west corner of Lot Twelve (12) of said Block 30 and the most easterly corner of the herein described tract;

THENCE South 24°06'44" West, departing the southwest line of said Block 30, over and across the right-of-way of said East Waco Street, 33.50 feet to a point situated within the right-of-way of said East Waco Street being the most southerly corner of the herein described tract;

THENCE North 65°53'16" West, over and across the right-of-way of said East Waco Street, 171.00 feet to a point situated within said right-of-way of South Travis Avenue and within the right-of-way of East Waco Street, being the most westerly corner of the herein described tract;

THENCE North 24°06'44" East, over and across the right-of-way of said South Travis Avenue, 183.50 feet to a point situated within the right-of-way of said South Travis Avenue and being the most northerly corner of the herein described tract;

THENCE South 65°53'16" East, over and across the right-of-way of said South Travis Avenue, 15.00 feet to a set 5/8 inch iron rod being the west corner of Lot Three (3) of said Block 30 and the north corner of Lot Four (4) of said Block 30, same being an external ell corner of the herein described tract;

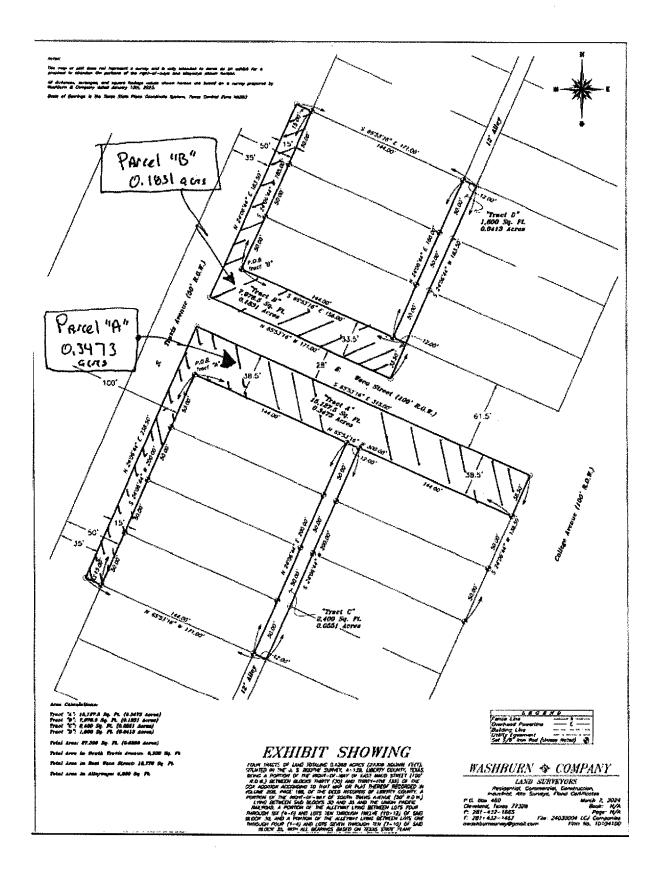
THENCE South 24°06'44" West, along and with the southeast right-of-way line of said South Travis Avenue and the northwest line of said Block 30, at 50.00 feet pass a set 5/8 inch iron rod being the west corner of said Lot 4 and the north corner of Lot Five (5) of said Block 30, at 100.00 feet pass a set 5/8 inch iron rod being the west corner of said Lot 5 and the north corner of Lot Six (6) of said Block 30, in all a total distance of 150.00 feet to the **POINT OF BEGINNING**, containing a computed area of 0.1831 acres of land within this metes and bounds description.

Kenneth E. Savoy, R.P.L.S. 5730 07 March, 2024 Washburn & Company Land Surveyors P.O. Box 460 Cleveland, Texas 2024025983 Page 11 of 13

<u>Exhibit "D"</u>

Survey Plat of Parcels A and B

<u>(See Attached)</u>



THE STATE OF TEXAS COUNTY OF LIBERTY

I hereby certify that this instrument was FILED on the date and the time stamped hereon by me and was duly RECORDED in the Records of Liberty County, Texas.

2024025983 DEED 07/31/2024 04:36:14 PM Total Fees: \$69.00

Chambers



Lee Haidusek Chambers, County Clerk Liberty County, Texas

Exhibit C

ORDINANCE NO. 2024-04-16-02

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CLEVELAND, TEXAS, MAKING CERTAIN FINDINGS VACATING AND ABANDONING PORTIONS OF E. WACO AND S. TRAVIS STREETS; RETAINING A UTILITY EASEMENT AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT MATTER.

WHEREAS, the City Council of the City of Cleveland, Texas ("City"), has received a request from Cleveland Square, Ltd., the immediately adjacent landowner of multiple lots located at or near the intersection of E. Waco and S. Travis streets in the City ("Landowner"), and which entity has requested the abandonment and vacation of a portion of said streets from the City; and

WHEREAS, the portions of E. Waco and S. Travis streets for which Landowner requests abandonment and vacation is as further described as Tracts A and B in Exhibit "A" attached hereto and incorporated herein (the "Roadway"); and

WHEREAS, in order for the City to consider such request, it will need a utility easement for placement of infrastructure related to certain types utilities and facilities; and

WHEREAS, the City Council of the City of Cleveland, Texas, ("City") has considered this and now desires to abandon and vacate the afore-described portions of public streets under the terms and conditions set forth in this Ordinance; now therefore

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CLEVELAND, TEXAS:

- PART 1: The facts and recitations set forth in the preamble of this Ordinance are declared true and correct.
- **PART 2:** Subject to the provisions of this Ordinance, the City Council finds and determines there is no current nor anticipated future need to maintain the City's interest in the Roadway described in Exhibit "A" and the City herein abandons and vacates its interest in the Roadway as set forth in this Ordinance.
- PART 3: Abandonment of City's interest in the Roadway shall be subject to and must meet the following conditions before going into effect:
 - a. Landowner grants City a Utility Easement in the form attached hereto as Exhibit "B"; and

b. Upon granting the Utility Easement described in above, the City Council herein authorizes the Mayor to sign and the City Secretary to acknowledge the Deed without Warranty as set forth in Exhibit "C" attached hereto abandoning the City's interest in the Property.

PASSED, ADOPTED and APPROVED this 16th day of April, 2024.

APPROVED:

Danny Lee, Mayor

ATTEST:

Alice Rios, City Secretary