



City Clerk

AUG 28 2023

City of San Marcos

August 25, 2023

Mayor Jane Hughson
Mayor of City of San Marcos
630 E. Hopkins Street
San Marcos, Texas 78666

Re: Capital Area Housing Finance Corporation
Single Family Mortgage Origination Program

Dear Mayor Hughson:

The Capital Area Housing Finance Corporation (the "*Corporation*") has applied to the Texas Bond Review Board for an allocation of private activity bond volume cap (the "*Volume Cap Allocation*") to facilitate a single family mortgage origination program. The Corporation intends to assign the Volume Cap Allocation to the Texas Department of Housing and Community Affairs ("*TDHCA*") in connection with TDHCA's single family mortgage revenue bond programs. The Volume Cap Allocation, once assigned, will be used to provide a means of financing single family home mortgages for residents in the Corporation's jurisdiction.

Pursuant to the provisions of Section 1372.044 of the Texas Government Code (the "*Act*"), the City of San Marcos, as a sponsoring political subdivision of the Corporation, must approve of the assignment of the Volume Cap Allocation by the Corporation to TDHCA. Accordingly, we are asking the City Council of the City of San Marcos to pass the attached Resolution at its next meeting in order to meet the requirements of the Act.

It is important to note that any bonds issued by TDHCA will be special limited obligations of TDHCA and neither the sponsoring political subdivisions of the Corporation nor the Corporation will be liable in any manner for the payment of such bonds.

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Please review the Resolution and call me at (512) 349-9104 with any questions or comments you may have. Otherwise, if all is in order, please return two (2) copies of the signed Resolution to Chapman and Cutler LLP, Bond Counsel to the Corporation, using the enclosed prepaid Federal Express envelope for delivery no later than Tuesday, October 31, 2023.

CAPITAL AREA HOUSING FINANCE
CORPORATION

A handwritten signature in black ink, appearing to read "M. John Trofa", written over a horizontal line.

By _____
M. John Trofa
General Counsel

Enclosures

cc: Jim Shaw, Executive Director of Capital Area HFC