

CITY OF SAN MARCOS
2025 CDBG PROJECT APPLICATION



NOTE: This form is not to be used for applicants seeking funds to support social services programs. A separate application form for “Public Services” is available and should be used for projects of that nature.

Due Date: May 8, 2025

I. APPLICANT CONTACT INFORMATION

Applicant Organization: Austin Habitat for Humanity, Inc.

Contact Name: Kate Reznick Telephone: [REDACTED]

Mailing Address: 500 W. Ben White Blvd. Austin, TX 78704

Physical Address, if different from mailing address: Same as Above

Contact E-Mail Address: [REDACTED] Web Address: www.austinhabitat.org

Who is authorized to execute program documents? Michele Anderson, CEO; Don McPhee, CFO

II. APPLICATION SUMMARY INFORMATION

Project Name: Home Repair Program

Amount of CDBG Funds Requested: \$50,000

Project Location: To be determined based on San Marcos households on waiting list

High Priority Need

☒ Affordable Housing

☐ Public Services [Use the Public Services Application]

☐ Public Facilities

☐ Other Priority [Describe] _____

National Objective

☒ Benefit to Low/Mod Income Persons

☐ Slum or Blight Elimination/Prevention

☐ Urgent Need (such as disaster)

III. PROJECT DESCRIPTION

A. PROJECT SUMMARY

Summarize how CDBG funds are proposed to be used:

All funding received will be used to support maintaining affordable housing in San Marcos for households earning no more than 80% AMI. Specifically, Austin Habitat for Humanity offers critical home repairs to ensure that low-to-moderate income homeowners are able to remain safe and independent in their homes. Funding will support the cost of comprehensive health and safety repairs with a focus on helping low-to-moderate income homeowners remain safe and independent in their homes, with the ability to remain part of the San Marcos community.

Specifically, funding will be used to support our team's direct work with the homeowners served, as well as the payments that we make to our skilled contractor partners who perform the bulk of the repairs. Our most common repairs are roof replacement, accessible bathrooms with tub-to-shower conversions, improved access to the outdoors and the community through the installation of ramps, and replacement or repair of unsafe electrical and plumbing systems. Austin Habitat's Home Repair team maintains an interest list of several hundred homeowners whose homes require important health and safety repairs that they are not able to afford or complete themselves, including multiple homeowners within the City of San Marcos.

B. PROJECT SCOPE:

Please check all statements that apply to this project:

- ☐ All project design work is complete for this project (plans, specifications, etc.)
- ☒ This project will include selection of professional service providers (architect, engineer, etc.)
- ☐ This project includes acquisition of real property
- ☒ This project includes the rehabilitation of existing buildings
- ☐ This project includes new construction
- ☐ This project includes demolition of existing structures
- ☐ This project includes a public facility (such as a senior center)

C. LEVERAGED RESOURCES

Provide a brief description of other funding sources, volunteers, or in-kind donations that are expected to be used with this program.

Austin Habitat for Humanity maintains a variety of funding sources and other supports for the Home Repair program, as well as volunteer support and in-kind. The total cost of the Home Repair program is approximately \$875,000 annually, with the majority of this funding supporting the direct cost of performing comprehensive home repairs.

- We receive 10+ programmatic grants each year, including one CDBG pass-through, other government funding, and private grants. Current grants that could be used alongside requested CDBG funding in San Marcos include the Texas State Affordable Housing Corporation, Isla Carroll Turner Friendship Trust, Austin Community Foundation (pending) and Lowe's/Habitat International (pending). These funds can be combined with City of San Marcos funds as needed. Several other of our funding sources have geographical limits, such as the City of Austin GO Repair program and the funding we receive from the neighbor to San Marcos, the City of Kyle. The Kyle funding is also a CDBG subgrant.

- The Austin Habitat team is also exploring funding sources in addition to grants, to ensure that we are able to grow the program in 2025 and beyond as set forth in our strategic plan. Home Repair is included in our expansion campaign primarily focused on raising funds from individuals, and we are developing other means to increase awareness of this program among individual donors. The Austin Habitat is also fortunate to have some unrestricted funds available from the sale of items in our three ReStores, including the San Marcos ReStore.
- We receive volunteer support on approximately four repairs per year. Because most of our repairs are comprehensive and require experienced tradespeople, and because the homes are occupied and we want to minimize disruption, volunteers primarily provide external finish work like landscaping and painting.

D. ACCOMPLISHMENTS

Once the project is completed, how can its success be measured?

The Home Repair program is an ongoing core initiative of Austin Habitat for Humanity, and we measure its success in several ways.

- First, we set a goal of number of home repairs to complete during each year. In the past, we have generally completed 15-25 repairs annually. In 2024 we ramped up to 30, and this year we are planning 35 repairs, with a continued expansion to 50 repairs annually as our benchmark in 2026 and beyond. With the amount requested above, we would look to perform two critical repairs in San Marcos during the funding period, although we could potentially add a third home if the first two do not hit the \$25,000 funding ceiling for each project.
- We also look at each repair to ensure that all work is completed correctly, on time and on budget. Each home is inspected by the local authority as required as well as our project team/contractor partners, and each homeowner signs off that they are satisfied with the work completed.
- We collect before-and-after evaluation forms from homeowners measuring satisfaction with the overall program, but they also help us look at the homeowner's ability to access their entire home, pride in the home, ability to welcome visitors, and other factors. We find that more than 90% of respondents respond positively to our surveys.
- We collect anecdotal stories to show the impact of our programs on a more personal level. Recently, for example, we worked with a disabled Latino veteran in his 70s residing in a rural area of Central Texas, who had only been able to take sponge-baths for years because he had an inaccessible bathroom with a large tub. The modifications we provided, primarily a tub-to-shower conversion, have allowed him to access a shower.

E. NEED AND JUSTIFICATION

Describe the need for this project. Has the need been increasing in recent years?

The need has continued to grow in Central Texas as the local population and housing stock continue to age, and the cost of materials and labor needed for repairs continues to increase. The Austin Habitat team has noticed that the number of homeowners who have reached out seeking repairs has grown 30%, with 300 homeowners now awaiting assistance including 33 who reside in the City of San Marcos.

Our homeowners are generally older adults (80% in 2024), people with disabilities (70%), or veterans (10%), and the average income of the homeowners in our program is 44% MFI. Our partners in the Austin Home Repair Coalition, like Meals on Wheels and Easter Seals, have also reported seeing increased need, and our organizations have worked together to assist homeowners with particularly intense needs.

In San Marcos, according to the U.S. Census, approximately 11% of the population is age 65 or older, and 12% have a disability. Most of the low-to-moderate income homeowners are struggling with ongoing housing costs; of homes with a mortgage, two-thirds of households earning under \$75,000 were faced with housing cost burdens, paying 30% or more of their monthly income for housing.

Although Austin's growth has led to more modern homes being built, many lower-income long-term residents are living in older properties. More than half of San Marcos homes were built 25+ years ago, and nearly 25% were built more than 45 years ago, making them more likely to need comprehensive repairs. And even newer homes may need updates to

help their homeowners continue living safely; for example, the replacement of a storm-damaged roof or windows, or the installation of an accessible bathroom that the homeowners did not require when they moved in. We are committed to growing our Home Repair initiative to support more resilient homeowners who wish to keep their independence.

F. CITY COUNCIL STRATEGIC INITIATIVE

Does this project or program positively impact one of the initiatives described in the attached City Council Strategic Plan? Which one?

This program aligns with the City Council priority for Housing Affordability, specifically the City's stated goal of facilitating safe and affordable housing for all. As part of the Quality of Life and Sense of Place objective, the City of San Marcos has included the identification of additional methods to provide affordable housing in the community, which is also a goal of Austin Habitat in San Marcos and region wide.

Critical home repair programs have been included in past strategic plans and supported by CDBG funds and other community funding. For the upcoming fiscal year, Austin Habitat's team would be interested in joining this mission to support the ongoing affordability of housing stock in San Marcos and the ability of families to continue living in their homes and maintaining safety, independence, and the ability to continue living as a part of the community.

Habitat for Humanity has a strong history working in San Marcos over the past 20+ years, first as a stand-alone chapter and then as a part of the Habitat affiliate based in Austin beginning in 2008. Habitat has built more than 20 new, affordable homes in San Marcos, and we have recently purchased land to build 10-15 more in the next several years. Although our administrative offices are in Austin, we have a strong presence in San Marcos through our ReStore on the I-35 service road, which has become a hub for creative DIY enthusiasts, people improving their homes on a budget, and community members who support our sustainability efforts.

We are excited to bring Home Repair services as well as increased homebuilding to San Marcos as part of our over-all growth plan. We have already increased the number of repairs performed from 21 in 2023 to 30 in 2024, with 35 planned this year and 50 expected in 2026 and beyond. This funding will help us expand into a part of our region where we recognize a need, while much of our more significant funding sources are directed to other geographic areas.

G. IMPACT

Describe in detail the impact this project will have on the identified need and on San Marcos residents.

For the households who receive home repairs and/or accessibility modifications through Austin Habitat's Home Repair program, the difference can be as profound as the ability to continue living safely and effectively at home instead of being forced to accept an unwanted move to a nursing home or other institutional placement. Many of the homeowners in our program have been in their homes for decades, having raised families there, often with a spouse who has passed away. For other families, they are able to stay in the same area, school district, church, and community where they have often been for many years, without the disruption of an unwanted move.

The homeowners we support want to remain in their homes, but they recognize that conditions have become untenable. Our program participants often describe being unable to access parts of their own homes; suffering health consequences of mold and leaking windows; living without proper cooling or heating; and being in danger from outdated electrical systems, deteriorating roofs, and unsafe plumbing. Our program works to determine the most vital repairs for each family and provide them within 90 days of program acceptance, which can instantly change the lives of the people who live in each home.

For other area residents, the benefits include more orderly looking homes and curb appeal in the neighborhood, particularly if the repairs impact the roof, windows or other external features of the home. Repairs can keep up continuity of ownership in an area by keeping homes in families, ideally for generations. Long-time community members are able to stay in the area and maintain relationships with neighbors and the community at large.

H. EXPERIENCE OR REFERENCES

Describe your experience in implementing a similar project, or if this is a first-time venture, provide an explanation of why you believe you will be successful in implementation. You may attach up to three letters of reference.

Austin Habitat for Humanity has provided critical home repairs for nearly 20 years, supporting more than 450 families in need of significant home repairs and/or accessibility upgrades to live in a safe and stable home once again, and maintain their independence. Almost all families have indicated satisfaction with the work completed by signing a completion document, and many have provided pre- and post-repair surveys indicating the positive impacts of the work on their ongoing lives in the home.

We have also received support from the community through funding and referrals. We are supported by 10+ additional funding sources, including the City of Austin, the Texas Veterans Commission, USDA and Austin Community Foundation. Our program has been part of the City's GO Repair initiative since its inception, indicating that we are a preferred provider of home repairs for low-income families in Austin. We have recently added new funding sources such as the Isla Carroll Turner Friendship Trust and CenterPoint Energy, and we continue to leverage the strong reputation of Habitat and our Home Repair program to add supporters throughout the region.

We have attached a letter of recommendation from Mandy deMayo, the interim director of the Austin Housing Department, the largest supporter of the Home Repair program with more than a decade of support for our program. We will potentially provide additional letters shortly.

AGENCY INFORMATION

1. Does your organization have an office located in San Marcos? ☒ Yes ☐ No
2. Has your organization been in operation for 2 or more years? ☒ Yes ☐ No
3. Has your organization served San Marcos residents for 2 or more years? ☒ Yes ☐ No

IV. BENEFICIARIES

The CDBG program allows several different methods of documenting that a project benefits low to moderate income persons. *Direct Benefit* projects provide services directly to an individual or family; for example, a housing rehabilitation project is a Direct Benefit project. *Area Benefit* projects benefit a geographic location; for example, a Sidewalk Project.

DIRECT BENEFIT PROJECTS:

Applicant must be able to document that at least 51% of the beneficiaries have an annual income that is at or below 80% of the Area Median Income and are San Marcos residents.

1. How many unduplicated individuals or households are expected to be served by this project? 2 households/5 individuals

Presumed Benefit: Activities that exclusively serve a group of persons in any one or a combination of the following categories may be presumed to benefit a population in which at least 51% of the population is low-to-moderate income. Individual income verification is not required, although residency and other client statistics must be collected. The Presumed Benefit categories are:

a. Elderly persons (62 or older)	e. Battered spouses
b. Homeless persons	f. Abused children
c. Persons living with AIDS	g. Migrant farm workers

d. Illiterate persons (includes non-English speakers)	h. Severely disabled adults (Census Bureau definition)
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2. Will all the program's beneficiaries be in a Presumed Benefit Category? ____ Yes or X No

If "yes", list the categories: _____

3. If the program's beneficiaries cannot be considered "Presumed", how will income eligibility be determined?

X Projection of the individual or family's income based on family size; or,

____ Other. Please provide details of how eligibility will be determined:

AREA BENEFIT PROJECTS:

Some projects, such as a senior center or a park, serve an area rather than individual persons. HUD defines an area benefit project as an activity which is available to benefit all the residents of an area which is primarily residential. To meet the eligibility requirement of benefitting low to moderate persons, the area served must be an area where at least 51% of the residents are low/mod income persons. Most, but not all, San Marcos residential neighborhoods are low/ mod.

1. Will this project be available to benefit all persons in the service area? X Yes ____ No

2. Are the neighborhoods that will benefit from this project primarily residential? X Yes ____ No

If "No", please explain: _____

3. What neighborhoods will benefit from this project? Please list either individual neighborhoods or describe the boundaries that will define the service area:

PUBLIC FACILITY PROJECTS

In the CDBG program, Public Facilities are broadly interpreted to include all improvements and facilities that are either publicly owned or that are traditionally provided by the government, or owned by non-profit organizations, and operated so as to be open to the general public. Facilities providing shelter for persons having special needs are also considered to be public facilities.

- *Public facility projects cannot include the costs of operating and maintaining public facilities, costs of purchasing construction equipment, the costs of furnishings and other personal items such as uniforms, or new construction of public housing.*
- *Public facilities are intended to benefit all the residents of an area; thus, in most cases it must serve an area having at least 51% low/mod population.*
- *Public facilities owned by a nonprofit must be made available to the general public and must be open for use by the general public during all normal hours of operation.*
- *Reasonable fees may be charged for the use of the facilities assisted with CDBG funds, but charges, such as excessive membership fees, which will have the effect of precluding low/mod income persons from using the facilities, are not permitted.*

1. Who is/will be the owner of the facility? N/A

2. Will fees be charged for the use of the facility? ____ Yes or ____ No

If yes, please attach a fee schedule.

3. How will the facility be made available to the general public? _____

V. PROJECT BUDGET

The CDBG program requires that a project be completed and serving beneficiaries within a reasonable time – generally within one year of award date. Thus, it is important for any additional funds needed to complete the project to be secured prior to award of CDBG funds or shortly thereafter.

1. Estimated total project cost: \$ 64,000 CDBG Funds requested: \$ \$50,000
2. Funds from all other sources that will be available on or before October 1, 2025: \$ 16,000
3. How will budget shortfalls be addressed? We will use unrestricted ReStore support if needed or other grants that do not have a geographic restriction.
4. Are any additional funds for this project being requested from the City of San Marcos?
 Yes X No. If “yes”, please describe type and amount requested: \$ _____
Type of funds requested: _____

FUNDING HISTORY

1. Has your organization received CDBG funding in the past 5 years? X Yes No
2. If yes, how were the funds used? Funds supported our Housing Counseling initiative.

3. Is the project complete? X Yes No If no, explain status and expected completion date:

LINE ITEM BUDGET

Please use the following format to present your proposed line-item budget. Secured funds are funds on-hand, pledged, or awarded. City Council has waived fees for Construction Permitting and Development Code Processes for CDBG projects. Impact fee charges, when applicable, are not waived. Round budget numbers to the nearest dollar.

CDBG funds cannot be spent or obligated until final environmental clearance for the project has been obtained. HUD has interpreted "obligated" to mean that we cannot execute contracts or take bids as that will "obligate" funds. The environmental review is generally prepared by the City's CDBG staff. **Please include \$1,000 for environmental fees for rehabilitation, new construction, demolition or clearance, and land acquisition projects.** No environmental expenses are required for professional service projects that will not include construction.

Budget Item	Total Budget	CDBG Funding Proposed	Other Funding Source(s)	Secured Funds available at project start	Additional Funds Needed to Complete Project
Project Soft Costs					
Environmental Review Costs	\$4,000	\$2,000	ReStore	\$0	\$4,000
Project Hard Costs					
Environmental Testing (lead paint, etc.)					
Dumpsters / Fencing/ Portable Toilets, etc.					
Demolition / Clearance Expenses					
Rehabilitation or New Construction Costs	\$60,000	\$48,000	Other grants or ReStore revenues	\$12,000	0
Property Acquisition					
Other					
Other					
BUDGET TOTAL	\$64,000	\$50,000		\$12,000	\$4,000

VI. PROJECT IMPLEMENTATION SCHEDULE WITH PERFORMANCE GOALS

The first activity should be environmental review. Projects that do not impact the physical environmental generally take about 15 days for environmental review – this would include public services, professional services, homebuyer assistance.

Projects that will potentially have a physical impact on the environment (construction or demolition, for example) generally take 45 to 60 days for environmental review. If the project is in a FEMA floodplain, add 30 additional days.

Please include reasonable time for procurement activities, including procurement of professional service providers.

Projected Start Date: 10/01/2025 Projected Completion Date: 09/30/2026

Projected Implementation Schedule with Performance Goals			
Activity Description	Start Month/Year	End Month/Year	Performance Measurement Goal
Environmental Review	10/2025	03/2025	Homes to be repaired pass review
Evaluation of Interest List	10/2025	12/2025	Reach out to San Marcos households on interest list.
Client Intake	12/2025	02/2026	Selection of two households.
Initial Evaluation	01/2026	02/2026	Home repair team meets with homeowners to determine most urgent needs.
Contractor Selection	01/2026	03/2026	Bids received, contractors chosen and introduced to homeowners
Repair Performance	03/2026	08/2026	All repairs performed, homeowner signs off, inspections complete
Payment and Reporting	08/2026	09/2026	Contractors paid, reimbursements submitted (if not earlier)

VII. ORGANIZATION INFORMATION

REQUIRED ATTACHMENTS

Please attach the following documents with your application, as applicable:

- ☒ Organizational Chart
- ☒ Articles of Incorporation
- ☒ Proof of Tax-Exempt status
- ☒ Current year budget
- ☒ Most recent balance sheet and financial statement
- ☒ A listing of key staff and employees who will work directly with the proposed project, their primary job duties, and other pertinent information relating to your proposed project.
- ☐ If CDBG funds will be used to hire new personnel, please provide a brief job description of the proposed position(s).
- ☒ A listing of your board of directors, including position or title on the board. Provide a contact number for the Chair or President and Treasurer. Note: Information provided will be available for public review.
- ☒ Board minutes and resolution authorizing application submittal and specifying who will sign documents. *(The organization's governing board must approve the submittal of this funding application and designate a person who is authorized to execute program documents.)*

BACKGROUND INFORMATION

1. Organization Type:
☒ 501© Non-Profit Corporation ☐ Public Corporation ☐ Government Entity
Other: _____
2. Name and title of Board of Directors Chair or President: Rev. Dr. Daryl Horton
3. How many years has your organization been in business? 40
4. Organization's Taxpayer Identification Number (EIN): 74-2373217
5. Organization's Unique Entity Identifier Number: FE1UZN8Z4N18
6. Is organization currently registered in the federal System for Award Management (SAM)? ☒ Yes ☐ No

FINANCIAL INFORMATION

1. What is the date of your fiscal year end? December 31
2. Does your organization have a purchasing policy? ☒ Yes ☐ No
3. Has your organization currently or within the past five years had any litigation that is pending or has been resolved?
☒ Yes ☐ No
If "Yes", please attach a summary of the litigation and its status, including any outstanding judgments.
4. Has your organization filed a petition for bankruptcy or has a petition for bankruptcy been filed against your organization?
☐ Yes ☒ No
If "Yes", please attach an explanation that includes the status.
5. During the last fiscal year, did your organization spend \$750,000 or more in Federal financial assistance?
☐ Yes ☒ No

6. What level of financial review does your organization obtain from an independent source? Select from the following options:

☐ Single Audit ☒ Audited Financial Statement
☐ Reviewed Financial Statement ☐ Compiled Financial Statement
☐ No independent review ☐ Other (describe):

7. What period was covered by your most recent financial review? 01/01/2023-12/31/2023

PERSONNEL AND POLICIES

1. Name and title of your chief administrator Michele Anderson
Number of years in this position? Three
2. Total number of current employees at all locations 109
3. Total number of current employees who will be involved in this project 4
4. Total number of new employees expected to be hired for the project 0
5. Does your organization have a personnel policy manual? ☒ Yes ☐ No
Does it include a procedure for filing grievances? ☒ Yes ☐ No
Does it include a non-discrimination clause? ☒ Yes ☐ No
6. Does your organization maintain a written code or standards of conduct that governs the performance of its officers, employees or agents engaged in the award and administration of contracts supported by Federal funds?
☒ Yes ☐ No
7. Separation of duties for financial transactions regarding this project (respond with job title):
- a. Who will approve payment of incurred expenses? Chief Impact Officer
- b. Who will prepare the payment check? Accounting
- c. Who will sign checks paying project expenses? CEO or CFO
- d. Who posts the transaction to your financial records? Accounting
- e. Who reconciles monthly bank statements? Accounting

INSURANCE, BONDING, AND WORKER'S COMPENSATION

1. Does your organization have liability insurance coverage? ☒ Yes ☐ No
2. If yes, in what amount? \$1,000,000 per occurrence; \$2,000,000 general aggregate, plus \$5,000,000 umbrella
3. Does your organization pay worker's compensation in accordance with Federal and state laws?
☒ Yes ☐ No ☐ N/A
4. Does your organization have fidelity bond coverage for principal staff members who handle the organization's accounts? ☒ Yes ☐ No
5. Will vehicles owned by the organization be used in conjunction with the proposed project?
☒ Yes ☐ No
6. If yes, what level of liability insurance is maintained on the vehicles? \$1,000,000

VIII. CONFLICTS OF INTEREST (24 CFR 570.611; 24 CFR 85.36; AND 24 CFR 84.42)

Two sets of conflict-of-interest provisions apply to activities carried out with CDBG funding. The first set, applicable to the procurement of goods and services by subrecipients (*funded applicants*), is the procurement regulation found in the *Uniform Administrative Requirements, Cost Principles and Audit Requirement for Federal Awards as codified in Title 2, Part 200 of the Code of Federal Regulations*. The second set of provisions is located at 24 CFR 570.611(a)(2).

With respect to procurement activities, the subrecipient must maintain written standards of conduct governing the performance of its employees engaged in the award and administration of contracts. At a minimum, these standards must:

1. Require that no employee, officer, or agent may participate in the selection, award, or administration of a contract supported by federal funds if a real or apparent conflict would be involved. Such a conflict would arise when any of the following parties has a financial or other interest in the firm selected for an award:
 - An employee, officer, or agent of the subrecipient;
 - Any member of an employee's, officer's, or agent's immediate family;
 - An employee's, agent's, or officer's partner; or
 - An organization which employs or is about to employ any of the persons listed in the preceding sections.
2. Require that employees, agents, and officers of the subrecipient neither solicit nor accept gratuities, favors, or anything of value from contractors or parties to sub-agreements. However, subrecipients may set standards for situations in which the financial interest is not substantial, or the gift is an unsolicited item of nominal value.
3. Provide for disciplinary actions to be applied for any violation of such standards by employees, agents, or officers of the subrecipient.

With respect to all other CDBG-assisted activities, the general standard is that no employee, agent, or officer of the subrecipient who exercises decision-making responsibility with respect to CDBG funds and activities is allowed to obtain a financial interest in or benefit from CDBG activities, or have a financial interest in any contract, subcontract, or agreement regarding those activities or in the proceeds for the activities. Specific provisions include that:

- The requirement applies to any person who is an employee, agent, consultant, officer, or elected or appointed official of the City, a designated public agency, or a subrecipient, and to their immediate family members and business partners.
- The requirement applies to such persons during their tenure and for a period of one year after leaving the grantee or subrecipient organization.
- Upon written request, exceptions may be granted by HUD on a case-by-case basis.

CONFLICT OF INTEREST QUESTIONNAIRE

NOTE: For the purpose of this form, a "covered person" includes any person who is an employee, agent, consultant, officer or elected or appointed official of the City of San Marcos, your organization, or any designated public agency.

Name of Organization: Austin Habitat for Humanity

1. Does your organization maintain a written code or standards of conduct that governs the performance of its officers, employees or agents engaged in the award and administration of contracts supported by Federal funds?

Yes X No If "No" is checked, please explain how you will comply with this requirement:

Are any of your Board Members or employees that are responsible for carrying out this project or members of their immediate families or their business associates also:

- a. Employed by the City of San Marcos? Yes No X
- b. Members of or closely related to members of the San Marcos City Council? Yes No X
- c. Members of or closely related to an employee of the City of San Marcos? Yes No X
- d. Current beneficiaries or related to beneficiaries of the project for which funds are requested?
Yes No X
- e. Paid providers of goods or services to the program or having other financial interest in the program or related to such individuals? Yes No X

2. For **each** relationship described above, please answer the following questions: (attach additional page if necessary)

a. Name of employee or official: _____

- b. Is this person receiving or likely to receive taxable income from your organization?

Yes No

- c. Is your organization receiving or likely to receive taxable income from or at the direction of the employee or official AND the taxable income is not from the City of San Marcos?

Yes No

- d. Is your organization affiliated with a corporation or other business entity in which the employee or official serves as an officer or director, or holds an ownership interest of 10% or more?

Yes No

3. Describe any other affiliation or business relationship that might cause a conflict of interest with respect to CDBG funds and activities. N/A

4. Will any of your organization's employees, officers, board members, or members of their immediate family or business partners have a financial interest in any contract, subcontract, or agreement regarding CDBG funded activities?

Yes No X . If yes, please attach an explanation.

IX. APPLICANT ASSURANCES AND CERTIFICATIONS

The applicant hereby assures and certifies with respect to this project or program, by the submission of this application, that the following are true statements:

- 1. It possesses legal authority to apply for the grant and to finance the proposed request; that a resolution, motion or similar action has been duly adopted or passed as an official act of the applicant's governing body, authorizing the filing of the application, including all understandings and assurances contained therein, and directing and

authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.

2. It will comply with the Uniform Administrative Requirements, Cost Principles and Audit Requirement for Federal Awards as codified in Title 2, Part 200 of the Code of Federal Regulations (UAR) and agrees to adhere to the accounting principles and procedures required therein, utilizing adequate internal controls and maintaining necessary source documentation for all costs incurred.
3. If it expends \$750,000 or more of federal funds in a fiscal year, it will comply with the Single Audit Act of 1984.
4. It will comply with the provisions of Executive Order 11988, relating to evaluation of flood hazards, and Executive Order 11990, relating to protection of wetlands. It will comply with the flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973, Public Law 93-234, 87 Stat. 975, and approved December 31, 1976. Section 102(a).
5. It will have sufficient funds available or the ability to obtain the non-federal share of the cost for construction projects. Sufficient funds will be available when construction is completed to assure effective operation and maintenance of the facility for the purposes constructed.
6. It will give the City and the Comptroller General, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the grant.
7. It will cause work on the project to be commenced within a reasonable time after receipt of notification from the City that funds have been approved and that the project will be performed to completion with reasonable diligence.
8. It will comply with Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and in accordance with Title VI of that Act, no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the applicant receives federal financial assistance and will immediately take any measures necessary to effectuate this agreement.
9. It will comply with the requirements of Title II and Title III of the Uniform Relocation Assistance and Real Property Acquisitions Act of 1970 (P.L. 91-646), which provides for fair and equitable treatment of persons displaced because of federal and federally-assisted programs.
10. It will comply with the provisions of the Hatch Act, which limit the political activity of employees.
11. It will comply with the minimum wage and maximum hours provisions of the Federal Fair Labor Standards Act as they apply.
12. It will insure that the facilities under its ownership, lease or supervision which shall be utilized in the accomplishment of the project are not listed on the Environmental Protection Agency's (EPA) list of Violating Facilities and that it will notify the city/federal grantor agency of the receipt of any communication from the Director of the EPA Office of Federal Activities indicating that a facility to be utilized in the project is under consideration for listing by the EPA.
13. It will assist the city/federal grantor agency in its compliance with Section 106 of the National Historic Preservation Act of 1966 as amended (16 U.S.C. 470), Executive Order 11593, and the Archeological and Historic Preservation Act of 1966 (16 U.S.C. 469a-1 et seq.).
14. It will comply with Texas Civil Statutes, Article 5996a, by ensuring that no officer, employee, or member of the applicant's governing body or of the applicant's contractor shall vote or confirm the employment of any person related within the second degree by affinity or third degree by consanguinity to any member of the governing body or to any other officer or employee authorized to employ or supervise such person. This prohibition shall not prohibit the employment of a person who shall have been continuously employed for a period of two years prior to the election or appointment of the officer, employee, or governing body member related to such person in the prohibited degree.

15. It will ensure that all information collected, assembled or maintained by the applicant relative to this project shall be available to the public during normal business hours in compliance with Texas Civil Statutes, Article 6252-17a, unless otherwise expressly provided by law.
16. It will conduct and administer the program in conformity with the Fair Housing Act (42 USC Section 3901 et. Seq.) and that it will affirmatively further fair housing.
17. It will minimize displacement of persons because of activities assisted with CDBG funds. If displacement of residential dwellings will occur in connection with a grant-assisted project, it will follow a residential anti-displacement and relocation assistance plan as specified by the City of San Marcos.
18. It certifies that it is not now, nor has it ever been, on the Federal List of Debarred Contractors.
19. It will not attempt to recover any capital costs of public improvements assisted in whole or in part with such funds by assessing any amount against properties owned and occupied by persons of LMI, including any fee charged or assessment made as a condition of obtaining access to such public improvements unless (a) such funds are used to pay the proportion of such fee or assessment that related to the capital costs of such public improvements that are financed from revenue sources other than such funds; or (b) for purposes of assessing any amount against properties owned and occupied by persons of moderate income, applicant certifies that it lacks sufficient funds under this contract to comply with the requirements of clause (a).
20. It agrees to comply with the requirements of Title 24 of the Code of Federal Regulations, Part 570 (the U.S. Housing and Urban Development regulations concerning Community Development Block Grants (CDBG)) including subpart J and subpart K of these regulations, except that (1) the Agency does not assume the recipient's environmental responsibilities described in 24 CFR 570.604 and (2) Agency does not assume the recipient's responsibility for initiating the review process under the provisions of 24 CFR Part 52. Agency also agrees to comply with all other applicable Federal, State, and local laws, regulations, and policies governing the funds provided. Agency further agrees to utilize funds available to supplement rather than supplant funds otherwise available. Agency shall comply with all applicable Federal laws, regulations, and requirements, which include compliance with the provisions of the HCD Act and all rules, regulations, guidelines, and circulars promulgated by the various Federal departments, agencies, administrations, and commissions relating to the CDBG Program. The applicable laws and regulations include, but are not limited to:
 - 24 CFR Part 570;
 - 24 CFR Parts 84 and 85;
 - The Davis-Bacon Fair Labor Standards Act;
 - The Contract Work Hours and Safety Standards Act of 1962;
 - Copeland "Anti-Kickback" Act of 1934;
 - Sections 104(b) and 109 of the Housing and Community Development Act of 1974;
 - Section 3 of the Housing and Urban Development Act of 1968;
 - Equal employment opportunity and minority business enterprise regulations established in 24 CFR part 570.904;
 - Non-discrimination in employment, established by Executive Order 11246 (as amended by Executive Orders 11375 and 12086);
 - Section 504 of the Rehabilitation Act of 1973 Uniform Federal Accessibility Standards;
 - The Architectural Barriers Act of 1968;
 - The Americans with Disabilities Act (ADA) of 1990;
 - The Age Discrimination Act of 1975, as amended;
 - National Environmental Policy of 1969 (42 USC 4321 et seq.) as amended;
 - Lead Based paint regulations established in 24 CFR Parts 35, 570.608, and 24 CFR 982.401;
 - Asbestos guidelines established in CPD Notice 90-44;
 - HUD Environmental Criteria and Standards (24 CFR Part 51);
 - The Energy Policy and Conservation Act (Public Law 94-163) and 24 CFR Part 39
 - Flood Disaster Protection Act of 1973;
 - Colorado House Bill 06-1023 and 06-1043;
 - Procurement Standards (2 CFR 200.322);

- Rights to Inventions Made Under a Contract or Agreement (37 CFR 401.2 (a));
- Energy Efficiency (2 CFR Part 200 Appendix II); and
- Recycling (2 CFR Part 200 Appendix II).

CERTIFICATIONS REGARDING LOBBYING:

21. No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
22. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit standard form – “Disclosure Form to Report Lobbying”, in accordance with its instructions.
23. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.
24. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

GENERAL CERTIFICATIONS:

25. The information, exhibits, and schedules contained in this application are true and accurate statements and represent fairly the financial condition of our organization;
26. Our organization is eligible to receive federal funding and has not been placed in a debarred or otherwise ineligible status under the provisions of CFR Part 24;
27. Our organization prohibits discrimination in accordance with Title VI of the Civil Rights Act of 1964; and,
28. Our governing body has duly authorized submission of this document. If funded, we agree to comply with the procedures outlined in the “Playing by the Rules” handbook that will be supplied by the City of San Marcos.

I, the duly authorized representative of the applicant organization, certify that the foregoing statements are true to the best of my knowledge and belief:

CERTIFIED BY:

Signature: 

Date Signed: May 6, 2025

Printed Name: Michele Anderson

Title: Chief Executive Officer

Organization Name: Austin Habitat for Humanity, Inc.

Application to the City of San Marcos Board Resolution

Board Members

Rev. Dr. Daryl Horton, Chair | Mason Ayer, Treasurer | Elizabeth Chao | Kevin Cunningham | Donna Day | John Dixon | Lauren Dupuis | Tami Garcia | Melinda Garvey | Larry Graham | J.C. Jammal | Robert Lee | Kevin Lockingen | Ryan Mattox | Nikelle Meade | Abby Mellott | Terry Mitchell | Jessica Nelson | Nicole Nosek | Mia Parton | Kazique Prince | Christopher Rios | Bob Roberts | Neha Sampat | Charmane Sellers | Laura Touns, Secretary | Alex Valdes

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512-472-8788 | austinhabitat.org

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communities and hope.**

CERTIFICATE OF CORPORATE RESOLUTION

We, Rev. Dr. Daryl Horton, Chair, and Laura Toups, Secretary, of Austin Habitat for Humanity, Inc. a corporation, hereby certify that:


1. Austin Habitat for Humanity, Inc. is organized and existing under the laws of the State of Texas;
2. All franchise and other taxes required to maintain its corporate existence have been paid and no taxes are delinquent;
3. No proceedings are pending for the forfeiture of its certificate of incorporation or for its dissolution, voluntarily or involuntarily;
4. It is in good standing with the State of Texas;
5. There are no provisions in the articles of incorporation or bylaws of this corporation limiting the power of its Board of Directors to pass the resolution set forth below;
6. A quorum of the Board of Directors have consented to the action proposed at the Board of Directors meeting on February 26, 2025; and
7. As a result of this affirmative vote, the following resolution was adopted:

BE IT RESOLVED that the Austin Habitat for Humanity Board of Directors authorizes the Chief Executive Officer or whomever that person deems appropriate at their sole discretion to have the authority to apply for grant funding from the City of San Marcos, including funds from Federal, State and Local sources; and

It is further RESOLVED that the Board of Directors authorizes the Chief Executive Officer or her designee to execute any agreements or other documents regarding City of San Marcos funding, including Federal, State and Local Sources.

We certify that the above resolution has not been altered, amended, rescinded or repealed and is now in full force and effect. We also certify that Rev. Dr. Daryl Horton is the Chair of the corporation and Laura Toups is the Secretary.

Signed on March 5, 2025 by the Chair of the Corporation.


Chair

Application to the City of San Marcos Organizational Chart

Please note that the formatting of our organizational chart has required it to be sent separately.

Board Members

Rev. Dr. Daryl Horton, Chair | Mason Ayer, Treasurer | Elizabeth Chao | Kevin Cunningham | Donna Day | John Dixon | Lauren Dupuis | Tami Garcia | Melinda Garvey | Larry Graham | J.C. Jammal | Robert Lee | Kevin Lockingen | Ryan Mattox | Nikelle Meade | Abby Mellott | Terry Mitchell | Jessica Nelson | Nicole Nosek | Mia Parton | Kaziqwe Prince | Christopher Rios | Bob Roberts | Neha Sampat | Charmane Sellers | Laura Touns, Secretary | Alex Valdes

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Application to the City of San Marcos Bylaws

Board Members

Rev. Dr. Daryl Horton, Chair | Mason Ayer, Treasurer | Elizabeth Chao | Kevin Cunningham | Donna Day | John Dixon | Lauren Dupuis | Tami Garcia | Melinda Garvey | Larry Graham | J.C. Jammal | Robert Lee | Kevin Lockingen | Ryan Mattox | Nikelle Meade | Abby Mellott | Terry Mitchell | Jessica Nelson | Nicole Nosek | Mia Parton | Kazique Prince | Christopher Rios | Bob Roberts | Neha Sampat | Charmane Sellers | Laura Touns, Secretary | Alex Valdes

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BYLAWS OF AUSTIN HABITAT FOR HUMANITY, INC.

Restated and Amended: **July 16, 2016**

Amended :

December 8, 2017

May 30, 2018

November 28, 2018

August 10, 2019

**BYLAWS
OF
AUSTIN HABITAT FOR HUMANITY, INC.**

TABLE OF CONTENTS

ARTICLE I

NAME, FORM OF ORGANIZATION AND PURPOSES

- Section 1.1 Name
- Section 1.2 Nonprofit and tax exempt status
- Section 1.3 No members
- Section 1.4 Purposes
- Section 1.5 Geographic service area
- Section 1.6 Affiliation with Habitat for Humanity International

ARTICLE II

OFFICES

- Section 2.1 Principal office
- Section 2.2 Registered office and agent
- Section 2.3 Other offices

ARTICLE III

BOARD OF DIRECTORS

- Section 3.1 General powers and authority of the Board
- Section 3.2 Number, term, and qualifications of directors
- Section 3.3 Number, term and qualifications of directors emeritus
- Section 3.4 Election of directors
- Section 3.5 Resignation of directors
- Section 3.6 Removal of directors
- Section 3.7 Vacancies
- Section 3.8 Succession of the Chair and Chair-Elect
- Section 3.9 No compensation

ARTICLE IV

MEETINGS OF DIRECTORS

- Section 4.1 Place of meetings
- Section 4.2 Annual meeting
- Section 4.3 Regular meetings
- Section 4.4 Special meetings
- Section 4.5 Notice of meetings
- Section 4.6 Waiver of notice
- Section 4.7 Quorum and voting
- Section 4.8 Manner of acting
- Section 4.9 Presumption of assent

Section 4.10 Meeting via communications equipment
Section 4.11 Actions by unanimous consent
Section 4.12 Director conflict of interest transactions

ARTICLE V

OFFICERS

Section 5.1 Description and number
Section 5.2 Appointment and election of Officers
Section 5.3 Resignation and removal of Officers
Section 5.4 Contract rights of Officers
Section 5.5 Chair
Section 5.6 Chair-Elect
Section 5.7 Secretary
Section 5.8 Treasurer
Section 5.9 Development Officer
Section 5.10 Other Officers
Section 5.11 No compensation
Section 5.12 Executive Officers of the Corporation
Section 5.13 Chief Executive Officer

ARTICLE VI

COMMITTEES

Section 6.1 Board committees in general
Section 6.2 Executive Committee
Section 6.3 Standing Board Committees
Section 6.4 Ad Hoc Board Committees
Section 6.5 Operating committees

ARTICLE VII

GENERAL PROVISIONS

Section 7.1 Corporate seal
Section 7.2 Fiscal year
Section 7.3 Financial reports
Section 7.4 Corporate minutes and records
Section 7.5 Investments
Section 7.6 Disbursements
Section 7.7 Prohibited activities
Section 7.8 No loans to or guaranties for directors
Section 7.9 Indemnification and insurance

ARTICLE VIII

DISSOLUTION & WINDING UP

Section 8.1 Winding Up
Section 8.2 Assets

ARTICLE IX

AMENDMENTS TO BYLAWS

Section 9.1 Amendments

ARTICLE I NAME, FORM OF ORGANIZATION AND PURPOSES

Section 1.1 Name

The name of the corporation is Austin Habitat for Humanity, Inc. ("Austin Habitat for Humanity" or the "Corporation").

Section 1.2 Nonprofit and tax exempt status

The Corporation is organized as a nonprofit corporation under the Texas Nonprofit Corporation Law and as a tax exempt organization under Section 501 (c)(3) of the Internal Revenue Code.

Section 1.3 No members

The Corporation shall have no members.

Section 1.4 Purposes

Austin Habitat for Humanity works in partnership with God and people from all walks of life, to put our faith in action by building affordable quality houses with families in need in order to eliminate poverty housing one family at a time. Austin Habitat for Humanity will be at the forefront of the greater Austin area's efforts to eliminate poverty housing by building community by:

- (a) Building simple, decent, affordable homes in a way that optimizes volunteers, partner families, and commercial resources;
- (b) Empowering families to break the cycle of poverty housing through education and skill development, so that they may become successful homeowners;
- (c) Building a spirit of volunteerism by providing volunteer experiences and encouraging philanthropy to support the mission and spirit of Austin Habitat for Humanity; and
- (d) Maximizing the Restore and similar innovations and initiatives to provide affordable restoration materials, foster ecology-friendly deconstruction and recycling, and generate vital funding for the future growth of Austin Habitat for Humanity.

Section 1.5 Geographic service area

The geographic service area of Austin Habitat for Humanity's activities includes the City of Austin, Texas and surrounding areas, including the counties of Travis, Blanco, Caldwell, Bastrop and the portion of Williamson County that falls within the city limits of Austin, and the remainder of Hays County, including San Marcos, Texas with the exception of the Wimberley Independent School District.

Section 1.6 Affiliation with Habitat for Humanity International

The Organization, being a particular affiliate of Habitat for Humanity International ("HFHI"), recognizes that it is a party to the U.S. Affiliation Agreement (as amended from time to time) and commits to work in partnership with Habitat for Humanity International to accomplish the Habitat ministry of building homes, communities, and hope.

ARTICLE II OFFICES

Section 2.1 Principal Office

The principal office of the Corporation shall be located in Austin, Texas at the address designated in the most recent annual report filed with the Texas Secretary of State. The Corporation shall maintain at its principal office a copy of the corporate records specified in Section 7.4.

Section 2.2 Registered office and agent

The registered office of the Corporation is required by law to be maintained in the State of Texas and may, but need not, be identical with the principal office. The Corporation shall maintain a registered agent whose office is identical with the registered office. The Corporation may change its registered office or registered agent from time to time in the manner required by law.

Section 2.3 Other offices

The Corporation shall have offices at such other places within the State of Texas as the Board of Directors may determine from time to time, or as the affairs of the Corporation may require.

ARTICLE III BOARD OF DIRECTORS

Section 3.1 General powers and authority of the Board

All corporate powers shall be exercised by or under the authority of, and the affairs of the Corporation managed under the direction of, the Board of Directors.

Section 3.2 Number, term, and qualifications of directors

The authorized number of voting directors of the Corporation shall be not less than five (5) nor more than thirty-six (36), as the Board of Directors shall determine from time to time. The Board of Directors may include a person who is currently an Austin Habitat for Humanity homeowner. The Board of Directors shall consist of three classes of approximately equal size, with the term of each class beginning always on January 1st and ending in consecutive years. One class, on a rotational basis, shall be elected each year. Each director shall serve for a term of three (3) years and until his or her successor is elected or until such director's earlier death, resignation, incapacity to serve, or removal. Notwithstanding the preceding, to achieve the required consecutive-year terms, the initial directors shall be elected for initial terms of one, two or three years as the case may be to satisfy the class size requirements. Directors elected after the initial terms shall be elected for a term of three years. A duly elected director shall not be eligible for re-election to the Board of Directors for more than two consecutive three-year terms, or for a partial term of more than two (2) years and one full three (3) year term. Notwithstanding the foregoing, if a duly elected director serves as a voting member of the Board of Directors for a period of no longer than six (6) months in duration before his or her first year of his or her first term, such service for up to six (6) months will not be counted for purposes of calculating the number of years served in any term by the director.

Section 3.3 Number, term and qualifications of directors emeritus

The Board of Directors may elect no more than four (4) former board members as directors emeritus who shall serve in an ex-officio, non-voting capacity for one or more terms of one year. Directors emeritus may be elected for a single one-year term or successive one-year terms.

Section 3.4 Election of directors

Except as provided in Section 3.7 below relating to vacancies, directors and directors emeritus shall be elected by the Board of Directors at the annual meeting of the Board of Directors. The Governance and Nominating Committee shall present a slate of nominees as directors and directors emeritus. A good faith effort by the Governance and Nominating Committee shall be made to include appropriately qualified nominees from throughout the Austin Habitat for Humanity geographic service area. Nominations may also be made by directors and directors emeritus from the floor. Those persons who receive a plurality of the votes cast shall be deemed to have been elected. If any director then holding office so demands, the election of directors and directors emeritus shall be by secret ballot.

Section 3.5 Resignation of directors

A director or director emeritus may resign by delivering written notice to the Board of Directors, Chair or Secretary of the Corporation. A resignation is effective when the notice is received unless the notice specifies a later effective date. If a resignation is made effective at a later date, the Board of Directors may fill the pending vacancy before the effective date if the Board provides that the successor does not take office until the effective date.

Section 3.6 Removal of directors

A director or director emeritus may be removed without cause by the vote of two-thirds (2/3) of the directors then in office. In addition, a director or director emeritus may be removed for cause, including but not limited to any director or director emeritus absence from more than 50% of the regular meetings of the Board of Directors, by affirmative vote of a majority of the directors then in office.

Section 3.7 Vacancies

If a vacancy occurs on the Board of Directors, the Board of Directors may fill the vacancy, provided that if the directors remaining in office constitute fewer than a quorum of the Board, they may fill the vacancy only by the affirmative vote of a majority of all the directors remaining in office or, if only one director is in office at the time, of the sole remaining director. Absent any express condition to the contrary at the time of election, a director elected to fill a vacancy shall hold office until the end of the unexpired term that such director is filling, or, if earlier, until such director's death, resignation, removal or disqualification. However, if the Board so provides at the time the vacancy is filled, the Board of Directors may elect a director to fill a vacancy until the next annual meeting of the Board of Directors or until such director's successor is elected.

Section 3.8 Succession of the Chair and Chair-Elect

The Chair shall serve a one-year term, and the Chair-Elect shall automatically succeed to the office of Chair at the expiration of the one-year term of the Chair. If circumstances warrant that a director serve a second successive year-long term as Chair and if the majority of the members of each of the Governance and Nominating Committee, the Executive Committee and the Board of Directors affirmatively vote to re-elect a sitting Chair for another year-long term, then the then sitting Chair may serve as second successive term as Chair.

So that a director who has served as Chair may consecutively serve as Immediate Past Chair, as a voting member of the Executive Committee and as a voting member of the Board of Directors, if such director serves as Chair in the final year of his/her first term, then that director shall automatically be elected to a second, consecutive three-year term and if such director serves as Chair in the final year of his/her second term, then the second term shall be extended by one year.

Section 3.9 No compensation

The Board of Directors shall not permit compensation of directors for their services as such, but by resolution of the Board of Directors may be reimbursed for any actual expenses incurred in the performance of their duties for the Corporation.

**ARTICLE IV
MEETINGS OF DIRECTORS****Section 4.1 Place of meetings**

All meetings of the Board of Directors shall be held in Austin, Texas, or at such place as the Board of Directors may determine with proper notice,

Section 4.2 Annual Meeting

The Annual Meeting of the Board of Directors, for the purpose of electing directors and certain officers, reviewing a budget for the next fiscal year, and transacting other business, shall occur on or before December 31st of each calendar year, or otherwise at such time designated by the Board of Directors in the annual calendar of board meetings.

Section 4.3 Regular meetings

Each year, in addition to the Annual Meeting, no fewer than three regular meetings of the Board of Directors shall be held at a time and place specified by the Chair, or at such other time as the Board of Directors may determine.

Section 4.4 Special meetings

Special meetings of the Board of Directors may be called by or at the request of the Chair or twenty percent (20%) of the directors then in office. Such meetings must be held in Austin, Texas and may be held in person or electronically. If any vote on any matter is taken by means of electronic mail or other similar electronic communication, then a quorum will be established when a majority of the directors in office present have voted or abstained on such matter.

Section 4.5 Notice of meetings

Regular meetings of the Board of Directors may be held without notice if the date, time and place of the meeting previously have been fixed by the Board; otherwise, regular meetings must be preceded by at least two (2) days' notice to each director of date, time and place, but not the purpose, of the meeting. Special meetings of the Board of Directors must be preceded by at least two (2) days' notice to each director of the date, time, place and purpose of the meeting. Notice required by the foregoing provisions may be given by any usual means of communication and may be oral or written. However, any Board action to remove a director shall not be valid unless each director is given at least seven (7) days' written notice that the matter will be voted upon at a directors' meeting or unless notice is waived pursuant to Section 4.6 below. Oral notice is effective when communicated, if communicated in a comprehensible manner.

Notice by facsimile transmission, by mail, whether electronic or by postal carrier, or by telephone, if in a comprehensible form, is effective at the earliest of the: (a) when received, (b) five (5) days after its deposit in the United States mail, as evidenced by the postmark, if mailed correctly or certified mail, return receipt requested, and the receipt is signed by or on behalf of the addressee; or, (c) thirty (30) days after its deposit in the United States mail, as evidenced by the postmark, if mailed correctly addressed and with other than first class, registered or certified postage affixed. Written notice is

correctly addressed to a director if addressed to the director's postal or electronic mail address shown in the Corporation's current list of directors.

Section 4.6 Waiver of notice

A director may at any time waive any notice required by law or these bylaws. Except as hereinafter provided in this section, the waiver must be in writing, signed by the director entitled to the notice, and filed with the minutes or the corporate records. A director's attendance at or participation in a meeting waives any required notice of the meeting unless the director upon arriving at the meeting or prior to the vote on a matter not noticed in conformity with law or these bylaws objects to lack of notice and does not thereafter vote for or assent to the objected to action.

Section 4.7 Quorum and voting

A majority of the directors in office present, excluding vacancies, shall constitute a quorum of the Board of Directors. Voting on any matter may be conducted by mail, by facsimile transmission, by electronic transmission, or by any combination of those methods. To be considered a timely vote and counted, votes must be received by the Chair or Secretary within five (5) business days of either any meeting where the vote was taken to be counted or any call for a vote.

Section 4.8 Manner of acting

If a quorum is present when a vote is taken, the affirmative vote of a majority of directors present is the act of the Board of Directors, unless the vote of a greater number of directors is required by law or these bylaws. A director may vote in person or by proxy executed in writing by such director to the Chair to be voted in the same manner as the majority voting. No proxy shall be valid after thirty (30) days from the date of its execution. Each proxy shall be revocable unless expressly provided therein to be irrevocable or unless otherwise made irrevocable by law.

Section 4.9 Presumption of assent

A director of the Corporation who is present at a meeting of the Board of Directors or a committee of the Board of Directors when corporate action is taken is deemed to have assented to the action taken unless:

(a) such director objects at the beginning of the meeting (or promptly upon arrival) to holding it or transacting business at the meeting; or, (b) such director's dissent or abstention from the action taken is entered in the minutes of the meeting; or, (c) such director delivers written notice of dissent or abstention to the presiding Officer of the meeting before adjournment or to the Corporation immediately after adjournment of the meeting. The right of dissent or abstention is not available to a director who votes in favor of the action taken.

Section 4.10 Meeting via communications equipment

The Board of Directors may permit any or all directors to participate in an annual, regular or special meeting by, or conduct the meeting through the use of, any means of communication by which all directors participating may simultaneously hear each other during the meeting. A director participating in a meeting by this means is deemed to be present in person at the meeting. Consent to meeting via communications equipment shall be presumed given by a director unless a director objects in writing to the Chair no later than three business days before any annual, regular or special meeting.

Section 4.11 Actions by unanimous consent

Any action required or permitted by law or these bylaws to be taken at a meeting of the Board of Directors may be taken without a meeting if the action is taken by all of the duly elected and qualified directors of the Corporation. The action must be evidenced by one or more written consents describing

the action taken, signed by each director and included in the minutes filed with the corporate records reflecting the action taken. Action taken under this section is effective when the last director signs the consent, unless the consent specifies a different effective date. A consent signed under this section thus has the effect of a meeting vote and may be described as such in any document.

Section 4.12 Director conflict of interest transactions

A conflict of interest transaction is a transaction with the Corporation in which a director of the Corporation has a direct or indirect interest. For purposes of this section a director has an indirect interest in a transaction if: (a) another entity in which a director has a material interest or in which the director is a general partner is a party to the transaction, or (b) another entity of which the director is a director, Officer, or trustee is party to the transaction. A conflict of interest transaction is not voidable on the basis of imposing liability on the director if the transaction was fair at the time it was entered into or is approved in advance as hereinafter provided. A transaction in which a director has a conflict of interest may be approved in advance by the vote of the Board of Directors or a committee of the Board if: (a) the material facts of the transaction and the directors' interest are disclosed or known to the Board or committee of the Board and (b) the directors approving the transaction in good faith reasonably believe that the transaction is fair to the Corporation. For the purposes of this section, a conflict of interest transaction is approved if it receives the affirmative vote of a majority of the directors on the Board or on the committee who have no direct or indirect interest in the transaction, but a transaction may not be approved under this section by a single director. If a majority of the directors on the Board who have neither direct nor indirect interest in the transaction vote to approve the transaction, a quorum is present for the purpose of taking action under this section. The presence of or a vote cast by a director with a direct or indirect interest in the transaction does not affect the validity of any action taken under this section if the transaction is otherwise approved as hereinabove provided.

ARTICLE V OFFICERS

Section 5.1 Description and number

The Officers of the Corporation shall consist of a Chair, Chair-Elect, Secretary, Treasurer, Development Officer, and, as are elected by the Board of Directors from time to time, up to two (2) additional Officers. No person may hold simultaneously more one officer position.

Section 5.2 Appointment and election of Officers

Except as provided in this Section 5.2 relating to vacancies, the Chair-Elect shall be elected by the Board of Directors at the Annual Meeting of the Board of Directors. Each year at the Annual Meeting, the Governance and Nominating Committee shall present a nominee for the office of Chair-Elect. Nominations may also be made by directors from the floor. If any director then holding office so demands, the election of the Chair-Elect shall be by secret ballot. The person who receives a plurality of the votes cast shall be deemed to have been elected. Without any further voting or approval by the Board of Directors, the Chair-Elect, who will have been duly elected to the office of Chair-Elect by the Board of Directors at the previous Annual Meeting, shall automatically succeed to the office of Chair at the expiration of the term of the Chair.

After consulting with the Governance and Nominating Committee and before December 31" of each calendar year, subject to approval by the Board of Directors, the then Chair-Elect shall appoint all Officers other than the Chair and Chair-Elect. If any director then holding office so demands, the election of Officers shall be by secret ballot.

All nominees for an Officer position must be members of the Board of Directors and whose remaining terms would accommodate a one-year term as Officer. Each Officer shall hold office for a period of one (1) Year, or until such Officer's death, resignation, or removal, or until such Officer's successor is elected. Except as provided in Section 3.8 of these bylaws, no person may be elected to serve for more than one (1) Consecutive term in the office of Chair or in the office of Chair-Elect, No person may be elected to serve for more than four (4) successive terms in the office of Secretary or in the office of Treasurer. The Board of Directors may elect other Officers at such time or times as the need may arise, in the manner prescribed for other Officers in this Section 5.2.

A vacancy occurring in an Officer position of the Corporation may be filled at any time by the Board of Directors. The term of an Officer elected to fill a vacancy shall expire at the end of the unexpired term that such Officer is filling.

Section 5.3 Resignation and removal of Officers

An Officer may resign at any time by delivering notice to the Corporation. A resignation is effective when the notice is effective unless the notice specifies a future effective date. If a resignation is made effective at a future effective date and the Board of Directors accepts the future effective date, the Board of Directors may fill the pending vacancy before the effective date if the Board provides that the successor does not take office until the effective date. The Board of Directors, by majority vote, may remove any Officer at any time with or without cause.

Section 5.4 Contract rights of Officers

The election of an Officer does not itself create contract rights. An Officer's removal does not affect the Officer's contract rights, if any, with the Corporation,

Section 5.5 Chair

The Chair of the Board of Directors shall preside at all meetings of the Board of Directors and of the Executive Committee and perform other duties as may be prescribed from time to time by the Board.

Section 5.6 Chair-Elect

The Chair-Elect of the Board of Directors, in the absence of the Chair or in the event of death, inability or refusal to act of the Chair, shall preside at all meetings of the Board of Directors and the Executive Committee and shall exercise the powers and authority and perform the duties of the Chair in the absence of the Chair. Unless the Board of Directors appoints another Officer to chair the Governance and Nominating Committee, the Chair-Elect shall chair the Governance and Nominating Committee.

Section 5.7 Secretary

The Secretary shall: (a) cause to be prepared minutes of all meetings of the Board of Directors and the Executive Committee; (b) authenticate records of the Corporation when requested to do so; (c) give all notices required by law and by these bylaws; (d) have general charge of the corporate books and records and of the corporate seal, and affix the corporate seal to any lawfully executed instrument requiring it; (e) sign such instruments as may require signature; (t) cause such corporate reports as may be required by state law to be prepared and filed in a timely manner; and (g) in general, perform all duties incident to the office of Secretary and such other duties as may be assigned from time to time by the Chair or the Board of Directors.

Section 5.8 Treasurer

The Treasurer shall, in cooperation with the Chief Executive Officer, oversee the receipt and disbursement of all funds deposited in the name of Austin Habitat for Humanity and shall present reports

of receipts and disbursements to the Board of Directors and to the Executive Committee on a regular basis as determined by the Chair. Furthermore, the Treasurer, acting upon the request of the Board of Directors, shall oversee an independent audit of the financial statements of the Corporation. The Treasurer shall chair the Audit and Finance Committee.

Section 5.9 Development Officer

The Development Officer shall, in cooperation with the Chief Executive Officer, oversee the fundraising conducted on behalf of Austin Habitat for Humanity. The Development Officer shall chair the Development Committee.

Section 5.10 Other Officers

Each Officer, except Officers holding an Office specified above in this Article V, shall have such powers and duties as may be assigned to such Officer by the Board of Directors or the Chair and shall chair such committees or task forces as designated by the Chair.

Section 5.11 No compensation

Officers of the Corporation described in the foregoing sections shall not be compensated for their services as such.

Section 5.12 Executive Officers of the Corporation

Executive Officers of the Corporation are employees of the Corporation, are not Officers as outlined in Section 5.I and are not directors of the Board of Directors. The Chief Executive Officer is an Executive Officer of the Corporation.

Section 5.13 Chief Executive Officer

The Chief Executive Officer shall be the chief executive Officer of the Corporation and, subject to the control of the Board of Directors, shall supervise and control the management of the Corporation in accordance with these bylaws. By affirmative vote of a majority of the directors then in office, the Board of Directors shall approve the hiring and termination of the Chief Executive Officer and any compensation and benefits at the time of hiring of the Chief Executive Officer.

Duties of the Chief Executive Officer shall include: (a) hiring, supervising and firing employees, (b) coordinating the activities of the Operating Committees; (c) representing the Corporation in the community; (d) overseeing the building projects of the Corporation; (e) supervising the administrative functions of the Corporation; and, (f) in general, performing such other duties incident to the office of Chief Executive Officer and other such duties as may be assigned from time to time by the Board of Directors. The Chief Executive Officer may not serve on the Board of Directors or any Board committee, except in a non-voting, *ex-officio* capacity.

The Chief Executive Officer may sign any deed, lease, mortgage, bond, contract, or other instrument with an individual monetary value not to exceed fifty thousand dollars (or such other amount as may be approved and resolved by the Board of Directors) which lawfully may be executed on behalf of the Corporation, except where signing and execution thereof expressly shall be delegated by the Board of Directors to some other Officer or agent of the Corporation, or where required by law or these bylaws to be otherwise signed and executed. The Secretary and the Treasurer are authorized to jointly sign any deed, lease, mortgage, bond, contract, or other instrument with an individual monetary value not to exceed fifty thousand dollars (or such other amount as may be approved and resolved by the Board of Directors) which lawfully may be executed on behalf of the Corporation, except where signing and execution thereof expressly shall be delegated by the Board of Directors to some other Officer or agent

of the Corporation, or where required by law or these bylaws to be otherwise signed and executed.

ARTICLE VI COMMITTEES

Section 6.1 Board committees in general

Unless specified below, committees of the Board shall be composed solely of individuals currently serving as duly elected directors of the Corporation and directors emeritus. Except for the Executive Committee and the Standing Board Committees described in Sections 6.2 and 6.3 of these bylaws, all committees created by the Board of Directors may be dissolved by the Board of Directors at any time. Except as otherwise provided in these bylaws, the Chair shall appoint the members of the committees. The provisions of Article IV of these bylaws, which govern meetings of the Board of Directors, shall apply to committees of the Board and their members as well, except that no committee of the Board shall be required to have an annual meeting or scheduled regular meetings and no vote will require a quorum of committee members. To the extent specified or authorized by the Board of Directors or in these bylaws, each committee of the Board may exercise the authority of the Board. A committee of the Board may not however: (a) authorize distributions; (b) approve or recommend dissolution, merger or the sale, pledge or transfer of all or substantially all of the Corporation's assets; (c) elect, appoint or remove directors or fill vacancies on the Board or on any committee of the Board or, (d) adopt, amend or repeal the Certificate of Formation or any bylaws.

Section 6.2 Executive Committee

The Executive Committee, which is a committee of the Board, shall consist of the Officers of the Corporation, the Immediate Past Chair and up to three (3) additional directors appointed by the Chair, to serve in such capacity one year terms from January 1st to December 31st, provided that the appointment of additional directors must be approved by a majority of all the directors in office when such action is taken. The Chair of the Board of Directors shall serve as the chair of the Executive Committee and shall preside at all of its meetings. The Executive Committee (i) shall provide leadership on issues related to policy development and strategic planning, (ii) shall conduct searches for Chief Executive Officer, and may prepare recommendations to the Board on a variety of issues. In addition, the Executive Committee shall have the authority to act on behalf of and instead of the Board of Directors, including but not limited to the termination of the Chief Executive Officer, when necessary between regular or special meetings of the Board, or when so empowered by the Board and subject to the limitations imposed by the Board, the Certificate of Formation, these bylaws, and the law. The Executive Committee shall report its actions to the Board at the next Board meeting for ratification. Notwithstanding the foregoing, if the Executive Committee terminates the employment of the Chief Executive Officer, 1) such termination will have immediate effect and the terminated Chief Executive Officer shall no longer be an Executive Officer of the Corporation, and 2) the Executive Committee will report the termination of the CEO to the Board of Directors within ten (10) business days for ratification by affirmative vote of a majority of the directors then in office. The Executive Committee does not have the authority to approve a dissolution, merger, or sale of all of the Corporation's assets; appoint or remove directors; or amend the bylaws or Certificate of Formation.

Section 6.3 Standing Board Committees

Unless otherwise specified in this Section 6.3, each Standing Board Committee herein listed shall consist of no fewer than three (3) members to serve in such capacity one year terms from January 1st to

December 31st. A vacancy on any of these committees may be filled at any time. Members of additional Board committees may be appointed to successive terms.

(a) Governance and Nominating Committee

The Governance and Nominating Committee shall (i) prepare priorities for board composition, (ii) identify and recruit prospective directors of the Corporation, (iii) present at the Annual Meeting a slate of nominees for election as directors and directors emeritus, (iv) present at the Annual Meeting a slate of nominees for election as Officers of the Corporation, (v) review developments in corporate governance practices and, if deemed appropriate, make recommendations to the Board of Directors, and (vi) advise the Board of Directors regarding the execution of governance according to the then current bylaws, resolutions and policies. This committee shall oversee all issues of governance and parliamentary procedure and shall encourage orderly succession planning for Officer roles. The current Chief Executive Officer shall not be a member of this committee. The Governance and Nominating Committee shall be comprised of the Chair, the Chair-Elect and the Immediate Past Chair, the previous Immediate Past Chair, if available, and up to three (3) additional members of the Board of Directors whose term expires after January 1 of the next calendar year. Unless the Board of Directors appoints another Officer to chair the Governance and Nominating Committee, the Chair-Elect shall serve as chair of the Governance and Nominating Committee.

(b) Audit and Finance Committee

The Audit and Finance Committee shall: (i) oversee the implementation and administration of policies and procedures for handling and accounting for the finances of the Corporation;

(ii) review and approve management's annual revenue and expense budget in advance of submission to the full Board of Directors; (iii) oversee the preparation by management of accurate, timely and meaningful financial statements and ensure such financial statements are presented to the Board of Directors, (iv) recommend to the Board of Directors an independent auditor and oversee an independent audit of the financial statements, as directed by the Board of Directors and (v) safeguard the Corporation's assets, (vi) ensure compliance with federal and state laws and other requirements related to the financial and grant-related affairs of the Corporation, (vii) report to the Board of Directors any financial irregularities or risks, and (viii) when necessary, make recommendations to the Board of Directors regarding adjustments to the budget or financial policies and procedures. The Treasurer shall serve as the chair the Audit and Finance Committee. The Chair or the Board of Directors may appoint members of the Finance Committee who are neither directors nor directors emeritus.

(c) Compensation Committee

The Compensation Committee shall consist of the Chair, the Chair-Elect and the Immediate Past Chair. The Compensation Committee:

(i) Shall review annually the CEO's performance,

(ii) Shall approve, at any time after the compensation and benefits approved by the Board of Directors at hiring, the salary and other compensation of the Chief Executive Officer, and

(iii) Shall have such other duties as may be assigned to it from time to time by the Board of Directors. The Chair or a member of Executive Committee appointed by the Chair shall serve as the chair of the Compensation Committee.

(d) **Development Committee**

The Development Committee (i) shall oversee the fundraising activities by the Board of Directors and the management of Austin Habitat for Humanity, (ii) shall periodically report to the Board of Directors on such activities. The Chair or the Board of Directors may appoint members of the Development Committee who are neither directors nor directors emeritus. The Development Officer shall serve as the chair the Development Committee.

Section 6.4 Ad Hoc Board Committees

In addition to the Executive Committee and the Standing Board Committees established in Sections 6.2 and 6.3 of these bylaws, the Board of Directors may create one or more Ad Hoc Board Committee and delegate to such Ad Hoc Board Committee functions that are not the responsibility of a Standing Board Committee. The Chair or the Board of Directors may appoint members of Ad Hoc Committees who are 1) directors, 2) directors emeritus, and 3) individuals who are neither directors nor directors emeritus. Ad Hoc Board Committees may not exercise the authority of the Board.

Section 6.5 Operating committees

The Chief Executive Officer, the Chair or the Board of Directors may create one or more Operating Committees to report to the Chief Executive Officer on operating matters. Members of an Operating Committee may include both directors in good standing and individuals who are not directors of the Corporation. Operating Board Committees may not exercise the authority of the Board.

**ARTICLE VII
GENERAL PROVISIONS**

Section 7.1 Corporate seal

The corporate seal shall be in such form as the Board of Directors may from time to time determine.

Section 7.2 Fiscal year

The fiscal year of the Corporation shall begin on January 1st and end on December 31st of each year.

Section 7.3 Financial reports

The books of the Corporation shall be closed as of the end of each fiscal year and month and financial statements (and annual report) shall be prepared and submitted to the Board of Directors. In the discretion of the Board of Directors and subject to the requirements of all relevant state laws and regulations in effect, the Corporation may engage an independent certified public accountant to audit or review the annual financial statements.

Section 7.4 Corporate minutes and records

The Corporation shall keep as permanent records minutes of all meetings of its Board of Directors, a record of all actions taken by the directors without a meeting, and a record of all actions taken by the

executive committee and any other committees of the Board of Directors. The Corporation shall maintain its records in written form or in another form capable of conversion into written form within a reasonable time. The Corporation shall keep a copy of the following records at its principal office: (a) its Certificate of Formation, formerly known as the Articles of Incorporation and all amendments to them currently in effect; (b) its bylaws or restated bylaws and all amendments to them currently in effect; (c) a list of the names and business or home addresses of its current directors and Officers; and, (d) records, books and annual reports of the Corporation's financial activity for at least the last three years after the close of the fiscal year and, (e) its most recent annual report, if any, delivered to the secretary of state required by the Texas Nonprofit Corporation Law Chapter 4.

The minutes and records described above shall be made available for inspection by current directors of the Corporation during normal business hours. In addition to the extent required by applicable law, the Corporation shall make available for inspection during regular business hours, by an individual, copies of: (i) any application filed with any letter or other document issued by the Internal Revenue Service with respect to the tax exempt status of the Corporation and, (ii) the annual returns filed with the Internal Revenue Service for the three most recent years (to the extent the Corporation is required to file such returns); provided that the names and addresses of contributors to the Corporation may be kept confidential.

Section 7.5 Investments

The Corporation shall have the right to retain all or any part of any securities or property acquired by it in whatever manner, and to invest and reinvest any funds held by it, according to the judgment and approval by majority vote of the Board of Directors without being restricted to the class of investments which a director is or may hereafter be permitted by law to make or any similar restriction; provided that no action shall be taken by or on behalf of the Corporation if such action is a forbidden activity or would result in the denial of tax exempt status under Section 501(c)(3) of the Internal Revenue Code, as amended.

Section 7.6 Disbursements

Except for disbursements made in accordance with the annual budget approved by the Board of Directors, no disbursement of funds greater than fifty thousand dollars per occurrence shall be made or divided unless approved, authorized and directed by the Board of Directors or Executive Committee. The total of such non budgeted expenditures shall not exceed \$150,000 annually. All non-budgeted expenditures exceeding these limits must be approved, authorized and directed by the Board of Directors or Executive Committee. Disbursements made in accordance with the annual budget approved by the Board of Directors shall be made only by the Chief Executive Officer or the Treasurer. The Executive Committee shall approve appropriate resolutions authorizing bank transactions, signatories and related matters.

Section 7.7 Prohibited activities

The Corporation is organized as a nonprofit Corporation exclusively for charitable, religious, educational and scientific purposes within the meaning of Section 501 (c) (3) of the Internal Revenue Code, as amended. No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to its members, trustees, directors, Officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in the Certificate of Formation or Section 1.4. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the

Corporation shall not participate in or intervene in any political campaign on behalf of or in opposition to any candidate for public office. Anything contained in these bylaws to the contrary notwithstanding, the Corporation shall not carry on or otherwise engage in any activities not permitted to be carried on or engaged in by (i) a Corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, as amended, or any corresponding section of the future tax code; (ii) a Corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue code, as amended, or any corresponding section of any future tax code; or (iii) a Corporation organized and existing under the Texas Nonprofit Corporation Law.

Section 7.8 No loans to or guaranties for directors

The Corporation may not lend money to or guarantee the obligation of a director or Officer of the Corporation, but the fact that a loan or guaranty is made in violation of this section does not affect the borrower's liability on the loan. If director had an active loan from the Corporation at the time he or she became a director, the Corporation may not refinance such loan during the director's term as a member of the Board of Directors.

Section 7.9 Indemnification and insurance

The Corporation shall indemnify a director who was wholly successful, on the merits or otherwise, in the defense of any proceeding to which the director was a party because he or she is or was a director of the Corporation, against reasonable expenses actually incurred by the director in connection with his or her status as a director. In addition, if an individual is made a party to a proceeding because the individual is or was a director, Officer, employee or agent of the Corporation, the Board of Directors may, to the extent permitted by law, authorize the Corporation to advance expenses to such individual and/or indemnify such individual against liability incurred in the proceeding. The Corporation shall purchase Director's & Officer's, Employment Practices (including 3'd Party) and Fiduciary Liability insurances with a minimum liability limit for each coverage of one million dollars (\$1,000,000.00).

ARTICLE VIII DISSOLUTION & WINDING UP

Section 8.1 Winding Up

In the event that dissolution and/or winding up of Austin Habitat for Humanity is necessary, the Board shall oversee such process and ensure compliance with all relevant provisions of the State of Texas and other applicable state and federal laws.

Section 8.2 Assets

Upon dissolution of Austin Habitat for Humanity, the assets of Austin Habitat for Humanity are permanently committed to a tax-exempt organization for purposes set forth in its Certificate of Formation and bylaws. In the event of dissolution, the assets, after payments of debt, will be, as determined by the Board of Directors, given, transferred, donated, or assigned to (i) Habitat for Humanity International, Inc., a Georgia Nonprofit Corporation and a corporation exempt from taxation under Section 501(c)(3) of the Internal Revenue Code; or (ii) any other organization(s) which itself has tax-exempt status under the Section 501(c)(3) of the Internal Revenue Code and whose mission is similar to the mission of Austin Habitat for Humanity.

**ARTICLE IX
AMENDMENTS TO BYLAWS**

Section 9.1 Amendments

The Board of Directors shall have the power to alter, amend or repeal the bylaws or adopt new bylaws by a two-thirds (2/3) majority of the entire Board of Directors, provided that the bylaws at no time shall incorporate any provisions inconsistent with law or the Certificate of Formation or which would in any way jeopardize its standing as a non-profit corporation either under the laws of the State of Texas or under the provisions of the Internal Revenue Code, as amended. No amendment shall be voted on or passed until the same has first been presented at a previous meeting of the Board of Directors and after notice of said proposed amendment, with a copy thereof, has been mailed to each Director not less than ten (10) days prior to such meeting.

Adopted by the Board of Directors of <u>AHHH</u> on the <u>17th</u> day of <u>August</u> , 20 <u>16</u>
Signed <u><i>Sherine Thomas</i></u> (print or type in full name of Board Secretary) <u>SHERINE THOMAS</u>

Application to the City of San Marcos Organizational Consolidated Budget

Board Members

Rev. Dr. Daryl Horton, Chair | Mason Ayer, Treasurer | Elizabeth Chao | Kevin Cunningham | Donna Day | John Dixon | Lauren Dupuis | Tami Garcia | Melinda Garvey | Larry Graham | J.C. Jammal | Robert Lee | Kevin Lockingen | Ryan Mattox | Nikelle Meade | Abby Mellott | Terry Mitchell | Jessica Nelson | Nicole Nosek | Mia Parton | Kazique Prince | Christopher Rios | Bob Roberts | Neha Sampat | Charmane Sellers | Laura Touns, Secretary | Alex Valdes

500 W Ben White Blvd, Austin, TX 78704
512-472-8788 | austinhabitat.org

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communities and hope.**

Austin Habitat For Humanity, Inc.
Austin Habitat for Humanity (Consolidated)
Budget Income Statement
From Jan 2025 to Dec 2025

Financial Row	Amount
Ordinary Income/Expense	
Income	
4000 - Total Sales	
4100 - Contributions	\$19,966,214.00
4105 - Contributions - General	\$4,732,500.00
4115 - Contributions - Grant	\$1,008,016.00
4140 - Contributions - House Sponsorship	\$11,447,525.00
4160 - City of Austin - Land Development	\$20,000.00
4165 - City of Austin - Vertical	\$2,758,173.00
Total - 4100 - Contributions	\$19,966,214.00
4169 - Special Event Net	\$625,000.00
4200 - Home Sales	\$12,289,996.00
4300 - ReStore Sales	\$10,223,109.81
4400 - Commission and Fees	\$617,977.00
4800 - Misc Income	\$832,592.00
Total - 4000 - Total Sales	\$44,554,888.81
Total - Income	\$44,554,888.81
Cost Of Sales	
5000 - Cost of Sales	
5005 - ReStore Cost of Goods Sold	\$1,819,461.00
5100 - Cost of Goods Sold - Homes	\$20,430,388.00
Total - 5000 - Cost of Sales	\$22,249,849.00
Total - Cost Of Sales	\$22,249,849.00
Gross Profit	\$22,305,039.81
Expense	
7000 - Salaries, Benefits and Taxes	\$10,816,729.70
7060 - Other Staff Expense	\$90,778.00
7080 - Contract/Temp Labor	\$302,520.00
7100 - Travel and Entertainment	\$282,875.00
7200 - Occupancy Expense	\$1,834,122.00
7260 - Equipment/Vehicle Expense	\$2,512,729.00
7320 - Fundraising Expense	\$39,000.00
7340 - Advertising Expense	\$332,312.00
7800 - Other Operating Expense	\$2,501,505.00
7900 - Depreciation/Amortization	\$711,601.00
Total - Expense	\$19,424,171.70
Net Ordinary Income	\$2,880,868.11
Net Income	\$2,880,868.11

Application to the City of San Marcos Audited Financial Statements

Board Members

Rev. Dr. Daryl Horton, Chair | Mason Ayer, Treasurer | Elizabeth Chao | Kevin Cunningham | Donna Day | John Dixon | Lauren Dupuis | Tami Garcia | Melinda Garvey | Larry Graham | J.C. Jammal | Robert Lee | Kevin Lockingen | Ryan Mattox | Nikelle Meade | Abby Mellott | Terry Mitchell | Jessica Nelson | Nicole Nosek | Mia Parton | Kazique Prince | Christopher Rios | Bob Roberts | Neha Sampat | Charmane Sellers | Laura Touns, Secretary | Alex Valdes

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**We build homes,
communities and hope.**

**AUSTIN HABITAT FOR HUMANITY, INC.
(A NONPROFIT CORPORATION)**

**CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

As of and for the Years Ended December 31, 2023 and 2022

And Report of Independent Auditor

AUSTIN HABITAT FOR HUMANITY, INC.
TABLE OF CONTENTS

REPORT OF INDEPENDENT AUDITOR..... 1-2

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Statements of Financial Position..... 3
Consolidated Statements of Activities 4-5
Consolidated Statements of Functional Expenses..... 6-7
Consolidated Statements of Cash Flows 8
Notes to the Consolidated Financial Statements 9-24

SUPPLEMENTARY INFORMATION

Consolidating Schedule of Financial Position 25-26
Consolidating Schedule of Activities 27-28

Report of Independent Auditor

To the Board of Directors
Austin Habitat for Humanity, Inc.
Austin, Texas

Opinion

We have audited the accompanying consolidated financial statements of Austin Habitat for Humanity, Inc. and its subsidiaries (collectively, the "Organization"), which comprise the consolidated statements of financial position as of December 31, 2023 and 2022, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in *the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audits.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information in the consolidating schedule of financial position and consolidating schedule of activities on pages 25 through 28, are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Cherry Bekaert LLP

Austin, Texas
May 10, 2024

AUSTIN HABITAT FOR HUMANITY, INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2023 AND 2022

	2023	2022
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 9,868,536	\$ 13,913,049
Restricted cash	-	842,765
Accounts receivable, net	262,338	280,620
Pledges receivable	185,250	167,500
Mortgages receivable, current portion, net	384,300	392,172
ReStore inventory	2,269,678	2,110,471
Home construction in progress	2,579,793	1,588,943
Prepaid expenses and other current assets	541,123	621,238
Total Current Assets	16,091,018	19,916,758
Land held for development	9,358,758	4,650,591
Land held for investment, at fair value	1,900,000	1,494,282
Mortgages receivable, long-term portion, net	8,022,549	8,312,439
Notes receivable, 2 nd liens, net	-	952,583
Operating lease right-of-use assets	3,940,829	4,510,825
Other long-term assets	-	214,702
Property and equipment, net	14,801,113	14,269,219
Total Assets	\$ 54,114,267	\$ 54,321,399
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable	\$ 1,094,410	\$ 481,449
Accrued expenses	782,375	1,038,531
Deferred revenue	3,563,621	3,357,761
Financing lease obligation, current portion	39,799	38,624
Operating lease liability, current portion	554,023	529,443
Pass-through donations payable	-	331,000
Line of credit-current	3,000,000	-
Notes payable - TDHCA, net, current portion	106,959	106,959
Long-term debt, current portion	264,071	259,430
Total Current Liabilities	9,405,258	6,143,197
Financing lease obligation, long-term portion	43,303	83,103
Operating lease liability, net, long-term portion	3,482,695	4,036,718
Notes payable - TDHCA, net, long-term portion	1,223,406	1,273,988
Line of credit	-	2,000,000
Long-term debt, net, long-term portion	8,537,937	8,781,571
Total Liabilities	22,692,599	22,318,577
Net Assets:		
Without donor restrictions	30,520,249	30,776,740
With donor restrictions	901,419	1,226,082
Total Net Assets	31,421,668	32,002,822
Total Liabilities and Net Assets	\$ 54,114,267	\$ 54,321,399

The accompanying notes to the consolidated financial statements are an integral part of these statements.

AUSTIN HABITAT FOR HUMANITY, INC.
CONSOLIDATED STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues:			
Contributions and Other Income:			
Contributions	\$ 3,296,635	\$ 7,101	\$ 3,303,736
Home building sponsorship revenues	2,630,989	-	2,630,989
Investment return, net	217,114	-	217,114
Other income	1,535,349	-	1,535,349
Net assets released from restrictions	331,764	(331,764)	-
Total Contributions and Other Income	8,011,851	(324,663)	7,687,188
ReStore Revenues:			
ReStore sales	10,451,924	-	10,451,924
In-kind donation of inventory	10,945,829	-	10,945,829
Cost of goods sold	(13,862,980)	-	(13,862,980)
Sales discounts and refunds	(415,567)	-	(415,567)
Total ReStore Revenues, net	7,119,206	-	7,119,206
Low-Cost Housing Revenues:			
Home sales	7,203,000	-	7,203,000
In-kind contributions of labor and construction materials	1,411,089	-	1,411,089
Mortgage discount and amortization	291,728	-	291,728
Other housing revenues	13,010	-	13,010
Cost of homes sold	(8,707,759)	-	(8,707,759)
Total Low-Cost Housing Revenues, net	211,068	-	211,068
Total Revenues	15,342,125	(324,663)	15,017,462
Expenses:			
Low-cost housing program	4,762,801	-	4,762,801
ReStore program	7,289,905	-	7,289,905
Fundraising	1,427,400	-	1,427,400
Management and general	1,346,927	-	1,346,927
Total Expenses	14,827,033	-	14,827,033
Change in net assets	515,092	(324,663)	190,429
Net assets, beginning of year	30,776,740	1,226,082	32,002,822
Change in accounting principle (Note 2)	(771,583)	-	(771,583)
Net assets, end of year	\$ 30,520,249	\$ 901,419	\$ 31,421,668

The accompanying notes to the consolidated financial statements are an integral part of these statements.

AUSTIN HABITAT FOR HUMANITY, INC.
CONSOLIDATED STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues:			
Contributions and Other Income:			
Contributions	\$ 10,605,851	\$ 1,009,134	\$ 11,614,985
Home building sponsorship revenues	1,907,912	-	1,907,912
Investment return, net	72,205	-	72,205
Other income	762,064	-	762,064
Net assets released from restrictions	517,437	(517,437)	-
Total Contributions and Other Income	13,865,469	491,697	14,357,166
ReStore Revenues:			
ReStore sales	11,307,325	-	11,307,325
In-kind donation of inventory	5,500,224	-	5,500,224
Cost of goods sold	(8,935,434)	-	(8,935,434)
Sales discounts and refunds	(571,614)	-	(571,614)
Total ReStore Revenues, net	7,300,501	-	7,300,501
Low-Cost Housing Revenues:			
Home sales	3,116,900	-	3,116,900
In-kind contributions of labor and construction materials	1,078,455	-	1,078,455
Mortgage discount and amortization	352,815	-	352,815
Other housing revenues	3,345	-	3,345
Cost of homes sold	(3,840,788)	-	(3,840,788)
Total Low-Cost Housing Revenues, net	710,727	-	710,727
Total Revenues	21,876,697	491,697	22,368,394
Expenses:			
Low-cost housing program	4,748,559	-	4,748,559
ReStore program	6,708,399	-	6,708,399
Fundraising	1,339,206	-	1,339,206
Management and general	1,501,881	-	1,501,881
Total Expenses	14,298,045	-	14,298,045
Change in net assets	7,578,652	491,697	8,070,349
Net assets, beginning of year	23,198,088	734,385	23,932,473
Net assets, end of year	\$ 30,776,740	\$ 1,226,082	\$ 32,002,822

The accompanying notes to the consolidated financial statements are an integral part of these statements.

AUSTIN HABITAT FOR HUMANITY, INC.
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2023

	Low-Cost Housing	ReStore	Fundraising	Management and General	Total
Salaries and related	\$ 3,175,801	\$ 4,640,151	\$ 985,192	\$ 849,644	\$ 9,650,788
Advertisements	6,986	219,452	260,517	11,303	498,258
Office expenses	103,904	437,484	19,290	42,572	603,250
Information technology	74,598	82,336	22,690	33,679	213,303
Occupancy	67,250	980,992	5,866	9,354	1,063,462
Travel	25,509	49,051	15,011	18,784	108,355
Conference, conventions, and meetings	53,525	30,813	9,321	56,733	150,392
Interest and amortization	76,901	220,626	6,967	8,783	313,277
Tithe to Habitat for Humanity International	81,500	-	-	-	81,500
Depreciation	118,207	383,264	10,860	48,552	560,883
Insurance	101,513	164,747	3,399	5,725	275,384
Warranty work	72,296	-	-	-	72,296
Tools and equipment	34,989	2,037	-	48	37,074
Professional services	123,698	44,553	14,917	173,765	356,933
Dues and subscriptions	54,752	27,252	52,686	76,992	211,682
Home repair program	588,434	-	-	-	588,434
Other expense	2,938	7,147	20,684	10,993	41,762
Total	<u>\$ 4,762,801</u>	<u>\$ 7,289,905</u>	<u>\$ 1,427,400</u>	<u>\$ 1,346,927</u>	<u>\$ 14,827,033</u>

The accompanying notes to the consolidated financial statements are an integral part of these statements.

AUSTIN HABITAT FOR HUMANITY, INC.
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2022

	Low-Cost Housing	ReStore	Fundraising	Management and General	Total
Salaries and related	\$ 2,293,601	\$ 4,297,084	\$ 844,808	\$ 729,718	\$ 8,165,211
Advertisements	2,795	217,733	272,020	35,463	528,011
Office expenses	95,276	397,418	20,319	70,504	583,517
Information technology	69,318	107,004	30,138	34,085	240,545
Occupancy	122,902	902,364	5,591	8,851	1,039,708
Travel	25,333	67,082	14,837	27,376	134,628
Conference, conventions, and meetings	48,331	29,418	6,590	172,845	257,184
Interest and amortization	16,491	167,233	7,508	7,478	198,710
Tithe to Habitat for Humanity International	1,087,083	-	-	-	1,087,083
Depreciation	33,918	272,763	10,339	63,061	380,081
Insurance	73,959	166,825	2,948	6,289	250,021
Warranty work	19,811	-	-	-	19,811
Tools and equipment	16,303	6,712	-	1,724	24,739
Professional services	123,450	44,942	5,426	253,582	427,400
Dues and subscriptions	40,679	21,378	42,357	55,129	159,543
Home repair program	410,153	-	5,133	-	415,286
Other expense	269,156	10,443	71,192	35,776	386,567
Total	<u>\$ 4,748,559</u>	<u>\$ 6,708,399</u>	<u>\$ 1,339,206</u>	<u>\$ 1,501,881</u>	<u>\$ 14,298,045</u>

The accompanying notes to the consolidated financial statements are an integral part of these statements.

AUSTIN HABITAT FOR HUMANITY, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
Cash flows from operating activities:		
Change in net assets	\$ 190,429	\$ 8,070,349
Adjustments to reconcile change in net assets to net cash flows from operations:		
Amortization expense	14,496	14,495
Depreciation	560,883	380,081
Financing discount on notes payable - TDHCA	58,419	65,977
Gain on extinguishment of debt	-	(768,200)
Gain on land held for investment	(405,718)	-
Loss on disposal of property and equipment	-	332,898
Change in operating assets and liabilities:		
Accounts receivable	18,282	42,784
Pledges receivable	(17,750)	(100,950)
Mortgages receivable	478,762	719,950
ReStore inventory	(159,207)	(451,293)
Home construction in progress	(990,850)	(731,975)
Prepaid expenses and other current assets	80,115	(83,871)
Land held for development	(4,708,167)	32,559
Land held for sale	-	(165)
Notes receivable, 2 nd liens	-	39,828
Other long-term assets	214,702	(214,702)
Accounts payable	612,961	(177,363)
Accrued expenses	(256,156)	(37,905)
Deferred revenue	205,860	(105,910)
Pass-through donations payable	(331,000)	331,000
Net change in lease assets and liabilities	40,553	55,336
Net cash from operating activities	<u>(4,393,386)</u>	<u>7,412,923</u>
Cash flows from investing activities:		
Purchases of property and equipment	<u>(1,092,777)</u>	<u>(4,086,134)</u>
Net cash from investing activities	<u>(1,092,777)</u>	<u>(4,086,134)</u>
Cash flows from financing activities:		
Net proceeds on line of credit	1,000,000	2,000,000
Payments on long-term debt	(253,489)	(2,057,532)
Payments on financing lease obligation	(38,625)	(31,762)
Proceeds from issuance of long-term debt	-	2,061,172
Payments on notes payable - TDHCA	<u>(109,001)</u>	<u>(130,007)</u>
Net cash from financing activities	<u>598,885</u>	<u>1,841,871</u>
Change in cash and cash equivalents	(4,887,278)	5,168,660
Cash, cash equivalents and restricted cash, beginning of year	14,755,814	9,587,154
Cash, cash equivalents and restricted cash, end of year	<u>\$ 9,868,536</u>	<u>\$ 14,755,814</u>
Supplemental disclosure of cash flow information:		
Cash paid for interest	<u>\$ 298,774</u>	<u>\$ 233,342</u>
Prior period change to mortgage and notes receivable, 2nd liens, due to change in accounting principle	<u>\$ 771,583</u>	<u>\$ -</u>

The accompanying notes to the consolidated financial statements are an integral part of these statements.

AUSTIN HABITAT FOR HUMANITY, INC.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

Note 1—Organization

Austin Habitat for Humanity, Inc. (“AHFH”) is a nonprofit, affordable housing developer driven by the vision that everyone needs a decent place to live in and around Austin, Texas. It is affiliated with Habitat for Humanity International, Inc. (“HFHI”) based in Americus, Georgia. AHFH was incorporated in 1985 under the laws of the state of Texas. While adhering to the policies and procedures prescribed by HFHI, AHFH exists as a separate corporation with its own Board of Directors (the “Board”). Local policies, strategies, operations, and fundraising are the responsibility of each affiliate.

Austin Neighborhood Alliance for Habitat, Inc., (the “Alliance”) is a wholly owned non-profit corporation formed to support AHFH. The Alliance receives federal financial assistance to acquire land and develop infrastructure for homes.

HomeBase Texas (“HomeBase”) is a wholly owned non-profit corporation that provides affordable homeownership opportunities to homeowners by partnering with outside developers, builders, and agencies.

Low-Cost Housing Program – To be considered for home ownership, families must be low-income families who demonstrate a need for better housing, an ability to make mortgage payments, and a willingness to work in partnership with AHFH. The partnership consists, in part, of each family completing 300 hours of “sweat equity” and meeting monthly mortgage payments. AHFH acquires the land, finds and qualifies the families, raises the funding, finds and supervises construction volunteers, builds the houses, and funds the mortgages. By policy of HFHI, AHFH may accept government support for land, infrastructure improvements and construction.

ReStore Program – AHFH also operates three ReStores, two in Austin and one in San Marcos, as well as an online store, ShopAustinRestore.com. The ReStore program provides access to quality building materials, new and used, household goods, clothing, etc., to the general public to help them create a better human habitat in which to live and work. The ReStore receives donated materials, purchases items, and sells them.

Note 2—Summary of significant accounting policies

Basis of Presentation – The consolidated financial statements are presented in accordance with generally accepted accounting principles in the United States of America (“U.S. GAAP”) as defined by the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”).

Consolidation – The Alliance and HomeBase financial statements are consolidated into the financial statements of AHFH because AHFH has control over and an economic interest in the Alliance and HomeBase. AHFH and its affiliates, the Alliance and HomeBase, are collectively referred to as the “Organization”. All significant inter-organization accounts and transactions have been eliminated in consolidation.

Net Asset Classification – In accordance with FASB ASC Topic 958, *Not-for-Profit Entities*, the Organization is required to report information regarding its financial position and activities according to two classes of net assets:

Net Assets Without Donor Restrictions – Net assets that are not subject to stipulations. Net assets without donor stipulations may be used for any purpose or designated for specific purposes by the Organization. The Organization has reserved \$100,000 as board-designated net assets at December 31, 2023 and 2022.

Net Assets With Donor Restrictions – Net assets at are subject to donor-imposed stipulations, which limit their use by the Organization to a specific purpose and/or the passage of time.

AUSTIN HABITAT FOR HUMANITY, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

Note 2—Summary of significant accounting policies (continued)

Use of Estimates – The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Significant estimates include the fair value of investments, allowances for uncollectable receivables, useful lives of property and equipment, functional expense allocation, and the valuation of in-kind services and materials.

Advertising Costs – Advertising costs are expensed when incurred. Advertising expense for the years ended December 31, 2023 and 2022 were \$498,258 and \$528,011, respectively.

Fair Value Measurements – The Organization measures and discloses fair value measurements in accordance with the authoritative literature. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value accounting requires characterization of the inputs used to measure fair value into a three-level fair value hierarchy as follows:

Level 1 – Inputs based on quoted market prices in active markets for identical assets or liabilities. An active market is a market in which transactions occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 – Observable inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent from the entity.

Level 3 – Unobservable inputs that reflect the Organization's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available.

Cash and Cash Equivalents – The Organization considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Restricted Cash – Restricted cash represents proceeds received from the loan agreement with Frost bank to be used to construct a new warehouse in south Austin (see Note 11).

Supplemental Cash Flow Information – The following table sets forth the Organization's reconciliation of cash and restricted cash reported within the statements of cash flows for the years ended December 31:

	2023	2022
Cash	\$ 9,868,536	\$ 13,913,049
Restricted cash	-	842,765
Total cash and restricted cash shown in the statements of cash flows	<u>\$ 9,868,536</u>	<u>\$ 14,755,814</u>

Accounts Receivable – Accounts receivable is recorded at the amount the Organization expects to collect on outstanding balances. The allowance for credit losses is based on the Organization's assessment of the collectability of customer accounts receivable. In accordance with ASC Topic 326: *Financial Instruments - Credit Losses*, the Organization makes ongoing estimates relating to the collectability of accounts receivable and records an allowance for estimated losses expected from the inability of its customers to make required payments. The Organization establishes expected credit losses by evaluating historical levels of credit losses, current economic conditions that may affect a customer's ability to pay, and creditworthiness of significant customers. These inputs are used to determine a range of expected credit losses and an allowance is recorded within the range. Accounts receivable are written off when there is no reasonable expectation of recovery. As of December 31, 2023 and 2022, the allowance for credit losses was immaterial to the consolidated financial statements.

AUSTIN HABITAT FOR HUMANITY, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

Note 2—Summary of significant accounting policies (continued)

Pledges Receivable – Pledges receivable is recorded at the amount the Organization expects to receive from donors. Promises to give is recorded at fair value if expected to be collected in one year and at net present value if expected to be collected in more than one year. The Organization has not experienced material uncollectible amounts in the past, as a result, an allowance was not considered necessary at December 31, 2023 and 2022. The Organization did not apply a net present value discount on the pledges receivable balance as of December 31, 2023 and 2022 as management considered the amount to be insignificant.

Home Sales and Mortgages Receivable – Home sales represent the sale of houses built in Austin, Texas or the Greater Austin Area by the Organization to qualified families. Homes are sold at affordable prices and the sales are financed by third party mortgage companies. Prior to 2021, the Organization financed the sale of home utilizing non-interest bearing 15- to 35-year mortgages due in monthly installments from the families. The mortgages are secured by the underlying real estate and are carried at the unpaid principal balances. On certain older loans, a “soft” (0% interest, deferred, forgivable after 30 years) second mortgage was used to secure the difference between the affordable mortgage amount and the market value. This practice ended in 2016 with the addition of a deed restriction that effectively locked this equity into the property, making it inaccessible to the homeowner at resale.

Mortgages receivable is discounted based upon prevailing market interest rates for low-income housing at the inception of the mortgages. The financing discounts are amortized and reflected as mortgage discount and amortization in the accompanying consolidated statements of activities when mortgage payments are collected.

Notes Receivable, 2nd Liens – Notes receivable is a deferred repayable 2nd lien with the first payment due after 30 years, amortizing over five years thereafter. The 2nd lien is attached to a home sale to qualified applicants under the HomeBase Texas program. The first lien is provided for by a traditional third party lender. The second lien is due and payable between 20 to 30 years to allow for the first lien to have been paid off and provides a subsidy that allows the home sale to meet the affordability requirements of the HomeBase Texas program. These notes are discounted based upon prevailing market interest rates for low-income housing at the inception of the mortgages.

Reserve for Credit Losses – Mortgages receivable and notes receivable, 2nd liens collectability are evaluated using a combination of factors, including past due status based on contractual terms, trends in write-offs and changes in the general market or business conditions that the Organization has exposure to. Specific events, such as bankruptcies, are also considered when applicable. Adjustments to the reserve for credit losses are made, when necessary, based on the results of analysis, the aging of receivables and historical and industry trends. The Organization periodically evaluates the impact of observable external factors on the collectability of the mortgages receivable and notes receivable, 2nd liens to determine if adjustments to the reserve for credit losses should be made based on current conditions or reasonable and supportable forecasts.

The Organization recorded a reserve for credit losses of \$88,055 and \$268,250 at December 31, 2023 and 2022, respectively, for mortgages receivable and \$952,583 and \$0 at December 31, 2023 and 2022, respectively, for notes receivable, 2nd liens. The Organization maintains a partner relationship with the mortgagees. However, the Organization will consider foreclosure proceedings on any delinquent accounts if the partner family ceases to have the ability to pay and make payments on the mortgage or no longer has a willingness to partner with the Organization. At December 31, 2023 and 2022, the Organization had no investment in foreclosed loans.

ReStore Inventory – ReStore inventory consists of donated building materials, household items and clothing as well as purchased building materials available for sale. Donated inventory is recorded as in-kind contributions at fair value when received based on estimated sales value. There are no donor-imposed restrictions associated with donated inventory. Purchased inventory is stated at the lower of cost or market determined by the first-in first-out method.

AUSTIN HABITAT FOR HUMANITY, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

Note 2—Summary of significant accounting policies (continued)

Home Construction in Progress – Home construction in progress represents home construction and land costs incurred on incomplete homes in progress and completed homes not yet conveyed to the recipient family. Once sold and conveyed, the home costs are expensed to cost of homes sold in the accompanying consolidated statements of activities.

Land Held for Development and Investment – Land held for development and investment includes the costs of purchasing and developing land. Costs incurred to improve land are capitalized when incurred. Interest incurred on related debt during the construction period is capitalized as incurred. Once construction of a home on a lot is completed, the cost of the associated lot is expensed in cost of homes sold on the accompanying consolidated statements of activities.

Land held for investment is recorded at fair value, net of future selling costs. Land held for investment was valued using the sales comparison approach and inputs were considered Level 3 under the fair value hierarchy.

Property and Equipment – Property and equipment consists of land, buildings, and equipment. Property and equipment additions are recorded at cost if purchased or estimated fair value if donated less accumulated depreciation. The Organization capitalizes all additions over \$1,000 and expenses maintenance and repairs that do not improve or extend the useful lives of the respective assets. Depreciation is calculated on a straight-line basis over the estimated useful lives of the respective assets. Estimated useful lives are three to five years for computer equipment; five years for building improvements, software, and vehicles; three to seven years for tools and construction equipment; and twenty to forty years for completed buildings. Property and equipment under financing leases are amortized over the shorter of the lease term or the expected useful life of the asset.

Long-lived assets subject to depreciation and amortization are reviewed for impairment whenever events or circumstances indicate that the amount recorded may not be recoverable. An impairment loss is recognized by the amount in which the carrying amount of the asset exceeds fair value, if the carrying amount of the asset is not recoverable. Management believes there has been no impairment of such assets as of December 31, 2023 and 2022.

Debt Issuance Costs – Debt issuance costs associated with long-term debt are recorded as a reduction of the related debt balance and amortized to interest expense over the term of the related arrangement.

Notes Payable - TDHCA – The Texas Department of Housing and Community Affairs Department (“TDHCA”) administers the Owner - Builder Loan Program, also known as the Texas Bootstrap Loan Program (“Bootstrap Program”). The Bootstrap Program is a self-help housing construction program that provides the owners and builders of very low-income families an opportunity to purchase or refinance real property on which to build new housing or repair their existing homes through “sweat equity.” Owner builder’s household income may not exceed 60% of Area Median Family Income. The Bootstrap Program notes payable are discounted based upon prevailing market interest rates at the inception of the mortgage. The financing discounts are amortized and reflected as mortgage discount and amortization in the accompanying consolidated statements of activities as the mortgage payments are made.

ReStore Sales Revenue – The Organization operates three thrift retail stores and has an online presence with its ShopAustinReStore.com website and various online shopping websites such as eBay, Etsy, etc. The stores provide access to quality building materials, new and used household goods, clothing, furnishings, and other construction materials and is open to the general public. The stores receive donated materials and purchase items for resale. Sales are recognized on a daily basis as they occur.

AUSTIN HABITAT FOR HUMANITY, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

Note 2—Summary of significant accounting policies (continued)

Contribution Revenue – All contributions, including home building sponsorship revenues, government grant revenue, and noncash contributions, are recorded at their fair value and are considered to be available for operations of the Organization unless specifically restricted by the donor. Unconditional promises to give cash and other assets are reported as net assets with donor restrictions if they are received with donor stipulations that limit the use of donated assets. When donor restrictions expire, that is, when a stipulated time restriction ends or restricted purpose is accomplished, the related net assets are reclassified to net assets without donor restrictions. This is reported in the accompanying consolidated statements of activities as net assets released from restrictions. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire within the fiscal year in which the contributions are received. Conditional promises to give, that is those with a measurable performance or other barrier and a right of return or release, are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Government Grant Revenue – The Organization receives funding from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/ or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as deferred revenue in the consolidated statements of financial position.

The Organization also receives funding in the form of forgivable loans from the City of Austin through the Austin Housing Finance Corporation for the purpose of constructing, rehabilitating, and preserving affordable housing. The Organization recognizes revenue at the time the loan is forgiven which is when a home is sold to an income qualified buyer.

Home Building Sponsorship Revenues – The Organization sells sponsorship opportunities to local businesses and organizations to underwrite the costs of constructing a house. In addition to recognition as an Austin Habitat for Humanity partner, typically the sponsorship includes the option for the entity to volunteer on the build site. Sponsorship revenues are recognized in the year they are received.

In-Kind Contributions of Labor and Construction Materials – A substantial number of volunteers have made significant contributions of their time to the Organization's program and supporting services. Donated services are recognized as contributions if the services (1) create or enhance non-financial assets, or (2) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. Under those criteria, volunteer time and professional services donated to construct homes is recognized as contribution revenue and capitalized as home construction in progress. Volunteer time and professional services donated to construct homes are valued and reported at the estimated fair value in the consolidated financial statements based on current market rate for similar professional services. Contributed construction materials are valued and reported at the estimated fair value in the consolidated financial statements based on estimated fair values. There are no donor-imposed restrictions associated with in-kind contributions of labor and constructions materials. When homes are transferred to recipient families, home construction in progress is recorded as a component of cost of homes sold within the accompanying consolidated statements of activities.

AUSTIN HABITAT FOR HUMANITY, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

Note 2—Summary of significant accounting policies (continued)

Functional Expense Allocation – The costs of providing various programs and other activities have been summarized on a functional basis in the consolidated statements of activities. Accordingly, certain expenses are allocated between functional categories based on management's estimates. Expenses relating to more than one function are allocated to low-cost housing program, ReStore program, fundraising, and management and general based on employee time and effort estimates. Allocations to low-cost housing and ReStore programs are for activities that result in services being distributed to beneficiaries, donors, or others that fulfill the mission of the Organization. Allocations to management and general expenses include accounting, general management and oversight, audit, budgeting, human resources, legal and admin support of the Board. Allocations for fundraising are primarily for fundraising activities for operations. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide overall support and direction of the Organization.

Federal Income Taxes – AHFH, the Alliance, and HomeBase are all non-profit organizations exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, except with respect to any unrelated business income. AHFH, the Alliance and Home Base did not incur any tax liabilities for unrelated business income during the years ended December 31, 2023 or 2022. The Organization assesses uncertainties in income taxes in its consolidated financial statements and uses a threshold of more likely than not for recognition and derecognition of tax positions taken. Management determined no uncertain tax positions have been taken. There is no provision or liability for federal income taxes in the accompanying consolidated financial statements related to the Organization. AHFH, the Alliance, and Home Base file Form 990 tax returns in the U.S. federal jurisdiction and are subject to routine examinations of its returns. However, there are no examinations currently in progress.

Recent Accounting Pronouncements –In June 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-13, *Financial Instruments – Credit Losses (Topic 326)* and subsequently related amendments (ASU 2018-19, ASU 2019-04, ASU 2019-05, ASU 2019-10, ASU 2019-11 and ASU 2022-02). This guidance replaces the existing incurred loss impairment guidance and establishes a single allowance framework for financial assets carried at amortized cost based on expected credit losses. The estimate of expected credit losses requires the incorporation of historical information, current conditions, and reasonable and supportable forecasts. The Organization adopted this new accounting standard effective January 1, 2023 and all of the related amendments using the modified retrospective method. The Organization recognized the cumulative effect of initially applying the new credit loss standard to its mortgages receivable and notes receivable, 2nd liens, by recording a \$771,583 adjustment to the opening balance of consolidated net assets. The comparative information has not been restated and continues to be reported under the accounting standards in effect in those reporting periods. There was no significant impact to the Organization's operating results for the current period due to this standard update.

AUSTIN HABITAT FOR HUMANITY, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

Note 3—Liquidity and availability of resources

The Organization's financial assets available within one year of the consolidated statement of financial position date for general expenditure, that is, without donor or other restrictions limiting their use, are as follows at December 31:

	2023	2022
Cash and cash equivalents	\$ 9,868,536	\$ 13,913,049
Accounts receivable, net	262,338	280,620
Pledges receivable, net	185,250	167,500
Mortgages receivable, current portion, net	384,300	392,172
	<u>10,700,424</u>	<u>14,753,341</u>
Less amounts not available to be used for general expenditures within one year:		
Subject to donor purpose restrictions	(901,419)	(1,226,082)
Subject to board restrictions	<u>(100,000)</u>	<u>(100,000)</u>
Financial assets available to meet general expenditures within one year	<u>\$ 9,699,005</u>	<u>\$ 13,427,259</u>

For purposes of analyzing resources available to meet general expenditures over a one-year period, the Organization considers all expenditures related to its ongoing activities to be general expenditures. Receivable balances are expected to be collected within one year. Total net assets without donor restrictions as of December 31, 2023 were approximately \$30,500,000. The Organization also maintains an available line of credit of \$5,000,000 with Sunflower Bank and a \$2,000,000 with Frost Bank that is available for draw.

Note 4—Concentrations of credit risk

Financial instruments which potentially subject the Organization to concentrations of credit risk consist principally of cash and cash equivalents, investments, and its receivables.

As of December 31, 2023 and 2022, the Organization had cash and cash equivalents in excess of insured limits of approximately \$7,561,759 and \$12,724,160, respectively. Management believes no significant risk exists with respect to cash and cash equivalents.

The Organization does not maintain collateral for its receivables except for mortgages and notes receivable and does not believe significant risk exists at December 31, 2023 or 2022. Credit risk for mortgages and notes receivable is concentrated because substantially all of the balances are due from individuals located in the same geographic region. Management considered the collateral pledged from mortgages and notes receivable to be adequate at December 31, 2023 and 2022.

Note 5—Related party transactions and affiliations

Contributions from members of the Board for the years ended December 31, 2023 and 2022 were \$155,686 and \$55,453, respectively. Pledges receivable from the Board and employees of AHFH for the years ended December 31, 2023 and 2022 were \$110,000 and \$27,050, respectively. Expenses paid by the Organization for services provided by Board related businesses for the years ended December 31, 2023 and 2022 were \$651,786 and \$55,453, respectively.

The Organization operates within a covenant agreement with HFHI. The Organization tithes to support HFHI's international homebuilding work. Tithes to HFHI totaled \$81,500 and \$1,087,083 for the years ended December 31, 2023 and 2022, respectively.

AUSTIN HABITAT FOR HUMANITY, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

Note 6—Mortgages and notes receivable

Mortgages receivable consisted of the following at December 31:

	2023	2022
Gross mortgages receivable	\$ 12,820,781	\$ 13,648,884
Financing discount based on imputed interest at rates ranging from 3.72% to 8.00%	<u>(4,325,877)</u>	<u>(4,676,023)</u>
Mortgages receivable, net of unamortized financing discount	8,494,904	8,972,861
Current portion of mortgages receivable	(384,300)	(392,172)
Reserve for credit losses	<u>(88,055)</u>	<u>(268,250)</u>
	<u><u>\$ 8,022,549</u></u>	<u><u>\$ 8,312,439</u></u>

Mortgages receivable were valued using the income approach and inputs were considered Level 2 under the fair value hierarchy. Gross undiscounted future mortgage payments scheduled to be collected at December 31, 2023 are as follows:

2024	\$ 727,391
2025	717,186
2026	708,589
2027	690,247
2028	660,037
Thereafter	<u>9,317,331</u>
	<u><u>\$ 12,820,781</u></u>

Notes receivable on 2nd liens consisted of the following at December 31:

	2023	2022
Gross notes receivable for 2 nd liens	\$ 2,746,756	\$ 2,746,756
Financing discount based on imputed interest at rates ranging from 3.73% to 4.22%	<u>(1,794,173)</u>	<u>(1,794,173)</u>
Notes receivable on 2 nd liens, net of unamortized financing discount	952,583	952,583
Reserve for credit losses	<u>(952,583)</u>	<u>-</u>
	<u><u>\$ -</u></u>	<u><u>\$ 952,583</u></u>

Note 7—ReStore inventory

ReStore inventory consisted of the following at December 31:

	2023	2022
Donated goods	\$ 452,825	\$ 451,816
Purchased materials	1,816,853	1,658,655
	<u><u>\$ 2,269,678</u></u>	<u><u>\$ 2,110,471</u></u>

AUSTIN HABITAT FOR HUMANITY, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

Note 8—Property and equipment

Property and equipment consisted of the following at December 31:

	2023	2022
Land	\$ 3,678,393	\$ 3,678,393
Buildings and improvements	12,340,430	11,359,781
Equipment	1,196,226	1,086,590
Trucks	426,425	426,425
	17,641,474	16,551,189
Accumulated depreciation	(2,840,361)	(2,281,970)
Total property and equipment, net	<u>\$ 14,801,113</u>	<u>\$ 14,269,219</u>

Property and equipment financed under financing lease obligations totaled \$83,102 and \$115,969, net of accumulated amortization of \$276,595 and \$243,728, as of December 31, 2023 and 2022, respectively. Total depreciation and amortization expense was \$560,883 and \$380,081 for the years ended December 31, 2023 and 2022, respectively.

Note 9—Pledges receivable

The Organization received pledges to fund new ReStores and future purchases of land. Pledges are stated at their realizable value, net of an allowance for uncollectible pledges. The Organization did not record a discount on long term pledges given the nominal impact on the consolidated financial statements.

Net pledges receivable consisted of the following at December 31:

	2023	2022
Pledges receivable	\$ 185,250	\$ 167,500
Less allowance for doubtful collections	-	-
Pledges receivable, net	<u>\$ 185,250</u>	<u>\$ 167,500</u>

Pledges receivable maturity dates at December 31 were as follows:

	2023	2022
Less than one year	\$ 185,250	\$ 167,500
One to five years	-	-
	<u>\$ 185,250</u>	<u>\$ 167,500</u>

AUSTIN HABITAT FOR HUMANITY, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

Note 10—Fair value measurement

The following table represents the Organization's fair value hierarchy for its asset valued at fair value on a recurring basis as of December 31, 2023:

	Fair Value Measurement Using:			Total Fair Value
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Asset:				
Land held for investment	\$ -	\$ -	\$ 1,900,000	\$ 1,900,000
Total asset in fair value hierarchy	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,900,000</u>	<u>\$ 1,900,000</u>

The following table represents the Organization's fair value hierarchy for its asset valued at fair value on a recurring basis as of December 31, 2022:

	Fair Value Measurement Using:			Total Fair Value
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Asset:				
Land held for investment	\$ -	\$ -	\$ 1,494,282	\$ 1,494,282
Total asset in fair value hierarchy	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,494,282</u>	<u>\$ 1,494,282</u>

The changes in the Level 3 asset measured at fair value on a recurring basis is summarized as follows:

	Land Held for Investment
Balance, January 1, 2023	\$ 1,494,282
Additions	-
Changes in fair value	405,718
Balance, December 31, 2023	<u>\$ 1,900,000</u>

Valuation methodology of asset is based on appraised value.

AUSTIN HABITAT FOR HUMANITY, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

Note 11—Long-term debt

Long-term debt consisted of the following at December 31:

	2023	2022
Promissory note to a banking institution	\$ 6,848,965	\$ 7,051,108
Construction loan payable to a banking institution	2,040,014	2,091,360
Total debt	8,888,979	9,142,468
Unamortized debt issuance costs	(86,971)	(101,467)
Total debt, net of unamortized debt issuance costs	8,802,008	9,041,001
Current portion of debt, net	(264,071)	(259,430)
Long-term debt, net	<u>\$ 8,537,937</u>	<u>\$ 8,781,571</u>

On December 30, 2019, the Organization refinanced a loan with Frost Bank. The loan has a fixed interest rate of 3.03% and matures on December 30, 2029. Interest only shall be due and payable monthly on the last day of the month beginning on January 30, 2020 until December 30, 2022 at which time monthly installments of both principal and interest will be due and payable until the maturity date. This note is secured by the Austin ReStore's land and building and a warehouse in south Austin. The principal amount outstanding for this note is \$6,848,965 and \$7,051,108 at December 31, 2023 and 2022, respectively.

On November 3, 2021, the Organization entered into a promissory construction note for \$2,100,000 with a financial institution. The note has a fixed interest rate of 3.97% per annum and matures on November 3, 2031. Interest only shall be due and payable monthly on the third day of the month beginning on December 3, 2021 until December 3, 2022 at which time monthly installments of both principal and interest will be due and payable until the maturity date. The Organization has an outstanding balance of \$2,040,014 and \$2,091,360 as of December 31, 2023 and 2022, respectively.

Future maturities of long-term debt at December 31, 2023 are as follows:

2024	\$ 264,585
2025	273,230
2026	282,162
2027	291,390
2028	300,924
Thereafter	<u>7,476,688</u>
	<u>\$ 8,888,979</u>

The credit facility (see Note 13), notes payable, and other long-term debt agreements contain certain financial covenants, including requirements for liquidity, earnings, and fixed charge coverage. The agreements also contain additional conditions limiting indebtedness, capital expenditures, and various other covenants as defined in the agreements. Failure to comply with the covenants could result in the debt being called by the lenders. As of December 31, 2023, and through the date of this report, the Organization was in compliance with such covenants.

AUSTIN HABITAT FOR HUMANITY, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

Note 12—Paycheck Protection Program loan

In April 2020 and March 2021, the Organization received loans each for \$768,200 under the Paycheck Protection Program (“PPP”) as part of the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”). Under the terms of the CARES Act, PPP loan recipients can apply for, and be granted, forgiveness of all or a portion of the loans granted under the PPP loan. Such forgiveness is determined, subject to limitations and ongoing rulemaking by the U.S. Small Business Administration (“SBA”), based on the use of loan proceeds for payroll costs and mortgage interest, rent or utility costs, and the maintenance of employee and compensation levels. The Organization applied for forgiveness with the SBA and received correspondence from the SBA in April 2021 that the original PPP loan had been forgiven in full. The Organization applied for forgiveness with the SBA and received correspondence from the SBA in March 2022 that the second PPP loan had been forgiven in full. As a result, the Organization recognized \$-0- and \$768,200 of the PPP loan forgiveness as other income in the accompanying consolidated statements of activities at December 31, 2023 and 2022 respectively.

Note 13—Credit facility and letters of credit

On December 30, 2019, the Organization entered into a credit facility with Frost Bank. The credit facility has a maximum principal amount available of \$2,000,000. The credit facility was amended in December 2022 to extend the maturity date to January 30, 2024. No amounts have been drawn against this facility at December 31, 2023.

During the normal course of business, the Organization entered into letters of credit with financial institutions totaling \$615,609 at December 31, 2023 and 2022, pursuant to subdivision construction agreements with the city of Austin. The letters of credit have expiration dates through January 2025. The letters specify that amounts may be drawn by the city of Austin. There have been no amounts drawn under these letters of credit as of December 31, 2023 or 2022.

On September 21, 2022, the Organization entered into revolving line of credit agreement with a community foundation with a rate of 2.00% per annum prior to Maturity Date on the outstanding balance and 12% per annum on the unpaid balance. Quarterly interest only payments are required beginning January 1, 2023 and continue through maturity, September 21, 2024. All unpaid principal and accrued but unpaid interest is due and payable upon maturity. As of December 31, 2023 and 2022, AHFH had an outstanding balance of \$3,000,000 and \$2,000,000 on this revolving line of credit and an unused balance of \$-0- and \$1,000,000 at December 31, 2023 and 2022, respectively.

In June 2021, the Organization entered into a guidance line of credit with Sunflower Bank. The guidance line of credit has a maximum borrowing capacity of \$5,000,000 and borrowings bear interest at the floating Sunflower Bank Prime Rate (3.25% at the time of the agreement). The guidance line of credit is available beginning on the date of close and for the next 12 months. Individual notes issued under the guidance line of credit mature three years from the date each note closes. Monthly interest only payments are required beginning the first month after the individual notes are issued and continue through maturity. All unpaid principal and accrued but unpaid interest is due and payable upon each maturity date. As of December 31, 2023 and 2022, AHFH had a balance of \$-0- outstanding on this guidance line of credit.

AUSTIN HABITAT FOR HUMANITY, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

Note 14—Notes payable - TDHCA

Notes payable to TDHCA consisted of the following at December 31:

	2023	2022
Gross notes payable - TDHCA	\$ 1,973,322	\$ 2,082,323
Financing discount based on imputed interest at rates ranging from 3.72% to 6.62%	<u>(642,957)</u>	<u>(701,376)</u>
Notes payable - TDHCA, net of unamortized discount	1,330,365	1,380,947
Current portion of notes payable - TDHCA, net	<u>(106,959)</u>	<u>(106,959)</u>
	<u><u>\$ 1,223,406</u></u>	<u><u>\$ 1,273,988</u></u>

Notes payable to TDHCA were valued using the income approach and inputs were considered Level 2 under the fair value hierarchy. Gross undiscounted future mortgage payments scheduled to be collected from mortgagees and remitted to TDHCA at December 31, 2023 are as follows:

2024	\$ 106,959
2025	106,959
2026	106,959
2027	103,295
2028	100,724
Thereafter	<u>1,448,426</u>
	<u><u>\$ 1,973,322</u></u>

Note 15—Net assets with donor restrictions

Net assets with donor restrictions were available for the following purposes at December 31:

	2023	2022
Special events	\$ -	\$ 211,580
The University of Texas at Austin Campus Chapter	17,608	14,502
Purchase Land in Hayes County	<u>883,811</u>	<u>1,000,000</u>
	<u><u>\$ 901,419</u></u>	<u><u>\$ 1,226,082</u></u>

Net assets released from restrictions consisted of the following at December 31:

	2023	2022
Capital campaign	\$ -	\$ (515,476)
Special events	(211,580)	-
The University of Texas at Austin Campus Chapter	(3,995)	(1,961)
Purchase of Land in Hayes County	<u>(116,189)</u>	<u>-</u>
Net assets released from restrictions	<u><u>\$ (331,764)</u></u>	<u><u>\$ (517,437)</u></u>

AUSTIN HABITAT FOR HUMANITY, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

Note 16—Retirement plan

The Organization sponsors a 401(k) plan that covers substantially all employees. The Organization's contributions to the plan for the years ended December 31, 2023 and 2022 were \$281,434 and \$225,342, respectively.

Note 17—Operating lease

The Organization leases retail space, a construction warehouse, telephone equipment, and a copier under various noncancelable operating leases. The Organization determines whether a contract contains a lease at inception by determining if the contract conveys the right to control the use of identified property or equipment for a period of time in exchange for consideration. The Organization has lease agreements with lease and non-lease components, which are generally accounted for separately with amounts allocated to the lease and non-lease components based on relative standalone prices.

ROU assets and lease liabilities are recognized at the commencement date based on the present value of the future minimum lease payments over the lease term. Renewal and termination clauses are factored into the determination of the lease term if it is reasonably certain that these options would be exercised by the Organization. Lease assets are amortized over the lease term unless there is a transfer of title or purchase option reasonably certain of exercise, in which case the asset life is used. Certain lease agreements include variable payments. Variable lease payments not dependent on an index or rate primarily consist of common area maintenance charges and are not included in the calculation of the ROU asset and lease liability and are expensed as incurred. In order to determine the present value of lease payments, the Organization uses the implicit rate when it is readily determinable.

The Organization's lease agreements do not contain any material residual value guarantees or material restrictive covenants. The Organization does not have leases where it is involved with the construction or design of an underlying asset. The Organization has no material obligation for leases signed but not yet commenced as of December 31, 2023. The Organization does not have any material sublease activities.

Future minimum payments under operating leases consisted of the following as of December 31, 2023:

Years Ending December 31,	
2024	\$ 614,100
2025	624,937
2026	625,188
2027	632,579
2028	587,771
Thereafter	<u>1,185,104</u>
Total undiscounted cash flows	4,269,679
Less present value discount	<u>(232,961)</u>
Total lease liabilities	<u><u>\$ 4,036,718</u></u>

AUSTIN HABITAT FOR HUMANITY, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

Note 17—Operating lease (continued)

The components of the operating lease commitments are as follows:

	2023	2022
Operating lease expense	\$ 638,639	\$ 638,639
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	598,087	583,304
ROU assets obtained in exchange for new operating lease liabilities	-	5,072,631
Weighted-average remaining lease term in years for operating leases	6.93	7.87
Weighted-average discount rate for operating leases	1.60%	1.60%

Note 18—Finance lease commitments

The Organization also has a noncancelable finance lease agreement for solar panels. Future minimum payments under the finance lease consisted of the following as of December 31, 2023:

2024	\$ 41,575
2025	43,869
Total minimum lease payments	85,444
Less amount representing interest (3% annually)	(2,342)
Total capital lease obligations	83,102
Less current portion of capital lease obligations	(39,799)
Long term portion of capital lease obligation	\$ 43,303

The components of the finance lease commitments are as follows:

	2023	2022
Interest on finance lease liabilities	\$ 2,951	\$ 4,091
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from finance leases (interest)	2,951	4,091
Financing cash flows from finance leases (principal portion)	38,624	37,484
Weighted-average remaining lease term in years for finance leases	1.84	2.92
Weighted-average discount rate for finance leases	3.00%	3.00%

AUSTIN HABITAT FOR HUMANITY, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

Note 19—Contingencies

The Organization receives government grants for specific purposes that are subject to review and audit by government agencies. The Organization is also funded by grants and contracts that are subject to review and audit by the grantor agencies. These contracts have certain compliance requirements and, should audits by the government or grantor agencies disclose any areas of substantial noncompliance, the Organization may be required to refund any disallowed costs.

Note 20—NEU community

In December 2022, the Organization entered into an agency arrangement with NEU Community to facilitate a down payment assistance program. Approximately \$4,900,000 was collected from 65 donors. The Organization recognized a liability of \$331,000 as of December 31, 2022 for donations which had been collected but had not been submitted.

Note 21—Federal income taxes

The Organization is subject to federal income taxes on unrelated business income, which consists of ReStore sales of purchased materials. As of December 31, 2023 and 2022, the Organization has incurred cumulative net operating losses of approximately \$6,176,000 and \$5,525,000, respectively, for federal income tax purposes. These net operating losses may be used to offset future taxable unrelated business income. If not utilized, approximately \$2,182,000 of these losses will expire beginning in 2027. A full valuation allowance has been recorded as utilization is uncertain. The net change in the total valuation allowance for the years ended December 31, 2023 and 2022 was approximately \$651,000 and \$1,125,000, respectively.

Note 22—Subsequent events

In January 2024, the Organization amended its credit facility with Frost bank. The amendment extended the maturity date to February 28, 2025 and increased the value of principal from \$2,000,000 to \$3,000,000.

In March 2024, the Organization entered into a debt agreement for approximately \$6,000,000. The loan has a fixed interest rate of 1.00% and matures on March 14, 2054. Interest only shall be due and payable semi-annually beginning on March 14, 2024 until March 13, 2031 at which time semi-annual installments of both principal and interest will be due and payable until the maturity date. This note is secured by the land and construction on Persimmon Point.

The Organization evaluates events that occur subsequent to the statement of financial position date of periodic reports, but before financial statements are issued for periods ending on such dates, for possible adjustment to such financial statements or other disclosure. This evaluation generally occurs through the date at which the Organization's consolidated financial statements are available for issuance. For the consolidated financial statements as of and for the year ended December 31, 2023, this date was May 10, 2024.

SUPPLEMENTARY INFORMATION

AUSTIN HABITAT FOR HUMANITY, INC.
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION

DECEMBER 31, 2023

	Austin Habitat for Humanity	Austin Neighborhood Alliance for Habitat, Inc.	HomeBase Texas	Eliminations	Total
ASSETS					
Current Assets:					
Cash and cash equivalents	\$ 9,411,983	\$ -	\$ 456,553	\$ -	\$ 9,868,536
Accounts receivable	1,134,365	-	22,449	(894,476)	262,338
Pledges receivable	185,250	-	-	-	185,250
Mortgages receivable, current portion, net	384,300	-	-	-	384,300
ReStore inventory	2,269,678	-	-	-	2,269,678
Home construction in progress	2,579,793	-	-	-	2,579,793
Prepaid expenses and other current assets	541,123	-	-	-	541,123
Total Current Assets	16,506,492	-	479,002	(894,476)	16,091,018
Land held for development	9,358,758	-	-	-	9,358,758
Investment of land	1,900,000	-	-	-	1,900,000
Mortgages receivable, long-term portion, net	8,022,549	-	-	-	8,022,549
Operating lease right-of-use assets	3,940,829	-	-	-	3,940,829
Property and equipment, net	14,801,113	-	-	-	14,801,113
Total Assets	\$ 54,529,741	\$ -	\$ 479,002	\$ (894,476)	\$ 54,114,267

See report of independent auditor.

AUSTIN HABITAT FOR HUMANITY, INC.
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION (CONTINUED)

DECEMBER 31, 2023

	Austin Habitat for Humanity	Austin Neighborhood Alliance for Habitat, Inc.	HomeBase Texas	Eliminations	Total
LIABILITIES AND NET ASSETS					
Current Liabilities:					
Accounts payable	\$ 1,094,410	\$ -	\$ -	\$ -	\$ 1,094,410
Accrued expenses	782,375	-	894,476	(894,476)	782,375
Deferred revenue	3,563,621	-	-	-	3,563,621
Financing lease obligation, current portion	39,799	-	-	-	39,799
Operating lease liability, current portion	554,023	-	-	-	554,023
Notes payable - TDHCA, net, current portion	106,959	-	-	-	106,959
Line of credit	3,000,000	-	-	-	3,000,000
Long-term debt, current portion	264,071	-	-	-	264,071
Total Current Liabilities	9,405,258	-	894,476	(894,476)	9,405,258
Financing lease obligation, long-term portion	43,303	-	-	-	43,303
Operating lease liability, net, long-term portion	3,482,695	-	-	-	3,482,695
Notes payable - TDHCA, net, long-term portion	1,223,406	-	-	-	1,223,406
Long-term debt, net, long-term portion	8,537,937	-	-	-	8,537,937
Total Liabilities	22,692,599	-	894,476	(894,476)	22,692,599
Net Assets:					
Without donor restrictions	30,935,723	-	(415,474)	-	30,520,249
With donor restrictions	901,419	-	-	-	901,419
Total Net Assets	31,837,142	-	(415,474)	-	31,421,668
Total Liabilities and Net Assets	\$ 54,529,741	\$ -	\$ 479,002	\$ (894,476)	\$ 54,114,267

See report of independent auditor.

AUSTIN HABITAT FOR HUMANITY, INC.
CONSOLIDATING SCHEDULE OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2023

	Austin Habitat for Humanity	Austin Neighborhood Alliance for Habitat, Inc.	HomeBase Texas	Eliminations	Total
Revenues:					
Contributions and Other Income:					
Contributions	\$ 3,303,736	\$ -	\$ -	\$ -	\$ 3,303,736
Home building sponsorship revenues	2,630,989	-	-	-	2,630,989
Investment return, net	217,114	-	-	-	217,114
Other income	1,127,004	-	408,345	-	1,535,349
Total Contributions and Other Income	7,278,843	-	408,345	-	7,687,188
ReStore Revenues:					
ReStore sales	10,451,924	-	-	-	10,451,924
In-kind donation of inventory	5,469,301	-	-	5,476,528	10,945,829
Cost of goods sold	(8,386,452)	-	-	(5,476,528)	(13,862,980)
Sales discounts and refunds	(415,567)	-	-	-	(415,567)
Total ReStore Revenues, net	7,119,206	-	-	-	7,119,206
Low-Cost Housing Revenues:					
Home sales	6,968,000	-	235,000	-	7,203,000
In-kind contributions of labor and construction materials	1,411,089	-	-	-	1,411,089
Mortgage discount and amortization	291,728	-	-	-	291,728
Other housing revenues	-	-	13,010	-	13,010
Cost of homes sold	(8,471,363)	-	(236,396)	-	(8,707,759)
Total Low-Cost Housing Revenues, net	199,454	-	11,614	-	211,068
Total Revenues	14,597,503	-	419,959	-	15,017,462

See report of independent auditor.

AUSTIN HABITAT FOR HUMANITY, INC.
CONSOLIDATING SCHEDULE OF ACTIVITIES (CONTINUED)

YEAR ENDED DECEMBER 31, 2023

	Austin Habitat for Humanity	Austin Neighborhood Alliance for Habitat, Inc.	HomeBase Texas	Eliminations	Total
Expenses:					
Low-cost housing program	\$ 4,318,189	\$ -	\$ 444,612	\$ -	\$ 4,762,801
ReStore program	7,289,905	-	-	-	7,289,905
Fundraising	1,427,400	-	-	-	1,427,400
Management and general	1,346,927	-	-	-	1,346,927
Total Expenses	14,382,421	-	444,612	-	14,827,033
Change in net assets	215,082	-	(24,653)	-	190,429
Net assets, beginning of year	31,441,060	-	561,762	-	32,002,822
Change in accounting principle	181,000	-	(952,583)	-	(771,583)
Net assets, end of year	\$ 31,837,142	\$ -	\$ (415,474)	\$ -	\$ 31,421,668

See report of independent auditor.

Application to the City of San Marcos Key Team Members

Board Members

Rev. Dr. Daryl Horton, Chair | Mason Ayer, Treasurer | Elizabeth Chao | Kevin Cunningham | Donna Day | John Dixon | Lauren Dupuis | Tami Garcia | Melinda Garvey | Larry Graham | J.C. Jammal | Robert Lee | Kevin Lockingen | Ryan Mattox | Nikelle Meade | Abby Mellott | Terry Mitchell | Jessica Nelson | Nicole Nosek | Mia Parton | Kaziqye Prince | Christopher Rios | Bob Roberts | Neha Sampat | Charmane Sellers | Laura Touns, Secretary | Alex Valdes

500 W Ben White Blvd, Austin, TX 78704
512-472-8788 | austinhabitat.org

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communities and hope.**

Application to the City of San Marcos – Community Development Block Grants Key Team Members

The program is staffed by three Austin Habitat team members. William Whipple, Chief Impact Officer, supervises the two program team members and has leadership roles in Home Repair and our Affordable Homeownership Program (new construction). John Poynor, Project Manager, works directly with homeowners, contractors, and other professionals to ensure a high-quality repair. The Program Manager, who handles intake, qualification and ongoing support for homeowners is J.J. Garza, who joined the team in 2021 after working with several other housing-related nonprofits. Other staff members involved in the program include members of the Accounting team, who ensure prompt payment of outside professionals and handle reimbursement; our Development team, which raises funds for the project and submits ongoing reporting to supporters; our Communications team, which creates and disseminates outreach materials; and our Engagement team, which handle volunteer assignments including Home Repair volunteer days.

Board Members

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Application to the City of San Marcos Antidiscrimination Policy

Board Members

Rev. Dr. Daryl Horton, Chair | Mason Ayer, Treasurer | Elizabeth Chao | Kevin Cunningham | Donna Day | John Dixon | Lauren Dupuis | Tami Garcia | Melinda Garvey | Larry Graham | J.C. Jammal | Robert Lee | Kevin Lockingen | Ryan Mattox | Nikelle Meade | Abby Mellott | Terry Mitchell | Jessica Nelson | Nicole Nosek | Mia Parton | Kazique Prince | Christopher Rios | Bob Roberts | Neha Sampat | Charmane Sellers | Laura Touns, Secretary | Alex Valdes

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Anti-Discrimination Policy

UNLAWFUL DISCRIMINATION OR HARASSMENT

PURPOSE

This Policy outlines Austin Habitat for Humanity's position on aspects of prohibited discrimination directed at employees, volunteers, current partner families or potential partner families and reporting procedures for such complaint.

POLICY

Austin Habitat for Humanity expects all staff, board and volunteers to behave in a way that reinforces the mission and founding principles of the organization.

Austin Habitat for Humanity, therefore, prohibits any actions or conduct which may discriminate against or harass other employees, harass any partner family or applicant for a Habitat home. Habitat does not tolerate any actions, words, jokes, or comments based on an individual's sex, sexual orientation, race, ethnic background, age, religion, physical condition, or other legally protected characteristic. Any comments or actions, therefore, which demean or are hurtful to people of a certain sex, sexual orientation, race, ethnic background, age, religion or certain physical condition are prohibited. Any such conduct may result in disciplinary action, including immediate discharge for employees. Volunteers exhibiting this behavior may be asked to end their volunteer relationship with the organization.

If an individual believes he/she is being harassed or discriminated against, he/she should immediately report the perceived harassment according to the following:

Immediately report the incident to one of the following individuals: your supervisor and HR (for employees), the CEO or the Chairman of the Board (for volunteers/families).

This procedure does not require reports to be made to your supervisor or to anyone who you believe is participating in the conduct. Instead, you may choose from the above-listed individuals the person with whom you would be most comfortable speaking.

All reports of alleged harassment or retaliation will be investigated. Under no condition will the investigation be conducted by or under the direction of the person reported to have engaged in the alleged harassment or retaliation.

Retaliation against employees who report perceived unlawful harassment, or who participate in investigations as witnesses or in other capacities, also violates the law and our policy. Such retaliation is prohibited and will not be tolerated.

Supervisors and managers who become aware of perceived harassment or retaliation must immediately report such matters to the CEO or the board chair. Disciplinary action up to and including termination of employment may result against supervisors and managers who fail to respond immediately and appropriately to the allegations.

BOARD APPROVED: August 31, 2022

Application to the City of San Marcos Program Participant Application

Board Members

Rev. Dr. Daryl Horton, Chair | Mason Ayer, Treasurer | Elizabeth Chao | Kevin Cunningham | Donna Day | John Dixon | Lauren Dupuis | Tami Garcia | Melinda Garvey | Larry Graham | J.C. Jammal | Robert Lee | Kevin Lockingen | Ryan Mattox | Nikelle Meade | Abby Mellott | Terry Mitchell | Jessica Nelson | Nicole Nosek | Mia Parton | Kaziqwe Prince | Christopher Rios | Bob Roberts | Neha Sampat | Charmane Sellers | Laura Touns, Secretary | Alex Valdes

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HOME REPAIR PROGRAM APPLICATION



To apply for the City of San Marcos home repair program, please fill out all attached forms and gather all applicable documentation listed in the attached document checklist. Information in this application is confidential. It is used to establish eligibility for local and federal programs and is only released to persons outside of the program and funding agencies with your written permission. Feel free to contact us with any questions while completing the application. We look forward to working with you!

Section 1 – Applicant Information

Name: _____		
<i>Last</i>	<i>First</i>	<i>Middle Initial</i>
Property Address: _____		
City: _____	State: _____	Zip: _____
Are you the: <input type="checkbox"/> Homeowner <input type="checkbox"/> Renter		Year House Was Built: _____
Are you a: <input type="checkbox"/> US Citizen <input type="checkbox"/> Permanent Resident		
Mailing Address (if different): _____		
City: _____	State: _____	Zip: _____
Work Phone: _____	Home Phone: _____	Cell Phone: _____
E-mail _____		
Alternate Contact Name, Phone Number and Email _____		
How did you hear about the Programs? _____		

Section 2 – Co-Applicant Information

☐ N/A

Name: _____		
<i>Last</i>	<i>First</i>	<i>Middle Initial</i>
Home Phone: _____ Cell Phone: _____		
E-mail _____		
Are you a: <input type="checkbox"/> U.S. Citizen <input type="checkbox"/> Permanent Resident		
Alternate Contact Name, Phone Number and Email _____		

Section 3 – Check all that apply

Critical Home Repair: This Grant program can provide up to XXX grant to assist homeowners with interior and exterior improvements. Program services include repairs to:

- ☐ Roofing
- ☐ Plumbing
- ☐ Electric
- ☐ Heating & AC
- ☐ Windows
- ☐ Door Widening & Accessible Hardware
- ☐ Wheel Chair Ramps & Handrails
- ☐ Restroom Mobility- Showers, Faucets, Toilets, Grab Bars, Tub to Shower conversion

Please elaborate upon these needs below.

Section 4 – Household Members

List all persons (children and adults) living in the home, along with their gross income. By signing in Section 7, you certify, that you are the owner(s) and/or occupant(s) of the property (identified in Section 1) and that the current gross monthly and annual income of all persons living in the home has been listed below. (Attach additional page(s) if needed)

Total number of persons living in the household: _____

Name	Relationship	Date of Birth	Age	Gross Income/ Pay Period
(Applicant)	Self			
(Co-Applicant)				

Section 5 – Mortgage Information:

If a homeowner:

Do you have a Mortgage on this property? ☐ Yes ☐ No Do you have property insurance? ☐ Yes ☐ No
Mortgage Company _____

Do you have a Second Mortgage on this property? ☐ Yes ☐ No
Mortgage Company _____

Section 6 – Applicant Demographics

Ethnic Categories (select one):

- ☐ Hispanic or Latino ☐ Not-Hispanic or Latino

Racial Categories (select one):

- ☐ American Indian or Alaska Native ☐ Asian
☐ Black or African-American ☐ White
☐ Native Hawaiian or Other Pacific Islander ☐ Asian AND White
☐ American Indian or Alaskan Native AND White ☐ Black or African-American AND White
☐ American Indian or Alaskan Native AND Black or African-American
☐ Other/Multiracial

Other Demographics:

- ☐ Female Head of household ☐ Disabled household member ☐ Household member served in U.S. Military
☐ Received City of Kyle home repair assistance in the past.

Please explain: _____

Section 7 – Applicant(s) Signatures

By signing this application you swear under penalty of perjury that the information provided is true and correct to the best of your knowledge. You understand that any omissions or discrepancies found at any time may disqualify you from the program(s) and also may require your immediate repayment of any funds spent. You authorize Austin Habitat for Humanity to contact any source to solicit and/or verify what is necessary for eligibility and to share and/ or refer you and your information to other organizations or other city departments for additional assistance and/ or to avoid duplication of services.

Signature of Applicant/Guardian

Date

Signature of Co-Applicant

Date

The City of San Marcos is committed to complying with the Americans with Disabilities Act (ADA) and Section 504 of the Rehabilitation Act of 1973, as amended. Reasonable modifications and equal access to communications will be provided upon request. Please call Relay Texas at 711 for assistance. The City of San Marcos does not discriminate on the basis of disability in providing admission, access to, treatment, or employment in its programs and activities.

Program Release



State of Texas, County of Hays

I, _____ residing at _____, in consideration of the service and/or equipment provided in my home by the City of San Marcos/Austin Habitat for Humanity under the critical home repair program knowingly and voluntarily execute this release for the purpose of and intending to release and hold harmless Austin Habitat for Humanity and the City of San Marcos from any claims arising out of the service or equipment provided.

It is my intention and I understand that I am binding myself, my heirs, executors, administrators, assigns, and successors in interest, and understanding this, so hereby expressly release and discharge the City of San Marcos and Austin Habitat for Humanity its successors, administrators, assigns and agents from any claims against Austin Habitat for Humanity as well as the City of San Marcos, a Texas home rule city, created by or arising out of, or in any way whatsoever related to the service or equipment provided at my residence on this date. I understand that my claims, which may in the future arise out of personal injuries, injuries to the residence or damage to my property of any kind, are hereby waived.

I have read this release and understand its terms. I am entering into it voluntarily and with full knowledge and understanding of its significance and in consideration of the service or equipment provided.

Applicant Signature

Date

Co-Applicant Signature

Date



**We Do Business in Accordance With
Federal Fair Lending Laws**

**UNDER THE FEDERAL FAIR HOUSING ACT, IT IS ILLEGAL, ON THE BASIS OF RACE,
COLOR, NATIONAL ORIGIN, RELIGION, SEX, HANDICAP,
OR FAMILIAL STATUS (HAVING CHILDREN UNDER THE AGE OF 18), TO:**

- Deny a loan for the purpose of purchasing, constructing, improving, repairing or maintaining a dwelling, or deny any loan secured by a dwelling; or
- Discriminate in fixing the amount, interest rate, duration, application procedures or other terms or conditions of such a loan, or in appraising property

**IF YOU BELIEVE YOU HAVE BEEN DISCRIMINATED AGAINST, YOU SHOULD SEND A
COMPLAINT TO:**

Assistant Secretary for Fair Housing and Equal Opportunity Department
of Housing & Urban Development
Washington, DC 20410

For processing under the Federal Fair Housing Act

And to:

Division of Compliance and Consumer Affairs
Federal Deposit Insurance Corporation
Washington, DC 20429-9990

For processing under FDIC regulations

**UNDER THE EQUAL CREDIT OPPORTUNITY ACT,
IT IS ILLEGAL TO DISCRIMINATE IN ANY CREDIT TRANSACTION:**

- On the basis of race, color, national origin, religion, sex, marital status, or age,
- Because income is from public assistance, or
- Because a right was exercised under the Consumer Credit Protection Act

**IF YOU BELIEVE YOU HAVE BEEN DISCRIMINATED AGAINST,
YOU SHOULD SEND A COMPLAINT TO:**

Division of Compliance and Consumer Affairs
Federal Deposit Insurance Corporation
Washington, DC 20429-9990

Applicant Signature

Date

Co-Applicant Signature

Date

VERIFICATION OF INCOME AND ASSETS
For All Household Members 18+ Years Old



Household members over the age of 18 must report all income and assets. By signing below, applicant(s) certify the accuracy of provided information as of the date completed. Applicant(s) acknowledge any inaccuracy and/or misrepresentation provided herein may constitute fraud, which is punishable by law.

WARNING: Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the United States Government.

HOUSEHOLD MEMBER 1

Sources of Income

- ☐ Employment Income
- ☐ Self-Employment (Includes sales like Avon)
- ☐ Social Security
- ☐ Disability
- ☐ Death Benefits
- ☐ Child Support or Spousal Support/Alimony
- ☐ Unemployment, Workers Comp or Severance
- ☐ Annuity, Retirement, or Pension Payments
- ☐ Rental Income (Real or Personal Property)
- ☐ Recurring Payments from Outside Household
- ☐ Insurance Payments
- ☐ Periodic Payments from Inheritance or Trust
- ☐ Interest or Dividends from Assets
- ☐ Royalties
- ☐ Other: _____
- ☐ ***I currently have no sources of income***

Assets

- ☐ Checking Account
- ☐ Savings Account
- ☐ Certificates of Deposits (CD)
- ☐ Money Market Account
- ☐ Mutual Funds or Bonds
- ☐ Lottery Winnings
- ☐ Capital Gains
- ☐ Retirement (ex. IRA, 401K, 403B, Keogh)
- ☐ Pensions
- ☐ Annuities
- ☐ Life Insurance (with payout value if canceled)
- ☐ Victim's Restitution Insurance Settlements
- ☐ Real Estate (Other than Primary Residence)
- ☐ Inheritances
- ☐ Other: _____
- ☐ ***I currently have no assets***

Name

Signature

Date

HOUSEHOLD MEMBER 2

N/A ☐

Sources of Income

- ☐ Employment Income
- ☐ Self-Employment (Includes sales like Avon)
- ☐ Social Security
- ☐ Disability
- ☐ Death Benefits
- ☐ Child Support or Spousal Support/Alimony
- ☐ Unemployment, Workers Comp or Severance
- ☐ Annuity, Retirement, or Pension Payments
- ☐ Rental Income (Real or Personal Property)
- ☐ Recurring Payments from Outside Household
- ☐ Insurance Payments
- ☐ Periodic Payments from Inheritance or Trust
- ☐ Interest or Dividends from Assets
- ☐ Royalties
- ☐ Other: _____
- ☐ ***I currently have no sources of income***

Assets

- ☐ Checking Account
- ☐ Savings Account
- ☐ Certificates of Deposits (CD)
- ☐ Money Market Account
- ☐ Mutual Funds or Bonds
- ☐ Lottery Winnings
- ☐ Capital Gains
- ☐ Retirement (ex. IRA, 401K, 403B, Keogh)
- ☐ Pensions
- ☐ Annuities
- ☐ Life Insurance (with payout value if canceled)
- ☐ Victim's Restitution Insurance Settlements
- ☐ Real Estate (Other than Primary Residence)
- ☐ Inheritances
- ☐ Other: _____
- ☐ ***I currently have no assets***

Name

Signature

Date

City of San Marcos and Austin Habitat for Humanity
MAILING ADDRESS: 500 W Ben White Blvd • Austin, Texas 78702
Phone: (512) 472-8788 x133 • Fax [REDACTED]
Email: [REDACTED]
Website: www.austinhabitat.org/repair



Document Checklist

*Please gather all applicable documents listed below and submit this documentation in person, by email, fax, or mail.
Feel free to contact us with any questions while gathering this documentation.*

Documents required for all the home repair programs:

- | | |
|---|---|
| <input type="checkbox"/> Application (original) completed & signed | <input type="checkbox"/> N/A |
| <input type="checkbox"/> Social Security card(s) or Medicare card(s) for applicant(s) | <input type="checkbox"/> N/A |
| <input type="checkbox"/> Permanent Residency Card(s) (front & back) (if applicable) | <input type="checkbox"/> N/A |
| <input type="checkbox"/> Picture Identification for applicant(s)
Texas Driver's license, Texas Identification Card, or Passport | <input type="checkbox"/> N/A |
| <input type="checkbox"/> Last 2 months' paycheck stub (for all received by all household members 18+ years old) | <input type="checkbox"/> N/A |
| <input type="checkbox"/> Most Recent Profit & Loss Statement (quarterly) & Tax Return (if self-employed) | <input type="checkbox"/> N/A |
| <input type="checkbox"/> Verification of all other income (for all 18+ years old) | <input type="checkbox"/> N/A |
| <input type="checkbox"/> Social Security | <input type="checkbox"/> Child Support or Spousal Support/Alimony |
| <input type="checkbox"/> Disability | <input type="checkbox"/> Worker's Compensation and Severance |
| <input type="checkbox"/> Death Benefits | <input type="checkbox"/> Annuity, Retirement, or Pension Payments |
| <input type="checkbox"/> Unemployment | <input type="checkbox"/> Trust Income |
| <input type="checkbox"/> Royalties | <input type="checkbox"/> Other: |
| <input type="checkbox"/> Insurance Payments | |
| <input type="checkbox"/> 2 Most Recent Bank Statements (all pages) for all accounts for all household members 18+ | <input type="checkbox"/> N/A |
| <input type="checkbox"/> Verification of Assets (for all household members 18+ years old) | <input type="checkbox"/> N/A |
| <input type="checkbox"/> Certificates of Deposits (CD) | <input type="checkbox"/> Retirement (ex. IRA, 401K, 403B, Keogh) |
| <input type="checkbox"/> Money Market Account | <input type="checkbox"/> Pension <input type="checkbox"/> Annuity |
| <input type="checkbox"/> Mutual Funds or Bonds | <input type="checkbox"/> Life Insurance (with payout value if canceled) |
| <input type="checkbox"/> Lottery winnings | <input type="checkbox"/> Victim's restitution Insurance Settlements |
| <input type="checkbox"/> Capital gains | <input type="checkbox"/> Real Estate (Other than Primary Residence) |
| <input type="checkbox"/> Inheritances | <input type="checkbox"/> Other: _____ |
| <input type="checkbox"/> Utility Bill | <input type="checkbox"/> N/A |



Austin Habitat for Humanity Home Repair Program Application Additional Information

Dear Applicant: Please complete this application as accurately as possible. All information will remain confidential. When ready to submit, please return to:

JJ Garza
Home Repair Program Manager
500 W. Ben White Blvd, Austin, TX 78704
Fax: 512-367-5791
email: [REDACTED]

Additional Household Information	
Is the primary homeowner a female? <input type="checkbox"/> Yes <input type="checkbox"/> No	Is the primary homeowner a single parent? <input type="checkbox"/> Yes <input type="checkbox"/> No
Has anyone in the home been convicted of a sex crime or felony in the past 10 years? <input type="checkbox"/> Yes <input type="checkbox"/> No <small>*A person is not disqualified from the program solely because of a prior conviction of a crime. AHFH can deny registration, an application, or participation upon consideration of: (1) the nature of the crime, (2) information relating to the degree of rehabilitation, and (3) the time since the conviction.</small>	
Special Needs	
(Please use the space below to describe any special mobility needs of persons living in the home, ex. wheelchair bound)	

House Information	
Are you currently making loan payments on your home? <input type="checkbox"/> Yes <input type="checkbox"/> No	Monthly payment amount:
Have you received a home equity loan? <input type="checkbox"/> Yes <input type="checkbox"/> No	If yes, how much?
Do you have a reverse mortgage? <input type="checkbox"/> Yes <input type="checkbox"/> No	If yes, how much?
Do you have homeowner's insurance? <input type="checkbox"/> Yes <input type="checkbox"/> No	Are you current on your property taxes? <input type="checkbox"/> Yes <input type="checkbox"/> No

Requested Repairs	
*Please note that this is not an agreement of work. This serves to give Habitat staff a general idea of a possible scope of work.	
Areas that need repair	Work you wish to have completed by Habitat

Homeowner's Agreement		
<p>I certify that the information on this application is accurate and that I own and reside in the property at the address given on this application. I have no present intention to move or offer my home for sale for at least 5 years. I confirm that any physically able persons residing in my home or visiting for the project day will work alongside the AHFH volunteers. I confirm that except for the conditions above, my home is a safe place for volunteers. I guarantee my presence at the work site while work is being done. I understand that if any of this information is found to be false my involvement in the AHFH Home Repair Program may be terminated and any warranties will be cancelled.</p>		
Homeowner's Signature:		Date:
Co-owner's Signature:		Date:
Complete the following if you are NOT the homeowner but you are assisting the homeowner in completing this application		
Are all homeowner's aware of this application? <input type="checkbox"/> Yes <input type="checkbox"/> No		
Printed Name:	Signature:	Phone #:

Publicity Consent	
I understand & accept that Austin Habitat for Humanity and sponsors working on or funding repairs to my home may wish to use photos of my house, family members, myself, as well as names and stories associated with the home repair project to display the work being done and to promote the program for future home repair recipients.	
Homeowner's Signature:	Date:
Co-Owner's Signature:	Date:

Permission to Refer
<p>If your needs can be met more appropriately by another program, may we share your application with them?</p> <p style="text-align: center;"><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><small>* Unless we have your explicit permission, your application is a confidential document and will be used solely to evaluate the acceptability of your home for repairs and refurbishment by Austin Habitat for Humanity.</small></p> <p>As part of Austin Habitat for Humanity's mission to bring people together to build homes, communities, and hope, we encourage the involvement of friends and neighbors to come out and work on volunteer-friendly job sites. If your home has volunteers working on it, do you give permission to AHFH to notify neighbors of the project being done and invite them to participate in the work under AHFH staff supervision?</p> <p style="text-align: center;"><input type="checkbox"/> Yes <input type="checkbox"/> No</p>

Austin Habitat for Humanity as a sub recipient of the City of Austin is committed to compliance with the Americans with Disabilities Act (ADA) and Section 504 of the Rehabilitation Act of 1973, as amended. Reasonable modifications and equal access to communications will be provided upon request. Please call 512-472-8788 x 411 or Relay Texas at 1-800-735-2989 (TDD) for assistance. The City does not discriminate on the basis of disability in the admission or access to, or treatment or employment in its programs and activities. Dolores Gonzalez has been designated as the City's Section 504/ADA Coordinator. Her office is located at 505 Barton Springs Road, Suite 600. If you have any questions or complaints regarding your Section 504/ADA rights, please call the Section 504/ADA Coordinator at 974-3256 (voice) or 974-2445 (TTY). This publication is available in alternative formats. Please call 512-472-8788 x 411 or Relay Texas at 1-800-735-2989 (TDD) for assistance. The City of Austin is committed to compliance with the Americans with Disabilities Act. Reasonable modifications and equal access to communications will be provided upon request. Please call Dolores Gonzalez or Relay Texas at 1-800-735-2989 (TDD).

**Application to the City of San Marcos
Program Participant Income Determination**

Board Members

Rev. Dr. Daryl Horton, Chair | Mason Ayer, Treasurer | Elizabeth Chao | Kevin Cunningham | Donna Day | John Dixon | Lauren Dupuis | Tami Garcia | Melinda Garvey | Larry Graham | J.C. Jammal | Robert Lee | Kevin Lockingen | Ryan Mattox | Nikelle Meade | Abby Mellott | Terry Mitchell | Jessica Nelson | Nicole Nosek | Mia Parton | Kaziqye Prince | Christopher Rios | Bob Roberts | Neha Sampat | Charmane Sellers | Laura Touns, Secretary | Alex Valdes

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INCOME CALCULATIONS WORKSHEET-OVERVIEW

Applicant Name: _____
 Property Address: _____

Program: _____
 Household Size: _____ 1
 Date: _____ 4/30/2025

TOTAL INCOME	
Total Income	\$0.00
Income from Assets	\$0.00
Total Annual Income	\$0.00
Total Monthly Income	\$0.00
MFI (Income/ 100% MFI)	0.00%

Program Limits Effective 06/01/2024	
MFI: Household of	1
30% MFI	\$26,500
50% MFI	\$44,100
80% MFI	\$68,500
100% MFI	\$88,200

INCOME CALCULATIONS

Projected Income from All Sources

Income Earner	Source	Frequency	Amount	Pay Periods	Annual Total
		Other	\$0.00	X	\$0.00
		Other	\$0.00	X	\$0.00
		Other	\$0.00		\$0.00
		Other	\$0.00		\$0.00
					\$0.00
		Other	Unstable Income - Source 1		\$0.00
		Other	Unstable Income- Source 2		\$0.00
	Total Employment Income				

Income of full-time students >18 (not homeowner)- only count up to \$480

See Income Calculation Worksheet 2 for Unstable Income Calculations & Details

Assets

Family Member	Description	Current Net Value	from Assets
		\$0.00	\$0.00
		\$0.00	\$0.00
		\$0.00	\$0.00
Totals		\$0.00	\$0.00
If Total Net Cash Value of Assets is > \$5000, multiply by .40% (Passbook Rate)			\$0.00
Use the higher value of above 2 values as income from assets			\$0.00

*See Income Calculation Worksheet 2 for average checking account balance

HUD INCOME LIMITS - AUSTIN-ROUND-ROCK-SAN MARCOS - EFFECTIVE 05/01/2024

Income Limit	1	2	3	4	5	6	7	8
30%	\$26,500	\$30,250	\$34,050	\$37,800	\$40,850	\$43,850	\$47,340	\$52,720
50%	\$44,100	\$50,400	\$56,700	\$63,000	\$68,050	\$73,100	\$78,150	\$83,200
60%	\$52,920	\$60,480	\$68,040	\$75,600	\$81,660	\$87,720	\$93,780	\$99,840
80%	\$68,500	\$78,250	\$88,050	\$97,800	\$105,650	\$113,450	\$121,300	\$129,100
100%	\$88,200	\$100,800	\$113,400	\$126,000	\$136,100	\$146,150	\$156,250	\$166,300

HUD rounds to the nearest \$50 dollars

MFI Chart was expanded to include other percentages used by NHCD

Application to the City of San Marcos Litigation

Board Members

Rev. Dr. Daryl Horton, Chair | Mason Ayer, Treasurer | Elizabeth Chao | Kevin Cunningham | Donna Day | John Dixon | Lauren Dupuis | Tami Garcia | Melinda Garvey | Larry Graham | J.C. Jammal | Robert Lee | Kevin Lockingen | Ryan Mattox | Nikelle Meade | Abby Mellott | Terry Mitchell | Jessica Nelson | Nicole Nosek | Mia Parton | Kaziqye Prince | Christopher Rios | Bob Roberts | Neha Sampat | Charmane Sellers | Laura Touns, Secretary | Alex Valdes

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Application to the City of San Marcos – Community Development Block Grants Litigation

In the past five years, Austin Habitat for Humanity has been a party to a personal injury action related to our ReStores which has been settled by our insurance carriers, a tax case involving a Habitat for Humanity home where we held the mortgage, which has been resolved; and an employment action that is in an investigatory mode with a Federal agency and currently on hold.

Board Members

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Application to the City of San Marcos Balance Sheet and P&L Statement

Board Members

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Austin Habitat For Humanity, Inc.
Austin Habitat for Humanity (Consolidated)
AHFH Income Statement
Mar 2025

Financial Row	Current Period (Mar 2025)	Budget (Mar 2025)	CP to Budget	% of Budget	YTD (Jan 2025 - Mar 2025)	YTD Budget (Jan 2025 - Mar 2025)	YTD to Budget	% of Budget
Ordinary Income/Expense								
Income								
4000 - Total Sales								
4100 - Contributions	\$578,672.11	\$776,990.00	\$198,317.89	74.48%	\$4,097,113.69	\$3,820,187.00	\$276,926.69	2,475.98%
4169 - Special Event Net	\$169,257.50	\$0.00	(\$169,257.50)	0.00%	\$305,457.50	\$0.00	\$305,457.50	0.00%
4200 - Home Sales	\$418,041.21	\$3,407,129.00	\$2,989,087.79	12.27%	\$1,542,313.49	\$3,903,959.00	-\$2,361,645.51	188.18%
4300 - ReStore Sales	\$759,115.11	\$912,841.73	\$153,726.62	83.16%	\$2,085,143.14	\$2,510,428.18	-\$425,285.04	393.77%
4400 - Commission and Fees	\$100,550.00	\$139,083.00	\$38,533.00	72.29%	\$167,964.00	\$225,129.00	-\$57,165.00	194.35%
4800 - Misc Income	\$57,001.09	\$53,265.00	(\$3,736.09)	107.01%	\$164,375.17	\$159,795.00	\$4,580.17	392.10%
Total - 4000 - Total Sales	\$2,082,637.02	\$5,289,308.73	\$3,206,671.71	39.37%	\$8,362,366.99	\$10,619,498.18	-\$2,257,131.19	3,644.39%
Total - Income	\$2,082,637.02	\$5,289,308.73	\$3,206,671.71	39.37%	\$8,362,366.99	\$10,619,498.18	-\$2,257,131.19	3,644.39%
Cost Of Sales								
5000 - Cost of Sales								
5005 - ReStore Cost of Goods Sold	\$205,729.82	\$163,744.34	(\$41,985.48)	125.64%	\$508,874.80	\$494,191.02	\$14,683.78	-283.17%
5100 - Cost of Goods Sold - Homes	\$596,132.72	\$6,110,460.00	\$5,514,327.28	9.76%	\$2,205,772.77	\$6,867,563.00	-\$4,661,790.23	32.12%
Total - 5000 - Cost of Sales	\$801,862.54	\$6,274,204.34	\$5,472,341.80	12.78%	\$2,714,647.57	\$7,361,754.02	-\$4,647,106.45	315.29%
Total - Cost Of Sales	\$801,862.54	\$6,274,204.34	\$5,472,341.80	12.78%	\$2,714,647.57	\$7,361,754.02	-\$4,647,106.45	315.29%
Gross Profit	\$1,280,774.48	(\$984,895.61)	(\$2,265,670.09)	-130.04%	\$5,647,719.42	\$3,257,744.16	\$2,389,975.26	173.36%
Expense								
7000 - Salaries, Benefits and Taxes	\$755,672.70	\$849,573.95	\$93,901.25	88.95%	\$2,247,276.03	\$2,483,933.75	-\$236,657.72	-379.45%
7060 - Other Staff Expense	\$59,715.98	\$4,209.00	(\$55,506.98)	1,418.77%	\$67,970.26	\$26,372.00	\$41,598.26	-658.35%
7080 - Contract/Temp Labor	\$24,575.03	\$33,377.00	\$8,801.97	73.63%	\$68,779.33	\$82,646.00	-\$13,866.67	-243.85%
7100 - Travel and Entertainment	\$16,784.08	\$28,031.00	\$11,246.92	59.88%	\$36,429.47	\$79,388.00	-\$42,958.53	-169.52%
7200 - Occupancy Expense	\$182,205.34	\$149,196.00	(\$33,009.34)	122.12%	\$490,669.77	\$464,982.00	\$25,687.77	-2,171.40%
7260 - Equipment/Vehicle Expense	\$26,620.09	\$39,819.00	\$13,198.91	66.85%	\$99,811.08	\$131,005.00	-\$31,193.92	-957.42%
7320 - Fundraising Expense	\$1,114.74	\$10,500.00	\$9,385.26	10.62%	\$10,177.11	\$12,500.00	-\$2,322.89	81.42%
7340 - Advertising Expense	\$11,745.07	\$31,090.00	\$19,344.93	37.78%	\$44,488.73	\$82,710.00	-\$38,221.27	-288.71%
7800 - Other Operating Expense	\$176,631.40	\$204,258.00	\$27,626.60	86.47%	\$519,438.02	\$659,503.00	-\$140,064.98	-1,338.95%
7900 - Depreciation/Amortization	\$59,854.11	\$59,553.00	(\$301.11)	100.51%	\$177,203.30	\$179,251.00	-\$2,047.70	-295.08%
Total - Expense	\$1,314,918.54	\$1,409,606.95	\$94,688.41	93.28%	\$3,762,243.10	\$4,202,290.75	-\$440,047.65	6,584.15%
Net Ordinary Income	(\$34,144.06)	(\$2,394,502.56)	(\$2,360,358.50)	1.43%	\$1,885,476.32	(\$944,546.59)	\$2,830,022.91	0.00%
Net Income	(\$34,144.06)	(\$2,394,502.56)	(\$2,360,358.50)	1.43%	\$1,885,476.32	(\$944,546.59)	\$2,830,022.91	-199.62%

Austin Habitat For Humanity, Inc.
Austin Habitat for Humanity (Consolidated)
Balance Sheet
End of Mar 2025

Financial Row	Amount
ASSETS	
Current Assets	
Bank	\$15,430,253.62
Accounts Receivable	\$9,088,558.65
Other Current Asset	\$2,705,448.04
Total Current Assets	\$27,224,260.31
Fixed Assets	
1300 - Property Plant and Equipment	\$14,304,120.49
Total Fixed Assets	\$14,304,120.49
Other Assets	
1400 - Other Assets	\$3,496,261.96
1470 - Investments	\$6,013,783.90
1500 - Construction in Progress	\$20,576,638.53
1600 - Client Mortgage Receivable, Net	\$7,444,672.09
Total Other Assets	\$37,531,356.48
Total ASSETS	\$79,059,737.28
Liabilities & Equity	
Current Liabilities	
Accounts Payable	\$493,873.77
Other Current Liability	\$14,288,851.56
Total Current Liabilities	\$14,782,725.33
Long Term Liabilities	
2500 - Notes Payable - Long Term	\$16,714,618.07
2570 - TDHCA Payable (TX Dept of Housing and Cmty Affairs)	\$1,182,028.55
2592 - Operating Lease - LT	\$2,764,512.30
Total Long Term Liabilities	\$20,661,158.92
Equity	
Retained Earnings	\$41,730,376.71
Net Income	\$1,885,476.32
Total Equity	\$43,615,853.03
Total Liabilities & Equity	\$79,059,737.28

Application to the City of San Marcos Support/Recommendation

Board Members

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May 1, 2025

Ms. Carol Griffith
Housing and Community Development Manager
City of San Marcos
630 E. Hopkins
San Marcos, TX 78666

Dear Ms. Griffith,

On behalf of Austin Housing Finance Company and the City of Austin's Housing Department, thank you for the opportunity to provide a letter of recommendation for Austin Habitat for Humanity's Home Repair program. We have seen the positive impact of Home Repair in our community, and we are happy to recommend their team for Community Development Block Grant (CDBG) support to bring their program to the City of San Marcos.

Austin Habitat for Humanity has been supporting homeowners in need for almost 20 years. They have a strong commitment to supporting the safety and independence of older people, veterans, people with disabilities and other low-income homeowners in Central Texas. The team works one-on-one with each homeowner to prioritize the most important health and safety concerns. Austin Habitat maintains strong relationships with contractors and other skilled tradespeople who are familiar with Austin Habitat's program participants and their needs. The team provides major safety repairs like new roofs, accessible bathrooms, and functioning HVAC or plumbing. These repairs can make the difference for homeowners being able to remain in their home and their beloved communities or being forced to move.

For the last 15 years, this team has consistently been a pleasure to work with and they have been a reliable partner in meeting home repair needs within the Austin community. They adhere to our program guidelines and policies and handle the work with care and professionalism.

The Austin Habitat team has provided more than 450 critical home repairs over its history and the need for home repair services continues to grow as our housing stock ages. They have committed to repairing 50 homes in 2026, more than doubling their previous years repairs; their hope is to also expand their services to additional regions surrounding Austin. They are excited to focus on San Marcos and grateful for this opportunity to apply for CDBG support for home repairs, and we are happy to recommend their program.

Sincerely,

A handwritten signature in blue ink that reads "Mandy DeMayo".

Mandy DeMayo

Interim Director, Housing Department
Treasurer, Austin Housing Finance Corporation

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