

**LAND ASSEMBLAGE REDEVELOPMENT AUTHORITY ("LARA")
FOURTH AMENDMENT TO THE SOLICITATION OF OFFERS FOR
AFFORDABLE HOUSING DEVELOPMENT -
TAKE DOWN PROGRAM**

LARA hereby amends a solicitation of offers for the construction of affordable houses on the properties identified on the LARA Website <http://www.houstontx.gov/lara> (the "Website"), as originally issued on February 9, 2009 and as last amended on or about November 18, 2015.

Under this Fourth Amendment, all previous solicitation of offers are hereby rescinded, and LARA now offers lots that are from time to time identified on the "Website".

Lots will be sold at a discounted price up to approximately, a fifty-percent (50%) markdown from the sell price than posted under previously offered "Solicitation of Offers". The revised markdown sell price for individual lots within a designated Houston Hope neighborhood which is subject to change without notice, is indicated in Attachment A of this Solicitation.

LARA will accept offers for review and possible acceptance under this Third Amendment to the solicitation on a "first received — first considered" basis, commencing October 1, 2013.

1. **Offers**

Prospective purchasers who meet the eligibility criteria described below ("Offerors") are asked to **submit offers to acquire lots upon which they will build affordable housing for a maximum sale price not to exceed the Median Sales Price established by the U.S. Department of Housing and Urban Development for FHA mortgages for the year in which the contract is signed. The current limits can be found at <https://entp.hud.gov/idapp/html/hicost1.cfm>.** For multi-family units, primarily duplexes, the equivalent maximum sale price per residential unit shall be \$125,000. The maximum sales price for the completed home shall be the total of the land costs; lot development costs (e.g., site survey, site work, driveway/culvert clearing); applicable regulatory fees; hard costs; construction financing; soft costs, including margin, marketing costs and any fees for realtors engaged by Offeror; closing costs; property taxes while lots are in inventory; and homeowner's warranty and warranty provision. The maximum sales price for the completed home may be increased by three percent (3%) of the actual costs of construction as outlined above, if the buyer is represented by its own realtor. Offers must be submitted on LARA's standard form Lot Purchase and Development Contract (the "Contract"), which may be found on the LARA Website.

2. **Closing: Construction Timing**

The sales prices for the various lots to be paid to LARA are shown on LARA's Website. A successful Offeror may take down all lots under the Contract at the initial closing. Alternatively, a successful Offeror may submit a take-down schedule, requiring at least 50% of the lots remaining after the initial closing to be purchased every 90 days thereafter.

The initial closing of at least one (1) lot must occur within 30 days after the Contract is awarded by LARA. The thirty (30) day period shall commence on the date the subject contract is executed by LARA. The lots will be conveyed in fee simple to the builder at the time of closing. The City of Houston and LARA have worked closely with one or more title companies to ensure the availability of title insurance. LARA's Selection Panel may, in its discretion, extend the time to close for a reasonable period.

The Offeror must start construction on each lot purchased within 60 days of closing on each lot and must complete construction within 180 days of the construction start. For the purposes of this Amendment, a "construction start" is hereby defined as 'having acceptably finished the house foundation'. **Failure to meet either of these requirements may result in action by LARA to recoup from the Offeror the full value of any lots purchased (based upon the published price for such lot(s) on the Website) and/or forfeiture of title to such lots to LARA without further notice.** At LARA's discretion, the enforcement of these rules may be retroactive and may extend to contracts awarded under the original "Solicitation of Proposals", as issued on February 9, 2009, as amended.

3. **Maintenance of Lots Under Contract Award**

The prospective buyer shall be responsible for lot maintenance immediately after LARA awards a contract for the lot(s) to the prospective buyer. Starting at this point in time, the buyer shall post the lot as being under Contract with LARA and shall keep the lot free from rubbish and debris and shall cut weeds on the lot in compliance with applicable City of Houston, Neighborhood Protection Corp notices and any other applicable code enforcement ordinances. Failure to comply with this rule may result in termination of the contract by a LARA. At LARA's discretion, the enforcement of these rules shall be retroactive and may extend to contracts awarded under the original "Solicitation of Proposals", as issued on February 9, 2009, as amended.

4. **Down Payment Assistance**

Down payment assistance may be available for qualified home purchasers, based on applicable City of Houston criteria and processes including special provisions applicable to qualified teachers, police officers, fire fighters and EMS personnel.

5. **Eligibility Criteria**

Offerors, to be eligible, must have built at least ten (10) residential units, without significant valid customer complaints (such as may be reported by the Better Business Bureau) and owe no delinquent taxes or other debt to the City of Houston or other local taxing authorities.

6. **Prospective Buyer's "Hold" on LARA Lot Inventory**

Lots purchased under this standard lot Take Down Program are excluded from the total LARA lots that a prospective buyer can hold in inventory under the provisions of the Solicitation of Proposals offered under the Dollar Lot Program.

7. **Lot Substitutions under Existing Executed Contracts**

LARA will not approve any request by a prospective buyer to delete or substitute LARA lots already included under a previously fully executed contract with such buyer. If such a request is made, LARA may determine that it is in its best interest to terminate the existing contract, without penalty to the buyer. If the prospective buyer agrees, LARA may consent to and enter into one or more new contracts that accommodate the prospective buyer or builders' request to delete or substitute lots. All lots included under the original contract will not necessarily be included under any newly awarded contracts. At LARA's discretion, the enforcement of these rules may be retroactive and may extend to contracts awarded under the original "Solicitation of Proposals", as issued on February 9, 2009, as amended.

8. **Submissions**

All offers shall include the items for submission described below and shall be filed electronically with LARA, by submitting such items via **email attachment(s), in PDF format (Portable Document Format), to:**

LARA@houstontx.gov

Delivery of hardcopy documents is not acceptable. Delivery of offers by standard or certified mail is not acceptable. If email attachment size, access to Internet service, or other technical considerations make email transmission impractical, the PDF files may be copied to CD or DVD and delivered in person to: City Of Houston, Housing and Community Development Department, Attn: Houston Hope, 601 Sawyer, 4th Floor Lobby, Houston, TX 77007.

LARA's Selection Panel reserves the right to request additional information, after submittal, as may be necessary to adequately assess each offer. LARA's Selection Panel further reserves the right to delete or substitute properties on the Website at its sole discretion for any reason and at any time and to change this solicitation process and the timing of any actions, based on its needs and on the offers received. LARA's Selection Panel reserves the right to award all, some, or none of the lots submitted in a Contract to the Offeror thereof.

9. **Items for Submission**

Please complete the following and return each with your submission. Each of these attachments will assist LARA in evaluating your submission. The files may be found online on the LARA Website.

1. A fully signed copy of the Contract and all plans, documents and other items required under the Contract (including all Schedules and Exhibits thereto).
2. Builder Qualifications Excel File. (Please include pictures of previously built homes.)
3. Builder Specs Excel File.
4. Bid Cost Proforma Excel File.