



A. Cover Letter including Executive Summary

February 4, 2024

Austin Independent School District
1111 West 6th Street
Austin, Texas 78703
CC: Ben Fuller, Brett Arabie,
Cushman & Wakefield

RE: Rosedale Development Site
 OHT Partners Proposal

To Whom It May Concern:

This letter will serve as acknowledgment that OHT Partners has read and understands all contents of the RFP and addenda, takes no exception to the materials provided, and that it agrees to the terms and conditions of the RFP. OHT Partners hereby commits to comply with all applicable state and federal laws and meet the requirements for Worker Protection Standards in relation to this transaction.

Points of Contact:

Chad Hallmark
Partner
512-813-7104
chad@ohtpartners.com

Ben Browder
Partner
512-813-7119
ben@ohtpartners.com

Executive Summary

OHT Partners is a Class A multifamily developer headquartered in Austin, Texas. Since 2010, OHT Partners has principally developed 56 projects totaling over 18,000 units. OHT Partners is vertically integrated with a construction company that has completed or is building over 55,000 units across the state.

OHT collaborated with Corgan Architecture on numerous conceptual site plans, prioritizing the preservation of the site's unique character. The result is a thoughtfully designed five-story wrap building with expansive open space while respecting the adjacent properties.

One of the key design considerations is the preservation of the site's many beautiful live oaks. OHT has thoughtfully designed the development to retain all existing heritage trees, ensuring they remain a defining feature of the project. We believe these trees, combined with the surrounding parkland setting, will create a vibrant and inviting community that enhances the neighborhood. To further embrace this natural setting, we have intentionally designed amenities that maximize open space, fostering an authentic and welcoming environment for both residents and visitors.

OHT is proposing to build approximately 350 Class A multifamily rental units. The product will be a 350,000 gross SF, five-story wrap with an enclosed garage. We are proposing to rezone the property to CS-MU-V, or equivalent, which will allow a maximum height of 60 feet. This is substantially less density and height than pursuing a DB-90 zoning classification.

The project is assumed to include 35 affordable units at 60% MFI and 4 townhome units.



OHT will purchase the land prior to receiving a Site Development Permit (SDP). OHT will capitalize this transaction with private capital consisting of high-net-worth individuals, family offices, and OHT Principals. This is the same capitalization strategy we have successfully used on the vast majority of OHT's 56 projects.

At project groundbreaking, we will capitalize the vertical development with a low leverage construction loan from a regional banking relationship and additional private capital.

We appreciate your consideration and welcome any questions you may have.

Sincerely,

Steve Oden, Jr.
Principal



B. Project Team

I. Key Personnel (*Reference Exhibit 1 – Company Overview*)

Steve Oden, Jr – Principal

Mr. Oden co-founded OHT Partners along with Craig Hughes and Eric Taylor – and under their leadership, have grown the firm into both one of the leading developers of multifamily communities in Texas and largest multifamily builders in the nation. Mr. Oden has over 25 years of experience in the real estate business.

Chad Hallmark – Partner

Mr. Hallmark jointly oversees development in the Austin market. He graduated from the University of Georgia and received his MBA from the University of Texas. Mr. Hallmark has served in various capacities for OHT Partners since 2018. During his tenure, Mr. Hallmark has been involved in the development of over 4,300 units.

Ben Browder – Partner

Mr. Browder jointly oversees development in the Austin market. He graduated from the University of Texas and joined OHT Partners in 2014. Mr. Browder has led the development of over 4,500 units in Austin.

II. Relevant Experience

1. The Brentwood (Old Dart Bowl)

Address: 5700 Grover Avenue

Rezoning: 2021

Status: Under Construction/Lease-up

Product: 3 and 4-Story Wrap

Units: 274



Transaction:

In 2020, COVID forced the Dart Bowl bowling alley to close and explore a sale of its site at Grover Avenue. The marketing process was extremely competitive with over 20 offers. OHT was transparent with the Seller that we could not execute on an un-entitled timeline. The Seller went under contract with a quick close Buyer. After a few months, the buyer dropped the site, the Seller reached out to OHT, and OHT went under contract.

Zoning:

The property was re-zoned from CS-MU and MF-3 to MF-6-CO-NP in September 2021. The property had various compatibility setbacks from single-family uses on the Western and Southern property lines. The eastern property also had compatibility setbacks due to the triggering of McCallum High School.

OHT had numerous meetings with the Brentwood Neighborhood Association and received a Letter of Support. OHT committed to various conditional overlays to come to an agreement with the neighborhood, including height caps, additional compatibility setbacks, and additional screening.

The Brentwood is 0.75 miles northeast of the Rosedale AISD site, within the same council district, and received a Letter of Support from the neighborhood.

Due Diligence Obstacles:

During Feasibility, OHT discovered various development obstacles and implemented a strategy to mitigate risk and overcome these challenges during the Site Development Permit (SDP) process. They included the following:

- Floodplain: A portion of the site was located within the floodplain.
- Critical Water Quality Zone (CWQZ)/Redevelopment Exception: OHT secured a redevelopment exception permitting redevelopment within the CWQZ.
- Complex Parkland Dedication: Extensive coordination with PARD department for community benefit. OHT ultimately committed to a parkland trail around the site and along the adjacent creek.



Financing:

OHT closed on the land with all cash. Capital partners included OHT Principals and private capital partners. No institutional equity or debt was utilized.

OHT capitalized the vertical development with the same private capital investor group and a construction loan from First United Bank.

2. The Martin (7th Street and Pleasant Valley)

Address: 2730 East 7th Street

Rezoning: 2023/2024

Status: Land Purchased

Product: 7-story Podium

Units: 375



Transaction:

In 2023, OHT won a competitive marketing process for a 3.1 acre parcel at the corner of 7th Street and Pleasant Valley. The sellers had owned the property for over 150 years.

Due Diligence and Entitlement Obstacles

- Ground Lease Termination
 - OHT negotiated a complex ground lease termination with a third party.
- Termination of Restrictive Covenant
 - OHT discovered a City of Austin Restrictive Covenant that limited development on the tract to 35' in height.
 - OHT went through a ~8 month public process requiring Planning Commission and City Council approval to terminate the Restrictive Covenant.
- VMU-2 Lawsuit and DB-90 Rezoning
 - The property was zoned VMU-2 and 90' of height was critical for the development.
 - A year after going under contract, VMU-2 was nullified per the Acuna lawsuit. Our entitlements were stripped from us and we could not develop the project without rezoning.
 - Subsequently, OHT rezoned the property to DB-90. OHT demonstrated extensive experience in the City of Austin Entitlement process as it was the first DB-90 zoning case submitted, and approved.

Financing:

OHT went under contract on the land in 2023 and closed on the land in December of 2024. Throughout this time period, interest rates continued to increase and stay at elevated levels, the Austin apartment market delivered a record number of units, apartment vacancy increased ~5%, and rents dropped ~10%. All the while, OHT worked through numerous deal killing problems, as noted above. OHT worked hand in hand with the seller to overcome these obstacles and close on the transaction.

OHT closed on the land with OHT Principals, private capital partners, and a small land loan. OHT is currently finalizing the SDP application and will break ground on the project in the summer of 2025.

3. The Oakmont

Address: 8700 Shoal Creek Boulevard

Rezoning: 2023

Status: Under Construction

Product: 7-story Podium

Units: 292



Transaction

In 2022, OHT won a competitive bidding process for a 3.1 acre tract along Shoal Creek Boulevard.

Zoning:

The property was rezoned from LI to LI-PDA in May 2023. OHT had numerous meetings with the Shoal Creek Neighborhood Association and received a Letter of Support. OHT committed to various conditional overlays to come to an agreement with the neighborhood, including prohibiting a number of uses on the property.

The Oakmont is 3 miles north of the Rosedale AISD, within the same council district, and received a letter of support from the neighborhood.

Due Diligence and Permitting Obstacles:

Throughout the Due Diligence and Site Development Permitting process, OHT worked through and overcame various challenges. They included the following:

- Floodplain/Critical Water Quality Zone (CWQZ): City of Austin (COA) did not identify any floodplain or CWQZ on the site. After running drainage models, our engineers identified that the property was likely encumbered by floodplain and CWQZ. OHT worked with the numerous COA departments through complex solutions to offset the floodplain encroachments.
- Complex Parkland Dedication: Extensive coordination with PARD department to navigate efficient and environmentally friendly PARD design for amenities included within floodplain and CWQZ.
- Heritage Tree Relocation: OHT worked with City of Austin Arborist and Environmental reviewers to relocate a Heritage Tree to the perimeter of the site.

Financing:

OHT simultaneously closed on the land and the construction loan in October 2024. OHT was one of the few developers in Austin to secure financing for a large multifamily development during this time period.

OHT capitalized the project with OHT Principals, private capital and a construction loan from a regional bank.

4. Lenox Burnet

Address: 6801 Burnet Road

Status: Completed in 2024

Product: 4 and 5-Story Wrap

Units: 314 units



Transaction:

In 2019, OHT Partners secured contracts with three separate owners to assemble 3.5 acres across three properties. Two of the properties had been under contract with another developer, who later dropped the sites due to financing challenges and an inability to come to an agreement with the PARD department. After the deal fell through, OHT Partners stepped in, secured contracts on the two properties, and successfully negotiated a deal with an adjacent owner to complete the assemblage.

Lenox Burnet is 1.5 miles north of the Rosedale AISD site and within the same council district.

Due Diligence and Permitting Obstacles:

- Access Easement Amendment
 - One of the sites had an existing tenant with an access easement across the middle of the site. OHT successfully negotiated an amendment and designed a site plan that accommodated the tenant while relocating the easement to a mutually suitable location.
- Parkland Dedication
 - Designated as parkland deficient, the site required extensive collaboration with the PARD department. OHT took a creative approach and successfully negotiated a parkland easement extending beneath a first-level open floor with four levels of units above.
- Heritage Trees
 - The project was designed to preserve several existing heritage trees on-site.
- Unified Development Agreement
 - With multiple owners and platted lots, OHT designed the site to comply with permitting standards through a unified development agreement across adjacent lots.

Financing:

Despite capital market challenges during COVID, OHT successfully closed on all three sites in 2020 with funding from OHT Principals and private capital partners.

The vertical development was financed by the same private investor group and a construction loan from First United Bank.



Team Experience

Since 2010, OHT Partners has principally developed 56 projects totaling over 18,000 units, including 20 projects in Austin. OHT Partners is vertically integrated with a construction company that has completed or is building over 55,000 units across the state. OHT Partners' substantial industry experience and extensive market knowledge has helped it become a leading multifamily real estate development, construction and investment firm in Texas.

Ben Browder and Chad Hallmark will serve as the Partners overseeing the Rosedale AISD re-development. They bring over 18 years of combined real estate experience with deep expertise in Austin's entitlement, permitting, and development processes.



III. References

Gary Farmer - President, Heritage Title Company

Mr. Farmer has been involved with OHT Partners since its inception in 2010. His company, Heritage Title, has served as the title insurance agent on countless OHT transactions.

Scott Struby - Director of Commercial Real Estate, First United Bank

Mr. Struby has worked with OHT for almost a decade. He has served as the construction lender on seven OHT projects.

Bill Vanderstraaten - President, Chief Partners

Chief Partners is the commercial real estate investment arm of the Rees-Jones Family Office and has partnered with OHT for over 12 years.

C. Development Program (Reference Exhibit 2 – Concept Plan)

OHT Partners has engaged architectural firm Corgan to develop a conceptual site plan for a multifamily development.

The site’s biggest constraint is the number of on-site heritage trees. We have developed various iterations; however, our current site plan respects all heritage tree locations and does not rely on the removal or relocation of any heritage tree. Details of this site plan are as follows:

Asset Type:	Market Rate, Class A+ Apartments
Product Type:	5-story Wrap with Townhomes
Height:	60’
Unit Count:	346 units and 4 Townhomes
Gross Rentable Square Feet:	350,000
Net Rentable Square Feet:	287,000
Zoning Requirements:	CS-V-MU-CO, or equivalent



D. Project Execution

Due Diligence Period (90 days)

We have already engaged an architect, civil engineer, traffic engineer, and entitlement attorney. With this front-end work, we have a strong understanding of the feasibility items and will be able to execute efficiently, upon going under contract.

During the Due Diligence Period, among other diligence, we will conduct the following studies/work:

- Meet with the Neighborhood Association representatives to streamline the zoning process.
- Meet with COA Zoning Staff.
- Zoning Transportation Analysis (ZTA)
 - *Submit a ZTA Application to determine if a ZTA is required for the re-zone.*
 - *Risk Mitigation: Per our traffic engineer, a ZTA is not expected to be required; however, if required, the ZTA will be a prerequisite for Planning Staff's recommendation. By submitting for the ZTA determination as soon as possible, we will mitigate any potential delay in the zoning process.*
- Submit our rezoning application as soon as possible.
- Title Survey and Title Review
 - *A preliminary title report has been reviewed for the site. Our concept site plan was designed to accommodate our current understanding of the title report.*
- Conduct a Phase I Environmental Study
- Submit Service Extension Requests (SER) for utility capacity studies. Separate Drainage study to identify if any off-site extensions are required for storm infrastructure.
 - *Likely public improvements to 6" Wastewater line in Ramsey. Expected additional cost that we have budgeted for.*
 - *Risk Mitigation: Meetings with AWU, AULCC, and our construction company to confirm constructability and cost of any utility improvements.*
- Austin Utility Location and Coordination Committee Meeting (AULCC)
 - *Risk Mitigation: An early AULCC meeting will help mitigate civil design conflicts.*
- On-site Water Re-use (OSWR) discussions with Austin Water
 - *Risk Mitigation: This is a very new and complex requirement for water reclamation. OHT is one of the first developers to work through the permitting requirement of OSWR and currently has 2 SDP applications that are actively*

implementing OSWR.

- Tree Study with Certified Arborist
 - *We have independently visited the site and measured trees.*
 - *Risk Mitigation: We have designed around the existing Heritage trees. If there was a conflict, OHT has experience in relocating Heritage trees. We recently relocated a heritage tree on The Oakmont, a project we broke ground on in November 2024.*

- Parkland Determination Application and meetings with PARD staff to work through potential parkland dedication
 - *Dedication will likely be required.*
 - *Risk Mitigation: With our conceptual site plan, we have reserved ample space for potential Parkland dedication.*

- Submit Land Status Determination to determine platting requirements
 - *Multiple lots from 1946 Rosedale Plat. Replat/amended plat is likely.*

- Transportation Meetings
 - *ROW dedication will be required.*
 - *Risk Mitigation: Our development program works with potential ROW dedication.*

- Preliminary pricing with OHT Construction
 - *Risk Mitigation: We have a construction company that is highly active in Austin and across the State. We have already engaged them for preliminary pricing of our concept plan and will refresh the pricing during the Due Diligence Period. This allows us to mitigate the project's financial feasibility due to inaccurate or dated construction pricing.*

We expect to have closure on all feasibility items within the first 90 days.

Zoning Period (240 days)

We have enlisted David Hartman with Dubois Bryant Campbell as our entitlement attorney. To date, we have successfully re-zoned close to 20 deals with Mr. Hartman.

We have successfully rezoned 3 deals within this council district in the last 4 years with Mr. Hartman. We were able to secure neighborhood support in all cases.

Proposed Zoning: CS-V-MU-CO

- We will commit to a conditional overlay that prohibits the use of undesirable commercial uses. This was an important topic in one of Mr. Hartman's recent zoning cases on Burnet Rd.

Our entitlement path and scope are as follows:

1. Application Pre-Submittal Period (1 – 2 months)
 - We will start these meetings during the due diligence period
 - Meeting(s) with Neighborhood Association (NA) representatives
 - Meeting(s) with City of Austin Zoning Staff
 - Submit Zoning Transportation Analysis Determination
 - Prepare zoning application
 - Note: May require multiple meetings with NA representatives and City Staff
2. Submit Rezoning Application (1 - 2 days)
 - Notice of filing of application issued by City staff
3. Staff Recommendation prepared by City Zoning Staff (1.5 - 2 months)
4. Zoning and Platting Commission conducts public hearing(s) (1.5 - 2 months)
 - Continued dialogue and meetings with NA representatives
 - Lobby the members of Zoning and Platting Commission prior to hearing(s)
 - Notice of public hearing issued by City at least 11 days prior
 - Zoning and Platting Commission makes a recommendation to City Council
 - Note: Consideration of application by Zoning and Platting Commission may take more than one public hearing/meeting (Zoning and Platting Commission policy grants 1st postponement request by NA, or applicant, etc.)
5. City Council conducts public hearing(s) regarding application (2 - 3 months)
 - Continued dialogue and meetings with NA representatives
 - Lobby the City Council Members and Mayor prior to hearing(s)
 - Notice of public hearing for City Council issued by City at least 16 days prior to hearing
 - Three readings, each of the three readings may occur on separate dates
 - Note: Consideration of application by City Council may take more than three public hearings/meetings (City Council policy grants 1st postponement request by NA, or applicant, etc.)

Site Development Permit

We will submit for the Site Development Permit after rezoning. Under our LOI, we do not anticipate having a Site Development Permit at land closing.



Project Management

Chad Hallmark and Ben Browder, both Partners at OHT, will be involved in all aspects of project management including feasibility, entitlements, design, financing and construction management.

We value honesty and transparency in all transactions. OHT will submit bi-monthly project updates to Cushman & Wakefield and AISD. We will also propose a monthly call outlining our current progress, any obstacles, and our strategy forward during the due diligence and re-zoning period.



E. Financial Plan

I. Letter of Intent

February 4th, 2025

Austin Independent School District
1111 West 6th Street
Austin, Texas 78703
CC: Ben Fuller, Brett Arabie,
Cushman & Wakefield

Re: Letter of Intent to Purchase 2117 W. 49th Street:

To Whom It May Concern:

This letter will confirm the intent of OHT Dev Holding, LLC, and or assigns, (“Purchaser”) to acquire the below referenced Property from Austin Independent School District (“Seller”), on the terms set forth below:

Property: A +/- 4.6-acre portion of land highlighted on Exhibit A, located at 2117 W. 49th Street, Austin, TX 78756.

Purchase Price: \$23,000,000

Terms: Cash at Closing

Initial Earnest Money: Purchaser will deposit \$500,000 with Heritage Title Company within three (3) business days of Effective Date as Initial Earnest Money.

Feasibility Period: Purchaser will have ninety (90) days from the Effective Date to conduct feasibility analysis on the Property. Purchaser may terminate the contract during the Feasibility Period and the Initial Earnest Money will be returned to Purchaser. Otherwise, upon expiration of the Feasibility Period, \$50,000 of the Initial Earnest Money will be non-refundable. The remaining \$450,000 of the Initial Earnest Money will be non-refundable contingent upon a successful rezone.

- Rezoning Period:** Purchaser will have two hundred forty (240) days from the end of the Feasibility Period to successfully rezone the property to CS-V-MU, or equivalent, for its intended use as a multifamily project. Rezoning will be accomplished at the Purchaser's expense, but with the cooperation of the Seller. If Purchaser cannot rezone the Property prior to the expiration of the Rezoning Period, Purchaser may give written notice on or before the end of the Rezoning Period, the Contract will immediately terminate, and the Initial Earnest Money will be returned to Purchaser less \$50,000.
- Additional Earnest Money:** One (1) day after the expiration of the Rezoning Period, Purchaser will deposit an additional \$250,000 with Heritage Title Company as Additional Earnest Money. The Additional Earnest Money is non-refundable upon deposit.
- Closing Period:** Purchaser will close sixty (60) days after expiration of the Rezoning Period, subject to the Closing Extension below.
- Closing Extension:** Purchaser will have the right to extend Closing by one (1) 30-day period for \$50,000 each; non-refundable and applicable to the Purchase Price.
- Title Policy:** Seller will arrange for an owner's title policy at Seller's expense from Heritage Title.
- R.E. Commission:** Seller will be solely responsible for payment of a real estate commission to Cushman & Wakefield. No other commissions will be due or payable in relation to this transaction

All other terms and conditions of the purchase of the property will be made in accordance with a mutually acceptable "Purchase Contract", which Purchaser and Seller will attempt to negotiate and finalize as promptly as possible after the execution of this Letter of Intent. Purchaser's attorney will prepare the Purchase Contract and submit the same to Seller for its review and approval.



This letter does not create or impose a contractual obligation or legally binding or enforceable commitment of any sort on any party unless and until a definitive Purchase Contract is executed by all parties, if ever.

OHT DEV HOLDING, LLC

Steve Oden Jr.

Agreed and Acknowledged by Seller's authorized representative this _____ day of _____ 2025.

By: _____

Name: _____

Title: _____



OHT Partners

Development • Construction • Investments

Exhibit A





III. Financial Capability

OHT has worked with a substantial number of private capital partners and lenders over the last 36 months.

Capital partners consist of numerous high net worth individuals and family offices. These include, but are not limited to, Chief Partners (Rees-Jones Family Office), Fairway Investments (Mike Thompson Family Office), and OHT Partners Annual Investment Fund.

OHT has worked with a significant number of lenders including but not limited to, First United Bank, First Horizon Bank, and IBC.

Redaction Log

Total Number of Redactions in Document: 1

Redaction Reasons by Page

Page	Reason	Description	Occurrences
20	552.1101 CPI	CPI	1

Redaction Log

Redaction Reasons by Exemption

Reason	Description	Pages (Count)
552.1101 CPI	CPI	20(1)