

MINUTES OF REGULAR MEETING OF DIRECTORS OF SA F&P PROPERTY HOLDING CORP.

A regular meeting of the Board of Directors of SA F&P PROPERTY HOLDING CORP. ("Corporation") was held at the San Antonio Fire & Police Pension Fund Office on the 19th day of March, 2018, upon the adjournment of the Legislative Committee Meeting, in accordance with the provisions of the Bylaws of this Corporation.

At 11:12 a.m., Jimmy Foster, President, called the meeting to order and Warren Schott, Secretary of the Corporation, called the roll and announced that a quorum was present. Directors Jimmy Foster, Dean Pearson and Warren Schott were present. Harry Griffin, J.T. Trevino, Mark Gremmer, Gail Jensen, Pete Tassos, Harold Shwiff and Britney Brantley were also in attendance.

The first order of business was the approval of the minutes of the December 4, 2017 regular meeting of the Board of Directors. Upon motion by Warren Schott, seconded by Dean Pearson, the minutes were approved unanimously.

Pete Tassos of Sullivan Commercial provided the Board information regarding the possibility of developing a retirement community for First Responders. There was discussion about various models that could be used, including providing for varying levels of support for different stages of retirement life from independent living to assisted living to nursing home and hospice care. More research needs to be conducted to determine if this would be a good long-term investment. No action was taken.

The Board next heard from Samantha Leonard, space planner, regarding two proposals for the expected expansion of the Pension Fund Office (attached). Warren Schott moved to approve the "Option 2" layout that added 3,200 square feet, which will add 3 new offices, a file room, a new copy room and a 1,000 square foot break room. It also includes 250 square feet of unfinished space for future expansion. The motion was seconded by Dean Pearson and was approved unanimously. The Board directed Sullivan Commercial to get pricing on the costs of the expansion and a timeline for the project.

The Board then reviewed the appraisals for its three office buildings (attached). Parkway Center's appraisal was unchanged at \$12.5 million; Shavano III was appraised at \$11.4 million and Shavano IV was appraised at \$7.4 million. This was the first time the Shavano properties had been appraised since their purchase. Upon motion by Warren Schott to approve the appraisals, seconded by Dean Pearson, the appraisals were approved unanimously.

Pete Tassos then presented a leasing update (attached). Shavano IV is 100% leased and Shavano III is 98% leased with only 2,700 square feet available. Parkway Center is 100% leased, but one large tenant will be vacating later this Fall and another large tenant is considering moving out. Sullivan is working with this tenant and will keep us posted. No action was taken.

There being no further business, upon motion duly made by Warren Schott, and seconded by Dean Pearson, the meeting was adjourned at 12:30 p.m.

WARREN SCHOTT, Secretary

APPROVED:

Jimmy Foster, President