

**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 17th day of December, 2014 at 10:30 a.m. (upon adjournment of a Pension Fund Board of Trustees Meeting), in accordance with the provisions of the Bylaws of this Corporation.

At 10:30 a.m., Dean Pearson, President, called the meeting to order and Warren Schott, Secretary of the Corporation, called the roll and announced that a quorum was present (Dean Pearson and Warren Schott and J.T. Trevino, Vice President, were present). Shawn Ury, Jim Smith, Mark Gremmer, Matthew O'Reilly, Erik Dahler, Harold Schwiff, Pete Tassos, and Jamie Sullivan were also in attendance. The first order of business was the approval of the minutes of the July 30, 2014 regular meeting of the Board of Directors. Upon motion by JT Trevino, seconded by Warren Schott, the minutes were approved unanimously.

The next order of business was consideration of the financial reports of the Corporation. Mark Gremmer summarized the FY 2014 income as follows:

Shavano III - \$157,000 (after depreciation);
Shavano IV - <\$25,000> (mostly comprised of depreciation expense - only 40% leased); and,
Parkway Center - \$466,000 (after depreciation).

Warren Schott mentioned that the Board should secure appraisals on a regular basis, since these buildings are being reflected "on the books" as investments. Mark Gremmer also pointed out that audits should be performed as well. The Board agreed to consider securing appraisals and an audit during a future meeting, when more information will be made available. Upon further discussion, JT Trevino made a motion to accept the reports (attached), which was seconded by Warren Schott and passed unanimously.

The next order of business was to authorize the secretary to negotiate, execute leases and manage the assets. Upon discussion, JT Trevino made a motion to authorize the secretary to negotiate, execute leases and manage the assets within the lease rate parameters described in the property management contracts with the property manager (currently, Sullivan Commercial). The motion was seconded by Warren Schott and passed unanimously.

Being that the Secretary had been granted authority pursuant to the previous action of the Board, the next item dealing with an extension of the Lease of Parkway Center, Suite 120 required no action. The lease rate was within the established parameters.

There being no further business, upon motion duly made by JT Trevino, and seconded by Dean Pearson, the meeting was adjourned at 11:35 a.m.

WARREN SCHOTT, Secretary

APPROVED:

DEAN PEARSON, President