

COOPERATION AGREEMENT
BETWEEN
MCKINNEY HOUSING FINANCE CORPORATION
AND
CAMERON COUNTY HOUSING FINANCE CORPORATION

WHEREAS, the parties hereto understand that there is a need for decent, safe, sanitary, and affordable housing within the City of McKinney, Texas (the "City"), as provided for in Chapter 394, Local Government Code, as amended (the "Act");

WHEREAS, it is the understanding of the parties that SDC Throckmorton Villas, LLC (the "Partnership") intends to acquire, construct, equip, and operate a low and moderate income multifamily residential rental development (the "Residential Development") to be located in the City at 1003 Throckmorton Street, (the "Residential Development Site");

WHEREAS, the Partnership has applied for a private activity bond allocation and accompanying 4% Low Income Housing Tax Credits from the Texas Department of Housing and Community Affairs ("TDHCA") and the Partnership will comply with all income and rent requirements of TDHCA;

WHEREAS, it is intended that the Partnership will require a 100% property tax exemption to insure long term, financial feasibility of the Residential Development;

WHEREAS, it is intended that in order to qualify for the foregoing property tax exemption that the Partnership will transfer title to the Residential Development Site to The Cameron County Housing Finance Corporation ("CCHFC") and CCHFC will enter a ground lease agreement with the Partnership;

WHEREAS, in conjunction with the foregoing, the Partnership and CCHFC will enter into a Regulatory Agreement and Declaration of Restrictive Covenants that will require that in order to comply with Section 394.004 of the Act, ninety percent (90%) of the residential units in the Residential Development will be inhabited by Eligible Persons. As used herein "Eligible Persons" means one or more natural persons or a family, irrespective of race, creed, religion, color, national origin, familial status, mental or physical handicap or sex, who are either Lower-Income Persons or whose Current Annual Family Income does not exceed one hundred forty percent (140%) of the area median gross income (within the meaning of section 142(d) of the Internal Revenue Code of 1986, as amended (the "Code")) for the Dallas-Fort Worth Statistical Area for families of four or more persons as indicated in the latest published Decile Distributions of Family Income by Standard Metropolitan Statistical Areas and Non-Metropolitan Counties prepared and published from time to time by HUD, or such other reliable compilation of income statistics as CCHFC may determine to employ, as adjusted by the CCHFC according to the most recent Consumer Price Index statistics

NOW, THEREFORE, the parties hereto, The McKinney Housing Finance Corporation and the Cameron County Housing Finance Corporation, agree as follows that:

Section 1. They will cooperate to allow CCHFC to aid the Partnership in providing housing for low and moderate income persons in the City as set forth above.

Section 2. CCHFC is authorized to exercise its powers under Chapter 394, as amended, to participate in the ownership and operation the Residential Development as set forth above.

Section 3. CCHFC is authorized to acquire the Residential Development Site.

Section 4. No applicable provision or intention in this cooperation agreement limits the authority or power of the McKinney Housing Finance Corporation to exercise its powers under any law, including, but not limited to, the Act, or under any other law, to refinance, plan, undertake, reconstruct, or operate a residential development in the City.

Section 5. The officers of the McKinney Housing Finance Corporation and CCHFC are authorized to take any reasonable and necessary action to effectuate and implement the direction and intention of this cooperation agreement and the authorizing resolutions.

AGREED AND EFFECTIVE THIS MAY 13th, 2022.

MCKINNEY HOUSING FINANCE CORPORATION

By: _____
Robert Fisher, President

CAMERON COUNTY HOUSING FINANCE CORPORATION

By: _____
Sergio Gonzalez, President