

RESOLUTION NO. 2014-05-01 (MHFC)

A RESOLUTION OF THE MCKINNEY HOUSING FINANCE CORPORATION REGARDING THE SUBMISSION OF AN APPLICATION OR APPLICATIONS FOR ALLOCATION OF PRIVATE ACTIVITY BONDS TO THE TEXAS BOND REVIEW BOARD AND DECLARATION OF EXPECTATION TO REIMBURSE EXPENDITURES WITH PROCEEDS OF FUTURE DEBT FOR THE LAKES OF EL DORADO APARTMENTS PROJECT AND CONTAINING OTHER MATTERS INCIDENT AND RELATED THERETO

WHEREAS, the Board of Directors of the McKinney Housing Finance Corporation (the "Corporation") desires to submit one or more calendar year 2014 Applications for Allocation of Private Activity Bonds (collectively, the "Application") to the Texas Bond Review Board in connection with a qualified residential rental housing bond issue relating to The Lakes of El Dorado Apartments project;

WHEREAS, the Corporation intends to issue debt and loan the proceeds to Norstar Lakes of El Dorado, LLC the "Borrower");

WHEREAS, the proceeds of the bonds will be used for acquiring, rehabilitating, and equipping a qualified residential rental housing project located at 1400 Eldorado Parkway, McKinney, Texas 75069 and known as The Lakes of El Dorado Apartments (the "Project"), and the initial operator of the Project will be Norstar Accolade Property Management;

WHEREAS, it is anticipated that the Borrower will make certain capital expenditures with respect to the Project and the Corporation currently desires and expects to reimburse the capital expenditures with proceeds of such debt;

WHEREAS, under Treas. Reg. §1.150-2 (the "Regulation"), to fund such reimbursement with proceeds of tax-exempt obligations, the Corporation must declare its expectation to make such reimbursement; and

WHEREAS, the Corporation desires to preserve the ability of the Borrower to reimburse the capital expenditures with proceeds of tax-exempt obligations.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MCKINNEY HOUSING FINANCE CORPORATION, THAT:

Section 1. That any officer of the Corporation is authorized and directed to execute and deliver the Application to the Texas Bond Review Board in connection with requesting an allocation for qualified residential rental housing bonds of the Corporation relating to the Project.

Section 2. That the Corporation reasonably expects that the Borrower will reimburse capital expenditures with respect to the Project with proceeds of debt hereafter to be incurred by the Corporation, and that this resolution shall constitute a declaration of official intent under the Regulation. The maximum principal amount of obligations expected to be issued for the Project is \$11,000,000.

Section 3. That Robert D. Dransfield is hereby appointed as the hearing officer of the Corporation for the purpose of conducting a public hearing or hearings required by Section 147(f) of the Internal Revenue Code of 1986, as amended, associated with the issuance of the obligations expected to be issued for the Project.

Section 4. That all orders, resolutions, or any actions or parts thereof of the Board of Directors of the Corporation in conflict herewith are hereby expressly repealed to the extent of any such conflict.

Section 5. That this Resolution shall be in full force and effect from and upon its adoption.

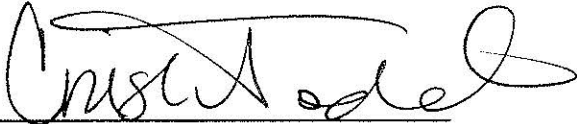
DULY PASSED AND APPROVED BY THE BOARD OF DIRECTORS OF THE
MCKINNEY HOUSING FINANCE CORPORATION ON THE 9th DAY OF MAY, 2014.

MCKINNEY HOUSING FINANCE CORPORATION



President

ATTEST:



Secretary