



Generation Housing Development

December 21, 2017

Janay Tieken  
City of McKinney  
Planning and Community Department  
City of McKinney  
406 N. Tennessee St.  
McKinney, Texas 75069

Re: Request for Resolution of Support – The Heights

Dear Janay,

Please accept the enclosed information as our formal request for a Resolution of Support for our workforce housing development, The Heights. If additional information or clarification is needed, please feel free to contact me directly.

Sincerely,

Chris Applequist  
Vice President  
Generation Housing Partners



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**Question #1:**

The development site, shown below, is not within one mile of another tax credit development. This was determined using the 2018 Site Demographics Report provided the Texas Department of Housing and Community Affairs.





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**Question #3:**

**Program and Owner Data:**

Project Name: The Heights

Location: Southeast quadrant of James M. Pitts Drive and Community Avenue. The Geographic ID for this parcel, per Collin County Appraisal District, is R-6576-0000-0080-1.

Structure: Per the attached proforma, the financial structure will include 9% housing tax credits, deferred developer fee, construction loan, and permanent conventional loan.

Program: The development will apply for 2018 9% LIHTCs.

Partnerships: Owner/Applicant: TX Community Avenue 2018, LLC.

General Partner: TX Community Avenue 2018 II, LLC.

GP Owner: Generation Housing Partners, LLC  
Hilltide Partners, LLC

**Project and Site Data:**

Census Tract: 48085030604

Acreage: The gross acreage of the site is approximately +/-14 acres and is currently being surveyed. The acreage for The Heights development will most likely be between 7 – 10 acres. The final acreage will be determined after a survey is procured. Additionally, a site plan will be made available after the property has been fully surveyed.

Proposed Units: The maximum number of proposed units will be up to 160. However, this will include less than 14 acres.

Max Units: The maximum allowable density for the tract is 24 units per acre. Total allowable units is anticipated to be between 336 units. Our development will consist of 160 units on approximately 7-10 acres.



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**Building Data:**

The development will include 160 units, consisting of one, two, and three-bedroom units. The affordability mix will consist of 110 affordable units and 50 market rate units.

Type of Unit	Income Level Served	# of Units (A)	# of Bed rooms (B)	# of Baths	Unit Size (Net Rentable Sq. Ft.) (C)	Total Net Rentable Sq. Ft. (A) x (C)	Gross Rent (D)	Tenant Paid Utility Allow. (E)	Tenant Paid Rent/Bed (C) - (D) = (F)	Total Monthly Rent (A)x(B)x(F)
TC 30%	30%	4	1	1	700	2,800	413	74	339	1,356
TC 50%	50%	17	1	1	700	11,900	688	74	614	10,438
TC 60%	60%	19	1	1	700	13,300	826	74	752	14,288
TC 30%	30%	4	2	2	975	3,900	495	92	403	1,612
TC 50%	50%	20	2	2	975	19,500	826	92	734	14,680
TC 60%	60%	26	2	2	975	25,350	991	92	899	23,374
TC 30%	30%	3	3	2	1,150	3,450	572	104	468	1,404
TC 50%	50%	7	3	2	1,150	8,050	954	104	850	5,950
TC 60%	60%	10	3	2	1,150	11,500	1,145	104	1,041	10,410
										-
										-
<b>Rent Restricted Total</b>		<b>110</b>				<b>99,750</b>				<b>83,512</b>

Market Rate	12	1	1	700	8,400			900	10,800
Market Rate	24	2	2	975	23,400			1,150	27,600
Market Rate	14	3	2	1,150	16,100			1,300	18,200
Market Rate	0	0	0	0	0			0	-
Market Rate	0	0	0	0	0			0	-
<b>Market Rate Total</b>	<b>50</b>				<b>47,900</b>				<b>56,600</b>
<b>Employee/Owner Occupied<sup>1</sup></b>					<b>0</b>				<b>-</b>
<b>Total Units</b>	<b>160</b>				<b>147,650</b>				<b>140,112</b>



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**Question #4:**

**Sponsor and Developer Information:**

Generation Housing Development, LLC:

See attached Executive Summary.



Generation Housing Development

**Development Team:**

Development Owner: TX Community Avenue 2018, LLC  
Generation Housing Partners, LLC  
Adrian Iglesias  
8641 5<sup>th</sup> Street  
Frisco, TX 75034

Architect: BGO Architects  
Jaron Daily  
4202 Beltway Dr.  
Addison, TX 75001  
214.520.8878 x103

Attorney: Shackelford, Bowen, McKinley & Norton, LLP  
John C. Shackelford  
9201 N. Central Expressway  
Fourth Floor  
Dallas, Texas 75231  
Tel: (214) 780-1400  
Direct: (214) 780-1414

Tax Consultant: Matt Stille  
Managing Partner  
Cohn Reznick, LLP  
816 Congress Avenue  
Austin, TX 78701  
Tel: 512-499-1416  
Fax: 512-494-9101  
Matt.Stille@CohnReznick.com

Property Management: Alpha Barnes  
Michael D. Clark  
12720 Hillcrest Road  
Suite 400  
Dallas, TX 75230  
(972) 643-3200

Market Analyst: Apartment Market Data  
Darrell Jack  
20475 TX-46 #180  
Spring Branch, TX 78070  
(210)530-0040



Generation Housing Development

Resident Services: Alpha Barnes  
Michael D. Clark  
12720 Hillcrest Road  
Suite 400  
Dallas, TX 75230  
(972) 643-3200

Syndicator: Monarch Private Capital  
Melanie Beckman  
Monarch Plaza  
3414 Peachtree Road  
Suite 825  
Atlanta, GA 30326  
Phone: 404.596.8019

Broker: None

Property Owner: Wilmeth 337 Venture Ltd.  
16950 Dallas Parkway  
Ste. 120  
Dallas, TX 75248

General Contractor: KWA Construction  
Keller Webster  
16800 Westgrove Dr # 300  
Addison, TX 75001  
(214)978-0177



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**Question #5:**

The development will provide units to residents with special needs. Approximately 8 – 12 units will be set-aside for residents with hearing or vision impairment. Additionally, some ground floor units will be ADA accessible.

**Question #6:**

The proposed development does not appear to interfere with existing MHA properties. McKinney Housing Authority is currently closed for the holiday and at this time, Generation Housing Partners has not received a formal letter of support from MHA. However, we will be in contact with MHA after the holiday to discuss the project and address any potential concerns.

**Question #7:**

The development will be open to families and will not be age restricted to residents 55 older.

**Question #8:**

The development will most likely be structured to allow eventual resident ownership.

**Question #9:**

All Generation Housing properties include a multitude of energy efficient amenities. The Heights will include:

- Low-e Windows
- Low VOC paints
- High Efficiency HVAC Units
- Increased R-Value Insulation
- Ceiling Fans
- Energy Star Appliances
- Low-Flow Fixtures
- Planned Building Orientation
- Tree Preservation

**Question #10:**





Generation Housing Development

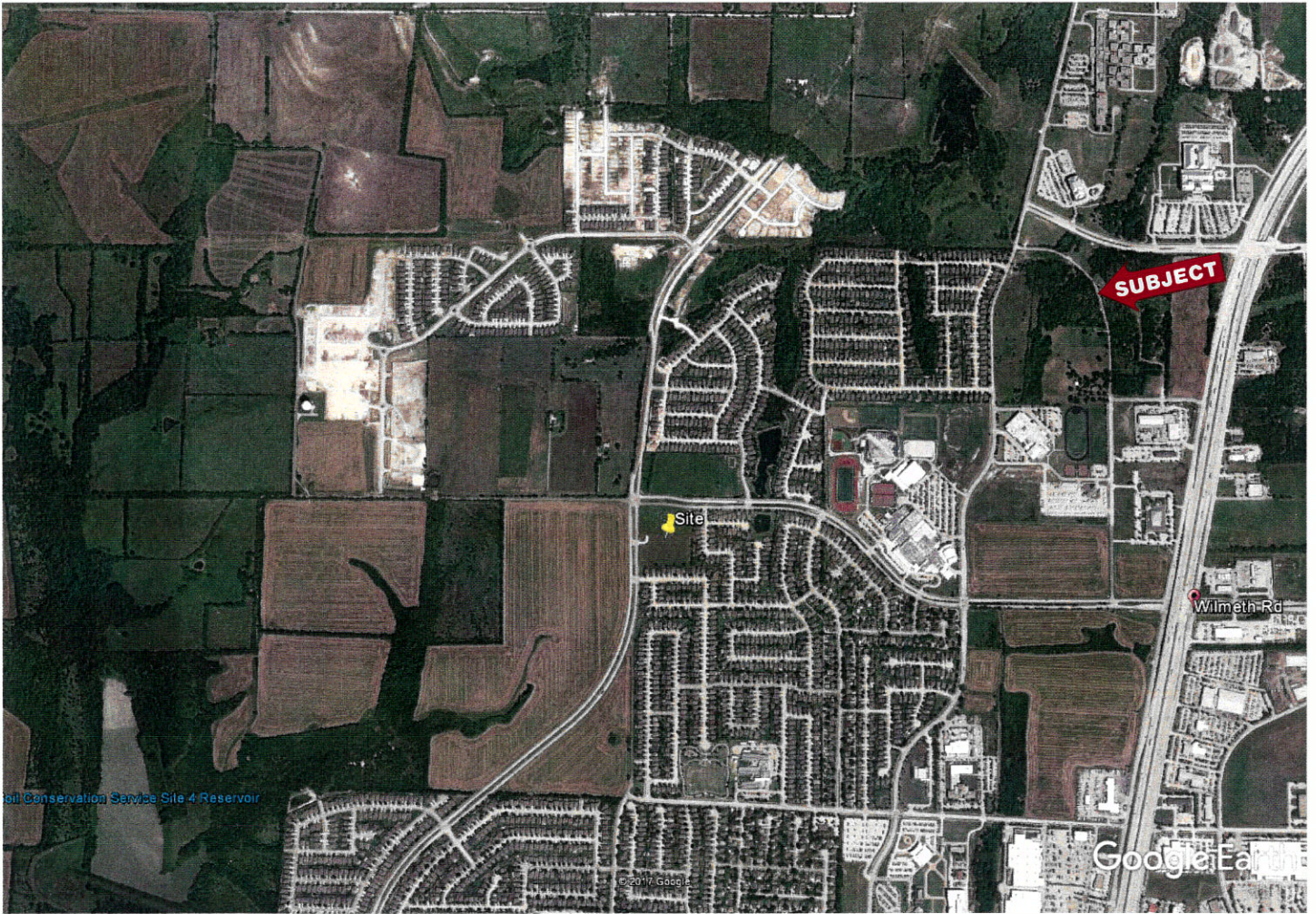
The proposed development is located on raw land and will have no impact on existing structures.

**Question #12:**

All required notifications will occur on or before an application is made to the Texas Department of Housing and Community Affairs.

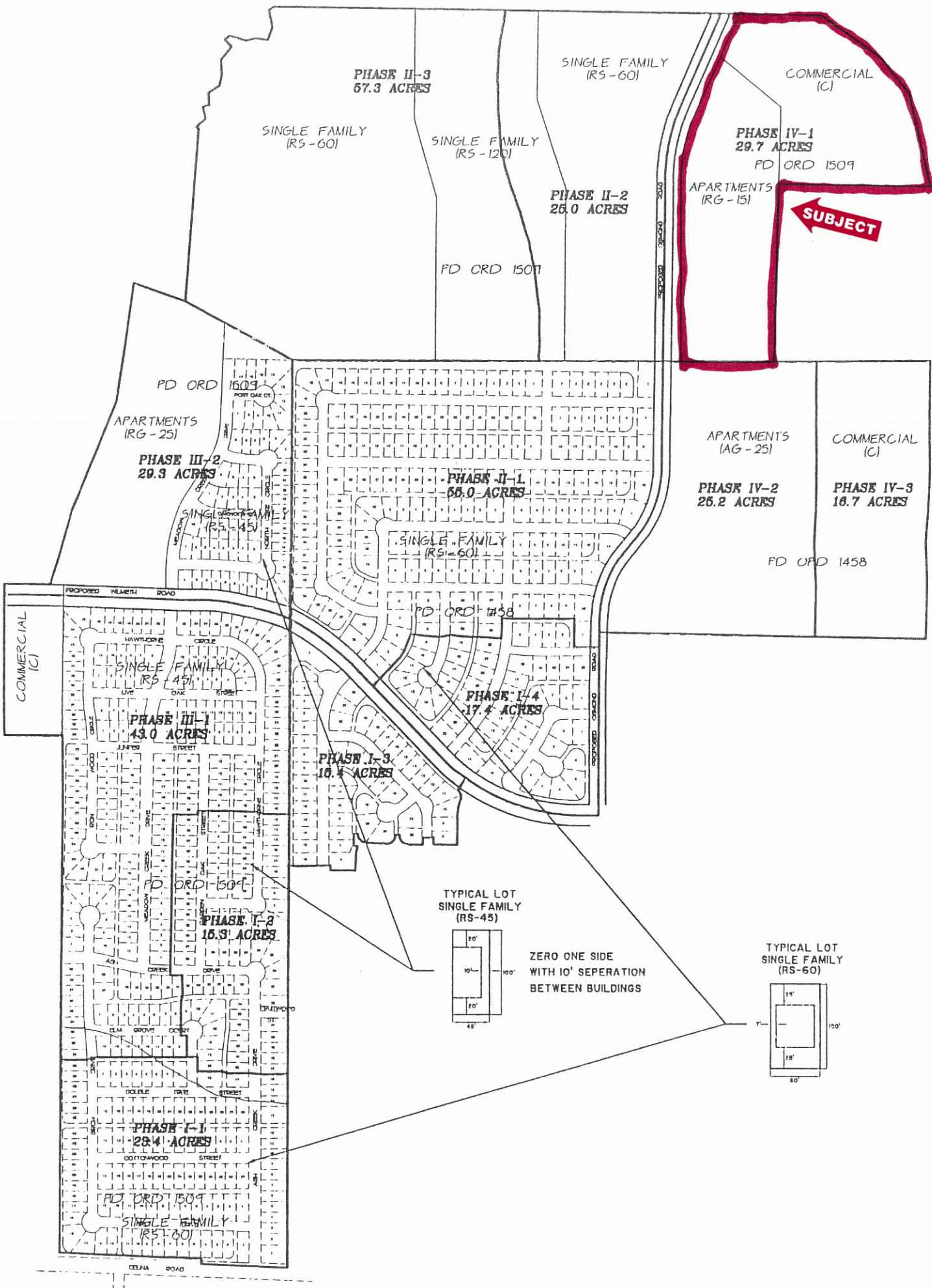
**Question #13 and #14:**

The property is currently zoned RG-15, which allows multifamily development by right. No zoning change is being requested. The allowable density is 24 units per acre, much higher than The Heights expected density.

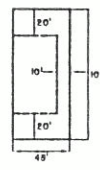


Google Earth



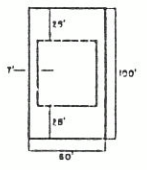


TYPICAL LOT  
SINGLE FAMILY  
(RS-45)



ZERO ONE SIDE  
WITH 10' SEPERATION  
BETWEEN BUILDINGS

TYPICAL LOT  
SINGLE FAMILY  
(RS-60)



PLACE OF BEGINNING TRACT II

S 13°33'04"E  
461.83

S 39°32'47"E  
213.00

S 55°18'39"E  
353.30

S 89°14'28"E  
444.65

COUNTY ROAD NO. 201

COUNTY ROAD NO. 201

1/2" I.R.F.

ASPHALT ROAD

600 NAIL SET IN ROAD

22' WIDE ASPHALT ROAD

36' C.M.P.

DRAW

67' 3" x 27' BARN

WELL

CONDITIONAL RIGHTS TO USE OF WATER WELL RESERVED BY ORENE PITTS PER DEED RECORDED IN VOL. 1074, PG. 602 D.R.C.C.T.

HOUSE

BEN PITTS VOL. 345, PG. 460 D.R.C.C.T.

HOWARD M. PITTS VOL. 700, PG. 723 D.R.C.C.T.

3/8" I.R.F.

S 01°12'08"W 846.06

TRACT II  
28.247 ACRES  
(1,230,454 SQ. FT.)

AMERICAN FEDERAL BANK, F.S.B.  
VOL. 3177, PG. 797 D.R.C.C.T.

ASPHALT ROAD

C3

S 23°41'22"W 420.01

C4

S 00°03'38"E 880.00

S 89°21'45"W 743.71'

S 89°57'07"W 500.38

1843.34

EAN REED WILLIAMS, CO-TRUSTEES FOR REED IRREVOCABLE TRUST 96, PG. 951 D.R.C.C.T.

2116.86

BARBED WIRE FENCE

5.2

CREEK

CREEK

BARBED WIRE FENCE

7 C



**Elevation A**

**The Heights**

**McKinney, Texas**

SCALE 1/8" = 1'-0"



BUILDING B FRONT ELEVATION



The Heights  
McKinney, Texas

SCALE 1/8"=1'-0"

# **The Heights Tax Credit Development**

**Mckinney, Texas**

**160 Multi-Family Units**

## **PROJECT BUDGET**

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**Prepared for the Partnership By:**

**Generation Housing Partners**

**Project Developer**

**Frisco, Texas**

**December 22, 2017**

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## **PROJECT BUDGET EXHIBITS**

Summary Sources and Uses

Rent Schedule

Operating Expense Schedule

Project Cost Schedule

30 Year Rental Proforma

Cashflow Statement

Loan Amortization Schedules



**The Heights - Pro-Forma \_160 Units\_ 12-22-2017.xls**

<b>SUMMARY SOURCES AND USES OF FUNDS</b>					
<i>All sources and uses of funds should be summarized here and be detailed on the Financing Participants and Project Cost Schedule forms. Where funds such as tax credits, loan guarantees, bonds are used only the proceeds going into the project should be identified here so that sources match uses.</i>					
<b>SOURCE OF FUNDS</b>					
<b>SOURCE #</b>		<b>PRIORITY OF LIEN</b>	<b>CONSTRUCTION OR REHAB STAGE</b>	<b>PERMANENT LOAN STAGE</b>	<b>FINANCING PARTICIPANTS</b>
1	Conventional Loan/FHA	1	\$ 22,103,674	\$ 11,670,827	Freddie 35YR AMO
2	Bridge Loan				
3	Interest Income				
4	Soft Funds				
5	Housing Trust Fund				
6	CDBG Funds - City				
7	Mortgage Revenue Bonds				
8	LIHTC Syndication Proceeds		\$ 2,137,286	\$ 14,248,575	\$0.95
9	Historic Tax Credit Syndication Proceeds				
10	USDA/ TXRD Loan(s)			\$ -	
11	Tax Exempt Bonds			\$ -	
12	HOME/HFC Funds	2		\$ -	
13	AHP Grant				
14	Private Loan or Grant				
15	In-Kind Contribution				
16	Deferred Developer Fee	3		\$ 1,304,407	Developer
17	<b>SHORTFALL</b>				
<b>TOTAL SOURCES OF FUNDS</b>			<b>24,240,960</b>	<b>27,223,809</b>	
<b>USES OF FUNDS</b>					
	<b>DESCRIPTION</b>		<b>CONSTRUCTION OR REHAB STAGE</b>	<b>PERMANENT LOAN STAGE</b>	<b>EXCLUSIVE USE FINANCING PARTICIPANT <sup>1</sup></b>
1	Land Acquisition		\$ 3,025,000	\$ 3,025,000	
2	Existing Building Acquisition		\$ -	\$ -	
3	Off-Site Construction Cost		\$ -	\$ -	
4	Sitework Construction Cost		\$ 2,400,000	\$ 2,400,000	
5	Hard Construction or Rehabilitation Cost		\$ 12,107,040	\$ 12,107,040	
6	Contractor's General Requirements		\$ 870,422	\$ 870,422	
7	Contractor's Overhead		\$ 290,141	\$ 290,141	
8	Contractor's Profit		\$ 870,422	\$ 870,422	
9	Construction Contingency		\$ 876,901	\$ 876,901	
10	Indirect Construction Costs		\$ 1,473,300	\$ 1,473,300	
11	Developer's / Other Fees		\$ 691,963	\$ 2,767,851	
12	Interim Financing Cost		\$ 1,406,771	\$ 1,406,771	
13	Permanent Financing Cost		\$ -	\$ 150,208	
14	Other Financing Costs		\$ 69,000	\$ 69,000	
15	Guarantee Fee		\$ 160,000	\$ 160,000	
16	Reserves		\$ -	\$ 756,753	
17			\$ -	\$ -	
<b>TOTAL USES OF FUNDS</b>			<b>24,240,960</b>	<b>27,223,809</b>	



The Heights - Pro-Forma \_160 Units\_ 12-22-2017.xls

Actual Loan Amount Used	11,670,827
Annual Debt Service -	\$684,644
Actual Loan Amount Used	53,000
Annual Debt Service -	\$0

<b>LOAN ASSUMPTIONS:</b>	Term	18 Years
	Amortization Period	35 Years
	Bond / Interest Rate	4.75%
	Debt Service Coverage	1.20
	Annual Principal and Interest	684,644

<b>PROJECTED LOAN AMOUNT BASED ON THE TERMS ABOVE</b>	<b>\$11,670,827</b>
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<u>NOTES &amp; ASSUMPTIONS</u>	
Vacancy & Collection Loss estimated at	7.00%
Mortgage Insurance Premium	0.45%
LTV (7% Cap Rate)	\$ 10,563,071
-	

## The Heights - Pro-Forma \_160 Units\_ 12-22-2017.xls

ANNUAL OPERATING EXPENSES			
<b>General &amp; Administrative Expenses</b>			
Accounting	\$	12,500	
Advertising	\$	5,000	
Legal fees	\$	3,500	
Leased equipment	\$	5,500	
Postage & office supplies	\$	6,500	
Telephone	\$	5,000	
Other office expenses	\$	-	
Supportive service contract fees	\$	-	
Compliance fees	\$	4,800	
Security	\$	-	
Miscellaneous	\$	1,500	
Describe: Dues & Subscriptions			
<b>Total General &amp; Administrative Expenses:</b>			\$ 44,300
<b>Management Fees:</b>	<b>Percent of Effective Gross Income:</b>	5.00%	\$ 79,522
<b>Payroll, Payroll Tax &amp; Employee Benefits</b>			
Management	\$	73,000	
Maintenance	\$	52,000	
Other	\$	25,000	
Describe: Payroll Taxes & Benefits			
<b>Total Payroll, Payroll Tax &amp; Employee Benefits:</b>			\$ 150,000
<b>Repairs &amp; Maintenance</b>			
Elevator	\$	10,000	
Exterminating	\$	2,000	
Grounds	\$	12,500	
Make-ready	\$	15,000	
Repairs	\$	18,000	
Pool	\$	2,500	
Miscellaneous	\$	12,000	
Describe: Maintenance Supplies			
Other	\$		
Describe:			
<b>Total Repairs &amp; Maintenance:</b>			\$ 72,000
<b>Utilities (Enter project owner expense)</b>			
Electric	\$	28,500	
Natural gas	\$	-	
Garbage/trash	\$	13,500	
Water & sewer	\$	78,000	
Cable TV	\$		
Other, Describe:	\$		
<b>Total Utilities:</b>			\$ 120,000
<b>Annual Property Insurance:</b>	<b>\$0.55</b>	<b>Rate per net rentable square foot:</b>	\$ 40,000
<b>Property Taxes:</b>			
<b>Assessed Value:</b>	<b>8,215,722 (Based on NOI Capped @ 10%)</b>	\$	140,000
<b>Tax Rate per \$100 of Assessment:</b>	<b>2.39670</b>	\$	
Annual Property Taxes:	196,906	\$	-
Payments in Lieu of Taxes:		\$	
Other Taxes:		\$	
Describe:			
<b>Total Property Taxes:</b>			\$ 200,000
<b>Reserve for Replacements:</b>	<b>\$250 /unit</b>	<b>Reserves per unit per month:</b>	\$ 20.83
<b>Other Expenses:</b>	Describe: Supportive Services Contract		\$ 23,040
<b>TOTAL ANNUAL EXPENSES</b>	<b>Expense per unit:</b>	\$ 4,805	\$ 768,862
<b>NET OPERATING INCOME (before debt service)</b>			\$ 821,572
<b>ANNUAL DEBT SERVICE</b>	<b>Debt Coverage Ratio:</b>	1.20	\$ 684,644
<b>NET CASH FLOW</b>			\$ 136,929

The Heights - Pro-Forma \_160 Units\_ 12-22-2017.xls

PROJECT COST SCHEDULE

TOTAL PROJECT SUMMARY		
Total Development Cost	Eligible Basis	
	Acquisition	New/Rehab.

**ACQUISITION**

Site acquisition cost	3,000,000		
Existing building acquisition cost			
Closing costs & acquisition legal fees	25,000		
Other <sup>2</sup> : (Additional 2 Acres)	0		
<b>Subtotal Acquisition Cost</b>	<b>\$3,025,000</b>	<b>\$0</b>	<b>\$0</b>

**OFF-SITES**<sup>3</sup> (Additional Cost Paid by Contingency if needed)

Off-site concrete			
Storm drains & devices	0		
Water & fire hydrants			
Off-site utilities			
Sewer lateral(s)	0		
Off-site paving			
Off-site electrical			
Other <sup>2</sup> : (specify)			
<b>Subtotal Off-Sites Cost</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**SITE WORK**<sup>4</sup>

Demolition	0		
Rough grading	291,840		189,696
Fine grading	133,200		113,220
On-site concrete	105,120		105,120
On-site electrical	216,000		216,000
On-site paving	432,000		432,000
On-site utilities	378,480		378,480
Decorative masonry	52,800		52,800
Bumper stops, striping & signs	53,760		53,760
Landscaping	270,000		216,000
Pool and decking	216,000		216,000
Athletic court(s) and/or playground(s)/ Gardens	82,800		82,800
Fencing	72,000		72,000
Other <sup>2</sup> : Entry Gates & Gazebos	96,000		96,000
<b>Subtotal Site Work Cost</b>	<b>\$2,400,000</b>	<b>\$0</b>	<b>\$2,223,876</b>

**DIRECT CONSTRUCTION COSTS\*:**

**HARD COSTS**

Concrete	972,216		972,216
Light weight concrete	139,234		139,234
Masonry	406,805		406,805
Metals	75,065		75,065
Carpentry	2,542,533		2,542,533
Waterproofing	33,900		33,900
Insulation	194,928		194,928
Roofing	294,207		294,207
Sheet metal	20,582		20,582
Electrical	1,186,515		1,186,515
Plumbing	1,147,772		1,147,772

## The Heights - Pro-Forma \_160 Units\_ 12-22-2017.xls

HVAC	690,116		690,116
Doors	276,046		276,046
Windows	210,667		210,667
Glass	26,636		26,636
Lath & plaster	118,652		118,652
Drywall	1,029,121		1,029,121
Tile work	78,697		78,697
Acoustical	0		0
Resilient or other flooring	221,564		221,564
Carpeting	240,935		240,935
Painting & decorating	389,855		389,855
Specialties	134,391		134,391
Cabinets	539,986		539,986
Appliances	339,004		339,004
Fireplaces	0		0
Carports or garages	71,173		0
Accessory buildings	605,365		605,365
Elevator	0		0
Lead-Based Paint Abatement	0		0
Asbestos Abatement	0		0
Other <sup>2</sup> : (specify) Cameras / Project Signage	121,073		121,073
<b>Subtotal Hard Costs</b>	<b>\$12,107,040</b>	<b>\$0</b>	<b>\$12,035,867</b>
<b>OTHER CONSTRUCTION COSTS</b>			
General requirements (<6%)	870,422		855,585
Contingency	826,901		826,901
Contractor overhead (<2%)	290,141		285,195
Contractor profit (<6%)	870,422		855,585
Other <sup>2</sup> : Prime GC Fee (sales tax exemption)	50,000		0
<b>Subtotal Direct Const. Costs</b>	<b>\$2,907,887</b>	<b>\$0</b>	<b>\$2,823,265</b>
<b>INDIRECT CONSTRUCTION COSTS<sup>4</sup></b>			
Architectural - Design fees	200,000		200,000
Architectural - Supervision fees	40,000		40,000
Engineering fees	285,000		285,000
Housing consultant fees <sup>5</sup>	0		0
Real estate attorney/other legal fees	145,000		145,000
Accounting fees	24,000		24,000
Impact Fees	200,000		200,000
Building permits & related costs	65,000		65,000
Appraisal	5,500		5,500
Market analysis	7,500		7,500
Environmental assessment	6,000		6,000
Soils report	7,800		7,800
Survey	18,500		18,500
Marketing	40,000		
Course of construction insurance	68,000		68,000
Hazard & liability insurance	25,000		10,000
Real property taxes(Tax Exemption)	36,000		36,000
Personal property taxes	0		0
Soft Cost Contingency	100,000		100,000
Other <sup>2</sup> : (specify) F.F. & E. & Plan Printing	200,000		200,000
<b>Subtotal Indirect Const. Cost</b>	<b>\$1,473,300</b>	<b>\$0</b>	<b>\$1,418,300</b>
<b>DEVELOPER FEES<sup>4</sup></b>			
General & administrative	1,107,140		1,094,721

12/22/2017

## The Heights - Pro-Forma \_160 Units\_ 12-22-2017.xls

Profit or fee	1,660,711		1,642,081
<b>Subtotal Developer's Fees</b>	<b>\$2,767,851</b>	<b>\$0</b>	<b>\$2,736,802</b>

**FINANCING:**

**CONSTRUCTION LOAN(S)<sup>4</sup>**

**FINANCING:**

**CONSTRUCTION LOAN(S)**

Interest	900,000		585,000
Loan origination fees	175,000		87,500
HUD / FHA Exam / Application Fee	0		0
HUD / FHA Mtg. Ins. Premium	0		0
Inspection Fees	0		0
Financing Fee	0		0
Placement Fee	0		0
Title & recording fees	291,771		218,828
Closing costs & legal fees	0		0
Inspection fees	0		0
Letter of Credit Fee	0		0
Discount Points	0		0
Other <sup>2</sup> : Third Party Reports	20,000		
Other <sup>2</sup> : (specify) Lender's Attorney	20,000		

**PERMANENT LOAN(S)**

Loan origination fees	116,708		
Title & recording fees	15,000		
Closing costs & legal	18,500		
Rate Lock Fee	0		
Credit report			
Discount points			
Credit enhancement fees			
Prepaid MIP			
Other <sup>2</sup> : (specify) Application Fee	0		
Other <sup>2</sup> : (specify) Guarantee Fee	0		

**BRIDGE LOAN(S)**

Interest	0		0
Loan origination fees	0		0
Title & recording fees	0		0
Closing costs & legal fees	0		0
Other <sup>2</sup> : (specify)	0		0
Other <sup>2</sup> : (specify)	0		0

**OTHER FINANCING COSTS**

Tax credit fees	69,000		
Tax and/or bond counsel			0
Payment bonds			
Performance bonds			0
HFC Loan Fees	0		
HFC Application Fee and Costs	0		
HFC Interest			
Syndication organizational cost			
Tax opinion			
Credit Enhancement Insurance			0
<b>Subtotal Financing Cost</b>	<b>1,625,979</b>	<b>0</b>	<b>891,328</b>

**RESERVES**

Rent-up	30,000		
Operating			

## The Heights - Pro-Forma \_160 Units\_ 12-22-2017.xls

Initial Operating Reserve	726,753		
Warehousing Fee			
Working Capital Account			
Special Reserve Account			
Replacement	160,000		
<b>Subtotal Reserves</b>	<b>\$916,753</b>	<b>\$0</b>	<b>\$0</b>

<b>TOTAL DEVELOPMENT COSTS</b>	<b>27,223,809</b>	<b>0</b>	<b>22,129,438</b>
<b>- Commercial Space Costs</b>			
<b>TOTAL RESIDENTIAL COSTS</b>	<b>\$27,223,809</b>		

**Deduct From Basis:**

Fed. grant proceeds used to finance costs in eligible basis			
Fed. B.M.R. loans used to finance costs in eligible basis			
Non-qualified non-recourse financing			
Non-qualified portion of higher quality units (42.(d)(5))			
Historic Credits (residential portion only)			
<b>Total Eligible Basis</b>		<b>\$0</b>	<b>\$22,129,438</b>
High Cost Area Adjustment (100% or 130%)			130.00%
<b>Total Adjusted Basis</b>		<b>\$0</b>	<b>\$28,768,270</b>
Applicable Fraction <sup>8</sup>		100%	68.75%
<b>Total Qualified Basis</b>	<b>\$19,778,185</b>	<b>\$0</b>	<b>\$19,778,185</b>
Applicable Percentage <sup>9</sup>			9.00%
<b>Owner's Req Credits/ State's Award</b>	<b>\$1,780,037</b>	<b>\$0</b>	<b>\$1,780,037</b>
<b>Actual Tax Credits Awarded</b>			<b>1,500,000</b>

Concrete	\$	1,111,450	<8%	\$	2,175,182.35
Windows and Doors	\$	486,713			
Thermal and Moisture Protection	\$	228,828			
HVAC and Plumbing	\$	1,837,888			
Finishes	\$	3,005,032			



The Heights - Pro-Forma \_ 160 Units \_ 12-22-2017.xls

RENTAL HOUSING OPERATING PROFORMA															
30 YEAR OPERATING PROFORMA															
INCOME	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10	YEAR 11	YEAR 12	YEAR 13	YEAR 14	YEAR 15
POTENTIAL GROSS ANNUAL RENTAL INCOME	\$1,681,344	\$1,714,971	\$1,749,270	\$1,784,256	\$1,819,941	\$1,856,340	\$1,893,466	\$1,931,336	\$1,969,962	\$2,009,362	\$2,049,549	\$2,090,540	\$2,132,351	\$2,174,998	\$2,218,498
Secondary Income	28,800	29,376	29,964	30,563	31,174	31,798	32,433	33,082	33,744	34,419	35,107	35,809	36,525	37,256	38,001
POTENTIAL GROSS ANNUAL INCOME	\$1,710,144	\$1,744,347	\$1,779,234	\$1,814,818	\$1,851,115	\$1,888,137	\$1,925,900	\$1,964,418	\$2,003,706	\$2,043,780	\$2,084,656	\$2,126,349	\$2,168,876	\$2,212,254	\$2,256,499
Provision for Vacancy & Collection Loss ( 7.5%)	(119,710)	(130,826)	(133,443)	(136,111)	(138,834)	(141,610)	(144,442)	(147,331)	(150,278)	(153,284)	(156,349)	(159,476)	(162,666)	(165,919)	(169,237)
Rental Concessions															
EFFECTIVE GROSS ANNUAL INCOME	\$1,590,434	\$1,613,521	\$1,645,791	\$1,678,707	\$1,712,281	\$1,746,527	\$1,781,457	\$1,817,087	\$1,853,428	\$1,890,497	\$1,928,307	\$1,966,873	\$2,006,210	\$2,046,335	\$2,087,261
EXPENSES															
General & Administrative Expenses	\$44,300	\$45,629	\$46,998	\$48,408	\$49,860	\$51,356	\$52,897	\$54,483	\$56,118	\$57,801	\$59,535	\$61,322	\$63,161	\$65,056	\$67,008
Management Fee	79,522	81,907	84,365	86,896	89,502	92,187	94,953	97,802	100,736	103,758	106,871	110,077	113,379	116,780	120,284
Payroll, Payroll Tax & Employee Benefits	150,000	154,500	159,135	163,909	168,826	173,891	179,108	184,481	190,016	195,716	201,587	207,635	213,864	220,280	226,888
Repairs & Maintenance	72,000	74,160	76,385	78,676	81,037	83,468	85,972	88,551	91,207	93,944	96,762	99,665	102,655	105,734	108,906
Electric & Gas Utilities	28,500	29,355	30,236	31,143	32,077	33,039	34,030	35,051	36,103	37,186	38,302	39,451	40,634	41,853	43,109
Water, Sewer & Trash Utilities	91,500	94,245	97,072	99,985	102,984	106,074	109,256	112,533	115,909	119,387	122,968	126,657	130,457	134,371	138,402
Annual Property Insurance Premiums	40,000	41,200	42,436	43,709	45,020	46,371	47,762	49,195	50,671	52,191	53,757	55,369	57,030	58,741	60,504
Property Tax	200,000	206,000	212,180	218,545	225,102	231,855	238,810	245,975	253,354	260,955	268,783	276,847	285,152	293,707	302,518
Reserve for Replacements	40,000	41,200	42,436	43,709	45,020	46,371	47,762	49,195	50,671	52,191	53,757	55,369	57,030	58,741	60,504
Other Expenses: Supportive Services	23,040	23,731	24,443	25,176	25,932	26,710	27,511	28,336	29,186	30,062	30,964	31,893	32,850	33,835	34,850
TOTAL ANNUAL EXPENSES	\$768,862	\$791,928	\$815,685	\$840,156	\$865,361	\$891,321	\$918,061	\$945,603	\$973,971	\$1,003,190	\$1,033,286	\$1,064,284	\$1,096,213	\$1,129,099	\$1,162,972
NET OPERATING INCOME	\$821,572	\$821,593	\$830,106	\$838,551	\$846,921	\$855,205	\$863,396	\$871,484	\$879,457	\$887,307	\$895,021	\$902,589	\$909,997	\$917,235	\$924,289
DEBT SERVICING															
1st Deed of Trust Annual Ln Pmt.	(\$684,644)	(\$684,644)	(\$684,644)	(\$684,644)	(\$684,644)	(\$684,644)	(\$684,644)	(\$684,644)	(\$684,644)	(\$684,644)	(\$684,644)	(\$684,644)	(\$684,644)	(\$684,644)	(\$684,644)
HOME Funds (0.25% Interest)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Dev Fund Loan Payment (3% Interest)		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Annual Required Payment:															
NET CASH FLOW	\$136,929	\$136,950	\$145,462	\$153,908	\$162,277	\$170,562	\$178,753	\$186,840	\$194,814	\$202,663	\$210,377	\$217,945	\$225,354	\$232,592	\$239,645
Debt Coverage Ratio - 1st lien	1.20	1.20	1.21	1.22	1.24	1.25	1.26	1.27	1.28	1.30	1.31	1.32	1.33	1.34	1.35
Debt Coverage Ratio - All Liens	1.20	1.20	1.21	1.22	1.24	1.25	1.26	1.27	1.28	1.30	1.31	1.32	1.33	1.34	1.35

The Heights - Pro-Forma \_ 160 Units \_ 12-22-2017.xls

RENTAL HOUSING OPERATING PROFORMA														
30 YEAR OPERATING PROFORMA														
YEAR 16	YEAR 17	YEAR 18	YEAR 19	YEAR 20	YEAR 21	YEAR 22	YEAR 23	YEAR 24	YEAR 25	YEAR 26	YEAR 27	YEAR 28	YEAR 29	YEAR 30
\$2,262,868	\$2,308,125	\$2,354,288	\$2,401,373	\$2,449,401	\$2,498,389	\$2,548,357	\$2,599,324	\$2,651,310	\$2,704,336	\$2,758,423	\$2,813,592	\$2,869,863	\$2,927,261	\$2,985,806
38,761	39,536	40,327	41,133	41,956	42,795	43,651	44,524	45,415	46,323	47,249	48,194	49,158	50,141	51,144
\$2,301,629	\$2,347,661	\$2,394,614	\$2,442,507	\$2,491,357	\$2,541,184	\$2,592,008	\$2,643,848	\$2,696,725	\$2,750,659	\$2,805,672	\$2,861,786	\$2,919,022	\$2,977,402	\$3,036,950
(172,622)	(176,075)	(179,596)	(183,188)	(186,852)	(190,589)	(194,401)	(198,289)	(202,254)	(206,299)	(210,425)	(214,634)	(218,927)	(223,305)	(227,771)
\$2,129,007	\$2,171,587	\$2,215,018	\$2,259,319	\$2,304,505	\$2,350,595	\$2,397,607	\$2,445,559	\$2,494,470	\$2,544,360	\$2,595,247	\$2,647,152	\$2,700,095	\$2,754,097	\$2,809,179
\$69,018	\$71,088	\$73,221	\$75,418	\$77,680	\$80,011	\$82,411	\$84,883	\$87,430	\$90,053	\$92,754	\$95,537	\$98,403	\$101,355	\$104,396
123,892	127,609	131,437	135,380	139,442	143,625	147,934	152,372	156,943	161,651	166,501	171,496	176,641	181,940	187,398
233,695	240,706	247,927	255,365	263,026	270,917	279,044	287,416	296,038	304,919	314,067	323,489	333,193	343,189	353,485
112,174	115,539	119,005	122,575	126,252	130,040	133,941	137,959	142,098	146,361	150,752	155,275	159,933	164,731	169,673
44,402	45,734	47,106	48,519	49,975	51,474	53,018	54,609	56,247	57,935	59,673	61,463	63,307	65,206	67,162
142,554	146,831	151,236	155,773	160,446	165,259	170,217	175,323	180,583	186,001	191,581	197,328	203,248	209,345	215,626
62,319	64,188	66,114	68,097	70,140	72,244	74,412	76,644	78,943	81,312	83,751	86,264	88,852	91,517	94,263
311,593	320,941	330,570	340,487	350,701	361,222	372,059	383,221	394,717	406,559	418,756	431,318	444,258	457,586	471,313
62,319	64,188	66,114	68,097	70,140	72,244	74,412	76,644	78,943	81,312	83,751	86,264	88,852	91,517	94,263
35,896	36,972	38,082	39,224	40,401	41,613	42,861	44,147	45,471	46,836	48,241	49,688	51,178	52,714	54,295
\$1,197,861	\$1,233,797	\$1,270,811	\$1,308,936	\$1,348,204	\$1,388,650	\$1,430,309	\$1,473,219	\$1,517,415	\$1,562,938	\$1,609,826	\$1,658,120	\$1,707,864	\$1,759,100	\$1,811,873
\$931,145	\$937,789	\$944,207	\$950,383	\$956,301	\$961,945	\$967,298	\$972,341	\$977,055	\$981,422	\$985,421	\$989,032	\$992,231	\$994,997	\$997,306
(\$684,644)	(\$684,644)	(\$684,644)	(\$684,644)	(\$684,644)	(\$684,644)	(\$684,644)	(\$684,644)	(\$684,644)	(\$684,644)	(\$684,644)	(\$684,644)	(\$684,644)	(\$684,644)	(\$684,644)
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
\$246,501	\$253,146	\$259,564	\$265,740	\$271,658	\$277,302	\$282,654	\$287,697	\$292,412	\$296,779	\$300,778	\$304,388	\$307,587	\$310,353	\$312,662
1.36	1.37	1.38	1.39	1.40	1.41	1.41	1.42	1.43	1.43	1.44	1.44	1.45	1.45	1.46
1.36	1.37	1.38	1.39	1.40	1.41	1.41	1.42	1.43	1.43	1.44	1.44	1.45	1.45	1.46

December 22, 2017

Chris Applequist  
Vice President-Partner  
Generation Housing Development, LLC  
8641 5<sup>th</sup> Street, W-5  
Frisco, Texas 75034

RE: Case # ZONE2017-0023 - Zoning Verification Letter for the property located at 3502 Community Avenue. Property ID Number R-6576-000-0080-1 in the City of McKinney, Collin County, Texas.

Dear Ms. Applequist

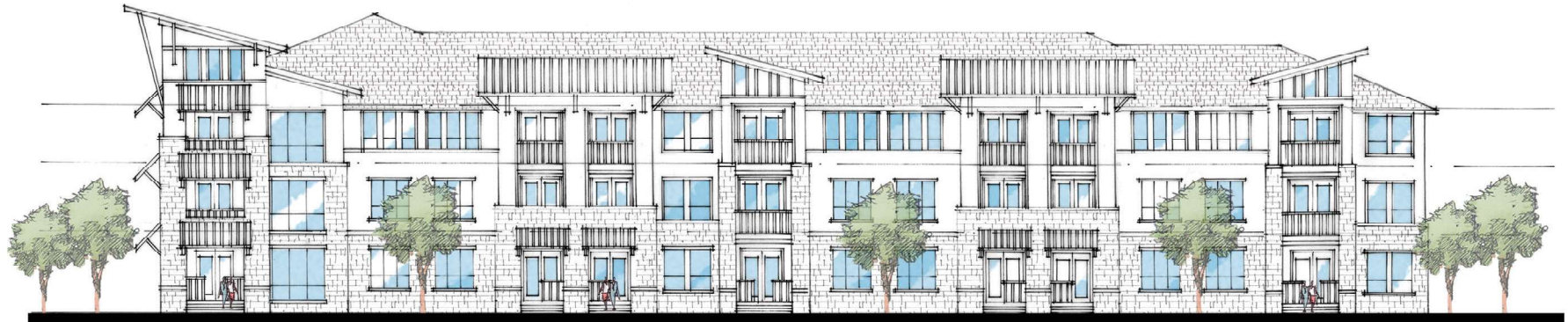
The property located at 3502 Community Avenue, Property ID Number R-6576-000-0080-1, as shown on the enclosed locator map, in the City of McKinney is zoned "PD" – Planned Development District Ordinance number 1509. The subject property PD Zoning Ordinance 1509 has a split base zoning of "RG18" (previously "RG"15) - General Residence District and "C" – Planned Development District

Enclosed, please find a locator map, aerial map, "PD" – Planned Development District Ordinance number, 1509 of the City of McKinney Zoning Ordinance. The zoning of adjacent properties is available via the interactive maps on the City of McKinney's website, [www.mckinneytexas.org](http://www.mckinneytexas.org). From the home page, go to Departments>Development Services>Planning>Interactive Planning Map.

This letter has been prepared for the property shown on the enclosed location map. If this is not the property you requested, please let us know. If you should have any questions regarding this letter, please contact the City of McKinney Planning Department at (972) 547-7409.

Sincerely,

Karen McCutcheon  
Planning Technician

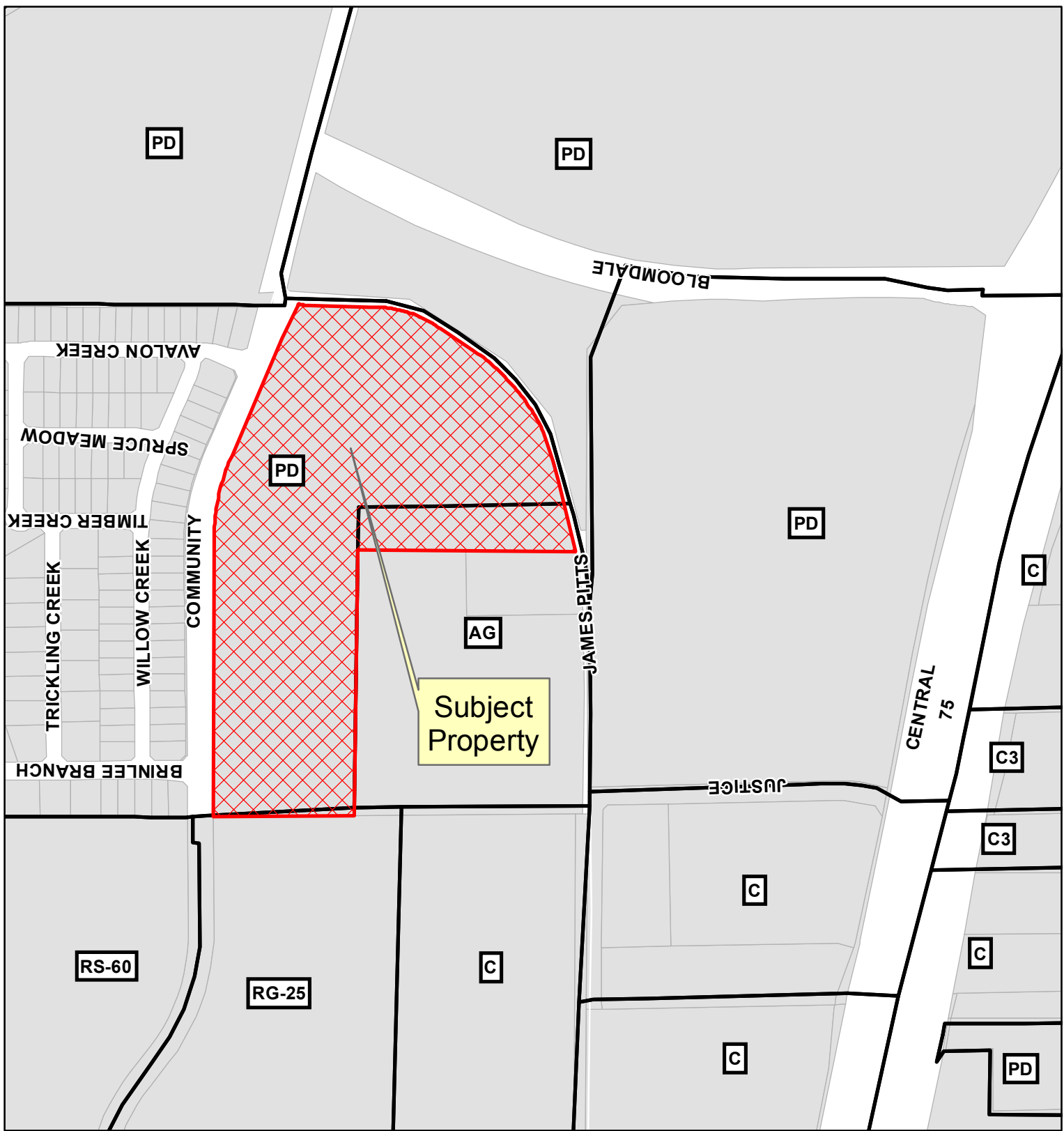


**Elevation B**

**The Heights**

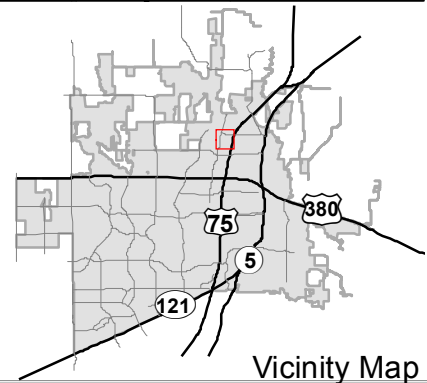
**McKinney, Texas**

SCALE 1/8"=1'-0"  
0' 10' 20'



## Location Map

Zoning Verification:  
3502 Community Avenue

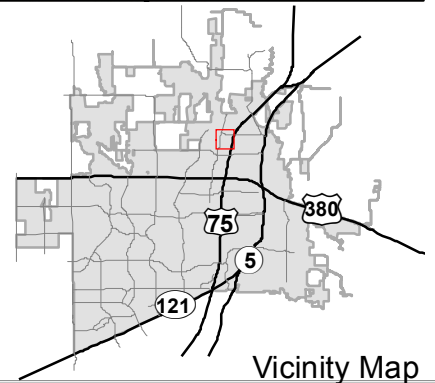


DISCLAIMER: This map and information contained in it were developed exclusively for use by the City of McKinney. Any use or reliance on this map by anyone else is at that party's risk and without liability to the City of McKinney, its officials or employees for any discrepancies, errors, or variances which may exist.



## Location Map

Zoning Verification:  
3502 Community Avenue



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## Sec. 146-78. - RG 18 - General Residence district.

- (a) *Purpose.* The "RG 18" - General Residence zone was originally designed to provide for moderately high density apartment development and other uses, which have characteristics similar to those found in the operation of apartment houses. Densities in this district are higher than presently considered acceptable in the city. Rezoning to this classification will not generally be considered after January 1, 2000.
- (b) *Permitted uses.* Those uses indicated as being permitted in the "RG 18" - General Residence zone in the schedule of uses shall be allowed.
- (c) *Space limits.* The following space limits shall apply to the "RG 18" - General Residence zone:
- (1) Non-residential uses:
    - a. Minimum lot area: 5,000 square feet
    - b. Minimum width of lot: 50 feet.
    - c. Minimum depth of lot: 100 feet.
    - d. Maximum height of building: 50 feet.
    - e. Minimum front yard: 15 feet
    - f. Minimum rear yard: ten feet.
    - g. Minimum side yard: seven feet.
    - h. Minimum side yard at corner: 25 feet.
    - i. Maximum lot coverage: 80 percent.
    - j. Maximum floor area ratio: one to 1.67 (0.6:1.0).
  - (2) Multiple family residential uses:
    - a. Multi-family residential construction in this district shall, except as herein described, shall comply with the space limitations of the "MF-1" - Multi-Family Residential-Low Density District.
    - b. A maximum density of 24 dwelling units per acre shall be allowed.
  - (3) Duplex residential uses:
    - a. Two family residential construction in this district shall comply with the space limitations of the "RD 30" - Duplex Residence District.
  - (4) Single-family residential uses:
    - a. Single family residential construction in this district shall comply with the space limitations of the "RS 60" - Single Family Residence District.
- (d) *Miscellaneous provisions.*
- (1) Off-street parking shall be provided for all uses established in this zone.
  - (2) Only one building for living purposes shall be permitted on one zoning lot except as otherwise provided herein.

(Code 1982, § 41-73; Ord. No. 1270, § 3.10, 12-15-1981; Ord. No. 1512, § 1, 1-5-1985; Ord. No. 94-08-26, § 3(C), 8-16-1994; Ord. No. 2000-01-03, § 1W, 1-4-2000; Ord. No. 2002-08-084, § 1.26, 8-20-2002; Ord. No. 2008-07-066, § 1, 7-14-2008; Ord. No. 2010-05-011, § 2, 5-17-2010; Ord. No. 2010-12-053, § 14, 12-7-2010; Ord. No. 2012-11-056, § 29, 11-5-2012; Ord. No. 2013-04-033, § 3, 4-2-2013)



## Sec. 146-86. - C - Planned Center district.

- (a) *Purpose.* The "C" - Planned Center zone is designed to provide for high-intensity concentrations of shopping and related commercial activities along regional highways or large arterial roadways. Zoning or rezoning to this classification will not generally be permitted after July 1, 2014.
- (b) *Permitted uses.* The following uses are permitted in the planned center district:
- (1) Any use permitted in district "BN" - Neighborhood Business; and
  - (2) Other uses indicated as being permitted in the "C" - Planned Center zone in the schedule of uses.
- (c) *Space limits.* The following space limits shall apply to the "C" - Planned Center zone:
- (1) Minimum rear yard: 25 feet when abutting any zone requiring a rear yard; none abutting business.
  - (2) Minimum side yard: 15 feet when abutting any zone requiring a side yard; none abutting business.
  - (3) Maximum lot coverage: 50 percent.
  - (4) Maximum floor area ratio: one to 1.25.
  - (5) All other space limits identified as being applicable to the "C" - Planned Center zone in appendix F of the zoning ordinance.
- (d) *Special provisions.*
- (1) The entire parcel of land in the planned center zone shall be considered as one zoning lot in arranging buildings and other facilities.
  - (2) The commission and the council shall take into consideration the ability of nearby streets to handle traffic generated by the proposed development and shall take into consideration the effects upon the value and amenities of the nearby neighborhood residential properties and in the event of conflict between the maintenance of such values and the proposed development, shall weigh the equities between the two using the criterion of community service and maintaining the concept of the zoning plan in assessing the position of the proposed development.
  - (3) It is intended that a planned center zone be designated to carry out the objectives and planning practices established by the commission for development of the city and particularly the development of unified planned business centers, whether in single or multiple ownership, and to be so developed within a reasonable time. The district is not intended for extensive parceling-off of tracts or creation of pad sites, especially along the frontage of an arterial street, not extending the full depth of the district. The intent of the district shall be considered in determining whether any tract shall be zoned as a planned center district and its associated site plan

approved. Thenceforth, any development or subdivision of the property shall be consistent with an approved conceptual site plan, as originally approved or as may be subsequently amended and approved.

(Code 1982, § 41-81; Ord. No. 1270, § 3.14, 12-15-1981; Ord. No. 1513, § 2, 1-15-1985; Ord. No. 97-11-61, § 1, 11-18-1997; Ord. No. 2002-08-084, § I.1, 8-20-2002; Ord. No. 2008-07-066, § 1, 7-14-2008; Ord. No. 2008-11-104, § 6, 11-4-2008; Ord. No. 2010-05-011, § 5, 5-17-2010; Ord. No. 2010-12-053, § 14, 12-7-2010; Ord. No. 2012-11-056, § 30, 11-5-2012; Ord. No. 2013-04-033, § 3, 4-2-2013; Ord. No. 2014-03-018, § 13, 3-4-2014)

NO. 1509

AN ORDINANCE AMENDING ZONING ORDINANCE NO. 1270 SO THAT 229 ACRES OF LAND IN THE W. B. TUCKER AND JOHN MCGARRAH SURVEYS LOCATED NORTH OF OLD CELINA ROAD AND WEST OF U. S. HWY. 75 AND SOUTH OF BLOOMDALE ROAD IS ZONED SINGLE FAMILY RESIDENCE - 12,000 SQUARE FEET MINIMUM LOT SIZE; SINGLE FAMILY RESIDENCE - 6,000 SQUARE FEET MINIMUM LOT SIZE; SINGLE FAMILY RESIDENCE - 4,500 MINIMUM LOT SIZE (ZERO LOT LINE HOMES); GENERAL RESIDENCE - 2,500 SQUARE FEET MINIMUM PER UNIT; GENERAL RESIDENCE - 1,800 SQUARE FEET MINIMUM PER UNIT, AND PLANNED CENTER DISTRICT; ADOPTING A ZONING MAP; ADOPTING DEVELOPMENT REGULATIONS; PROVIDING FOR A SITE PLAN; PROVIDING FOR SEVERABILITY; PROVIDING FOR A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; PROVIDING FOR INJUNCTIVE RELIEF; PROVIDING FOR THE PUBLICATION OF THE CAPTION OF THIS ORDINANCE; AND PROVIDING FOR AN EFFECTIVE DATE HEREOF.

THAT WHEREAS, the owner or owners of 229 acres of land in the W. B. Tucker and John McGarrah Survey, and more fully described in the attached Exhibit "A", have petitioned the City of McKinney to zone such property as set forth in the caption hereof, and,

WHEREAS, after due notice of the requested zoning changes as required by law and the required public hearings held before the Planning and Zoning Commission and the City Council of the City of McKinney, the City Council is of the opinion that such zoning change should be made.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS:

SECTION I: That Ordinance No. 1270 is hereby amended so that the property described in the attached Exhibit "A" is hereby zoned Single Family Residence - 12,000 Square Feet Minimum Lot Size; Single Family Residence - 6,000 Square Feet Minimum Lot Size, Single Family Residence - 4,500 Square Feet Minimum Lot Size (Zero Lot Line Homes); General Residence - 2,500 Square Feet Minimum Per Unit; General Residence - 1,800 Square Feet Minimum Per Unit and Planned Center District, all in accordance with the zoning map attached hereto and marked Exhibit "B".

SECTION II: The following special development regulations shall apply: A 6,000 square feet minimum lot size shall be maintained along the east boundary of the single family residence, 4,500 square feet minimum lot size district south of Wilmeth Road.

SECTION III: That prior to the development of such planned center district, a complete site plan and landscape plan shall receive the approval of the Planning and Zoning Commission and the City Council of the City of McKinney.

SECTION IV: That no developer or property owner shall acquire any vested interest in this Ordinance, the Planned Development Zone, or specific regulations contained herein. This Ordinance and the subsequent site plan and regulations may be amended or repealed by the City Council of the City of McKinney, Texas, in the manner provided by law.

SECTION V: If any section, subsection, paragraph, sentence, phrase or clause of this Ordinance shall be declared invalid for any reason whatsoever, such decision shall not affect the remaining portions of this Ordinance, which shall remain in full force and effect, and to this end, the provisions of this Ordinance are declared to be severable.

SECTION VI: It shall be unlawful for any person, firm or corporation to develop this property, or any portion thereof, in any manner other than is authorized by this Ordinance, and upon conviction therefor, shall be fined any sum not exceeding \$200.00, and each day that such violation shall continue shall be considered a separate offense. These penal provisions shall not prevent an action on behalf of the City of McKinney to enjoin any violation or threatened violation of the terms of this Ordinance, or an action for mandatory injunction to remove any previous violation hereof.

SECTION VII: The caption of this Ordinance shall be published one time in a newspaper having general circulation in the City of McKinney, and shall become effective upon such publication.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, on this the 15th day of January, 1985.

CORRECTLY ENROLLED:

  
JENNIFER CRAVENS

## TRACT 1

SITUATED in Collin County, Texas, a part of the John McGarrah Survey, Abstract No. 572 and being all of a called 30.581 acre tract of land conveyed to Joe C. Bridgefarmer and wife from James L. Walker and wife by deed dated March 6, 1979 and recorded in volume 1162, page 394 of the Deed Records of Collin County, Texas and being more particularly described by metes and bounds as follows:

BEGINNING at an iron rod for corner near a fence corner post at the northeast corner of said 30.581 acre tract and at the northeast corner of said McGarrah Survey;

THENCE: S 0° 18' 53" W 3209.24 feet along and near an established fence and hedgerow and with the east line of said survey to an iron rod for corner in the center of a public road;

THENCE: N 87° 38' 00" W 416.31 feet along the center of said road to an iron rod for corner;

THENCE: With the west line of said 30.581 acre tract along a fence as follows;

N 0° 16' 11" E 785.53 feet;

N 0° 16' 55" E 1357.70 feet;

N 0° 23' 16" E 1045.71 feet to a fence corner post for corner in the north line of said survey;

THENCE: N 89° 34' 20" E 416.14 feet along and near a fence and with the north line of said McGarrah Survey to the POINT OF BEGINNING and containing 30.609 acres of land more or less, of which apparently 0.239 acres lie within the public road leaving 30.370 acres more or less.

## TRACT 2

SITUATED in Collin County, Texas in the T.J. McDonald Survey Abstract No. 576 and being all of a called 101.016 acre tract of land conveyed to Joe C. Bridgefarmer from Carolyn Pitts Corbin et al by deed dated September 26, 1977 and recorded in volume 1074, page 602 of the Deed Records of Collin County, Texas and being more particularly described by metes and bounds as follows:

BEGINNING at an iron rod at a fence corner post and at the north west corner of said McDonald Survey:

THENCE: With the west line of said 101.016 acre tract along a fence as follows:

S 1° 38' 32" W 624.33 feet;

S 0° 40' 15" E 1061.54 feet to an iron rod for corner at a fence corner post;

THENCE: N 89° 56' 37" E 2343.34 feet along and near a fence to an iron rod for corner at a fence post;

THENCE: N 1° 13' 49" E 845.90 feet along and near a fence to an iron rod for corner at a fence corner post;

THENCE: S 89° 12' 40" E along and near a fence passing an iron rod at 706.33 feet and continuing for a total distance of 739.83 feet to an iron rod for corner in a public road;

THENCE: With the public road as follows:

N 13° 32' 31" W 461.90 feet;

N 39° 32' 03" W 213.00 feet;

N 55° 17' 55" W 353.30 feet to an iron rod for corner from which an iron rod for reference bears N 89° 15' 22" W 222.87 feet;

THENCE: N 89° 15' 22" W 2561.82 feet along and near a fence to the POINT OF BEGINNING and containing 101.247 acres of land more or less, of which 0.791 acres lies within said public road, leaving a net of 100.456 acres of land more or less, said 101.247 acre tract being subject to an easement to the Collin County Soil Conservation District from James M. Pitts et al by deed dated April 29, 1960 and recorded in volume 582, page 375 of the Deed Records of Collin County, Texas.

SITUATED in Collin County, Texas in the W.B. Tucker Survey, Abstract Number 911 and in the John McGarrah Survey, Abstract Number 572 and being a consolidation of a called 97.215 acre tract, a 2.587 acre tract, a 2.999 acre tract, less a 5.862 acre tract of land, said 97.215 acre tract of land conveyed to Joe C. Bridgefarmer, Trustee by Independent Co-Executors Dead dated March 1, 1978 and recorded in volume 1095, page 744 of the Deed Records of Collin County, Texas, said 2.587 and 2.999 acre tracts of land conveyed to Joe C. Bridgefarmer, Trustee from Marjorie Nell Wilburn, Trustee by deed dated June 26, 1980 and recorded in volume 1278, page 321 of the Deed Records of Collin County, Texas, said 5.862 acre tract of land conveyed to Marjorie Nell Wilburn, Trustee from Joe C. Bridgefarmer, Trustee by deed dated June 26, 1980 and recorded in volume 1278, page 319 of the Deed Records of Collin County, Texas and said consolidation being more particularly described by metes and bounds as follows:

BEGINNING at an iron rod at a fence corner post at the northeast corner of said McGarrah Survey;

THENCE: S 89° 34' 20" W 416.14 feet with the north line of said McGarrah Survey along and near a fence to a fence post for corner;

THENCE: With the east line of said 97.215 acre tract along a fence as follows:

S 0° 23' 16" W 1045.71 feet;

S 0° 16' 55" W 1357.70 feet;

S 0° 16' 15" W 760.53 feet to an iron rod in the north line of a public road;

THENCE: N 87° 28' 15" W 689.62 feet along the north Right-of-Way line of said road to an iron rod for corner at the southeast corner of said 5.862 acre tract;

THENCE: N 0° 20' 17" E 2436.73 feet along the east line of said 5.862 acre tract to an iron rod for corner in a fence line;

THENCE: S 89° 53' 31" W 283.91 feet along the north line of said 5.862 acre tract and along the south line of said 2.999 acre tract also along and near a fence to a iron rod for corner at a fence corner post at the southwest corner of said 2.999 acre tract;

THENCE: N 0° 29' 06" W 705.49 feet along and near a fence and with the west line of said 2.999 acre tract to a fence post for corner;

THENCE: S 89° 44' 48" E along and near a fence and with the north line of said 2.999 acre tract and continuing with the most westerly north line of said 97.215 acre tract for a total distance of 222.95 feet to a fence post for corner;

THENCE: With the west line of said 2.587 acre tract along and near a fence as follows:

N 17° 20' 49" E 369.14 feet;

N 22° 25' 32" E 556.87 feet to a fence post for corner;

THENCE: With the west line of said 97.215 acre tract along and near a fence as follows:

N 8° 26' 01" E 560.87 feet to an iron rod at a fence post;

S 71° 16' 39" E 263.74 feet to a fence post;

N 4° 23' 43" E 115.52 feet to a tree for a fence post;

N 4° 01' 05" E 708.61 feet to the center of a creek;

THENCE: With the meanders of said creek as follows:

N 57° 49' 13" W 15.45 feet,

N 47° 09' 47" E 60.0 feet,

N 14° 11' 13" W 57.0 feet,

N 72° 47' 47" E 33.0 feet,

N 04° 13' 13" W 58.0 feet,

N 55° 05' 47" E 64.0 feet,

N 12° 04' 47" E 48.0 feet,

N 03° 56' 13" W 74.0 feet,

N 37° 22' 47" E 81.0 feet,

N 42° 58' 13" W 49.0 feet,

N 54° 50' 47" E 30.0 feet,

S 74° 00' 13" E 79.0 feet,

N 76° 19' 47" E 47.0 feet,

S 83° 00' 13" E 60.0 feet,

N 20° 39' 47" E 62.0 feet,

N 12° 00' 13" W 86.0 feet,

.. 50° 27' 17" E 22.0 feet,

THENCE: S 89° 27' 15" E 108.90 feet with the north line of said 97.215 acre tract along and near a fence to an iron rod for corner at a fence corner post;

THENCE: With the east line of said 97.215 acre tract along a fence line as follows:

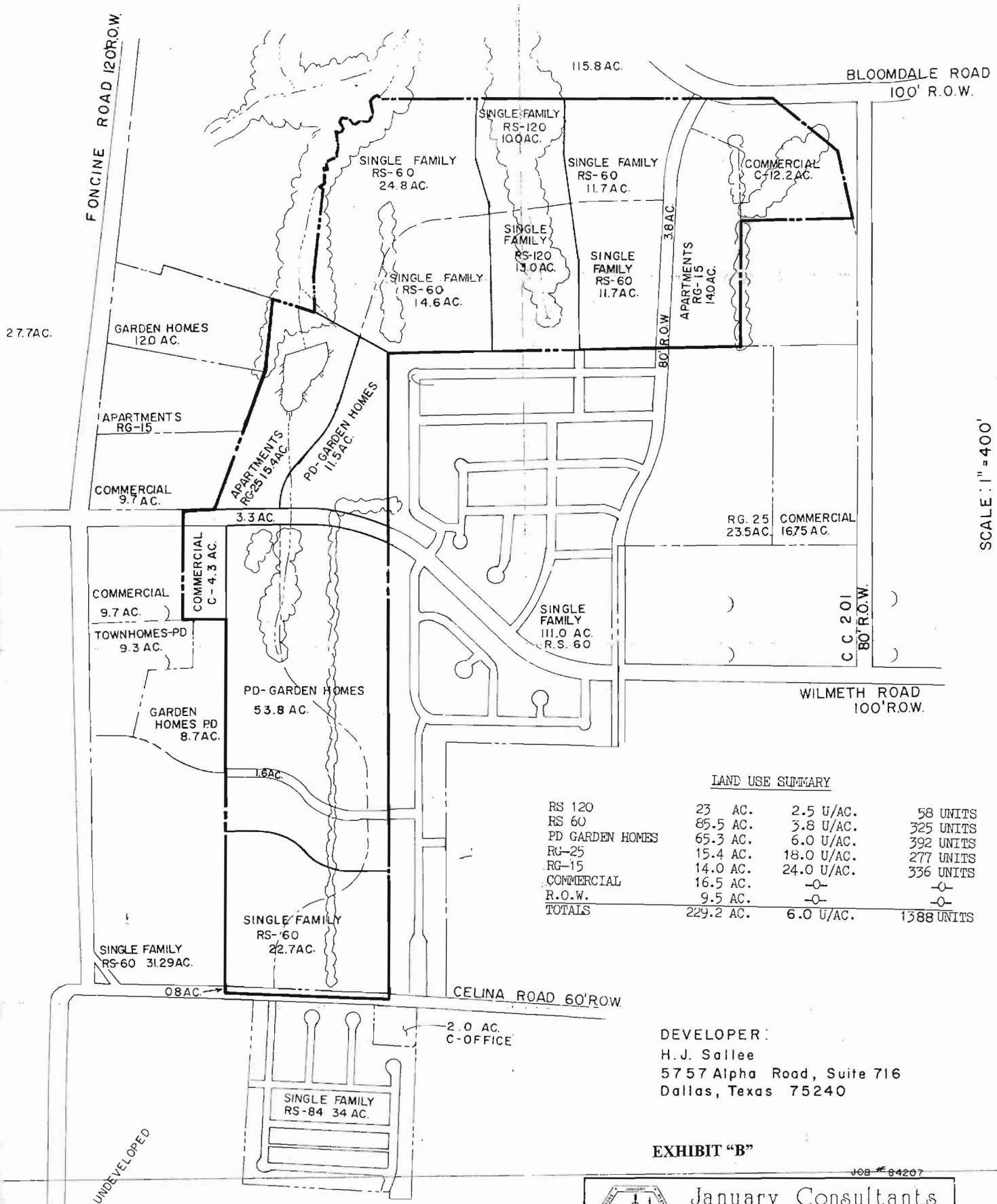
S 1° 38' 32" W 624.33 feet;

S 0° 40' 15" E 1061.54 feet to an iron rod at a fence post;

THENCE: S 0° 08' 21" E 1064.69 feet to the POINT OF BEGINNING and containing 97.236 acres of land more or less and being subject to the following:

1. An easement to TP&L from J.S. Bridgefarmer by deed dated May 29, 1945 and recorded in volume 368, page 490 of the Deed Records of Collin County, Texas.
2. An easement to Southwestern Bell Telephone from U.S. Bridgefarmer by deed dated October 19, 1950 and recorded in volume 420, page 592 of the Deed Records of Collin County, Texas.
3. An easement to Collin County Soil Conservation District of McKinney from U.S. Bridgefarmer by deed dated May 28, 1960 and recorded in volume 582, page 374 of the Deed Records of Collin County, Texas.
4. An easement to TP&L from U.S. Bridgefarmer by deed dated June 21, 1973 and recorded in volume 881, page 335 of the Deed Records of Collin County, Texas.
5. An easement to TP&L from U.S. Bridgefarmer by deed dated February 7, 1975 and recorded in volume 952, page 672 of the Deed Records of Collin County, Texas.





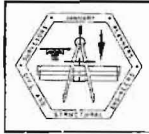
SCALE: 1" = 400'

LAND USE SUMMARY

RS 120	23 AC.	2.5 U/AC.	58 UNITS
RS 60	85.5 AC.	3.8 U/AC.	325 UNITS
PD GARDEN HOMES	65.3 AC.	6.0 U/AC.	392 UNITS
RG-25	15.4 AC.	18.0 U/AC.	277 UNITS
RG-15	14.0 AC.	24.0 U/AC.	336 UNITS
COMMERCIAL	16.5 AC.	-0-	-0-
R.O.W.	9.5 AC.	-0-	-0-
<b>TOTALS</b>	<b>229.2 AC.</b>	<b>6.0 U/AC.</b>	<b>1388 UNITS</b>

DEVELOPER:  
 H.J. Sallee  
 5757 Alpha Road, Suite 716  
 Dallas, Texas 75240

**EXHIBIT "B"**



**January Consultants**  
 P.O. BOX 847  
 1836 W. VIRGINIA, SUITE 104  
 MCKINNEY, TEXAS 75069  
 Phone 542-0653, Dallas 248-0304

JOB # 64207

**RELEASE AND HOLD HARMLESS AGREEMENT**

STATE OF TEXAS            )  
  )  
COUNTY OF COLLIN      )            **KNOW ALL MEN BY THESE PRESENTS:**

WHEREAS, this Release and Hold Harmless Agreement (“Agreement”) is hereby entered into by and between <sup>Generation Housing Partners, LLC  
TX Community Avenue 2018 LLC</sup> \_\_\_\_\_ (“Releasor”), and the City of McKinney, Texas, a Texas municipal corporation (the “City”); and

WHEREAS, Releasor will be submitting an application for 4% or 9% low income housing tax credits (“LIHTC”) to the Texas Department of Housing and Community Affairs (“TDHCA”) for a housing development generally described as: The Heights (the “Project”), generally located on <sup>at approximately 3502 Community Avenue, Parcel ID R-6576-000-0080-1</sup> property located in the City \_\_\_\_\_ (the “Property”); and

WHEREAS, Releasor has also submitted a request to the City for passage of a Resolution by the City Council of the City of McKinney, Texas (“City Council”), supporting the Project; and

WHEREAS, Releasor has also submitted or intends to submit an application to the City requesting a zoning amendment on the Property to: NOT APPLICABLE, as necessary to develop the Project, an affordable multifamily development; and

WHEREAS, Texas law, at Texas Government Code, § 2306.6705(5), provides for Releasor to execute this Agreement to release and hold the City harmless in the event that Releasor’s zoning amendment application on the Property is denied; and

WHEREAS, Releasor’s providing this Agreement to the City is consistent with the City’s LIHTC Resolution Policy.

NOW, THEREFORE, for and in consideration of the foregoing premises, and other good and valuable consideration, the receipt of which is hereby acknowledged, Releasor, and its successors, assigns and grantees, does hereby completely release the City from and waive any and all claims, whether known or unknown, which arise or may arise, from Releasor's zoning amendment application, including but not limited to, its denial of appropriate zoning.

Furthermore, Releasor agrees to indemnify and hold harmless the City, its officers employees, agents, and representatives, from any and all claims, counterclaims, demands, actions, and causes of action of any kind or character, whether known or unknown, present or future, asserted by Releasor its successors, assigns and grantees, or any third party, with regard to any damages to the Property or Project, as identified above, that may be or have been brought against the City, its officers, employees, agents and representatives, as the result of the City's consideration of Releasor's zoning amendment application, including but not limited to, its denial of appropriate zoning.

EXECUTED on the dates acknowledged below, and effective as of the last date signed.

RELEASOR:

  
\_\_\_\_\_

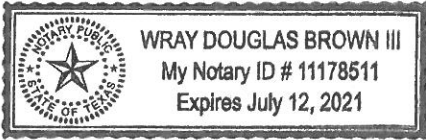
Date signed: 12-22-17

Partner, \_\_\_\_\_

THE STATE OF TEXAS    §  
  §  
COUNTY OF COLLIN    §

BEFORE ME, the undersigned authority, on this day personally appeared Chris Applequist, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that said instrument was executed and intended as a release for the purposes and consideration therein described and in the capacity therein stated.

2017 SUBSCRIBED AND SWORN TO before me on this 22<sup>nd</sup> day of December, 2018, to certify which witness my hand and seal of office.



*Wray Douglas Brown III*  
Notary Public in and for  
the State of Texas

My Commission Expires: 07-12-21

CITY OF MCKINNEY, TEXAS

By \_\_\_\_\_  
Paul Grimes  
City Manager

Date signed: \_\_\_\_\_

THE STATE OF TEXAS    §  
  §  
COUNTY OF COLLIN    §

BEFORE ME, the undersigned authority, on this day personally appeared Paul Grimes, City of McKinney City Manager, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that said instrument was executed and intended as a release for the purposes and consideration therein described and in the capacity therein stated.

SUBSCRIBED AND SWORN TO before me on this \_\_\_\_\_ day of \_\_\_\_\_, 2018, to certify which witness my hand and seal of office.

\_\_\_\_\_  
Notary Public in and for  
the State of Texas

My Commission Expires: \_\_\_\_\_



*“Building Foundations  
for the Future”*

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Generation Housing Development

## EXECUTIVE SUMMARY

Founded in 2002, Generation Housing Development (GHD) is a Texas-based developer, owner, and asset manager of Class A multi-family assets located throughout the southwest. GHD is a company built on relationships with communities, investors, partners, and residents. With a history of success and a depth of industry specific experience, the principals of GHD have built a reputation for creating high-quality, well planned, and quality built multi-family properties.

As a long-term owner, GHD has been involved in the development, construction, and management of over 4,000 units, with a capitalization value of approximately \$385,000,000.



GHD concentrates its development efforts on families and seniors for those living on moderate or fixed incomes. By utilizing financing structures such as Housing Tax Credits (HTC), Tax Exempt Mortgage Backed Revenue Bonds, grants and subsidies from other federal, state and local municipalities, GHD is able to create luxury apartment communities with high-end amenities, yet lease new apartment homes at an affordable rate.



Generation Housing Development

## EXECUTIVE SUMMARY (continued)

The company's focus is based on sound real estate principles, the proposed market for a GHD property is scrutinized in detail to ascertain feasibility. All communities are analyzed from a long-term perspective, and the GHD team has designed proven and effective systems for successful development. Particular attention is paid to the employment, economic and demographic characteristics in determining the viability and depth of each market. In addition to the due diligence from a market standpoint, GHD takes into consideration the physical components of each project. Each specific site is chosen for its unique features to allow a prime location and ease of development. Product type is a key factor, and GHD specializes in responding to the varying demands of any location while utilizing cost effective designs and market-oriented amenities.

GHD is committed and guarantees that genuine concern, care and consideration is given to provide the absolute best living environment and amenities to the residents of its community. Our mission is to develop a sustainable community that residents and city leaders can be proud to call their own.



Generation Housing Development

## LEADERSHIP

### Adrian Iglesias President

Adrian Iglesias, President and Founder of Generation Housing Development, offers over 19 years of specialized experience in Multifamily Residential Development. Adrian has originated 4,000 units throughout Texas, Mississippi, Louisiana, Illinois, and Indiana with total development costs exceeding \$385,000,000. Adrian utilizes his knowledge of financing structures such as LIHTC, HUD, TCAP, USDA as well as federal grants, state subsidies and partnerships to successfully procure these developments.

Adrian manages his projects from concept to completion with careful collaboration. From site selection, feasibility, application, finance and stabilization, Adrian ensures that yields are maximized, support is granted from civil leaders and communities are enhanced.



Generation Housing Development



## LEADERSHIP

Chris Applequist  
Vice President

Chris has over 12 years of experience in multifamily development and has successfully developed approximately 2,700 units consisting of student housing, senior housing, conventional market-rate apartments, luxury condominiums, and affordable apartments.

Chris joined GHD in 2017 and was previously a senior development associate with one of the largest affordable housing developers in the country, overseeing development activities throughout the southwest.

Mr. Applequist holds a Bachelors of Business Administration from the University of North Texas and a Master's Certificate in Real Estate Finance and Development from the University of Texas in Arlington



Generation Housing Development

## SUPPORT

### Alex Iglesias Operations Manager

Alex Iglesias, joined the GHD team in 2016, bringing engineering and architectural experience to the company. His life long experience in residential and lite commercial construction processes has added priceless knowledge for the objectives of this company. Alex is in charge of overseeing the technical and clerical activities our company is responsible for. In an effort to keep our healthy growth as a company, we have ventured in bringing diverse talents to our company, decision that has paid in consolidating the GHD team.



Alex has participated recently in engineering case studies that have allowed to proceed with projects that otherwise would not be feasible. Also he has been very enthusiastic about improving the image and creating the infrastructure that GHD wants to project in the future.



Generation Housing Development

## DEVELOPMENT TRANSACTIONS:

Project Description	Location	Type	Units	Development Costs
Rosemont at Acme	535 Acme Road, San Antonio, TX 78237	New Construction	250	\$23,986,112
Rosemont at Pleasanton	102 Emerald Ash, San Antonio, TX 78221	New Construction	240	\$23,113,586
Clark Pointe Apartments	1303 Rigsby Ave, San Antonio, TX 78210	New Construction	252	\$23,969,331
Palacio Del Sol	400 N. Frio St, San Antonio, TX 78207	New Construction	200	\$17,335,120
New Braunfels Estates	6639 S. New Braunfels Ave, San Antonio, TX 78223	New Construction	252	\$24,095,665
Timber Grove Apartments	10687 Auto Mall Pkwy, D'Iberville, MS 39540	New Construction	96	\$13,305,760
Taylor Heights Apartments	2300 Block of Old Mobile Hwy, Pascagoula, MS 39567	Reconstruction - Uniform Relocation Assistance	144	\$18,292,787
Morrison Village Seniors Apartments	2503 Old Mobile Parkway, Pascagoula, MS 39567	Reconstruction - Uniform Relocation Assistance	120	\$15,906,714
Regency Way Apartments	1400 28th Street, Gulfport, MS 39501	New Construction	120	\$16,745,532
Highland Springs Apartments	8100 Seaman Road, Ocean Springs, MS 39565	New Construction	96	\$14,079,820
The Estates at Juan De Cuevas	10472 Gorenflo Road, D'Iberville, MS 39540	New Construction	128	\$17,608,915
Washington Village Apartments	600 Flood Street, Wichita Falls, TX 76301	New Construction	96	\$10,136,990
Baywood Place Apartments	1900 Switzer Road, Gulfport, MS 39507	Reconstruction - Uniform Relocation Assistance	72	\$10,561,526
Bay Tower Apartments	1230 Market Street, Pascagoula, MS	RE-HAB	75	\$7,977,000
Village Place Apartments	18059 Robinson Road, Gulfport, MS 39503	New Construction	96	\$14,055,643
Horizon Meadows Apartments	1903 Main Street, La Marque, Texas 77568	New Construction	96	\$12,468,101
Timber Village Apartments II	2626 W. Loop 390 N, Marshall, TX 75670	New Construction	72	\$8,380,427
Amber Stone Apartments	208 E. Crockett Street, Beeville, TX 78102	Reconstruction - Uniform Relocation Assistance	54	\$7,610,208
Heartland Village	749 Wildcat Way, Sulphur Springs, TX 75482	New Construction	80	\$9,750,000
Windy Ridge Apartments	10910 Ranch Road 620, Austin, TX 78726	New Construction	120	\$15,463,550
Emma Finke Villas	1101 E. Kennedy Street, Beeville, TX 78102	RE-HAB	76	\$5,600,000
The Estates at Ellington	635 Genoa Red Bluff, Houston, TX 77034	New Construction	72	\$10,450,000
Trails of Brady	SEC of 17th St. & Nine Rd, Brady, TX 76825	New Construction	72	\$9,592,043
Reserve at Engel	NEC of Engel Rd & I-35 Frontage, New Braunfels, TX 78130	New Construction	96	\$16,213,362
			2,975	\$346,698,192



## Publications:



# Amber Stone Apartment Homes

210 E. Crockett Street • Beeville, Texas

As a contribution to the revitalization plan initiative for the City of Beeville, a 54 unit new construction apartment community for individuals and families has been developed. The previous Windsong Apartments were demolished, and replaced with a newly designed master planned multifamily community, known as Amber Stone Apartments.

Originally developed in 1940 for the United States Navy, the former Windsong Apartments was a highly distressed property in dire need of replacement after 71 years of deterioration and mismanagement. The Windsong Apartments consisted of eleven, one-story apartment buildings totaling 54 rental apartment units. The only onsite amenity was an eroded laundry facility.

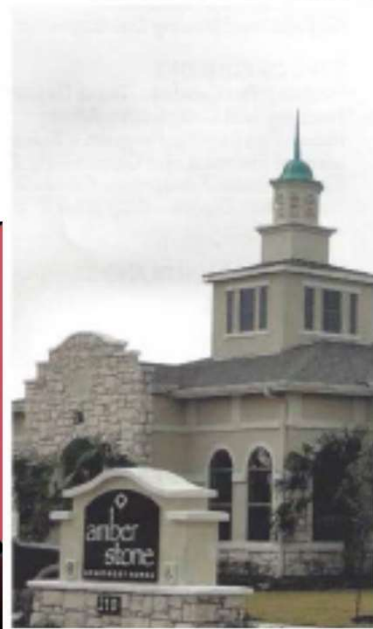
The newly constructed 54 unit development consist of three residential buildings that are two-story with stone & stucco veneer and fiber cement siding with pitched composition shingle roofs. The spacious 1, 2 and 3 bedroom residential units range from 725 to 1250 sqft. The Mission-style architecture was selected for the property to compliment the rich history of South Texas and the City of Beeville.

*continued on page 66*

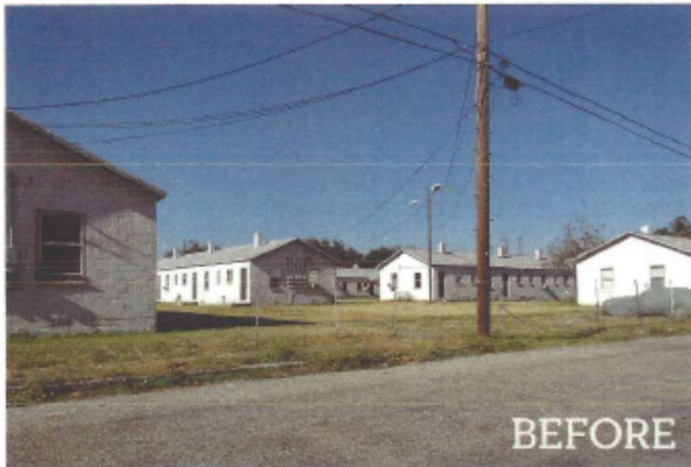


Generation Housing Development

**Publications:**



## Publications:



*continued from page 64*

### PHOTOGRAPHER

Adrian Iglesias, President  
Generation Housing Development

### TYPE OF FUNDING

Housing Tax Credits - Texas Department of Housing and Community Affairs  
Home Partnership Program - Texas Department of Housing and Community Affairs  
Conventional Financing - Comerica Bank  
Tax Credit Equity - City Real Estate Advisors, Inc.

### NUMBER OF UNITS AND COMPOSITION

54 Total Units

6 Units set-aside at 30% AMI  
19 Units set-aside at 50% AMI  
29 Units set-aside at 60% AMI

11 HOME Units

### RESIDENT PROFILES

Individuals & Families

### DEVELOPER(S)

Adrian Iglesias, President  
Generation Housing Development  
9600 Escarpment Blvd. Suite 745-101  
Austin, Texas 78749

Rick J. Deyoe, President  
Realtex Development Corporation  
1101 S. Capital of Texas Hwy, Suite F-200  
Austin, Texas 78746

### SYNDICATOR:

City Real Estate Advisors, Inc  
Nicole Flores

### LENDER NAME(S)

Comerica Bank  
Matt G. Maberry  
Texas Department of Housing and Community Affairs, HOME Partnership Program  
Cameron Dorsey

### ARCHITECT

BGO Architects, Dallas Texas

### LIST OF ON-SITE AMENITIES:

Perimeter Fencing with 24/7 Controlled Access Gates with Intercom System  
Clubhouse and Community Center  
Fully Equipped Fitness Facility  
Business Center with Free Wi-Fi  
Media Room  
Classroom  
Laundry Facility  
Resort Style Swimming Pool  
Two Children's Playscapes  
Barbecue Grills and Picnic Tables



Generation Housing Development

## Publications:

### LIST OF SUPPORT SERVICES OFFERED

Scholastic Tutoring  
Arts and Crafts  
Financial Literacy Courses  
Health Fair  
Health and Nutritional Courses  
GED Preparation  
Planned Social Activities  
Complimentary Public Notary Services

### GREEN INITIATIVES

This was a reconstruction property and the land was repurposed.

Sustainable landscaping was utilized. Native trees and plants were installed to allow for shading in the summer and heat gain in the winter.

High efficiency toilets that exceed State requirements were installed in all the units.

All plumbing fixtures that were installed throughout the development exceed the State requirements for flow rates.

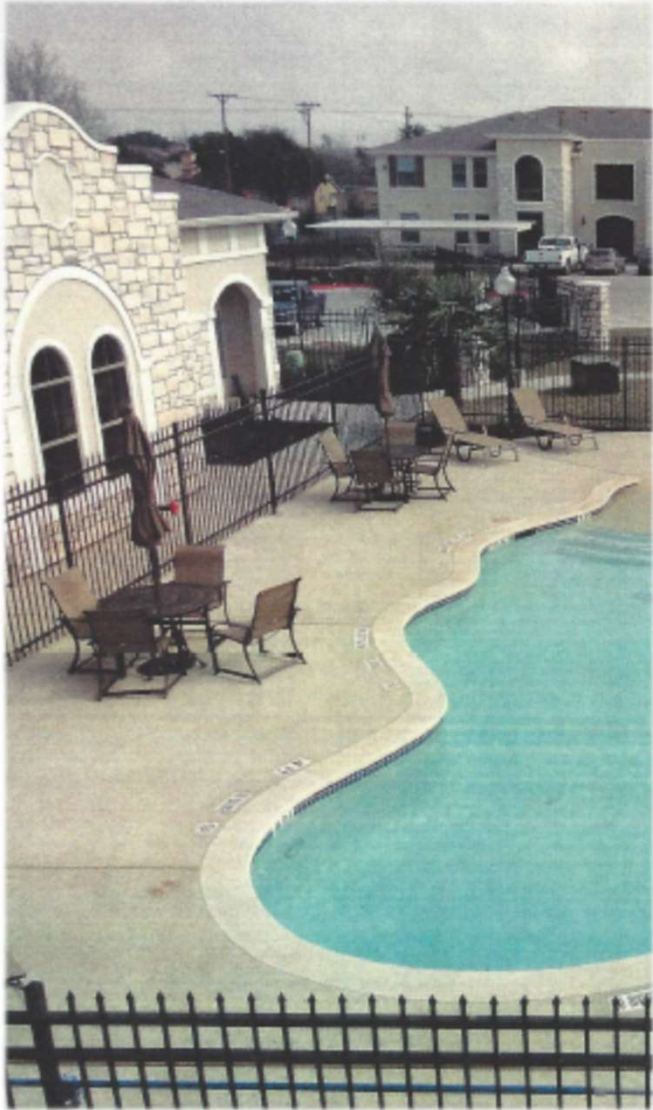
A 14-SEER HVAC system was installed throughout the property.

Healthy finish materials were selected which have a rating that meets the Green Seal standards.

Energy-Star appliances were installed throughout the development.

### SPECIAL DESIGN FEATURES

In an effort to celebrate the region, special details in the design phase were accomplished by the development team to implement the South Texas heritage of mission style architecture.



Generation Housing Development