

THE MILLENNIUM

McKinney

Another Sustainable Smart Growth Project By:
GroundFloor Development

THE MILLENNIUM *McKinney*



The Millennium McKinney

Project Overview

GroundFloor Development presents the Millennium McKinney, a modernly designed 200 unit for-lease multifamily property to be developed on approximately 7.6 acres in McKinney, Texas.

The Millennium's residence buildings are to be 4-story and consist of high-quality wood-frame construction featuring 100% masonry exteriors with careful architectural detailing. GroundFloor will design and construct the project with the intention of pursuing a LEED Silver Certification upon construction completion. The Millennium McKinney will offer 1-bedroom/1-bath, 2-bedroom/2-bath and 3-bedroom/2-bath unit configurations totaling approximately 191,550 net square feet. A community center with a swimming pool, a business center, a community library and fitness room will also be available to residents of the Millennium. Children living in the Millennium will attend schools in the Exemplary-Rated Frisco Independent School District and adult residents will have access to life-enrichment opportunities such as financial planning and health and nutrition classes.

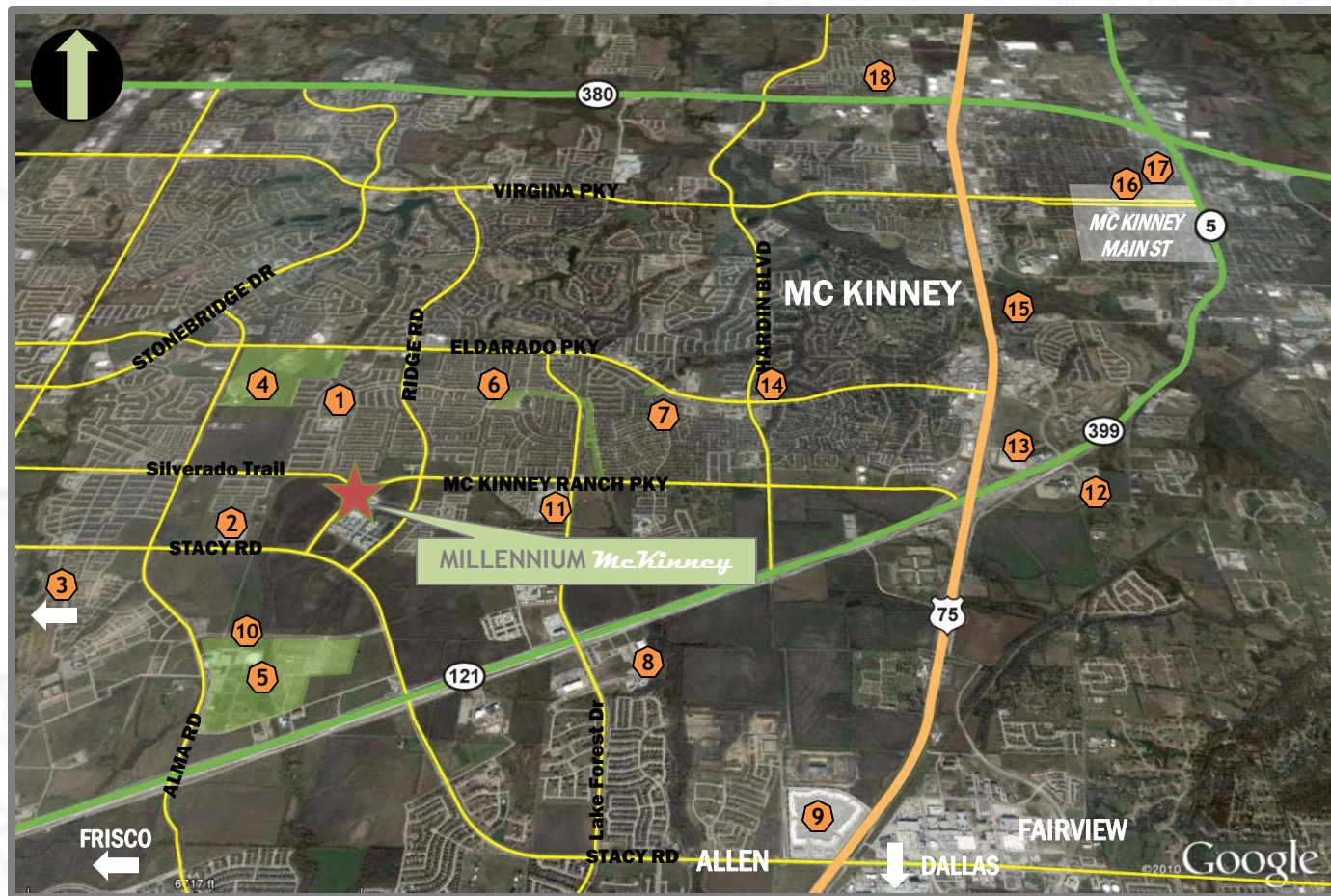
The City of McKinney's charm and beauty, excellent educational opportunities, strong business environment and a highly regarded overall quality of life of its 134,000 residents make it one of the fastest growing and wealthiest cities in the nation and placed it 2nd on *Money Magazine's 2012 Best Small Cities to Live in the Country*. The City of McKinney has experienced increases in its population and its number of households between the year 2000 and year 2011 of 141% and 138%, respectively. McKinney is the seat of Collin County, Texas' wealthiest county, which is the 3rd fastest growing county in Texas and 13th fastest growing county in the United States. The business environment in McKinney is diverse and includes a range of industries such as medical technology, data management, manufacturing, sustainability, aviation, defense, emerging technology and distribution.

GroundFloor will develop the Millennium McKinney in partnership with the McKinney Housing Authority as an affordable housing project whereby certain rents will be restricted to households whose income is a percentage of the Area Median Income. GroundFloor will pursue a combination of financing sources for the development including HUD 221(d)(4) Loan Financing and 9% tax credits.

The Millennium McKinney

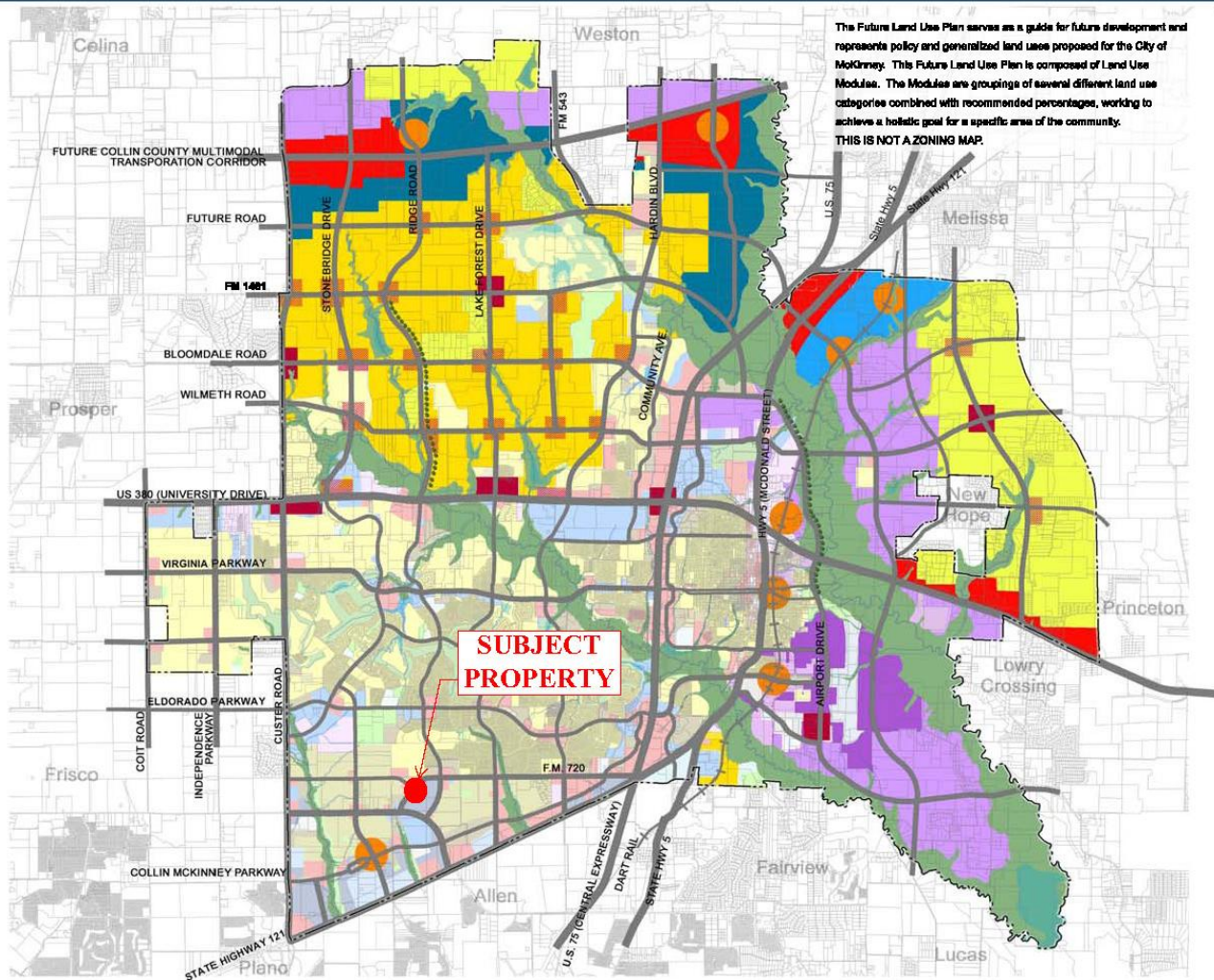
Proximity Map and Surrounding Area

1. Edris Childres Elliot Elementary School
2. Richard L. Scoggins Middle School
3. Liberty High School
4. Gabe Nesbitt Community Park
5. McKinney Soccer Complex
6. E.A. Randles Park
7. Taylor Memorial Park
8. Cinemark Movies
9. Allen Outlet Stores
10. Stars Center Ice Rink
11. Wal-Mart
12. Medical Center of McKinney
13. Collin County Community College - Higher Education Center
14. E-Care Emergency Center
15. Wilson Creek Nature Trail and Recreation Complex
16. McKinney City Hall
17. McKinney Public Library
18. Collin County Community College - Central Park Campus



The Millennium McKinney

City of McKinney Future Land Use Plan



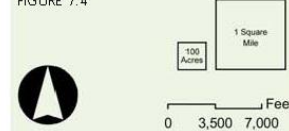
The Future Land Use Plan serves as a guide for future development and represents policy and generalized land uses proposed for the City of McKinney. This Future Land Use Plan is composed of Land Use Modules. The Modules are groupings of several different land use categories combined with recommended percentages, working to achieve a holistic goal for a specific area of the community. THIS IS NOT A ZONING MAP.



FUTURE LAND USE PLAN

- LEGEND**
- Thoroughfare
 - Greenway Thoroughfare
 - Rail
 - Floodplain
- FUTURE LAND USE MODULES**
- Estate Mix
 - Suburban Mix
 - Town Center
 - Transit Village (1/4 mile radius)
 - Community Villages
 - Regional Commercial
 - Regional Employment Center
 - Office Park
 - Industrial
 - Airport Industrial
 - Potential Commercial within the Residential Module (Based on Locational Criteria)
- ANTICIPATED LAND USES / ZONING**
- Floodplain
 - Golf Course
 - Park / Open Space
 - Government / Schools
 - Airport
 - Heavy Manufacturing
 - Light Manufacturing
 - Commercial Historic
 - Commercial
 - Neighborhood Business
 - Mixed Use
 - Office
 - Residential / Low Density
 - Residential / Medium Density
 - Residential / High Density

Source: City of McKinney GIS Department Data
22 March 2004
FIGURE 7.4



The Millennium McKinney

Aerial Site Photo



Site Information

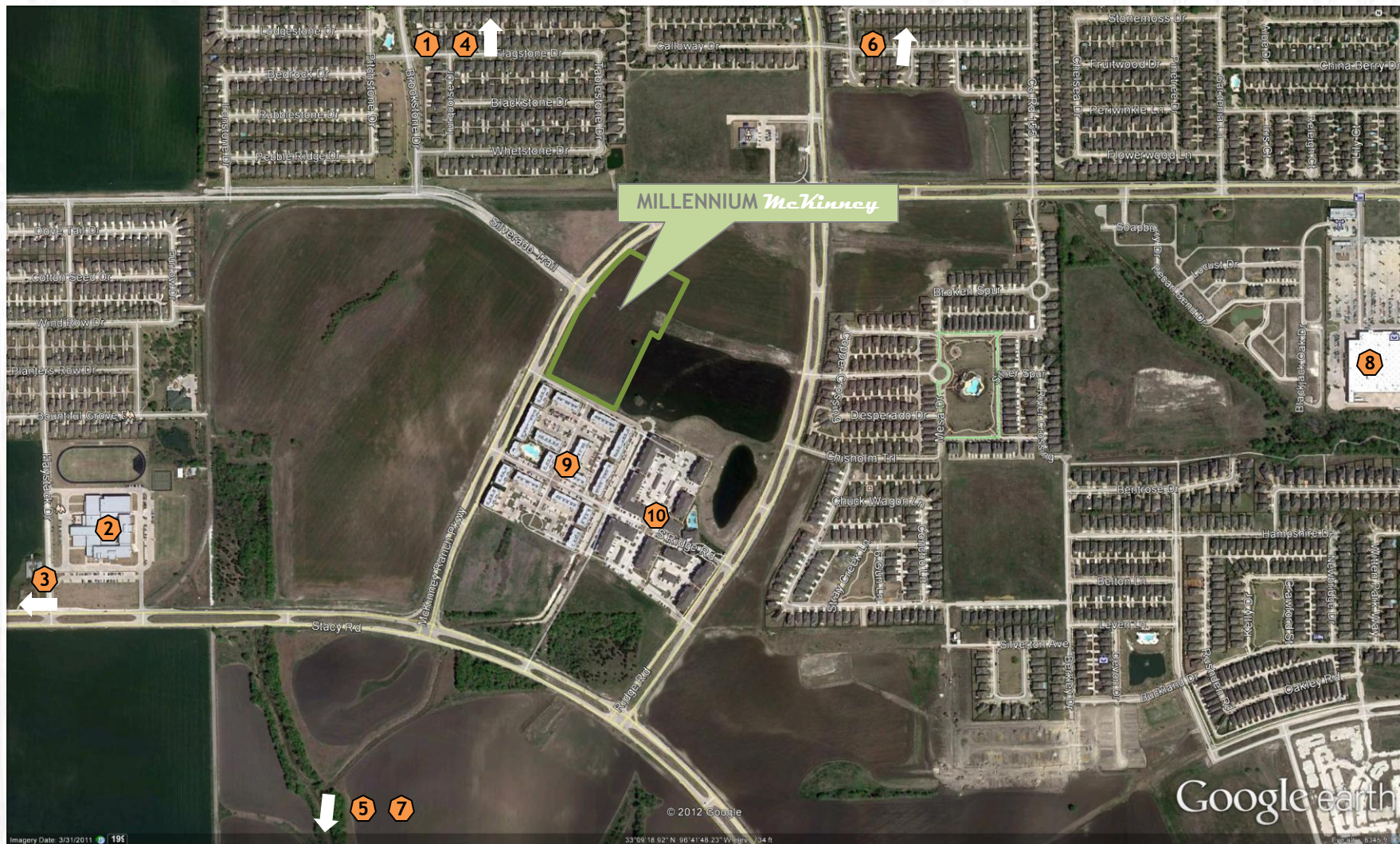
Current Use/History:	Vacant Land / Agriculture
Site Size:	Approximately 7.6 Acres & 200 Units
Zoning:	Mixed Use/Multifamily and Other
Special Designation:	Regional Employment Center
Topography:	Level / Street Grade
In 100yr Flood Zone:	No
Utilities:	Available at Site Location
Surrounding Uses:	Single and Multifamily Residential
School District:	Frisco Independent School District
Designated Schools:	Elliot Elementary School Scoggins Middle School Liberty High School

Site Photos



The Millennium McKinney

Large Aerial Site Photo



1. Edris Childers Elliot Elementary School
2. Richard L. Scoggins Middle School
3. Liberty High School
4. Gabe Nesbitt Community Park

5. McKinney Soccer Complex
6. E.A. Randles Park
7. Stars Center Ice Rink
8. Wal-Mart

9. Alexan Parkway Apartments
10. Phillips McKinney Ranch Apartment Homes



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PURSUIT OF LEED SILVER CERTIFICATION

The Millennium McKinney

LEED Silver Certification Pursuit

Shortly after its formation in 1993, the U.S. Green Building Council began formulating the LEED Green Building Rating System and certification program.

The LEED rating system evaluates environmental performance from a whole building perspective over a building's life cycle, providing a definitive standard for what constitutes a green building in design, construction and operation.

LEED Certifications are awarded according to the following scale:

Certified:	40-49 Points
Silver:	50-59 Points
Gold:	60-79 Points
Platinum:	80 Points and Above

GroundFloor will design and construct the project with the intention of pursuing a LEED Silver Certification upon construction completion.

The LEED rating system is organized into 5 environmental categories: Sustainable Sites, Water Efficiency, Energy and Atmosphere, Materials and Resources, and Indoor Environmental Quality; and address specific criteria such as:

- Site Selection
- Maximization of Open Space
- Heat Island Effect
- Light Pollution
- Water Use Reduction
- Water Efficiencies for Landscaping
- Energy Performance
- Renewable Energy Implementation
- Management of Construction Waste
- Construction Materials Reuse
- Use of Recycled Materials for Construction
- Use of Low Emitting Adhesives, Paints, Flooring Systems
- Thermal and Light Control Systems



The background of the slide is a light green architectural sketch of a city street. It shows several multi-story buildings with windows and classical architectural details like columns and pediments. There are also trees and a street with a sidewalk. The sketch is rendered in a fine-line, hand-drawn style.

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PROJECT ARCHITECTURAL & ENGINEERING

The Millennium McKinney

Development Characteristics & Unit Amenities

Development Characteristics

- Thoughtful and Well-Conceived Site Plan
- Architecturally Modern Building Design
- High Quality Building Construction Featuring 100% Masonry Exteriors
- Carefully Contemplated Architectural Styling and Details such as Metal Shade Awnings and Roof Canopies
- Enhanced Site Landscaping
- Community Center Featuring an Resident Swimming Pool, Business Center, Community Library and Fitness Room

Unit Features and Finishes

- 9' Living Room and Bedroom Ceilings
- Walk-in Closets
- Covered Balconies or Patios
- Carpet and Ceramic Tile Floor Coverings

Unit Comfort

- High-Efficiency HVAC Systems with Individually Controlled Thermostats
- Ceiling Fans and Window Treatments

Unit Kitchen Features

- Refrigerator with Icemakers
- Microwave Oven
- Self-cleaning Oven
- Food Disposal
- Utility Room with Washer and Dryer Connections

Proposed Development Unit Mix

Unit Type	Bed / Bath	Net Unit Sq Ft	# of Units	Total Net Unit Sq Ft
A1	1 / 1	750 SF	57 Units	42,750 SF
B1	2 / 2	950 SF	106 Units	100,700 SF
C2	3 / 2	1,300 SF	37 Units	48,100 SF
Totals			200 Units	191,550 SF

Conceptual Affordable Unit Mix and Maximum Rent Limits

HTC Unit Designation	1-Bed / 1-Bath	2 Bed / 2 Bath	3 Bed / 2 Bath	Total Units
TC 30% Units	8	10	3	21
TC 30% Max. Rents	\$394	\$473	\$547	
TC 50% Units	21	37	13	71
TC 50% Max. Rents	\$657	\$788	\$911	
TC 60% Units	28	59	21	108
TC 60% Max. Rents	\$789	\$946	\$1,094	
Total				200 Units

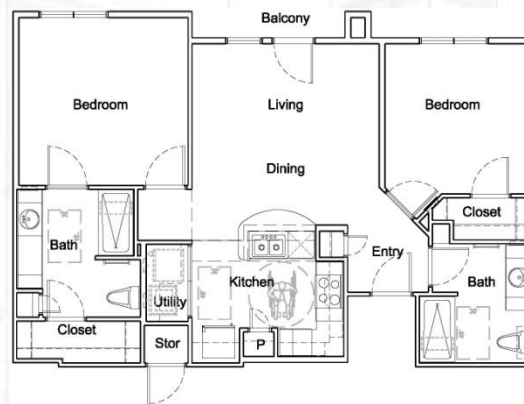
*The maximum rents provided in the table above are defined per TDHCA for a project receiving 9% tax credits and placed in service after 2011 and pursuant to the November-2010 MHA Request for Proposals; and, the number of units conceptually proposed above represents half of the total units required to be developed pursuant to the March-2010 ICP/MHA Consent Decree.

The Millennium McKinney

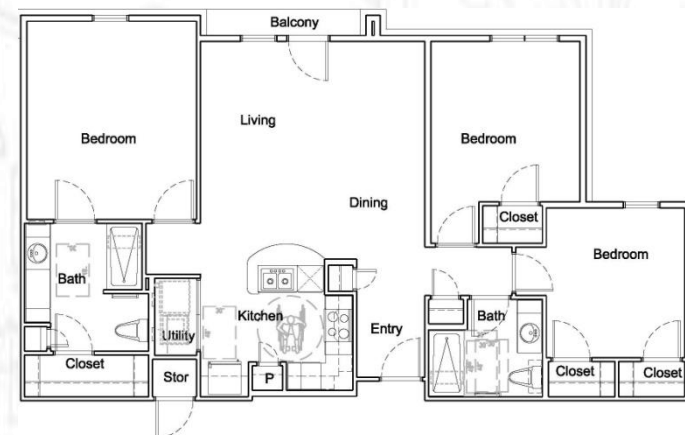
Unit Floor Plans - by Architettura Inc



A1 - 1 Bedroom/1 Bath - 750 SF



B1 - 2 Bedroom/2 Bath - 950 SF



C2 - 3 Bedroom/2 Bath - 1,300 SF

The Millennium McKinney

Architectural Context - Millennium McKinney Conceptual Building Elevation *Courtesy of Architettura, Inc.*

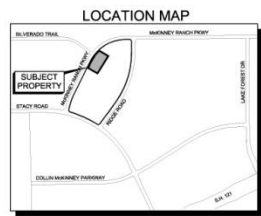
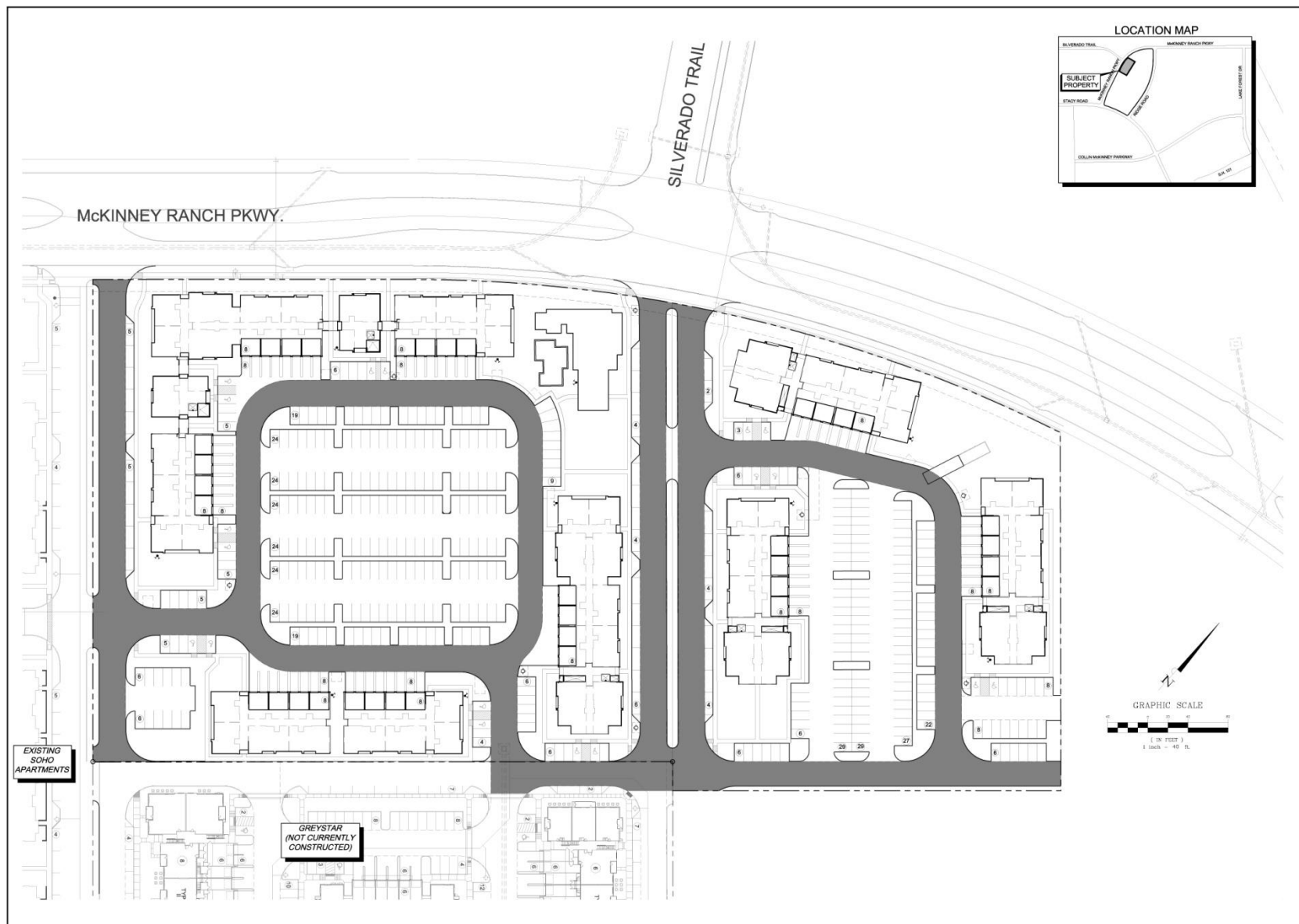


Architectural Context - Conceptual Building Elevations of Existing Alexan Parkway Community *Courtesy of BGO Architects*



The Millennium McKinney

Site Plan - by Architettura Inc. and Sanchez & Associates



Miller Planning
 Civil Engineering
 Land Development
 2323 Jack Virginia Street
 McKinney, TX 75069
 Tel: 972.442.1200
 Fax: 972.442.1200

SANCHEZ & ASSOCIATES

THIS DRAWING IS TO BE USED FOR EXHIBIT PURPOSES ONLY

MILLENNIUM OF MCKINNEY

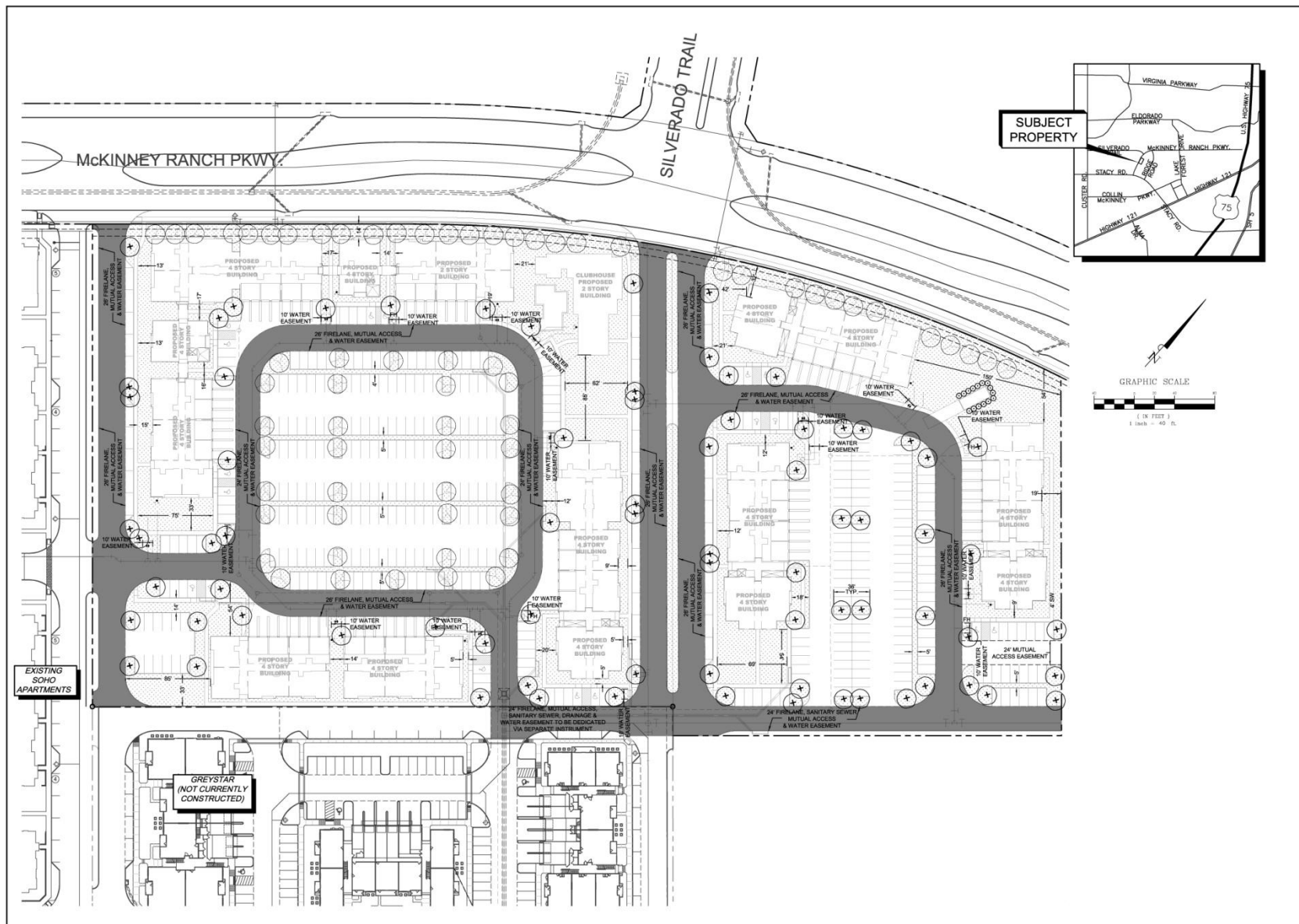
CONCEPT PLAN

Scale: SEE GRAPHIC SCALE
 Drawn by: GAB
 Checked by: LAW
 Date: MAY, 2012
 Project No. 03091-001

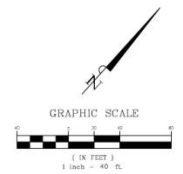
EXHIBIT

The Millennium McKinney

Landscape Plan - by Sanchez & Associates



SUBJECT PROPERTY



Master Planning
Civil Engineering
Land Development

2825 Lake Virginia Street
McKinney, TX 75069
Sanchez & Associates
P.O. Box 1000
McKinney, TX 75069
Tel: 972.562.1200
Fax: 972.562.1200

SANCHEZ & ASSOCIATES

THIS DRAWING IS TO BE USED FOR EXHIBIT PURPOSES ONLY

MILLENNIUM OF MCKINNEY

LANDSCAPE PLAN

Scale: SEE GRAPHIC SCALE
Designed by: AXI
Drawn by: LWB
Checked by: LWB
Date: MAY, 2012
Project No. 032591-001

EXHIBIT

The background of the slide is a light green architectural sketch of a city street. It shows several multi-story buildings with windows and balconies, and trees lining the sidewalks. The drawing is done in a simple, line-art style.

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PROJECT FINANCING

The Millennium McKinney

Proposed Project Financing - Unit Mix & Sources and Uses of Capital

Unit Mix

200 Units Total

1 Bedroom / 1 Bath: 57 Units

2 Bedroom / 2 Bath: 106 Units

3 Bedroom / 2 Bath: 37 Units

Project Sources of Capital

Chase Bank or HUD 221(d)(4) Debt \$8,000,000

Tax Credit Equity \$17,435,000

Deferred Developer Fee \$500,000

Total Project Sources of Capital \$25,935,000

Project Uses of Capital

Construction Costs \$18,436,000

Developer Fee \$1,500,000

Escrows \$1,628,000

HTC Costs \$1,365,000

Land Costs \$1,306,000

Carry and Finance Costs \$886,000

Transaction Fees \$718,000

Legal, Organizational & Audit Fees \$96,000

Total Project Uses of Capital \$25,935,000



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PROJECT HISTORY & TIMELINE

The Millennium McKinney

Project History and Proposed Timeline

March 2010: The Consent Decree between the Inclusive Communities Project, Inc, the City of McKinney and McKinney Housing Authority is established.

November 2010: The McKinney Housing Authority and Inclusive Communities Project of Dallas, Texas issue a Request for Proposals seeking to offer subordinate loan financing to developers utilizing 9% Low Income Housing Tax Credits awarded by the Texas Department of Housing and Community Affairs (TDHCA) to construct affordable multi-family housing in the City of McKinney.

February 2011: GroundFloor Development secures long term site control on a development tract in West McKinney that meets the census tract requirement of the ICP/MHA consent decree for the Millennium McKinney project.

February 2011: GroundFloor Development begins site planning and project engineering for the Millennium McKinney project.

March 2011: GroundFloor Development submits 1st tax credit application for 9% development tax credits to the TDHCA.

July 2011: The Millennium McKinney project scores too low and as a result is not awarded the applied for 9% tax credits by TDHCA due to the project not receiving local support from the City of McKinney nor the State Representative.

September 2011: GroundFloor Development seeks forward commitments from the TDHCA for the Millennium McKinney project but is not successful.

January 2012: Sanchez & Associates notifies GroundFloor Development that the overlay zoning for the tract is not conducive to the Millennium McKinney project. As a result, Ground Floor Development engages the Jackson Walker law firm and begins evaluating the feasibility of rezoning the development tract.

January 2012: McKinney Housing Authority Board convenes and issues a resolution of support to move forward with the Millennium McKinney project as a proposed 4% tax credit and bond financed project.

February thru July 2012: GroundFloor Development works with bond consultants to evaluate the feasibility of a bond financed project.

July 2012: GroundFloor Development attends the TAAHP Housing Conference in Austin, Texas, meets with top tax credit professionals and comes to the conclusion that a bond financed project is not feasible at this location in McKinney, Texas.

July 2012: GroundFloor Development submits a rezoning application to the City of McKinney.

August 2012: Due to the change in landscape of the Qualified Allocation Plan, GroundFloor Development makes the determination that the most feasible way to deliver affordable housing in West McKinney is to once again apply for 9% tax credits through the TDHCA. Developer sets in motion meetings with MHA, City and local residents.

October 2012: City Plan Commission to hear rezoning case. / GroundFloor Development meets with Saddle Club HOA. / GroundFloor Development meets with MHA and City of McKinney for a work session.

November 2012: City Council to hear Millennium McKinney rezoning case

January 2013: Assuming rezoning of the development tract is successful, developer submits pre-application for 9% tax credits to the TDHCA.

March 2013: GroundFloor Development submits full application for 9% tax credits to the TDHCA.

July 2013: TDHCA determines which projects are awarded tax credits.

March 2014: The Millennium McKinney project closes assuming the award of 9% tax credits by TDHCA.

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GROUNDFLOOR DEVELOPMENT

GroundFloor Development - GFD Holdings, LLC



Brandon Bolin

Mr. Brandon L. Bolin is the founder of GroundFloor Development and formed GroundFloor in 2009 to develop specialized infill multifamily housing in the DFW Metroplex and other emerging communities in Texas. GroundFloor has primarily focused on developing tax credit affordable housing by

partnering with the Texas Department of Housing and Community Affairs (TDHCA), the Department of Housing and Urban Development (HUD) and the City of Dallas.

Prior to forming GroundFloor, Mr. Bolin practiced law at Jackson Walker L.L.P. as a Land Use Associate where Mr. Bolin worked with some of the top development companies in DFW on land development, zoning and public incentive matters. Prior to law school, Mr. Bolin worked with the in-house counsel of Hillwood Capital on the \$2 billion Victory Park Project and also with Harvest Partners on the \$750 million Park Lane Project and with INCAP Fund on the River District master land assembly.

Mr. Bolin is a graduate of the Dedman School of Law at Southern Methodist University where he was inducted as a Barrister and received the John F. Kennedy award given annually to two of the top graduating law students. Mr. Bolin is a graduate of The City College of New York, graduating Summa Cum Laude, Phi Beta Kappa, with a Bachelor's degree in Political Science.



Alan McDonald

Mr. Alan P. McDonald is Managing Director for GFD Holdings, LLC, representing a series of real estate investment funds and development companies focused primarily on undervalued land and affordable housing in strategic emerging urban infill neighborhoods. Mr. McDonald is a recognized expert in adaptive re-use and

reclamation development as well as industry leader in urban land planning and infill development of multifamily, townhome and condominium housing.

Mr. McDonald was the founder and principal owner of CityHomes, the nation's largest inner city homebuilder which was acquired in 2001 by Centex Corporation, a FORTUNE 200 company. Prior to CityHomes, Mr. McDonald was founder of Parkwood Development which was the largest inner-city, multi-family adaptive re-use developer in Dallas at the time. Mr. McDonald provides over thirty (35) years experience in the construction, real estate, accounting and finance industries and has served as a Certified Public Accountant with the Dallas offices of Laventhol & Horwath.

Mr. McDonald's companies have developed and sold over \$400,000,000 worth of apartments, condominiums, townhomes and land in the urban infill areas of DFW. Mr. McDonald's developments have transformed the formerly blighted Knox/Travis area into "Knox Park-Uptown" which is Dallas' preeminent pedestrian-friendly urban residential neighborhood now anchored by two of the city's most popular restaurant, entertainment and shopping districts known as Knox/Henderson and the West Village.

Recent Projects



Taylor Farms Multifamily - Dallas TX



Hillside West Seniors - Dallas TX



The Canyon in Oak Cliff - Dallas TX



CityHomes - Dallas TX

GroundFloor Development - GFD Holdings, LLC

Mission

GroundFloor Development is focused on and specializes in building well-conceived urban multifamily housing communities that serve to accommodate the growing demand for affordable metropolitan living. Founded in 2009, and led by Brandon Bolin and Alan McDonald, GroundFloor Development is focusing on and directing its resources toward projects located in the Texas cities of Dallas-Fort Worth, Houston and Austin- where people, especially individuals under the age of 40, desire affordable, urban living as travel costs continue to rise and single-family home buying power declines.

GroundFloor Development understands that today's rising commuting costs and declining single-family home buying power are increasingly impacting individuals' decision on where to live. Moreover, major Texas cities such as Dallas-Fort Worth, Houston, and Austin are continuing to grow at unprecedented rates and are attractive to young workers. After a half-century of explosive suburban growth, the barriers to home ownership and rising suburban living costs, fueled by record population growth, are influencing a trend reversal and urban revival is now occurring nationwide. GroundFloor Development recognizes this shift and that the same characteristics of a live-work-play environment that is so common to life in "gateway" cities such as New York, Chicago, Boston, San Francisco and Washington D.C. now also drives urban housing demand in Texas.

GroundFloor Development's principals possess extensive multifamily, town home and condominium infill development experience and over time have formed unmatched working relationships with industry-leading professionals and local government officials critical to the success of each project. The company has developed a fine-tuned and proven approach to successful project execution including strategic site election, progressive design and construction, the ability to access multiple project-finance sources and the harvesting of strong community and municipal support.

GroundFloor Development is able to distinguish itself through its ability to solve complex problems with a disciplined, structured approach while incorporating current market trends. As an example of this, GroundFloor Development was able to secure financing for its first two projects as well as securing public financing in late 2009 - early 2010 during the height of the recession. Additionally, the company's entrepreneurial approach to investments allows it to invest in developing neighborhoods and trends before these areas have become saturated.

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GROUNDFLOOR DEVELOPMENT PROJECTS

Recent GFD Projects

Taylor's Farm Apartments



Recent GFD Projects

Taylor's Farm Apartments



Recent GFD Projects

Hillside West Seniors



SITE PLAN

SCALE 1"=30'

NORTH



AREA CALCULATIONS

A1: 19 1 BEDROOM UNITS @ 727 S.F.
 A2: 19 1 BEDROOM UNITS @ 727 S.F.
 A3: 20 1 BEDROOM UNITS @ 727 S.F.
 B1: 24 2 BEDROOM UNITS @ 860 S.F.
 B2: 24 2 BEDROOM UNITS @ 860 S.F.
 B3: 24 2 BEDROOM UNITS @ 860 S.F.
 TOTAL 130 UNITS @ NET RENTABLE AREA OF 104086 S.F.
 CLUBHOUSE: 9183 S.F.
 TOTAL GROUND FLOOR AREA WITH PORCHES: 47,699 S.F.
 48 STORAGE ROOMS=4028 S.F.
 34 GARAGES = 13170 S.F.
 CIRCULATION, MECHANICAL AREA = 23536 S.F.
 TOTAL BUILDING AREA ALL FLOORS = 149,975 S.F.

PARKING CALCULATIONS

PARKING REQUIRED: 1 SPACE FOR EACH 1 BEDROOM UNIT
 1 1/2 SPACES FOR EACH 2 BEDROOM UNIT
 167 SPACES REQUIRED
 PARKING PROVIDED: 34 GARAGES
 133 OPEN SPACES
 167 TOTAL SPACES

SITE CALCULATIONS

SITE AREA: 3.90 ACRES
 TOTAL PAVEMENT AREA: 69203 S.F.
 POOL DECK AREA: 2562 S.F.
 TOTAL IMPERVIOUS AREA: 119464 S.F.
 TOTAL GREEN SPACE = 50464 S.F.-27%
 GROUND FLOOR LOT COVERAGE: 35%

GROUND FLOOR DEVELOPMENT HILL SIDE WEST SENIOR COMMUNITY

DALLAS,

TEXAS



RPGA
 DESIGN GROUP, INC.
 ARCHITECTURE PLANNING INTERIORS

1471 N. Greenville Ave., Suite 1000 | Fort Worth, Texas 76104 | 817.262.2277 | Fax: 817.262.2497 | www.rpga.com

Recent GFD Projects

Hillside West Seniors



GROUND FLOOR DEVELOPMENT
HILL SIDE WEST
SENIOR COMMUNITY

DALLAS, TEXAS

PERSPECTIVE FROM SOUTHWEST



R P G A
DESIGN GROUP, INC.
ARCHITECTURE SPACE PLANNING INTERIORS

161 S. Jennings Ave., Suite 100 Fort Worth, Texas 76104 817.388.8477 Fax 817.388.8487 Metro 878.448.8488

Recent GFD Projects

Hillside West Seniors



PERSPECTIVE FROM EAST

GROUND FLOOR DEVELOPMENT
HILL SIDE WEST
SENIOR COMMUNITY

DALLAS, TEXAS

 **RPGA**
DESIGN GROUP, INC.
ARCHITECTURE PLANNING INTERIORS

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