

**MCKINNEY HOUSING FINANCE CORPORATION**  
**STATEMENT OF NET POSITION**  
**MAY 31, 2021**

|   | <u>Primary Government<br/>Enterprise Fund</u> |
|---|---|
| <b><u>ASSETS</u></b>                            |   |
| Current assets:                                 |   |
| Cash and cash equivalents                       | \$ 796,122                                    |
| Accounts receivable                             | <u>37,500</u>                                 |
| Total current assets                            | 833,622                                       |
| Capital assets, net of accumulated depreciation | 3,146,775                                     |
| Other assets:                                   |   |
| Investments in limited partnership              | <u>51</u>                                     |
| Total assets                                    | <u>\$ 3,980,448</u>                           |

Selected information – Statement of cash flows and substantially all disclosures required by accounting principles generally accepted in the United States of America are not included.

No assurance is provided on these financial statements.

**MCKINNEY HOUSING FINANCE CORPORATION**  
**STATEMENT OF NET POSITION – CONTINUED**  
**MAY 31, 2021**

Primary Government  
Enterprise Fund

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**LIABILITIES AND NET POSITION**

Current liabilities:

|                                      |    |        |
|--------------------------------------|----|--------|
| Accounts payable                     | \$ | 1,400  |
| Current portion of prepaid revenues: |    |        |
| Prepaid annual issuer fee            |    | 35,938 |
| Prepaid land lease                   |    | 31,786 |
|                                      |    | 31,786 |
| Total current liabilities            |    | 69,124 |

Long-term liabilities:

|  |  |           |
|--|--|-----------|
| Prepaid revenues, net of current portion:  |  |           |
| Prepaid annual issuer fee                  |  | 38,932    |
| Prepaid land lease, net of current portion |  | 3,083,204 |
|  |  | 3,083,204 |
| Total liabilities                          |  | 3,191,260 |

Net position:

|                                    |    |           |
|------------------------------------|----|-----------|
| Net investment in capital assets   |    | 31,785    |
| Unrestricted                       |    | 757,403   |
|                                    |    | 757,403   |
| Total net position                 |    | 789,188   |
| Total liabilities and net position | \$ | 3,980,448 |

Selected information – Statement of cash flows and substantially all disclosures required by accounting principles generally accepted in the United States of America are not included.

**MCKINNEY HOUSING FINANCE CORPORATION**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGE IN NET POSITION**  
**EIGHT MONTHS ENDED MAY 31, 2021**

|                                 | <u>Primary Government<br/>Enterprise Fund</u> |
|---------------------------------|---|
| Operating revenue:              |   |
| Annual issuer fees              | \$ 58,958                                     |
| Land lease income               | <u>21,190</u>                                 |
| Total operating revenue         | <u>80,148</u>                                 |
| Operating expenses:             |   |
| Professional services           | 22,194  |
| Office expense                  | <u>80</u>                                     |
| Total operating expenses        | <u>22,274</u>                                 |
| Net operating income            | 57,874  |
| Non-operating income (expense): |   |
| Interest income                 | <u>150</u>                                    |
| Change in net position          | 58,024  |
| Net position:                   |   |
| Beginning of year               | <u>731,164</u>                                |
| End of year                     | <u><u>\$ 789,188</u></u>                      |

Selected information – Statement of cash flows and substantially all disclosures required by accounting principles generally accepted in the United States of America are not included.

**SUPPLEMENTAL INFORMATION**

**MCKINNEY HOUSING FINANCE CORPORATION**  
**COMBINING STATEMENT OF NET POSITION**  
**MAY 31, 2021**

|   | <u>McKinney<br/>HFC</u> | <u>McKinney<br/>Flats GP</u> | <u>McKinney<br/>Flats<br/>Holdings</u> | <u>McKinney<br/>Flats<br/>Development</u> | <u>McKinney<br/>Flats<br/>Contractor</u> | <u>Subtotal</u>     | <u>Elimination</u> | <u>Total</u>        |
|---|-------------------------|------------------------------|--|---|--|---------------------|--------------------|---------------------|
| <b><u>ASSETS</u></b>                            |                         |                              |  |   |  |                     |                    |                     |
| Current assets:                                 |                         |                              |  |   |  |                     |                    |                     |
| Cash and cash equivalents                       | \$ 434,043              | \$ 9,954                     | \$ 10,005                              | \$ 232,086                                | \$ 110,034                               | \$ 796,122          | \$ -               | \$ 796,122          |
| Accounts receivable                             | <u>37,500</u>           | <u>-</u>                     | <u>-</u>                               | <u>-</u>                                  | <u>-</u>                                 | <u>37,500</u>       | <u>-</u>           | <u>37,500</u>       |
| Total current assets                            | <u>471,543</u>          | <u>9,954</u>                 | <u>10,005</u>                          | <u>232,086</u>                            | <u>110,034</u>                           | <u>833,622</u>      | <u>-</u>           | <u>833,622</u>      |
| Capital assets, net of accumulated depreciation | <u>-</u>                | <u>-</u>                     | <u>3,146,775</u>                       | <u>-</u>                                  | <u>-</u>                                 | <u>3,146,775</u>    | <u>-</u>           | <u>3,146,775</u>    |
| Other assets:                                   |                         |                              |  |   |  |                     |                    |                     |
| Investment in limited partnership               | -                       | 51                           | -                                      | -   | -  | 51                  | -                  | 51                  |
| Investments in LLCs                             | <u>40,000</u>           | <u>-</u>                     | <u>-</u>                               | <u>-</u>                                  | <u>-</u>                                 | <u>40,000</u>       | <u>(40,000)</u>    | <u>-</u>            |
| Total other assets                              | <u>40,000</u>           | <u>51</u>                    | <u>-</u>                               | <u>-</u>                                  | <u>-</u>                                 | <u>40,051</u>       | <u>(40,000)</u>    | <u>51</u>           |
| Total assets                                    | <u>\$ 511,543</u>       | <u>\$ 10,005</u>             | <u>\$ 3,156,780</u>                    | <u>\$ 232,086</u>                         | <u>\$ 110,034</u>                        | <u>\$ 4,020,448</u> | <u>\$ (40,000)</u> | <u>\$ 3,980,448</u> |

Selected information – Statement of cash flows and substantially all disclosures required by accounting principles generally accepted in the United States of America are not included.

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**MCKINNEY HOUSING FINANCE CORPORATION**  
**COMBINING STATEMENT OF NET POSITION – CONTINUED**  
**MAY 31, 2021**

| <u>LIABILITIES AND NET POSITION</u>        | <u>McKinney<br/>Flats HFC</u> | <u>McKinney<br/>Flats GP</u> | <u>McKinney<br/>Flats<br/>Holdings</u> | <u>McKinney<br/>Flats<br/>Development</u> | <u>McKinney<br/>Flats<br/>Contractor</u> | <u>Subtotal</u>     | <u>Elimination</u> | <u>Total</u>        |
|--|-------------------------------|------------------------------|--|---|--|---------------------|--------------------|---------------------|
| Current liabilities:                       |                               |                              |  |   |  |                     |                    |                     |
| Accounts payable                           | \$ 1,400                      | \$ -                         | \$ -                                   | \$ -                                      | \$ -                                     | \$ 1,400            | \$ -               | \$ 1,400            |
| Current portion of prepaid revenues:       |                               |                              |  |   |  |                     |                    |                     |
| Prepaid annual issuer fee                  | 35,938                        | -                            | -                                      | -   | -  | 35,938              | -                  | 35,938              |
| Prepaid land lease                         | -                             | -                            | 31,786                                 | -   | -  | 31,786              | -                  | 31,786              |
| Total current liabilities                  | <u>37,338</u>                 | <u>-</u>                     | <u>31,786</u>                          | <u>-</u>                                  | <u>-</u>                                 | <u>69,124</u>       | <u>-</u>           | <u>69,124</u>       |
| Long-term liabilities:                     |                               |                              |  |   |  |                     |                    |                     |
| Prepaid revenues, net of current portion:  |                               |                              |  |   |  |                     |                    |                     |
| Prepaid annual issuer fee                  | 38,932                        | -                            | -                                      | -   | -  | 38,932              | -                  | 38,932              |
| Prepaid land lease, net of current portion | -                             | -                            | 3,083,204                              | -   | -  | 3,083,204           | -                  | 3,083,204           |
| Total liabilities                          | <u>76,270</u>                 | <u>-</u>                     | <u>3,114,990</u>                       | <u>-</u>                                  | <u>-</u>                                 | <u>3,191,260</u>    | <u>-</u>           | <u>3,191,260</u>    |
| Net position:                              |                               |                              |  |   |  |                     |                    |                     |
| Net investment in capital assets           | -                             | -                            | 31,785                                 | -   | -  | 31,785              | -                  | 31,785              |
| Unrestricted                               | <u>435,273</u>                | <u>10,005</u>                | <u>10,005</u>                          | <u>232,086</u>                            | <u>110,034</u>                           | <u>797,403</u>      | <u>(40,000)</u>    | <u>757,403</u>      |
| Total net position                         | <u>435,273</u>                | <u>10,005</u>                | <u>41,790</u>                          | <u>232,086</u>                            | <u>110,034</u>                           | <u>829,188</u>      | <u>(40,000)</u>    | <u>789,188</u>      |
| Total liabilities and net position         | <u>\$ 511,543</u>             | <u>\$ 10,005</u>             | <u>\$ 3,156,780</u>                    | <u>\$ 232,086</u>                         | <u>\$ 110,034</u>                        | <u>\$ 4,020,448</u> | <u>\$ (40,000)</u> | <u>\$ 3,980,448</u> |

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**MCKINNEY HOUSING FINANCE CORPORATION**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGE IN NET POSITION**  
**EIGHT MONTHS ENDED MAY 31, 2021**

|                                 | <u>McKinney<br/>HFC</u> | <u>McKinney<br/>Flats GP</u> | <u>McKinney<br/>Flats<br/>Holdings</u> | <u>McKinney<br/>Flats<br/>Development</u> | <u>McKinney<br/>Flats<br/>Contractor</u> | <u>Subtotal</u>   | <u>Elimination</u> | <u>Total</u>      |
|---------------------------------|-------------------------|------------------------------|--|---|--|-------------------|--------------------|-------------------|
| Operating revenue:              |                         |                              |  |   |  |                   |                    |                   |
| Annual issuer fees              | \$ 58,958               | \$ -                         | \$ -                                   | \$ -                                      | \$ -                                     | \$ 58,958         | \$ -               | \$ 58,958         |
| Land lease income               | <u>-</u>                | <u>-</u>                     | <u>21,190</u>                          | <u>-</u>                                  | <u>-</u>                                 | <u>21,190</u>     | <u>-</u>           | <u>21,190</u>     |
| Total operating revenue         | <u>58,958</u>           | <u>-</u>                     | <u>21,190</u>                          | <u>-</u>                                  | <u>-</u>                                 | <u>80,148</u>     | <u>-</u>           | <u>80,148</u>     |
| Operating expenses:             |                         |                              |  |   |  |                   |                    |                   |
| Professional services           | 22,194                  | -                            | -                                      | -   | -  | 22,194            | -                  | 22,194            |
| Office expense                  | <u>80</u>               | <u>-</u>                     | <u>-</u>                               | <u>-</u>                                  | <u>-</u>                                 | <u>80</u>         | <u>-</u>           | <u>80</u>         |
| Total operating expenses        | <u>22,274</u>           | <u>-</u>                     | <u>-</u>                               | <u>-</u>                                  | <u>-</u>                                 | <u>22,274</u>     | <u>-</u>           | <u>22,274</u>     |
| Net operating income            | 36,684                  | -                            | 21,190                                 | -   | -  | 57,874            | -                  | 57,874            |
| Non-operating income (expense): |                         |                              |  |   |  |                   |                    |                   |
| Interest income                 | <u>31</u>               | <u>4</u>                     | <u>4</u>                               | <u>75</u>                                 | <u>36</u>                                | <u>150</u>        | <u>-</u>           | <u>150</u>        |
| Change in net position          | 36,715                  | 4                            | 21,194                                 | 75  | 36                                       | 58,024            | -                  | 58,024            |
| Net position:                   |                         |                              |  |   |  |                   |                    |                   |
| Beginning of year               | <u>398,558</u>          | <u>10,001</u>                | <u>20,596</u>                          | <u>232,011</u>                            | <u>109,998</u>                           | <u>771,164</u>    | <u>(40,000)</u>    | <u>731,164</u>    |
| End of year                     | <u>\$ 435,273</u>       | <u>\$ 10,005</u>             | <u>\$ 41,790</u>                       | <u>\$ 232,086</u>                         | <u>\$ 110,034</u>                        | <u>\$ 829,188</u> | <u>\$ (40,000)</u> | <u>\$ 789,188</u> |

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