

**MCKINNEY HOUSING FINANCE CORPORATION**  
**RESIDENTIAL DEVELOPMENT FINANCING QUESTIONNAIRE**

**Instructions**

The purpose of this Questionnaire is to provide the Corporation a comprehensive outline of the residential development (the "Project") for which financing is being requested. Fill in all the blanks, using "None" or "Not Applicable" where necessary. If additional space is needed, attach separate sheets as exhibits.

**INFORMATION AS TO APPLICANT**

1. Full legal name, address, email address, and telephone number of the entity that will own the Project (the "Applicant"). Does the Applicant have a website? If so, list it.  
The Remnant at Greenwood, LP  
1910 Farmerville Hwy, Ruston, LA 71270  
holly@knightdev.co  
(318) 224-2997
  
2. Name, address, email address, and telephone number of the representative of the Applicant with whom the Corporation should communicate.  
Kadi Jo Canales and Jennifer Croxton  
1910 Farmerville Hwy, Ruston, LA 71270  
kcanales@knightdev.co and jcroxton@knightdev.co  
(318) 224-2997
  
3. Name, address, email address, and telephone number of the legal counsel to the Applicant (not Bond Counsel) in connection with the Project.  
Alec Stone  
500 Grant St., Suite 2500, Pittsburgh, PA 15219  
ajstone@foxrothschild.com  
(412)391-2523  
Orlando J. Cabrera  
1775 Pennsylvania Ave. NW Suite 1000,  
Washington, DC 20006  
orlando.cabrera@agg.com  
(202) 677-4924
  
4. Name, address, and telephone number of any financial consultant, investment banker, or mortgage banker advising the Applicant in connection with the Project.  
Justin Heberling  
3595 Grandview Parkway, Suite 500, Birmingham, AL 35243  
(205) 822-1010

5. Form of organization of the Applicant.

\_\_\_\_\_ Corporation  
  x   Limited Partnership  
\_\_\_\_\_ General Partnership  
\_\_\_\_\_ Sole Proprietorship

Date of Organization:   9/30/2022  

State of Organization:   Texas  

Does Applicant presently exist or is it to be formed?

  x   Exists      \_\_\_\_\_ To be formed

If appropriate, attach a copy of the section 501(c)(3) Determination Letter by the Internal Revenue Service and the most recent IRS Form 990.

6. If the Applicant is a corporation, list the names and titles of its officers. If the Applicant is a partnership, list all of its general partners.

N/A

7. List all persons or entities owning a 10% or greater interest in the Applicant.

N/A

8. Summarize the prior development experience of the Applicant and its principals. Indicate date of project, size, type, and location of project and method of financing. (Attach separate pages if necessary.)

The LP has been newly formed.

9. List the names and addresses of any guarantors.

N/A

10. List banks and other credit references. Attach a bank reference letter.  
Citi Community Capital. Please see attached.
  
11. Has the Applicant or any person or entity owning a 10% or greater interest in the Applicant been through any bankruptcy proceeding or made an assignment for the benefit of creditors? If so, please detail the facts surrounding such event indicating at a minimum the names of the affected parties, the reason or reasons for the bankruptcy or assignment, and the current status of any such proceeding. (Attach separate sheets if necessary.)  
No.
  
12. Has the Applicant or any person or entity owning a 10% or greater interest in the Applicant been convicted of a felony or been a party to any lawsuit or are there any unsatisfied judgments against any of the foregoing? If so, please detail the facts surrounding such felony conviction or such lawsuit or lawsuits, the names of the affected parties, and the current status of the lawsuit or lawsuits or the felony conviction. If an unsatisfied judgment is outstanding against the Applicant or any of the foregoing persons or entities, what plans or provisions, if any, are being made to satisfy such judgment. (Attach separate sheets if necessary.)  
No.
  
13. Has the Applicant or any person or entity owning a 10% or greater interest in the Applicant ever failed to pay, when due, applicable local, state, or federal taxes? If so, please detail the facts surrounding such failure and the current status of any such failed payment. (Attach separate sheets if necessary.)  
No.

14. Has the Applicant or any person or entity owning a 10% or greater interest in the Applicant ever applied for financing through the Corporation prior to the application accompanying this Questionnaire? If so, please state when such application was made, who the interested parties were, the outcome of the application, and the current status of the financing, if any.

No.

15. If there is any credit enhancement device (such as bond insurance, mortgage insurance, a letter of credit, surety bonds, or policies) intended to be utilized in connection with the proposed financing, described such enhancement device and whether the Applicant or any principal of the Applicant has ever worked with the entity or entities providing such credit enhancement device prior to the proposed financing. If so, please state the details of such prior relationship including the method used to finance the project, the issuer of the debt instruments, if applicable, and the date of closing, if applicable.

No.

#### INFORMATION AS TO PROJECT

16. Street address and description of exact location of Project site. Attach a legal description of Project site and a map of the area with the Project site highlighted.

900 Murray Place, McKinney, Texas 75069 and 1001A Throckmorton, McKinney, Texas, 75069

17. Indicate the approximate size (in acres or square feet) of the Project site.

5.9 acres.

18. Does the Applicant now own the Project site?  Yes  No

Please provide a history of the prior sales of the Project site if available. Please list any potential sales transactions relating to the Project or the Project site and any estimated fees involved.

19. If the Applicant now owns the Project site, indicate:

- (a) Purchase Date: N/A
- (b) Purchase Price: N/A
- (c) Balance of Existing Mortgage: N/A
- (d) Holder of Existing Mortgage: N/A
- (e) Attach proof of ownership. N/A

20. If the Applicant now holds an option to purchase the Project site, indicate:

- (a) Present Owner: Housing Authority City of McKinney
- (b) Date of Option Agreement: 9/30/2022
- (c) Purchase Price: TBD
- (d) Expiration Date of Option Agreement: 12/31/2023
- (e) Attach copy of Option Agreement. See attached.

21. If the Applicant has executed a contract to purchase the Project site, indicate:

- (a) Present Owner: N/A
- (b) Date of Contract: N/A
- (c) Purchase Price: N/A
- (d) Settlement or Closing Date: N/A
- (e) Attach copy of contract. N/A

22. If the Applicant does not now own the Project site, describe any relationship which exists by virtue of common control of ownership between the Applicant and the present owner of the Project site.

BGC Advantage, L.L.C. and Housing Authority City of McKinney has formed a partnership in the name of The Remnant at Greenwood, LP.

23. Describe any existing improvements or structures presently located on the Project site.

Currently at Cockrell Homes located at 900 Murray Place, McKinney, Texas 75069, there are 7 existing buildings built in 1955. The property was constructed within industry standards in force at the time of construction and have been well maintained during recent years. The property currently known as Lloyd Owens located at 1001A Throckmorton, McKinney, Texas 75069 has 6 buildings built in 1951. The property was constructed within industry standards in force at the time of construction and have been well maintained during recent years.

24. Is the cost of the Project site to be included in the financing?

Yes     No

25. Indicate the present number and general description of residential units on the Project site.

Currently known as Lloyd Owens, there are 26 units. Four 1BR/1BA at 550 Square Feet. Four 2BR/1BA at 800 Square Feet. Six 2BR/1 BA at 960 Square Feet. Four 3BR/1 BA at 960 Square Feet. Eight 3BR/1BA at 1,150 Square Feet.

Currently known as Cockrell Homes, there are 24 units. Six 1BR/1BA at 600 Square Feet. Six 2BR/1BA at 800 Square Feet. Twelve 3BR/1BA at 960 Square Feet.

26. Is the Project site now zoned to allow the construction of the Project?

Yes     No

NOTE: SEE ATTACHED FORM OF LETTER FROM THE CITY WHICH MUST BE SUBMITTED TO THE CORPORATION FOR A NEW PROJECT. A COPY OF A CERTIFICATE OF OCCUPANCY MUST BE SUBMITTED FOR AN EXISTING PROJECT.

27. Does the Project consist of additions to and/or renovation and rehabilitation of existing units?

Yes     No    Will be New Construction.

If yes, answer following questions: (Attach separate sheets as necessary.)

(a) Age of units: \_\_\_\_\_

(b) Describe the proposed additions and improvements to be made. Include description of the type of improvement and amount to be spent per unit and for common areas.

(c) Provide data on present vacancy rates and rents by unit size.

(d) Attach a recent photo of the Project.

(e) If the Project is to include rehabilitation, submit a written report prepared by a registered professional engineer or architect describing the rehabilitation project, including details regarding the rehabilitation improvements to be made, the cost thereof and specifying the percentage of the total Project costs represented by the rehabilitation improvements.

28. Indicate the number, type (number of bedrooms and bathrooms), and approximate size (square footage) of the units, and projected monthly rent for each type of unit.

<u>Number of Units</u>	<u>Type of Unit</u>	<u>Size of Unit</u>	<u>Monthly Rent</u>
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Please see attached chart.

29. Describe any additional facilities to be included in the Project such as parking, laundry, office, or recreational facilities. If any such facilities are expected to generate income, indicate source and projected amount of such income.

The project will include parking, a leasing office, and a playground/tot-lot.

30. Describe the overall style of the Project (e.g., garden apartments, multistory, highrise), exterior construction materials, energy conservation considerations, and landscaping design. Attach a site sketch showing proposed location of the units on the Project site, and attach architectural renderings (or their equivalent) of the proposed Project, if available. If renderings are not available, please advise the Corporation when such renderings will be available and provide them to the Corporation at that time. If the Project is to be rehabilitated, attach photographs representative of the present exterior and interior condition of the Project and drawings of the proposed rehabilitation. (Note: It is the Corporation's intention not to hold any public hearings or act on any bond resolution until the Corporation has been furnished with this information.)

The project will include duplexes, walk-ups, and town homes. Renderings will be provided upon their completion. See attached.

31. Indicate which of the following equipment, if any, will be included in the units.

<input checked="" type="checkbox"/> Range	<input checked="" type="checkbox"/> Disposal
<input checked="" type="checkbox"/> Refrigerator	<input type="checkbox"/> Carpet
<input checked="" type="checkbox"/> Air conditioning	<input type="checkbox"/> Drapes
<input checked="" type="checkbox"/> Dishwasher	<input type="checkbox"/> Fireplace
	Other _____ (describe)

32. Indicate which of the following, if any, tenants will be required to pay on an individual basis.

<input checked="" type="checkbox"/> Electricity	<input checked="" type="checkbox"/> Water and Sewer
<input type="checkbox"/> Gas	<input checked="" type="checkbox"/> Garbage Pickup

33. Describe any restrictions to be imposed by the Applicant on tenants including family size, pets, preferences for employees of certain companies, etc.

Tenants must qualify for right sized uits. Project will be Section 8 units which must comply with HUD rules and requirements.

34. State best estimates as to the minimum family income levels of the expected tenants required in order to pay anticipated monthly rent amounts.

30%

35. Indicate number of residences or businesses displaced by construction or rehabilitation of the Project, if any. Describe procedures to be used to minimize impact of any displacement.

None.

36. State the demand and market need for the Project. Attach copies of any market surveys and other substantiating data.

See attached Market Study.

37. Describe briefly the anticipated arrangements for Project management. If a professional management company is to be employed, identify the company and the anticipated fee to be paid the management company.

Allied Orion Group. 6% management fee.



**FINANCING INFORMATION**

38. Total cost of Project: \$ 35,971,180

39. Amount of financing applied for: \$ 21,000,000

Note: The Corporation may, at its discretion, require a copy of an existing appraisal (180 days old or less) or require the Applicant to furnish a new appraisal by a State of Texas certified general real estate appraiser who has an MAI or SREA designation prior to final approval of the financing.

40. Indicate the percentage of development costs for which the Applicant desires financing and the amount of equity investment the Applicant intends to make in the Project. Indicate source of equity amount.

58.38%. Amount of equity investment \$15,388,461 provided by Citi Community Capital.

41. If the Applicant is a limited partnership, is it anticipated that there will be a syndicated offering of partnership shares?

Yes.

42. What type of financing does the Applicant desire?

         Permanent financing only  
  x   Construction and permanent financing

43. If permanent financing only is desired, indicate source of construction financing.

N/A

44. Indicate the amount and percentage of the requested financing to be applied to refinance any existing mortgage or loans.

\$0

45. If the Applicant has applied to another source for financing with respect to the Project, give details.

Applicant intends to submit for other sources of financing, which could include HOME, HTF, FRF, local funding, or other sources.

46. Explain how the Project will be financed if all or a portion of the amount applied for is denied.  
Project is currently planned to be financed with tax-exempt bonds, LIHTC, and other financing options to be determined.

47. Has the Applicant made, or does the Applicant intend to make, application for HUD housing assistance payments with respect to the Project under Section 8 of the United States Housing Act of 1937?

- Yes, with respect to 100% of Project units  
 Yes, with respect to 20% of Project units  
 No

Units are currently receiving HUD funding.

If yes, attach a copy of HUD approval letter, if any.

48. Has the Applicant made, or does the Applicant intend to make, application for FHA mortgage insurance under Section 221 of the National Housing Act of 1934?

- Yes, for construction advances  
 Yes, for insurance upon completion only  
 No

If yes, attach a copy of FHA commitment, if any.

49. Indicate any other rent supplement, loan guarantee, grant, or mortgage insurance for which the Applicant has made, or intends to make, application with respect to the Project. If none, write "none."

Units are currently receiving HUD funding.

50. List name, address, and name of representative of the financial institution (bank, investment banking firm, etc.), if determined, which may be interested in purchasing, placing, or underwriting the bonds if and when such bonds are approved for sale. (It is the responsibility of the Applicant to arrange for the marketing of the bonds, if the financing is approved, with the concurrence of the Corporation.)

Citi Community Capital

51. If approved, are the bonds to be offered at a public sale or will they be placed privately with an institutional or sophisticated purchaser? If at public sale, will the bonds be rated and/or credit enhanced? If credit enhanced, by when?

Privately

### CONSTRUCTION INFORMATION

52. Has construction of the Project begun? \_\_\_ Yes \_\_\_  No

If yes, give date construction began: N/A

If no, give estimated date for commencement of construction: August 2023

53. State estimated date of completion: August 2025

54. State estimated date Project will be placed in operation: September 2025

55. If construction on the Project has begun, complete the following: N/A

Site clearance \_\_\_\_\_% complete  
Foundation \_\_\_\_\_% complete  
Footings \_\_\_\_\_% complete  
Steel \_\_\_\_\_% complete  
Masonry \_\_\_\_\_% complete  
Other \_\_\_\_\_ % complete

56. Indicate the estimated costs of developing, constructing, and equipping the Project. Attach a separate sheet if necessary to provide a complete summary of Project costs. See attached.

Land	\$_____
Construction	_____
Design	_____
Surveys and Soil Test	_____
Equipment	_____
Construction Insurance	_____
Construction Period Interest	_____
Engineering	_____
Other _____	_____
Refinancing of existing debt	_____
 TOTAL	 \$_____

57. Indicate the type and amount of costs expended (including orders for any Project equipment or furnishings) with respect to the Project prior to the current date.

\$4,800 for down payment for a Market Study.

58. Have any costs (including orders for Project equipment or furnishings) been incurred but not paid? If yes, identify and explain.

Yes. \$3,200 for the balance of the Market Study which will be paid on the invoice due date.

59. Are any operating expenses or working capital included in the amount of financing requested? If yes, state amount.

Yes. \$445,440

60. Provide a pro forma cash flow statement for the Project's first three years of occupancy. Include assumptions and, specifically, administrative, operating, and maintenance costs, taxes, and cash flow available for debt service for each of the three years. For an existing Project, provide the foregoing and historical financial information for each of the last three fiscal years.

Please see attached.

61. Complete Schedule I, Economic Life of Project, attached hereto.

#### **APPLICANT, GUARANTOR, AND PARTICIPANT INFORMATION**

62. Attach the following financial statements (audited, if available) or other information for the preceding five years for the Applicant, and any Guarantors. The LP has been newly formed.

\_\_\_\_ Balance sheet  
\_\_\_\_ Profit and Loss Statement  
\_\_\_\_ Statement of changes in financial position

or

\_\_\_\_ Annual Report to Stockholders  
\_\_\_\_ Report on Form 10-K to the Securities and Exchange  
Commission

63. Attach unaudited financial statements, current within 90 days, if the audited financial information is not current within 90 days (Form 10-Q, if it is available). The LP has been newly formed.

64. Detail any changes subsequent to the date of the most recent financial statements which may have a material effect on the Applicant's financial position.

N/A

65. State name, address, and phone number of the general contractor for the Project. Attach information concerning projects previously completed by the general contractor. Include location, year of completion, number of units, and approximate construction cost of each project. State the relationship, if any, between the contractor and the Applicant, i.e. Subsidiary Corporation, partner, etc.

Snyder Construction Group. (417) 887-6897. 4820 N. Towne Centre Drive, Ozark, MO 65721. www.snydercg.com. Resume attached. There is no relationship between the contractor and applicant. They share no mutual ownership, and no guarantee nor contractual partnership is in place.

66. State name, address, and phone number of the architect for the Project. Attach information concerning projects designed by the architect.

The Sanchez Group. 2000 N. McDonald Street, Suite 100, McKinney, TX 75071. (469) 424-5900. Please see attached.

67. State name, address, and phone number of the managing agent for the Project. Attach information concerning prior project management experience including projects managed, number of units in each project, and number of years of project management.

Allied Orion Group. 2051 Greenhouse Road, Suite 300, Houston, TX 77084. (713) 622-5844. www.allied-orion.com. Resume and real estate managed schedule are attached.

68. State how the Applicant intends to comply with Article 394.902 of the Act relating to provisions of senior citizen housing (unit set aside or payment of fee).

The project will comply with Article 394.902 of the Act by delegating 5% of the units to elderly persons of low income or families of low to moderate income with elderly HOH's. this delegation shall be for the life of the project.

# The Remnant at Greenwood, LP

## PROJECT NARRATIVE

The Remnant at Greenwood, LP is a project of the Housing Authority of the City of McKinney (HACM) to revitalize 65+ year old housing that has exceeded its useful life. It will be done through the US Department of Housing and Urban Development (HUD) program called Rental Assistance Demonstration (RAD) that allows housing authorities to convert public housing into long term sustainable affordable housing.

The HACM plans to demolish 51 units of low-income public housing which will include the sites commonly referred to as Lloyd Owens and Cockrell Homes.

The demolition and new construction will be funded by 4% LIHTC from the Texas Department of Housing & Community Affairs (TDHCA) in conjunction with tax exempt bonds, debt finance, and HUD approved Capital Funds and Operating Subsidy. The two sites, Lloyd Owens and Cockrell Homes, are currently owned by the HACM. Lloyd Owens is currently located at 1001A Throckmorton, and Cockrell Homes is currently located at 900 Murray Place. The HACM will provide a ground lease to allow for a public private financing mechanism of the redevelopment project.

Some of the modernization will include newly constructed townhomes and duplexes with compliant accessibility features, modernized leasing office, and community services center. New amenities will be designed to serve the families in the community and encourage community engagement.

The Remnant at Greenwood will be developed in accordance with local, state and national building codes including federal and state accessibility laws along with TDHCA's Design/Construction Compliance Guidelines. The development will have the minimum 5% of the units designed in compliance with one of the nationally recognized standards for accessibility to wheelchair users and an additional 2% of the units usable by those with hearing or visual impairments also in compliance ADA requirements.

## Unit Count & Rent Details

The development of this project is proposing the demolition of 51 existing units and the construction of 96 new rental units consisting of townhomes, duplexes, and multi-story walk-ups. Cockrell Homes will have 36 townhomes and 5 duplex buildings. Lloyd Owens will have one two-story walk-up and one three-story walk-ups. The project is requesting \$21,000,000 in tax exempt bonds. In conjunction with the tax-exempt bonds, the project will receive \$17,100,000 in 4% LIHTC allocation from TDHCA. The Cockrell Homes site is approximately 3.1 acres, and Lloyd Owens is approximately 2.8 acres. The Cockrell Homes site will be redeveloped with 8 new buildings while the Lloyd Owens site will be redeveloped with 2 new buildings. The sites will have 10 residential buildings comprised of the following:

- 10 one-bedroom/one bathroom – 4 units at \$712 and 6 units at \$1,262
- 22 two-bedroom/two-bathroom – 7 units at \$849, 10 units at \$1,484, and 5 units at \$1,083
- 54 three-bedroom/two-bathroom – 9 units at \$1,096, 27 units at \$1,894, and 18 units at \$1,246
- 10 four-bedroom/two-bathroom – 1 unit at 2,504 and 9 units at 1,383

None of the residents will pay more than 30% of the AMI.

### Finance

The total development cost for the proposed development is \$35,971,180. Construction has an anticipated start date of the fourth quarter of 2023.

### Energy Efficiency

With consideration to energy efficiency, the proposed project has been designed to include energy features to benefit the residents and meet the requirements of HUD for energy efficiency and reduce the “carbon footprint” of the buildings and site.

### Amenities

The Remnant at Greenwood will offer a range of amenities for the benefit of its residents, above and beyond the scope of customary low-income housing. These amenities will be provided at no cost to the renters, above their basic restricted rents.

Complex and Unit amenities will include, but are not limited to:

- Community Services Center with Computer access
- Smoke Free Housing Environment
- Frost Free Refrigerator
- Windows that are energy efficient and provide sustainable features
- Central air and heat that is Energy Star compliant
- Washer and Dryers hook ups
- Range/Oven
- Ceiling Fans
- Luxury Vinyl Flooring
- Blinds
- Combination of brick, stone, and Hardy Board
- On-site parking
- Playground/tot lot



### Services

The Remnant at Greenwood supportive services are arranged through collaborative partnerships to make education and self-sufficiency resources more accessible. The supportive services and amenities provided throughout the organization enables us to fulfill our mission to improve the quality of life of the people we serve.

### Utility Allowances

Residents will be responsible for their own utilities in all single family, duplex and townhomes with the exception of trash services which will be covered by the property. The property will pay the sewer/water/trash at the apartment buildings. A site-based utility allowance will be utilized for the units as they are rehabilitated. Prior to rehabilitation the existing and approved PHA utility allowance will be utilized.

### Security

Lighting and other environmental design elements will be addressed where applicable.

### Development Team

McKinney Affordable Housing Development Corporation, a Texas non-profit corporation, along with entities controlled by the GP managing member, Holly Knight, who will serve as a member of the General Partner entity, The Remnant at Greenwood GP, LLC. Allied Orion-Group, a seasoned property management company, will serve as the management agent for The Remnant at Greenwood.

### Construction

BGC Advantage, LLC dba Knight Development and McKinney Affordable Housing Development Corporation will serve as the co-developers and are experienced in the development of affordable housing projects. Snyder Construction Group will serve as the general contractor.