

SDC Throckmorton Villas, LP

3030 LBJ Freeway, Suite 1350, Dallas, TX 75234
214-342-1400

July 17, 2025

The Board of Directors
McKinney Community Development Corporation
7300 SH 121, SB
Suite 200
McKinney, Texas 75070
Attn.: Ms. Linda Jones,
Grant Program and Marketing Manager

Via Email: ljones2@mckinneycdc.org

**Re: Request for Loan Amendment
SDC Throckmorton Villas, LP – 380 Villas**

Dear Ms. Jones,

On behalf of SDC Throckmorton Villas, LP (“SDC”), we respectfully request an amendment to Section 5(b) of the Loan Agreement with an effective date of May 23, 2024, between SDC and the McKinney Community Development Corporation (“Corporation”). Specifically, we seek an extension of the deadline for obtaining a certificate of occupancy from June 30, 2025, to December 31, 2025.

Background

380 Villas, a 260-unit affordable housing community located at 1101 N. Throckmorton Street, is a transformative project that addresses the growing need for quality, attainable housing within the city of McKinney – more so, in view of the explosive economic and population growth within the city over the past few years. We are fully committed to delivering on this vision. However, several unforeseen events outside our control have materially impacted the construction schedule:

- **Loss of Key Subcontractor:** In February, the framing subcontractor abruptly abandoned the project, leaving several buildings incomplete. While a replacement was promptly engaged, this disruption significantly delayed progress.
- **Material Supply Chain Failure:** The subcontractor responsible for critical trim materials (doors, baseboards, shelving, hardware) has fallen significantly behind due to labor shortages and material procurement issues. While our general contractor continues to work with them, the general contractor is actively sourcing alternative suppliers to mitigate additional delays and restore momentum.
- **Design Conflict with City Requirements:** A conflict between the permitted structural design plans and the separately permitted fire sprinkler plans was identified by the fire marshal during inspection. Resolving this technical issue—requiring coordination between

engineers, designers, and City officials—caused a six-week delay (*practical work stoppage in that time*) but has now been fully addressed.

Current Progress & Completion Outlook

Despite these setbacks, the development remains well underway, with approximately 80% completion to date. Our updated schedule forecasts:

- First 6 buildings – by September 30, 2025
- Next 2 buildings – by October 31, 2025
- Following 2 buildings – by November 30, 2025
- Final 2 buildings – by December 20, 2025

This timeline ensures safe, high-quality, and fully compliant delivery of the development while preserving its affordability and long-term impact.

Our Commitment

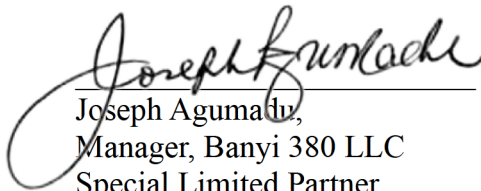
SDC is deeply grateful to the Corporation for its partnership on a project that directly supports McKinney's strategic vision for inclusive growth. Your support has been instrumental in closing a vital funding gap that has enabled us to advance a project providing much-needed affordable housing in a rapidly growing community. We remain committed to completing this project with the excellence it deserves.

We respectfully request the Corporation's continued support through the approval of this amendment, allowing us to complete the Development and fulfill its intended impact. Granting this amendment will ensure that the funding remains in place and the community ultimately receives the housing it so urgently needs.

Please let us know if any additional documentation or detail would assist in the Corporation's consideration of this request. We are available at your convenience and welcome any opportunity to further engage.

Thank you for your continued partnership and thoughtful consideration.

Sincerely,



Joseph Agumadu,
Manager, Banyl 380 LLC
Special Limited Partner
SDC Throckmorton Villas, LP