

COLLIN COUNTY HOUSING FINANCE CORPORATION
GENERAL INFORMATION, PROCEDURES, AND REQUIREMENTS
FOR SUBMITTING AN APPLICATION FOR FINANCING
OF A MULTIFAMILY RESIDENTIAL DEVELOPMENT

An individual, corporation, partnership, or other entity desiring to request that the Collin County Housing Finance Corporation (the "Corporation") issue debt obligations to provide financing for a multi-family residential rental development (the "Project") must file with the Corporation's Financial Consultant and Bond Counsel, in accordance with the attached Local Regulations, copies of a completed and executed Application for Financing and Residential Development Financing Questionnaire (the "Application") together with copies of any attachments or exhibits required by the Application and Local Regulations. The nonrefundable filing fees and escrow deposit specified in the Local Regulations must accompany the copies of the Applications submitted to the appropriate party as specified in the Local Regulations. Completed Applications must be filed no later than 10:00 a.m. on the day which is two weeks prior to the date of any meeting at which the Application is scheduled to be considered.

The Corporation will only accept applications for the following:

- (a) Senior citizen multifamily housing located anywhere in the County.**
- (b) Existing multifamily housing projects requiring substantial rehabilitation located anywhere in the County.**
- (c) Any type of multifamily housing project located in an unincorporated area of the County.**
- (d) Any type of multifamily housing project located in a city where the Mayor of the city requests the financing in writing.**

You should be aware that it is the general policy of the Corporation that unrated bonds will not be issued by the Corporation unless they are to be sold to institutional or sophisticated investors with the appropriate investment letter being provided by said institutional or sophisticated investors.

The following is a partial list of the information and documents which must be submitted with the Application. Additional information will be required, as set forth in the

Application and Local Regulations, and as may be required by the Corporation's Board of Directors (the "Board"), Bond Counsel, or the Financial Consultant. Please submit the Application in this order:

1. Title Page.
2. A brief summary of the financing proposed in conjunction with the Project.
3. A location map showing the location and approximate outline of the tracts of land involved.
4. A zoning map showing the existing zoning of the property and surrounding areas.
5. A letter from the Mayor of the City in which the proposed Project is to be located to the effect that (i) the proposed site of a new Project is zoned for multi-family occupancy, that the proposed density is in conformity with present zoning limitations, and that the City has no objection to apartments being located on the site, or (ii) any existing Project is in conformity with all laws and requirements of the City and the City does not oppose the financing of the Project by the Corporation.
6. The Applicant must provide a letter from the school district in which the proposed Project is or is to be located to the effect that the school district does not oppose the financing of the Project by the Corporation.
7. Evidence that the Applicant either (i) owns the site for the proposed Project, or (ii) has an option to purchase the proposed Project site.
8. A letter of reference from a bank or other financial institution.
9. Financial statements satisfactory to the Board and the Financial Consultant including statements with respect to entities or persons acting as general partner, principal, or persons or entities active as owners of 10% of the stock or interest in any corporation or partnership, respectively.
10. A proposed schedule for construction or rehabilitation of the Project.
11. An executed copy of the Application for Financing.
12. Current photographs of the site and renderings of the proposed Project.
13. Market study showing need in the area.

COLLIN COUNTY HOUSING FINANCE CORPORATION

Local Regulations for Receiving and Approving Applications for Financing Multifamily Residential Rental Developments

I. GENERAL PURPOSE AND SCOPE OF LOCAL REGULATIONS

A. The COLLIN COUNTY HOUSING FINANCE CORPORATION (the "Corporation") is a public nonprofit housing finance corporation and an instrumentality of Collin County, Texas (the "County"), organized and existing under the Texas Housing Finance Corporations Act, as amended, Chapter 394, Local Government Code (the "Act"), for the public purpose of providing financing for the cost of residential ownership and development within the County that will provide decent, safe, and sanitary housing for persons of low and moderate income at prices they can afford. The Act authorizes the Corporation to issue its revenue obligations to accomplish such public purposes. The Corporation has adopted these Regulations to set forth general requirements and procedures applicable to the issuance of obligations by the Corporation to provide financing for such residential developments.

B. The activities of the Corporation shall be limited solely to the accomplishment of the public purposes set forth in the Act, and no plan of financing of any project, as defined in the Act, and in applicable parts of these Regulations, will be approved by the Board of Directors (the "Board") of the Corporation unless and until the Board first affirmatively shall find that such financing and its related project will be in furtherance of such public purpose, to be determined in accordance with the procedures set forth in these Regulations.

C. These Regulations are intended to apply to obligations issued to provide financing for a single multi-family residential rental development. These Regulations do not apply to (1) any obligations issued by the Corporation for the purpose of making or acquiring home mortgages (as defined in the Act); or (2) any obligations issued by the Corporation for the purpose of obtaining funds to carry out a program to provide financing for more than one residential development (e.g., loans-to-lenders or similar pooled programs).

D. The Corporation shall not issue obligations to provide financing for any residential rental development unless the owner or proposed owner of the development (the "Applicant") has satisfied the requirements set forth herein. The Corporation reserves the right to impose additional specific requirements with respect to any such development.

Specific provisions of these Regulations may be waived by a majority vote of the members of the Board present at the meeting at which such action is taken.

II. APPLICATION AND APPROVAL PROCEDURES

A. Filing Requirements

An individual, corporation, or other entity desiring that the Corporation participate in the financing of a multi-family residential rental development (the "Project") shall complete and file with the Corporation the following items: (1) seven (7) copies of the Application for Financing and the Residential Development Financing Questionnaire, including required attachments, in the form attached hereto; and (2) the nonrefundable fees required by these Regulations.

Six copies of the documents and the fees required by Section III.A.1.(a), and (c) shall be filed with the Corporation by mailing or delivering the same to the Corporation's Financial Consultant (the "Financial Consultant") at the address specified below. Please notify the Financial Consultant by telephone prior to submission.

Mr. W. Robert Johnson
First Southwest Company
325 North St. Paul Street
Suite 800
Dallas, Texas 75201
Telephone: (214) 953-4055
Fax: (214) 953-8799
E-mail: rjohnson@firstsw.com

The remaining copy of each of the documents and the fee and escrow deposit set forth in Section III A.I.(b) hereof shall be sent to the Corporation's Bond Counsel ("Bond Counsel"):

Mr. David C. Petruska
Andrews Kurth LLP
1717 Main Street
Suite 3700
Dallas, Texas 75201
Telephone: (214) 659-4650
Fax: (214) 659-4859
E-mail: davidpetruska@andrewskurth.com

Unless otherwise agreed to by the Corporation, the materials, fees, and escrow deposit specified herein must be provided at least two (2) weeks prior to the date of any meeting at which the Application for Financing is scheduled to be considered. Additionally, representatives of the Applicant must be available to provide to the Corporation's representatives an on-site inspection of the proposed Project site if such an inspection is requested by the Corporation.

B. Preliminary Official Action

1. Upon compliance with the filing requirements set forth in II.A. above, the Corporation will conduct a preliminary review of the Application for Financing. Preliminary official action will be scheduled for the next regular or special meeting of the Board. If the Applicant desires a special meeting to be held, the Corporation's fee for such special meeting is \$1,000.00.

2. The Board will take preliminary official action, expressing its present intention to issue the obligations requested, if the preliminary review of the Application demonstrates with reasonable certainty that:

(a) the Application, the obligations, and the Project will qualify for final approval by the Board in accordance with these Regulations; and

(b) all governmental approvals with respect to the obligations and the Project will be obtained.

3. If the Board determines to grant preliminary approval of the Application, the Board will adopt a resolution evidencing the same.

If the Board determines not to grant preliminary approval of the Application, the Corporation will so advise the Applicant.

C. Subsequent Filing Requirements and Document Preparation

1. Prior to review of the Application for final approval by the Board, the Applicant may file such additional documents or statements in support thereof as the Applicant shall consider relevant and appropriate and shall file the following:

(a) such additional information as is requested by the Board, the Financial Consultant, or Bond Counsel;

(b) a pro forma copy of any official statement, prospectus, or other offering memoranda, through the use of which the proposed obligations are to be offered, sold, or placed with any lender, purchaser, or investor, which

offering, sale, or placement material shall contain prominent disclosure substantially to the effect that:

(i) neither the Corporation nor the County has undertaken to review or has assumed any responsibility for the matters contained therein except solely as to matters relating to the Corporation and to a description of the obligations being offered thereby;

(ii) all findings and determinations by the Corporation and the County, respectively, are and have been made by each for its own internal uses and purposes in performing its duties under the Act and these Regulations;

(iii) notwithstanding its approval of the obligations and the Project, neither the County nor the Corporation endorses or in any manner, directly or indirectly, guarantees or promises to pay such obligations from any source of funds of either or guarantees, warrants, or endorses the creditworthiness or credit standing of the Applicant or of any guarantor of such obligations, or in any manner guarantees, warrants, or endorses the investment quality or value of such obligations; and

(iv) such obligations are payable solely from funds and secured solely by property furnished and to be furnished and provided by the Applicant and any guarantor and are not in any manner payable wholly or partially from any funds or properties otherwise belonging to the Corporation or the County.

2. Bond Counsel shall have the primary responsibility for the preparation of the legal instruments and documents to be utilized in connection with the financing of any Project by the Corporation. No bonds or other obligations will be sold or delivered unless the legality and validity thereof have been approved by Bond Counsel. The Applicant and its legal counsel shall cooperate fully with the Corporation's agents in the preparation of such materials.

D. Final Approval and Closing

1. The Board will consider final action on the Application when requested so to do by the Applicant. The Board shall consider the passage of a resolution, in such form as is recommended by Bond Counsel, authorizing the issuance of obligations to provide financing for the Project. Final approval of such resolution will be granted only upon:

(a) receipt by the Board of evidence satisfactory to it that the Applicant has complied with these Regulations in all material respects not otherwise waived by the Board; and

(b) an affirmative determination of the Board that:

(i) all requirements for and prerequisites to final approval under these Regulations, have either been satisfied or waived and are in form and substance satisfactory to the Board; and

(ii) the operation of the Project will constitute a lawful activity, is qualified for approval by the County, and complies with and promotes the purposes and satisfies the requirements of the Act and the statement of policy contained in these Regulations.

2. Prior to or simultaneous with the consideration of the Application for final approval, the Corporation will hold a public hearing relating to the Project and the issuance of obligations to finance the Project. Such public hearing shall be held in compliance with federal tax law. The Applicant, or representative thereof, must be present at such public hearing to present a description of the Project and answer questions pertaining thereto.

3. Consistent with federal tax law, following the public hearing and final approval by the Board, the Corporation will seek approval by the Commissioners Court or the County Judge, and upon such approval, will proceed to close the financing in accordance with the documents approved by the Board and when finally approved by Bond Counsel in accordance with terms of sale or placement of the obligations.

III. FEES AND OTHER COSTS

A. Processing Fees, Closing Fees, and Costs

1. Concurrently with the filing of an Application:

(a) the Applicant shall pay to the Corporation a nonrefundable processing fee in the amount of \$7,500;

(b) the Applicant shall deposit with Bond Counsel the amount of \$5,000 of which \$3,000 is a nonrefundable review fee and \$2,000 is to be utilized for expenses. Such \$2,000 deposit shall be credited monthly against expenses incurred by Bond Counsel in connection with the proposed financing. Expenses incurred by Bond Counsel in connection with the

Project shall be deducted from the \$2,000 escrow deposit whether or not the obligations are issued and the remaining balance, if any, shall be refunded to the Applicant. If the \$2,000 escrow deposit is not sufficient to pay the expenses incurred by Bond Counsel in connection with the Project, the Applicant shall pay the amount of such expenses over \$2,000 to Bond Counsel within ten (10) days after receipt of a bill or statement therefor. The Applicant shall also provide to Bond Counsel a check in the amount of \$5,000 made payable to the Texas Bond Review Board for such Board's application fee; and

(c) the Applicant shall pay the Financial Consultant a nonrefundable review fee of \$2,000.

2. Within three (3) business days after the preliminary approval by the Board (or such later date as is acceptable to Bond Counsel), the Applicant shall deposit in escrow the amount of \$25,000 with Bond Counsel. This money will be used to pay fees and expenses of Bond Counsel and the Financial Advisor as they are incurred. If the aforementioned amount is utilized in full, then the Applicant shall deposit additional amounts of \$25,000 as requested by Bond Counsel.

The aforementioned amounts shall be credited against the closing fees and expenses of Bond Counsel and the Financial Advisor. If the Applicant determines to not proceed with the Project, any portion of the aforementioned amount not utilized for payment of fees and expenses at such time shall be reimbursed to the Applicant.

3. Concurrently with the closing of the financing, the Applicant shall pay or cause to be paid all fees and expenses in connection with the issuance of the obligations including, but not limited to, the following professional fees and other costs:

(a) the Closing Fee of the Corporation and any fees or expenses incurred by the Corporation or the County in conjunction with the Project or the obligations;

(b) all fees and expenses of Bond Counsel;

(c) all fees and expenses of the Financial Consultant or other consultants, for services rendered to the Corporation in connection with the Project or the issuance of the obligations; and

(d) the actual amount of any closing or acceptance fees of any trustee for the obligations, any fees and premiums for casualty and title

insurance, any security filing costs, any fees for placing the obligations, any out-of-pocket expenses incurred by professionals acting on behalf of the Corporation or the County, and any other costs and expenses, including issuance expenses, relating to the obligations, their security, and the Project.

4. The Closing Fee of the Corporation shall be \$1.25 per \$1,000 par amount of obligations issued with a minimum Closing Fee of \$5,000. In addition to the preliminary fees set forth in III.A.1. above, (a) the minimum fee to be paid to the Corporation's Financial Consultant shall be \$20,000 per series of obligations issued plus \$2.00 per \$1,000 par amount of obligations issued, and (b) the minimum fee to be paid to Bond Counsel shall be \$7.50 per \$1,000 par amount of obligations issued with a minimum fee of \$35,000 per series of obligations issued.

B. Continuing Costs

1. Each Applicant shall pay to the Corporation an annual fee of .0125% of the par amount of the obligations outstanding on the first day of each year, no later than January 31 of each year, plus the following amounts to wit:

- a. any amounts payable pursuant to any indemnity contract or agreement executed in connection with any financing hereunder; and
- b. the amount allocable to each Applicant (whose financing has been completed) of costs and expenses incurred by the Corporation in the administration of the indemnity contract or agreement, any program established in connection with the financing of a Project, and the outstanding obligations of the Corporation, including an annual accounting and/or audit of the financial records and affairs of the Corporation. The amount of costs or expenses paid or incurred by the Corporation under this clause shall be divided and allocated equally among all Applicants whose financings have been completed

C. Changes in Fees

1. The Corporation reserves the right at any time to change, increase, or reduce the fees payable under these Regulations, and to make the same effective as to any Applicant whose Application is filed subsequent to the date of such change.

2. All fees imposed subsequent to closing by the Corporation under these Regulations will be imposed in such amounts as will provide funds, as nearly as may be practical, equal to that amount necessary to pay the administrative costs

of conducting the business and affairs of the Corporation, plus reasonable reserves therefor.

D. Compliance

The Corporation will require that compliance with the various income and other restrictions relating to the Project be documented. The Applicant shall be responsible for the prompt payment of all fees and expenses relating to the same when due. The Corporation may require the use of an outside compliance monitor acceptable to the Corporation. All costs related to such compliance are to be paid promptly by the Applicant. In addition, the Corporation reserves the right to select the trustee for the obligations to aid in compliance and other matters.

IV. MISCELLANEOUS

A. Unauthorized Representations and Marketing Practices

1. No Applicant, or any representative of any Applicant or the Corporation, shall represent, directly or indirectly, to any lender, interim or otherwise, supplier, contractor, or other person, firm, or entity that the Corporation has agreed or is firmly committed to issue any obligations in relation to any Project or Application until the Board has given final approval for the issuance thereof under these Regulations, and then subject to any governmental approval of the County required by these Regulations and the approval of the Attorney General of the State of Texas and subject to any requirements imposed by the Corporation's Articles of Incorporation or the Act.

2. No Applicant, or any representative of the Applicant or the Corporation, shall ever make any representation, directly or indirectly, express or implied, of any fact or facts contrary to the disclosures required to be made by paragraph II.C.I.(b) of these Regulations.

3. Neither the Applicant nor any securities firm, underwriter, broker, dealer, salesman, or other person, firm, or entity shall offer, sell, distribute, or place any obligations authorized by the Corporation by any process, method, or technique or in any manner, transaction, or circumstances or to any person or persons, the effect of which would be to require such obligations to be registered or would require filings to be made with regard thereto under the laws of the state or jurisdiction where such offer, sale, distribution, or placement is made without first registering the same or making the filings regarding the same required by such laws.

B. Amendments, Waivers, Effective Date

1. The Corporation reserves the right at any time to amend these Regulations effective as to any Applications filed subsequent to the effective date of any such amendment.

2. The Board reserves the right to waive any portion of these Regulations as to any Applicant, Application, or Project upon written request seeking such waiver stating the reasons therefor.

3. These Regulations are and shall be effective from and after their adoption by the Board and shall continue in effect until and unless amended, modified, or repealed and shall be effective as to any application pending at the time of their adoption and approval.

C. Transfers of Property

So long as the obligations are outstanding, no ownership or other majority interest in any Applicant or the Project (including but not limited to transfer of ownership of any general partner) financed pursuant to these Regulations may be subsequently sold or otherwise transferred to any entity without the prior written consent of the Corporation. The Applicant will be responsible for paying the fees of the Corporation, the Financial Consultant, and Bond Counsel in connection with any sale or transfer and the approving opinion of Bond Counsel and a report by the Financial Consultant will be a prerequisite to the approval of any sale or transfer by the Applicant or any successor thereto. The transfer fee of the Corporation shall be equal to .0125% of the principal amount of the obligations outstanding at the time of such transfer.

It is the policy of the Corporation not to induce a Project or provide for the issuance of any obligations requested to finance a Project where the Applicant has the present intention of selling a Project and/or the financing package associated with the Project after the sale of any obligations issued to finance the Project.

COLLIN COUNTY HOUSING FINANCE CORPORATION

APPLICATION FOR FINANCING

The undersigned, duly authorized representative of TX Collin Apartments, L.P. (the "Applicant"), hereby applies to the Collin County Housing Finance Corporation (the "Corporation") for project financing pursuant to the Texas Housing Finance Corporations Act, as amended, Chapter 394, Local Government Code, and in accordance with the Issuer's Local Regulations for Receiving and Approving Applications for Financing Multifamily Residential Rental Development Projects (the "Regulations"). In connection therewith, I hereby declare, represent, and warrant as follows:

1. The Applicant intends to own, construct, or rehabilitate, and operate a multifamily residential rental development (the "Project") to be located within Collin County, Texas, and desires that the Corporation issue obligations to provide financing for such residential development in accordance with the Regulations.

2. The Applicant has received and reviewed the Regulations in effect on the date hereof and hereby agrees to comply with all terms and provisions of the Regulations.

3. The Applicant submits herewith six (6) completed copies of this Application and the Residential Development Financing Questionnaire (the "Questionnaire") to the Financial Consultant with a copy to Bond Counsel. The Questionnaire has been completed to the best of our ability, and the information contained therein and on any attachments thereto is true and correct and represents a reasonably comprehensive outline of the Project for which this Application for Financing is made.

4. The Applicant submits herewith the \$7,500 nonrefundable fee to the Corporation, the \$2,000 nonrefundable review fee to the Financial Consultant, the \$3,000 nonrefundable Bond Counsel review fee, the \$2,000 escrow deposit for Bond Counsel's expenses, and the \$5,000 check payable to the Texas Bond Review Board, all as required by the Regulations.

5. The Applicant shall advise the Corporation in writing of any material changes in the information contained in the Application or submitted in connection therewith within five (5) days from the date the Applicant or any officer or representative of the Applicant first has knowledge of such changes.

The Applicant requests that the Board of Directors of the Collin County Housing Finance Corporation grant preliminary approval of this Application for Financing.

As an inducement to the Corporation and to Collin County, Texas, to accept, review, and favorably consider and approve the Application and to issue the obligations therein contemplated, and whether or not all or any part thereof are ever actually approved or issued by the Corporation, the Applicant hereby irrevocably agrees that it will (a) pay all Project costs which are not or cannot be paid or reimbursed from the proceeds of obligations issued by the Corporation, and (b) at all times indemnify and hold harmless the Corporation and the members and officers of its Board of Directors, Collin County, Texas, and the members and officers of its governing body, and the Financial Consultant and Bond Counsel against all losses, costs, damages, expenses, and liabilities of whatsoever nature or kind (including but not limited to attorneys' fees, litigation and court costs, amounts paid in settlement, and amounts paid to discharge judgments) directly or indirectly resulting from, arising out of, or related to the acceptance, consideration, and approval or disapproval of such Application or the issuance, offering, sale, or delivery of any such obligations, or the design, construction, installation, operation, use, occupancy, maintenance, or ownership of the Project.

It is understood and agreed that this indemnity agreement shall be continuing and shall survive and continue to be effective after any approval or disapproval of the Application and the issuance or failure to issue any such obligations and the construction and operation of the Project. It is also understood that additional indemnity agreements may be required from the Applicant or others, such as guarantors, prior to the final approval of such Application.

The undersigned, both in his individual and representative capacities, does hereby upon his or her oath swear or affirm that all information contained in the Application and submitted in connection therewith is true, accurate and complete. Witness my hand this September 3, 2014.

TX Collin Apartments, L.P.

Presently Estimated
Amount of Project Financing
Requested:

By: _____
Authorized Officer or
Representative

\$ 20,000,000 (Twenty million)

Title: President of the Manager-GP

STATE OF TEXAS §
COUNTY OF _____§

BEFORE ME, the undersigned authority, on this day personally appeared _____,
of _____ known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same in the capacity and for the purposes and consideration therein expressed and, who, upon his or her oath, did swear or affirm that all information contained in the Application referred to above and submitted in connection therewith is true, accurate and complete.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this _____,
_____.

Notary Public in and for the State of Texas

My Commission Expires: _____

COLLIN COUNTY 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, e-mail address, and telephone number of the entity that will own the Project (the "Applicant").

TX Collin Apartments, L.P.
5430 LBJ Freeway, Suite 1200
Dallas, TX 75240
972-663-9368 972-663-9301 FAX
Bill.fisher@sonomaadvisors.com
Jbrown0106@cs.com

2. Name, address, e-mail address, and telephone number of the representative of the Applicant with whom the Corporation should communicate.

TX Collin Apartments, L.P.
5430 LBJ Freeway, Suite 1200
Dallas, TX 75240
972-663-9368 972-663-9301 FAX Mobile for Bill Fisher 214-608-7201 (Development consultant)
Bill.fisher@sonomaadvisors.com
Jbrown0106@cs.com

3. Name, address, e-mail address, and telephone number of legal counsel to the Applicant (not Bond Counsel) in connection with the Project.

John Shackelford and Michele Snedden
Shackelford Melton McKinley and Norton
3300 Lee Parkway
Tenth Floor
Dallas, TX
214-780-1414 or 214-780-1413 214-780-1401 FAX
jshackelford@shacklaw.net
msnedden@shacklaw.net

4. Name, address, e-mail address, and telephone number of any financial consultant, investment banker, or mortgage banker advising the Applicant in connection with

the Project (not the Financial Consultant to the Corporation).

Sonoma Housing Advisors, LLC
5430 LBJ Freeway, Suite 1200
Dallas, TX 75240
972-663-9368 + 972-663-9301 FAX
Bill Fisher 214-608-7201
Bill.fisher@sonomaadvisors.com

5. Form of organization of the Applicant.

Corporation
**Limited
Partnership**
General Partnership
Sole Proprietorship

Date of Organization: February 2014

State of Organization: Texas

Does Applicant presently exist or is it to be formed?

XXXXXXXX Exists _____ To be formed

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

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

TX Collin Apartment GP-LLC: 100% owned by Plano Housing Corporation

7. List all persons or entities having a 10% or greater interest in the Applicant.
Plano Housing Corporation as the initial LP.

Presumed to be the HTC investor at closing

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.)

See Conine and Sonoma Resumes attached

9. List the names and addresses of any guarantors.

Kent Conine for all purposes
Construction period guarantees:
Odyssey Residential Construction L.P.
Melissa Adami, CPA
Dewey Stevens
Saleem Jafar

10. List banks and other credit references. Attach a bank reference letter.

Reference letters from Chase and IBC attached

11. Has the Applicant or any person or entity having 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.)

NONE

12. Has the Applicant or any person or entity having a 10% or greater interest in the Applicant been a party to any lawsuit or are there any unsatisfied judgments against any of the foregoing or have any of the foregoing been convicted of a felony? If so, please detail the facts surrounding such lawsuit or lawsuits or such felony conviction, the names of the affected parties, and the current status of the lawsuit or lawsuits or such 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 material litigation nor judgments

13. Has the Applicant or any person or entity having 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.)

NONE

14. Has the Applicant or any person or entity having 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.

NONE in the last 8 years

15. If there is any credit enhancement device (such as bond insurance, mortgage insurance, a letter of credit, or surety bond) intended to be utilized in connection with the proposed financing, describe 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.

Odyssey and their principals are providing construction period guarantees as an enhancement to those of the developer. The CHDO is not making any financial guarantees

INFORMATION AS TO PROJECT

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

See attached plan and area mapping

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

7.25 acres or 316,000 SF ; Zoned for independent senior in the Plano Gateway master planned development, minimum density is 35 units per acre.

18. Does the Applicant now own the Project site? XXX 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: February 2014
- (b) Purchase Price: \$2.65 million
- Balance of Existing Mortgage: \$1.95 million
- (c) Holder of Existing Mortgage: Seller, Patrick Hillary (e)
Attach proof of ownership. Deed is attached

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

- (a) Present Owner: _____
- (b) Date of option Agreement: _____
- (c) Purchase Price: _____
- (d) Expiration Date of Option Agreement: _____
- (e) Attach copy of Option Agreement.

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

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

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. If none, write "none."

Arms-length purchase and sale for all purposes

23. Describe any existing improvements or structures presently located on the Project site. If none, write "none."

The streets are installed to the North and East of the property. There is a drainage improvements running along Shiloh on the East boundary.

24. Is the cost of the acquisition of the Project site to be included in the financing? If so, please provide an estimate of that portion of the acquisition cost to be utilized for the cost of the land.

_____ Yes _____ No

25. Indicate the present number and general description of residential units on the Project site. If none, write "none."

26. Is the Project zoned to allow the construction of apartments for independent senior living age 55 and older? XXX Yes

NOTE: SEE ATTACHED FORM OF LETTER FROM MAYOR WHERE PROJECT IS LOCATED WHICH MUST BE SUBMITTED TO THE CORPORATION.

Resolution of support adopted unanimously by the City Council is attached.
Project is shovel ready with a City approved site plan and plat. Ready for permit save and except for the payment of money and recordation of the drainage easement

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

_____ Yes XXXXX No

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

(f) Age of units: _____

(g) 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.

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

(i) Attach a recent photo of the Project.

NOT APPLICABLE

(j) 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. (The Corporation requires a minimum of 20% of the total Project costs be applied to rehabilitation expenditures.)

28. Indicate the quantity, 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>
------------------------	---------------------	---------------------	---------------------

SEE ATTACHED UNIT MIX AND PROJECT NARRATIVE. FULL PLANS ARE IN THE DROPBOX

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.

SEE NARRATIVE ATTACHED

30. Describe the overall style of the Project (e.g., garden apartments, multi-story, highrise), exterior construction materials, energy conservation considerations, and landscaping design. Attach a map or site sketch showing the location or 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.)

SEE NARRATIVE AND RENDERINGS ATTACHED

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

Range	_____	Disposal
Refrigerator	_____	Carpet
Air conditioning	_____	Blinds
Dishwasher	_____	NO
Other _____		

32. Indicate which of the following, if any, tenants will be required to pay on an individual basis. See the UA attached. All electric unit, tenant pays for electric, phone and cable only. MR residents pay for all utilities

Electricity	_____	Water and Sewer
Gas	_____	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.

NOT applicable

Independent seniors only

No company preferences and we allow pets up to a weight limit excepting all breeds or dogs deemed aggressive or dangerous (pit bulls for ex.)

NOT applicable to guide or service animals

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

Single senior would need income of \$1,800 month to meet the credit criteria but we are obligated to accept rental assistance so long as the resident meets all other screening criteria including but not limited to no criminal history per the fair housing guidelines and policies.

35. Indicate number of residents or businesses displaced by construction or rehabilitation of the Project, if any. (If none, write "none.") Describe procedures to be used to minimize impact of any displacement.

NOT applicable to this development

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

Attached in the drop box

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 to the management company. TBD

FINANCING INFORMATION

38. Total cost of Project: \$ \$29.5 million

39. Amount of financing applied for: \$ \$20,000,000 (twenty million in bond cap)
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 amount of equity investment the Applicant intends to make in the Project. Indicate the source of such equity.
\$8.2 million of HTC equity depending on the final credit at cost certification.

AHP gran and a HOME Depot Veterans grant, City fee contribution totaling \$950,000

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

42. What type of financing does the Applicant desire?

Permanent financing only

Construction and permanent financing XXXXX

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

44. Indicate the amount and percentage of the requested financing to be applied to refinance any existing mortgage or loans. If none, write "none."

Repay the land loan of up to \$2 million and development costs incurred of up to \$1 million including the cost of building permit and without COI

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

46. Explain how the Project will be financed if all or a portion of the amount applied for is denied. Tax exempt bonds with a state wide issuer

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 XXXXXX

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 the National Housing Act of 1934?

Yes, for construction advances

Yes, for insurance upon completion only

No XXXXXX

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." NONE

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

See the attached financing letters in the dropbox

51. If approved, are the obligations 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 obligations be rated and/or credit enhanced? If credit enhanced, by whom? Note: it is the Board's policy that the obligations be rated at least investment grade unless placed privately with a financial institution or sophisticated investor.

Private Placement with a public fund professionally managed American First Realty or Citi Community Capital

CONSTRUCTION INFORMATION

52. Has construction of the Project begun? _____Yes XXXNo

If yes, give date construction began: _____

If no, give estimated date for commencement of construction: _____

53. State estimated date of completion: November 15, 2014

54. State estimated date Project will be placed in operation: December 2015.

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

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 detail**

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. If none, write "none."

\$1 million for site acquisition and for shovel ready status

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

NONE we are aware of at this time.

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

Yes, as required by the bond buyer and the HTC investor and consistent with the State guidelines for the HTC financing program.

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 such three years. See attached financial package
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.

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.
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.

65. State name, address, e-mail 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 general contractor and the Applicant, i.e. subsidiary corporation, partner, etc.

Odyssey Residential Construction, L.P.
Resume attached

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

Dan Burbine and Associates, AIA

67. State name, address, e-mail 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. TBD

68. State how the Applicant intends to comply with Article 394.902 of the Act (senior citizen set-aside or alternative fee).

LURA and zoning restrictions allow only seniors age 55 and older with a caregiver except as required by fair housing.

69. The Applicant must provide a letter from the school district in which the proposed Project is to be located to the effect that the school district does not oppose the financing of the Project by the Corporation. SENIOR LIVING AGE 55 AND OLDER. NO SCHOOL AGE CHILDREN ARE ALLOWED TO LIVE ON THE PROPERTY BY ZONING AND LURA. Waive this requirement please.

NOTE: SEE ATTACHED FORM OF LETTER FROM THE SCHOOL DISTRICT WHERE THE PROJECT IS LOCATED WHICH MUST BE SUBMITTED TO THE CORPORATION.

70. Please check one of the priority elections below for the Texas Bond Review Board Residential Rental Attachment for the Project:

A. _____ Priority 1(a) - **MUST** receive 4% LIHTC - Set aside **50%** of units - Cap rents at 30% of **50%** AMFI, Set aside **50%** of units – Cap rents at 30% of **60%** AMFI

B. _____ Priority 1(b) - **MUST** receive 4% LIHTC - Set aside **15%** of units - Cap rents at 30% of **30%** AMFI, Set aside **85%** of units – Cap rents at 30% of **60%** AMFI

C. _____ Priority 1(c) - **MUST** receive 4% LIHTC - Set aside **100%** of units - Cap rents at 30% of **60%** AMFI. For projects located in a **census tract with median income that is greater** than the median income of the county MSA, or PMSA that the QCT is located in.

D. XXX Priority 2 - **MUST** receive 4% LIHTC - Set aside **100%** of units - Cap rents at 30% of **60%** AMFI (20% market rate; 80% affordable at or below 60%)

E. _____ Priority 3

71. What is the AMFI (area median family income) for the census tract in which the Project is located? \$ 56,500

72. Please provide the census tract number for the Project site 319.00.
Is this a qualified census tract? XXX yes _____no

73. What is the zip code for the Project? 75082

74. Please provide the Developer name, address, contact person, phone, fax and e-mail address, if different than the Applicant.

75. Does the Applicant currently have exemption from ad valorem taxation? _____ yes
XXX no

76. Does the Applicant plan to seek abatement from ad valorem taxation? XXXyes
_____No CHDO PROPERTY TAX EXEMPTION ELIGIBLE (50%)

77. Does the Applicant plan to attempt a partnership with an organization that is currently exempt from ad valorem taxation? XX yes _____no

CHDO PROPERTY TAX
EXEMPTION ELIGIBLE
(50%)

Municipality's Letterhead)

[Date]

Judge Ron Harris
President
Collin County Housing Finance Corporation
210 S. McDonald Street
McKinney, Texas 75069

RE: (description and exact location of apartment complex)

Dear Judge Harris:

The (insert proper designation of your municipality, i.e., city, town, or village) has no objection to apartments being located on the captioned site and the issuance of obligations by the Collin County Housing Finance Corporation to finance the captioned apartment complex. [The proposed site of the Project is zoned for multifamily occupancy and the proposed density is in conformity with present zoning limitations.] [The existing project is in conformity with all laws and requirements of the (city, town, village), and the (city, town, village) does not oppose the financing of the project utilizing obligations to be issued by the Collin County Housing Finance Corporation.]

Sincerely,

[Mayor]

(School District's Letterhead)

[Date]

Judge Ron Harris
President
Collin County Housing Finance Corporation
210 S. McDonald Street
McKinney, Texas 75069

RE: (description and exact location of apartment complex)

Dear Judge Harris:

The (insert proper designation of your school district) does not oppose the Project or the issuance of obligations by the Collin County Housing Finance Corporation to finance the captioned apartment complex.

Sincerely,

Title: Superintendent of Schools

SCHEDULE I
PROJECT FINANCING QUESTIONNAIRE

ECONOMIC LIFE OF PROJECT

	<u>Asset</u> (1)	<u>Life</u> (2)	<u>Cost</u> (3)	<u>WAL</u> (4)
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
			Total Cost	Total _ WAL (5) _

Notes:

(1) "Asset" means each asset comprising the Project, listed in accordance with the following classifications:

(a) each "structure" including "structural components," within the meaning of Tres. Reg. Section 1.48-1(e); and

(b) land, provided that land shall not be listed unless at least 25 percent of the proceeds of the Initial Bonds is used to finance land; and

(c) each asset or group of assets comprising the same "asset guideline class," within the meaning of the ADR system.

(2) "Life" means, with respect to each Asset, the economic life of the Asset determined as follows:

(a) for each structure, the guideline life of the structure under Rev. Proc. 62-21, 1962-2 C.B. 4/8;

(b) for land, the economic life is deemed to be 50 years;

(c) for each Asset other than a structure or land, the midpoint life of the Asset under the ADR system;

plus the amount of time (expressed in years or decimal portions of a year) that elapses between the Closing Date and the date that the Company reasonably expects the Asset to be "placed in service," within the meaning of the Code.

(3) "Cost" means, with respect to each Asset, the adjusted basis of the Asset, within the meaning of Section 1011 of the Code.

(4) "WAL" (i.e. "Weighted Average Life") means, with respect to each Asset, the number of years determined by dividing the Cost of the Asset by the Total Cost for all Assets, then multiplying that quotient by the Life of the Asset.

(5) "Economic Life of Project" means the Total WAL.

SEE TAXABLE INCOME PROJECTIONS IN THE DROP BOX MODEL