

**McALLEN HOUSING FINANCE CORPORATION MEETING
JUNE 22, 1995**

A meeting of the McAllen Housing Finance Corporation was held on Thursday, June 22, 1995 at 12:00 noon at Bobby's Restaurant, Wine Room with the following present:

	Morgan Talbot	President
	Lynda Moore	Vice-President
	Bill Meyers	Member
	Charles Cardenas	Member
	Wilfred Dean	Member
	Richard Cortez	Member
Absent:	Carlos Garza	Member
Staff:	Jim Darling	City Attorney
	Leticia Vacek	City Secretary

CALL TO ORDER

President Talbot called the meeting to order.

1. APPROVAL OF FEBRUARY 9, 1995 MINUTES

Ms. Moore moved to approve the minutes of February 9, 1995 as submitted. Mr. Dean seconded the motion. Motion carried unanimously by those present.

2. DISCUSSION AND ACTION CONCERNING THE IMPROVED COMMERCIAL PROPERTY EARNEST MONEY CONTRACT BY AND BETWEEN McALLEN HOUSING FINANCE CORPORATION (MHFC) AND PECAN HEIGHTS DEVELOPMENT COMPANY (PHDC).

Mr. Darling reported that the contract between MHFC and Pecan Heights Development Company was signed with a closing date of June 30, 1995. It was also reported that a structural inspection showed extensive termites were found on the premise. He added that the financial reports were not quite accurate. The Board reviewed the projected cash flows from First Southwest Financial Company dated June 1, 1995 on said housing development.

Mr. Darling asked that the MHFC ratify the termination notice between MHFC and PHDC. He noted that the Escrow Agent should release the \$5,000 and that no problems were anticipated.

Mr. Dean moved to authorize the ratification that the City Attorney send a termination of contract notice to PHDC due to the inability to finance the project. Additionally, the City

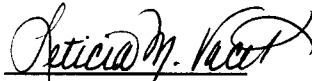
Attorney was directed to notify the Escrow Agent to release the \$5,000. Mr. Cardenas seconded the motion. Motion carried unanimously by those present.

Mr. Darling reported that the City has obtained title on the 5 - 6 acres for a proposed housing development for the elderly. He noted that the City Manager is handling the issue of forgiveness of taxes with the County and School Taxing Entities.

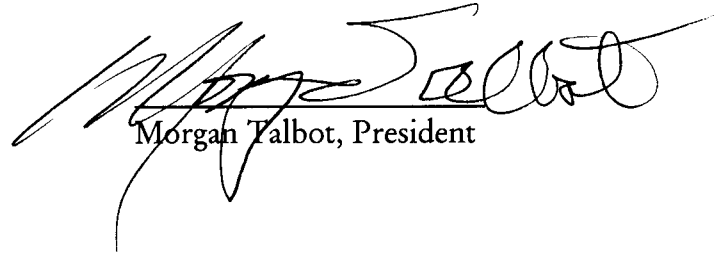
ADJOURNMENT

There being no further business to come before the Corporation, the meeting was unanimously adjourned at 12:45 pm.

Respectfully submitted,



Leticia M. Vacek
Corp. Secretary



Morgan Talbot, President