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FLORIDA HOUSING FINANCE CORPORATION

**BEFORE THE STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION**

WORKFORCE HOUSING
VENTURES, INC.

Petitioner,
vs.

FHFC Case No. 2016-019BP
RFA No. 2016-101
Application No. 2016-316H

FLORIDA HOUSING FINANCE
CORPORATION,

Respondent.

**FORMAL WRITTEN PROTEST AND
PETITION FOR ADMINISTRATIVE HEARING**

Petitioner, WORKFORCE HOUSING VENTURES, INC. (“Workforce”), pursuant to sections 120.57(3), Florida Statutes (“F.S.”), and Rule 28-110 and 67-60, Florida Administrative Code (“FAC”) hereby files this Formal Written Protest and Petition for Administrative Hearing regarding the scoring decision of Respondent, FLORIDA HOUSING FINANCE CORPORATION (“Florida Housing”) to award funding to responsive bidders pursuant to Request for Application 2016-101 HOME Financing to be Used for Rental Developments in Rural Areas (“RFA”). In support Workforce provides as follows:

1. Workforce is a Florida Corporation in the business of providing affordable housing. Workforce is located at 36739 SR 52, Dade City, Florida 33525. For the purposes of this proceeding, Workforce’s phone number is that of its undersigned attorneys.

2. Florida Housing is the allocating agency for the State of Florida that was granted the authority to issue RFA 2016-101 for the purpose of providing much needed affordable

housing. Florida Housing's address is 227 North Bronough Street, Suite 500, Tallahassee, Florida 32301.

3. On January 22, 2016, Florida Housing issued the RFA to award an estimated \$15,000,000 in HOME Investment Partnership Program loan funding.

4. Through the issuance of the RFA Florida Housing sought to solicit proposals from qualified Applicants that would provide housing consistent with the terms and conditions of the RFA, applicable laws, rules, and regulations.

5. On February 25, 2016, Workforce submitted an Application in Response to the RFA which included information concerning a 50 unit apartment complex in Flagler County, Florida, named Pine Breeze Apartments. Florida Housing received 9 applications in response to the RFA. Through the Application, Workforce was requesting \$4,371,350.00 in HOME funding assistance for its proposed project. Workforce believed that it had satisfied all requirements of the RFA.

6. As the owner and developer of a project seeking HOME funding, Workforce is substantially affected by the evaluation and scoring of the responses to the RFA. The results of this and related proceedings may affect Workforce's ability to obtain funding through the RFA.

7. Consistent with the primary mission and goal of the RFA, Workforce's Development will provide much needed affordable housing and services. Without the funds provided by the RFA Workforce will be unable to provide this much needed affordable housing. Accordingly Workforce's substantial interests are affected by the decisions made by Florida Housing.

8. At Section Four the RFA lists those items which must be included in a response to the RFA as found in the Application Form A. Included in these items at Section Four (A) is information concerning the Applicant, the Developer, and the Development.

9. The RFA at Section Five describes the Applicant Eligibility and Funding Selection process. The mandatory items for the RFP are listed at page 18 of the RFA. At page 25 the RFA lists the selection process and a specific CHDO Set-Aside.

10. Specifically at Section Five the RFA sets out the Evaluation Process as follows:

A. Committee members shall independently evaluate and score their assigned portions of the submitted Applications, consulting with non-committee Corporation staff and legal counsel as necessary and appropriate.

B. The Corporation will reject any competitive Application submitted and no action will be taken to score the Application if: (i) the Application is not submitted online by the Application Deadline, (ii) the required number of hard copies are not submitted by the Application Deadline, (iii) the Applicant's hard copy submission is not contained in a sealed package, (iv) the required Application fee is not submitted as of the Application Deadline, or (v) the proposed Development is not eligible for funding under this RFA because it meets the criteria outlined in paragraph 67-48.018(1)(a) and/or (b), F.A.C., and does not meet one of the stated exceptions.

C. An Application will be deemed ineligible to be considered for funding if, as of the close of business the day before the Committee meets to make a recommendation to the Board, any of the following occurs:

1. An Applicant or Developer or Principal, Affiliate or Financial Beneficiary of the Applicant or Developer has received an award of any funding from Florida Housing Finance Corporation prior to January 1, 2010, and the funding either (i) has not closed and has not been returned to the Corporation; and/or (ii) has closed since May 1, 2014, but no funding has been drawn as of January 1, 2015; and/or
2. There are any financial obligations for which an Applicant or Developer or Principal, Affiliate or Financial Beneficiary of the Applicant or Developer is in arrears to the Corporation or any agent or assignee of the Corporation as reflected on the most recently published Past Due Report posted to the Corporation's Website under the link Property Owners & Managers/Past Due Reports (also accessible by clicking [here](#)), but not more recently than five (5)

business days prior to the date the Committee meets to make a recommendation to the Board.

D. The following is a summary of the Mandatory items:

Mandatory Items
Demographic Commitment
Name of Applicant provided
Evidence that Applicant is a legally formed entity provided
Principals of the Applicant and for each Developer provided
Contact Information provided
Name of Each Developer provided
Evidence that each Developer is a legally formed entity provided
Name of Management Company provided
Name of Proposed Development provided
County identified
Address of Development Site provided
Surveyor Certification Form with Development Location Point provided
Scattered Sites question answered
Total Number of Units provided
Development Category provided
Development Type provided
Question whether construction has commenced answered
Unit Mix provided
HOME Set-Aside calculation provided
Units occupied question answered
HOME Uniform Relocation Act documentation provided, if applicable
Evidence of Site Control provided
Applicant's HOME Funding Request Amount provided
Applicant's HOME Subsidy Calculation Chart provided
Development Cost Pro Forma (listing expenses or uses) and Construction analysis and Permanent analysis (listing sources) provided – Sources must equal or exceed uses

- E. The Committee shall conduct at least one public meeting during which the Committee members may discuss their evaluations, select Applicants to be considered for award, and make any adjustments deemed necessary to best serve the interests of the Corporation's mission. The Committee will list the Applications deemed eligible for funding in order from highest total score to lowest total score, applying the funding selection criteria outlined in Section Four B above, and develop a recommendation or series of recommendations to the Board.
- F. The Board may use the Applications, the Committee's scoring, any other information or recommendation provided by the Committee or staff, and any other information the Board deems relevant in its selection of Applicants to whom to award funding. Notwithstanding an award by the Board pursuant to this RFA, funding will be subject to a positive recommendation from the Credit Underwriter based on criteria outlined in the credit underwriting provisions in Rule Chapter 67-48, F.A.C, for the HOME funding.

11. On April 20, 2016, the designated Review Committee met and considered the Applications responding to the RFA. At the meeting the Review Committee orally listed and manually input the scores for each section of each RFA Response and ultimately made recommendations to the Board of Directors for their consideration. The Review Committee consisted of Florida Housing staff.

12. During the meeting, the Review Committee determined that the Workforce Application was ineligible for funding. At the conclusion of the Review Committee meeting the Committee voted to send a funding recommendation to Florida Housing Board of Directors for approval.

13. On May 6, 2016, Florida Housing's Board of Directors accepted the Review Committee's ranking and funding recommendations, which included finding Workforce ineligible. Had the Workforce Application been deemed eligible it would have been in the funding range based on its assigned lottery number and the RFA selection criteria. (See Exhibit A)

14. On May 11, 2016, Workforce timely filed its Notice of Intent to Protest. (See Exhibit B) This Formal Written Protest is being timely filed and Florida Housing has waived the bid protest bond requirement for the RFA. As a Developer of affordable housing in need of supplemental funding, Workforce's substantial interests are affected by Florida Housing's decision not to award the necessary funding pursuant to the RFA. Without the supplemental funding Workforce will not be able to develop its proposed Development.

15. As it relates to the sole reason cited by the Review Committee for not finding Workforce's Application to be eligible, the Scorers Notes obtained through a public records request indicate that Workforce was found ineligible because of a funding shortfall in the

Development Cost Pro Forma. (See Exhibit C) During discussions at the Review Committee Meeting it was further disclosed that National Lending Partners, Inc. ("NLP") was not considered a Regulated Mortgage Lender.

16. The RFA at Section Four (10)(c) requires an applicant to complete a Development Cost Pro Forma as follows:

The Development Cost Pro Forma must include (i) all anticipated sources of funding for the proposed Development and (ii) all anticipated costs of the Development construction and, if applicable, acquisition, including the Developer fee and General Contractor fee, as outlined below. Any amounts that are not an anticipated cost to the Development, such as waived fees or charges, cannot be included in the Development Cost Pro Forma. Note: deferred Developer fees are not considered "waived fees".

17. In terms of documentation required to show funding the RFA at page 22 includes requirements for Non-Corporation Funding proposals as follows:

d. Non-Corporation Funding Proposals:

In order for funding, other than deferred Developer fee, to be counted as a source on the Construction and/or Permanent Analysis, the Applicant must provide documentation of all financing proposals from both the construction and the permanent lender(s) and other sources of funding. The financing proposals must state whether they are for construction financing, permanent financing, or both, and all attachments and/or exhibits referenced in the proposal must be included. Insert documentation for each source as **Attachment 19** to Exhibit A and continue with sequentially numbered attachments for each additional funding source. Evidence for each funding source must be behind its own sequentially numbered attachment.

For purposes of the Application, the following will not be considered a source of financing:

- Corporation Bonds
- Non-Corporation Bonds
- Net Operating Income
- Capital Contributions

Financing proposal documentation, regardless of whether the documentation is in the form of a commitment, proposal, term sheet, or letter of intent, must meet the following criteria.

(1) Each financing proposal shall contain:

- (a) Amount of the construction loan, if applicable;
- (b) Amount of the permanent loan, if applicable;
- (c) Specific reference to the Applicant as the borrower or direct recipient; and
- (d) Signature of all parties, including acceptance by the Applicant.

18. Additionally the RFA at page 24 provides:

If the financing proposal is not from a Regulated Mortgage Lender in the business of making loans or a governmental entity, evidence of ability to fund must be provided. Evidence of ability to fund includes: (i) a copy of the lender's most current audited financial statements no more than 17 months old; or (ii) if the loan has already been funded, a copy of the note and recorded mortgage. The age of all financial statements is as of the Application Deadline. In evaluating ability to fund, the Corporation will consider the entity's unrestricted current assets typically used in the normal course of business. Assets considered restricted include, but are not limited to, pension funds, rental security deposits, and sinking funds. Financing proposals from lenders who cannot demonstrate ability to fund will not count as a source of financing. Financial statements must be included in the Application. Note: This provision does not apply to deferred Developer fee.

19. The RFA defined a Regulated Mortgage Lender as follows:

“Regulated Mortgage Lender”

(a) A state or federally chartered entity authorized to transact business in this state that regularly engages in the business of making mortgage loans secured by real property in this state, whose mortgage lending activities subject it to the jurisdiction of the State of Florida Office of Financial Regulation, the Board of Governors of the Federal Reserve, Office of the Comptroller of the Currency, the National Credit Union Administration, or the Federal Deposit Insurance Corporation; (b) A Fannie Mae-approved lender whose name appears on the Fannie Mae list of Delegated Underwriting and Servicing (DUS®) Lenders*; (c) A HUD-approved lender whose name appears on the U.S. Department of Housing and Urban Development (HUD) list of Multifamily Accelerated Processing (MAP) Approved Lenders*; (d) A RD-approved lender whose name appears on the U.S. Department of Agriculture, Rural Development (RD), list of Section 538 Guaranteed Rural Rental Housing approved lenders*; or (e) A Freddie Mac-approved multifamily lender whose name appears on

Freddie Mac's lists of Program Plus (Florida region) lenders, Targeted Affordable Housing lenders or Seniors Housing lenders*.

*Lists available on the Corporation website at <http://www.floridahousing.org/Developers/MultiFamilyPrograms/Competitive/2016-103/OtherInformation/> (also accessible by clicking [here](#))

20. In response to these RFA requirements Workforce submitted with its Application at Attachment 19 a Non-Corporation Funding Proposal Term Sheet from NLP. The NLP Term Sheet is for a first mortgage to Workforce and meets the RFA requirements by including the amount of the construction and permanent loan, a specific reference to the Applicant as the Borrower, and the signature of all Parties including acceptance by the Applicant. (See Exhibit D)

21. Upon reviewing the NLP Term Sheet the Review Committee determined that NLP was not a "Regulated Mortgage Lender" and therefore the NLP commitment identified in the Term Sheet could not be considered a source of funding which presumably led to the shortfall reflected in the Scoring Notes. (See Exhibit C)

22. Florida Housing's scoring decision is erroneous for several reasons. First NLP is a mortgage lender that has been accepted by Florida Housing previously. In supporting this conclusion it is initially helpful to discuss what NLP is and what it does. NLP is a multi-bank lending consortium providing financing to developers of affordable housing. NLP is a non-profit 501(c)(3) servicing the State of Florida through its member banks. NLP is also a Community Development Financial Institution ("CDFI") and a Community Development Entity ("CDE"). In fact NLP is certified by the U.S. Department of Treasury.

23. In addition to being a CDFI, 95% of NLP's lending is as a lending consortium. NLP is the vehicle for CRA participation by member banks. When a member bank participates in a lending transaction, NLP is the lender of record, making the note and mortgage but the member bank is the one lending the funds.

24. NLP has financed over 137 housing properties comprised of over 12,000 residential units for loans totaling over \$450 million in the State of Florida. NLP has over \$123 million in outstanding loans inclusive of Low Income Housing Tax Credits, Bonds, SAIL,

HOME and other programs administered by Florida Housing. The properties are located throughout the State in 28 counties and provide family housing, housing for large families, senior citizens, farm workers and individuals with special needs.

25. For example Workforce is aware of at least one property in Florida which used NLP as a source of funding. Indeed the Tall Pines Development in Pasco County (Application #2000-079S) was recently reviewed by Florida Housing in response to a request to modify the NLP first mortgage. The request to modify the mortgage was subjected to credit underwriting and approved by the Board on June 19, 2015. As provided in the Credit Underwriting Report for Tall Pines there were no issues raised indicating that NLP was not acceptable as a Regulated Mortgage Lender and Workforce had no reason to believe that NLP was not an acceptable Regulated Mortgage Lender in response to the RFA. (See Exhibit E)

26. NLP is authorized to transact business in the State of Florida and regularly engages in the business of making mortgage loans secured by real property in the State. (See Exhibit F) NLP is registered and certified with and by the U.S. Department of Treasury. Additionally NLP's member banks including BB&T, and PNC Bank, are Regulated Mortgage Lenders. NLP as a lender has been accepted by Florida Housing and to not accept NLP as a lender now is erroneous.

27. Florida Housing is very familiar with NLP as reflected in the comments of its Executive Director, Mr. Stephen Auger, during the recent consideration of the responses to RFA 2016-104 during the May 6, 2016, Board Meeting. In that discussion Florida Housing's Board of Directors, as recommended by staff, accepted a Term Sheet prepared by NLP.

28. As provided in the Board Meeting Agenda Write-up the Applicant's Application in response to RFA 2016-104 (Application #2016-324S) was found ineligible by the Review

Committee for the identical reason that Workforce's Application was found ineligible here. Rather than taking the action taken in the instant case and affirming the decision to disqualify the NLP Term Sheet, Florida Housing's Board voted to allow that Applicant to provide additional information concerning NLP within 21 days. In essence to the extent there was an issue with the NLP Term Sheet, the Board decided to waive that deviation as a minor irregularity and allow the NLP Term Sheet to stand. (See Exhibit G)

29. When questioned by Board Members, Mr. Auger spoke to NLP's track record as an affordable housing lender and expressed no concern with NLP's financial abilities or capabilities. By waiving any deviation and allowing this "cure" for one Applicant and not allowing the same "cure" here Florida Housing has acted in an inconsistent manner when addressing the exact same scoring issue. This is both arbitrary and capricious and at a minimum Workforce should have been allowed the same "cure" option.

30. Workforce reserves the right to amend this petition as additional documents and facts are discovered.

31. Material issues to be resolved:

- a. Whether the review of Workforce's Application was inconsistent with the RFA requirements, or Florida Housing policies,
- b. Whether Florida Housing's review and actions taken concerning Workforce's Application were arbitrary or capricious, clearly erroneous and contrary to competition.

WHEREFORE, Workforce requests that a settlement meeting be scheduled and if settlement is not reached the scheduling of a hearing and entry of an order determining that Florida Housing's review and scoring of Workforce's Application was contrary to the RFA specifications and to Florida Housing's governing statutes, rules and policies to such an extent as to be arbitrary, capricious, contrary to competition, and clearly erroneous.

Respectfully submitted,

CARLTON, FIELDS, JORDEN BURT, P.A.

/s/ Michael P. Donaldson

MICHAEL P. DONALDSON

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Attorney for Petitioner

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that the original and a copy of the foregoing has been filed by E-Mail and Hand Delivery to Kate Flemming, Corporation Clerk, Florida Housing Finance Corporation, 227 N. Bronough Street, Suite 5000, Tallahassee, FL 32301, this 23rd day of May 2016.

/s/ Michael P. Donaldson

MICHAEL P. DONALDSON

RFA 2016-101 – Recommendations

Application Number	Name of Development	Name of Applicant	Name of Developers	County	HOME Request Amount	Total Match Amount	Eligible for Funding?	Qualified for CHDD Preference?	County Size	HOME Funding Experience Preference	Previous Affordable Housing Experience Preference	Total Maximum HOME Rental FHFC Subsidy Limit	Eligible HOME Request as % of Maximum	Match as % of HOME Request amount	Florida Job Creation Preference	Lentency
2016-315H	Turner Senior Apartments at Five Ash	Turner Five Ash Phase I, LLC	N Vision Communities, Inc.	DeSoto	4,000,000.00	0.00	Y	Y	S	Y	Y	6,978,825.00	57.37%	0.00%	Y	6
2016-317H	Towns of Okeechobee	Towns of Okeechobee, LLC	WPKTREEK Development, LLC; Judd North Real Estate Development, Inc.; Business Development	Okeechobee	5,000,000.00	244,000.00	Y	Y	S	Y	Y	5,152,316.00	97.04%	4.88%	N	8
2016-318H	Highland Grove	Highland Grove Development Partners, LLC	Gardner Capital Development Florida, LLC	Highlands	4,750,000.00	0.00	Y	N	S	Y	Y	7,026,940.00	67.60%	9.00%	Y	2
2016-319H	St. John Paul II Villas*	St. John Paul II Housing, Inc.	National Development of America, Inc.	DeSoto	3,520,000.00	0.00	Y	N	S	Y	Y	4,466,448.00	78.81%	0.00%	Y	7
2016-321H	Wilke Downs Villas	Highlands County Housing Authority, Inc.	Highlands County Housing Authority, Inc.; GHD Construction Services, Inc.	Highlands	4,531,000.00	0.00	Y	N	S	Y	Y	7,750,154.00	58.61%	0.00%	Y	4

*During scoring, it was determined that the Match amount provided in the Application was not eligible.

On May 6, 2016, the Board of Directors of Florida Housing Finance Corporation approved the Review Committee's motion and staff recommendation to select the above Applications for funding and invite the Applicant to enter credit underwriting.

Any unsuccessful Applicant may file a notice of protest and a formal written protest in accordance with Section 120.57(3), Fla. Stat., Rule Chapter 28-110, F.A.C., and Rule 67-60.009, F.A.C. Failure to file a protest within the time prescribed in Section 120.57(3), Fla. Stat., shall constitute a waiver of proceedings under Chapter 120, Fla. Stat.

RFA 2016-101 – All Applications

Application Number	Name of Development	Name of Applicant	Name of Developer	County	HOMER Request Amount	Total Match Amount	Eligible for Funding?	Qualified for CHDO Performance?	County Size	HOMER Funding Experience Performance	Previous Affordable Housing Experience Funding Preference	Total Maximum HOMER Annual PHAC Subsidy Limit	Eligible HOMER Request as % of Maximum	Match as % of HOMER request amount	Florida Job Creation Performance	Legacy
Eligible Applications																
2016-315H	Turkey Sucker Apartments at The Ash	Turkey Sucker Apartments LLC	N Vision Communities, Inc.	Dade	4,000,000.00	0.00	Y	Y	S	Y	Y	6,974,813.00	57.31%	0.00%	Y	5
2016-317H	Towns of Okechobee	Towns of Okechobee LLC	MEI (REVA) Development, LLC; Judd North West Estate Development, Inc.; Banyan Development Group, LLC	Okechobee	5,000,000.00	244,000.00	Y	Y	S	Y	Y	3,157,316.00	97.04%	4.88%	N	8
2016-318H	Highland Grove	Highland Grove Development Partners, LLC	Gardner Capital Development Florida, LLC	Highlands	4,750,000.00	0.00	Y	N	S	Y	Y	7,021,940.80	67.80%	0.00%	Y	2
2016-319H	St. John Paul II Villas*	St. John Paul II Housing, Inc.	National Development of America, Inc.	Ocala	3,520,000.00	0.00	Y	N	S	Y	Y	4,465,448.00	78.81%	0.00%	Y	7
2016-321H	Wilma Downs Villas	Highlands County Housing Authority, Inc.	Highlands County Housing Authority, Inc.; GHD Construction Services, Inc.	Highlands	4,531,000.00	0.00	Y	N	S	Y	Y	7,780,154.00	58.51%	0.00%	Y	4
Ineligible Applications																
2016-316H	Pine Breeze Apartments	Workforce Housing Ventures, Inc.	Workforce Housing Ventures, Inc.; GHD Construction Services, Inc.	Polk	4,371,250.00	0.00	N	N	S	Y	Y	7,512,487.00	58.19%	0.00%	Y	5
2016-320H	American Way Townhomes	National Development Foundation, Inc.	National Development Foundation, Inc.	Baker	4,975,000.00	15,500.00	N	Y	S	Y	Y	6,293,460.00	79.65%	0.31%	N	9
2016-322H	Sparta Cove	Sparta Cove LLC	Sparta Cove Developer LLC	Highlands	5,000,000.00	60,000.00	N	N	S	Y	Y	5,861,335.00	93.26%	1.20%	N	9
2016-323H	Oaks at Sunwell	Striver Community Partnership, Inc.	Oaks At Sunwell, LLC	Sumter	5,000,000.00	0.00	N	N	M	Y	Y	7,005,940.00	71.53%	0.00%	Y	1

*During scoring, it was determined that the match amount provided in the Application was not eligible.
 On May 6, 2016, the Board of Directors of Florida Housing Finance Corporation approved the Review Committee's motion to adopt the scoring results above.
 Any unsuccessful Applicant may file a notice of protest and a formal written protest in accordance with Section 120.37(1), Fla. Stat., Rule Chapter 28-110, F.A.C., and Rule 67-60.005, F.A.C. Failure to file a protest within the time prescribed in section 120.37(3), Fla. Stat., shall constitute a waiver of proceedings under Chapter 120, Fla. Stat.

**CARLTON
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May 11, 2016

Kate A. Flemming
Legal Analyst/Corporation Clerk
Florida Housing Finance Corporation
227 North Bronough Street, Suite 5000
Tallahassee, Florida 32301-1329

VIA HAND DELIVERY AND EMAIL
Kate.flemming@floridahousing.org

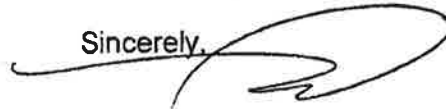
NOTICE OF INTENT TO PROTEST

Re: RFA 2016-101

Dear Ms. Flemming:

On behalf of Workforce Housing Ventures, Inc. (2016-316H), we hereby give notice of our intent to protest the Award Notice and scoring and ranking of RFA 2016-101 issued by Florida Housing on May 6, 2016, concerning HOME Financing to be used for Rental Developments Located in Rural Areas(see attachment A).

Sincerely,



Michael P. Donaldson

Enclosure
cc: Brian M. Smith

RFA 2016-101 – Recommendations

Application Number	Name of Development	Name of Applicant	Name of Developers	County	HOME Request Amount	Total Match Amount	Eligible for Funding?	Qualified for CHDO Preference?	County Site	HOME Funding Experience Preference	Previous Affordable Housing Experience Preference	Total Maximum HOME Rental FHEC Subsidy Limit	Eligible HOME Request as % of Maximum	Match as % of HOME request amount	Florida Job Creation Preference	Lottery
2016-315H	Turner Senior Apartments at Five Ash	Turner Five Ash Phase I, LLC	N Vision Communities, Inc. MPC REPRK	DeSoto	4,000,000.00	0.00	Y	Y	S	Y	Y	6,978,825.00	57.37%	0.00%	Y	6
2016-317H	Towns of Okeechobee	Towns of Okeechobee, LLC	Development, LLC; Judd Roth Real Estate Development, Inc.; Bassett Development, Inc.	Okeechobee	5,000,000.00	244,000.00	Y	Y	S	Y	Y	5,152,316.00	97.04%	4.88%	N	8
2016-318H	Highland Grove	Highland Grove Development Partners, LLC	Gardner Capital Development Florida, LLC	Highlands	4,750,000.00	0.00	Y	N	S	Y	Y	7,026,940.00	67.60%	0.00%	Y	2
2016-319H	St. John Paul II Villas*	St. John Paul II Housing, Inc.	National Development of America, Inc.	DeSoto	3,520,000.00	0.00	Y	N	S	Y	Y	4,466,448.00	78.81%	0.00%	Y	7
2016-321H	Willie Downs Villas	Highlands County Housing Authority, Inc.	Highlands County Housing Authority, Inc.; GHD Construction Services, Inc.	Highlands	4,533,000.00	0.00	Y	N	S	Y	Y	7,730,154.00	58.61%	0.00%	Y	4

*During scoring, it was determined that the Match amount provided in the Application was not eligible.

On May 6, 2016, the Board of Directors of Florida Housing Finance Corporation approved the Review Committee's motion and staff recommendation to select the above Applications for funding and invite the Applicant to enter credit underwriting.

Any unsuccessful Applicant may file a notice of protest and a formal written protest in accordance with Section 120.57(3), Fla. Stat., Rule Chapter 28-110, F.A.C., and Rule 67-60.009, F.A.C. Failure to file a protest within the time prescribed in Section 120.57(3), Fla. Stat., shall constitute a waiver of proceedings under Chapter 120, Fla. Stat.

RFA 2016-101 – All Applications

Application Number	Name of Development	Name of Applicant	Name of Developers	County	HOME Request Amount	Total Match Amount	Eligible for Funding?	Qualified for CHOD Preference?	County Size	HOME Funding Experience Preference	Provides Affordable Housing (Supplies Pending Provisions)	Total Minimum HOME Rental Request PPHC Subsidy Limit	Eligible HOME Request as % of Maximum	Match as % of HOME request amount	Florida Job Creation Preference	Priority
Eligible Applications																
2016-315H	Three Sector Apartments at The Ash	Turner Five Ash Phase I LLC	W Vision Communities, Inc.	Dade	4,000,000.00	0.00	Y	Y	5	Y	Y	6,978,313.00	57.32%	0.00%	Y	6
2016-317H	Towne of Okechobee	Towne of Okechobee, LLC	MEI (REIA) Development, LLC; Jodi Ruth Real Estate Development, Inc.; Benyam Development Group, LLC	Okechobee	3,000,000.00	244,000.00	Y	Y	5	Y	Y	5,152,316.00	97.04%	4.89%	N	8
2016-318H	Highland Grove	Highland Grove Development Partners, LLC	Garland Capital Development Florida, LLC	Highlands	4,750,000.00	0.00	Y	N	5	Y	Y	7,016,940.80	67.80%	0.00%	Y	2
2016-319H	St. John Paul II Villas*	St. John Paul II Housing, Inc.	National Development of America, Inc.	Dade	3,530,000.00	0.00	Y	N	5	Y	Y	4,466,448.00	78.81%	0.00%	Y	7
2016-321H	White Downs Villas	Highlands County Housing Authority, Inc.	Highlands County Housing Authority, Inc.; CHD Construction Services, Inc.	Highlands	4,531,000.00	0.00	Y	N	5	Y	Y	7,730,154.00	58.61%	0.00%	Y	4
Ineligible Applications																
2016-316H	Pine Breeze Apartments	Worldcor Housing Ventures, Inc.	Worldcor Housing Ventures, Inc.; CHD Construction Services, Inc.	Flagler	4,371,350.00	0.00	N	N	5	Y	Y	7,512,482.00	58.19%	0.00%	Y	5
2016-320H	American Way Townhouse	National Development Foundation, Inc.	National Development Foundation, Inc.	Itaska	4,975,000.00	15,500.00	N	Y	5	Y	Y	6,293,460.00	79.05%	0.31%	N	9
2016-322H	Sparta Cove	Sparta Cove LLC	Sparta Cove Developer LLC	Highlands	3,000,000.00	60,000.00	N	N	5	Y	Y	3,961,315.00	93.26%	1.20%	N	8
2016-323H	Chis at Bushnell	Forward Community Partnerships, Inc.	Chis at Bushnell, LLC	Seminole	3,000,000.00	0.00	N	N	M	Y	Y	7,006,940.00	71.13%	0.00%	Y	1

*During scoring, it was determined that the Match amount provided in the Application was not eligible.

On May 6, 2016, the Board of Directors of Florida Housing Finance Corporation approved the Review Committee's motion to adopt the scoring results above.

Any unsuccessful Applicant may file a notice of protest and a formal written protest in accordance with Section 130.37(1), Fla. Stat., rule Chapter 28-110, F.A.C., and rule 67-60.009, F.A.C. Failure to file a protest within the time prescribed in Section 130.37(1), Fla. Stat., shall constitute a waiver of proceedings under Chapter 330, Fla. Stat.

Dea Fambroth-Drice

RFA 2016-101 Scoring Sheets

HOME RFA Scoring Items	Development Name	Mandatory, Eligibility Requirement, or Tie-Breaker?	Contributor/ Reporter	2016-315H Turner Senior Apartments at Five Ash	2016-316H Pine Breeze Apartments	2016-317H Township of Okeechobee	2016-318H Highland Grove	2016-319H St. John Paul II Villas	2016-320H American Way Townhomes	2016-321H Willie Downs Villas	2016-322H Sparta Cove	2016-323H Oaks at Bushnell
Eligibility and Mandatory Items												
1. Submission Requirements Met (Section Three A and Section Five, B)		Eligibility	Liz	Y/E	Y/F	Y/E	Y/E	Y/E	Y/E	Y/E	Y/F	Y/F
2. Demographic Commitment selected		Mandatory	Eva									
3 a. Applicant Name provided		Mandatory										
3.b. Evidence that Applicant is a legally formed entity provided		Mandatory	David Woodward									
3.d. Applicant and Developer Principals provided		Mandatory										
3.e. Contact information provided		Mandatory										
4 a. (1) Developer Name(s) provided		Mandatory		Y	Y	Y	Y	Y	Y	Y	Y	Y
4.a.(2) Evidence that Developer is a legally formed entity provided		Mandatory		Y	Y	Y	Y	Y	Y	Y	Y	Y
4.b. Name of Management Company provided		Mandatory		Y	Y	Y	Y	Y	Y	Y	Y	Y
5.a. Development name provided		Mandatory		Y	Y	Y	Y	Y	Y	Y	Y	Y
5.b.(1) Development county provided		Mandatory		Y	Y	Y	Y	Y	Y	Y	Y	Y
5.b.(2) Development location provided		Mandatory		Y	Y	Y	Y	Y	Y	Y	Y	Y
5.b.(3) Surveyor Certification form with Development Location Point completed and executed		Mandatory		Y	Y	Y	Y	Y	Y	Y	Y	Y
5.b.(4) Scattered Sites question answered		Mandatory	Eva	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.b.(5) Evidence that the proposed Development is in a Rural Area provided		Eligibility		Y	Y	Y	Y	Y	Y	Y	Y	Y
5.b.(6) Confirmation that the proposed Development is not an LDA Development.		Eligibility		Y	Y	Y	Y	Y	Y	Y	Y	Y
5.c. Total number of units provided, and within limits		Mandatory		Y	Y	Y	Y	Y	Y	Y	Y	Y
5.d. Development Category selected		Mandatory		Y	Y	Y	Y	Y	Y	Y	Y	Y
5.e. Development Type selected		Mandatory		Y	Y	Y	Y	Y	Y	Y	Y	Y
5.f. Question whether construction has commenced answered		Mandatory		Y	Y	Y	Y	Y	Y	Y	Y	Y
5.h. Unit Mix provided		Mandatory		Y	Y	Y	Y	Y	Y	Y	Y	Y

RFA 2016-101 Scoring Sheets

HOME RFA Scoring Items	Mandatory, Eligibility Requirement, or Tie-Breaker?	Contributor/ Reporter	2016-315H Turner Senior Apartments at Five Ash	2016-316H Pine Breeze Apartments	2016-317H Towns of Okeechobee	2016-318H Highland Grove	2016-319H St. John Paul II Villas	2016-320H American Way Townhomes	2016-321H Wille Downs Villas	2016-322H Sparta Cove	2016-323H Oaks at Bushnell
6. HOME set-aside calculation provided	Mandatory										
7.a. Units occupied question answered	Mandatory	David Woodward									
7.b and 7.c. HOME Uniform Relocation Act questions answered and documentation provided, if applicable	Mandatory										N
8. Evidence of Site Control provided	Mandatory	Liz									
10.a. HOME Request Amount provided	Mandatory										
10.b. HOME Subsidy Calculation chart completed	Mandatory	David Woodward									
10.c. Development Cost Pro Forma free from shortfalls	Mandatory			N							
Total Development Cost Per Unit Limitation Requirement Met (Item 6 of Exhibit C)	Eligibility										
Previous funding requirements met (Section Five, C.1.)	Eligibility	Not currently assigned									
Financial Arrears Met (Section Five, C.2.)	Eligibility	Kenny									
All Mandatory Elements Met?	Yes or No										
All Eligibility Requirements Met?	Yes or No										
Tie-Breakers											
4.a.(3)(a) Qualifies for the HOME Funding Experience Preference?	Tie-Breaker		Y	Y	Y	Y	Y	Y	Y	Y	Y
4.a.(3)(b) Qualifies for the Previous Affordable Housing Experience Funding Preference?	Tie-Breaker	Eva	Y	Y	Y	Y	Y	Y	Y	Y	Y
Qualifies for Florida Job Creation Preference (Item 7 of Exhibit C)	Tie-Breaker	David Woodward			N			N		N	
Lottery Number	Tie-Breaker		6	5	8	2	7	3	4	9	1
CHDO Qualifications											
3.f. Qualifies as a CHDO Applicant?	Yes or No	David Woodward	Y	N	Y	N	N	Y	N	N	N

RFA 2016-101 Scoring Sheets

HOME RFA Scoring Items		Mandatory, Eligibility Requirement, or Tie-Breaker?	Contributor/ Reporter	2016-315H	2016-316H	2016-317H	2016-318H	2016-319H	2016-320H	2016-321H	2016-322H	2016-323H
Development Name				Turner Senior Apartments at Five Ash	Pine Breeze Apartments	Towns of Okeechobee	Highland Grove	St. John Paul II Villas	American Way Townhomes	Willie Downs Villas	Sparta Cove	Oaks at Bushnell

Finance scorer will be asked to report on the following at the meeting: (i) any adjusted request amounts; (ii) any adjustments to Match amounts; and (iii) the Maximum Award that each Applicant was eligible to request.

Scoring Items											Tie-Breaker Item	
Application #2015/Development Name	Application Information (3)	Set-Aside Commitments (6)	HOME Uniform Relocation Act (7)	Gross Match Funding (\$)	Match % of Match	Match Calc Verified/ Form of Match	HOME Funding Request Amount/ Provided (10.a)	Subsidy Calculation Provided (10.b)	Pro Forma Free from Shortfalls (10.c)	Previous Funding Requirements Met (Section 5, C.2.)	Qualifies as CHDO	Qualifies for Florida Job Creation Preference
315H/Turner Senior Apartments at Five Ash	Pass	Pass/Min. Required 46; Low 10, High 40, Total 50	Pass	\$ -	0.00%	N/A	Pass/\$4,000,000	Pass	Pass	Yes	Yes	Yes
316H/Pine Breeze Apartments	Pass	Pass/Min. Required 37; Low 10, High 40, Total 50	Pass	\$ -	0.00%	N/A	Pass/\$4,371,350	Pass	Pass	Yes	No	Yes
317H/Towns of Okeechobee	Pass	Pass/Min. Required 25; Low 6, High 20, Total 26	Pass	\$ 244,000.00	4.88%	Yes/Okeechobee County Grant	Pass/\$5,000,000	Pass	Pass	Yes	Yes	No
318H/Highland Grove	Pass	Pass/Min. Required 31; Low 8, High 32, Total 40	Pass	\$ -	0.00%	N/A	Pass/\$4,750,000	Pass	Pass	Yes	No	Yes
319H/St. John Paul II Villas	Pass	Pass/Min. Required 28; Low 7, High 25, Total 32	Pass	\$ -	0.00%	Ineligible/Our Lady of Mercy Donation	Pass/\$3,520,000	Pass	Pass	Yes	No	Yes
320H/American Way Townhomes	Pass	Pass/Min. Required 26; Low 6, High 24, Total 30	Pass	\$ 15,500.00	0.31%	Yes/Private Donations	Pass/\$4,975,000	Pass	Fail	Yes	Yes	No
321H/Willie Downs Villas	Pass	Pass/Min. Required 40; Low 10, High 40, Total 50	Pass	\$ -	0.00%	N/A	Pass/\$4,531,000	Pass	Pass	Yes	No	Yes
322H/Sparta Cove	Pass	Pass/Min. Required 31; Low 7, High 28, Total 35	Pass	\$ 60,000.00	1.20%	Yes/Highlands County Grant	Pass/\$5,000,000	Pass	Fail	Yes	No	No
323H/Oaks at Bushnell	Pass	Pass/Min. Required 32; Low 8, High 32, Total 40	Fail	\$ -	0.00%	N/A	Pass/\$5,000,000	Pass	Pass	Yes	No	Yes
							Total Request \$ 41,147,350.00					



February 18, 2016

Mr. Harold Sample
Executive Director
Workforce Housing Ventures, Inc.
P.O. Box 948
Dade City, FL 33526

Subject: Term Sheet to provide first mortgage construction to permanent financing for Pine Breeze Apartments, a 50-unit multi-family affordable housing project located at 425 Elm Avenue, Bunnell, Florida 32110.

Dear Mr. Sample:

Neighborhood Lending Partners, Inc. ("Lender") is pleased to offer this Term Sheet for a first mortgage loan, the purpose of which is to provide construction to permanent financing for a 50-unit affordable housing apartment development to be located at 425 Elm Avenue, Bunnell, Florida 32110.

This is NOT a commitment letter, but the statements and conditions stated herein are reflective of a typical commitment letter issued by Neighborhood Lending Partners, Inc. or its affiliates. A commitment will be contingent upon review and approval by NLP's Loan Committee and evidence of receipt of HOME rental funds from Florida Housing Finance Corporation (FHFC).

BORROWER: Workforce Housing Ventures, Inc.

DEVELOPER: GHD Construction Services, Inc.

PROJECT: Pine Breeze Apartments

LOAN AMOUNT: \$1,600,000 construction to permanent loan

GUARANTOR: The unconditional guarantees of payment and performance of the construction and permanent loans by Workforce Housing Ventures, Inc; the unconditional guarantees of payment and performance of the construction loan by GHD Construction Services, Inc; note that the unconditional guarantee by GHD

EXHIBIT D

Construction Services, Inc. will be released once the property meets conversion requirements outlined on page 3.

COLLATERAL:

Loan will be secured by:

1. A first mortgage on the property and improvements.
2. A first lien assignment of all leases, rents, or other income or profits of the Property.
3. A UCC filing on all of the Borrower's tangible and intangible personal property located upon or in any way related to the Property, or Project, including all furniture, fixtures, appliances, and equipment.
4. Such other collateral assignments as shall be deemed reasonable or necessary by Lender's counsel.

**CONSTRUCTION
INTEREST RATE:**

The construction loan interest rate will float at 1-Month LIBOR plus 300 basis points with a floor of 5.00%. The rate today would be 5.00%.

**PERMANENT
INTEREST RATE:**

The interest rate will be set at closing, and adjusted every 5th year thereafter, based on a rate equal to the 5-Year U.S. Treasury Constant Maturity Index plus 300 basis points with a floor of 5.50%. The rate today would be 5.50%.

TERM:

The construction loan term will be up to a maximum of 24 months.

The permanent loan term will be up to a maximum of 15 years.

The amortization for the permanent loan will be 30 years.

REPAYMENT:

During the construction term, the Borrower will make monthly payments of interest only.

Upon loan conversion, Borrower will make monthly payments of principal and interest on the permanent loan.

LOAN FEES:

The Borrower will pay the following Loan fees:

- | | |
|--|----------|
| 1. Underwriting fee | \$3,000 |
| 2. Construction Loan Origination Fee (1.00%) | \$15,000 |

3. Permanent Loan Origination Fee (1.00%)	\$15,000
4. Loan Processing Fee	<u>\$1,000</u>
Total Fees	\$34,000

Borrower will be required to pay a \$3,000 loan application fee prior to Lender preparing a loan approval package. Upon acceptance of the commitment letter, Borrower will be required to pay 50 percent of the construction loan origination fee (\$7,500). The remainder of the construction loan origination fee (\$7,500), the permanent loan origination fee (\$15,000), plus the \$1,000 loan processing fee will be paid at the time of the construction closing.

The loan fees are non-refundable with the only provision for refund (net of expenses incurred by lender) being that the appraisal report, environmental assessment, and/or engineer's report does not meet Lender's standards.

LOAN TO VALUE: The maximum allowable Loan to Value Ratio is 80 percent based on an as-completed and stabilized appraised value.

LOAN CONVERSION: Once the Property meets the following requirements, the construction loan will convert to a permanent loan and the unconditional guarantee for GHD Construction Services, Inc. will be released.

- 1) A minimum occupancy rate of 90% with 75% of the required leased units occupied with lease terms of at least one year and occupancy for a minimum of six months.
- 2) The Property's Net Operating Income must provide a minimum Debt Service Coverage Ratio of 1.15X for six months on a stabilized proforma basis, based upon a stabilized occupancy rate not to exceed 93% and utilizing the required amortizing debt service of the loan in form and substance acceptable to Lender.

PREPAYMENT: During the term of the loan, Borrower shall pay Lender a prepayment penalty in an amount equal to 3% of the unpaid principal amount in year one of the loan term, 2% in year two of the loan term, and 1% each year thereafter through the

maturity date.

OTHER:

Other requirements deemed necessary by NLP Loan Committee or Member Banks as part of full underwriting, including but not limited to review of final budget, appraisal, sources and uses of funds, survey, and environmental report.

Thank you for the opportunity to consider your project for financing. We look very forward to working with you.

Sincerely,

Neighborhood Lending Partners, Inc.

By: 

Lanie Wasserman
Senior Vice President/Senior Lender

Date: Feb 18, 2016

Neighborhood Lending Partners, Inc.
Term Sheet

February 18, 2016
Page 5

ACCEPTED AND AGREED TO THIS 18 DAY OF February, 2016 by:

Workforce Housing Ventures, Inc.
A Florida Not For Profit Corporation

By: 
Harold Sample, its Executive Director

SPECIAL ASSETS

Consent

IX. SPECIAL ASSETS

A. Request Approval of Modification of the First Mortgage for National Development Foundation, Inc., a Florida Non-Profit Corporation, for Tall Pines (2000-079S)

Development Name: Tall Pines ("Development")	Location: Hendry County
Developer/Principal: National Development Foundation, Inc., ("Developer") ("Borrower")	Set-Aside: SAIL 15.4% @ 40% & 5.10% @ 50% & 79.5% @ 60% AMI; LURA: 50 years
Number of Units: 39	Allocated Amount: SAIL - \$2,535,000
Demographics: Family	Servicer: First Housing Development Corporation

1. Background

During the 2000/2001 State Apartment Incentive Loan ("SAIL") Cycle XII, Florida Housing awarded a \$2,535,000 construction/permanent loan to National Development Foundation, Inc., ("Borrower"), a Florida non-profit corporation, for the development of a 39-unit development in Hendry County. The SAIL loan closed on April 8, 2002, and will mature on October 31, 2033.

2. Present Situation

- a) The Borrower requests consent from the Board to modify the existing first mortgage held by NLP. The modification terms include reduction of interest rate and extension of the first mortgage for five years beyond the current maturity date. The NLP modification terms require the SAIL loan and SAIL Land Use Restriction Agreement ("LURA") be re-subordinated to the modified NLP loan.
- b) Staff received a credit underwriting report (Exhibit A) from First Housing Development Corporation providing a positive recommendation of the modification of the first mortgage and subordination of the SAIL loan and SAIL LURA.

3. Recommendation

Approve the modification of the first mortgage, subordination of the SAIL loan and the SAIL LURA to the modified first mortgage, subject to the conditions outlined in the credit underwriter's report and subject to further approvals and verifications by the credit underwriter, counsel and appropriate Florida Housing staff, and direct staff to proceed with loan document modification activities.



May 29, 2015

Mr. Todd Fowler
Florida Housing Finance Corporation
City Centre Building
227 North Bronough Street, Suite 5000
Tallahassee, Florida 32301-1329

Re: Tall Pines Apartments (SAIL 2000-079S)
First Mortgage Modification/Subordination of SAIL Loan & SAIL LURA

Dear Mr. Fowler:

First Housing reviewed correspondence dated April 6, 2015 from Randall Fleming, President of National Development Foundation, Inc. ("NDF" or "Borrower"), a Florida not-for-profit corporation and the owner of the subject development, which included the following request:

The correspondence indicates the intent of NDF to modify the first mortgage for Tall Pines Apartments. Neighborhood Lending Partners of West Florida, Inc. ("NLP") is the current first mortgage lender. The modified first mortgage terms include a reduction in the first mortgage interest rate from 6.875% to 5.25%. The current maturity date of the first mortgage is January 14, 2020. The term of the loan will be extended for five years (for a total term of ten years) with principal and interest payments based on a 30-year amortization period.

On behalf of FHFC, First Housing has reviewed the request, performed certain due diligence, and formulated recommendations and conditions which are contained at the end of this report. For purposes of this analysis, First Housing has reviewed the following:

- Borrower Correspondence dated April 6, 2015
- Rule 67-48.010(15) F.A.C.
- Tall Pines Subdivision Audited Financial Statements for Year Ended December 31, 2014
- Tall Pines SAIL original Credit Underwriting Report dated March 21, 2001

- NLP Term Sheet dated March 25, 2015
- State Apartment Incentive Loan (“SAIL”) Promissory Note dated April 8, 2002
- SAIL Land Use Restriction Agreement (“LURA”) dated April 8, 2002
- SAIL Subordination Agreement dated January 14, 2005
- FHFC Past Due Report dated April 7, 2015
- FHFC Non-Compliance Report dated April 7, 2015
- FHFC Occupancy Report dated March 2015
- Annual Management Review and Physical Inspection

In addition, First Housing has had various conversations with FHFC staff and the Borrower’s representative regarding the requests described above. Our findings are as follows:

Background

Tall Pines Apartments is a 39 unit multifamily development located on approximately 5.15 acres at 411 Sabal Palm Court in Labelle, Hendry County, Florida 33935 consisting of nineteen 3-bed 2-bath units and twenty 4-bed 2-bath units built in 2003.

The development is financed with a first mortgage in the amount of \$465,000, held by NLP, dated January 14, 2005, which matures January 14, 2020. The loan bears interest at a rate of 6.875% per annum. The loan is collateralized by the land, buildings and equipment. As of February 2015, the loan balance was approximately \$398,967.

The second mortgage note, which closed on April 8, 2002, is held by FHFC under the SAIL loan program, in the original principal amount of \$2,535,000. FHFC subordinated its lien position to the above-referenced first mortgage on January 14, 2005. The loan is non-amortizing and bears an annual interest rate of 3% with a base interest rate of 1%. Interest is paid annually out of available cash flow. Annual payments are required on all applicable fees. All outstanding unpaid interest and principal is due at maturity on October 31, 2033. The loan is collateralized by the land, buildings and equipment. As of April 30, 2015, the loan balance was \$2,535,000 and accrued interest at the base 1% rate was \$250,972.

Operation of the subject is restricted by terms and conditions detailed in various loan documents, including but not limited to Florida Housing’s SAIL LURA Agreement.

The SAIL LURA requires that 15.4% of the units (6 units) be set aside for tenants earning 45% or less of the Area Medium Income ("AMI"), 5.1% of the units (2 units) set aside for tenants earning 50% or less of the AMI and 79.5% of the units (remaining units) set aside for tenants earning 60% or less of the AMI for a period of 50 years. Eighty percent (32 units) of the total units within the development are set aside for Farmworker Households.

The development team was not reported on Florida Housing's April 7, 2015 Past Due Report or Non-Compliance Report.

Per the March 2015 FHFC Occupancy Report, the development was 100% occupied. First Housing's Annual Management Review and Physical Inspection performed May 2, 2014, reported one vacant unit resulting in occupancy of 97.43%. The development was found to be in compliance and a Close-Out letter was issued on August 27, 2014.

First Mortgage Loan Modification Overview

First Housing reviewed a proposed loan term sheet from NLP dated, March 25, 2015, for first mortgage modification. The amount of the loan is \$398,967 which is the outstanding balance of the existing first mortgage as of February 2015. The modified loan terms include a reduction in the first mortgage interest rate from 6.875% to 5.25% which is more favorable. The term of the loan will be ten years (a five year extension from the current first mortgage which matures on January 14, 2020) with principal and interest payments based on a 30-year amortization period. The loan will be secured by the existing collateral.

NLP conditions will require that FHFC execute a Subordination Agreement of the SAIL loan and SAIL LURA.

Annual debt service for the modified first mortgage loan is currently estimated to be \$26,437 which is \$10,526 less than the current annual debt service on the first mortgage. Cash flow will be improved and the subject's economic viability will be maintained. The SAIL loan is currently in a subordinate lien position behind a \$465,000 original first mortgage loan. The modified first mortgage loan is anticipated to be in the amount of \$398,967. Florida Housing's security position will not be adversely affected.

Any closing fees and/or escrows will be paid by NDF either with equity or through a transfer of reserves.

Recommendations

1. First Housing recommends the first mortgage modification subject to verification of the final loan terms prior to loan closing.
2. First Housing recommends subordination of the existing SAIL LURA and SAIL loan at its current terms in the original principal amount of \$2,535,000 to the modified first mortgage.
3. Modification of any other loan documents required to effectuate the refinancing.

Closing of the transaction is subject to the following conditions:

1. Review and approval of all loan documents consistent with the terms outlined above by FHFC and its legal counsel
2. Review of final loan terms and confirmation that all requirements set forth in F.A.C. Rule 67-48.010(15) for approval have been met
3. Satisfactory resolution of any outstanding past due and noncompliance items
4. Payment of any outstanding arrearages to the Corporation, its legal counsel, Servicer or any agent or assignee of the Corporation for past due issues applicable to the development team (Applicant or Developer or Principal, Affiliate or Financial Beneficiary, as described in 67-48.0075 (5) F.A.C., of an Applicant or a Developer)
5. All other due diligence required by FHFC and its legal counsel.

Prepared by:



Scott M. Eberhard
Senior Credit Underwriter
First Housing Development Corporation

Tall Pines Apartments Comparative Pro Forma

	2014 FHDC Analysis	March 2015 Appraisal	Underwriter	per unit
Revenue				
Gross Potential Rental Revenue	272,963	320,460	316,728	
Vacancy Loss	0	(16,023)	(12,669)	4.00%
Collection Loss	0	(6,409)	(3,167)	1.00%
Rent Concessions	0	0	0	0.00%
Effective Gross Revenue (EGR)	272,963	298,028	300,892	
Misc. Income	13,691	16,023		
Total Effective Gross Revenue	286,654	314,051	300,892	
Expenses				
Taxes	8,924	9,510	9,510	244
Insurance	20,325	20,475	20,475	525
Management Fees	21,000	18,843	21,000	6.98% 538
Administrative	21,660	23,400	23,400	600
Payroll	53,319	50,700	53,319	1,367
Utilities	40,188	40,950	40,950	1,050
Marketing & Advertising	130	0	0	0
Operating & Maintenance	40,120	23,400	40,120	1,029
Grounds & Landscaping	10,611	15,600	10,611	272
Other	140	0	0	0
Replacement Reserve	9,750	9,750	9,750	250
Total Expenses	226,167	212,628	229,135	5,875
Net Operating Income	60,487	101,423	71,757	
First Mortgage	36,963	N/A	26,437	
Second Mortgage SAIL	25,350	N/A	25,350	
Total Debt Service Payments	\$62,313	\$0	\$51,787	
Cash Flow Before Tax	(1,826)	101,423	19,970	
DSC				
1st Mortgage & Fees	1.64	N/A	2.71	
All Mortgages	0.97	N/A	1.39	

No 1000008409



ACCOUNT NO. : 072100000032
 REFERENCE : 502357 7293682
 AUTHORIZATION : *Patricia Pizots*
 COST LIMIT : \$ 78.75

FILED
 2001 NOV 29 PM 4:53
 SECRETARY OF STATE
 TALLAHASSEE FLORIDA

ORDER DATE : November 29, 2001
 ORDER TIME : 2:19 PM
 ORDER NO. : 502357-010
 CUSTOMER NO: 7293682

CUSTOMER: Carlos A. Rivas, Cfo
 Neighborhood Lending Partners
 Inc.
 Suite 150
 2002 North Lois Avenue
 Tampa, FL 33607

RECEIVED
 01 NOV 29 PM 3:14
 DEPARTMENT OF STATE
 DIVISION OF CORPORATIONS
 TALLAHASSEE, FLORIDA

DOMESTIC FILING

600004699106---

NAME: NEIGHBORHOOD LENDING PARTNERS, INC.

EFFECTIVE DATE:

XX ARTICLES OF INCORPORATION

PLEASE RETURN THE FOLLOWING AS PROOF OF FILING:

XX CERTIFIED COPY

CONTACT PERSON: Norma Hull - EXT. 1115

EXAMINER'S INITIALS:

*626
W01-21314*

J 12/3/01

EXHIBIT F



FLORIDA DEPARTMENT OF STATE
Katherine Harris
Secretary of State

FILED

2001 NOV 29 PM 4:53

SECRETARY OF STATE
TALLAHASSEE FLORIDA

November 30, 2001

CSC NETWORKS
1201 HAYS STREET
TALLAHASSEE, FL 32301

RESUBMIT

Please give original
submission date as file date.

SUBJECT: NEIGHBORHOOD LENDING PARTNERS, INC.
Ref. Number: W01000027316

We have received your document for NEIGHBORHOOD LENDING PARTNERS, INC. and the authorization to debit your account in the amount of \$78.75. However, the document has not been filed and is being returned for the following:

Section 617.0202(d), Florida Statutes, requires the manner in which directors are elected or appointed be contained in the articles of incorporation or a statement that the method of election of directors is as stated in the bylaws.

Please return the original and one copy of your document, along with a copy of this letter, within 60 days or your filing will be considered abandoned.

If you have any questions concerning the filing of your document, please call (850) 245-6973.

Claretha Golden
Document Specialist
New Filings Section

Letter Number: 201A00063624

RECEIVED
01 NOV 30 PM 4:17
DIVISION OF CORPORATIONS
TALLAHASSEE, FLORIDA

Division of Corporations - P.O. BOX 6327 -Tallahassee, Florida 32314

Articles of Incorporation
of
Neighborhood Lending Partners, Inc.
(A Corporation Not-for-Profit)

FILED

2001 NOV 29 PM 4: 53

SECRETARY OF STATE
TALLAHASSEE FLORIDA

THE UNDERSIGNED INCORPORATOR to these Articles of Incorporation hereby associates to form a corporation (the "Corporation") not-for-profit under the Florida Not-for-Profit Corporation Act, as amended (the "Act"), Florida Statutes, Chapter 617, as follows:

ARTICLE I
NAME AND ADDRESS

The name of this Corporation is: "Neighborhood Lending Partners, Inc." The principal office of the Corporation is located at, and the mailing address of the Corporation is: Suite 150, 2002 North Lois Avenue, Tampa, Florida 33607.

ARTICLE II
TERM OF EXISTENCE

The Corporation shall have perpetual existence.

ARTICLE III
NATURE OF BUSINESS

The Corporation is formed for the exclusive benefit of the State of Florida, its cities, counties and political subdivisions and agencies thereof, including the Florida Housing Finance Corporation (collectively, "Governmental Units") and other charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended or the corresponding provision of any future federal income tax laws of the United States of America (collectively, the "Code"), by providing debt financing and related services within the State of Florida and thereby "lessening of the burdens of Government" within the meaning of Treasury Regulation Section 1.501(c)(3)-1(d)(2) under the Code. The Corporation shall not engage in activities that are not in furtherance of the purposes set forth in this Article III.

ARTICLE IV
POWERS

In carrying out such purposes, this Corporation shall have all of the powers and authorities granted by statute and law, including the power and authority to accept gifts, devises and other contributions for charitable purposes, to hold and administer the funds and properties received and to expend, contribute and otherwise dispose of funds or properties for charitable purposes either directly or by contribution to other Section 501(c)(3) organizations organized and operated exclusively for charitable purposes; *provided, however*, said powers and authorities shall be exercised only in furtherance of charitable purposes. The Corporation shall have the powers, among others, to:

- (a) Have perpetual succession by its corporate name.
- (b) Sue and be sued, complain and defend in its corporate name in all actions or proceedings.
- (c) Have a corporate seal, which may be altered at pleasure, and to use the same by causing it, or a facsimile thereof, to be impressed, affixed or in any other manner reproduced.
- (d) Purchase, take, receive, lease or otherwise acquire, own, hold, improve, use and otherwise deal in and with real or personal property or any interest therein, wherever situated.
- (e) Sell, convey, mortgage, pledge, create a security interest in, lease, exchange, transfer and otherwise dispose of all or any part of its property and assets.
- (f) Purchase, take, receive, subscribe for, or otherwise acquire, own, hold, vote, use, employ, sell, mortgage, lend, pledge or otherwise dispose of and otherwise use and deal in and with, shares or other interests in, or obligations of, other domestic or foreign corporations, associations, partnerships or individuals, or direct or indirect obligations of the United States of America or any other government, state, territory, governmental district or municipality or of any instrumentality thereof.
- (g) Make contracts and guaranties and incur liabilities, borrow money at such rates of interest as the Corporation may determine, issue its notes, bonds and other obligations and secure any of its obligations by mortgage or pledge of all or any of its property, franchises and income.
- (h) Lend money for its corporate purposes, invest and reinvest its funds and take and hold real and personal property as security for the payment of funds so loaned or invested, except as prohibited by the Act.
- (i) Conduct its business, carry on its operations and have offices and exercise the powers granted by the Act, as the same exists or may hereafter be amended, within or without the State of Florida.
- (j) To elect or appoint officers and agents of the Corporation and define their duties and fix their compensation.
- (k) Make and alter Bylaws, not inconsistent with these Articles of Incorporation and the Act, as the same exists or may hereafter be amended, for the administration and regulation of the affairs of the Corporation.
- (l) Make donations for the public welfare or for charitable, scientific, educational or other similar purposes.
- (m) Pay pensions and establish and carry out pension plans, retirement plans, benefit plans and other incentive and compensation plans for any or all of its officers and employees and for any or all of the officers and employees of its subsidiaries.

(n) Provide insurance for its benefit on the life of any of its officers or employees.

(o) Be a promoter, incorporator, general partner, limited partner, member, associate or manager of any corporation, partnership, limited partnership, joint venture, trust or other enterprise.

(p) Merge with other corporations, both for profit and not-for-profit, foreign and domestic, as permitted by the Act.

(q) Have and exercise all powers necessary or convenient to effect its purposes for which the Corporation is organized.

Notwithstanding anything herein to the contrary, the Corporation shall exercise only such powers as are set forth in furtherance of the exempt purposes of organizations set forth in Section 501(c)(3) of the Code, and the regulations thereunder as the same now exist or as they may be hereafter amended from time to time.

ARTICLE V MEMBERSHIP

(A) **Non-Stock Corporation.** This Corporation shall be organized on a non-stock basis and shall not issue shares of stock.

(B) **Qualification for Membership.** All provisions for membership qualification, the manner of admission to or expulsion from membership, the classes of membership, and the rights and obligations of the Members, including voting rights, shall be set forth in the Bylaws of the Corporation.

ARTICLE VI NUMBER OF DIRECTORS; REMOVAL OF DIRECTORS

The number of directors which constitute the whole Board of Directors shall be designated in the Bylaws of the Corporation. Any director may be removed from office as a director by the Members only for cause. The method of election of directors is as stated in the bylaws.

ARTICLE VII MEMBER AND DIRECTOR ACTIONS BY WRITTEN CONSENT

(A) **Board of Directors Actions.** Any action required by law or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting if, and only if, written consent, setting forth the action so taken, shall be signed by all of the directors. Such consent shall have the same force and effect as a unanimous vote of the Board of Directors and shall be filed with the Secretary and recorded in the Minutebook of the Corporation.

(B) **Actions of the Members.** Any action required by law or permitted to be taken at any annual or special meeting of the Members of the Corporation may be taken without a meeting if, and only if, written consent, setting forth the action so taken, shall be signed by the Members entitled to vote with respect to the subject matter thereof holding not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting of the Members at which all Members entitled to

vote thereon were present and voted. Such consent shall have the same force and effect as a vote of the Members and shall be filed with the Secretary and recorded in the Minutebook of the Corporation.

ARTICLE VIII INDEMNIFICATION

(A) **Proceedings by Third Parties Against Directors and Officers.** The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any proceeding (other than a proceeding by or in the right of the Corporation) by reason of the fact that he or she is or was a director or officer of the Corporation or, while serving as a director or officer of the Corporation, by reason of the fact that he or she was serving at the request of the Corporation as a trustee, director, officer, partner, employee or agent of another corporation (including any subsidiary of the Corporation), partnership, joint venture, trust, employee benefit plan or other enterprise against liability actually and reasonably incurred by him or her in connection with the defense or settlement of such proceeding if such person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interest of the Corporation (or, if the proceeding involves service by such person with respect to any employee benefit plan, in or not opposed to the best interest of the participants and beneficiaries of such plan), and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any proceeding, by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith in a manner which he or she reasonably believed to be in or not opposed to the best interest of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

(B) **Proceedings by or in the Right of the Corporation.** The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any proceeding by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he or she was or is a director or officer of the Corporation, or, while serving as a director or officer of the Corporation, by reason of the fact that he or she was serving at the request of the Corporation as a trustee, director, officer, partner, employee or agent of another corporation (including any subsidiary of the Corporation), partnership, joint venture, trust, employee benefit plan or other enterprise against expenses and amounts paid in settlement not exceeding, in the judgment of the Board of Directors, the estimated expense of litigating the proceeding to conclusion actually and reasonably incurred by him or her in connection with the defense or settlement of such proceeding if such person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interest of the Corporation (or, if the proceeding involves service by such person with respect to any employee benefit plan, in or not opposed to the best interest of the participants and beneficiaries of such plan), except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Corporation unless and only to the extent that the Circuit Court in and for Hillsborough County, Florida, or the court in which such proceeding was brought shall determine, upon application, that, despite the adjudication of liability, but in view of all of the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Circuit Court or such other court shall deem proper.

(C) **Optional Indemnification for Employees and Agents.** The Corporation may, but shall not be obligated to, indemnify any person who is or was an employee or agent of the Corporation, or is or was serving at the request of the Corporation as a trustee, director, partner, officer, employee or agent of another corporation (including any subsidiary of the Corporation), partnership, joint venture, trust, employee benefit plan or other enterprise to the extent and under the circumstances provided by

Paragraphs (A) and (B) of this Article VIII with respect to a person who is or was a director or officer of the Corporation.

(D) Mandatory Indemnification for Successful Defense. To the extent that a director, officer, employee or agent of the Corporation has been successful, on the merits or otherwise, in the defense of any proceeding referred to in Paragraphs (A), (B) or (C) of this Article VIII, or in the defense of any claim, issue or matter therein, he or she shall be indemnified against expenses actually and reasonably incurred by him or her in connection therewith, notwithstanding that he or she has not been successful on any other claim, issue or matter in any such proceeding.

(E) Determination of Eligibility for Indemnification. Any indemnification under Paragraphs (A), (B), (C) or (D) of this Article VIII (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he or she has met the applicable standard of conduct set forth in those paragraphs. Such determination shall be made (i) by the Board of Directors by a majority vote of a quorum (as defined in the Bylaws of the Corporation) consisting of directors who are not or were not parties to such proceeding, or (ii) by a committee consisting of at least two (2) disinterested directors designated by the Board of Directors (in which designation of interested directors may participate), or (iii) by independent legal counsel selected by the Board of Directors under clause (i) or by the committee of the Board of Directors under clause (ii) or, if no quorum of directors can be obtained or no committee can be designated, by majority vote of the full Board of Directors (in which interested directors may participate), or (iv) by the Members.

(F) Advances for Reasonable Expenses. Reasonable expenses incurred in defending a proceeding shall be paid by the Corporation in advance of the final disposition of such proceeding upon receipt of an undertaking by or on behalf of the director or officer, to repay such amount if it shall be ultimately determined that he or she is not entitled to be indemnified by the Corporation as authorized in this Article VIII.

(G) Procedures for Indemnification and Advance of Expenses. The Board of Directors may establish appropriate terms and conditions upon which expenses incurred by other employees and agents of the Corporation may be paid in advance.

(H) Nonexclusive Provision. The indemnification and advancement of expenses provided by, or granted pursuant to, this Article VIII shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under any statute, bylaw, agreement, vote of Members or disinterested directors or otherwise, both as to action in his or her official capacity as a director, officer, employee or agent of the Corporation and as to action in another capacity while holding such office.

(I) Director and Officer Liability Insurance. By action of its Board of Directors, notwithstanding any interest of the directors in such action, the Corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a trustee, director, officer, partner, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify him or her against such liability under the provisions of this Article VIII or the Act as the same exists or may hereafter be amended.

ARTICLE IX
COURT-ORDERED INDEMNIFICATION

(A) **Election under Florida Business Corporation Act.** Pursuant to the elective provisions of the Florida Business Corporation Act, *as amended and in effect on the date of filing of these Articles of Incorporation*, § 607.0850(9)(c), Florida Statutes, as made applicable to the Corporation by § 617.0831, Florida Statutes notwithstanding the failure of the Corporation to provide indemnification or advance expenses and despite any contrary determination by the Board of Directors or by the Members, the Corporation shall not be subject to any court-ordered indemnification or advancement of expenses, or both, to any director, officer, employee or agent of the Corporation, both as to action in his official capacity as a director, officer, employee or agent of the Corporation and as to action in another capacity on behalf of the Corporation while holding such office as a director, officer, employee or agent of the Corporation or serving in such position.

(B) **Non-Exclusive Provision.** This Article IX shall not limit the Corporation's power to provide for indemnification or advancement for expenses, or both, to any director, officer, employee or agent under any other provision of these Articles of Incorporation, the Bylaws of the Corporation, by express contractual agreement, by vote of the disinterested directors or of the Members.

ARTICLE X
BYLAWS

The power to adopt new Bylaw provisions and to amend, alter, change or repeal the Bylaws (or any provision thereof) shall be vested in the board of directors and the Members of the Corporation; *provided however*, a Bylaw adopted by the Members shall not be amended, altered, changed or repealed by the board of directors without the consent of the Members.

ARTICLE XI
AMENDMENTS

The Corporation reserves the right to amend, alter, change or repeal any provision contained in these Articles of Incorporation, in the manner now or hereafter prescribed by law, and all rights conferred upon the Members herein are granted subject to this reservation.

ARTICLE XII
LIMITATION ON ACTIONS

All of the assets and earnings of the Corporation shall be used exclusively for the exempt purposes hereinabove set forth, including the payment of expenses incidental thereto. No part of the net earnings shall inure to the benefit of or be distributable to its Members, trustees, officers or any other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make distributions and payments in furtherance of the purposes set forth in Article III hereof. No substantial part of the Corporation's activity shall be for the carrying on of a program of propaganda or otherwise attempting to influence legislation, and the Corporation shall not participate in or interfere with (including the publication or distribution of statements regarding) any political campaign on behalf of or in opposition to any candidate for public office. Notwithstanding any other provision of these Articles of Incorporation, the Corporation shall not carry on any activities not permitted to be carried on by an organization exempt from federal income taxation under Section 501(c)(3) of the Code, as the same exists or may hereafter be amended, or any organization, contributions to which are deductible under Section 170(c)(2) of the Code as the same exists or may hereafter be

amended. The Corporation shall have no capital stock, pay no dividends, distribute no part of its net income or assets to any Members, directors or officers, and the private property of the subscribers, Members, directors and officers shall not be liable for the debts of the Corporation.

In particular, but without limitation of the generality of the foregoing paragraph, during such time as the Corporation may be considered a private foundation as defined in Section 509(a) of the Code as the same exists or may hereafter be amended, it shall not:

- (1) fail to distribute its income for each taxable year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Code as the same exists or may hereafter be amended;
- (2) engage in any act of self-dealing as defined in Section 4941(d) of the Code as the same exists or may hereafter be amended;
- (3) retain any excess business holdings as defined in Section 4943(c) of the Code as the same exists or may hereafter be amended;
- (4) make any investment in such manner as to subject it to tax under Section 4944 of the Code as the same exists or may hereafter be amended; or
- (5) make any taxable expenditures as defined in Section 4945(d) of the Code as the same exists or may hereafter be amended.

ARTICLE XIII DISSOLUTION

Upon dissolution of the Corporation, all of its assets remaining after payment of or provision for all liabilities of the Corporation, including costs and expenses of such dissolution, shall be utilized exclusively for the exempt purposes of the Corporation or distributed to one or more of the Governmental Units or to an organization described in Section 501(c)(3) or 170(c)(2) of the Code as the same exists or may hereafter be amended, as shall be selected by the last Board of Directors. None of the assets will be distributed to any Member, director or officer of this Corporation. Any such assets not so disposed of shall be disposed of by the court of common pleas of the county in which the principal office of the Corporation is then located, exclusively for such purposes or to such organization or organizations as said court shall determine, which are organized and operated exclusively for such purposes.

ARTICLE XIV INCORPORATOR

The name and address of the person signing these Articles are:

<u>Name</u>	<u>Address</u>
Debra S. Reyes	Suite 150 2002 North Lois Avenue Tampa, Florida 33607

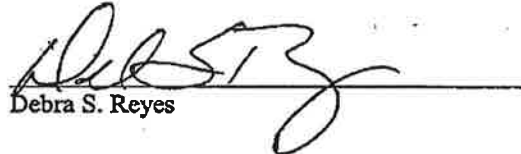
**ARTICLE XV
INITIAL REGISTERED OFFICE AND AGENT**

The street address of the initial registered office of this Corporation is: 1201 Hays Street, Tallahassee, Florida 32301.

The name of the initial registered agent of this Corporation at such address is: Corporation Service Company.

The registered office and registered agent of the Corporation may be changed from time to time in the manner provided by law.

IN WITNESS WHEREOF, the undersigned subscriber(s) (has/have) executed these Articles of Incorporation, effective this 28th day of November, 2001.


Debra S. Reyes

STATE OF FLORIDA

COUNTY OF HILLSBOROUGH

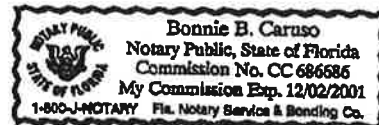
BEFORE ME, personally appeared this day, Debra S. Reyes, known to me to be the individual described in and who executed the foregoing Articles of Incorporation and she acknowledged before me under oath that she made, subscribed and acknowledged the foregoing Articles of Incorporation as her voluntary act and deed, and that the facts set forth therein are true and correct.

WITNESS my hand and official seal this 28th day of November, 2001.


Print Name: _____
Notary Public, State of Florida

My Commission expires:

(SEAL)



ACCEPTANCE BY REGISTERED AGENT

Having been named Registered Agent and designated to accept service of process for NEIGHBORHOOD LENDING PARTNERS, INC., the within organized Corporation, at the place designated herein, I hereby agree to act in this capacity, and I further agree to comply with the provisions of all statutes relative to the proper and complete performance of my duties.

Corporation Service Company

By: Deborah D Skipper
Name: _____
As Agent for Corporation Service
Company

Deborah D. Skipper
Asst. V. Pres.

Dated: 11-29, 2001.

Library: Tampa; Document #: 3899v3

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SECRETARY OF STATE
TALLAHASSEE FLORIDA

MULTIFAMILY PROGRAMS

Action

C. Request for Applications (RFA) 2016-104 for SAIL Funding to Preserve Farmworker and Commercial Fishing Worker Housing

1. Background/Present Situation

- a) On February 5, 2016, Florida Housing staff issued RFA 2016-104 offering an estimated \$4,500,000 of State Apartment Incentive Loan (SAIL) funding for the Moderate Rehabilitation/Substantial Rehabilitation or Acquisition and Moderate Rehabilitation/Substantial Rehabilitation of existing Farmworker or Commercial Fishing Worker Developments that are currently in the Florida Housing Finance Corporation portfolio and/or the United States Department of Agriculture Rural Development (RD) portfolio. The deadline for receipt of Applications was 11:00 a.m., Eastern Time, Thursday, March 3, 2016.
- b) Florida Housing received 1 Application in response to this RFA. The Review Committee members, designated by the Executive Director, were Kevin Tatreau, Director of Developmental Finance (Chair); Elizabeth O'Neill, Multifamily Programs Manager; Nancy Muller, Policy Director; Elaine Roberts, Senior Supportive Housing Analyst; and Jean Salmonsens, Multifamily Housing Development Manager. Each member of the Review Committee independently evaluated and scored their assigned portions of the submitted Applications, consulting with non-committee staff and legal counsel as necessary and appropriate.
- c) At its April 21, 2016 Review Committee meeting, the individual committee members presented their scores and the Committee carried out the funding selection process in accordance with Section Four B of the RFA.
- d) This RFA included a requirement that if an Applicant includes a non-corporation funding proposal from a mortgage lender that does not meet the definition of a Regulated Mortgage Lender, the Applicant must provide documentation from the lender that it has the ability to fund the mortgage in order for the funding to be included as a source for the proposed development.
- e) The sole Applicant for this RFA submitted a non-corporation funding proposal that was not from a Regulated Mortgage Lender and which also did not include evidence of ability to fund the proposal. As such, this source was not counted, creating a funding shortfall for the proposed development.
- f) The submitted Application was found to be ineligible for funding. The RFA 2016-104 Applications chart (provided as Exhibit E) lists the ineligible Application.
- g) The Review Committee considered the following motion:
 - (1) To adopt the scoring results, as set out on Exhibit E.
 - (2) The motion was passed unanimously.

MULTIFAMILY PROGRAMS

Action

- b) As outlined in the RFA, at the completion of all litigation and approval by the Board of all Recommended Orders with regard to this RFA, the Corporation shall offer all eligible Applicants within the funding range an invitation to enter credit underwriting.

2. Recommendation

- a) Approve the Committee's recommendation that the Board adopt the scoring results of the Application (as set out on Exhibit E).
- b) An unallocated balance of \$4,500,000 remains. As provided in Section Four B of the RFA, any remaining funding will be distributed as approved by the Board.
- c) Though the Review Committee recommended that the Applicant be found ineligible due to a funding shortfall associated with the non-corporation funding proposal, there was only one Applicant for the available funding. For this reason staff recommends that the Board fund this Applicant and authorize staff to issue an invitation to credit underwriting, with the condition that the Applicant provide acceptable documentation from the mortgage lender within 21 days of this Board meeting that it has the ability to fund as required in the RFA for mortgage lenders that are not Regulated Mortgage Lenders. If no such documentation is timely provided, or if Florida Housing determines that any submitted documentation does not meet the provisions of Section Four A.12.d.(4) of the RFA, then this authority to issue an invitation to credit underwriting will be considered rescinded and the Applicant will not be considered eligible for funding.
- d) If a notice of protest or formal written protest is filed in accordance with Section 120.57(3), Fla. Stat., et. al., then at the completion of all litigation, staff will present all Recommended Orders for Board approval prior to issuing an invitation to enter credit underwriting to an Applicant in the funding range.



February 24, 2016

Mr. Jorge Lopez
Grove Pointe Limited Partnership
2100 Hollywood Blvd.
Hollywood, FL 33020

Subject: The construction/permanent refinance in the amount of \$400,000 on an 80 unit farmworker housing complex known as Grove Pointe Apartments

Dear Mr. Lopez,

Neighborhood Lending Partners, Inc. ("Lender") is pleased to offer this term sheet for the refinance of the rehabilitation and permanent loan on an 80 unit apartment project know as Grove Pointe Apartments located at 125 Laguna Oak Place, Ruskin, Florida.

This is NOT a commitment letter, but the statements and conditions stated herein are reflective of a typical commitment letter issued by Neighborhood Lending Partners, Inc. and represents the terms that "Lender" will seek in the final approval. This letter is to provide the borrower an indication of a typical commitment letter, incorporating the particular Property's loan parameters.

BORROWER: Grove Pointe Limited Partnership

GUARANTOR: None

AMOUNT OF LOAN: \$400,000 rehab/permanent loan

INTEREST RATE: The interest rate will be set at closing at a rate equal to the 5-Year U.S. Treasury Constant Maturity Index plus 300 basis points with a floor of 5.50%. The rate today would be 5.50%.

LOAN FEES: It is estimated the Borrower will pay the following loan fees to the Lender:

1) Lender Fee	\$4,000
2) Loan Processing Fee	<u>\$1,000</u>
Total Fees	\$5,000

The Borrower will pay a portion of the Lender Loan fee equal to \$2,500 upon acceptance of a commitment letter issued by Lender. The balance of the Lender loan origination fee and processing fees will be paid at the time of the closing.

The Loan fees are earned when paid and are non-refundable.

TERM:

The loan term will be ten (10) years.

AMORTIZATION:

The loan shall amortize over thirty (30) years.

REPAYMENT:

During the Term, the Borrower will be required to make 120 monthly payments of principal and interest sufficient to amortize the loan over thirty (30) years and one balloon payment equaling the remaining balance due.

PREPAYMENT:

Repayment will be subject to a penalty equal to the yield the lender would have received over the term of the loan as adjusted for the interest rate available on an alternative investment which shall be the yield on 5-year U.S. treasury bonds.

SECURITY:

The Loan will be secured by:

1. A first mortgage on the property and improvements (the "Mortgage").
2. A first lien assignment of all leases, rents, or other income or profits of the Property.
3. A UCC filing on all of the Borrower's tangible and intangible personal property located upon or in any way related to the Property, or Project, including all furniture, fixtures, appliances, and equipment.
4. Such other collateral assignments as shall be deemed reasonable or necessary by Lender's counsel.

GUARANTOR:

None.

CROSS-DEFAULT:

Loan Documents will contain provisions whereby each loan made to Borrower by Lender shall be cross-defaulted with each other loan made to Borrower by Lender, whether the loan is now in existence or may come into existence in the future.

BANKRUPTCY:

If bankruptcy proceedings are filed voluntarily by or involuntarily against Borrower, or Guarantors, or any one of them prior to a Loan Closing, then a Commitment Letter shall be null and void and Lender shall neither be obligated to fund a Loan nor be in any way obligated further under a Commitment Letter.

ASSIGNMENT:

Any subsequent Commitment Letter shall not be assigned by Borrower without the prior written consent and discretion of the Lender. Any attempt to otherwise assign a Commitment Letter shall render a Commitment Letter immediately null and void and Lender shall have no further obligation hereunder.

RELIANCE:

The Borrower and any Guarantor or related parties may not rely on or represent to any other party that it may rely on Lender's review, opinion, approval or acceptance of any document data or information used by Lender in connection with seeking approval of a loan or extending a Commitment Letter including, but not limited to, and by way of example:

- a) Appraisal
- b) Survey and matters of-title
- c) Zoning and other regulatory matters
- d) Utilities
- e) Financial information including statements and projections
- f) Physical Needs assessment;

It should be the understanding, agreement and intent of all the parties that such review, opinion, approval or acceptance of any of the above is solely for Lender's benefit and for no other party.

It is noted that the cost of the appraisal and professional review shall be the responsibility of the borrower and is due to Lender prior to the engagement of the appraiser.

It is further noted that an environmental questionnaire is required and may result in a Phase I assessment the cost of which is the responsibility of the Borrower.

Whenever Lender utilizes legal counsel in connection with issuance of a commitment letter or preparation of the loan documents, it is agreed and understood by all parties that such counsel represents Lender only and no other party.

OTHER INDEBTEDNESS:

There is to be no indebtedness senior in right or priority of payment to any Loan provided by the Lender.

GENERAL REQUIREMENT AND CONDITIONS:

Lender shall have no obligation to fund under a Commitment Letter subsequently issued unless each and every condition listed in the commitment letter is satisfied and both of the following requirements shall have been fulfilled to Lender's satisfaction:

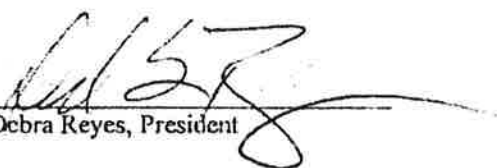
A firm commitment letter to lend funds is to be subject to underwriting and loan committee approval and issued at Lender's sole discretion.

Such other customary closing terms and conditions that may be required by Lender and/or its counsel, some of which may not have been addressed or included in this letter of interest.

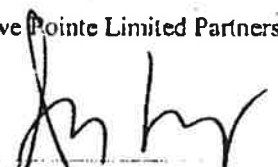
I look forward to working with you on this matter. Please call me at your convenience to discuss any of the terms of this letter.

Very truly yours,

Neighborhood Lending Partners, Inc.

By 
Debra Reyes, President

Accepted: Grove Pointe Limited Partnership

By 
JORGE LOPEZ, PRESIDENT
OF G.P.