



November 25, 2014

Mr. Ken Reecy
Director of Multifamily Programs
Florida Housing Finance Corporation
227 N. Bronough Street, Suite 5000
Tallahassee, FL 32301

RE: Bessie Dix Residential Community Group Home (2014-395G)
Request for Applications 2014-105 ("RFA")
Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties For Persons
With Developmental Disabilities

Dear Mr. Reecy:

An application was submitted in response to the Florida Housing Finance Corporation ("FHFC" or "Florida Housing") Request for Applications 2014-105 ("RFA") for Financing to Build or Rehabilitate Smaller Permanent Supportive Housing Properties For Persons With Developmental Disabilities on behalf of Human Development Center, Inc. ("Applicant" or "HDC") requesting \$72,000 of grant funding for renovating existing units that are currently occupied by persons with Developmental Disabilities. The Applicant will retrofit life safety/security features and add bedrooms to the Community Residential Home known as Bessie Dix Residential Community Group Home (the "Development") located at 6626 Stark Road, Seffner, Hillsborough County, Florida 33584. The Development is a current Community Residential Home that consists of four-bedrooms and two bathrooms and was constructed on a land parcel of approximately 7.95 acres owned by Hillsborough County but leased by the Applicant.

The Development will add two additional bedrooms and a bathroom. After completion of the addition, the Development will provide a total of six bedrooms, three bathrooms, a kitchen, dining room, laundry room and patio. Currently, there are six residents sharing the four existing bedrooms; the two bedroom addition will allow each resident to be a single occupant of a bedroom. As such, the new addition of the two bedrooms and bathroom does not add to the supply of units as the Development will continue to serve persons with developmental disabilities in six bedrooms and three bathrooms.

The Development will be retrofitted with life safety and energy features that serve persons with developmental disabilities by adding an emergency generator system and upgrading the Development with an Energy Star rated fixtures including a refrigerator, water heater, stove, and washer and dryer. The Development will also add additional insulation to the attic and paint the inside and exterior with low VOC or no VOC paint. The Development will replace the bath tubs in the two existing bathrooms with walk-in showers, as well as replace the existing cabinets and countertops which will allow the residents to age in place.

The Development is a Community Residential Home with six residents, the maximum number allowed. Each resident will occupy one bedroom and will share the three bathrooms. The Agency for Persons with

Mr. Ken Reecy
Bessie Dix Residential Community Group Home (2014-395G)
November 25, 2014
Page 2 of 13

Disabilities (“APD”) authorized the Applicant to provide housing and services for up to six residents. As the residents do not execute individual lease agreements, the Development does not meet the definition of Shared Housing. As specified in the RFA, two of the residences will be set aside for tenants with incomes at or below 40% of Area Median Income (“AMI”) (“Extremely Low Income”) with the remaining residences (4 residences) set aside for 60% of AMI for a period of 10 years. Income certification of residents will be required throughout the affordability period.

The Applicant, a Florida 501(c)(3) not-for-profit corporation with a 8-member Board of Directors, was formed January 16, 1978 for the purpose of providing life skills, educational and employment training and services to adults diagnosed with intellectual disability, autism, and mental health disorders. The Development will be self-managed by the Applicant and rehabilitated by DeBolt Construction Services, LLC (the “General Contractor” or “DeBolt”).

Though DeBolt has the requisite experience to retrofit/construct the Development, its limited financial capacity presents an issue and concern to the completion of the renovation. For the financial analysis, please refer to page 10 under General Contractor Information. As a mitigant, AmeriNational proposes to include a 10% Hard Cost Contingency, in accordance with the RFA, to ensure there are adequate funds available to complete the retrofit/construction.

DEVELOPMENT & SET-ASIDES

Development Name: Bessie Dix Residential Community Group Home

Program Numbers: 2014-395G

Address: 6626 Stark Road City: Seffner Zip Code: 33584

County: Hillsborough County Size: Large

Development Category: Bedrooms. Retrofit of life safety/security features AND Adding Single Family - Community Residential Home Development Type:

Demographic Commitment: Elderly: Homeless: ELL: 2 Units @ 40% AMI
Farmworker or Commercial Fish Worker: Family: Link: Units

Set Asides:

Program	% of Bedrooms	# of Bedrooms	% AMI	Term (Years)
Grant	33.3%	2	40%	10
Grant	66.7%	4	60%	10

Site Acreage: 7.95 Density: 0.7500 Flood Zone Designation: X
Zoning: AR - Agricultural Rural - 1 unit per 5 acres. Flood Insurance Required?: No

Mr. Ken Reecy
Bessie Dix Residential Community Group Home (2014-395G)
November 25, 2014
Page 3 of 13

DEVELOPMENT TEAM		
Applicant/Borrower:	Human Development Center, Inc.	% Ownership
Guarantor(s):	Human Development Center, Inc.	
Developer:	Human Development Center, Inc.	
General Contractor 1:	DeBolt Construction Services, LLC	
Management Company:	Human Development Center, Inc.	

CONSTRUCTION/PERMANENT SOURCES:				
Source	Lender	Construction	Permanent	Perm Loan/Unit
Grant	Florida Housing	\$72,000	\$72,000	\$72,000
Borrower Equity	Developer	\$14,850	\$14,850	\$14,850
TOTAL		\$86,850	\$86,850	\$86,850

Sources of Funds

Source	Lender	Applicant's Total	Applicant's Revised Total	Underwriter's Total	Interest Rate	Amortization Years	Term Years	Annual Debt Service
First Mortgage	Florida Housing	\$72,000	\$72,000	\$72,000	0.00%	n/a	10	\$0
Borrower Equity	Developer	\$0	\$3,094	\$14,850				
Total :		\$72,000	\$75,094	\$86,850				\$0

Grant:

Applicants that commit to renovate existing units that are currently occupied by Persons with Development Disabilities may request grant funding up to \$12,000 per resident up to a maximum of \$72,000 for the retrofit and/or up to \$48,000 for the addition of two bedrooms and \$12,000 to add new bathroom facilities as outlined within the RFA. The Applicant requested \$72,000 of grant funding which complies with the requirements of the RFA. Grant proceeds will have a zero percent interest rate for a 10 year term.

Borrower Equity:

In order to balance the sources and uses of funds, AmeriNational estimates the Applicant will contribute \$14,850 of equity prior to the release of grant funds. In the event Hard Cost Contingency is not fully expended at 100% lien free completion, the Applicant may be reimbursed any unspent contingency funds.

Mr. Ken Reecy
Bessie Dix Residential Community Group Home (2014-395G)
November 25, 2014
Page 4 of 13

Uses of Funds

CONSTRUCTION COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit
Rehab of Existing Rental Units	\$49,500	\$46,335	\$46,335	\$46,335
Overhead and Profit	\$0	\$4,633	\$4,633	\$4,633
Contractor Fee	\$0	\$2,548	\$2,548	\$2,548
Total Construction Contract/Costs	\$49,500	\$53,516	\$53,516	\$53,516
Hard Cost Contingency	\$1,000	\$0	\$5,351	\$5,351
Other: Life Safety Features	\$1,500	\$1,500	\$1,500	\$1,500
Other: Energy Retrofit Features	\$7,600	\$6,500	\$6,500	\$6,500
Upgrades to allow residents to age				
Other: in place	\$5,000	\$5,000	\$5,000	\$5,000
Other: Blower Test and Tree Removal	\$1,750	\$0	\$0	\$0
Total Construction Costs:	\$66,350	\$66,516	\$71,867	\$71,867

GENERAL DEVELOPMENT COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit
Appraisal	\$350	\$0	\$0	\$0
Architect's and Planning Fees	\$500	\$2,500	\$2,500	\$2,500
Building Permits	\$300	\$0	\$0	\$0
FHFC Application Fee	\$0	\$500	\$500	\$500
FHFC Credit Underwriting Fee	\$2,500	\$2,650	\$2,650	\$2,650
FHFC HC Compliance Fee (HC)	\$1,000	\$0	\$1,000	\$1,000
Lender Inspection Fees / Const Admin	\$500	\$0	\$3,405	\$3,405
Plan and Cost Review Analysis	\$0	\$1,250	\$1,250	\$1,250
Other: Home Inspection	\$0	\$315	\$315	\$315
Other: TSP Report	\$0	\$513	\$513	\$513
Blower Door test and AC Duct				
Other: Repair	\$0	\$350	\$350	\$350
Other: Extension Fees	\$0	\$500	\$500	\$500
Total General Development Costs:	\$5,150	\$8,578	\$12,983	\$12,983

FINANCIAL COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit
Other: Grant Commitment Fee	\$0	\$0	\$2,000	\$2,000
Total Financial Costs:	\$0	\$0	\$2,000	\$2,000

OTHER DEVELOPMENT COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit
Development Cost Before Developer Fee	\$71,500	\$66,516	\$86,850	\$86,850
Developer Fee	\$500	\$0	\$0	\$0
Total Other Development Costs:	\$500	\$0	\$0	\$0
TOTAL DEVELOPMENT COSTS:	\$72,000	\$75,094	\$86,850	\$86,850

Notes to Total Development Costs:

- The Applicant provided an executed Construction Contract dated October 23, 2014 between the Applicant and the DeBolt Construction Services, LLC illustrating a sum of \$53,516 for the Development's construction. Retainage equal to 10% of each draw will be withheld until

Mr. Ken Reecy
Bessie Dix Residential Community Group Home (2014-395G)
November 25, 2014
Page 5 of 13

achievement of 50% of construction completion at which time no further retainage will be withheld. DeBolt provided a construction schedule that indicates construction completion will be achieved within 135 days from commencement.

2. General Contractor Fee, comprised of contractor's fee, overhead and profit, exceeds the maximum limitation of 14% of the actual construction cost as outlined above. **A revised schedule of value that confirms General Contractor Fee does not exceed 14% of actual construction costs is a condition precedent to the grant closing.**
3. A Hard Cost Contingency of 10% of the costs of the Construction Contract was utilized by AmeriNational. A Soft Cost Contingency was not utilized as no future soft cost expenses are anticipated. Any unanticipated development costs will be the responsibility of the Applicant.
4. The Life Safety Features, Energy Retrofit Features, Upgrades to allow residents to age in place and replacement of existing bathroom fixtures and showers will be performed by the Applicant's maintenance team.
5. An Appraisal was not provided as Applicant is leasing the Development from Hillsborough County.
6. Building permits are included in the construction contract with DeBolt. Therefore, the line item expense was reduced to zero.
7. In accordance with the RFA, the HC Compliance Fee of \$1,000 is equal to \$100 per year for 10 years (the affordability period), to be pre-paid and due at closing and is eligible for reimbursement from the grant funding.
8. AmeriNational applied a Plan Review Fee of \$1,250. Three construction site inspections (\$900) and four draw reviews (\$2,505 total for estimated 15 hours at \$167/hour), including the closing draw, and the related fees are reflected in the FHFC Construction Draw and Inspection Costs line item. Per the RFA, the fees related to up to two draws are eligible for reimbursement from the grant agreement.
9. In accordance with the RFA, the Applicant will pay a 1% Grant Commitment Fee up to a maximum of \$2,000, to be paid at closing and is eligible for reimbursement from the grant funding.
10. General Development Costs are reasonable estimates by the Applicant and AmeriNational.
11. The Applicant withdrew its request for Developer Fee as the Total Development Costs exceeded the Grant amount and any Developer Fee would be paid with Developer Equity.
12. Total Development Costs increased \$14,850 since the Application primarily due to increases in Construction Costs, General Development Costs and Financial Costs.

Mr. Ken Reecy
Bessie Dix Residential Community Group Home (2014-395G)
November 25, 2014
Page 6 of 13

Construction Features and Amenities

The Applicant committed to provide certain required and optional construction features and amenities within the RFA as outlined within Exhibit A of this recommendation. Satisfactory confirmation by On Solid Ground (“OSG”), the Florida Housing Construction Inspector, the required construction features and amenities are represented in the plans and contract is a condition of grant funding.

Third Party Reports

- Appraisal:** The land for which the Development will be constructed is owned by Hillsborough County and the Applicant provided a Lease Agreement dated January 29, 1986 that states the applicant may occupy the premises until April 1, 2085 for an annual rent payment of \$1.00 per year. Therefore, an appraisal report is not applicable
- Blower Door Test:** Faraday Energy LLC, a certified Home Energy Rater, performed Blower Door Testing at the Development on May 30, 2014 and provided a summary of the results. The measured leakage was 243 sq. in. (4420 CFM @ 50 psi) which represents the cumulative size of all holes and cracks in the exterior of the Development which unconditioned outside air enters the Development and conditioned air escapes. The estimated cost of air leakage was \$157 per year.
- Transaction Screen Process:** A Transaction Screen Process Report (“TSP”) dated May 30, 2014 was prepared by Environmental Engineering Consultants, Inc. (“EEC”). The TSP was performed in conformance with the scope and limitations of ASTM Practice E 1528-06. Based upon a site inspection performed by EEC, an environmental regulatory database search, and records for the general governmental records of the Development, EEC opines their assessment revealed no recognized environmental conditions and no further testing was warranted.
- Home Inspection:** Pilar To Post, Inc. (“P2P”) performed a home inspection and summarized their findings and conclusions in a report dated May 21, 2014. P2P observed the Development to be in fair condition. P2P observed minor or hairline cracking in stucco finish, which was considered typical and cosmetic in nature. P2P suggested repair to wood rot on the fascia boards and torn soffit vent screens around the home in order to prevent rodents and pests from entering the attic. P2P observed the flat roof portion of the building envelope has numerous patches and repairs and recommends coating the flat roof with elastomeric roof coating to help extend the life of the roof and prevent any leaking.
- Elaine Roberts, a Senior Supportive Housing Analyst for Florida Housing, reviewed the home inspection and noted the following deficiencies required repairs as safety concerns:

Mr. Ken Reecy
Bessie Dix Residential Community Group Home (2014-395G)
November 25, 2014
Page 7 of 13

- Replace damaged circuit breaker in the electrical panel.
- Repair three (3) doubled tapped circuit breakers. Install half breakers to solve the double tapping.
- Undersized wire was observed to two (2) circuit breakers, P2P recommends swapping the breaker to match the wire size for safety.
- Install a breaker block to cover exposed wiring for safety.
- Replace missing discharge pipe on the water heater for safety.
- There's not a receptacle installed in the hall bathroom for convenience. P2P recommends installing a GFCI receptacle for safety around water.
- Repair non grounded receptacle in the right side bedroom, utility/storage room, left rear and right front bedrooms for safety.

AmeriNational received a letter dated August 6, 2014 that states the noted deficiencies above have been repaired by the Applicant's maintenance team. Satisfactory confirmation by OSG that the repairs have been made at the Development is a condition of grant funding.

P2P also made the following recommendations:

- Repair leaky hose bib on the front of the home.
- P2P recommends installation of an exhaust fan in the hall bathroom to reduce moisture/condensation related damages.
- Repair leaky hot and cold controls in the right side shower.
- Repair damage exhaust hood in the kitchen.
- Repair damaged window balancing spring in the right front bedroom and rear storage/utility room.
- Repair non functional window in the left rear bedroom.

The Applicant committed to utilize their maintenance team to make repairs identified herein as part of their routine maintenance.

HVAC Inspection:

An HVAC Inspection was performed by Freedom-Air, Inc. ("HVAC Contractor"). The results were summarized in an email dated May 18, 2014. Pursuant to the RFA, the HVAC Contractor sealed the ducts for air leaks and box plenums with mastic.

Resident Community Service
Plan:

A Resident Community-Based Services Coordination Plan was submitted to Elaine Roberts, a Senior Supportive Housing Analyst, on July 15, 2014, and approved by Florida Housing on July 16, 2014. Ms. Roberts found the Resident Community-Based Services Coordination Plan to meet the requirements pursuant to the RFA. Pauline Welsted will serve as the

Mr. Ken Reecy
Bessie Dix Residential Community Group Home (2014-395G)
November 25, 2014
Page 8 of 13

Residential Community Service Director. Nicole Smith-Pellegatti will serve as the Property Manager.

Plan and Cost Review:

A Plan and Cost Review (“PCR”) was engaged by AmeriNational and performed by OSG, which summarized their review and conclusions in a report dated November 17, 2014. . The report states that the review of the documents submitted indicates no significant problems exist with the design of the project, although specific additional information has been requested from the Applicant. The report concludes the overall construction budget appears reasonable and adequate to complete the proposed improvements. As the Construction Contract did not contain a production schedule, OSG estimates the renovation should take three to five months to complete. OSG noted the following deficiencies which must be resolved prior to grant closing:

- If HVAC equipment is being replaced, it must have a minimum SEER of 14. The Applicant is engaging a licensed HVAC Contractor to provide the HVAC for the Development. OSG requests a scope of work for the new HVAC equipment be provided for confirmation it will meet the minimum efficiency requirements.
- Replace all bathrooms exhaust fans with Energy Star qualified fans. The Applicant has indicated that the retrofit items will be performed by its maintenance staff.
- Bathroom sink faucets with lever handles. The Applicant has indicated that the retrofit items will be performed by its maintenance staff.
- The drawings and other documents provided do not provide sufficient details to verify conformance with the 2010 ADA Standards for Accessible Design. OSG recommends that the following is provided:
 - Enlarged plan and elevation detail of the accessible bathroom showing layout of all fixtures with dimensions, shower hose, location of controls, grab bars and their heights, clear floor space at fixtures, sink height, and knee space under sink or removable vanity (if provided), etc.
 - Drawings or details demonstrating an accessible route into the building including accessible sidewalks and building entry either through the main entry door or new rear entry door with thresholds no higher than ½”.
 - Florida Housing Finance Corporation Architect’s Fair Housing, Section 504 and ADA Design Certification (Form 121), which will be executed by the Engineer who prepared the plans.

Mr. Ken Reecy
Bessie Dix Residential Community Group Home (2014-395G)
November 25, 2014
Page 9 of 13

Development Team

Applicant/Developer/ Property Manager Information

Applicant Name: Human Development Center, Inc. ("HDC")

Applicant Type: A Florida 501(c)(3) not-for-profit corporation

Ownership Structure: The Applicant is a Florida 501(c)(3) not-for-profit corporation with a 8-member Board of Directors.

Contact Person: James Bell
Executive Director
jbell@hdcinc.org
Telephone: (813) 872-6250

Applicant Address: 5904 North Armenia Avenue
Tampa, Florida 33603

Federal Employer ID: 59-1825942

Experience: The Applicant was founded January 16, 1978 for the purpose of providing life skills, educational and employment training and services to adults diagnosed with intellectual disability, autism, and mental health disorders. HDC currently owns and operates six Community Group Homes. HDC is licensed by the Agency for Persons with Disabilities and is an active member of the Florida Association of Rehabilitation Facilities. Jim Bell, Executive Director, has been with HDC for over 24 years and has 30 years total experience in the operations and management of residential facilities and community group homes. HDC will continue to self-manage the Development.

Financial Statements: AmeriNational received and reviewed the following financial statement:

Human Development Center, Inc.

September 30, 2013

(Audited)

Cash and Cash Equivalents	\$	
Total Assets	\$	
Total Liabilities	\$	
Total Net Assets	\$	

The financial information is based upon audited financial statements that certified by Wells, Houser & Schatzel, P.A. on June 20, 2014. Cash & Cash Equivalents consists of unrestricted cash. Assets primarily consist of property and equipment. Liabilities primarily consist of notes payable and amounts owed for a line of credit. HDC is a 501(c)(3) tax-exempt not-for-profit

Mr. Ken Reecy
Bessie Dix Residential Community Group Home (2014-395G)
November 25, 2014
Page 10 of 13

organization. A 2011 and 2012 U.S. Tax Return for an organization exempt from Income Tax (Form 990) were provided. The 2012 Form 990 is for a period commencing October 1, 2012 and concluding September 30, 2012. The 2013 Form 990 is not available.

Banking References: AmeriNational received several bank statements dated October 31, 2014 reflecting deposits in the mid six-figures.

Credit Evaluation: A Dun & Bradstreet Business Information Report ("D&B") dated September 4, 2014 was obtained and contained no material derogatory credit history. The D&B report indicates a "moderate" risk of late payments based upon 38 payment experiences which is a limited amount. The D&B confirms there are no outstanding liens, judgments, or suits against HDC.

Contingent Liabilities: A Contingent Liabilities Schedule received June 30, 2014 for HDC reflects that HDC has no contingent liabilities associated with real estate. However, the company is liable for an automobile loan for its Executive Director.

Statement of Financial and Credit Affairs: The Applicant provided an executed Statement of Financial and Credit Affairs effective as of June 4, 2014 that illustrates the Applicant does not have any unsatisfied judgments, bankruptcies, foreclosures, deferred principal or interest payments, or instances of loan restructuring due to situations of negative cash flow. There is a pending legal action brought against the Applicant by a former client; however, any monetary claim will be resolved by their insurance company.

Summary: The Applicant has considerable relevant experience and sufficient financial capacity to construct and operate the Development.

Mr. Ken Reecy
Bessie Dix Residential Community Group Home (2014-395G)
November 25, 2014
Page 11 of 13

General Contractor Information

General Contractor: DeBolt Construction Services, LLC ("General Contractor")

Type: A Florida limited liability company





Contact Person: Sean DeBolt
sean@deboltconstruction.com
Telephone: (727) 710-434

Address: P.O. Box 40244
St. Petersburg, FL 33743

Experience: DeBolt construction is owned and operated by a Sean DeBolt, represents 18 years of experience with single family renovations; additions; fire-, water-, wind-, termite-, and dry rot restoration; and repairs and alterations to existing structures. Mr. DeBolt is a Florida Certified Building Contractor (license No. CBC1256510) with a license valid through August 31, 2016.

Credit Evaluation: A Dun & Bradstreet Business Information Report ("D&B") was performed on General Contractor on November 6, 2014. The D&B report indicates a "moderate" risk of late payments based upon 5 payment experiences which is a limited amount. The D&B confirms there are no outstanding liens, judgments, or suits against the General Contractor.

Financial Statements: AmeriNational received and reviewed the following financial statement:

DeBolt Construction Services, LLC	
<u>November 7, 2014</u>	(Unaudited)
Cash and Cash Equivalents	\$ 
Total Assets	\$ 
Total Liabilities	\$ 
Total Net Assets	\$ 

The financial information is based upon self-prepared financial statements provided by the General Contractor. Assets primarily consist of accounts receivable and undeposited funds. The liability consists of sales tax payable.

Summary: The General Contractor has the requisite experience to construct the Development. DeBolt represents limited financial capacity which presents an issue and concern to the completion of the renovation. As a mitigant, AmeriNational included a 10% Hard Cost Contingency, in accordance with the RFA, to ensure there are adequate funds available to complete the retrofit/construction.

Mr. Ken Reecy
Bessie Dix Residential Community Group Home (2014-395G)
November 25, 2014
Page 12 of 13

Recommendation

AmeriNational recommends the issuance of a grant of \$72,000 to the Applicant for the construction financing of the Development subject to the following conditions:

1. A revised schedule of value that confirms General Contractor Fee does not exceed 14% of actual construction costs.
2. AmeriNational's satisfactory receipt and review of a final Plan Review on the Development completed by OSG.
3. Review and approval of all grant documentation by Florida Housing and its legal counsel.
4. Payment of all costs and fees payable to Florida Housing, its legal counsel, and AmeriNational.
5. Payment of the Grant Commitment Fee to FHFC at closing.
6. Prepayment of the required Compliance Monitoring Fees at closing.
7. Satisfactory resolution of any outstanding past due and non-compliance items, if applicable.
8. Payment of any outstanding arrearages to FHFC, 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).
9. Evidence the Applicant executed a Construction Completion Guaranty to be released at 100% lien free completion of construction.
10. Receipt of executed FHFC Fair Housing and ADA Design and As-Built certifications by the Architect, Applicant and OSG.
11. Receipt of building permits and any other necessary approvals. An acceptable alternative to this requirement is receipt and satisfactory review of a letter from the local permitting and approval authority stating that the above referenced permits and approvals will be issued upon receipt of applicable fees (with no other conditions). If a letter is provided, copies of all permits will be required as a condition of the first post-closing draw.
12. Evidence that each condition of Grant Funding as outlined in Part III. Program Procedures and Requirements for Grant Funding of the RFA has been provided to the satisfaction of Florida Housing, its legal counsel, and its servicer.
13. OSG shall serve as Florida Housing inspector during the construction phase and verify that the construction features and amenities committed to by the Applicant have been constructed, as well as any additional RFA requirements, where applicable.
14. Any other due diligence required by FHFC, its legal counsel or its servicer.

Mr. Ken Reecy
Bessie Dix Residential Community Group Home (2014-395G)
November 25, 2014
Page 13 of 13

This recommendation is valid for six months from the date of this report. Please contact me with any questions. Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read 'K. Kuenn', with a long horizontal flourish extending to the right.

Kyle Kuenn
Credit Underwriter

EXHIBIT "A"

RFA 2014-105 Financing to Build or Rehabilitate Smaller Permanent Supportive Housing
Properties for Persons with Developmental Disabilities
Bessie Dix Residential Community Group Home (2014-395G)

DESCRIPTION OF FEATURES AND AMENITIES

- A.** The Development will consist of six bedrooms and four bathrooms

Developments that are Renovating an Existing Community Residential Home - Community Residential Homes must not have more than two (2) residents sharing a Bedroom, and no more than three (3) residents may share one (1) full bathroom with a locking door. No more than six (6) residents may live in the Unit.

- B.** The Development is to be constructed and will conform to requirements of local, state & federal laws, rules, regulations, ordinances, orders and codes, Federal Fair Housing Act as implemented by 24 CFR 100, the 2012 Florida Accessibility Code for Building Construction as adopted pursuant to Section 553.503, F.S., and Titles II and III of the Americans with Disabilities Act ("ADA") of 1990 as implemented by 28 CFR 30, incorporating the most recent amendments, regulations, and rules, as applicable.

If the proposed Development meets the definition of Scattered Sites, all features and amenities committed to and proposed by the Applicant that are not Unit-specific shall be located on each of the Scattered Sites.

- C.** The Development must provide the following Green Building, Accessibility, Adaptability, Universal Design and Visitability Features:

1. Termite prevention and pest control throughout the entire affordability period; and
2. A full-size range and oven in all Units.

All renovation Developments commit to provide the following:

1. If HVAC equipment is being replaced, it must have a minimum SEER of 14;
2. Replace all bathrooms exhaust fans with Energy Star qualified fans;
3. Install aerators on all faucets;
4. Install low-flow showerheads (2.2 gallons per minute or less);
5. Replace any toilets with gallons per flush higher than 1.6 gpf with WaterSense qualified toilets;
6. If any interior painting is done, it must be done with low VOC or no VOC paint;
7. If replacing an existing refrigerator, it must be replaced with an Energy Star qualified refrigerator;
8. If replacing an existing washing machine, it must be replaced with an Energy Star qualified washing machine; and

EXHIBIT "A"

RFA 2014-105 Financing to Build or Rehabilitate Smaller Permanent Supportive Housing
Properties for Persons with Developmental Disabilities
Bessie Dix Residential Community Group Home (2014-395G)

DESCRIPTION OF FEATURES AND AMENITIES

9. If replacing an existing dishwasher, it must be replaced with an Energy Star qualified dishwasher.
- D.** All New Construction units must provide the following Accessibility, Adaptability, Universal Design and Visitability Features listed below and all rehabilitation and/or renovation developments are strongly encourage to incorporate as many of the features listed below as are structurally and financially feasible within the scope of work. If the proposed Development serves persons with physical disabilities it must include all accessibility, adaptability, universal design and Visitability features listed below.
1. A minimum of 50 percent of the total Units shall be fully accessible in accordance with the 2010 ADA Standards for Accessible Design. These fully accessible Units shall provide mobility features that comply with the residential dwelling Units provision of the 2010 ADA Standards for Accessible Design. At least one of the total Units shall be accessible to persons with visual and hearing impairments in accordance with the 2010 ADA Standards for Accessible Design. The Unit(s) that is accessible to persons with visual and hearing impairments shall comply with the communication features described for Residential Dwelling Units with Communication Features in the 2010 ADA Standards for Accessible Design.
 2. Primary entrance door shall have a threshold with no more than a ½-inch rise;
 3. All door handles on primary entrance door and interior doors must have lever handles;
 4. Lever handles on all bathroom faucets and kitchen sink faucets;
 5. Toilets must be 17 inches to 19 inches in height as measured from the finished floor to the top of the toilet seat;
 6. Mid-point on light switches and thermostats shall not be more than 48 inches above finished floor level