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July 14, 2016

Ms. Barbara E. Goltz, Chief Financial Officer
Florida Housing Finance Corporation
227 North Bronough Street, Suite 5000
Tallahassee, Florida 32301-1329

Re: Seminole Gardens, 2016 Multifamily Mortgage Revenue Note Method of Sale Recommendation

Dear Barbara,

At the request of the staff of the Florida Housing Finance Corporation ("Florida Housing") and pursuant to our Contract for Independent Registered Municipal Advisor Services with Florida Housing, I have reviewed the Credit Underwriting Report relating to Seminole Gardens (the "Credit Underwriting Report"), and herein provide my recommendation for a negotiated note placement method of sale.

This recommendation is consistent with the procedures established for evaluating proposed multifamily transactions and is based upon the project information contained in the Credit Underwriting Report. The required factors considered in my evaluation of the proposed project are:

- Prevailing interest rates and financing costs for multifamily bonds or notes,
- The anticipated credit and security structure,
- The proposed financing and issue structure,
- The proposed timing of the transaction,
- The experience of the developer in financing affordable housing,
- Florida Housing's known programmatic objectives,
- Probable near term market conditions, and
- Other information provided by Florida Housing staff and the working group for this transaction

The Credit Underwriting Report outlines a plan of finance for affordable multifamily housing in which tax-exempt notes are placed with Freddie Mac to finance both acquisition/rehab and permanent financing.

The Credit Underwriting Report proposes a negotiated note placement to be an effective method of sale for the tax-exempt notes.

The following is a summary concerning this project and financing:

Project Name: Seminole Gardens

Permanent Lender: Freddie Mac / JLL Capital Markets

Developer / Key Representative: Southport Development Inc / J. David Page

Recommended Method of Sale: Note placement

Based on the structure of the note issue and prevailing market conditions, a negotiated note placement will be an effective method of sale. Based on Florida Housing's experience with similar offerings, current market conditions, and other recent housing finance agency multifamily transactions, this method can be expected to achieve the borrower's objectives based on the facts presented.

Should there be any substantial changes in the market, the proposed credit structure, or development team, a further review of the above recommendation should be undertaken. It is expected, consistent with Chapter 67-21.0045 of Florida Administrative Code that a final term sheet for the project will be provided to Caine Mitter & Associates Incorporated at the appropriate time to allow for any required final recommendation if necessary. If you have any questions or require any discussion please feel free to contact me.

Sincerely,

A handwritten signature in cursive script, appearing to read "Ansel Caine".

Caine Mitter & Associates Incorporated

Ansel Caine

Vice President

cc: Brantley Henderson, Assistant Director of Multifamily Programs