

From: David Canepari [<mailto:caneparil@gatehousemgt.com>]  
Sent: Friday, April 03, 2009 3:07 PM  
To: Steve Auger; Debbie Blinderman; Candice Allbaugh; Nancy Muller  
Subject: Palm Beach County - Exemptions to Location A - FHFC 2009  
Universal Cycle

> Dear Mr. Auger,

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> I have read with interest numerous correspondence requesting exemptions to Location A for the Downtown West Palm Beach area and the area surrounding Lake Mangonia. In these numerous requests, references are made to the December 2008 occupancy reports submitted by two of our LIHTC communities in the City of West Palm Beach. It is important to note that our occupancy reports are submitted on physical occupancy only. These physical occupancies have been achieved with either the use of specials that include free rent or rent levels below the 60% approved rents. In fact, in the case of Harris Music Lofts, The Rosemary and Vista del Lago their economic occupancies are in the mid 80 percentile. The occupancy has further deteriorated in the first three months of 2009. I would also like to note that Harris Music Lofts traditionally has had economic occupancy in the mid 90 percentile. We have done further research and find that the physical occupancy for Mangonia Residence is only 88%. Most of the improvements in physical occupancy in this area have been achieved through the utilization of such specials.

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> Finally, the number of foreclosed and other homes that are being rented has had a significant impact on occupancy of our Rosemary Village in West Palm Beach. As you know, this is a scattered site community consisting of 53 single family homes. We have experienced the highest turnover over ever in its history and those residents are leaving to rent other single family homes in more desirable areas. The statement that 16,000 rental units have been converted to condominiums since 2000 no longer applies as most of these condos are for rent.

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> I strongly urge you to consider the economic occupancy of the entire area before you make any changes to the proposed Location A in Palm Beach County.

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> Please feel free to contact me with any questions you may have.

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Sincerely,

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