I. HOMEOWNERSHIP LOAN PROGRAM

A. Request Approval of the Analytical Review for Walker’s Cove/HH02-013

1. Background
   - a) An Application was submitted on behalf of Walker’s Cove during round one of the 2002 Homeownership Loan Program Cycle.
   - b) On October 30, 2002, Florida Housing issued an invitation into credit underwriting and a preliminary commitment letter to The Florida City Foundation, Inc. for a HOME Purchase Assistance Loan in the amount of $672,500 in order to assist in the construction of 25 homes in Miami-Dade County.

2. Present Situation
   - a) The credit underwriter has provided Staff with a final Analytical Review dated February 13, 2003, outlining the parameters of the proposed development.
   - b) Staff has reviewed the report and concurs with the credit underwriter’s recommendation to reserve HOME funds in the amount of $672,500 for purchase assistance to the homebuyer.
   - c) The Analytical Review is attached and labeled as Exhibit A.

3. Recommendation
   Staff recommends that the Board approve the final Analytical Review and authorize staff to issue a firm commitment letter in the amount of $672,500.00 to The Florida City Foundation, Inc. to be utilized as HOME Purchase Assistance Loans to homebuyers, subject to further approvals by the credit underwriters, counsel and the appropriate corporation staff.

B. Request Approval of the Analytical Review for Wildwood/HH02-002

1. Background
   - a) An Application was submitted on behalf of Wildwood during round one of the 2002 Homeownership Loan Program Cycle.
   - b) On October 30, 2002, Florida Housing issued an invitation into credit underwriting and a preliminary commitment letter to Florida Low Income Housing Associates, Inc., for a HOME Purchase Assistance Loan in the amount of $600,000 to assist in the construction of 27 homes in Sumter County.

2. Present Situation
   - a) The credit underwriter has provided Staff with a final Analytical Review dated February 18, 2003, outlining the parameters of the proposed development.
HOMEOWNERSHIP LOAN PROGRAM

Consent

b) Staff has reviewed the report and concurs with the credit underwriter’s recommendation to reserve HOME funds in the amount of $600,000 for purchase assistance to the homebuyer.

c) The Analytical Review is attached and labeled as Exhibit B.

3. Recommendation

Staff recommends that the Board approve the final Analytical Review and authorize staff to issue a firm commitment letter in the amount of $600,000 to Florida Low Income Housing Associates, Inc., to be utilized as HOME Purchase Assistance loans to the homebuyers, subject to further approvals by the credit underwriters, counsel and the appropriate corporation staff.

C. Request Approval of the Analytical Review for Little Creek 1/HH02-011

1. Background

a) An Application was submitted on behalf of Little Creek 1 during round one of the 2002 Homeownership Loan Program Cycle.

b) On October 30, 2002, Florida Housing issued an invitation into credit underwriting and a preliminary commitment letter to Whitemark Homes of Florida, Inc., for a HOME Purchase Assistance Loan in the amount of $3,000,000 to assist in the construction of 120 homes in Osceola County.

2. Present Situation

a) The credit underwriter has provided Staff with a final Analytical Review dated February 18, 2003, outlining the parameters of the proposed development.

b) Staff has reviewed the report and concurs with the credit underwriter’s recommendation to reserve HOME funds in the amount of $3,000,000 for purchase assistance to the homebuyer.

c) The Analytical Review is attached and labeled as Exhibit C.

d) Staff recommends that the Board approve the final Analytical Review and authorize staff to issue a firm commitment letter in the amount of $3,000,000 to Whitemark Homes of Florida, Inc., to be utilized as HOME Purchase Assistance Loans to the homebuyers, subject to further approvals by the credit underwriters, counsel and the appropriate corporation staff.

D. Request Approval of the Analytical Review for Glen Eagle Park/HH02-014

1. Background

a) An Application was submitted on behalf of Glen Eagle Park during round one of the 2002 Homeownership Loan Program Cycle.

b) On October 30, 2002, Florida Housing issued an invitation into credit underwriting and a preliminary commitment letter to Lou C. Ginn & John Arthur Ginn, Jr. Family L.P., for a HOME Purchase Assistance Loan in the
HOMEOWNERSHIP LOAN PROGRAM

Consent

amount of $1,156,250 to assist in the construction of 45 homes in Putnam County.

2. Present Situation

a) The credit underwriter has provided Staff with a final Analytical Review dated February 19, 2003, outlining the parameters of the proposed development.

b) Staff has reviewed the report and concurs with the credit underwriter’s recommendation to reserve HOME funds in the amount of $1,156,250 for purchase assistance to the homebuyer.

c) The Analytical Review is attached and labeled as Exhibit D.

3. Recommendation

a) Staff recommends that the Board approve the final Analytical Review and authorize staff to issue a firm commitment letter in the amount of $1,156,250 to Lou C. Ginn & John Arthur Ginn, Jr. Family L. P., to be utilized as HOME Purchase Assistance loans to the homebuyers subject to further approvals by the credit underwriters, counsel and the appropriate corporation staff.

E. Request Approval of the Analytical Review for Kathy’s Pointe/HH02-017

1. Background

a) An Application was submitted on behalf of Kathy’s Pointe during round one of the 2002 Homeownership Loan Program Cycle.

b) On October 30, 2002, Florida Housing issued an invitation into credit underwriting and a preliminary commitment letter to Kathy’s Pointe, Ltd., for a HOME Purchase Assistance Loan in the amount of $3,078,040 to assist in the construction of 120 homes in Miami-Dade County.

2. Present Situation

a) The credit underwriter has provided Staff with a final Analytical Review dated February 18, 2003, outlining the parameters of the proposed development.

b) Staff has reviewed the report and concurs with the credit underwriter’s recommendation to reserve HOME funds in the amount of $3,078,040 for purchase assistance to the homebuyer.

c) The Analytical Review is attached and labeled as Exhibit E.

3. Recommendation

Staff recommends that the Board approve the final Analytical Review and authorize staff to issue a firm commitment letter in the amount of $3,078,040 to Kathy’s Pointe, Ltd., to be utilized as HOME Purchase Assistance loans to the homebuyers, subject to further approvals by the credit underwriters, counsel and the appropriate corporation staff.
II. HOME RENTAL

A. Request Approval to Amend Land Use Restriction Agreement for Park City Apartments (94DRHR-021).

1. Background/Present Situation

   a) During the 1994 Home Rental Cycle, Florida Housing awarded $591,285 in Home Rental funds to Greater Miami Neighborhoods for Park City Apartments, a 180-unit property in Miami-Dade County. The Home loan closed on January 11, 1995, and is scheduled to mature January 11, 2025. The property also received a 1996 allocation of tax credits.

   b) On January 14, 2003, Greater Miami Neighborhoods (GMN) requested to change the carpet flooring to vinyl tile (Exhibit A). No points were associated with this amenity in the application, but the carpeting was included as a requirement in the Land Use Restriction Agreement (LURA). On February 4, 2003, GMN requested the requirement for carpeting be removed from the LURA (Exhibit B). A cost analysis provided by First Housing (Exhibit C) indicates that the initial cost of vinyl tile, with installation costs, is slightly more than installation of carpet. The vinyl tile has a longer useful life than the carpet so the long-term cost of vinyl is lower.

2. Recommendation

   Direct staff to amend the Land Use Restriction Agreement to remove the requirement for "carpeting in all rooms except kitchen and baths."
III. LEGAL

Consent

A. In Re: Bimini Bay of Lee Co., Ltd.

1. Background

   a) During the 2002 Universal Cycle, Florida Housing awarded an allocation of low-income housing credits and multifamily mortgage revenue bonds to Bimini Bay of Lee Co., Ltd.

   b) On January 9, 2003, Florida Housing received a Petition for Waiver of Rules 67-48.002(32) and 67-48.004(14)(b) to Change Developer (“Petition”), Davis Heritage, Ltd. (“Petitioner”). A copy of the Petition is attached as Exhibit A.

   c) Rule 67-48.002(32), Florida Administrative Code, states in pertinent part:

      The Developer, as identified in an Application, may not change until the construction of the Development is complete.

   d) Rule 67-48.004(14)(b), Florida Administrative Code, states in pertinent part:

      Notwithstanding any other provisions of these rules, there are certain items that must be included in the Application and cannot be revised, corrected or supplemented after the Application Deadline…Any attempted change to these items will not be accepted. Those items are as follows… Name of the Developer.

   e) Petitioner requests a waiver to change the developer entity from Davis Heritage Ltd., an accrual basis taxpayer, to Davis Heritage Development Ltd., a cash basis taxpayer. The requested change is necessary to protect the accrual basis taxpayer Davis Heritage Ltd., from substantial and economic hardship. This new entity is owned by the same individuals with the same percentage of ownership as Davis Heritage Ltd.

   f) The change of the developer entity is being requested solely to avoid unanticipated, negative tax consequences resulting from the use of an accrual basis developer as opposed to a cash basis developer entity.

   g) The Petitioner also advised that there will be no distribution of funds or other compensation as result of changing the developer entity. A copy of the letter from the Petitioner is attached as Exhibit B.

   h) On January 24, 2003, the Notice of Petition was published in the Florida Administrative Weekly.

   i) To date, Florida Housing has not received any comments concerning the Petition.
2. **Present Situation**

Variance and waivers shall be granted when the person subject to the rule demonstrates that the purpose of the underlying statute will be or has been achieved by other means by the person and when application of a rule would create a substantial hardship or would violate principles of fairness.

3. **Recommendation**

Staff recommends the Board grant the Petitioner’s request for a waiver of Rules 67-48.002(32) and 67-48.004(14)(b), Florida Administrative Code, as to the change in the developer entity.

**B. Huntington Oaks of Hillsborough Co., Ltd.**

**Developer: Davis Heritage Ltd.**

1. **Background**

   a) During the 2002 Universal Cycle, Florida Housing awarded an allocation of low-income housing credits and multifamily mortgage revenue bonds to Huntington Oaks of Hillsborough Co., Ltd.

   b) On January 9, 2003, Florida Housing received a Petition for Waiver of Rules 67-48.002(32) and 67-48.004(14)(b) to Change Developer (“Petition”), Davis Heritage, Ltd. (“Petitioner”). A copy of the Petition is attached as Exhibit C.

   c) Rule 67-48.002(32), Florida Administrative Code, states in pertinent part:

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   The Developer, as identified in an Application, may not change until the construction of the Development is complete.
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   d) Rule 67-48.004(14)(b), Florida Administrative Code, states in pertinent part:

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   Notwithstanding any other provisions of these rules, there are certain items that must be included in the Application and cannot be revised, corrected or supplemented after the Application Deadline…Any attempted change to these items will not be accepted. Those items are as follows…Name of the Developer.
   ```

   e) Petitioner requests a waiver to change the developer entity from Davis Heritage Ltd., an accrual basis taxpayer, to Davis Heritage Development Ltd., a cash basis taxpayer. The requested change is necessary to protect the accrual basis taxpayer Davis Heritage Ltd., from substantial and economic hardship. This new entity is owned by the same individuals with the same percentage of ownership as Davis Heritage Ltd.

   f) The change of the developer entity is being requested solely to avoid unanticipated, negative tax consequences resulting from the use of an accrual basis developer as opposed to a cash basis developer entity.
LEGAL

Consent

g) The Petitioner also advised that there will be no distribution of funds or other compensation as result of changing the developer entity. A copy of the letter from the Petitioner is attached as Exhibit B.

h) On January 24, 2003, the Notice of Petition was published in the Florida Administrative Weekly.

i) To date, Florida Housing has not received any comments concerning the Petition.

2. Present Situation

Section 120.542(2), Florida Statutes provides in pertinent part:

Variances and waivers shall be granted when the person subject to the rule demonstrates that the purpose of the underlying statute will be or has been achieved by other means by the person and when application of a rule would create a substantial hardship or would violate principles of fairness.

3. Recommendation

Staff recommends the Board grant the Petitioner’s request for a waiver of Rules 67-48.002(32) and 67-48.004(14)(b), Florida Administrative Code, as to the change in the developer entity.

C. In Re: Stratford Mill of St. Johns Co., Ltd.

Developer: Davis Heritage Ltd.

1. Background

a) During the 2002 Universal Cycle, Florida Housing awarded an allocation of low-income housing credits and multifamily mortgage revenue bonds to Stratford Mill of St. Johns Co., Ltd.

b) On January 9, 2003, Florida Housing received a Petition for Waiver of Rules 67-48.002(32) and 67-48.004(14)(b) to Change Developer (“Petition”), Davis Heritage, Ltd. (“Petitioner”). A copy of the Petition is attached as Exhibit D.

c) Rule 67-48.002(32), Florida Administrative Code, states in pertinent part:

The Developer, as identified in an Application, may not change until the construction of the Development is complete.

d) Rule 67-48.004(14)(b), Florida Administrative Code, states in pertinent part:

Notwithstanding any other provisions of these rules, there are certain items that must be included in the Application and cannot be revised, corrected or supplemented after the Application Deadline…Any attempted change to these items will not be accepted. Those items are as follows…Name of the Developer.
LEGAL

Consent

e) Petitioner requests a waiver to change the developer entity from Davis Heritage Ltd., an accrual basis taxpayer, to Davis Heritage Development Ltd., a cash basis taxpayer. The requested change is necessary to protect the accrual basis taxpayer Davis Heritage Ltd., from substantial and economic hardship. This new entity is owned by the same individuals with the same percentage of ownership as Davis Heritage Ltd.

f) The change of the developer entity is being requested solely to avoid unanticipated, negative tax consequences resulting from the use of an accrual basis developer as opposed to a cash basis developer entity.

g) The Petitioner also advised that there will be no distribution of funds or other compensation as result of changing the developer entity. A copy of the letter from the Petitioner is attached as Exhibit B.

h) On January 24, 2003, the Notice of Petition was published in the Florida Administrative Weekly.

i) To date, Florida Housing has not received any comments concerning the Petition.

2. Present Situation

Section 120.542(2), Florida Statutes provides in pertinent part:

Variances and waivers shall be granted when the person subject to the rule demonstrates that the purpose of the underlying statute will be or has been achieved by other means by the person and when application of a rule would create a substantial hardship or would violate principles of fairness.

3. Recommendation

Staff recommends the Board grant the Petitioner’s request for a waiver of Rules 67-48.002(32) and 67-48.004(14)(b), Florida Administrative Code, as to the change in the developer entity.

D. In Re: Barclay Forge of Hernando Co., Ltd.

Developer: Davis Heritage Ltd.

1. Background

a) During the 2002 Universal Cycle, Florida Housing awarded an allocation of low-income housing credits and multifamily mortgage revenue bonds to Barclay Forge of Hernando Co., Ltd.

b) On December 31, 2002, Florida Housing received a Petition for Waiver of Rules 67-48.002(32) and 67-48.004(14)(b) to Change Developer (“Petition”), Davis Heritage, Ltd. (“Petitioner”). A copy of the Petition is attached as Exhibit E.
LEGAL

Consent

c) Rule 67-48.002(32), Florida Administrative Code, states in pertinent part:
The Developer, as identified in an Application, may not change until the
construction of the Development is complete.

d) Rule 67-48.004(14)(b), Florida Administrative Code, states in pertinent part:
Notwithstanding any other provisions of these rules, there are certain items that
must be included in the Application and cannot be revised, corrected or
supplemented after the Application Deadline…Any attempted change to these
items will not be accepted. Those items are as follows…Name of the
Developer.

e) Petitioner requests a waiver to change the developer entity from Davis Heritage
Ltd., an accrual basis taxpayer, to Davis Heritage Development Ltd., a cash
basis taxpayer. The requested change is necessary to protect the accrual basis
taxpayer Davis Heritage Ltd., from substantial and economic hardship. This
new entity is owned by the same individuals with the same percentage of
ownership as Davis Heritage Ltd.

f) The change of the developer entity is being requested solely to avoid
unanticipated, negative tax consequences resulting from the use of an accrual
basis developer as opposed to a cash basis developer entity.

g) The Petitioner also advised that there will be no distribution of funds or other
compensation as result of changing the developer entity. A copy of the letter
from the Petitioner is attached as Exhibit B.

h) On January 17, 2002, the Notice of Petition was published in the Florida
Administrative Weekly.

i) To date, Florida Housing has not received any comments concerning the
Petition.

2. Present Situation

Section 120.542(2), Florida Statutes provides in pertinent part:

Variances and waivers shall be granted when the person subject to the rule
demonstrates that the purpose of the underlying statute will be or has been
achieved by other means by the person and when application of a rule would
create a substantial hardship or would violate principles of fairness.

3. Recommendation

Staff recommends the Board grant the Petitioner’s request for a waiver of Rules 67-
48.002(32) and 67-48.004(14)(b), Florida Administrative Code, as to the change in
the developer entity.
IV. MULTIFAMILY BONDS

A. Request Approval to extend the closing deadline for the three remaining 2001 MMRB Applications from March 31, 2003 until June 30, 2003

1. Background
   a) Hampton Point, Meadow Pointe and Pineview Villas are all 2001 MMRB Applications that received tentative bond allocation from the Board.
   b) At the December, 2002 Board meeting, the Board set a closing deadline of March 31, 2003 for all remaining 2001 MMRB Applications.

2. Present Situation
   Each Applicant has requested an extension of the closing deadline.

3. Recommendation
   Approve the recommendation to extend the closing deadline for each of these Applications until June 30, 2003.

B. Request approval of the Final Credit Underwriting Report for Barclay Forge Apartments, $14,825,000 Tax-Exempt Bonds, 273 units, located in Hernando County, Florida.

1. Background
   a) Barclay Forge of Hernando County, Ltd. submitted an application on behalf of the proposed Development during the 2002 Application Cycle. The developer, Davis Heritage, Ltd., is a general partner holding a .0095% ownership interest, along with Davis Family Dynasty Trust holding a .0005% interest. The current limited partners are Lisa Stephens with a 0.36% interest and Davis Heritage, Ltd. with a 99.63% interest. Wachovia Securities is anticipated to be the syndicator of the Housing Credits (“HC”), and will replace Lisa Stephens and Davis Heritage, Ltd. as the 99.99% limited partner prior to or concurrent with closing. The general partners’ interest will remain at .0095% and .0005% as previously stated for a total ownership interest of 0.01%.
   b) At the October 11, 2002 Board meeting, the Board authorized the adoption of an Acknowledgement Resolution in the amount not to exceed $15,200,000 in tax-exempt bond financing to construct the Development.

2. Present Situation
   a) The current Program Rule does not prohibit changes or modifications of the proposed Development during credit underwriting. However, the Board has directed staff to advise it of any changes from the Application, which are detailed as follows:
MULTIFAMILY BONDS

Consent

(1) The Developer has changed credit enhancers from the Florida Affordable Housing Guarantee Program and Multifamily HUD Risk-Sharing Program to a First Housing MAP Program loan through the HUD 221(d)(4) National Housing Act. The amount of the tax-exempt bonds has been reduced from $15,200,000 to $14,825,000.

(2) Funding Sources: The Applicant anticipates that Neighborhood Lending Partners of West Florida, Inc. (“NLP”) will provide a construction/permanent loan of $500,000 through the Hernando County SHIP/CFDI Program. Terms will include interest only during construction (up to 24 months) at 4% interest, with principal and interest payments during the permanent period and made co-terminous with the first mortgage. The permanent loan is based on a 40-year amortization and 4% interest rate. The Applicant has not received a firm commitment letter from NLP and will be made a condition of this report prior to the FHFC March Board Meeting. Terms of the Commitment must match the assumptions made within the underwriting report as presented by NLP and the Developer or the subject underwriting report will be pulled from the March Board Meeting Agenda and re-evaluated by the Credit Underwriter.

(3) Features and Amenities: Consultech & Associates, Inc. reviewed the Features and Amenities committed to in the Universal Application and noted that exterior lighting, air conditioning with a SEER 12 or better, electric water heater with an energy factor of .91 or better, and single-pane windows with a 0.67 shading coefficient or better were not reflected in the plans and specifications. The Applicant has submitted corrected pages for SMG and Consultech’s review and will be incorporated in the “final” plans prior to closing.

(4) Development Costs: The development costs have increased from $23,092,839 to $24,962,059. This increase is primarily reflective of increased construction costs, financial costs, and developer fee. There are sufficient funding sources to cover the increased costs and there is no negative impact to the subject development.

(5) Other Comments: On December 30, 2002, the Applicant presented to FHFC a Petition for Waiver of Rules 67-48.002(32) and 67-48.004(14)(b) to Change Developer and Notice of Change of Co-General Partner. Due to tax reasons, the Applicant has requested the Developer entity be changed from Davis Heritage Ltd. to Davis Heritage Development Ltd. and the Co-General Partner to be changed from Davis Heritage Ltd. to Davis Heritage – Barclay Forge, LLC. The change will not have any material effect on the underwriting report, as the principals of these two newly formed entities are the same as Davis Heritage Ltd. The new Co-General Partner is wholly-owned by Davis Heritage GP Holdings, LLC (new entity created on December 19, 2002). None of the new entities have financial statements, as they have been newly created. The Petition of Waiver was only filed for the Housing Credit Program and will be presented at the March FHFC Board Meeting for approval. The Applicant will file for the Petition for Waiver of the Bond Program Rule (67-21) and present this at the May FHFC Board Meeting for approval.
MULTIFAMILY BONDS

Consent

b) A Final Credit Underwriting Report dated February 19, 2003, labeled as Exhibit A.

3. Recommendation

Approve the recommendation of the Credit Underwriter outlined in the Final Credit Underwriting Report dated February 19, 2003 to finance the construction of Barclay Forge Apartments subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel and the appropriate Florida Housing staff.

C. Request Approval of the Final Credit Underwriting Report for The Gardens at Rose Harbor Apartments, a 2002 Bond Application in the amount of $5,740,000 Tax-Exempt Bonds, 160 Units, located in Tampa, Hillsborough County, Florida.

1. Background

a) An application was submitted by Rose Harbor Limited Partnership on behalf of the proposed Development during the 2002 Application Cycle. Applicant requested funds to finance the construction of the Development via the issuance of tax-exempt bonds in the amount of $5,740,000.

b) At the October 11, 2002 Board meeting, the Board authorized the adoption of an Acknowledgement Resolution in an amount not to exceed $5,740,000 in tax-exempt bond financing to construct the Development.

2. Present Situation

a) The current Program Rule does not prohibit changes or modifications of the proposed Development during credit underwriting. However, the Board has directed staff to advise it of any changes from the Application, which are detailed below:

(1) Funding Sources: The Application reflects an $800,000 Contribution Loan (Third Mortgage) from Hillsborough County State Housing Initiatives Partnership (“SHIP”) funds. Neighborhood Lending Partners of West Florida, Inc. (“NLP”), Tampa, FL, is expected to administer the SHIP funds and provide an additional $392,000 in Community Development Financial Institution (“CDFI”) construction/permanent financing. The Hillsborough County and NLP funds will have separate amortization schedules.

(2) Development Costs: Development Costs increased $193,896 (1.64%), from $11,803,530 to $11,997,426. The increase is primarily reflective of:

(a) Applicant added $100,000 to the Development Budget to cover Office, Maintenance and Exercise Equipment plus Model Apartment, Clubhouse, Library and Lanai Furniture.

(b) Applicant increased Hard and Soft Cost Contingencies by $19,000 and $28,982 (10.27% and 57.96%), respectively.

(c) Applicant increased the budgeted figure for Construction Loan Interest by $85,525 (16.77%).

March 7, 2003 Florida Housing Finance Corporation
MULTIFAMILY BONDS

Consent

(d) Applicant increased Utility Connection Fees by $45,666 (8.14%).

(e) An increase of $29,586 in Developer Fees.

(3) The above increases were principally offset by a decrease of $119,000 (1.72%) in the Construction Contract figure.

b) A Final Credit Underwriting Report dated February 19, 2003, and labeled as Exhibit B is attached.

3. Recommendation

Approve the recommendation of the Credit Underwriter outlined in the Final Credit Underwriting Report dated February 19, 2003, to finance the construction of The Gardens of Rose Harbor Apartments subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel and the appropriate Florida Housing staff.

D. Request Approval of the Final Credit Underwriting Report for Stone Harbor Apartments, a 2002 Bond Application in the amount of $6,720,000 Tax-Exempt Bonds, 160 Units, located in Panama City Beach, Bay County, Florida.

1. Background

a) An application was submitted by Pier Park Partners, Ltd. on behalf of the proposed Development during the 2002 Application Cycle. Applicant requested funds to finance the construction of the Development via the issuance of tax-exempt bonds in the amount of $6,720,000.

b) At the January 24, 2002 Board meeting, the Board authorized the adoption of an Acknowledgement Resolution in an amount not to exceed $6,720,000 in tax-exempt bond financing to construct the Development.

2. Present Situation

a) The current Program Rule does not prohibit changes or modifications of the proposed Development during credit underwriting. However, the Board has directed staff to advise it of any changes from the Application, which are detailed below:

(1) Funding Sources: In the Application, the Applicant presented a commitment from AmerUs Capital Management, dated April 9, 2002, to provide equity in the amount of at least $3,301,551, by purchasing the tax credits at a rate of $.80 for each $1.00 of expected tax credits. During underwriting, the Applicant submitted a new commitment from AmSouth Bank, dated February 3, 2003, in which AmSouth has agreed to provide equity in the amount of at least $3,534,000 by purchasing the Housing Credits at a rate of $.84 for each $1.00 of expected tax credits. The AmSouth commitment also provides for a construction bridge loan with an interest expense paid from equity installments. The net difference is an increase in equity for the development. Therefore this change is beneficial to the development as it provides for an overall higher rate and additional equity.
MULTIFAMILY BONDS

Consent

(2) Development Cost: The total development cost listed in the application was $13,058,423. The cost has increased $48,028 to $13,106,451. Hard costs have increased due to an increase in the hard cost contingency, soft costs have decreased to allow for actual costs as well as an increase in the Capitalized Interest required during the construction and stabilization period and the Developer fee has increased.

(3) Other Changes: The construction period credit enhancer has changed from Bank of America to AmSouth Bank. The type of enhancement is the same although the Letter of Credit fee has decreased. This is a beneficial change to the development.

b) These changes have no material impact on AmeriNational’s loan recommendation for this development.

c) A Final Credit Underwriting Report dated February 19, 2003, labeled as Exhibit C is attached.

3. Recommendation

Approve the recommendation of the Credit Underwriter outlined in the Final Credit Underwriting Report dated February 19, 2003 to finance the construction of Stone Harbor Apartments subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel and the appropriate Florida Housing staff.

E. Request Approval of the Final Credit Underwriting Report for Refunding of the Bonds for Fairmont Oaks Apartments, 1989 Series E, in the amount of $8,020,000 Tax-Exempt Bonds, 178 Units, located in Gainesville, Alachua County, Florida.

1. Background

a) Florida Housing issued the bonds for Fairmont Oaks Apartments (1985 Series Z) in the amount of $8,020,000. The Bonds were refunded in 1989 (1989 Series E) and remarketed in July of 1996.

b) Florida Housing approved and executed a transfer of partnership interest in Fairmont Oaks Limited Partnership and a substitution of credit enhancement in September of 2002 from Comerica Bank to Westdeutsche Landesbank.

2. Present Situation

a) Florida Housing received a letter dated January 2, 2003 (Exhibit D) requesting initiation of the process to approve the refunding of Fairmont Oaks Apartments.

b) The Owner intends to extend the Qualified Project Period for a period of ten years beyond the period required by federal tax law and intends to set aside an additional 10% of the development’s units for lower income tenants.

c) A Final Credit Underwriting Report dated February 19, 2003 is labeled as Exhibit E.
3. **Recommendation**

Approve the recommendation of the Credit Underwriter outlined in the letter dated February 14, 2003, to transfer of Ownership of a small parcel by Victoria Park Apartments subject to further approvals by the credit enhancer, the Credit Underwriter, Bond Counsel, Special Counsel and the appropriate Florida Housing staff.

**F. Request Approval of the Credit Underwriters recommendation for the Transfer of Ownership of a small parcel of property on the site of Victoria Park Apartments, 2002 Series J, $19,400,000, Tax-Exempt Bonds and $4,400,000, Taxable Bonds, 520 Units, Jacksonville, Duval County, Florida.**

1. **Background**
   
a) In 1983 and 1984, Florida Housing financed the construction of Mandarin Oaks I, Mandarin Oaks Phase II and Mandarin Place (collectively Oaks at Mandarin) Apartments with $8,825,000, $5,125,000, and $5,420,000, respectively, in tax-exempt bonds, designated as 1983 Series A, D, and 1984 Series B, respectively.

   b) In 1988, Florida Housing approved the refunding of the bonds for Oaks at Mandarin, Phases I, II and III, with $8,825,000, $5,125,000, and $5,420,000 in tax-exempt bonds respectively, designated as 1988 Series A, E, and F.

   c) In 2002, Florida Housing approved the refunding of the bonds for Victoria Park Apartments (formerly Oaks at Mandarin, Phases I, II and III), with $19,400,000, in tax-exempt bonds, designated as 2002 Series J.

2. **Present Situation**
   
a) Florida Housing received a letter dated November 15, 2002, requesting permission to transfer a minor encroachment of an adjoining structure on an open area of the development. This minor encroachment is approximately 271 feet long by 30 feet wide. The encroaching neighbor has agreed to purchase this small portion of the property for $30,000. The proceeds will go towards redemption of the bonds.

   b) The bonds are currently credit enhanced by Fannie Mae.

   c) Florida Housing received a letter from the Credit Underwriter dated February 14, 2003, attached as Exhibit F recommending the transfer subject to credit enhancer’s approval.

3. **Recommendation**

Approve the recommendation of the Credit Underwriter outlined in the letter dated February 14, 2003, to transfer of Ownership of a small parcel by Victoria Park Apartments subject to further approvals by the credit enhancer, the Credit Underwriter, Bond Counsel, Special Counsel and the appropriate Florida Housing staff.
G. Request Approval to Modify of the Trust Indenture on Iona Lakes Apartments (2000 Series B), Lee County (350 Units)

1. Background

a) Florida Housing issued the bonds for Iona Lakes Apartments (1985 Series Y) in the amount of $17,400,000. The Bonds were refunded in 1989 (1989 Series D) in the amount of $17,155,000 and again in 2000 (2000 Series B) in the amount of $17,155,000.

2. Present Situation

a) Florida Housing received a letter dated January 6, 2003 (Exhibit G) requesting a modification of the Trust Indenture to extend the current term of the initial fixed rate period to a date approximately ten years in the future. This will not extend the maturity of the Bonds. This a privately held issue with Embassy & Co., a nominee of Merrill Lynch, Pierce, Fenner & Smith Incorporated

b) A final Credit Underwriting Report dated February 13, 2003, labeled as Exhibit H is attached.

3. Recommendation

Approve the request to amend the Trust Indenture to extend the current fixed rate term to a date ten years out subject to approval by the Credit Underwriter, Bond Counsel, Special Counsel and the appropriate Florida Housing Staff.

H. Request approval of the transfer of SAI Purchased Bonds to a custodial trust structure for Grand Savannah Club Apartments, 1998 Series A, 320 Units, St. Lucie County, Florida.

1. Background

a) Grand Savannah Club is a 320 unit development located in St. Lucie County, Florida which received a $13,650,000 loan from the proceeds of the Corporation’s 1998 Series A Bonds which bear interest at 5.45% and mature March 1, 2030. The Bonds are credit enhanced with an SAI Interim Credit Facility from SunAmerica, Inc. until a Release Notice is given to the Trustee by Financial Security Assurance, Inc. (the Credit Enhancer) and a financial guaranty bond insurance policy from the Credit Enhancer. An affiliate of SunAmerica, Inc. purchased the low income housing tax credits for Grand Savannah Club.

b) The property has underperformed. SunAmerica has substituted a new general partner to replace the original developer who started the property.

2. Present Situation

a) The Credit Enhancer has advised SunAmerica that it intends to give the Trustee notice that the Credit Enhancer will not deliver the Release Notice (which would release the SAI Interim Credit Facility). Under the original bond documents, the Credit Enhancer can give this notice without consent at any time three years after the March 1998 bond closing. The giving of this notice triggers a mandatory purchase of the outstanding Bonds from current bondholders using
MULTIFAMILY BONDS

Consent

funds drawn from the SAI Interim Credit Facility and delivery of the Bonds as non-credit enhanced “SAI Purchased Bonds” to SunAmerica, the Borrower, its general partner or, with the prior written consent of the Corporation, any other person.

b) The issuance of SAI Purchased Bonds requires a revision to the note payment schedule attached to the original bond documents. The revised note payment schedule must provide for fully amortizing, level debt service unless the holder of the SAI Purchased Bonds approves a different schedule, with the consent of the “Controlling Party” (who, under these circumstances, will be the holder of a majority of the outstanding principal amount of SAI Purchased Bonds).

c) SunAmerica has requested (see letters attached as Exhibit I and Exhibit J that Florida Housing consent to the transfer of SAI Purchased Bonds to a custodial trust structure. The custodian will issue Class A certificates that bear interest at a weekly floating rate and Class B certificates that will bear interest equal to the remaining interest paid on the Bonds. SunAmerica will commit to place the Class A certificates with ‘qualified institutional buyers’ consistent with Florida Housing’s private placement rule.

d) SunAmerica has advised that it intends to approve a note payment schedule that provides for interest only payments for seven to ten year. This does not require Florida Housing’s consent.

3. Recommendation

Approve the transfer of SAI Purchased Bonds to a custodial trust structure, subject to review by the Credit Underwriter, Bond Counsel, Special Counsel and appropriate Florida Housing staff.

I. Approve the Replacement of Remarketing Agent for Lake Carlton Arms II, 1985 Series EEE, $12,000,000, Tax-Exempt Bonds, 396 Units, Lutz, Hillsborough County, Florida.

1. Background

a) In 1985, Florida Housing issued $12,000,000 in tax-exempt bonds to finance Lake Carlton Arms, II Apartments, 396 units located in Lutz, Hillsborough County, Florida.

b) The Development is owned by the Mahaffey Company and is currently in compliance.

2. Present Situation

a) On February 11, 2003, Florida Housing received a letter from Lehman Brothers notifying it of their intent to resign as the current remarketing agent and their recommendation of Stern Brothers & Company as successor remarketing agent. This letter is attached as Exhibit K. Suzanne Gray with the Mahaffey Company has consented to this substitution.

b) Stern Brothers & Company is currently on the approved bond underwriters list with Florida Housing.
MULTIFAMILY BONDS

Consent

3. Recommendation

Approve the request from Lehman Brothers to resign as remarketing agent and for the Board to appoint Stern Brothers & Company as the successor remarketing agent, subject to approval from the Credit Underwriter, Bond Counsel, Special Counsel and the appropriate Florida Housing Staff.

J. Assignment of Bond Underwriters and Structuring Agents

1. Background

a) Pursuant to the request regarding the issuance of bonds to finance the construction of the proposed Developments referenced below, Final Credit Underwriting Reports are being presented to the Board for approval simultaneous with this request to assign the appropriate professionals to these transactions. A brief description of the Developments is detailed below along with the Staff’s recommendation for the assignments.

b) Additionally, the Corporation’s Senior Financial Advisor has prepared method of bond sale letters. Staff has reviewed these method of sale letters and Board approval is requested at the current meeting.

2. Present Situation

a) The Credit Underwriters, the Senior Financial Advisor and Florida Housing Staff have reviewed the financing structures for the proposed Developments.

b) The Senior Financial Advisor’s recommendation for the methods of bond sale is being presented to the Board at the current meeting during the Multifamily Bond Program Update of items on the agenda.

3. Recommendation

Approve the assignments of the recommended professionals as shown in the chart for the proposed Developments.

<table>
<thead>
<tr>
<th>Development Name</th>
<th>Location of Development</th>
<th>Number of Units</th>
<th>Method of Bond Sale</th>
<th>Recommended Professional</th>
</tr>
</thead>
<tbody>
<tr>
<td>Barclay Forge</td>
<td>Hernando</td>
<td>273</td>
<td>Competitive</td>
<td>Stern Brothers and Company</td>
</tr>
<tr>
<td>The Gardens at Rose Harbor</td>
<td>Hillsborough</td>
<td>160</td>
<td>Negotiated</td>
<td>The Flood Company, Inc./ Marianne Edmonds, Inc.</td>
</tr>
<tr>
<td>Stone Harbor</td>
<td>Bay</td>
<td>160</td>
<td>Negotiated</td>
<td>RBC Dain Rauscher, Inc.</td>
</tr>
</tbody>
</table>
K. Request Approval of the Method of Sale Recommendations from Florida Housing’s Senior Financial Advisor

1. Background/Present Situation

   a) The Credit Underwriter has provided Final Credit Underwriting Reports for the proposed Developments below. Florida Housing seeks Board approval pursuant to the recommendation of the Credit Underwriter and the appropriate Florida Housing staff.

   b) Pursuant to Rule 67-21.0045, F.A.C., Staff has requested a review of the proposed bond structure by the Senior Financial Advisor in order to make recommendations to the Board for the methods of bond sale.

   c) WLJ Capital has prepared analysis and recommendations for the methods of bond sale for the Developments. These recommendation letters are labeled Exhibit K.

   d) The Gardens at Rose Harbor is recommended as a negotiated deal because it is part of Fannie Mae’s direct purchase program. The Stone Harbor Development is recommended as a negotiated deal because the variable interest rate on the bonds will be re-priced each week. This “low floater” structure is most efficiently handled through a negotiated transaction.

2. Recommendation

Accept the recommendation of the Senior Financial Advisor for the methods of bond sale for the above Developments.
V. PREDEVELOPMENT LOAN PROGRAM

A. Approval of Loan from PLP Funds for St. Johns Housing Partnership

1. Background/Present Situation

   a) On August 13, 2002, Florida Housing issued an invitation to participate in the PLP program to St. Johns Housing Partnership for Hancock Place (PLP 00-023). This Development, located in St. Johns County, will consist of 32 homeownership units.

   b) The Technical Assistance Provider (TAP), Florida Housing Coalition, assisted St. Johns Housing Partnership in preparing a development plan. Staff has reviewed the development plan and budget (Exhibit A) and has determined that all budget items are PLP eligible. The applicant has requested a portion of the funding to cover land acquisition costs for the development. The TAP supports their request in the recommendation (Exhibit B). The TAP has approved the development plan and has recommended a loan amount of $500,000 for PLP eligible activities. This loan amount includes $180,000 for acquisition costs.

2. Recommendation

   Approve a loan from PLP funds for $500,000 for St. Johns Housing Partnership for predevelopment costs related to Hancock Place as recommended by the TAP and direct staff to submit the credit underwriting report to the board for approval prior to distribution of funds for acquisition.

B. Approval of Loan from PLP funds for Bradenton Village Homeownership, Inc.

1. Background/Present Situation

   a) On November 19, 2002, Florida Housing issued an invitation to participate in the PLP program to Bradenton Village Homeownership, Inc. for Bradenton Village Phase IV (PLP 00-028). This development, located in Manatee County, will consist of 92 homeownership units.

   b) The Technical Assistance Provider (TAP), Florida Housing Coalition, assisted Bradenton Village Homeownership in preparing a development plan and budget (Exhibit C). Staff has reviewed the development plan and budget and has determined that all budget items are PLP eligible. The TAP has approved the development plan and has recommended a loan amount of $498,588 for PLP eligible activities (Exhibit D).

2. Recommendation

   Approve a loan from PLP funds for $498,588 for Bradenton Village Homeownership, Inc. for predevelopment costs related to Bradenton Village Phase IV as recommended by the TAP.
PREDEVELOPMENT LOAN PROGRAM

Consent

C. Approval of Loan from PLP funds for Affordable Housing Solutions, Inc.

1. Background/Present Situation

   a) On December 20, 2002, Florida Housing issued an invitation to participate in the PLP program to Affordable Housing Solutions for Miami Dade Infill Housing (PLP 00-029). The Development, located in Miami-Dade County, will consist of 40 Homeownership units.

   b) The Technical Assistance Provider (TAP), Florida Housing Coalition assisted Affordable Housing Solutions in preparing a development plan and budget (Exhibit E). Staff has reviewed the development plan and budget and has determined that all budget items are PLP eligible. The TAP has approved the development plan and has recommended a loan amount of $316,701 for PLP eligible activities (Exhibit F).

2. Recommendation

   Approve a loan from PLP funds for $316,701 for Affordable Housing Solutions, Inc. for predevelopment costs related to Miami Dade Infill as recommended by the TAP.

D. Approval of Loan from PLP funds for Carrfour Corporation

1. Background/Present Situation

   a) On January 14, 2003, Florida Housing issued an invitation to participate in the PLP program to Carrfour Corporation for Harding Village (PLP 00-031). The Development, located in Miami-Dade County, will consist of 92 SRO rental units.

   b) The Technical Assistance Provider (TAP), Florida Housing Coalition assisted Carrfour Corporation in preparing a development plan and budget (Exhibit G). Staff has reviewed the development plan and budget and has determined that all budget items are PLP eligible. The TAP has approved the development plan and has recommended a loan amount of $292,105 for PLP eligible activities (Exhibit H).

2. Recommendation

   Approve a loan from PLP funds for $292,105 for Carrfour Corporation for predevelopment costs related to Harding Village as recommended by the TAP.
VI. STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

A. Request Approval of Credit Underwriting Report for The Gardens at Rose Harbor, Cycle XIV (2002-121BS)

1. Background/Present Situation

   a) On October 10, 2002, the Board approved the final scores and ranking for the 2002 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities.

   b) On October 22, 2003 staff issued a preliminary commitment letter and invitation to credit underwriting for a SAIL second mortgage loan in an amount up to $2,000,000 for this 160-unit elderly development in Hillsborough County. This development was also awarded a Multifamily Revenue Bond allocation. The credit underwriting report is addressed in the Multifamily Revenue Bond Section of this Board package. Staff has reviewed this report and finds that the development meets all of the requirements of SAIL Rule 67-48 F.A.C.

2. Recommendation

   Approve the final credit underwriting report and direct staff to proceed with issuance of a firm loan commitment and loan closing activities.

B. Request Approval of Credit Underwriting Report for Hunter’s Run Apartments, Cycle XIV (2002-032BS)

1. Background/Present Situation

   a) On January 24, 2003, the Board adopted the recommended orders of the Hearing Officer and directed staff to proceed with all necessary credit underwriting activities.

   b) On January 29, 2003 staff issued a preliminary commitment letter and invitation to credit underwriting for a SAIL second mortgage loan in an amount up to $2,000,000 for this 192-unit family development in Hillsborough County.

   c) On February 10, 2003 staff received a credit underwriting report with a positive recommendation for a SAIL loan in the amount of $2,000,000 (Exhibit A).

2. Recommendation

   Approve the final credit underwriting report and direct staff to proceed with issuance of a firm loan commitment and loan closing activities.

C. Request Approval of Credit Underwriting Report for Lenox Court Apartments, Cycle XIV (2002-053S)

1. Background/Present Situation

   a) On October 10, 2002, the Board approved the final scores and ranking for the 2002 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities.
STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

b) On October 22, 2002, staff issued a preliminary commitment letter and invitation to credit underwriting for a SAIL second mortgage loan in an amount up to $2,000,000 for this 360-unit family development in Duval County.

c) On February 10, 2003, staff received a credit underwriting report with a positive recommendation for a SAIL loan in the amount of $2,000,000 (Exhibit B).

2. Recommendation

Approve the final credit underwriting report and direct staff to proceed with issuance of a firm loan commitment and loan closing activities.

D. Request Approval of Credit Underwriting Report for Heron Pond Apartments, Cycle XIV (2002-054S)

1. Background/Present Situation

a) On October 10, 2002, the Board approved the final scores and ranking for the 2002 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities.

b) On October 22, 2002, staff issued a preliminary commitment letter and invitation to credit underwriting for a SAIL second mortgage loan in an amount up to $1,500,000 for this 156-unit elderly development in Lee County.

c) On February 10, 2003, staff received a credit underwriting report with a positive recommendation for a SAIL loan in the amount of $1,500,000 (Exhibit C).

2. Recommendation

Approve the final credit underwriting report and direct staff to proceed with issuance of a firm loan commitment and loan closing activities.

E. Request Approval of Credit Underwriting Report for Colonial Park Apartments, Cycle XIV (2002-111S)

1. Background/Present Situation

a) On October 10, 2002, the Board approved the final scores and ranking for the 2002 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities.

b) On October 22, 2002, staff issued a preliminary commitment letter and invitation to credit underwriting for a SAIL second mortgage loan in an amount up to $2,000,000 for this 160-unit elderly development in Broward County.

c) On February 10, 2003, staff received a credit underwriting report with a positive recommendation for a SAIL loan in the amount of $2,000,000 (Exhibit D).

2. Recommendation

Approve the final credit underwriting report and direct staff to proceed with issuance of a firm loan commitment and loan closing activities.
STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

F. Request Approval of Credit Underwriting Report for Charleston Club Apartments, Cycle XIV (2002-029S)

1. Background/Present Situation
   a) On October 10, 2002, the Board approved the final scores and ranking for the 2002 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities.
   b) On October 22, 2003, staff issued a preliminary commitment letter and invitation to credit underwriting for a SAIL second mortgage loan in an amount up to $1,500,000 for this 288-unit family development in Seminole County.
   c) On February 10, 2003, staff received a credit underwriting report with a positive recommendation for a SAIL loan in the amount of $1,500,000 (Exhibit E). The applicant is requesting to substitute a gated community with a carded entry or security guard in lieu of 30 year roofing. Both items are worth 2 points and are in the same grouping of optional features for new construction development. Applicant is also requesting to substitute solar screens on all west and east facing windows in lieu of air conditioning with a Standard Environmental Efficiency Rating (SEER) of 11 or better. Both are worth 1 point and are energy conservation feature options.

2. Recommendation
   Approve the final credit underwriting report with the requested changes and direct staff to proceed with issuance of a firm loan commitment and loan closing activities.

G. Request Approval of Credit Underwriting Report for The Meridian, Cycle XIV (2002-110S)

1. Background/Present Situation
   a) On October 10, 2002, the Board approved the final scores and ranking for the 2002 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities.
   b) On October 22, 2002, staff issued a preliminary commitment letter and invitation to credit underwriting for a SAIL second mortgage loan in an amount up to $2,000,000 for this 160-unit elderly development in Broward County.
   c) On February 10, 2003, staff received a credit underwriting report with a positive recommendation for a SAIL loan in the amount of $2,000,000 (Exhibit F). Note that the general contractor listed in the application was United Builders Corporation. Subsequently, the Applicant chose Summit Contractors, Inc. The new general contractor meets the minimum requirement of the application. The underwriter recommends that Summit Contractors, Inc. be accepted as the general contractor.

2. Recommendation
   Approve the final credit underwriting report with the change in general contractor and direct staff to proceed with issuance of a firm loan commitment and loan closing activities.
STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

H. Request Approval of Credit Underwriting Report for Stone Harbor Apartments, Cycle XIV (2002-075BS)

1. Background/Present Situation
   a) On October 10, 2002, the Board approved the final scores and ranking for the 2002 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities.
   b) On October 22, 2003 staff issued a preliminary commitment letter and invitation to credit underwriting for a SAIL second mortgage loan in an amount up to $1,225,000 for this 160-unit elderly development in Bay County. This development was also awarded a Multifamily Revenue Bond allocation. The credit underwriting report is addressed in the Multifamily Revenue Bond Section of this Board package. Staff has reviewed this report and finds that the development meets all of the requirements of SAIL Rule 67-48 F.A.C.

2. Recommendation
   Approve the final credit underwriting report and direct staff to proceed with issuance of a firm loan commitment and loan closing activities.

I. Request Approval for the SAIL Loan to be Co-terminus with First Mortgage for Willow Creek Apartments, Cycle XIV (2002-016S)

1. Background/Present Situation
   a) On October 10, 2002, the Board approved the final scores and ranking for the 2002 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities.
   b) On January 7, 2003, staff received a credit underwriting report with a positive recommendation for a SAIL loan in the amount of $800,000. Staff issued a commitment letter on January 28, 2003, which required the loan to close by March 31, 2003.
   c) On February 10, 2003, staff received a request from the developer that the maturity date of the SAIL loan be increased from 15 years to 40 years to be co-terminus with the first mortgage (Exhibit G). On February 11, 2003, staff received a review with a positive recommendation from Seltzer Management Group, Inc. that the term of the SAIL loan be increased to 40 years to match the first mortgage loan (Exhibit H). This is permitted by Rule 67-48.010, F.A.C. This SAIL loan has not yet closed.

2. Recommendation
   Approve the SAIL loan to be Co-terminus with the First Mortgage.
J. Request Approval for the SAIL Loan to be Co-terminus with First Mortgage for Cameron Creek Apartments, Cycle XIV (2002-052S)

1. **Background/Present Situation**
   a) On October 10, 2002, the Board approved the final scores and ranking for the 2002 Universal Application Cycle and directed staff to proceed with all necessary credit underwriting activities.
   
   b) On January 7, 2003, staff received a credit underwriting report with a positive recommendation for a SAIL loan in the amount of $1,125,000. Staff issued a commitment letter on January 28, 2003, which required the loan to close by March 31, 2003.
   
   c) On February 10, 2003, staff received a request from the developer that the maturity date of the SAIL loan be increased from 15 years to 30 years to be co-terminus with the first mortgage (Exhibit I). On February 11, 2003, staff received a review with a positive recommendation from Seltzer Management Group, Inc. that the term of the SAIL loan be increased to 30 years to match the first mortgage loan (Exhibit J). This is permitted by Rule 67-48.010, F.A.C. This loan has not yet closed.

2. **Recommendation**
   
   Approve the SAIL loan to be Co-terminus with the first mortgage.
SINGLE FAMILY MORTGAGE REVENUE BOND PROGRAM

Consent

VII. SINGLE FAMILY MORTGAGE REVENUE BOND PROGRAM

Request to Amend the 18th Supplemental Trust Indenture to Combine Front Porch/HOPE VI, Urban Infill, and Rural Self Help Pools from the 2002 Mortgage Purchase Program

1. Background
   a) In March 2002, the Board authorized staff to combine the Front Porch, HOPE VI, and Urban Infill pools that were a part of the 2001 Subsidized Loan Program.
   b) Historically, the Corporation has experienced enormous demand for subsidized mortgage funding for first time buyers in designated Front Porch Communities, HOPE VI Communities, Urban Infill Areas, and Rural Self Help loans.
   c) To date, approximately 649 loans in an aggregate amount of $44.5 million have been originated in these communities collectively.
   d) In November 2002, the Corporation issued bonds in the amount of approximately $50 million for mortgage originations. Of that amount, $1,520,677 was made available for use in Front Porch/HOPE VI Communities, $3,041,355 million available for use in Urban Infill areas, and $506,411 available for Rural Self Help loans at a subsidized interest rate of 4.99%.

2. Present Situation
   a) Currently, funds in the Urban Infill and Rural Self Help categories have been exhausted.
   b) The Corporation has approximately $1 million dollars available in the HOPE VI/Front Porch Pool.
   c) Since funds in the Front Porch/HOPE VI category have experienced minimal activity in loan originations, staff thought it best to allow those funds to be utilized in the areas most needed. There is currently a waiting list of potential homebuyers being maintained by the Master Servicer in Urban Infill areas.
   d) The Corporation has corresponded with Bond Counsel, who is Squire, Sanders & Dempsey L.L.P., regarding the amendment of the 18th Supplemental Trust Indenture, which will create one pool to be utilized for Front Porch/HOPE VI, Urban Infill, and Rural Self Help loans.

3. Recommendation

Authorize staff to proceed with the amendment of the 18th Supplemental Trust Indenture to combine the Front Porch/HOPE VI, Urban Infill Areas, Rural Self Help pools that are a part of the 2002 Mortgage Purchase Program.

March 7, 2003 Florida Housing Finance Corporation