

FLORIDA HOUSING FINANCE CORPORATION

Board Meeting

April 28, 2023

Consent Items



HOME RENTAL

Consent

I. HOME RENTAL

A. Request Approval of Additional HOME Viability Funding for Greyes Place, Phase II (2021-288H)

Development Name: Greyes Place, Phase II (“Development”)	Location: Wakulla County
Developer: Affordable Housing Solutions for Florida, Inc., Debra S. Fleming (“Developer”)	Set-Asides: 20% @ 50% AMI 80% @ 60% AMI 30 HOME
Units Type: New Construction/Duplexes	HOME: \$5,791,715
Total Number of Units: 30	Demographic: Family

1. Background:

- a) The Applicant applied for funding under Request for Applications (“RFA”) 2020-206 seeking an allocation of HOME Financing for the Construction of Small, Rural Developments.
- b) On January 22, 2021, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities for the six (6) eligible Applicants. After a formal written protest by the Developer of Hermosa Arcadia, the Board on March 12, 2021, approved the funding of all seven (7) Applicants, including Hermosa Arcadia.
- c) On March 18, 2021, staff issued a preliminary commitment letter. In accordance with Rule 67-48, the Developers had a March 19, 2022, deadline to complete the credit underwriting report and be issued a firm loan commitment. Pursuant to Rule 67-48.0072(21)(b) the Applicants may request one extension of the deadline of up to six months.
- d) On October 13, 2021, staff received a final credit underwriting report with a positive recommendation for a HOME loan in the amount of \$5,791,715. The report received Board approval at the October 22, 2021, meeting with a loan closing deadline of February 24, 2022. Pursuant to Rule Chapter 67-48 (26), F.A.C. the Applicant may request one (1) extension of the loan closing date for up to 90 calendar days.
- e) On January 31, 2022, the Applicant requested a 90-day extension of the loan closing deadline until May 25, 2022, to complete HUD’s approval of the Format II Environmental Report and the release of funding. The Board approved this request on March 4, 2022.
- f) On April 20, 2022, the Borrower closed on all funding and commenced with construction activities.

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2. **Present Situation:**

- a) On April 20, 2023, staff received a credit underwriting update letter with a positive recommendation for the approval of increased construction funding for a HOME Viability Loan in the amount of \$208,285. The Development is approximately 34% complete ([Exhibit A](#)). Staff has reviewed the credit underwriting update letter and finds that the Development meets the requirements of the HOME Viability Loan funding.

3. **Recommendation:**

- a) Approve the credit underwriting update letter and direct staff to proceed with the issuance of a revised firm commitment letter and loan closing activities, subject to further approval and verification by the Credit Underwriter, Special Counsel, and appropriate Florida Housing Staff

HOUSING CREDITS

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I. HOUSING CREDITS

A. Request Approval of Applicant and Developer Entity Organizational Structure Changes for Pinnacle 441 (RFA 2020-202/2021-017C_2023-013C)

Development Name: Pinnacle 441	Location: Broward County
Applicant/Borrower: Pinnacle 441, LLC	Set-Asides: 10% @ 25% AMI 87% @ 60% AMI
Developer/Principal: Pinnacle Communities, LLC/David O. Deutch	Demographic/Number of Units: Family/113
Requested Amounts: \$2,882,000 - 9% Housing Credits \$500,000 - 9% Housing Credits CHIRP	Development Category/Type: New Construction/High-Rise

1. Background/Present Situation:

- a) Pinnacle 441, LLC ("Applicant") applied for and was awarded funding from Request for Applications (RFA) 2020-202 for Housing Credit Financing for Affordable Housing Developments Located in Broward, Duval, Hillsborough, Orange, Palm Beach, and Pinellas Counties. The funds are being utilized to finance the construction of a 113-unit Family development in Broward County. On February 3, 2021, staff issued an invitation to the Applicant to enter credit underwriting and subsequently executed a 2021 Carryover Allocation Agreement on July 8, 2021. A Credit Underwriting Report was completed on July 6, 2022 providing a positive recommendation for 9% Housing Credit allocation of \$2,882,000 plus an additional \$500,000 from the Construction Housing Inflation Response Program. As part of the CHIRP program, the Development was granted a credit exchange and a 2023 Carryover Allocation Agreement was executed on January 12, 2023.
- b) On March 22, 2023, Florida Housing received a letter from the Applicant requesting to make several changes to the Applicant and Developer structures due to the unfortunate passing of one of the natural person principals. While the Applicant structure changes can be approved at staff level, they are being included as one approval with the Developer structure changes. The request letter and current and proposed Principal Disclosure Forms for the Applicant and Developer are provided as [Exhibit A](#).
- c) Changes requested to the Applicant structure: Remove Mitchell M. Friedman as Manager of PC 441, LLC (Non-Investor Member/Manager of Applicant); Replace Mitchell M. Friedman as a 33.33% Member of PC GP Holdings, LLC

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(Sole Member of PC 441, LLC) with The Estate of Mitchell M. Friedman; and Remove Mitchell M. Friedman as a Manager of PC GP Holdings, LLC.

- d) Changes requested to the Developer structure: Replace Mitchell M. Friedman as a Managing Member of Pinnacle Communities, LLC with The Estate of Mitchell M. Friedman as Member.
- e) Regarding the Applicant structure changes, the RFA states that once the Carryover Allocation Agreement has been executed by all parties, (a) replacement of the Applicant or a material change in the ownership structure of the named Applicant will require Board approval prior to the change and (b) any non-material change in the ownership structure of the named Applicant will require Corporation approval prior to the change.
- f) Regarding the Developer structure changes, the RFA states that the Principals of each Developer identified in the Application, including all co-Developers, may be changed only by written request of an Applicant to Corporation staff and approval of the Board after the Applicant has been invited to enter credit underwriting. In addition, any allowable replacement of an experienced Principal of a Developer entity must meet the experience requirements that were met by the original Principal.
- g) David O. Deutch met the experience requirements of the RFA and will remain a Principal of the Developer entity.
- h) The Seltzer Management Group, Inc, the Underwriter for this transaction reported that these changes to the Applicant and Developer structures would not affect the recommendation in their July 6, 2022 Credit Underwriting Report.
- i) Staff has reviewed this request and finds that all applicable requirements of the RFA have been met.

2. **Recommendation:**

- a) Approve the request to change the Applicant and Developer structures as described above.

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B. Request Approval of Applicant and Developer Entity Organizational Structure Changes for Pinnacle at La Cabana (RFA 2021-202/2022-131C)

Development Name: Pinnacle at La Cabana	Location: Broward County
Applicant/Borrower: Pinnacle at La Cabana, LLLP	Set-Asides: 10% @ 28% AMI 90% @ 60% AMI
Developer/Principal: Pinnacle Communities, LLC/ David O. Deutch	Demographic/Number of Units: Elderly, Non-ALF/110
Requested Amounts: \$2,882,000 9% Housing Credits	Development Category/Type: New Construction/Mid-Rise (5-6 stories)

1. Background/Present Situation:

- a) Pinnacle at La Cabana, LLLP applied for and was awarded funding from Request for Applications (RFA) 2021-202 for Housing Credit Financing for Affordable Housing Developments Located in Broward, Duval, Hillsborough, Orange, Palm Beach, and Pinellas Counties. The funds are being utilized to finance the construction of a 110-unit Elderly, Non-ALF, development in Broward County. On January 28, 2022, staff issued an invitation to the Applicant to enter credit underwriting and subsequently executed a Carryover Allocation Agreement on July 21, 2022.
- b) On March 22, 2023, Florida Housing received a letter from the Applicant requesting to make several changes to the Applicant and Developer structures due to the unfortunate passing of one of the natural person principals. While the Applicant structure changes can be approved at staff level, they are being included as one approval with the Developer structure changes. The request letter and current and proposed Principal Disclosure Forms for the Applicant and Developer are provided as [Exhibit B](#).
- c) Changes requested to the Applicant structure: Remove Mitchell M. Friedman as Manager of PC- Cabana, LLC (General Partner of Applicant); Replace Mitchell M. Friedman as a 33.33% member of PC GP Holdings, LLC (Sole Member of General Partner) with The Estate of Mitchell M. Friedman; and Remove Mitchell M. Friedman as a Manager of PC GP Holdings, LLC.
- d) Changes requested to the Developer structure: Replace Mitchell M. Friedman as a Managing Member of Pinnacle Communities, LLC with The Estate of Mitchell M. Friedman as Member.
- e) Regarding the Applicant structure changes, the RFA states that once the Carryover Allocation Agreement has been executed by all parties, (a) replacement of the Applicant or a material change in the ownership structure of the named Applicant will require Board approval prior to the change and (b) any

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non-material change in the ownership structure of the named Applicant will require Corporation approval prior to the change.

- f) Regarding the Developer structure changes, the RFA states that the Principals of each Developer identified in the Application, including all co-Developers, may be changed only by written request of an Applicant to Corporation staff and approval of the Board after the Applicant has been invited to enter credit underwriting. In addition, any allowable replacement of an experienced Principal of a Developer entity must meet the experience requirements that were met by the original Principal.
- g) David O. Deutch met the experience requirements of the RFA and will remain a Principal of the Developer entity.
- h) Staff has reviewed this request and finds that all applicable requirements of the RFA have been met.

2. Recommendation:

- a) Approve the request to change the Applicant and Developer structures as described above.

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C. Request Approval of Applicant and Developer Entity Organizational Structure Changes for Pinnacle at the Wesleyan (RFA 2020-201/2021-098C)

Development Name: Pinnacle at the Wesleyan	Location: Osceola County
Applicant/Borrower: Pinnacle at the Wesleyan, LLC	Set-Asides: 10% @ 33% AMI 90% @ 60% AMI
Developer/Principal: Pinnacle Communities, LLC/ David O. Deutch	Demographic/Number of Units: Family/96
Requested Amounts: \$1,699,000 9% Housing Credits	Development Category/Type: New Construction/Garden Apartments

1. Background/Present Situation:

- a) Pinnacle at the Wesleyan, LLC applied for and was awarded funding from Request for Applications (RFA) 2021-201 for Housing Credit Financing for Affordable Housing Developments Located in Medium and Small Counties. The funds are being utilized to finance the construction of a 96-unit Family development in Osceola County. On May 7, 2021, staff issued an invitation to the Applicant to enter credit underwriting and subsequently executed a Carryover Allocation Agreement on September 3, 2021.
- b) On March 22, 2023, Florida Housing received a letter from the Applicant requesting to make several changes to the Applicant and Developer structures due to the unfortunate passing of one of the natural person principals. While the Applicant structure changes can be approved at staff level, they are being included as one approval with the Developer structure changes. The request letter and current and proposed Principal Disclosure Forms for the Applicant and Developer are provided as [Exhibit C](#).
- c) Changes requested to the Applicant structure: Remove Mitchell M. Friedman as Manager of PC Wesleyan, LLC (Non-Investor Member/Manager of Applicant); Replace Mitchell M. Friedman as a 33.33% member of PC GP Holdings, LLC (sole member of PC Wesleyan, LLC) with The Estate of Mitchell M. Friedman; and Remove Mitchell M. Friedman as a Manager of PC GP Holdings, LLC.
- d) Changes requested to the Developer structure: Replace Mitchell M. Friedman as a Managing Member of Pinnacle Communities, LLC (Developer) with The Estate of Mitchell M. Friedman as Member.
- e) Regarding the Applicant structure changes, the RFA states that once the Carryover Allocation Agreement has been executed by all parties, (a) replacement of the Applicant or a material change in the ownership structure of the named Applicant will require Board approval prior to the change and (b) any

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non-material change in the ownership structure of the named Applicant will require Corporation approval prior to the change.

- f) Regarding the Developer structure changes, the RFA states that the Principals of each Developer identified in the Application, including all co-Developers, may be changed only by written request of an Applicant to Corporation staff and approval of the Board after the Applicant has been invited to enter credit underwriting. In addition, any allowable replacement of an experienced Principal of a Developer entity must meet the experience requirements that were met by the original Principal.
- g) David O. Deutch met the experience requirements of the RFA and will remain a Principal of the Developer entity.
- h) Staff has reviewed this request and finds that all applicable requirements of the RFA have been met.

2. Recommendation:

- a) Approve the request to change the Applicant and Developer structures as described above.

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D. Request Approval of CHIRP ITP Waiver for LPA Closing Deadline for Grove Manor Apartments (RFA 2020-204/2022 CHIRP ITP/2021-038C/2023-006C)

Development Name: Grove Manor Apartments	Location: Polk County
Applicant/Borrower: Grove Manor Apartments, LLLP	Set-Asides: 20% @ 40% AMI 80% @ 60% AMI
Developer/Principal: Winter Haven Housing Developers II, Inc. / Muriel Thome SHAG Grove Manor Apartments, LLC / Darren Smith	Demographic/Number of Units: Elderly, Non-ALF/84
Requested Amounts: 9% HC: \$1,060,000 CHIRP 9% HC: \$500,000	Development Category/Type: New Construction/Garden

1. Background/Present Situation:

- a) Grove Manor Apartments, LLLP ("Applicant") applied for and was awarded funding from Request for Applications (RFA) 2020-204 for Housing Credit Financing for the Preservation of Existing Affordable Multifamily Housing Developments. The funds are being utilized to finance the acquisition and rehabilitation of 42 units and the construction of another 42 units to combine into an 84-unit Elderly, Non-ALF development in Polk County. On February 3, 2023, staff issued an invitation to the Applicant to enter credit underwriting and subsequently executed a 2021 Carryover Allocation Agreement on June 3, 2021.
- b) The Applicant also applied for CHIRP funding from 2022 Construction Housing Inflation Response Program (CHIRP) Invitation to Participate (ITP). The Credit Underwriting Report was completed on December 12, 2022 and recommended \$1,060,000 in 9% Housing Credits and \$500,000 in 9% Housing Credits under the CHIRP program. As part of the CHIRP program, a credit exchange was granted to the Development and a 2023 Carryover Allocation Agreement was executed by Florida Housing staff on November 7, 2023.
- c) On April 5, 2023, Florida Housing received a letter from the Applicant requesting a waiver of the CHIRP deadline to close on the Limited Partnership Agreement ("LPA") from April 28, 2023 to June 30, 2023. The request letter is provided as [Exhibit E](#).
- d) This Development is part of a HUD RAD Conversion under which the Winter Haven Housing Authority is converting their public housing portfolio. The Applicant reports that all documentation necessary for HUD closing approval is in process and that all required documentation will be submitted to HUD by Friday, April 21, 2023. However, HUD will not allow closing of the LPA prior to the approval of all related closing documents. HUD can take up to 60 days to

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review and provide final approval of the transaction once all documentation has been submitted.

- e) Per the CHIRP ITP, Applicants must close on the limited partnership agreement and, if applicable, Corporation funding and construction funding by the earlier of the existing closing deadlines for the Active Award (excluding Rule extension requests that require Board approval) or January 31, 2023. On August 5, 2022, the Board approved a Modification of the ITP, whereby the LPA closing deadline would be January 31, 2023; the "earlier of the existing closing deadline" would not be enforced. On January 27, 2023, the Board approved a Modification of the ITP, whereby the deadline for closing the LPA was extended to March 10, 2023. On March 10, 2023, the Board approved a Modification of the ITP, whereby the deadline for closing the LPA was extended to April 28, 2023.
- f) Staff has reviewed this request and finds that the development meets all applicable requirements of the RFA/ITP.

2. Recommendation:

- a) Approve a waiver of the CHIRP ITP to waive the LPA closing deadline of April 28, 2023 to June 30, 2023.

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E. Request Approval of CHIRP ITP Waiver for LPA Closing Deadline for Hibiscus Apartments Phase II (RFA 2021-201/2022 CHIRP ITP/2022-023C)

Development Name: Hibiscus Apartments Phase II	Location: Lee County
Applicant/Borrower: BDG Orchid Apartments, LP	Set-Asides: 10% @ 33% AMI 90% @ 60% AMI
Developer/Principal: BDG Orchid Apartments Developer, LLC / Scott Zimmerman	Demographic/Number of Units: Family/96
Requested Amounts: 9% HC: \$1,700,000 CHIRP 9% HC: \$500,000	Development Category/Type: New Construction/Garden

1. Background/Present Situation:

- a) BDG Orchid Apartments, LP ("Applicant") applied for and was awarded funding from Request for Applications (RFA) 2021-201 for Housing Credit Financing for Affordable Housing Developments Located in Medium and Small Counties. The funds are being utilized to finance the construction of a 96-unit Family development in Lee County. On May 5, 2022, staff issued an invitation to the Applicant to enter credit underwriting. Subsequently, the Applicant also applied for CHIRP funding from 2022 Construction Housing Inflation Response Program (CHIRP) Invitation to Participate (ITP). The Credit Underwriting Report was completed on December 9, 2022 and recommended \$1,700,000 in 9% Housing Credits and \$500,000 in 9% Housing Credits under the CHIRP program. A 2022 Carryover Allocation Agreement on was executed by Florida Housing staff on December 21, 2022.
- b) On March 30, 2023, Florida Housing received a letter from the Applicant requesting a waiver of the CHIRP deadline to close on the Limited Partnership Agreement ("LPA") from April 28, 2023 to September 8, 2023. The request letter is provided as [Exhibit D](#).
- c) The Applicant purports that even before the Applicant was invited to credit underwriting in May 2022, they have continuously progressed toward permit-readiness and the closing of the LPA. However, after Hurricanes Nicole and Ian, labor and materials pricing spiked in Lee County and the Applicant has been working to value engineer both the site and building plans.
- d) The Applicant reports that the building plans have been approved and that the site plan review is down to two comments. However, as the applicant completes their value engineering, they will need to ensure that the costs are within the underwritten GC contract and development budget and the permits will need to

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be modified with the value-engineered plans, which they believe will pushing the closing out to July or August.

- e) Per the CHIRP ITP, Applicants must close on the limited partnership agreement and, if applicable, Corporation funding and construction funding by the earlier of the existing closing deadlines for the Active Award (excluding Rule extension requests that require Board approval) or January 31, 2023. On August 5, 2022, the Board approved a Modification of the ITP, whereby the LPA closing deadline would be January 31, 2023; the "earlier of the existing closing deadline" would not be enforced. On January 27, 2023, the Board approved a Modification of the ITP, whereby the deadline for closing the LPA was extended to March 10, 2023. On March 10, 2023, the Board approved a Modification of the ITP, whereby the deadline for closing the LPA was extended to April 28, 2023.
- f) Staff has reviewed this request and finds that the development meets all applicable requirements of the RFA/ITP. The Applicant indicated that part of their value engineering included a conversion from concrete plank floors and ceilings to wood trusses; to ensure that the Development meets all RFA requirements, staff recommends that the plans and updated budget and GC Contract be analyzed by the Credit Underwriter in conjunction with the Construction Consultant to be followed with a recommendation from the underwriter. In addition, while the Applicant requested an extension to September 8, 2023, staff will recommend that the deadline be extended to July 21, 2023 with any further extensions to be heard on the Action agenda.

2. **Recommendation:**

- a) Approve a waiver of the CHIRP ITP to waive the LPA closing deadline of April 28, 2023 to July 21, 2023, on the condition that the plans and updated budget and GC Contract be analyzed by the Credit Underwriter in conjunction with the Construction Consultant and that a satisfactory recommendation be provided by the Credit Underwriter.

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I. LEGAL

A. In Re: Southwick Commons, Ltd. - FHFC Case No. 2023-030VW (RFA 2020-205/App. No. 2021-269SN)

Development Name: ("Development"):	Southwick Commons
Developer Principal: ("Developer"):	Southwick Commons Property Developer, LLC/Jonathan L. Wolf
Number of Units: 195	Location: Orange County
Type: Garden Apartments/New Construction	Set Asides: 2.56% at 22% AMI 15.38% at 30% AMI 61.54% at 60% AMI 23.08% at 80% AMI
Demographics: Family	Funding: SAIL: \$7,000,000 4% HC \$2,131,814 NHTF: \$1,089,548 ELI: \$600,000

1. Background:

- a) Petitioner successfully applied for State Apartment Incentive Loan ("SAIL"), Extremely Low Income ("ELI") funding, and National Housing Trust Fund ("NHTF") funding under RFA 2020-205 via Application Number 2021-269SN (the "Application"), to assist in the new construction of a 195-unit family housing development named Southwick Commons to be located in Orange County, Florida (the "Development"). On March 17, 2023, Florida Housing Finance Corporation ("Florida Housing") received a "Petition for Waiver of Rule 67-48.004(3)(i)," (the "Petition") from Southwick Commons, Ltd. ("Petitioner"), to allow Petitioner to reduce the total number of units. A copy of the Petition is attached as [Exhibit A](#).

2. Present Situation:

- a) Petitioner requests a waiver of Rule 67-48.004(3)(i), Florida Administrative Code (6/23/20), which in relevant portion states:

(3) For the SAIL, HOME and Housing Credit Programs, notwithstanding any other provision of these rules, the following items as identified by the Applicant in the Application must be maintained and cannot be changed by the Applicant after the applicable submission, unless provided otherwise below:

...

- (i) Total number of units; notwithstanding the foregoing, the total number of units may be increased after the Applicant has been invited to enter credit underwriting, subject to written request of an Applicant to Corporation staff and approval of the Corporation. With regard to said approval, the Corporation shall consider the facts and circumstances, inclusive of each Applicant's request, in evaluating whether the changes made are prejudicial to the Development or to the market to be served by the Development, as well as review of 24 CFR

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Part 92 to ensure continued compliance for the HOME Program;...
(emphasis added)

- b) On March 23, 2023, Notice of the Petition was published in the Florida Administrative Register in Volume 49, Number 37. To date, Florida Housing has received no comments concerning the Petition.
- c) Petitioner requests a waiver of the above-cited rule to allow Petitioner to reduce the total number of units from 195 units to 192 units. The number of units to be set-aside remains 100%.
- d) Petitioner states that the number of units indicated in its Application was based on a review of the City of Apopka Land Development Regulation and preliminary discussions with planning staff. These initial discussions culminated with the City of Apopka (the "City") providing Petitioner the "Florida Housing Financing Corporation Local Government Verification" form that the Development is Consistent with Zoning and Land Use Regulations (the "Verification"), on November 4, 2020, confirming 195 units on the Development site. As a result, Petitioner expected the City to fully cooperate with the approval of 195 units on the Development site.
- e) Petitioner states that City staff is now indicating that Petitioner is only approved for 192 units, not 195 units as the City confirmed on the Verification.
- f) Based on FHFC staff analysis, neither the leveraging level for Petitioner nor the final award of SAIL would be affected by a unit count reduction from 195 units to 192 units.
- g) In support of its request, Petitioner argues that the requested waiver will not adversely affect Petitioner, the Development, any other party that applied to receive funding in the RFA or the Corporation. A denial of the Petition, however, would result in substantial economic hardship to Petitioner because Petitioner has expended funds to acquire the land and because Petitioner has incurred substantial costs to date toward ensuring that the Development proceeds to completion and would deprive Orange County and the City of the provision of much needed affordable housing.
- h) 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.
- i) Granting the requested waiver would not impact other participants in funding programs administered by Florida Housing, nor would it detrimentally impact Florida Housing. Petitioner has demonstrated that it would suffer a substantial hardship if the waiver is not granted. Petitioner has also demonstrated that the purpose of the underlying statute, which is to "encourage development of low-

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income housing in the state” (§420.5099, Fla. Stat.), would still be achieved if the waiver is granted.

3. Recommendation:

- a) Staff recommends the Board **GRANT** Petitioner’s request for waiver of Rule 67-48.004(3)(i), Florida Administrative Code (6/23/20), to allow Petitioner to reduce the total number of units from 195 units to 192 units, with the number of units to be set-aside remaining at 100%.

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B. In Re: BDG Banyan East Town, LLC - FHFC Case No. 2023-032VW

Development Name: (“Development”):	Banyan East Town Apartments
Developer/Principal: (“Developer”):	BDG Banyan East Town Developer, LLC/ Alexander Kiss
Number of Units: 92 units	Location: Seminole County
Type: New Construction; Garden Apartments	Set-Asides: 13% @ 30% AMI 87% @ 60% AMI
Demographics: Family	Funding: 9% HC: \$1,700,000 CHIRP HC: \$500,000

1. Background:

- a) Petitioner successfully applied for funding to assist in the construction of Banyan East Town Apartments, a 92-unit development located in Seminole County, Florida (the “Development”). On April 7, 2023, Florida Housing received a Petition for Waiver of Rule 67-48.002(96) and the CHIRP ITP (the “Petition”) to allow for an early tax credit exchange and waive the current deadline for closing its Limited Partnership Agreement and introduce a new deadline of July 21, 2023. A copy of the Petition is attached as [Exhibit B](#).

2. Present Situation

- a) Rule 67-48.002(96), Fla. Admin. Code (2021), adopts and incorporates the 2021 Qualified Allocation Plan (“QAP”) by reference, which states under Subsection II.J:
- (1) Notwithstanding any other provision of this QAP, where a Development has not been placed in service by the date required pursuant to Section 42 of the IRC, or it is apparent that a Development will not be placed in service by the date required pursuant to Section 42 of the IRC, and the Applicant has returned its Housing Credit Allocation after the end of the second calendar quarter of the year in which it was otherwise required to be placed in service pursuant to Section 42 of the IRC, the Corporation will reserve allocation in an amount not to exceed the amount of Housing Credits returned, and will issue a Carryover Allocation Agreement allocating such Housing Credits to the Applicant for either the current year or the year after the year in which the Development was otherwise required to be placed in service pursuant to Section 42 of the IRC, provided the following conditions have been met: (i) The sponsor must have provided written notice to the Corporation, describing the circumstances, all remedial measures attempted by the Applicant to mitigate the delay, and any other pertinent information, prior to returning the allocation; and (ii) A site inspection reflecting the percentage of Development completion must be completed. If the Development is at least fifty (50) percent completed, as reflected in the site inspection, the approval may be made by Corporation staff. If the Development is less than fifty (50) percent completed, as reflected in the site inspection, the approval must be made by the Board. In making such determination, the Board must find and determine that the delay was caused by circumstances beyond the Applicant’s control, and that the sponsor exercised due diligence in seeking to resolve the circumstances causing delay; and (iii) The

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Corporation or Board, as applicable, must find that the Development in all respects, except time placed in service, still meets the conditions upon which the Housing Credits were originally allocated, and that the Development is still desirable in terms of meeting affordable housing needs.

- b) The CHIRP ITP contains a deadline for closing Limited Partnership Agreements by the earlier of (i) the existing closing deadlines for the Active Award (excluding Rule extension requests that require Board approval), or (ii) January 31, 2023. On August 5, 2022, the Board approved a modification of the ITP, whereby the LPA closing deadline would be January 31, 2023; and the "earlier of the existing closing deadline" would not be enforced. On January 27, 2023, the Board approved a second modification of the ITP, whereby the deadline for closing the LPA was extended to March 10, 2023. On March 10, 2023, the Board approved a third modification of the ITP, whereby the deadline for closing the LPA was extended to April 28, 2023. During the March 2023 meeting, the Board noted that the April 28th deadline was the last global extension, and any further extension requests would be reviewed on a case-by-case basis.
- c) Petitioner requests a waiver of the above tax credit exchange timing limitation to allow a credit exchange to be approved at this time rather than at the end of the second calendar quarter of 2024, a waiver of the current LPA closing deadline, and a new LPA closing deadline of July 21, 2023.
- d) As justification for its request, Petitioner cites several impacts from the permitting and planning process that caused delays to the Development timeline. Petitioner anticipates submittal of its final site/building plans and final plat on April 20, 2023, and an additional 90 to 150 days from that date for permitting approval. This timeline will push the estimated closing of Petitioner's limited partnership agreement to between July and September of 2023.
- e) As a condition to closing the limited partnership agreement, Petitioner's investor limited partner requires the expected placed-in-service ("PIS") date to be at least three (3) months before the PIS deadline. Petitioner's credit allocation requires a PIS deadline of December 31, 2024. Given the expected Development timeline, Petitioner does not anticipate that it can place the Development in service three (3) months before the current PIS deadline as required by the investor limited partner. Accordingly, Petitioner is seeking a credit swap to extend the PIS date from December 31, 2024, to December 31, 2025.
- f) On April 11, 2023, the Notice of Petition was published in the Florida Administrative Register in Volume 49, Number 70. To date, Florida Housing has received no comments concerning the Petition.
- g) Section 120.542(2), Florida Statutes provides in pertinent part:

Variations 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 the application of a rule would create a substantial hardship or would violate principles of fairness.

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- h) Granting the requested waiver would not have any impact on other participants in funding programs administered by Florida Housing, nor would it have a detrimental impact on Florida Housing or the Development. Petitioner has demonstrated that strict application of the above Rules under these circumstances would constitute a substantial hardship. Petitioner has also demonstrated that the purpose of the underlying statute, which is to “encourage development of low-income housing in the state” (§420.5099, Fla. Stat.), would still be achieved if the waiver is granted.

3. **Recommendation:**

- a) Staff recommends the Board **GRANT** Petitioner’s request for a waiver of Rule 67-48.002(96), Fla. Admin. Code (2021), and the CHIRP ITP to (i) allow the requested credit exchange to be approved before the second quarter of 2024; (ii) waive the current limited partnership agreement closing deadline of April 28, 2023; and (iii) allow a new limited partnership agreement closing deadline of July 21, 2023.

MULTIFAMILY BONDS

Consent

I. MULTIFAMILY BONDS

A. Request Approval of the Credit Underwriting Report and Authorizing Resolutions for Barnett Villas (2021-108B / 2021-555C)

Development Name: Barnett Villas	Location: Orange County
Applicant/Borrower: BDG Barnett Villas, LP	Set-Asides: 40% @ 60% AMI (MMRN) 25% @ 50% AMI (4% HC) 50% @ 60% AMI (4% HC) 25% @ 70% AMI (4% HC)
Developers/Principals: BDG Barnett Villas Developer, LLC / Scott Zimmerman	Demographic/Number of Residents: Family/156 units
Requested Amounts: \$22,000,000 Multifamily Mortgage Revenue Notes (MMRN) \$1,864,160 Housing Credits (4% HC)	Development Category/Type: New Construction/Garden Apartments

1. Background/Present Situation:

- a) On January 6, 2022, the Applicant submitted a Non-Competitive Application package requesting tax-exempt MMRN in the amount of \$19,600,000 and Non-Competitive Housing Credits in the amount of \$1,481,329. Subsequently, the MMRN request amount was increased to \$22,000,000.
- b) On March 23, 2022, staff issued an invitation to enter credit underwriting to the Applicant. The acceptance was acknowledged on March 23, 2022.
- c) On April 17, 2023, staff received a final credit underwriting report with a positive recommendation for MMRN funding (Exhibit A). Staff has reviewed this report and finds that the Development meets all requirements of the Non-Competitive Application.
- d) Staff reviewed the authorizing resolutions (Exhibit B) authorizing the sale and issuance of Multifamily Mortgage Revenue Notes to finance this affordable housing Development within the State of Florida. Staff requests approval for the execution of the resolutions.

2. Recommendation:

- a) Approve the final credit underwriting report and authorizing resolutions and direct staff to proceed with closing activities, subject to further approvals and verifications by the Credit Underwriter, Note Counsel, Special Counsel, and the appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

B. Request Approval of the Method of Bond/Note Sale Recommendation from Florida Housing's Independent Registered Municipal Advisor and Assignment of Recommended Professional

1. Background

- a) Pursuant to staff's request for approval to issue bonds/notes to finance the construction, and acquisition/rehabilitation of the proposed Development referenced below, the final credit underwriting report is being presented to the Board for approval simultaneously with this request to assign the appropriate professional for the transaction and approval of the recommended method of sale. A brief description of the Development is detailed below, along with staff's recommendation.
- b) Pursuant to Rule 67-21.0045, F.A.C., staff has requested a review of the proposed financing structure by the Independent Registered Municipal Advisor (IRMA) in order to make a recommendation to the Board for the method of bond/note sale for the development. Caine Mitter and Associates Incorporated has prepared an analysis and recommendation for the method of bond/note sale for the Development. The recommendation letter is attached as [Exhibit C](#).

2. Present Situation

- a) Florida Housing staff, the Credit Underwriter, and the IRMA have reviewed the financial structure for the proposed Development.

3. Recommendation

- a) Approve the assignment of the recommended professional and the Independent Registered Municipal Advisor's recommendation for the method of bond/note sale, as shown in the chart below, for the proposed Development.

Development Name	Location of Development	Number of Units	Method of Bond Sale	Recommended Professional	Exhibit
Barnett Villas	Orange County	156	Private Placement	RBC Capital Markets, LLC	Exhibit C

MULTIFAMILY BONDS

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C. Request Approval of the Credit Underwriting Update Letter for Hillsboro Landing f/k/a Tallman Pines – Phase II (RFA 2020-205 / 2021-207BSN / 2020-538C / 2022 CHIRP ITP)

Development Name: Hillsboro Landing f/k/a Tallman Pines - Phase II	Location: Broward County
Applicant/Borrower: Tallman Pines HR, Ltd.	Set-Asides: 40% @ 60% AMI (MMRN) 90% @ 60% AMI (SAIL) 10% @ 25% AMI (SAIL & ELI) 6.67% @ 22% AMI (NHTF) 100% @ 60% AMI (4% HC)
Developers/Principals: HTG Tallman HR Developer, LLC / Matthew Rieger	Demographic/Number of Residents: Elderly / 75
Requested Amounts: \$25,000,000 Multifamily Mortgage Revenue Notes (MMRN) \$2,770,000 State Apartment Incentive Loan (SAIL) \$4,300,000 Construction Housing Inflation Response Program (CHIRP) Additional Loan Funding \$600,000 Extremely Low Income (ELI) \$1,569,397 National Housing Trust Fund (NHTF) \$1,861,951 Housing Credits (4% HC)	Development Category/Type: New Construction / Mid-Rise (5-6 Stories)

1. Background/Present Situation:

- a) On October 15, 2020, Florida Housing issued a Request for Applications (RFA) 2020-205 SAIL Financing of Affordable Multifamily Housing Developments to be Used in Conjunction with Tax-Exempt MMRB Financing and Non-Competitive Housing Credits.
- b) On January 22, 2021, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On June 18, 2021, the Board approved the Final Order resolving all pending litigation pertaining to the RFA, allowing staff to proceed with all necessary credit underwriting activities. Staff issued a preliminary commitment letter and invitation to enter credit underwriting to the Applicant on June 22, 2021. The acceptance was acknowledged on June 25, 2021.
- d) On May 9, 2022, Florida Housing issued the 2022 Construction Housing Inflation Response Program (CHIRP) Invitation to Participate (ITP). Staff received a CHIRP ITP Application from the Applicant on June 23, 2022.
- e) On June 17, 2022, the Board approved extending the firm loan commitment issuance deadline from June 25, 2022 to December 26, 2022.
- f) On December 9, 2022, the Board approved the final credit underwriting report with a positive recommendation for MMRN, SAIL, ELI, and NHTF funding. On December 14, 2022, staff issued a firm commitment to the Applicant giving

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them a loan closing deadline of June 12, 2023. The CHIRP closing deadline remained March 10, 2023. However, on March 10, 2023, the Board approved to extend the CHIRP closing deadline to April 28, 2023.

- g) On April 20, 2023, staff received a credit underwriting update letter with a positive recommendation to increase the permanent first mortgage from \$9,300,000 to \$12,165,000 ([Exhibit D](#)). Staff has reviewed this report and finds that the Development meets all requirements of the RFA.

2. Recommendation:

- a) Approve the final credit underwriting update letter and direct staff to proceed with closing activities, subject to further approvals and verifications by the Credit Underwriter, Note Counsel, Special Counsel, and the appropriate Florida Housing staff.

MULTIFAMILY PROGRAMS

Consent

I. MULTIFAMILY PROGRAMS

A. Request Approval for Credit Underwriting Report and Removal of Co-Developer for Coleman Park Renaissance (RFA 2020-205 / 2021-219SN / 2020-536C)

Development Name: Coleman Park Renaissance	Location: Palm Beach County
Applicant/Borrower: CP Renaissance, LLC	Set-Asides: 27.90% @ 30% AMI (SAIL, ELI & 4% HC) 23.56% @ 60% AMI (SAIL & 4% HC) 48.84% @ 70% AMI (SAIL & 4% HC) 11.90% @ 22% AMI (NHTF)
Developers/Principals: NRI Development Corp./Terri Murray, Neighborhood Renaissance, Inc./Terri Murray, Stone Soup Development, Inc./Douglas Mayer	Demographic/Number of Residents: Family/43 units
Requested Amounts: \$2,940,000 State Apartment Incentive Loan (SAIL) \$571,300 Extremely Low Income (ELI) \$1,196,493 National Housing Trust Fund (NHTF) \$418,853 Housing Credits (4% HC)	Development Category/Type: New Construction/Garden Apartments

1. Background/Present Situation:

- a) On October 15, 2020, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2020-205 for SAIL Financing of Affordable Multifamily Housing Developments to be used in conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits.
- b) On January 22, 2021, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On June 18, 2021, the Board approved the Final Order resolving all pending litigation pertaining to the RFA, allowing staff to proceed with all necessary credit underwriting activities. On June 23, 2021, staff issued an invitation to enter credit underwriting to the Applicant, which states that the firm loan commitment must be issued within 12 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on June 30, 2021, giving them a firm loan commitment issuance deadline of June 30, 2022.
- d) On June 17, 2022, the Board approved the request for a firm loan commitment issuance deadline extension from June 30, 2022, to December 30, 2022. Subsequently, on December 9, 2022, the Board approved a Rule waiver for an

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additional firm loan commitment issuance deadline extension from December 30, 2022, to June 30, 2023.

- e) On March 2, 2023, staff received a request from the Applicant to remove a Co-Developer as well as a Board of Directors change for Neighborhood Renaissance, Inc. ([Exhibit A](#)). The current developer structure consists of Stone Soup Development, Inc., Neighborhood Renaissance, Inc. and NRI Development Corp. The Applicant requests to remove Co-Developer NRI Development Corp. Per the RFA, the Principals of each Developer identified in the Application, including all Co-Developers, may be changed only by written request of an Applicant to Corporation staff and approval of the Board after the Applicant has been invited to enter credit underwriting. In addition, any allowable replacement of an experienced Principal of a Developer entity must meet the experience requirements that were met by the original Principal. The removal of a Co-Developer does not affect this transaction since Stone Soup Development, Inc. has the required experience.
- f) In addition, the Applicant requested to remove Romin Currier and Cathleen D. Ward from Neighborhood Renaissance, Inc. Board of Directors and to add Maricela Torres as a new Director. Per the RFA, changes to the officers or directors of a Public Housing Authority, officers or directors of a non-profit entity, or the investor-limited partner of an Applicant limited partnership or the investor-member of an Applicant limited liability company owning the syndicating interest therein will not result in disqualification, however, the change must be approved by the Corporation. Staff has reviewed this request and finds that it meets all requirements of the RFA.
- g) On April 20, 2023, staff received final credit underwriting report with a positive recommendation for funding ([Exhibit B](#)). Staff has reviewed this request and finds that it meets all requirements of the RFA.

2. Recommendation:

- a) Approve the final credit underwriting report and changes to the Developer Entity Structure and direct staff to proceed with issuance of a firm commitment and closing activities.

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B. Request Approval of CHIRP ITP Waiver for Loan Closing Deadline and LPA Closing Deadline for Alto Tower (RFA 2021-103 / 2021-294CSN / 2022 CHIRP ITP)

Development Name: Alto Tower	Location: Miami-Dade County
Applicant/Borrower: Blue CASL Dade, LLC	Set-Asides: 15% @ 25% AMI (SAIL, ELI & 9% HC) 85% @ 60% AMI (SAIL & 9% HC) 11.9% @ 22% AMI (NHTF)
Developers/Principals: Blue AT Developer, LLC/Shawn Wilson, CASL Developer, LLC/Julien S. Eller	Demographic/Number of Residents: Homeless/84 units
Requested Amounts: \$4,600,000 State Apartment Incentive Loan (SAIL) \$459,600 Extremely Low Income (ELI) \$1,119,104 Construction Housing Inflation Response Program (CHIRP) Additional Loan Funding \$1,236,800 National Housing Trust Fund (NHTF) \$1,522,000 Construction Housing Inflation Response Program (CHIRP) National Housing Trust Fund (NHTF) \$2,375,000 Housing Credits (9% HC)	Development Category/Type: New Construction/Mid-Rise

1. Background/Present Situation:

- a) On February 2, 2021, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2021-103 for Housing Credit and SAIL financing for Homeless Housing Developments Located in Medium and Large Counties. On April 30, 2021, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities. On July 1, 2021, staff issued an invitation to enter credit underwriting to the Applicant, which states that the firm loan commitment must be issued within 12 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on July 7, 2021, giving them a firm loan commitment issuance deadline of July 7, 2022.
- b) On May 9, 2022, Florida Housing issued the 2022 Construction Housing Inflation Response Program (CHIRP) Invitation to Participate (ITP). Staff received a CHIRP ITP Application from the Applicant on July 5, 2022 requesting NHTF funds and additional SAIL funds.
- c) On June 17, 2022, the Board approved a request from the Borrower for a firm loan commitment issuance deadline extension from July 7, 2022, to January 9, 2023.
- d) On October 28, 2022, the Board approved a RFA waiver of the Applicant Entity change request and final credit underwriting report and directed staff to proceed with issuance of a firm commitment and closing activities. On November 1, 2022, staff issued a firm commitment to the Applicant giving them a loan closing deadline of March 1, 2023. On March 10, 2023, the Board approved a

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loan closing deadline extension for the initial funding from March 1, 2023 to May 30, 2023.

- e) On March 27, 2023, staff received a request from the borrower requesting a waiver of the CHIRP deadline to close on the loan and Limited Partnership Agreement ("LPA") from April 28, 2023 to June 9, 2023 ([Exhibit C](#)). The development team is working diligently on acquiring permits with the City of Miami, FDOT (Florida Department of Transportation) and MDWASD (Miami Dade Water and Sewer Department). In an abundance of caution, the waiver is needed in case permits are not received by the current CHIRP closing deadline. Staff has reviewed this request and finds that it meets all applicable requirements of the RFA and the CHIRP ITP.

- f) Per the CHIRP ITP, Applicants must close on the limited partnership agreement and, if applicable, Corporation funding and construction funding by the earlier of the existing closing deadlines for the Active Award (excluding Rule extension requests that require Board approval) or January 31, 2023. On August 5, 2022, the Board approved a Modification of the ITP, whereby the LPA closing deadline would be January 31, 2023; the "earlier of the existing closing deadline" would not be enforced. Additionally, the requirement for closing the loan by the "earlier of the existing closing deadline" will not be enforced, and the closing deadline requirement will be January 31, 2023 or March 10, 2023, as applicable. On January 27, 2023, the Board approved a Modification of the ITP, whereby the deadline for closing the LPA was extended to March 10, 2023. On March 10, 2023, the Board approved a Modification of the ITP, whereby the deadline for loan closing and the LPA was extended to April 28, 2023. Therefore, a waiver is required.

2. Recommendation:

- a) Approve a waiver of the CHIRP ITP to waive the loan closing deadline and LPA closing deadline from April 28, 2023 to June 9, 2023.

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C. Request Approval of CHIRP ITP Waiver for Loan Closing Deadline for University Station (RFA 2020-205 / 2021-199BSN / 2020-542C / 2022 CHIRP ITP)

Development Name: University Station	Location: Broward County
Applicant/Borrower: University Station I, LLC	Set-Asides: 40% @ 60% AMI (MMRB) 5.09% @ 30% AMI (SAIL, ELI & 4% HC) 7.41% @ 40% AMI (SAIL & 4% HC) 67.59% @ 60% AMI (SAIL & 4% HC) 9.72% @ 70% AMI (SAIL & 4% HC) 10.19% @ 80% AMI (SAIL & 4% HC) 2.31% @ 22% AMI (NHTF)
Developer/Principal: University Station I Developer, LLC / Matthew A. Rieger	Demographic/Number of Units: Family/216 units
Requested Amounts: \$56,000,000 Multifamily Mortgage Revenue Bonds (MMRB) \$6,309,360 State Apartment Incentive Loan (SAIL) \$4,300,000 Construction Housing Inflation Response Program (CHIRP) Additional Loan Funding \$600,000 Extremely Low Income (ELI) \$1,544,509 National Housing Trust Fund (NHTF) \$3,991,617 Housing Credits (4% HC)	Development Category/Type: New Construction/High-Rise

1. Background/Present Situation

- a) On October 15, 2020, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2020-205 for SAIL Financing of Affordable Multifamily Housing Developments to be used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits. On January 22, 2021, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities. On June 18, 2021, the Board approved the Final Order resolving all pending litigation pertaining to the RFA, allowing staff to proceed with all necessary credit underwriting activities. Staff issued an invitation to enter credit underwriting to the Applicant on June 22, 2021, which states that the firm loan commitment must be issued within 12 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on June 25, 2021, giving them a firm loan commitment issuance deadline of June 25, 2022.
- b) On June 17, 2022, the Board approved extending the firm loan issuance commitment deadline from June 25, 2022, to December 26, 2022.
- c) On May 9, 2022, Florida Housing issued the 2022 CHIRP Invitation to Participate (ITP). The original ITP excluded self-sourced applications, such as University Station, from applying for CHIRP funding. The ITP was modified to

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allow self-sourced applications to apply for CHIRP on August 5, 2022. Staff received a CHIRP ITP Application from the Applicant on September 3, 2022.

- d) On December 9, 2022, the Board approved the RFA waiver for the Development Type and the final credit underwriting report with a positive recommendation for funding and directed staff to proceed with closing activities. On December 14, 2022, staff issued a firm commitment to the Applicant giving them a loan closing deadline of June 12, 2023. On January 27, 2023, the Board approved the RFA waiver of the Self-sourced financing requirement to be fully funded at closing and allow for funding on a draw-down basis.
- e) On April 4, 2023, staff received a request from the borrower requesting a waiver of the CHIRP deadline to close on the loan from April 28, 2023 to June 9, 2023 ([Exhibit D](#)). A waiver is needed to allow more time to complete the process of obtaining the closing documentation, the plat recording, and the building permit ready letter. Staff has reviewed this request and finds that it meets all applicable requirements of the RFA and the CHIRP ITP.
- f) Per the CHIRP ITP, Applicants must close on Corporation loan funding by the earlier of the existing closing deadlines for the Active Award (excluding Rule extension requests that require Board approval) or January 31, 2023. On August 5, 2022, the Board approved a Modification of the ITP, whereby the requirement for closing the loan by the “earlier of the existing closing deadline” will not be enforced, and the closing deadline requirement will be January 31, 2023 or March 10, 2023, as applicable. On March 10, 2023, the Board approved an additional Modification of the ITP, whereby the deadline for loan closing was extended to April 28, 2023. Therefore, a waiver is required.

2. **Recommendation**

- a) Approve a waiver of the CHIRP ITP to waive the loan closing deadline from April 28, 2023 to June 9, 2023.

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D. Request Approval of CHIRP ITP Waiver for Loan Closing Deadline for Hillsboro Landing f/k/a Tallman Pines – Phase II (RFA 2020-205 / 2021-207BSN / 2020-538C / 2022 CHIRP ITP)

Development Name: Hillsboro Landing f/k/a Tallman Pines – Phase II	Location: Broward County
Applicant/Borrower: Tallman Pines HR, Ltd.	Set-Asides: 40% @ 60% AMI (MMRN) 90% @ 60% AMI (SAIL) 10% @ 25% AMI (SAIL & ELI) 6.67% @ 22% AMI (NHTF) 100% @ 60% AMI (4% HC)
Developer/Principal: HTG Tallman HR Developer, LLC / Matthew A. Rieger; Building Better Communities, Inc.	Demographic/Number of Units: Elderly/75 units
Requested Amounts: \$25,000,000 Multifamily Mortgage Revenue Bonds (MMRB) \$2,770,000 State Apartment Incentive Loan (SAIL) \$4,300,000 Construction Housing Inflation Response Program (CHIRP) Additional Loan Funding \$600,000 Extremely Low Income (ELI) \$1,569,397 National Housing Trust Fund (NHTF) \$1,861,951 Housing Credits (4% HC)	Development Category/Type: New Construction/Mid-Rise (5-6 Stories)

1. Background/Present Situation

- a) On October 15, 2020, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2020-205 for SAIL Financing of Affordable Multifamily Housing Developments to be used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits. On January 22, 2021, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities. On June 18, 2021, the Board approved the Final Order resolving all pending litigation pertaining to the RFA, allowing staff to proceed with all necessary credit underwriting activities. Staff issued an invitation to enter credit underwriting to the Applicant on June 22, 2021, which states that the firm loan commitment must be issued within 12 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on June 25, 2021, giving them a firm loan commitment issuance deadline of June 25, 2022.

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- b) On May 9, 2022, Florida Housing issued the 2022 Construction Housing Inflation Response Program (CHIRP) Invitation to Participate (ITP). Staff received a CHIRP ITP Application from the Applicant on June 23, 2022 requesting additional SAIL funds.
- c) On June 17, 2022, the Board approved the request for a firm loan commitment issuance deadline extension from June 25, 2022, to December 26, 2022.
- d) On December 9, 2022, the Board approved the credit underwriting report and RFA waiver for an Applicant Entity Change. On December 14, 2022, staff issued a firm commitment to the Applicant giving them a loan closing deadline of June 12, 2023.
- e) On April 4, 2023, staff received a request from the borrower requesting a waiver of the CHIRP deadline to close on the loan from April 28, 2023 to June 9, 2023 ([Exhibit E](#)). The Borrower has diligently been working towards the April 28, 2023 CHIRP deadline. However, in an abundance of caution, a waiver is needed while waiting for the subsidy layering review HUD approval and the permit ready letter. Staff has reviewed this request and finds that it meets all applicable requirements of the RFA and the CHIRP ITP.
- f) Per the CHIRP ITP, Applicants must close on Corporation loan funding by the earlier of the existing closing deadlines for the Active Award (excluding Rule extension requests that require Board approval) or January 31, 2023. On August 5, 2022, the Board approved a Modification of the ITP, whereby the requirement for closing the loan by the “earlier of the existing closing deadline” will not be enforced, and the closing deadline requirement will be January 31, 2023 or March 10, 2023, as applicable. On March 10, 2023, the Board approved an additional Modification of the ITP, whereby the deadline for loan closing was extended to April 28, 2023. Therefore, a waiver is required.

2. **Recommendation**

- a) Approve a waiver of the CHIRP ITP to waive the loan closing deadline from April 28, 2023 to June 9, 2023.

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E. Request Approval of CHIRP ITP Waiver for Loan Closing Deadline for Culmer Apartments (RFA 2019-116 / 2020-435BSN / 2019-572C / 2022 CHIRP ITP)

Development Name: Culmer Apartments	Location: Miami-Dade County
Applicant/Borrower: Culmer Apartments, Ltd.	Set-Aside(s): 40% @ 60% AMI (MMRB) 15.481% @ 30% AMI (SAIL, ELI & 4% HC) 2.510% @ 40% AMI (SAIL & 4% HC) 2.092% @ 50% AMI (SAIL & 4% HC) 53.138% @ 60% AMI (SAIL & 4% HC) 26.778% @ 80% AMI (SAIL & 4% HC) 1.674% @ 22% AMI (NHTF)
Developer/Principal: APC Culmer Development, LLC / Kenneth Naylor	Demographic/Number of Units: Family/239
Requested Amounts: \$58,970,000 Multifamily Mortgage Revenue Bonds (MMRB) \$7,000,000 State Apartment Incentive Loan (SAIL) \$4,300,000 Construction Housing Inflation Response Program (CHIRP) Additional Loan Funding \$600,000 Extremely Low Income (ELI) \$1,236,800 National Housing Trust Fund Loan Program (NHTF) \$5,194,449 Housing Credits (4% HC)	Development Category/Type: New Construction / High-Rise

1. Background/Present Situation

- a) On November 6, 2019, Florida Housing issued a Request for Applications (RFA) 2019-116 for SAIL Financing of Affordable Multifamily Housing Developments to be Used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits. On March 6, 2020, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities. On July 17, 2020, the Board approved the Final Order resolving all pending litigation pertaining to the RFA, allowing staff to proceed with all necessary credit underwriting activities. On July 14, 2020, staff issued an at-risk invitation to enter credit underwriting to the Applicant, which states that the firm loan commitment must be issued within 12 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on July 14, 2020, giving them a firm loan commitment issuance deadline of July 14, 2021.

- b) On June 18, 2021, the Board approved extending the firm loan commitment issuance deadline from July 14, 2021 to January 14, 2022. On December 10, 2021, the Board approved a Rule waiver request for an additional extension of

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the firm loan commitment issuance deadline from to January 14, 2022 to July 14, 2022.

- c) On April 29, 2022, the Board approved the RFA waiver request for the addition of one five-bedroom unit.
- d) On May 9, 2022, Florida Housing issued the 2022 Construction Housing Inflation Response Program (CHIRP) Invitation to Participate (ITP). Staff received a CHIRP ITP Application from the Applicant on July 5, 2022 requesting additional SAIL funds.
- e) On June 17, 2022, the Board approved the credit underwriting report and directed staff to proceed with closing activities. On June 20, 2022, staff issued a firm commitment to the Applicant.
- f) On September 16, 2022, the Board approved a credit underwriting update letter with a positive recommendation for approval of the proposed increase of the MMRB amount from \$55,160,000 to \$58,970,000 and an increase of the SAIL funding amounts through CHIRP funds in the amount of \$4,300,000. On September 22, 2022, staff issued an updated firm commitment to the Applicant with a loan closing deadline of December 22, 2022.
- g) On January 27, 2023, the Board approved a loan closing deadline extension from December 22, 2022 to March 22, 2023. On March 10, 2023 the Board approved Rule waiver extending the loan closing deadline from March 22, 2023 to September 22, 2023.
- h) On April 13, 2023, staff received a request from the borrower requesting a waiver of the CHIRP deadline to close on the loan from April 28, 2023 to June 9, 2023 ([Exhibit F](#)). The development team has experienced extensive delays with HUD regarding the 221(d)4 financing and RAD program conversion. In an abundance of caution, a waiver is needed to be sure the development's FHFC funding is not at risk. Staff has reviewed this request and finds that it meets all applicable requirements of the RFA and the CHIRP ITP.
- i) Per the CHIRP ITP, Applicants must close on Corporation loan funding by the earlier of the existing closing deadlines for the Active Award (excluding Rule extension requests that require Board approval) or January 31, 2023. On August 5, 2022, the Board approved a Modification of the ITP, whereby the requirement for closing the loan by the "earlier of the existing closing deadline" will not be enforced, and the closing deadline requirement will be January 31, 2023 or March 10, 2023, as applicable. On March 10, 2023, the Board approved an additional Modification of the ITP, whereby the deadline for loan closing was extended to April 28, 2023. Therefore, a waiver is required.

2. **Recommendation**

- a) Approve a waiver of the CHIRP ITP to waive the loan closing deadline from April 28, 2023 to June 9, 2023.

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F. Request Approval of CHIRP ITP Waiver for Loan Closing Deadline and LPA Closing Deadline for The Village of Casa Familia (RFA 2019-107 / 2019-422CG / 2021-325CGN) and (RFA 2021-211 / 2022-230V / 2022 CHIRP ITP)

Development Name: The Village of Casa Familia	Location: Miami-Dade County
Applicant/Borrower: The Village of Casa Familia, Ltd.	Set-Asides: 15% @ 28% AMI (Grant & 9% HC) 71% @ 60% AMI (Grant & 9% HC) 16.95% @ 30% AMI (NHTF)
Developer/Principal: Casa Familia Developer, LLC /Howard D. Cohen	Demographic/Number of Units: Persons with Developmental Disabilities/59 total units
Requested Amounts: \$4,000,000 Grant \$2,000,000 Viability Loan \$2,950,000 Construction Housing Inflation Response Program (CHIRP) National Housing Trust Fund (NHTF) \$1,500,000 Housing Credits (9% HC)	Development Category/Type: New Construction/Garden Apartments

1. Background/Present Situation

- a) On February 26, 2019, Florida Housing Finance Corporation issued a Request for Application (RFA) 2019-107 for Financing for the Development of Housing for Persons with A Disabling Condition or Developmental Disabilities. On May 10, 2019, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities. On May 20, 2019, staff issued an invitation to the Applicant to enter credit underwriting which states that the firm loan commitment must be issued within 12 months of the acceptance to enter credit underwriting.
- b) Subsequently Florida Housing executed a Carryover Allocation Agreement on December 26, 2019 giving the Applicant a credit underwriting deadline of September 30, 2020. On October 13, 2020 staff extended the HC 10% test which also extended the credit underwriting deadline to March 31, 2021. On March 29, 2021 staff extended the deadlines again which extended the credit underwriting deadline to September 30, 2021. At the June 18, 2021 Board meeting the Board approved a Rule waiver for a credit exchange for Village of Casa Familia. Florida Housing executed a 2021 Carryover Allocation Agreement on June 25, 2021 which reset the credit underwriting deadline to March 31, 2022. Subsequently staff granted an extension to the credit underwriting deadline to September 30, 2022.
- c) On October 12, 2021, Florida Housing Finance Corporation issued a Request for Application (RFA) for Development Viability Loan Funding (Viability Loan) to assist Applicants that have received a recent award since 2017 but have not yet started construction or rehabilitation of their proposed Development and are experiencing a financing gap for their Active Award. On December 10, 2021, the Board approved the final scores and recommendations for RFA 2021-211 and directed staff to proceed with all necessary credit underwriting activities. On

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December 15, 2021, a Notice of Preliminary Award was issued to the Applicant. The acceptance was acknowledged on December 16, 2021.

- d) On May 9, 2022, Florida Housing issued the 2022 Construction Housing Inflation Response Program (CHIRP) Invitation to Participate (ITP). Staff received a CHIRP ITP Application from the Applicant on June 18, 2022 requesting NHTF funds.
- e) On December 9, 2022, the Board approved a Petition for Variance from Florida Administrative Code Rule 67-48.002(96) and the 2018 QAP (the "Petition") to waive the timing requirements found in the 2018 QAP and allow a credit exchange to be approved before the fourth calendar quarter of 2023 which also extended the credit underwriting deadline to September 30, 2023. On January 27, 2023, the Board approved the final credit underwriting report with a positive recommendation for funding. On January 30, 2023, staff issued a firm commitment to the Applicant.
- f) On April 6, 2023, staff received a request from the borrower requesting a waiver of the CHIRP deadline to close on the loan and Limited Partnership Agreement ("LPA") from April 28, 2023 to September 8, 2023 ([Exhibit G](#)). After substantial delays caused by concerns raised by HUD, the borrower received guidance from HUD that allows all parties to proceed towards a closing. In an abundance of caution, a waiver is needed to complete underwriting, draft loan documents, receive necessary Committee and Board of County Commission approvals and complete the subsidy layering review with HUD. Staff has reviewed this request and finds that the development meets all applicable requirements of the RFA and the CHIRP ITP.
- g) Per the CHIRP ITP, Applicants must close on the limited partnership agreement and, if applicable, Corporation funding and construction funding by the earlier of the existing closing deadlines for the Active Award (excluding Rule extension requests that require Board approval) or January 31, 2023. On August 5, 2022, the Board approved a Modification of the ITP, whereby the LPA closing deadline would be January 31, 2023; the "earlier of the existing closing deadline" would not be enforced. Additionally, the requirement for closing the loan by the "earlier of the existing closing deadline" will not be enforced, and the closing deadline requirement will be January 31, 2023 or March 10, 2023, as applicable. On January 27, 2023, the Board approved a Modification of the ITP, whereby the deadline for closing the LPA was extended to March 10, 2023. On March 10, 2023, the Board approved a Modification of the ITP, whereby the deadline for loan closing and the LPA was extended to April 28, 2023. Therefore, a waiver is required.

2. **Recommendation**

- a) Approve a waiver of the CHIRP ITP to waive the loan closing deadline and LPA closing deadline from April 28, 2023 to September 8, 2023.

MULTIFAMILY PROGRAMS

Consent

G. Request Approval of CHIRP ITP Waiver for Loan Closing Deadline and LPA Closing Deadline for Baytown Apartments (RFA 2021-108 / 2021-324CGA / 2022 CHIRP ITP)

Development Name: Baytown Apartments	Location: Hillsborough County
Applicant/Borrower: Baytown Apartments, LLC	Set-Aside(s): 20% @ 33% AMI (Grant, ELI & 9% HC) 80% @ 60% AMI (Grant & 9% HC) 10% @ 22% (HOME-ARP) 16.67% @ 30% (HOME-ARP)
Developer/Principal: Invictus Development, LLC/Paula Rhodes; CDS Monarch, Inc./Andrew Sewnauth	Demographic/Number of Units: Persons with Developmental Disabilities/30 units
Requested Amounts: \$1,200,000 Grant \$1,978,600 Construction Housing Inflation Response Program (CHIRP) Home Investment Partnerships Program-American Rescue Plan (HOME-ARP) \$920,000 Housing Credits (9% HC) \$421,150 (9% HC CHIRP)	Development Category/Type: New Construction/Garden Apartments

1. Background/Present Situation

- a) On May 20, 2021, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2021-108 for Financing for the Development of Housing for Persons with Developmental Disabilities. On June 18, 2021, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities. On June 25, 2021, staff issued an invitation to enter credit underwriting to the Applicant, which states that the firm loan commitment must be issued within 12 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on June 30, 2021, giving them a firm loan commitment issuance deadline of June 30, 2022.
- b) On May 9, 2022, Florida Housing issued the 2022 Construction Housing Inflation Response Program (CHIRP) Invitation to Participate (ITP). Staff received a CHIRP ITP Application from the Applicant on May 24, 2022.
- c) On May 24, 2022, the Board approved extending the firm loan commitment issuance deadline from June 30, 2022, to December 30, 2022.
- d) On September 16, 2022, the Board approved the final credit underwriting report and directed staff to proceed with issuance of a firm commitment and closing activities. On September 22, 2022, staff issued a firm commitment to the Applicant.
- e) On April 4, 2023, staff received a request from the borrower requesting a waiver of the CHIRP deadline to close on the loan and Limited Partnership Agreement ("LPA") from April 28, 2023 to June 9, 2023 ([Exhibit H](#)). The one remaining item preventing closing is the HUD approval of the subsidy layering review. The development team is confident they will receive approval from HUD soon, however they feel it is prudent to request a waiver in case there are additional

MULTIFAMILY PROGRAMS

Consent

delays. Staff has reviewed this request and finds that the development meets all applicable requirements of the RFA and the CHIRP ITP.

- f) Per the CHIRP ITP, Applicants must close on the limited partnership agreement and, if applicable, Corporation funding and construction funding by the earlier of the existing closing deadlines for the Active Award (excluding Rule extension requests that require Board approval) or January 31, 2023. On August 5, 2022, the Board approved a Modification of the ITP, whereby the LPA closing deadline would be January 31, 2023; the "earlier of the existing closing deadline" would not be enforced. Additionally, the requirement for closing the loan by the "earlier of the existing closing deadline" will not be enforced, and the closing deadline requirement will be January 31, 2023 or March 10, 2023, as applicable. On January 27, 2023, the Board approved a Modification of the ITP, whereby the deadline for closing the LPA was extended to March 10, 2023. On March 10, 2023, the Board approved a Modification of the ITP, whereby the deadline for loan closing and the LPA was extended to April 28, 2023. Therefore, a waiver is required.

2. **Recommendation**

- a) Approve a waiver of the CHIRP ITP to waive the loan closing deadline and LPA closing deadline from April 28, 2023 to June 9, 2023.

MULTIFAMILY PROGRAMS

Consent

H. Request Approval of CHIRP ITP Waiver for Loan Closing Deadline for The Heron (RFA 2020-102 / 2020-483SA / 2022 CHIRP ITP)

Development Name: The Heron	Location: Miami-Dade County
Applicant/Borrower: Miami Beach Housing Initiatives, Inc.	Set-Asides: 20% @ 28% AMI (SAIL & ELI) 80% @ 60% AMI (SAIL) 40% @ 30% AMI (HOME-ARP)
Developers/Principals: Housing Authority of the City of Miami Beach; Miami Beach Housing Initiatives, Inc./Miguell Del Campillo	Demographic/Number of Units: Persons with Special Needs/20 units
Requested Amounts: \$3,999,980 State Apartment Incentive Loan (SAIL) \$389,200 Extremely Low Income (ELI) \$2,520,000 Construction Housing Inflation Response Program (CHIRP) Home Investment Partnerships Program (HOME) from The American Rescue Plan Act (ARP) (“HOME-ARP”)	Development Category/Type: New Construction/Mid-Rise (4 Stories)

1. Background/Present Situation

- a) On March 4, 2020, Florida Housing issued a Request for Applications (RFA) 2020-102 for SAIL Financing of Smaller Developments for Persons with Special Needs. On June 11, 2020, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities. On July 8, 2020, staff issued an invitation to enter credit underwriting to the Applicant, which states that the firm loan commitment must be issued within 12 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on July 9, 2020, giving them a firm loan commitment issuance deadline of July 9, 2021.
- b) On June 18, 2021, the Board approved the request for a firm loan commitment issuance deadline extension from July 9, 2021, to January 9, 2022. On December 10, 2021, the Board approved the Rule waiver request for a firm loan commitment issuance deadline extension from January 9, 2022, to July 9, 2022.
- c) On May 9, 2022, Florida Housing issued the 2022 Construction Housing Inflation Response Program (CHIRP) Invitation to Participate (ITP). Staff received a CHIRP ITP Application from the Applicant on July 1, 2022, requesting HOME-ARP funds.
- d) On June 17, 2022, the Board approved an additional Rule waiver request to extend firm loan commitment issuance deadline from July 9, 2022, to January 9, 2023.

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Consent

- e) On January 27, 2023, the Board approved final credit underwriting report with a positive recommendation for funding. On January 30, 2023, staff issued a firm commitment to the Applicant giving them a loan closing deadline of May 30, 2023.
- f) On April 11, 2023, staff received a request from the borrower requesting a waiver of the CHIRP deadline to close on the loan from April 28, 2023 to June 9, 2023 ([Exhibit I](#)). The waiver is needed for more time to complete the final stages of the permitting process for building permits and for the City and County to provide closing documents for review. Staff has reviewed this request and finds that the development meets all applicable requirements of the RFA and the CHIRP ITP.
- g) Per the CHIRP ITP, Applicants must close on Corporation loan funding by the earlier of the existing closing deadlines for the Active Award (excluding Rule extension requests that require Board approval) or January 31, 2023. On August 5, 2022, the Board approved a Modification of the ITP, whereby the requirement for closing the loan by the “earlier of the existing closing deadline” will not be enforced, and the closing deadline requirement will be January 31, 2023 or March 10, 2023, as applicable. On March 10, 2023, the Board approved an additional Modification of the ITP, whereby the deadline for loan closing was extended to April 28, 2023. Therefore, a waiver is required.

2. **Recommendation**

- a) Approve a waiver of the CHIRP ITP to waive the loan closing deadline from April 28, 2023 to June 9, 2023.

MULTIFAMILY PROGRAMS

Consent

I. Request Approval of CHIRP ITP Waiver for Loan Closing Deadline for Sovereign at North Bay f/k/a Bid-A-Wee Apartments (RFA 2019-111 / 2020-076BR / 2019-575C / 2022 CHIRP ITP)

Development Name: Sovereign at North Bay f/k/a Bid-A-Wee Apartments	Location: Bay County
Applicant/Borrower: Bid-A-Wee Apartments, LLC	Set-Asides: 40% @ 60% AMI (MMRB) 15.278% @ 30% AMI (RRLP, ELI, & 4% HC) 55.556% @ 60% AMI (RRLP & 4% HC) 15.278% @ 70% AMI (RRLP & 4% HC) 13.888% @ 80% AMI (RRLP & 4% HC)
Developers/Principals: Bid-A-Wee Developer, LLC / James W. Freeman III	Demographic/Number of Units: Family / 144 Units
Requested Amounts: \$30,000,000 Multifamily Mortgage Revenue Bonds (MMRB) \$6,114,900 Rental Recovery Loan Program (RRLP) \$4,300,000 Construction Housing Inflation Response Program (CHIRP) Additional Loan Funding \$1,056,300 Extremely Low Income (ELI) \$2,602,911 Housing Credits (4% HC)	Development Category/Type: New Construction / Mid-Rise, (5-6 stories)

1. Background/Present Situation

- a) On August 1, 2019, Florida Housing issued a Request for Applications (RFA) 2019-111 for Rental Recovery Loan Program (RRLP) Financing to be Used for Rental Developments in Hurricane Michael Impacted Counties. On December 13, 2019, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities. On March 6, 2020, the Board approved the Final Order resolving all pending litigation pertaining to the RFA, allowing staff to proceed with all necessary credit underwriting activities. Staff issued an invitation to enter credit underwriting to the Applicant on March 11, 2020, which states that the firm loan commitment must be issued within 12 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on March 16, 2020, giving them a firm loan commitment issuance deadline of March 16, 2021.
- b) On March 12, 2021, the Board approved the request to extend the firm loan commitment issuance deadline extension from March 16, 2021, to September 16, 2021. On September 10, 2021, the Board approved a RFA waiver to extend the firm loan commitment issuance deadline from September 16, 2021, to March 16, 2022.
- c) On October 12, 2021, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2021-211 for Development Viability Loan Funding to assist Applicants that have received a recent award since 2017 but have not yet started construction or rehabilitation of their proposed Development and are experiencing a financing gap for their Active Award. On December 10, 2021, the Board approved the final scores and recommendations for RFA 2021-211

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Consent

and directed staff to proceed with all necessary credit underwriting activities. Staff issued a Notice of Preliminary Award to the Applicant on December 15, 2021. However, the Development Viability Loan Funding was subsequently returned as a result of applying for the Construction Housing Inflation Response Program (CHIRP).

- d) On March 4, 2022, the Board approved an additional RFA waiver request to extend the firm loan commitment issuance deadline extension from March 16, 2022, to June 17, 2022.
- e) On May 9, 2022, Florida Housing issued the 2022 CHIRP Invitation to Participate (ITP). Staff received a CHIRP ITP Application from the Applicant on June 29, 2022.
- f) On June 17, 2022, the Board approved an additional RFA waiver request to extend the firm loan commitment issuance deadline extension from June 17, 2022, to September 16, 2022.
- g) On September 16, 2022, the Board approved an additional RFA waiver request to extend the firm loan commitment issuance deadline extension from September 16, 2022 to December 16, 2022 and RFA waiver for an Applicant Entity and Developer Entity Change. On December 9, 2022, the Board approved the final credit underwriting report and RFA waiver to change development type from Mid-/Rise (4 stories) to Mid-/Rise (5-6 stories) and directed staff to proceed with closing activities. On December 14, 2023, staff issued a firm commitment to the Applicant giving them a loan closing deadline of June 12, 2023.
- h) On January 27, 2023, the Board approved a credit underwriting update letter increasing the permanent first mortgage and changing the Construction and Permanent Bond purchaser.
- i) On April 12, 2023, staff received a request from the borrower requesting a waiver of the CHIRP deadline to close on the loan from April 28, 2023 to June 9, 2023 ([Exhibit J](#)). Sovereign at North Bay is in a position to close on its loan financing, however, due to the need to coordinate multiple funding sources, and the heavy volume of closings for Florida Housing, out of an abundance of caution Sovereign at North Bay seeks a waiver of the current closing deadline. Staff has reviewed this request and finds that the development meets all applicable requirements of the RFA and the CHIRP ITP.
- j) Per the CHIRP ITP, Applicants must close on Corporation loan funding by the earlier of the existing closing deadlines for the Active Award (excluding Rule extension requests that require Board approval) or January 31, 2023. On August 5, 2022, the Board approved a Modification of the ITP, whereby the requirement for closing the loan by the “earlier of the existing closing deadline” will not be enforced, and the closing deadline requirement will be January 31, 2023 or March 10, 2023, as applicable. On March 10, 2023, the Board approved an

MULTIFAMILY PROGRAMS

Consent

additional Modification of the ITP, whereby the deadline for loan closing was extended to April 28, 2023. Therefore, a waiver is required.

2. **Recommendation**

- a) Approve a waiver of the CHIRP ITP to waive the loan closing deadline and LPA closing deadline from April 28, 2023 to June 9, 2023.

MULTIFAMILY PROGRAMS

Consent

J. Request Approval of CHIRP ITP Waiver for Loan Closing Deadline for Falcon Trace II (RFA 2021-205 / 2022-186S / 2021-519C / 2022 CHIRP ITP)

Development Name: Falcon Trace II	Location: Osceola County
Applicant/Borrower: Falcon Trace II, LLC	Set-Asides: 10% @ 30% AMI (SAIL, ELI & HC) 90% @ 60% AMI (SAIL & HC)
Developers/Principals: DDER Development, LLC/ Domingo Sanchez	Demographic/Number of Units: Family/354 Units
Requested Amounts: \$6,000,000 State Apartment Incentive Loan (SAIL) \$4,300,000 Construction Housing Inflation Response Program (CHIRP) Additional Loan Funding \$600,000 Extremely Low Income (ELI) \$4,739,942 Housing Credits (4% HC)	Development Category/Type: New Construction/Garden Apartments

1. Background/Present Situation

- a) On August 17, 2021, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2021-205 for SAIL Financing of Affordable Multifamily Housing Developments to be used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits. On December 10, 2021, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities. On March 1, 2022, staff issued an invitation to enter credit underwriting to the Applicant, which states that the firm loan commitment must be issued within 12 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on March 8, 2022, giving them a firm loan commitment issuance deadline of March 8, 2023.
- b) On May 9, 2022, Florida Housing issued the 2022 Construction Housing Inflation Response Program (CHIRP) Invitation to Participate (ITP). Staff received a CHIRP ITP Application from the Applicant on July 1, 2022, requesting additional SAIL funds.
- c) On December 9, 2022, the Board approved the final credit underwriting report with a positive recommendation for funding. On December 14, 2022, staff issued a firm commitment to the Applicant giving them a loan closing deadline of June 12, 2023.
- d) On April 13, 2023, staff received a request from the borrower requesting a waiver of the CHIRP deadline to close on the loan from April 28, 2023 to June 9, 2023 ([Exhibit K](#)). In an abundance of caution, the waiver is needed due to delays pending receipt of the South Florida Water Management District (SFWMD) permit. The permit is expected soon, and closing is projected to occur prior to the current CHIRP closing deadline. Staff has reviewed this

MULTIFAMILY PROGRAMS

Consent

request and finds that the development meets all applicable requirements of the RFA and the CHIRP ITP.

- e) Per the CHIRP ITP, Applicants must close on Corporation loan funding by the earlier of the existing closing deadlines for the Active Award (excluding Rule extension requests that require Board approval) or January 31, 2023. On August 5, 2022, the Board approved a Modification of the ITP, whereby the requirement for closing the loan by the “earlier of the existing closing deadline” will not be enforced, and the closing deadline requirement will be January 31, 2023 or March 10, 2023, as applicable. On March 10, 2023, the Board approved an additional Modification of the ITP, whereby the deadline for loan closing was extended to April 28, 2023. Therefore, a waiver is required.

2. **Recommendation**

- a) Approve a waiver of the CHIRP ITP to waive the loan closing deadline from April 28, 2023 to June 9, 2023.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

A. Request Approval Revised PLP Loan for Cross Creek Gardens at Quincy, LLC, a not-for-profit entity, for Cross Creek Gardens at Quincy (2022-004P-09).

DEVELOPMENT NAME (“Development”):	Cross Creek Gardens at Quincy
APPLICANT/DEVELOPER (“Developer”):	Cross Creek Gardens at Quincy, LLC
CO-DEVELOPER:	Accruva Community Developers LLC
NUMBER OF UNITS:	36 rental units
LOCATION (“County”):	Gadsden County
TYPE:	Family
MINIMUM SET ASIDE:	20% @ 50% AMI
PLP LOAN AMOUNT:	\$750,000
ADDITIONAL COMMENTS: Original loan approval was for 34 units and \$500,000 loan.	

1. Background

- a) On June 17, 2022, Florida Housing approved a PLP loan to the Developer for Cross Creek Gardens at Quincy in the amount of \$500,000.

2. Present Situation

- a) On April 11, 2023, staff received a revised development plan and a letter ([Exhibit A](#)) from our technical assistance provider (TAP) recommending a approval of a revised PLP Loan in the amount of \$750,000. This revised amount is being requested to accommodate the purchase of the subject property which was not included in the original application.
- b) The development has received an award of construction financing under RFA 2021-206. This funding is currently in the credit underwriting process.
- c) Staff has reviewed the Development Plan and determined that all budget items are PLP eligible.

3. Recommendation

- a) Approve the revised PLP Loan in the amount of \$750,000 for 36 units to Cross Creek Gardens at Quincy, LLC for Cross Creek Gardens at Quincy and allow staff to commence with the loan closing process.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

B. Request Approval Revised PLP Budget for Thirty Four Ways Foundation, Inc. a not-for-profit entity, for 34 Ways Homeownership (2022-001P-09).

DEVELOPMENT NAME (“Development”):	34 Ways Homeownership
APPLICANT/DEVELOPER (“Developer”):	Thirty Four Ways Foundation, Inc.
CO-DEVELOPER:	N/A
NUMBER OF UNITS:	6 homeownership units
LOCATION (“County”):	Miami Dade County
TYPE:	Family
MINIMUM SET ASIDE:	50% @ 80% AMI and 50% @ 120% AMI
PLP LOAN AMOUNT:	\$350,000
ADDITIONAL COMMENTS:	

1. Background

- a) On April 29, 2022, Florida Housing approved a PLP loan to the Developer for 34 Ways Homeownership in the amount of \$350,000.

2. Present Situation

- a) On April 4, 2023, staff received a revised development plan and a letter ([Exhibit B](#)) from our technical assistance provider (TAP) recommending a revision to the PLP Loan budget. This revised amount is being requested to accommodate additional legal work that has been required. The change does not affect the total loan amount which remains at \$350,000 through reduction of other line items.
- b) The PLP rule requires that budget line item changes in excess of 10% of the approved loan amount be approved by the Board.
- c) Staff has reviewed the Development Plan and determined that the budget revisions are PLP eligible and necessary.

3. Recommendation

- a) Approve the revised PLP Loan budget for 34 Ways Foundation, Inc. for 34 Ways Homeownership.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

- C. **Request Approval PLP Loan for Embassy Village Development Partners, LLLP, a not-for-profit entity, for Embassy Village (2022-007P-09).**

DEVELOPMENT NAME (“Development”):	Embassy Village
APPLICANT/DEVELOPER (“Developer”):	Embassy Village Development Partners LLLP
CO-DEVELOPER:	N/A
NUMBER OF UNITS:	113 rental units
LOCATION (“County”):	St. Lucie County
TYPE:	Family
MINIMUM SET ASIDE:	20% @ 50% AMI
PLP LOAN AMOUNT:	\$500,000
ADDITIONAL COMMENTS:	

1. Background

- a) To access PLP funding and upon receipt of an organization’s basic information to Florida Housing, the organization is invited to participate in the program. Florida Housing staff then assigns a technical assistance provider under contract with Florida Housing to assist the applicant to create a development plan and budget, which is brought to the Board as part of a request for approval of a PLP loan.
- b) On October 20, 2022, the Developer submitted a PLP application for The Life Center.
- c) On October 20, 2022, Florida Housing issued an Invitation to Participate in the PLP to the Developer.

2. Present Situation

- a) On April 5, 2023, staff received a development plan and a letter ([Exhibit C](#)) from our technical assistance provider (TAP) recommending approval of the PLP Loan in the amount of \$500,000.
- b) Staff has reviewed the Development Plan and determined that all budget items are PLP eligible.

3. Recommendation

- a) Approve the PLP Loan in the amount of \$500,000 to Embassy Village Development Partners, LLLP for Embassy Village and allow staff to commence with the loan closing process.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

D. Request Approval Revised PLP Budget for NANA, Inc. a not-for-profit entity, for NANA City Homes (2021-015P-09).

DEVELOPMENT NAME (“Development”):	NANA City Homes
APPLICANT/DEVELOPER (“Developer”):	NANA, Inc.
CO-DEVELOPER:	N/A
NUMBER OF UNITS:	37 homeownership units
LOCATION (“County”):	Miami Dade County
TYPE:	Family
MINIMUM SET ASIDE:	50% @ 80% AMI and 50% @ 120% AMI
PLP LOAN AMOUNT:	\$500,000
ADDITIONAL COMMENTS:	

1. Background

- a) On January 21, 2022, Florida Housing approved a PLP loan to the Developer for NANA City Homes in the amount of \$500,000.

2. Present Situation

- a) On April 4, 2023, staff received a revised development plan and a letter ([Exhibit D](#)) from our technical assistance provider (TAP) recommending a revision to the PLP Loan budget. The primary change is an increase to the line item for Permitting and Impact Fees required to be paid prior to construction. This change does not increase the overall PLP loan total of \$500,000 as other line items have been reduced.
- b) The PLP rule requires that budget line item changes in excess of 10% of the approved loan amount be approved by the Board.
- c) Staff has reviewed the Development Plan and determined that the budget revisions are PLP eligible and necessary.

3. Recommendation

- a) Approve the revised PLP Loan budget for NANA, Inc. for NANA City Homes.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

E. Request Approval of Assumption of PLP Loan or Mercy Oaks Phase I (2018-001P-09) by the Mercy Village LLLP.

DEVELOPMENT NAME (“Development”):	Mercy Oaks Phase I
APPLICANT/DEVELOPER (“Developer”):	Mercy Village LLLP
CO-DEVELOPER:	Carrfour Supportive Housing
NUMBER OF UNITS:	59 rental units
LOCATION (“County”):	Marion County
TYPE:	Homeless
MINIMUM SET ASIDE:	20% @ 50% AMI
PLP LOAN AMOUNT:	\$500,000
ADDITIONAL COMMENTS: PLP loan was originally approved to Saving Mercy Corporation	

1. Background

- a) On July 27, 2018, Florida Housing approved a PLP loan to the Developer for Mercy Oaks I in the amount of \$500,000.

2. Present Situation

- a) On April 10, 2023, staff received a letter ([Exhibit E](#)) from our technical assistance provider (TAP) recommending an assumption of the PLP loan by the entity created for the purpose of applying for construction financing in RFA 2023-103, Mercy Village LLLP. Additional changes to the development include an increase from 30 to 59 units and several PLP budget line item changes. The overall loan amount of \$500,000 has not changed.
- b) The development has been selected to receive funding under RFA 2023-103.
- c) Staff has reviewed the revised Development Plan and determined that the revisions are necessary for completion of the development.

3. Recommendation

- a) Approve the revised PLP Development Plan for Mercy Village LLLP for Mercy Oaks Phase I.

PROFESSIONAL SERVICES SELECTION (PSS)

Consent

I. PROFESSIONAL SERVICES SELECTION (PSS)

A. Request for Qualifications (RFQ) 2023-02, for Guaranteed Investment Contract (GIC) Broker Services

1. Background:

- a) At the January 27, 2023 meeting, the Board authorized Florida Housing staff to issue a competitive solicitation for Guaranteed Investment Contract (GIC) Broker Services and authorized the Executive Director to establish a review committee to make a recommendation to the Board.

2. Present Situation:

- a) RFQ 2023-02 was issued on February 13, 2023. The deadline for receipt of responses was 2:00 p.m., March 22, 2023. A copy of the RFQ is provided as [Exhibit A](#).
- b) Responses were received from BLX Group LLC; Caine Mitter & Associates Incorporated; Causey Demgen & Moore P.C.; Grant Street Group, Inc.; and Raymond James & Associates, Inc.
- c) Members of the review committee were Melanie Weathers (Chairperson), Finance Director; Michelle Connelly, Financial Manager; and Edny Thomas, Senior Compliance Analyst.
- d) Each member of the review committee individually reviewed the proposal prior to convening for the Review Committee meeting which was held at 10:00 a.m., Wednesday, April 5, 2023.
- e) At the April 5th meeting, the review committee provided final scores for the response. The score sheet is provided as [Exhibit B](#).

3. Recommendation:

- a) The review committee recommends that the Board authorize Florida Housing to enter into contract negotiations with the top three scoring respondents: BLX Group LLC; Caine Mitter & Associates Incorporated; and Raymond James & Associates, Inc.

PROFESSIONAL SERVICES SELECTION (PSS)

Consent

B. Single Source Procurement for OnBase Licensing

1. Background:

- a) Florida Housing uses OnBase as its document management system, and Hyland Software, Inc., is the developer of OnBase software. At the January 23, 2020 meeting, the Board approved an upgrade to an enterprise license with increased functionality. These licenses contain more robust functionality to better integrate OnBase with Florida Housing's multifamily line of business software, ProLink.
- b) OnBase is proprietary software and Hyland Software, Inc., is the only entity able to provide licensure.

2. Present Situation:

- a) Staff believes that it is in the best interest of Florida Housing to continue with these services and proceed with an updated, one-year contract.

3. Recommendation:

- a) Staff recommends that the Board authorize staff to enter into negotiations for a one-year, single source contract with Hyland Software, Inc., for continued access to the enterprise license.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

I. STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

A. Request Approval for RFA Waiver of the 15% Equity Requirement Paid at Closing for Ridge Road (RFA 2021-205 / 2022-190S / 2021-517C / 2022 CHIRP ITP)

Development Name: Ridge Road	Location: Leon County
Applicant/Borrower: ECG Ridge Road, LP	Set-Asides: 16.4% @ 30% AMI (SAIL & 4% HC) 34.4% @ 60% AMI (SAIL & 4% HC) 49.2% @ 70% AMI (SAIL & 4% HC)
Developers/Principals: ECG Ridge Road Developer, LLC/C. Hunter Nelson	Demographic/Number of Residents: Family/250 units
Requested Amounts: \$5,500,000 State Apartment Incentive Loan (SAIL) \$4,300,000 Construction Housing Inflation Response Program (CHIRP) Additional Loan Funding \$3,815,664 Housing Credits (4% HC)	Development Category/Type: New Construction/Garden Apartments

1. Background/Present Situation:

- a) On August 17, 2021, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2021-205 for SAIL Financing of Affordable Multifamily Housing Developments to be used in Conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits.
- b) On March 1, 2022, staff issued an invitation to enter credit underwriting to the Applicant and the acceptance was acknowledged on March 3, 2022.
- c) On May 9, 2022, Florida Housing issued the 2022 Construction Housing Inflation Response Program (CHIRP) Invitation to Participate (ITP). The original ITP excluded self-sourced applications, such as Ridge Road, from applying for CHIRP funding. The ITP was modified to allow self-sourced applications to apply for CHIRP on August 5, 2022. Staff received a CHIRP ITP Application from the Applicant on August 18, 2022, requesting additional loan funds.
- d) On December 9, 2022, the Board approved the final credit underwriting report with a positive recommendation for funding and directed staff to proceed with the closing activities. The Loans closed on March 8, 2023.
- e) On February 28, 2023, the Applicant requested a RFA waiver of the requirement that the equity amount to be paid prior to or simultaneous with the closing of construction financing is at least 15 percent of the total proposed equity to be provided ([Exhibit A](#)). Due to HUD’s pending subsidy layering review, an executed Agreement to Enter into a Housing Assistance Payments (“AHAP”) Contract is not anticipated until after closing. Closing occurred on March 8, 2023. The syndicator agreed to closing prior to receipt of the AHAP contract with the condition of delaying disbursement of the first equity contribution. The borrower had rate locked on financing and delaying the closing would have been

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

detrimental to the financing structure of the Development. Therefore, a RFA waiver is required.

- f) On March 7, 2023, staff received a final credit underwriting update letter to increase the permanent first mortgage, increase the local bond amount, remove 45L credits as a permanent source, extend the SAIL mortgage loan term to be coterminous with the first mortgage and decrease the hard cost contingency reserves at the recommendation of the credit underwriter which will be presented to the Board simultaneously with this request as an Information Item on April 28, 2023.

2. **Recommendation:**

- a) Approve the RFA waiver of the 15 percent equity requirement paid at closing of construction financing.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

B. Request Approval of Loan Closing Deadline Extension for Liberty Square Phase Four (RFA 2020-208 / 2020-468BS / 2019-573C)

Development Name: Liberty Square Phase Four	Location: Miami-Dade County
Applicant/Borrower: Liberty Square Phase Four, LLC	Set-Asides: 27.46% @ 30% AMI (SAIL & 4% HC) 13.47% @ 40% AMI (SAIL & 4% HC) 4.66% @ 60% AMI (SAIL & 4% HC) (Workforce) 53.89% @ 80% AMI (SAIL & 4% HC) (Workforce) 40% @ 60% AMI (MMRB)
Developer/Principal: Liberty Square Phase Four Developer, LLC / Alberto Milo, Jr.	Demographic/Number of Residents: Workforce/193 units
Requested Amounts: \$43,000,000 Multifamily Mortgage Revenue Bonds (MMRB) \$3,250,000 State Apartment Incentive Loan (SAIL) \$3,135,015 Housing Credits (4% HC)	Development Category/Type: New Construction/Mid-Rise

1. Background/Present Situation:

- a) On February 24, 2020, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2020-208 for SAIL and Housing Credit Financing for the Construction of Workforce Housing.
- b) On June 11, 2020, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On October 16, 2020, the Board approved the Final Order resolving all pending litigation pertaining to the RFA, allowing staff to proceed with all necessary credit underwriting activities. On October 21, 2020, staff issued an invitation to enter credit underwriting to the Applicant, which states that the firm loan commitment must be issued within 12 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on October 26, 2020, giving them a firm loan commitment issuance deadline of October 26, 2021. Applicants may request one (1) extension of up to 6 months to secure a firm loan commitment.
- d) On October 22, 2021, the Board approved a request to extend the firm loan commitment issuance deadline from October 26, 2021 to April 26, 2022. Subsequently, on March 4, 2022, the Board approved a Rule waiver to extend the firm loan commitment issuance deadline from April 26, 2022 to October 26, 2022.
- e) On September 16, 2022, the Board approved the final credit underwriting report and directed staff to proceed with issuance of a firm commitment and closing activities. On September 22, 2022, staff issued a firm commitment to the Applicant giving them a loan closing deadline of March 21, 2023. A request for

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

an extension of the loan closing deadline may be considered by the Board for an extension term of up to 90 Calendar Days.

- f) On March 6, 2023, the Borrower requested an extension to the loan closing deadline from March 21, 2023 to June 19, 2023. ([Exhibit B](#)). Due to delays in HUD approvals an extension is necessary. Staff has reviewed this request and finds that it meets all requirements of the RFA.

2. Recommendation:

- a) Approve the request for a loan closing deadline extension from March 21, 2023 to June 19, 2023. The extension fee of one percent of the loan amounts was received on March 28, 2023.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

C. Request Approval for Firm Loan Commitment Issuance Deadline Extension for Everglades Village Phase 5.6 (RFA 2022-104 / 2022-237S)

Development Name: Everglades Village Phase 5.6	Location: Miami-Dade County
Applicant/Borrower: Everglades Village Phase 5.6, LLC	Set-Asides: 10% @ 25% AMI (ELI) 10% @ 50% AMI (SAIL) 80% @ 60% AMI (SAIL)
Developer/Principal: Rural Neighborhoods, Incorporated/Steven C. Kirk	Demographic/Number of Residents: Farmworker/20 units
Requested Amounts: \$4,300,000 State Apartment Incentive Loan (SAIL)	Development Category/Type: New Construction/Garden Apartments

1. **Background/Present Situation:**

- a) On December 9, 2021, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2021-205 for SAIL Funding for Farmworker and Commercial Fishing Worker Housing.
- b) On March 4, 2022, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On March 11, 2022, staff issued an invitation to enter credit underwriting to the Applicant, which states that the firm loan commitment must be issued within 12 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on March 18, 2022, giving them a firm loan commitment issuance deadline of March 18, 2023. Per the RFA, Applicants may request one (1) extension of up to 6 months to secure a firm loan commitment.
- d) On April 10, 2023, staff received a request from the Applicant to extend the firm loan issuance commitment deadline from March 18, 2023, to September 18, 2023 ([Exhibit C](#)). An extension is needed due to increased construction and permanent loan interest, increased construction pricing and interruptions to the construction supply chain. However, the development team believes the market demand for Farmworker Family housing remains strong in the local market and therefore the project remains feasible. Staff has reviewed this request and finds that it meets all requirements of the RFA.

2. **Recommendation:**

- a) Approve the request for a firm loan commitment issuance deadline extension from March 18, 2023, to September 18, 2023, subject to payment of the required non-refundable extension fee of one percent of the loan amount, pursuant to the requirements of the RFA.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

D. Request Approval for Firm Loan Commitment Issuance Deadline Extension for Lofts at Bahama Village (RFA 2022-208 / 2022-265CS)

Development Name: Lofts at Bahama Village	Location: Monroe County
Applicant/Borrower: Bahama Village Community, Ltd.	Set-Asides: 10% @ 25% AMI (SAIL, ELI & 9% HC) 40% @ 60% AMI (SAIL & 9% HC) 50% above 60% AMI and up to 120% AMI (Workforce)
Developer/Principal: TVC Development, Inc./James R. Hoover	Demographic/Number of Residents: Workforce/98 units
Requested Amounts: \$5,520,000 State Apartment Incentive Loan (SAIL) \$1,800,000 Housing Credits (9% HC)	Development Category/Type: New Construction/Garden Apartments

1. **Background/Present Situation:**

- a) On March 7, 2022, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2022-208 for SAIL and Housing Credit Financing for the Construction of Workforce Housing in Monroe County.
- b) On April 29, 2022, the Board approved the final scores and recommendations for the RFA and directed staff to proceed with all necessary credit underwriting activities.
- c) On May 2, 2022, staff issued an invitation to enter credit underwriting to the Applicant, which states that the firm loan commitment must be issued within 12 months of the acceptance to enter credit underwriting. The acceptance was acknowledged on May 3, 2022, giving them a firm loan commitment issuance deadline of May 3, 2023. Per the RFA, Applicants may request one (1) extension of up to 6 months to secure a firm loan commitment.
- d) On March 28, 2023, staff received a request from the Applicant to extend the firm loan issuance commitment deadline from May 3, 2023, to November 3, 2023 (**Exhibit D**). A six-month extension will allow the development team time to complete credit underwriting, due diligence and the permitting process. Staff has reviewed this request and finds that it meets all requirements of the RFA.

2. **Recommendation:**

- a) Approve the request for a firm loan commitment issuance deadline extension from May 3, 2023, to November 3, 2023, subject to payment of the required non-refundable extension fee of one percent of the loan amount, pursuant to the requirements of the RFA.

SPECIAL ASSETS

Consent

I. SPECIAL ASSETS

A. Request Approval to Refinance the First Mortgage for Manatee Cove, Ltd., a Florida Limited Partnership, for Manatee Cove Apartments (2005-006S/2006-06SEL/2005-511C)

Development Name: Manatee Cove Apartments ("Development")	Location: Brevard County
Developer/Principal: Richman Group ("Developer")/ Manatee Cove, Ltd. ("Borrower")	Set-Aside: SAIL & HC: 100%@60% AMI LURA: 50 years; EUA: 30 years
Number of Units: 192	Allocated Amount: SAIL \$4,000,000; HC \$810,996
Demographics: Family	Servicer: AmeriNat

1. Background:

- a) During the 2005/2006 funding cycle, Florida Housing Finance Corporation ("FHFC") awarded a State Apartment Incentive Loan ("SAIL") in the original amount of \$4,000,000 to Manatee Cove, Ltd., a Florida limited partnership ("Borrower"), for the development of a 192-unit apartment complex in Brevard County, Florida. The SAIL loan closed on November 17, 2006 and will mature on November 15, 2037. The Development also received a 2005 allocation of low-income housing tax credits ("HC") of \$810,996.

2. Present Situation:

- a) The Borrower requests consent from the Board to refinance the existing first mortgage and subordinate the SAIL loan and SAIL Land Use Restriction Agreement ("LURA") to the new first mortgage.
- b) Staff received a credit underwriting report ([Exhibit A](#)) from AmeriNat with a positive recommendation for approval of the refinancing of the first mortgage and subordination of the SAIL loan and SAIL LURA to the new first mortgage.

3. Recommendation:

- a) Approve the refinancing of the first mortgage and subordination of the SAIL loan and SAIL LURA to the new first mortgage, subject to the conditions provided in the credit underwriter's report, further approvals and verifications by the credit underwriter, counsel, and appropriate Florida Housing staff, and direct staff to proceed with loan document modification activities, as needed.

SPECIAL ASSETS

Consent

B. Request Approval of the Extension of the SAIL Loan for SP James LP, a Florida Limited Liability Partnership, for La Vista Oakes (2007-013BSUP/ 2007-103BS, 2008-504C, 2008H)

Development Name: St. James Place a/k/a La Vista Oakes (“Development”)	Location: Hillsborough County
Developer/Principal: Innovative Community Concepts, LLC (“Developer”); Southport Financial Services, Inc, SP St. James LP (“Borrower”)	Set-Aside(s): SAIL/Supplemental 10%@33%, 90%@60%; HC 10%@35%, 90%@60%, MMRB 10%@33%,15%@NR,75%@60% AMI LURA: 50 years; EUA: 50 years
Number of Units: 126	Allocated Amount: SAIL \$4,000,000; HC \$812,235
Demographics: Family	Servicer: AmeriNat

1. Background:

- a) During the 2007 Universal Cycle, Florida Housing Finance Corporation ("Florida Housing") awarded a Tax-Exempt Bond in the amount of \$7,400,000 and \$6,105,000 in SAIL loans (consisting of \$5,000,000 base loan and \$1,105,000 Supplemental loan for a total of \$6,105,000). The Supplemental loan is a Forgivable loan and matures May 8, 2023. The Development also received a 2008 allocation low-income housing tax credits ("HC") of \$639,468.

2. Present Situation:

- a) Staff received a request from the Borrower for approval to extend the SAIL Supplemental loan at its current terms, maturing May 8, 2023, to be coterminous with the SAIL loan maturing on May 8, 2038. The Borrower has agreed that all set-aside restrictions with the Supplemental loan will continue for the extended term of the loan.

3. Recommendation:

- a) Approve the extension of the SAIL Supplemental loan to be coterminous with the SAIL loan at its current terms maturing May 8, 2038 and direct staff to proceed with loan document modification activities, as needed.

SPECIAL ASSETS

Consent

- C. **Request Approval to Refinance the First Mortgage for Blue Angel Limited Partnership, a Florida limited partnership, for Stoddert Place Apartments (96DHR-007/1996 Series O/1998-515C/Guarantee 18)**

Development Name: Stoddert Place Apartments (“Development”)	Location: Escambia County
Developer/Principal: The Richman Group (“Developer”)/ Blue Angel Limited Partnership (“Borrower”)	Set-Aside: HOME 73%@60%, 27%@80%; HC 78.75%@60% LURA: 50 years; ELIHA: 30 years
Number of Units: 320	Allocated Amount: HOME \$2,200,000; MMRB \$11,930,000; HC \$538,840
Demographics: Family	Servicer: First Housing Development Corp.

1. **Background:**

- a) During the 1996 funding cycle, Florida Housing Finance Corporation (“FHFC”) awarded a Home Investment Partnership Program Loan (“HOME”) in the original amount of \$2,200,000, and a Multifamily Mortgage Revenue Bond Loan (“MMRB”) in the original amount of \$11,930,000 to Blue Angel Limited Partnership, a Florida limited partnership, for the development of a 320-unit apartment complex in Escambia County, Florida. The MMRB mortgage was credit-enhanced by the Florida Affordable Housing Guarantee Program with HUD Risk Sharing. The Development also received a 1998 allocation of low-income housing tax credits (“HC”) of \$538,840.
- b) In 2019, the Board approved a first mortgage refinancing that redeemed the underlying bonds and effectively terminated the mortgage guaranty issued by the Guarantee Program and its associated financial risk to FHFC

2. **Present Situation:**

- a) The Borrower requests consent from the Board to refinance the existing first mortgage, and subordinate the HOME loan, HOME documents and ELIHA to the new first mortgage. The proceeds of the new first mortgage will be used to satisfy the existing first mortgage, payment of closing cost and a partial paydown of the HOME loan.
- b) Staff received a credit underwriting report ([Exhibit B](#)) from First Housing Development Corporation with a positive recommendation for approval of the refinancing of the first mortgage, and subordination of the HOME loan, HOME documents and ELIHA to the new first mortgage.

SPECIAL ASSETS

Consent

3. **Recommendation:**

- a) Approve the refinancing of the first mortgage loan and subordination of the ELIHA, HOME loan and HOME documents to the new first mortgage, subject to the conditions provided in the credit underwriter's report, further approvals and verifications by the credit underwriter, counsel, and appropriate Florida Housing staff, and direct staff to proceed with loan document modification activities, as needed.

SPECIAL ASSETS

Consent

D. Request Approval for the Partial Release of Land for Creative Choice Homes XXVIII Ltd for Marina Del Ray (2002-026CS)

Development Name: Marina Del Ray	Location: Citrus County
Developer/Principal: Creative Choice Homes XXVIII Ltd (Owner)	Set-Aside: 44%@60%, 56%@50 HC 9% 44%@60%, 56%@50 SAIL LURA: 50 years EUA: 50 years
Number of Units: 100	Allocated Amount: HC9% \$748,670 SAIL \$1,100,000
Demographics: Elderly	Servicer: AmeriNat LLC

1. Background:

- a) During the 2004 funding cycle, Florida Housing Finance Corporation ("FHFC") awarded a State Apartment Incentive Loan ("SAIL") in the original amount of \$1,100,000, to Creative Choice Homes XXVIII Ltd. for the development of a 100-unit senior living facility in Citrus County. The Development also received an allocation of low-income housing tax credits ("HC") of \$748,670

2. Present Situation:

- a) Borrower requests approval to release approximately 1,020 square feet of land within the subject Development. The land was previously granted an Exclusive Utility Easement to Rolling Oaks Utilities who owns and operates a lift station on the site. CSWR-Florida is purchasing RO Utilities and desires that the lift station equipment be unencumbered by the mortgage and Land Use Restriction Agreement ("LURA").
- b) The Borrower would retain ownership of the property. There would be no sale involving the land and no proceeds and any sale.
- c) Staff received a credit underwriting report ([Exhibit C](#)) from AmeriNat with a positive recommendation for approval of the release of land from the SAIL Mortgage and LURA.

3. Recommendation:

- a) Approve the partial release of land and the modification of the legal description in the SAIL LURA and ELIHA, subject to the conditions provided in the credit underwriter's report, further approvals and verifications by the credit underwriter, counsel, and appropriate Florida Housing staff, and direct staff to proceed with loan document modification activities, as needed.



March 20, 2023

Melissa Levy
Multifamily Tax Credits Manager
Florida Housing Finance Corporation
227 N. Bronough Street, Suite 5000
Tallahassee, Florida 32301

**RE: Pinnacle at the Wesleyan - RFA 2020-201, Application 2021-098C
Pinnacle 441 – RFA 2020-202, Application 2021-017C/2023-013C
Pinnacle at La Cabana – RFA 2021-202, Application 2022-131C
Change of Owner and Developer Principal Disclosure**

Dear Ms. Levy:

I submit this request in my capacity with respect to the following entities which have active allocations of 9% Housing Credits:

- President of Authorized Member for Pinnacle at the Wesleyan, LLC (owner entity)
- President of Authorized Member for Pinnacle 441, LLC (owner entity)
- President of the General Partner for Pinnacle at La Cabana, LLLP (owner entity)
- President of Pinnacle Communities, LLC (developer entity)

As you are aware, applications for those developments were submitted and awarded prior to the death of Mitchell M. Friedman, one of the principals of the respective ownership and developer entities listed above. Mr. Friedman passed away on September 12, 2022.

This letter constitutes our request to change the principal disclosures for each entity, substituting Mr. Friedman with "The Estate of Mitchell M. Friedman." We engaged in discussions with Florida Housing legal staff last year to determine the appropriate means to provide disclosure and given that Mr. Friedman's estate is still in probate, it was determined that disclosing the estate is the proper designation until such time that probate is complete.

Thank you very much for your consideration of this request.

Sincerely,

A handwritten signature in blue ink, appearing to read "David O. Deutch", is written over the typed name.

David O. Deutch
President

cc: Gary J. Cohen
Robert Cheng
Marisa Button
Kristin Peters
Timothy P. Wheat
Coraly Rodriguez
Lilybeth De Leon

CURRENT APPLICANT STRUCTURE

APPROVED for HOUSING CREDITS
FHFC Advance Review
Received 9.21.20; Approved 9.22.20

Principal Disclosures for the Applicant

Select the organizational structure for the Applicant entity:

The Applicant is a: Limited Liability Company

Provide the name of the Applicant Limited Liability Company:

Pinnacle 441, LLC

% Ownership input features will not be made available until invitation to credit underwriting

First Principal Disclosure Level:

[Click here for Assistance with Completing the Entries for the First Level Principal Disclosure for the Applicant](#)

First Level Entity #	Select Type of Principal of Applicant	Enter Name of First Level Principal	Select organizational structure of First Level Principal identified	% Ownership of Applicant
1.	Non-Investor Member	PC 441, LLC	Limited Liability Company	0.0100%
2.	Investor Member	Deutch, David O. (placeholder)	Natural Person	99.9900%
3.	Manager	PC 441, LLC	Limited Liability Company	

Second Principal Disclosure Level:

Pinnacle 441, LLC

[Click here for Assistance with Completing the Entries for the Second Level Principal Disclosure for the Applicant](#)

Select the corresponding First Level Principal Entity # from above for which the Second Level Principal is being identified	Second Level Entity #	Select the type of Principal being associated with the corresponding First Level Principal Entity	Enter Name of Second Level Principal	Select organizational structure of Second Level Principal identified	Second Level Principal % Ownership of First Level Principal
1. (PC 441, LLC)	1.A.	Sole Member	PC GP Holdings, LLC	Limited Liability Company	100.0000%
1. (PC 441, LLC)	1.B.	Manager	Wolfson, Louis III	Natural Person	
1. (PC 441, LLC)	1.C.	Manager	Deutch, David O.	Natural Person	
1. (PC 441, LLC)	1.D.	Manager	Friedman, Mitchell M.	Natural Person	
3. (PC 441, LLC)	3.A.	Sole Member	PC GP Holdings, LLC	Limited Liability Company	100.0000%
3. (PC 441, LLC)	3.B.	Manager	Wolfson, Louis III	Natural Person	
3. (PC 441, LLC)	3.C.	Manager	Deutch, David O.	Natural Person	
3. (PC 441, LLC)	3.D.	Manager	Friedman, Mitchell M.	Natural Person	

Third Principal Disclosure Level:

Pinnacle 441, LLC

[Click here for Assistance with Completing the Entries for the Third Level Principal Disclosure for the Applicant](#)

Select the corresponding Second Level Principal Entity # from above for which the Third Level Principal is being identified	Third Level Entity #	Select the type of Principal being associated with the corresponding Second Level Principal Entity	Enter Name of Third Level Principal who must be either a Natural Person or a Trust	The organizational structure of Third Level Principal identified Must be either a Natural Person or a Trust	3rd Level Principal % Ownership of 2nd Level Principal
1.A. (PC GP Holdings, LLC)	1.A.(1)	Member	Wolfson, Louis III	Natural Person	33.3300%
1.A. (PC GP Holdings, LLC)	1.A.(2)	Member	Deutch, David O.	Natural Person	33.3300%
1.A. (PC GP Holdings, LLC)	1.A.(3)	Member	Friedman, Mitchell M.	Natural Person	33.3300%
1.A. (PC GP Holdings, LLC)	1.A.(4)	Manager	Wolfson, Louis III	Natural Person	
1.A. (PC GP Holdings, LLC)	1.A.(5)	Manager	Deutch, David O.	Natural Person	
1.A. (PC GP Holdings, LLC)	1.A.(6)	Manager	Friedman, Mitchell M.	Natural Person	
3.A. (PC GP Holdings, LLC)	3.A.(1)	Member	Wolfson, Louis III	Natural Person	33.3300%
3.A. (PC GP Holdings, LLC)	3.A.(2)	Member	Deutch, David O.	Natural Person	33.3300%
3.A. (PC GP Holdings, LLC)	3.A.(3)	Member	Friedman, Mitchell M.	Natural Person	33.3300%
3.A. (PC GP Holdings, LLC)	3.A.(4)	Manager	Wolfson, Louis III	Natural Person	
3.A. (PC GP Holdings, LLC)	3.A.(5)	Manager	Deutch, David O.	Natural Person	
3.A. (PC GP Holdings, LLC)	3.A.(6)	Manager	Friedman, Mitchell M.	Natural Person	

Principal Disclosures for the Developer

*APPROVED for HOUSING CREDITS
FHFC Advance Review
Received 9.21.20; Approved 9.22.20*

How many Developers are part of this Application structure?

1

Select the organizational structure for the Developer entity:

The Developer is a: Limited Liability Company

Provide the name of the Developer Limited Liability Company:

Pinnacle Communities, LLC

First Principal Disclosure Level:

Pinnacle Communities, LLC

[Click here for Assistance with Completing the Entries for the First Level Principal Disclosure for a Developer](#)

<u>First Level Entity #</u>	<u>Select Type of Principal of Developer</u>	<u>Enter Name of First Level Principal</u>	<u>Select organizational structure of First Level Principal identified</u>
1.	<u>Managing Member</u>	<u>Wolfson, Louis III</u>	<u>Natural Person</u>
2.	<u>Managing Member</u>	<u>Deutch, David O.</u>	<u>Natural Person</u>
3.	<u>Managing Member</u>	<u>Friedman, Mitchell M.</u>	<u>Natural Person</u>

PROPOSED APPLICANT STRUCTURE

Principal Disclosures for the Applicant

Select the organizational structure for the Applicant entity:

The Applicant is a: Limited Liability Company

Provide the name of the Applicant Limited Liability Company:

Pinnacle 441, LLC

% Ownership input features will not be made available until invitation to credit underwriting

First Principal Disclosure Level:

[Click here for Assistance with Completing the Entries for the First Level Principal Disclosure for the Applicant](#)

First Level Entity #	Select Type of Principal of Applicant	Enter Name of First Level Principal	Select organizational structure of First Level Principal identified	% Ownership of Applicant
1.	<u>Non-Investor Member</u>	<u>PC 441, LLC</u>	<u>Limited Liability Company</u>	<u>0.0100%</u>
2.	<u>Investor Member</u>	<u>Deutch, David O. (placeholder)</u>	<u>Natural Person</u>	<u>99.9900%</u>
3.	<u>Manager</u>	<u>PC 441, LLC</u>	<u>Limited Liability Company</u>	
4.	<u><Select an option></u>		<u><Select an option></u>	

Second Principal Disclosure Level:

Pinnacle 441, LLC

[Click here for Assistance with Completing the Entries for the Second Level Principal Disclosure for the Applicant](#)

Select the corresponding First Level Principal Entity # from above for which the Second Level Principal is being identified

Second Level Entity #	Select the type of Principal being associated with the corresponding First Level Principal Entity	Enter Name of Second Level Principal	Select organizational structure of Second Level Principal identified	Second Level Principal % Ownership of First Level Principal
<u>1. (PC 441, LLC)</u>	<u>1.A. Sole Member</u>	<u>PC GP Holdings, LLC</u>	<u>Limited Liability Company</u>	<u>100.0000%</u>
<u>1. (PC 441, LLC)</u>	<u>1.B. Manager</u>	<u>Wolfson, Louis III</u>	<u>Natural Person</u>	
<u>1. (PC 441, LLC)</u>	<u>1.C. Manager</u>	<u>Deutch, David O.</u>	<u>Natural Person</u>	
<u>3. (PC 441, LLC)</u>	<u>3.A. Sole Member</u>	<u>PC GP Holdings, LLC</u>	<u>Limited Liability Company</u>	<u>100.0000%</u>
<u>3. (PC 441, LLC)</u>	<u>3.B. Manager</u>	<u>Wolfson, Louis III</u>	<u>Natural Person</u>	
<u>3. (PC 441, LLC)</u>	<u>3.C. Manager</u>	<u>Deutch, David O.</u>	<u>Natural Person</u>	
<u><Select a #></u>	<u><Select an option></u>		<u><Select an option></u>	

Third Principal Disclosure Level:

Pinnacle 441, LLC

[Click here for Assistance with Completing the Entries for the Third Level Principal Disclosure for the Applicant](#)

Select the corresponding Second Level Principal Entity # from above for which the Third Level Principal is being identified

Third Level Entity #	Select the type of Principal being associated with the corresponding Second Level Principal Entity	Enter Name of Third Level Principal who must be either a Natural Person or a Trust	The organizational structure of Third Level Principal identified Must be either a Natural Person or a Trust	3rd Level Principal % Ownership of 2nd Level Principal
<u>1.A. (PC GP Holdings, LLC)</u>	<u>1.A.(1) Member</u>	<u>Wolfson, Louis III</u>	<u>Natural Person</u>	<u>33.3300%</u>
<u>1.A. (PC GP Holdings, LLC)</u>	<u>1.A.(2) Member</u>	<u>Deutch, David O.</u>	<u>Natural Person</u>	<u>33.3400%</u>
<u>1.A. (PC GP Holdings, LLC)</u>	<u>1.A.(3) Member</u>	<u>The Estate of Mitchell M. Friedman</u>	<u>Natural Person</u>	<u>33.3300%</u>
<u>1.A. (PC GP Holdings, LLC)</u>	<u>1.A.(4) Manager</u>	<u>Wolfson, Louis III</u>	<u>Natural Person</u>	
<u>1.A. (PC GP Holdings, LLC)</u>	<u>1.A.(5) Manager</u>	<u>Deutch, David O.</u>	<u>Natural Person</u>	
<u>3.A. (PC GP Holdings, LLC)</u>	<u>3.A.(1) Member</u>	<u>Wolfson, Louis III</u>	<u>Natural Person</u>	<u>33.3300%</u>
<u>3.A. (PC GP Holdings, LLC)</u>	<u>3.A.(2) Member</u>	<u>Deutch, David O.</u>	<u>Natural Person</u>	<u>33.3400%</u>
<u>3.A. (PC GP Holdings, LLC)</u>	<u>3.A.(3) Member</u>	<u>The Estate of Mitchell M. Friedman</u>	<u>Natural Person</u>	<u>33.3300%</u>
<u>3.A. (PC GP Holdings, LLC)</u>	<u>3.A.(4) Manager</u>	<u>Wolfson, Louis III</u>	<u>Natural Person</u>	
<u>3.A. (PC GP Holdings, LLC)</u>	<u>3.A.(5) Manager</u>	<u>Deutch, David O.</u>	<u>Natural Person</u>	
<u><Select a #></u>	<u><Select an option></u>		<u><Select an option></u>	

Principal Disclosures for the Developer

PROPOSED DEVELOPER STRUCTURE

How many Developers are part of this Application structure?

1

Select the organizational structure for the Developer entity:

The Developer is a: Limited Liability Company

Provide the name of the Developer Limited Liability Company:

Pinnacle Communities, LLC

First Principal Disclosure Level:

Pinnacle Communities, LLC

[Click here for Assistance with Completing the Entries for the First Level Principal Disclosure for a Developer](#)

<u>First Level Entity #</u>	<u>Select Type of Principal of Developer</u>	<u>Enter Name of First Level Principal</u>	<u>Select organizational structure of First Level Principal identified</u>
1.	<u>Member</u>	<u>Wolfson, Louis III</u>	<u>Natural Person</u>
2.	<u>Member</u>	<u>Deutch, David O.</u>	<u>Natural Person</u>
3.	<u>Member</u>	<u>The Estate of Mitchell M. Friedman</u>	<u>Natural Person</u>
4.	<u>Manager</u>	<u>Wolfson, Louis III</u>	<u>Natural Person</u>
5.	<u>Manager</u>	<u>Deutch, David O.</u>	<u>Natural Person</u>
6.	<u><Select an option></u>	<u></u>	<u><Select an option></u>



March 20, 2023

Melissa Levy
Multifamily Tax Credits Manager
Florida Housing Finance Corporation
227 N. Bronough Street, Suite 5000
Tallahassee, Florida 32301

**RE: Pinnacle at the Wesleyan - RFA 2020-201, Application 2021-098C
Pinnacle 441 – RFA 2020-202, Application 2021-017C/2023-013C
Pinnacle at La Cabana – RFA 2021-202, Application 2022-131C
Change of Owner and Developer Principal Disclosure**

Dear Ms. Levy:

I submit this request in my capacity with respect to the following entities which have active allocations of 9% Housing Credits:

- President of Authorized Member for Pinnacle at the Wesleyan, LLC (owner entity)
- President of Authorized Member for Pinnacle 441, LLC (owner entity)
- President of the General Partner for Pinnacle at La Cabana, LLLP (owner entity)
- President of Pinnacle Communities, LLC (developer entity)

As you are aware, applications for those developments were submitted and awarded prior to the death of Mitchell M. Friedman, one of the principals of the respective ownership and developer entities listed above. Mr. Friedman passed away on September 12, 2022.

This letter constitutes our request to change the principal disclosures for each entity, substituting Mr. Friedman with "The Estate of Mitchell M. Friedman." We engaged in discussions with Florida Housing legal staff last year to determine the appropriate means to provide disclosure and given that Mr. Friedman's estate is still in probate, it was determined that disclosing the estate is the proper designation until such time that probate is complete.

Thank you very much for your consideration of this request.

Sincerely,

A handwritten signature in blue ink, appearing to read "David O. Deutch", is written over the typed name.

David O. Deutch
President

cc: Gary J. Cohen
Robert Cheng
Marisa Button
Kristin Peters
Timothy P. Wheat
Coraly Rodriguez
Lilybeth De Leon

CURRENT APPLICANT STRUCTURE

APPROVED for HOUSING CREDITS
FHFC Advance Review
Received 8.3.21; Approved 8.6.21

Principal Disclosures for the Applicant

Select the organizational structure for the Applicant entity:

The Applicant is a: Limited Partnership

Provide the name of the Applicant Limited Partnership:

Pinnacle at La Cabana, LLLP

% Ownership input features will not be made available until invitation to credit underwriting

First Principal Disclosure Level:

[Click here for Assistance with Completing the Entries for the First Level Principal Disclosure for the Applicant](#)

First Level Entity #	Select Type of Principal of Applicant	Enter Name of First Level Principal	Select organizational structure of First Level Principal identified	% Ownership of Applicant
1.	<u>General Partner</u>	<u>PC - Cabana LLC</u>	<u>Limited Liability Company</u>	<u>0.0100%</u>
2.	<u>Investor LP</u>	<u>Deutch, David O. (placeholder)</u>	<u>Natural Person</u>	<u>99.9900%</u>

Second Principal Disclosure Level:

Pinnacle at La Cabana, LLLP

[Click here for Assistance with Completing the Entries for the Second Level Principal Disclosure for the Applicant](#)

Select the corresponding First Level Principal Entity # from above for which the Second Level Principal is being identified

Second Level Entity #	Select the type of Principal being associated with the corresponding First Level Principal Entity	Enter Name of Second Level Principal	Select organizational structure of Second Level Principal identified	Second Level Principal % Ownership of First Level Principal
<u>1. (PC - Cabana LLC)</u>	<u>1.A. Sole Member</u>	<u>PC GP Holdings, LLC</u>	<u>Limited Liability Company</u>	<u>100.0000%</u>
<u>1. (PC - Cabana LLC)</u>	<u>1.B. Manager</u>	<u>Wolfson, Louis III</u>	<u>Natural Person</u>	
<u>1. (PC - Cabana LLC)</u>	<u>1.C. Manager</u>	<u>Deutch, David O.</u>	<u>Natural Person</u>	
<u>1. (PC - Cabana LLC)</u>	<u>1.D. Manager</u>	<u>Friedman, Mitchell M.</u>	<u>Natural Person</u>	

Third Principal Disclosure Level:

Pinnacle at La Cabana, LLLP

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Select the corresponding Second Level Principal Entity # from above for which the Third Level Principal is being identified

Third Level Entity #	Select the type of Principal being associated with the corresponding Second Level Principal Entity	Enter Name of Third Level Principal who must be either a Natural Person or a Trust	The organizational structure of Third Level Principal identified Must be either a Natural Person or a Trust	3rd Level Principal % Ownership of 2nd Level Principal
<u>1.A. (PC GP Holdings, LLC)</u>	<u>1.A.(1) Member</u>	<u>Wolfson, Louis III</u>	<u>Natural Person</u>	<u>33.3300%</u>
<u>1.A. (PC GP Holdings, LLC)</u>	<u>1.A.(2) Member</u>	<u>Deutch, David O.</u>	<u>Natural Person</u>	<u>33.3400%</u>
<u>1.A. (PC GP Holdings, LLC)</u>	<u>1.A.(3) Member</u>	<u>Friedman, Mitchell M.</u>	<u>Natural Person</u>	<u>33.3300%</u>
<u>1.A. (PC GP Holdings, LLC)</u>	<u>1.A.(4) Manager</u>	<u>Wolfson, Louis III</u>	<u>Natural Person</u>	
<u>1.A. (PC GP Holdings, LLC)</u>	<u>1.A.(5) Manager</u>	<u>Deutch, David O.</u>	<u>Natural Person</u>	
<u>1.A. (PC GP Holdings, LLC)</u>	<u>1.A.(6) Manager</u>	<u>Friedman, Mitchell M.</u>	<u>Natural Person</u>	

APPROVED for HOUSING CREDITS
FHFC Advance Review
Received 8.3.21; Approved 8.6.21

Principal Disclosures for the Developer

How many Developers are part of this Application structure?

1

Select the organizational structure for the Developer entity:

The Developer is a: Limited Liability Company

Provide the name of the Developer Limited Liability Company:

Pinnacle Communities, LLC

First Principal Disclosure Level:

Pinnacle Communities, LLC

[Click here for Assistance with Completing the Entries for the First Level Principal Disclosure for a Developer](#)

<u>First Level Entity #</u>	<u>Select Type of Principal of Developer</u>	<u>Enter Name of First Level Principal</u>	<u>Select organizational structure of First Level Principal identified</u>
1.	<u>Managing Member</u>	<u>Wolfson, Louis III</u>	<u>Natural Person</u>
2.	<u>Managing Member</u>	<u>Deutch, David O.</u>	<u>Natural Person</u>
3.	<u>Managing Member</u>	<u>Friedman, Mitchell M.</u>	<u>Natural Person</u>

Principal Disclosures for the Applicant

PROPOSED APPLICANT STRUCTURE

Select the organizational structure for the Applicant entity:

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Provide the name of the Applicant Limited Partnership:

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First Principal Disclosure Level:

[Click here for Assistance with Completing the Entries for the First Level Principal Disclosure for the Applicant](#)

First Level Entity #	Select Type of Principal of Applicant	Enter Name of First Level Principal	Select organizational structure of First Level Principal identified	% Ownership of Applicant
1.	<u>General Partner</u>	<u>PC - Cabana, LLC</u>	<u>Limited Liability Company</u>	<u>0.0100%</u>
2.	<u>Investor LP</u>	<u>Deutch, David O. (placeholder)</u>	<u>Natural Person</u>	<u>99.9900%</u>
3.	<u><Select an option></u>	<u><Select an option></u>	<u><Select an option></u>	

Second Principal Disclosure Level:

Pinnacle at La Cabana, LLLP

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Select the corresponding First Level Principal Entity # from above for which the Second Level Principal is being identified

Second Level Entity #	Select the type of Principal being associated with the corresponding First Level Principal Entity	Enter Name of Second Level Principal	Select organizational structure of Second Level Principal identified	Second Level Principal % Ownership of First Level Principal
<u>1. (PC - Cabana, LLC)</u>	<u>Sole Member</u>	<u>PC GP Holdings, LLC</u>	<u>Limited Liability Company</u>	<u>100.0000%</u>
<u>1. (PC - Cabana, LLC)</u>	<u>Manager</u>	<u>Wolfson, Louis III</u>	<u>Natural Person</u>	
<u>1. (PC - Cabana, LLC)</u>	<u>Manager</u>	<u>Deutch, David O.</u>	<u>Natural Person</u>	
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Third Principal Disclosure Level:

Pinnacle at La Cabana, LLLP

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<u>1.A. (PC GP Holdings, LLC)</u>	<u>Member</u>	<u>Wolfson, Louis III</u>	<u>Natural Person</u>	<u>33.3300%</u>
<u>1.A. (PC GP Holdings, LLC)</u>	<u>Member</u>	<u>Deutch, David O.</u>	<u>Natural Person</u>	<u>33.3400%</u>
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Principal Disclosures for the Developer

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Pinnacle Communities, LLC

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<u>First Level Entity #</u>	<u>Select Type of Principal of Developer</u>	<u>Enter Name of First Level Principal</u>	<u>Select organizational structure of First Level Principal identified</u>
1.	<u>Member</u>	<u>Wolfson, Louis III</u>	<u>Natural Person</u>
2.	<u>Member</u>	<u>Deutch, David O.</u>	<u>Natural Person</u>
3.	<u>Member</u>	<u>The Estate of Mitchell M. Friedman</u>	<u>Natural Person</u>
4.	<u>Manager</u>	<u>Wolfson, Louis III</u>	<u>Natural Person</u>
5.	<u>Manager</u>	<u>Deutch, David O.</u>	<u>Natural Person</u>
6.	<u><Select an option></u>	<u></u>	<u><Select an option></u>



March 20, 2023

Melissa Levy
Multifamily Tax Credits Manager
Florida Housing Finance Corporation
227 N. Bronough Street, Suite 5000
Tallahassee, Florida 32301

**RE: Pinnacle at the Wesleyan - RFA 2020-201, Application 2021-098C
Pinnacle 441 – RFA 2020-202, Application 2021-017C/2023-013C
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Sincerely,

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David O. Deutch
President

cc: Gary J. Cohen
Robert Cheng
Marisa Button
Kristin Peters
Timothy P. Wheat
Coraly Rodriguez
Lilybeth De Leon

CURRENT APPLICANT STRUCTURE

APPROVED for HOUSING CREDITS
FHFC Advance Review
Received 9.21.20; Approved 9.22.20

Principal Disclosures for the Applicant

Select the organizational structure for the Applicant entity:

The Applicant is a: Limited Liability Company

Provide the name of the Applicant Limited Liability Company:

Pinnacle at the Wesleyan, LLC

% Ownership input features will not be made available until invitation to credit underwriting

First Principal Disclosure Level:

[Click here for Assistance with Completing the Entries for the First Level Principal Disclosure for the Applicant](#)

First Level Entity #	Select Type of Principal of Applicant	Enter Name of First Level Principal	Select organizational structure of First Level Principal identified	% Ownership of Applicant
1.	<u>Non-Investor Member</u>	<u>PC Wesleyan, LLC</u>	<u>Limited Liability Company</u>	<u>0.0100%</u>
2.	<u>Investor Member</u>	<u>Deutch, David O. (Placeholder)</u>	<u>Natural Person</u>	<u>99.9900%</u>
3.	<u>Manager</u>	<u>PC Wesleyan, LLC</u>	<u>Limited Liability Company</u>	

Second Principal Disclosure Level:

Pinnacle at the Wesleyan, LLC

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Select the corresponding First Level Principal Entity # from above for which the Second Level Principal is being identified

Second Level Entity #	Select the type of Principal being associated with the corresponding First Level Principal Entity	Enter Name of Second Level Principal	Select organizational structure of Second Level Principal identified	Second Level Principal % Ownership of First Level Principal
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<u>1. (PC Wesleyan, LLC)</u>	<u>1.B. Manager</u>	<u>Wolfson, Louis III</u>	<u>Natural Person</u>	
<u>1. (PC Wesleyan, LLC)</u>	<u>1.C. Manager</u>	<u>Deutch, David O.</u>	<u>Natural Person</u>	
<u>1. (PC Wesleyan, LLC)</u>	<u>1.D. Manager</u>	<u>Friedman, Mitchell M.</u>	<u>Natural Person</u>	
<u>3. (PC Wesleyan, LLC)</u>	<u>3.A. Sole Member</u>	<u>PC GP Holdings, LLC</u>	<u>Limited Liability Company</u>	<u>100.0000%</u>
<u>3. (PC Wesleyan, LLC)</u>	<u>3.B. Manager</u>	<u>Wolfson, Louis III</u>	<u>Natural Person</u>	
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Third Principal Disclosure Level:

Pinnacle at the Wesleyan, LLC

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<u>1.A. (PC GP Holdings, LLC)</u>	<u>1.A.(6) Manager</u>	<u>Friedman, Mitchell M.</u>	<u>Natural Person</u>	
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<u>3.A. (PC GP Holdings, LLC)</u>	<u>3.A.(5) Manager</u>	<u>Deutch, David O.</u>	<u>Natural Person</u>	
<u>3.A. (PC GP Holdings, LLC)</u>	<u>3.A.(6) Manager</u>	<u>Friedman, Mitchell M.</u>	<u>Natural Person</u>	

CURRENT DEVELOPER STRUCTURE

APPROVED for HOUSING CREDITS
FHFC Advance Review
Received 9.21.20; Approved 9.22.20

Principal Disclosures for the Developer

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Provide the name of the Developer Limited Liability Company:

Pinnacle Communities, LLC

First Principal Disclosure Level:

Pinnacle Communities, LLC

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<u>First Level Entity #</u>	<u>Select Type of Principal of Developer</u>	<u>Enter Name of First Level Principal</u>	<u>Select organizational structure of First Level Principal identified</u>
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Principal Disclosures for the Applicant

PROPOSED APPLICANT STRUCTURE

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1.	<u>Non-Investor Member</u>	<u>PC Wesleyan, LLC</u>	<u>Limited Liability Company</u>	<u>0.0100%</u>
2.	<u>Investor Member</u>	<u>Deutch, David O. (placeholder)</u>	<u>Natural Person</u>	<u>99.9900%</u>
3.	<u>Manager</u>	<u>PC Wesleyan, LLC</u>	<u>Limited Liability Company</u>	
4.	<u><Select an option></u>		<u><Select an option></u>	

Second Principal Disclosure Level:

Pinnacle at the Wesleyan, LLC

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<u><Select a #></u>	<u><Select an option></u>		<u>Natural Person</u>	

Third Principal Disclosure Level:

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Principal Disclosures for the Developer

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Pinnacle Communities, LLC

[Click here for Assistance with Completing the Entries for the First Level Principal Disclosure for a Developer](#)

<u>First Level Entity #</u>	<u>Select Type of Principal of Developer</u>	<u>Enter Name of First Level Principal</u>	<u>Select organizational structure of First Level Principal identified</u>
1.	<u>Member</u>	<u>Wolfson, Louis III</u>	<u>Natural Person</u>
2.	<u>Member</u>	<u>Deutch, David O.</u>	<u>Natural Person</u>
3.	<u>Member</u>	<u>The Estate of Mitchell M. Friedman</u>	<u>Natural Person</u>
4.	<u>Manager</u>	<u>Wolfson, Louis III</u>	<u>Natural Person</u>
5.	<u>Manager</u>	<u>Deutch, David O.</u>	<u>Natural Person</u>
6.	<u><Select an option></u>	<u></u>	<u><Select an option></u>



501 N Magnolia Ave
Orlando, FL 32801
Phone (407) 233-3335
BanyanDevelopmentGroup.com

March 30, 2023

Marisa Button
Director of Multifamily Programs
Florida Housing Finance Corporation
227 N. Bronough Street, Suite 5000
Tallahassee, FL 32301

Re: Hibiscus Apartments Phase Two (2022-022C); BDG Orchid Apartments, LP; 1550 Ortiz Ave, Fort Myers

Dear Marisa:

Hibiscus Apartments Phase Two hereby requests an extension of the CHIRP deadline to close on the limited partnership agreement from April 28th, 2023 until September 8th, 2023.

The project was invited to credit underwriting May 5th, 2022. Beginning prior to that date, the development has continuously progressed toward permit-readiness and the closing of the LPA. At no point was the pursuit of permit-readiness put on hold on account of cost increases or any other factors. As of today the building plans have been approved and the site plan is down to two comments.

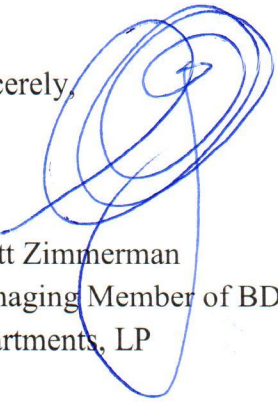
However, after Hurricanes Ian and Nicole, labor and materials pricing spiked in the Fort Myers area much more than the increases across the balance of the State. We have since been working to value engineer both the site and building plans, with the most substantial change being a conversion from concrete plank floors and ceilings to wood trusses, which we expect to be fully complete by April 6th, at which point the GC will send them out to bid. We expect these fully updated construction costs by mid May.

Assuming the costs are back within the underwritten GC contract and development budget as expected, the limited partner would then need at least another 60-90 days to close on the LPA, pushing us out until July or August.

We will also need to modify the permit with the VE plans but expect to be able to receive that approval within 60 days of receiving GC's updated costs in mid-May.

Thank you very much for your consideration and support for this much needed community in Fort Myers.

Sincerely,

A handwritten signature in blue ink, consisting of several overlapping loops and a long vertical stroke extending downwards.

Scott Zimmerman
Managing Member of BDG Orchid Apartments GP, LLC, General Partner of BDG Orchid
Apartments, LP



198 NE 4TH AVENUE
DELRAY BEACH, FLORIDA 33444

TELEPHONE: (561) 859-8520
DSMITH@SMITHHENZY.COM
WWW.SMITHHENZY.COM

April 5, 2023

Melissa Levy
Multifamily Tax Credits Director
Florida Housing Finance Corporation
227 N. Bronough St., Suite 5000
Tallahassee, FL 32301

Re: Grove Manor Apartments (2021-038C/2023-006C)
CHIRP LPA Deadline

Dear Ms. Crane,

The Applicant, Grove Manor Apartments, LLLP, formally requests an extension of the CHIRP LPA Deadline deadline for the Grove Manor Apartments development to June 30, 2023.

WHA has filed a HUD RAD Conversion of its public housing portfolio. All documentation necessary for HUD closing approval is in process. It is anticipated that all required documents will be submitted to HUD by Friday, April 21, 2023. HUD will not allow closing of the Limited Partnership Agreement prior to the approval of all related closing documents. HUD can take up to 60-days to review and provide final approval of the transaction once all documentation has been submitted. Based on this timeline, we believe an additional 60-days to complete the closing of the transaction will be sufficient to complete closing activity.

The entire development team is committed to the completion and success of Grove Manor Apartments and will do everything within its power to mitigate any unanticipated delays. We will keep Florida Housing staff informed as to the progress of RAD Conversion and projected closing of the transaction.

Sincerely,

A handwritten signature in blue ink that reads "Darren Smith".

Darren Smith
Managing Member
SHAG Grove Manor Apartments, LLC
Its Co-Developer



April 20, 2023

Ms. Nicole Gibson
Federal Loan Programs Director
Florida Housing Finance Corporation
227 N. Bronough Street, Suite 5000
Tallahassee, FL 32301

RE: Greyes Place Phase II – HOME RFA 2020-206 (2021-288H)
CUR Update Letter (“CUL”) - Changes to the Credit Underwriting Report dated October 13, 2020 (“CUR”) to include Additional Subordinate Debt HOME Viability Loan \$208,285

Dear Ms. Gibson:

AmeriNat® (“AmeriNat” or “Servicer”) is in receipt of a request dated April 6, 2022 from Affordable Housing Solutions for Florida, Inc. (the “Borrower” or “Applicant”) wherein the Borrower is seeking approval to include an additional funding source in the form of a HOME Viability Loan from Florida Housing Finance Corporation (“FHFC”, “Florida Housing”, or “Corporation”) in an amount determined by the credit underwriter to help offset increased construction costs for Greyes Place Phase II (the “Development”). The additional funds will increase the existing second mortgage HOME Loan and will be subordinate to the first mortgage Neighborhood Lending Partners of Florida, Inc. (“NLP”) loan.

For purposes of this analysis, AmeriNat reviewed the following due diligence:

- Correspondence from the Applicant regarding approval of the request detailed above
- Final CUR
- Servicer Closing Letter (“Closing Letter”) dated April 20, 2022
- October 22, 2021 FHFC Board Meeting Action Items
- Inspection Field Report Number 9 dated March 6, 2023
- FHFC Past Due Report dated March 23, 2023
- FHFC Noncompliance Report dated December 28, 2022
- Various other correspondence related to the aforementioned documentation
- Request for Applications 2020-206 (“RFA”)

Per the October 22, 2021 FHFC Board Meeting Action Items and correspondence from FHFC, the HOME Viability Loan is subject to the following provisions and terms:

1. The minimum qualifying new loan amount is \$200,000 and the maximum qualifying new loan amount is \$1,125,000.
2. The maximum per unit qualifying new loan amount is \$40,000.
3. It will be a requirement to defer at least 25% of the Developer Fee.
4. Borrowers must use actual other sources of financing based on current sources, a sized HOME Viability Loan and a deferred Developer Fee.
5. To calculate the Sized Gap Amount: Total Development Cost (“TDC”) less the 25% Deferred Developer Fee and less the greater of (a) all other sources disclosed in the Original Application,

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or (b) all other sources disclosed in the most recently Board approved credit underwriting report or update letter. If the Applicant does not yet have a Board approved credit underwriting report, but the credit underwriter has reviewed and approved the currently known sources of funding and TDC and the primary remaining issue for not presenting the credit underwriting report for approval is the lack of adequate funding sources to cover the TDC in an economically viable manner, then this set of data can be used as a substitute for (b).

6. The HOME Viability Loan shall be made under the same terms as the original HOME loan for which the Applicant applied.
7. The TDC Per Unit Limitation test that was modified at the July 30, 2021, FHFC Board meeting must be met.
8. Successful Applicants will be required to complete underwriting by their original due dates, or no later than 6 months from the date of the viability loan award. Successful Applicants will be required to close on financing by their original due dates, or no later than 6 months from the date of the underwriting approval/update.

AmeriNat has reviewed the request, sized the HOME Viability Loan, and formulated a recommendation. AmeriNat's findings are presented below.

Overview:

The CUR for the Development was approved at the October 22, 2021 FHFC Board meeting. At that time, pursuant to the RFA, AmeriNat recommended FHFC fund a HOME Loan in the amount of \$5,791,715 for the new construction of the Development. The transaction closed on April 20, 2022.

The Borrower is seeking approval to add an additional funding source in the form of a HOME Viability Loan from FHFC to help offset increases to the construction costs. Per Inspection Field Report Number 9, prepared by GLE Associates, Inc. ("GLE"), the total construction contract has increased from \$5,342,498 to \$5,632,076.96 for a total change of \$289,578.96 due to Change Orders 1-13.

The HOME Viability Loan will be required to be available during construction.

The Development is located on Shebly Circle connecting with proposed Greyes Place Drive, intersecting with High Drive near Daniel Lane, contiguous with 59 Daniel Lane, Crawfordville, Wakulla County, 32327. The Development will have a total of 30 units which will consist of 12 two bedroom/two bathroom and 18 three-bedroom/two-bathroom units within fifteen duplex apartment buildings. The HOME (Assisted Units) set asides are as follows: Development will provide not less than 20% of the units (6 units) for tenants with incomes at or below 50% of Area Median Income ("AMI") and 80% of the units (24 units) for tenants with incomes at or below 60% of AMI for a period of 50 years.

According to the FHFC Past Due Report, no past due items exist for the Development Team.

According to the FHFC Asset Management Noncompliance Report, the Development Team has noncompliance items associated with North Central Heights II as follows:

- 1) Failure to document tenant eligibility upon initial occupancy
- 2) Failure to properly recertify eligibility

However, First Housing confirmed that both items were cured and the review was closed out on April 3, 2023.

Construction/Permanent Sources:

The sources of funds during construction and permanent phases of the Development, as presented in the Closing Letter, are as follows:

CONSTRUCTION/PERMANENT SOURCES:			
Source	Lender	Construction	Permanent
Regulated Mortgage Lender	NLP	\$1,210,302.00	\$1,210,302.00
Second Mortgage	FHFC - HOME	\$5,791,715.00	\$5,791,715.00
Regulated Mortgage Lender	NLP	\$34,706.00	\$34,706.00
Deferred Developer Fee	Developer	\$672,217.02	\$672,217.02
TOTAL		\$7,708,940.02	\$7,708,940.02

If approved, the sources that will change from the Closing Letter are the Deferred Developer Fee and the inclusion of the HOME Viability Loan. The proposed Financing Sources are as follows:

CONSTRUCTION/PERMANENT SOURCES:			
Source	Lender	Construction	Permanent
Regulated Mortgage Lender	NLP	\$1,210,302.00	\$1,210,302.00
FHFC - HOME	FHFC	\$5,791,715.00	\$5,791,715.00
FHFC - HOME Viability	FHFC	\$208,285.00	\$208,285.00
Regulated Mortgage Lender	NLP	\$0.00	\$0.00
Deferred Developer Fee	Developer	\$580,247.98	\$580,247.98
TOTAL		\$7,790,549.98	\$7,790,549.98

Proposed HOME Viability Loan

A Viability HOME Loan has been sized in the amount of \$208,285 to help offset the additional costs incurred since the commencement of construction. The \$208,285 HOME Viability Loan would increase the original HOME Loan amount from \$5,791,715 to \$6,000,000, which is the maximum HOME loan amount that can be requested per the RFA and requirements per the October 22, 2021 FHFC Board Meeting Action Items. The Viability HOME Loan terms will be made under the same terms of the original HOME Loan. The HOME Loan and HOME Viability Loan will close separately but will have one set of closing documents. The HOME Viability Loan will be non-amortizing with a 0.00% interest rate over the life of the loan. The HOME Viability Loan will have a maturity date of October 20, 2044, and all principal and unpaid interest, if any, will be due at this time. Annual payments of all applicable fees will be required. Fees include an annual Permanent Loan Servicing Fee of 25 bps of the outstanding loan amount (the existing HOME Loan and the HOME Viability Loan) up to a maximum of \$909 per month, subject to a minimum of \$229 per month and an annual Compliance Monitoring Fee equal to a monthly base fee of \$178 plus fee per set-aside unit of \$10.91 per unit, subject to a monthly minimum of \$278 and subject to an annual increase based on the South Region Consumer Price Index not to exceed 3% of the prior year's fee which covers the existing HOME Loan and the HOME Viability Loan. HOME Viability

Loan proceeds shall be disbursed during the construction phase pro rata with other funding sources during construction, unless approved by the credit underwriter.

NLP Third Mortgage

Included in the Final CUR was a third mortgage loan from NLP ("NLP Loan") in the amount of \$34,706. Per the Application, the loan as a Match contribution. Per the RFA, the Match contribution must be permanently contributed to the HOME project and be a part of the final Sources and Uses. The NLP Loan was fully funded at the HOME Loan closing and has since been repaid in full. Receipt of a Satisfaction of Mortgage for the NLP Loan is a condition precedent to the closing of the HOME Viability Loan.

Deferred Developer Fee

Per the Closing Letter, AmeriNat estimated the Borrower needed to defer \$672,217.02 or 65.04% in Developer Fee during construction, and after stabilization. With the previously noted changes, the projected deferred Developer Fee during construction and after stabilization is now \$580,247.98 or 55.54% of total Developer Fee, a decrease of \$91,969.04, which still satisfies the 25% minimum permanent deferral requirement of the HOME Viability Loan.

With the previously noted reduction in deferred Developer Fee, a total of \$464,569.02 of Developer Fee is payable through construction completion. A total of \$265,268.90 of Developer Fee is allowed to be drawn upon 34% construction completion. \$132,102.61 has been drawn to date leaving \$133,166.29 that can be funded. AmeriNat recommends that this amount, which is subject to change based on the applicable construction draw, be funded in the first draw subsequent to the closing of the HOME Viability loan. Thereafter, since hard cost contingency has been exhausted, AmeriNat recommends that no additional Developer Fee be funded until the Development reaches 75% and 100% construction completion. Based on the above referenced amounts, \$199,300.12 is the estimated payable Developer Fee available through 100% construction completion.

Total Development Costs

Overall, TDC have increased by \$81,609.96, inclusive of the applicable increase to Developer Fee from \$7,708,940.02 per the Closing Letter to \$7,790,549.98. With the increase to the TDC, the resulting total Developer Fee increased by \$11,257 from \$1,033,560 to \$1,044,817. In accordance with the RFA, FHFC limits the TDC per unit based on the average cost to deliver new construction units. Including the anticipated increase to construction costs, the current estimate of the proposed Development for new construction of Enhanced Structural Systems Construction ("ESSC") duplex apartment buildings, inclusive of FHFC increases to the TDC limitation ratified at the April 29, 2022 FHFC Board meeting, is limited to a TDC of no more than \$403,725.38 per unit. The proposed TDC, inclusive of the changes noted in this recommendation, is \$252,497.53 per unit which does not exceed the limit. As such, the Development is eligible for funding.

Operating Pro Forma:

For transactions that have HOME funding per Rule 67-48, the minimum Debt Service Coverage ("DSC") shall be 1.10x to 1.00 for the HOME Loan and all superior mortgages. Per the CUR, the first and second

mortgages can be supported by operations at a 1.32x to 1.00 DSC and all mortgage loans and fees can be supported by operations at a 1.31x to 1.00 DSC. After applying the annual HOME and HOME Viability Loan fees, the first and second mortgages can be supported by operations at a 1.31x to 1.00 DSC and all mortgage loans and fees can be supported by operations at a 1.31x to 1.00 DSC, which meets the minimum Rule requirements. Please see Exhibit A for the updated Operating Pro Forma.

Plan and Cost Review ("PCR")

An updated PCR was performed by GLE, incorporating the changes made to the plans/specs for the addition of a maintenance building (instead of a maintenance shed that was included in the original scope of work) with public bathrooms and dog park as well as various change orders, and their findings were summarized in a report dated November 10, 2022. The review concluded that overall costs to construct are sufficient for satisfactory completion of the proposed Development. The costs for similar type developments identified in the PCR range from \$175,180 per unit to \$188,874 per unit with the Development within the range at \$185,899/unit. This represents an increase of \$7,816/unit from the \$178,083/unit noted in the CUR. It is GLE's opinion that the construction costs generally appear appropriate for the additional scope of work.

In addition, AmeriNat is in receipt of Inspection Field Report Number 9, detailing GLE's March 1, 2023 inspection of the Development. The Development was approximately 34% complete at the time of GLE's inspection. Three additional change orders totaling \$55,079 were incorporated into the contract since the time the PCR was completed bringing the total construction contract to \$5,632,076.96 (\$187,735.90/unit) and is within an acceptable range as compared to similar type developments.

Recommendation

Based on the foregoing, AmeriNat recommends that FHFC consent to and approve a HOME Viability Loan in the amount of \$208,285 and the subordination of the HOME Viability documents to the first mortgage NLP loan. The additional funding will allow the Development to offset the additional construction costs. The addition of the funds does not adversely impact the transaction as previously underwritten. Closing of the transaction is subject to the following conditions:

1. Review and approval of all loan documents consistent with the terms outlined above by the Servicer, Florida Housing and its Legal Counsel.
2. Payment of all costs and fees to Florida Housing, its Legal Counsel, and Servicer, as applicable.
3. Satisfactory resolution of any outstanding Florida Housing noncompliance and/or past due items.
4. Payment of any outstanding arrearages to FHFC, its Legal Counsel, Servicer or any Agent or Assignee of FHFC for past due issues applicable to the Development Team (Borrower or Developer or Principal, Affiliate, or Financial Beneficiary, as described in 67-48.0075(5) F.A.C., of an Applicant or a Developer), if applicable.

5. Receipt of a Satisfaction of Mortgage for the third mortgage NLP loan is a condition precedent to the closing of the HOME Viability Loan.
6. Any other requirement of Florida Housing, its Legal Counsel and Servicer.

Please do not hesitate to contact me if you need further assistance.

Sincerely,



Matthew Smiley
Credit Underwriter Analyst
Attachment

Exhibit A

FINANCIAL COSTS:		Year 1	Year 1 Per Unit
OPERATING PRO FORMA			
INCOME:	Gross Potential Rental Income	\$305,760	\$10,192
	Other Income		\$0
	Ancillary Income	\$5,400	\$180
	Cable/Satellite Income	\$2,700	\$90
	Gross Potential Income	\$313,860	\$10,462
	Less:		
	Physical Vac. Loss Percentage: 5.00%	\$15,693	\$523
	Collection Loss Percentage: 1.00%	\$3,139	\$105
Total Effective Gross Income	\$295,028	\$9,834	
EXPENSES:	Fixed:		
	Real Estate Taxes	\$22,722	\$757
	Insurance	\$15,000	\$500
	Variable:		
	Management Fee Percentage: 6.00%	\$17,702	\$590
	General and Administrative	\$18,000	\$600
	Payroll Expenses	\$45,000	\$1,500
	Utilities	\$10,500	\$350
	Marketing and Advertising	\$3,750	\$125
	Maintenance and Repairs/Pest Control	\$13,500	\$450
	Grounds Maintenance and Landscaping	\$7,500	\$250
	Contract Services	\$1,800	\$60
	Security	\$4,500	\$150
	Reserve for Replacements	\$9,000	\$300
Total Expenses	\$168,974	\$5,632	
Net Operating Income	\$126,055	\$4,202	
Debt Service Payments			
First Mortgage - NLP	\$81,645	\$2,722	
Second Mortgage - HOME/HOME Viability	\$0	\$0	
Second Mortgage Fees - HOME/HOME Viability	\$14,244	\$475	
Total Debt Service Payments	\$95,889	\$3,196	
Cash Flow after Debt Service	\$30,165	\$1,006	
Debt Service Coverage Ratios			
DSC - First Mortgage plus Fees		1.54x	
DSC - Second Mortgage plus Fees		1.31x	
DSC - All Mortgages and Fees		1.31x	
Financial Ratios			
Operating Expense Ratio		57.27%	
Break-even Economic Occupancy Ratio (all debt)		84.75%	

STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION
FHFC Case No.: ~~2022-068VW~~ 2023-030VW
Application No.: 2021-269SN

SOUTHWICK COMMONS, LTD.,

Petitioner,

vs.

FLORIDA HOUSING FINANCE
CORPORATION,

Respondent.

RECEIVED

MARCH 17 2023 8:57 AM

FLORIDA HOUSING
FINANCE CORPORATION

PETITION FOR WAIVER OF RULE 67-48.004(3)(i)

Petitioner, Southwick Commons, Ltd., (“Petitioner”) submits its petition to Respondent, Florida Housing Finance Corporation (“FHFC”), for a waiver of Rule 67-48.004(3)(i), F.A.C. (2020) in effect at the time Petitioner submitted its application in response to FHFC’s Request for Applications 2020-205 (the “RFA”), to allow Petitioner to change the total number of units for the proposed development. Petitioner states as follows in support of the Petition:

A. Petitioner and the Development.

1. The name, address, telephone, and facsimile numbers for Petitioner and its qualified representative are:

Southwick Commons, Ltd.
Attn: Jonathan L. Wolf
1105 Kensington Park Drive, Suite 200
Altamonte Springs, FL 32714
Telephone: (407) 333-3233
jwolf@wendovergroup.com

The name, address, telephone, and facsimile numbers of Petitioner’s attorneys are:

J. Timothy Schulte, Esquire

Zimmerman, Kiser & Sutcliffe, P.A.
315 E. Robinson Street, Suite 600
Orlando, FL 32801
Telephone: (407) 425-7010
Facsimile: (407) 425-2747
tschulte@zkslawfirm.com

2. Pursuant to the RFA, Petitioner timely submitted its application for SAIL, ELI, and NHTF funding. See Application Number 2021-269SN. Petitioner was preliminarily awarded \$8,689,548.00 of funding under the RFA (the “Award”).

3. Petitioner was invited into Credit Underwriting on June 23, 2021, and as of the preparation of this Petition is still moving forward through the Credit Underwriting process.

4. In its Application, Petitioner’s proposed development was new construction of 195 units of workforce housing (the “Development”) in the City of Apopka, Orange County, Florida.

B. Rules from Which the Waiver Is Sought.

5. The relevant portion of the Rules in effect at the time the funds were awarded, for which this waiver is sought, provides as follows:

(3) For the SAIL, HOME and Housing Credit Programs, notwithstanding any other provision of these rules, the following items as identified by the Applicant in the Application must be maintained and cannot be changed by the Applicant after the applicable submission, unless provided otherwise below: ...

(i) Total number of units ...

6. Petitioner seeks a waiver from this Rule to allow it to reduce the total number of units from 195 to 192 units. The number of units to be set aside remains 100 percent.

C. Statute Implemented.

7. The Rule is implementing sections of the Florida Housing Finance Corporation Act (the “Act”) and specifically, the Tax Credit Allocation process.

D. Justification for Petitioner’s Requested Waiver

8. Pursuant to Chapter 120.542(1), Florida Statutes, “[s]trict application of uniformly applicable rule requirements can lead to unreasonable, unfair, and unintended results in particular instances. The Legislature finds that it is appropriate in such cases to adopt a procedure for agencies to provide relief to persons subject to regulation.” Therefore, under Section 120.542(1), Florida Statutes and Chapter 28-104, F.A.C., the Corporation has the authority to grant waivers to its requirements when strict application of these requirements would lead to unreasonable, unfair, and unintended consequences in particular instances. Specifically, Section 120.542(2) states:

“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. For purposes of this section, “substantial hardship” means a demonstrated economic, technological, legal, or other type of hardship to the person requesting the variance or waiver. For purposes of this section, “principles of fairness” are violated when the literal application of a rule affects a particular person in a manner significantly different from the way it affects other similarly situated persons who are subject to the rule.” Section 120.542(2), Florida Statutes.

9. In this instance, Petitioner meets the standards for a waiver.
10. The reasons and good cause for this Petition for Rule Waiver are set forth below:
- A. The number of units indicated in the Application was based on a review of the City of Apopka Land Development Regulation and preliminary discussions with planning staff. These initial discussions culminated with the City of Apopka providing the Petitioner the *Florida Housing Financing Corporation Local Government Verification that Development is Consistent with Zoning and Land Use Regulations* (the “Verification”), on November 4, 2020, confirming

195 units on the proposed Development Site. As a result, Petitioner expected the City to fully cooperate with the approval of 195 units on the Development site.

B. On November 2, 2021, Petitioner closed on the sale of the property for the Development.

C. Petitioner then filed an application with the City of Apopka requesting approval of the Development of 195 units.

D. City of Apopka staff is now indicating that Petitioner is only approved for 192 units, not 195 as the City confirmed on the Verification.

E. Petitioner attempted to work with the City staff to obtain a 195 units approved in the Verification; however, the City insists that it made an error in the acreage calculation when it signed the Verification.

F. The Application's scoring and ranking would not have been affected had Petitioner selected 192 units in the initial Application. Based on FHFC staff analysis, neither the leveraging level for Petitioner nor the final award of SAIL would be affected by a unit count reduction from 195 to 192.

G. Petitioner's Application requested \$8,689,548 in funding for its Proposed Development of 195 units. While a request to reduce units may result in a reduction in funding, such a result here would be problematic and negatively impact the overall final Development. Petitioner has previously applied for CHIRP, as the initial SAIL funding awarded under the RFA was not sufficient to construct the development. As such, a reduction in unit count will likely also cause a reduction in additional SAIL monies required from FHFC. This additional SAIL amount will be confirmed and sized during credit underwriting. Petitioner requests that no funding

reduction occur and agrees its funding associated with the 3 unit reduction will be used to further the Development of this Workforce Housing Development.

11. Florida Housing has the authority pursuant to Section 120.542(1) *Florida Statutes* to provide relief from its rules if strict application of those rules will be too unreasonable, unfair, or unintended results in particular circumstances. Florida Housing has previously granted similar waiver requests.

12. Petitioner needs to change the total number of units to allow for the construction of the Development as outlined above to be consistent with the number of units allowed by the City.

13. The proposed Development will provide much needed Workforce Housing for persons residing in Orange County.

14. Unless Petitioner's request is granted, strict application of the Rule would violate principles of fairness.

15. The requested waiver will not adversely affect Petitioner, the Development, any other party that applied to receive funding in the RFA or the Corporation. A denial of the Petition, however, would (a) result in substantial economic hardship to Petitioner because Petitioner has expended funds to acquire the land and because Petitioner has incurred substantial costs to date toward ensuring that the Development proceeds to completion; (b) deprive Orange County and the City of Apopka of the provision of much needed affordable housing; and (c) violate principles of fairness. §120.542(2), Fla. Stat.

16. The requested waiver will ensure the availability of SAIL, ELI, and NHTF funding, which will otherwise be lost as a consequence of the development delays described herein.

E. Conclusion

17. The facts set forth in this Petition demonstrate the hardship and other circumstances which justify Petitioner's request for a Rule waiver.

18. Petitioner's Development will serve to provide affordable housing in Orange County.


19. As demonstrated above, the requested waiver serves the purposes of Section 420.5087, Florida Statutes, and the Act, as a whole, because one of their primary goals is to facilitate the availability of decent, safe, and sanitary housing in the State of Florida to low income persons and households. Further, by granting the requested waiver, the Corporation would recognize principles of fundamental fairness in the development of affordable rental housing.

20. The waiver being sought is permanent in nature. Should the Corporation require additional information, a representative of Petitioner is available to answer questions and to provide all information necessary for consideration of this Petition.

WHEREFORE, Petitioner respectfully requests that the Corporation:

- A. Grant this Petition and all the relief requested herein.
- B. Grant a waiver of the Rule to allow a reduction in the number of units from 195 to 192.
- C. Award such further relief as may be deemed appropriate.

Respectfully submitted,



J. Timothy Schulte, Esquire
Florida Bar No.: 769169
ZIMMERMAN, KISER & SUTCLIFFE, P.A.
315 E. Robinson St., Suite 600 (32801)
P.O. Box 3000
Orlando, FL 32802
Telephone: (407) 425-7010
Facsimile: (407) 425-2747
Counsel for Petitioner

tschulte@zkslawfirm.com

CERTIFICATE OF SERVICE

The original Petition is being served by electronic transmission for filing with the Corporation Clerk for the Florida Housing Finance Corporation, 227 North Bronough Street, Suite 5000, Tallahassee, FL 32301 (CorporationClerk@floridahousing.org; hugh.brown@floridahousing.org), and a copy served via email on the Joint Administrative Procedures Committee, 680 Pepper Building, 111 W. Madison Street, Tallahassee, FL 32399-1400 (japc@leg.state.fl.us), and via email to Hugh Brown, Esq. (hugh.brown@floridahousing.org), Marisa Button, Esq. (marisa.button@floridahousing.org) and KaCee Johnson Lackey, Esq. (KaCee.Johnson@floridahousing.org), Florida Housing Finance Corporation 17th day of March, 2023.



J. Timothy Schulte, Esquire
Florida Bar No.: 769169
ZIMMERMAN, KISER & SUTCLIFFE, P.A.
315 E. Robinson St., Suite 600 (32801)
P.O. Box 3000
Orlando, FL 32802
Telephone: (407) 425-7010
Facsimile: (407) 425-2747
Counsel for Petitioner
tschulte@zkslawfirm.com

JTS/jle

**STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION**

FHFC CASE NO.: 2023-032VW
APPLICATION NO.: 2022-022C

BDG BANYAN EAST TOWN, LLC,

Petitioner,

vs.

FLORIDA HOUSING FINANCE
CORPORATION,

Respondent.

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FLORIDA HOUSING
FINANCE CORPORATION

PETITION FOR WAIVER OF RULE 67-48.002(96) AND THE CHIRP ITP

BDG Banyan East Town, LLC, a Florida limited liability company (the “Petitioner”), by and through its undersigned counsel, hereby petitions the Florida Housing Finance Corporation (the “Corporation”) for (i) a waiver of the timing provisions of the 2021 Qualified Allocation Plan (“2021 QAP”) as incorporated and adopted by Rule 67-48.002(96), F.A.C. (2021), pertaining to a tax credit exchange and certain other matters as further set forth herein (the “Rule”) to allow a credit exchange to be approved by the Executive Director, or the Board of Directors of the Corporation, at this time rather than at the end of the second calendar quarter of 2024; and, (ii) a waiver of the CHIRP ITP deadline to close on the limited partnership agreement by April 28th, 2023. In support, the Petitioner states as follows:

A. THE PETITIONER

1. The mailing address, telephone number and email of the Petitioner is as follows:

BDG Banyan East Town, LLC
Attn: Scott Zimmerman
501 N Magnolia Ave

Orlando, Florida 32801
Telephone: (407) 447-1780 Ext. 2001
Email: szimmerman@agpmanager.com

2. The mailing address, telephone number and email of the Petitioner's legal counsel is as follows:

Yisell Rodriguez, Esq.
Nelson Mullins Riley & Scarborough LLP
390 N. Orange Ave., Suite 1400
Orlando, Florida 32801
Telephone: (407) 669-4290
Email: yisell.rodriquez@nelsonmullins.com

3. On August 25, 2021, the Petitioner timely submitted an application in response to RFA 2021-201 for Housing Credit Financing for Affordable Housing Developments Located in Medium and Small Counties (the "RFA") (the "Application") to finance the construction of a multifamily apartment complex to be known as Banyan East Town Apartments in Altamonte Springs, Florida (the "Development"), which will serve low-income families in Seminole County. Petitioner requested housing tax credits in the amount of \$1,700,000.00 and Construction Housing Inflation Response Program ("CHIRP") financing in the amount of \$500,000.00. The Development received an allocation of 2022 Low-Income Housing Tax Credits ("Tax Credits") and Petitioner accepted its invitation to enter credit underwriting on May 9, 2022. On December 28, 2022, Petitioner entered into a Carryover Agreement for allocation of 2022 Tax Credits. The "placed in service" ("PIS") date for the Development is December 31, 2024.

4. On May 9, 2022, the Corporation issued the 2022 Construction Housing Inflation Response Program (CHIRP) Invitation to Participate (ITP) (the "ITP") to fill the funding gap experienced competitive developments in the pipeline due to costs increases related to market inflation including increased construction costs. The Applicant filed its application for CHIRP

funds on July 5, 2022. On December 16, 2022, the credit underwriting report was finalized. Per the ITP, the deadline for closing the Limited Partnership Agreement or Limited Liability Operating Agreements (LPA) was January 31, 2023 (hereinafter, the “LPA Closing Deadline”). At the January 27, 2023 meeting of the board of directors of the Corporation (“Board Meeting), the Board approved an extension of the LPA Closing Deadline to March 10, 2023. At the March 10, 2023 Board Meeting, the Board again approved an extension of the LPA Closing Deadline until April 28, 2023 and at the meeting it was noted that the April 28th deadline is the last global extension and any further extension requests would be reviewed on a case-by-case basis. The Development is seeking an extension of the LPA Closing Deadline to close on the limited partnership agreement by July 21, 2023.

B. WAIVER IS PERMANENT

5. The waiver being sought is permanent in nature.

C. THE RULE FROM WHICH WAIVER IS SOUGHT

6. Petitioner requests a waiver of Rule 67-48.002(96), F.A.C. (2021) and Subsection II.J. of the 2021 QAP, which provides as follows:

“J. Notwithstanding any other provision of this QAP, where a Development has not been placed in service by the date required pursuant to Section 42 of the IRC, or it is apparent that a Development will not be placed in service by the date required pursuant to Section 42 of the IRC, **and the Applicant has returned its Housing Credit Allocation after the end of the second calendar quarter of the year in which it was otherwise required to be placed in service pursuant to Section 42 of the IRC,** the Corporation will reserve allocation in an amount not to exceed the amount of Housing Credits returned, and will issue a Carryover Allocation Agreement allocating such Housing Credits to the Applicant for either the current year or the year after the year in which the Development was otherwise required to be placed in service pursuant to Section 42 of the IRC, provided the following

conditions have been met: (i) the sponsor must have provided written notice to the Corporation, describing the circumstances, all remedial measures attempted by the Applicant to mitigate the delay, and any other pertinent information, prior to returning the allocation; and (ii) A site inspection reflecting the percentage of Development completion must be completed. If the Development is at least fifty (50) percent completed, as reflected in the site inspection, the approval may be made by Corporation staff. If the Development is less than fifty (50) percent completed, as reflected in the site inspection, the approval must be made by the Board. In making such determination, the Board must find and determine that the delay was caused by circumstances beyond the Applicant's control, and that the sponsor exercised due diligence in seeking to resolve the circumstances causing delay; and (iii) The Corporation or Board, as applicable, must find that the Development in all respects, except time placed in service, still meets the conditions upon which the Housing Credits were originally allocated, and that the Development is still desirable in terms of meeting affordable housing needs.”

7. The process found in the 2021 QAP requires an applicant to return its allocation of housing tax credits at the end of the second calendar quarter of the year in which it was otherwise required to be placed in service before a tax credit exchange request can be approved by the Executive Director of the Corporation. Petitioner is requesting a waiver of this limitation on the timing of the tax credit exchange, to allow a credit exchange to be approved by the Executive Director, or the Board of Directors of the Corporation, at this time rather than at the end of the second calendar quarter of 2024.

D. STATUTES IMPLEMENTED BY THE RULE

8. The 2021 QAP and the Rules implement, among other sections of the Florida Housing Finance Corporation Act (the “Act”), the statute that designated the Corporation as the State of Florida’s housing credit agency and authorizes the Corporation to establish procedures for allocating and distributing low-income housing tax credits. See Fla. Stat. § 420.5099.

E. JUSTIFICATION FOR PETITIONER’S REQUESTED WAIVER

9. Petitioner is seeking an extension of the LPA Closing Deadline in the CHIRP ITP to allow Petitioner additional time to close on the limited partnership agreement and a credit swap for the reasons set forth below.

10. The Development timeline has been severely impacted by permitting delays. Plan development and local government plan review began prior to the invitation to enter credit underwriting almost a year ago and the pursuit of permits needed to close the LPA has been continuous and ongoing.

- a. A this time, the "Preliminary Site Plan" and "Preliminary Plat" have been approved by the City Commission at the March 15, 2023 meeting, with the final site and building plans and final plat to be submitted on April 20, 2023 for staff approval. Following the final approval on April 20th, a plan-specific developer's agreement will be prepared by the City and is required to be executed before the permits can be approved. Once the agreement is executed and permits approved, then Petitioner can proceed to close on the limited partnership agreement.
- b. For background, prior to these approvals, the Development experienced significant delays in pursuit of permit-readiness. The City of Altamonte (“City”) required coordination and approval from Seminole County (“County”) for improvements the City is requiring to the County roads bordering the Development site on three sides of the property. The required right-of-way improvements include the addition of parallel parking and other improvements which requires additional right-of-way dedication to the County. The County was initially opposed to the City's

requirements and suggested the City take ownership of the roads, which the City declined. This intergovernmental disagreement delayed the plan development and permitting from November 15, 2022 until the County agreed to the City's requirements on February 9, 2023, a period of almost 90 days.

- c. Once the County agreed to the City's requirements and provided guidance as to the stormwater management requirements to obtain their permit for these improvements, we were able to finalize the plans and calculations. An additional permit to improve the roads via a separate set of roadway plans and approval by the County Commission will also be required. These road plans are scheduled to be submitted to the County the week of April 20, 2023.

11. Petitioner anticipates a 90 to 150 days from final plan and plat submittal for permits to be approved by both the City and County (in parallel), extending the closing of the limited partnership agreement between July and September of 2023. Based on these estimates, Petitioner is seeking a waiver of the LPA Closing Deadline from April 28, 2023 until **July 21, 2023**.

12. In addition, the investor limited partner requires the expected placed in service ("PIS") date of the buildings to be at least three (3) months before the PIS deadline of December 31, 2024. As such, the Development must be expected to place in service no later than September 30, 2024 in order for the investor limited partner to close on the limited partnership agreement now. Given the Development's permitting, closing, and construction timeline, it is not feasible for the Development to be placed in service within the time required by the investor limited partner. Accordingly, Petitioner is seeking a credit swap to extend the PIS date from December 1, 2024 to December 31, 2025. As the investor limited partner will not close without the three-month cushion

on the PIS date, Petitioner is seeking a waiver of the Rule to allow the Corporation to swap the credits at this time instead of in the second calendar quarter of 2024.

13. Under Section 120.542(1), Fla. Stat., and Chapter 28-104, F.A.C., the Corporation has the power and authority to grant waivers to its rule requirements when strict application of the rules would lead to unreasonable, unfair and unintended consequences in particular instances. A waiver shall be granted when the person who is subject to the rule demonstrates that the application of the rule would: (1) create a substantial hardship¹ or violate principles of fairness, and (2) the purpose of the underlying statute has been or will be achieved by other means by the person. See § 120.542(2), Fla. Stat.

14. A waiver of these Rules will serve the underlying purposes of Section 420.5087 and the Act that are implemented by Chapter 67-48 of the Florida Administrative Code, because one of the goals is for the proceeds of Corporation financing to be used to facilitate the availability of decent, safe and sanitary housing in the State of Florida to low-income persons and households. The Act (Section 420.501, et seq.) was passed in order to create inducements and opportunities for private and public investment in rental housing to increase the supply of affordable housing for low-income persons and households. Denial of the waiver would deprive Central Florida, Seminole County and Altamonte Springs of essential and affordable housing units within ¼ mile of a SunRail station. By granting this Petition, the Corporation would recognize the goal of increasing the supply of affordable housing units via the construction of new developments throughout Florida, particularly through Petitioner supplying 92 much needed affordable housing

¹ “Substantial hardship” means a demonstrated economic, technological, legal or other type of hardship to the person requesting the variance or waiver. Further, “principles of fairness” are violated when the literal application of a rule affects a particular person in a manner significantly different from the way it affects other similarly situated persons who are subject to the rule. *See* Fla. Stat. § 120.542.

units in a FHFC Geographic Area of Opportunity (GAO) in Central Florida area. A denial of this Petition (a) will result in substantial economic hardship to Petitioner; (b) could deprive Seminole County and the Sanford-Orlando-Kissimmee MSA of essential, affordable housing, and (c) would violate principles of fairness. See § 120.542(2), Fla. Stat.

15. The requested waiver will not adversely affect Petitioner, any other party that applied to receive funding in the RFA, or the Corporation as stated above.

F. ACTION REQUESTED

16. For the reasons set forth herein, the Petitioner respectfully requests the Corporation (i) grant the requested waiver of the timing requirements found in the 2021 QAP, as incorporated by Rule 67-48.002(96) and allow the requested credit exchange to be approved before the second calendar quarter of 2024; (ii) waiver of the CHIRP ITP deadline to close on the limited partnership agreement by April 28, 2023 to allow Petitioner to close by July 21, 2023; (iii) grant this Petition and all the relief requested herein; and (iv) grant such further relief as it may deem appropriate.

Respectfully submitted,

Yisell Rodriguez

Yisell Rodriguez, Esq.
Nelson Mullins Riley & Scarborough LLP
390 N. Orange Ave., Suite 1400
Orlando, Florida 32801
Telephone: (407) 669-4290
Email: yisell.rodriguez@nelsonmullins.com
COUNSEL FOR PETITIONER

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that the foregoing Petition was filed by electronic delivery to:

Florida Housing Finance Corporation
Attn: Corporation Clerk
227 North Bronough Street, Suite 5000
Tallahassee, Florida 32301
Email: corporationclerk@floridahousing.org

Joint Administrative Procedures Committee
680 Pepper Building
111 W. Madison Street
Tallahassee, Florida 32399
Email: joint.admin.procedures@leg.state.fl.us

This 7th day of April, 2023.

By: *Yisell Rodriguez*
Yisell Rodriguez, Esq.
Fla. Bar No. 117915

Florida Housing Finance Corporation

Credit Underwriting Report

Barnett Villas

**Tax-Exempt Multifamily Mortgage Revenue Note (“MMRN” or “Note”) and
4% Non-Competitive Housing Credits (“HC”)**

2021-108B / 2021-555C

Section A: Report Summary

Section B: MMRN Special and General Conditions

HC Allocation Recommendation and Contingencies

Section C: Supporting Information and Schedules

Prepared by

First Housing Development Corporation of Florida

FINAL REPORT

April 17, 2023

Barnett Villas

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Section A
Report Summary

MMRN & HC CREDIT UNDERWRITING REPORT

Recommendation

First Housing Development Corporation of Florida (“First Housing” or “FHDC” or “Servicer”) recommends a Tax-Exempt Multifamily Mortgage Revenue Note in the amount of \$22,000,000 and an annual 4% HC Allocation of \$1,864,160 for the construction and permanent financing of Barnett Villas (“Development”).

DEVELOPMENT & SET-ASIDES																	
Development Name:		<u>Barnett Villas</u>															
RFA/Program Numbers:		<u>2021-108B</u>				/				<u>2021-555C</u>							
Address:		<u>4849 W. Colonial Drive</u>															
City:		<u>Unincorporated Orange County</u>				Zip Code:				<u>32808</u>				County: <u>Orange</u> County Size: <u>Large</u>			
Development Category:		<u>New Construction</u>				Development Type:				<u>Garden Apts (1-3 Stories)</u>							
Construction Type:		<u>Wood Frame</u>															
Demographic Commitment:																	
Primary:		<u>Family</u>				for				<u>100%</u>				of the Units			

Orange County, Orlando-Kissimmee-Sanford MSA

Bed Rooms	Bath Rooms	Units	Square Feet	AMI%	Low HOME Rents	High HOME Rents	Gross HC Rent	Utility Allow.	Net Restricted Rents	PBRA Contr Rents	Applicant Rents	Appraiser Rents	CU Rents	Annual Rental Income
1	1.0	15	761	50%			\$778	\$33	\$ 745		\$ 745	\$ 745	\$ 745	\$ 134,100
1	1.0	30	761	60%			\$933	\$33	\$ 900		\$ 900	\$ 900	\$ 900	\$ 324,000
1	1.0	15	761	70%			\$1,089	\$33	\$ 1,056		\$ 1,260	\$ 1,056	\$ 1,056	\$ 190,080
2	2.0	21	1,017	50%			\$933	\$39	\$ 894		\$ 894	\$ 894	\$ 894	\$ 225,288
2	2.0	42	1,017	60%			\$1,120	\$39	\$ 1,081		\$ 1,081	\$ 1,081	\$ 1,081	\$ 544,824
2	2.0	21	1,017	70%			\$1,307	\$39	\$ 1,268		\$ 1,254	\$ 1,268	\$ 1,268	\$ 319,536
3	2.0	3	1,197	50%			\$1,078	\$43	\$ 1,035		\$ 1,035	\$ 1,035	\$ 1,035	\$ 37,260
3	2.0	6	1,197	60%			\$1,293	\$43	\$ 1,250		\$ 1,250	\$ 1,250	\$ 1,250	\$ 90,000
3	2.0	3	1,197	70%			\$1,509	\$43	\$ 1,466		\$ 1,466	\$ 1,466	\$ 1,466	\$ 52,776
		156	145,452											\$ 1,917,864

Buildings: Residential - 7 Non-Residential - 1
 Parking: Parking Spaces - 291 Accessible Spaces - 7

MMRN & HC CREDIT UNDERWRITING REPORT

Set Asides:	Program	% of Units	# of Units	% AMI	Term (Years)
	HC	25.000%	39	50%	30
	HC	50.000%	78	60%	30
	HC	25.000%	39	70%	30
	MMRN	40.0%	63	60%	30

Absorption Rate 25 units per month for 6.2 months.

Occupancy Rate at Stabilization: Physical Occupancy 96.00% Economic Occupancy 95.00%
Occupancy Comments N/A New Construction

DDA: No QCT: Yes Multi-Phase Boost: No QAP Boost: No
Site Acreage: 11.52 Density: 13.5417 Flood Zone Designation: X
Zoning: Planned Development ("PD") Flood Insurance Required?: No

DEVELOPMENT TEAM		
Applicant/Borrower:	BDG Barnett Villas, LP	% Ownership
General Partner	BDG Barnett Villas GP, LLC ("BDG GP")	0.0100%
Limited Partner	Enterprise Housing Credit Investments, LLC ("Enterprise")	99.9900%
Construction Completion Guarantor(s):		
CC Guarantor 1:	BDG Barnett Villas, LP	
CC Guarantor 2:	BDG GP	
CC Guarantor 3:	BDG Barnett Villas Developer, LLC ("BDG Developer")	
CC Guarantor 4:	Banyan Development Group, LLC ("Banyan Development")	
CC Guarantor 5:	Scott Zimmerman	
CC Guarantor 6:	Louis Vogt	
Operating Deficit Guarantor(s):		
OD Guarantor 1:	BDG Barnett Villas, LP	
OD Guarantor 2:	BDG GP	
OD Guarantor 3:	BDG Developer	
OD Guarantor 4:	Banyan Development	
OD Guarantor 5:	Scott Zimmerman	
OD Guarantor 6:	Louis Vogt	
Note Purchaser	Valley National Bank of Florida ("VNB")	
Developer:	BDG Developer	
General Contractor 1:	RBK 3, LLC ("RBK")	
Management Company:	AGPM, LLC ("AGPM")	
Syndicator:	Enterprise	
Note Issuer:	FHFC	
Architect:	FK Architecture	
Market Study Provider:	Integra Realty Resources ("Integra")	
Appraiser:	Integra	

MMRN & HC CREDIT UNDERWRITING REPORT

PERMANENT FINANCING INFORMATION		
	1st Source	2nd Source
Lien Position	First	Second
Lender/Grantor	FHFC / VNB	Orange County ("OC")
Amount	\$12,000,000	\$9,300,000
Underwritten Interest Rate	5.38%	0.50%
All In Interest Rate	5.38%	0.50%
Loan Term	15	30
Amortization	35	30
Market Rate/Market Financing LTV	30%	52%
Restricted Market Financing LTV	62%	110%
Loan to Cost - Cumulative	29%	51%
Debt Service Coverage	1.15	0.80
Operating Deficit & Debt Service Reserves	\$872,360	
# of Months covered by the Reserves	4.9	

Deferred Developer Fee	\$3,896,479
As-Is Land Value	\$2,650,000
Market Rent/Market Financing Stabilized Value	\$40,600,000
Rent Restricted Market Financing Stabilized Value	\$19,300,000
Projected Net Operating Income (NOI) - Year 1	\$925,516
Projected Net Operating Income (NOI) - 15 Year	\$1,048,963
Year 15 Pro Forma Income Escalation Rate	2.00%
Year 15 Pro Forma Expense Escalation Rate	3.00%
Note Structure	Private Placement
Housing Credit (HC) Syndication Price	\$0.902591893
HC Annual Allocation - Initial Award	\$1,481,329
HC Annual Allocation - Qualified in CUR	\$1,864,160
HC Annual Allocation - Equity Letter of Interest	\$1,824,168

CONSTRUCTION/PERMANENT SOURCES:				
Source	Lender	Construction	Permanent	Perm Loan/Unit
FHFC - MMRN	FHFC / VNB	\$22,000,000	\$12,000,000	\$76,923
Local Government Subsidy	OC	\$9,300,000	\$9,300,000	\$59,615
Solar Equity	Enterprise	\$0	\$297,053	\$1,904
HC Equity	Enterprise	\$5,028,330	\$16,463,146	\$105,533
Deferred Developer Fee	BDG Developer	\$5,628,348	\$3,896,479	\$24,977
TOTAL		\$41,956,678	\$41,956,678	\$268,953

Credit Underwriter: First Housing
Date of Final CUR: _____

MMRN & HC CREDIT UNDERWRITING REPORT

Changes from the Application:

COMPARISON CRITERIA	YES	NO
Does the level of experience of the current team equal or exceed that of the team described in the Application?	X	
Are all funding sources the same as shown in the Application?		1.
Are all local government recommendations/contributions still in place at the level described in the Application?	2.	
Is the Development feasible with all amenities/features listed in the Application?		3-4.
Do the site plans/architectural drawings account for all amenities/features listed in the Application?		3-4.
Does the applicant have site control at or above the level indicated in the Application?	X	
Does the applicant have adequate zoning as indicated in the Application?	X	
Has the Development been evaluated for feasibility using the total length of set-aside committed to in the Application?	X	
Have the Development costs remained equal to or less than those listed in the Application?		5.
Is the Development feasible using the set-asides committed to in the Application?		6.
If the Development has committed to serve a special target group (e.g. elderly, large family, etc.), do the development and operating plans contain specific provisions for implementation?	N/A	
HOME ONLY: If points were given for match funds, is the match percentage the same as or greater than that indicated in the Application?	N/A	
HC ONLY: Is the rate of syndication the same as or greater than that shown in the Application?	7.	
Is the Development in all other material respects the same as presented in the Application?	X.	

The following are explanations of the changes from Application:

1. The Applicant sent a request, dated April 11, 2023 to increase the MMRN from \$19,600,000 to \$22,000,000. FHFC staff approved this request on April 17, 2023.
2. Since the Application, the OC loan has increased from \$5,000,000 to \$9,300,000.

MMRN & HC CREDIT UNDERWRITING REPORT

3. The Applicant sent a request, dated April 11, 2023, to FHFC requesting to change the elected amenity from “Computer lab onsite with a minimum one computer per 20 units, with internet access, basic word processing, spreadsheets and assorted educational entertainment software programs and at least one printer” to “Laundry hook-ups and space for full-size washer and dryer inside each unit. FHFC staff approved this request on April 17, 2023.
4. First Housing reviewed a draft Plan and Cost Analysis (“PCA”), dated March 27, 2023, from On Solid Ground, LLC (“OSG”). The PCA indicates that the Development does not account for all amenities/features and does not entirely comply with Section 504 and ADA Accessibility. Receipt of a final PCA, indicating all amenities/features are included and compliance with all applicable Federal accessibility laws, is a condition to close.
5. Total Development Costs (“TDC”) have increased by a total of \$9,155,565 or 27.91% from \$32,801,113 to \$41,956,678 since the Application. The change is mainly due to an increase in construction costs and financial costs.
6. First Housing reviewed a request letter, dated March 27, 2023 requesting FHFC approval of the change to set-asides, as outlined below. FHFC staff approved this request on April 17, 2023.

Set-Asides (From)	Set-Asides (To)
39 units at or below 50% AMI	39 units at or below 50% AMI
100 units at or below 60% AMI	78 units at or below 60% AMI
17 units at or below 70% AMI	39 units at or below 70% AMI

7. The rate of syndication has decreased from \$0.93, at application, to \$0.902591893. According to the letter, dated March 23, 2023 from Enterprise, the housing credit syndication price is \$0.9025; however, the actual calculation of the syndication rate is \$0.902591893

The above changes have no substantial material impact to the MMRN or HC recommendation for this Development.

MMRN & HC CREDIT UNDERWRITING REPORT

Does the Development Team have any FHFC Financed Developments on the Past Due/Noncompliance Report?

According to the FHFC Asset Management Noncompliance Report, dated December 28, 2022, the Development team has the following noncompliance item(s) not in the correction period:

➤ None

According to the FHFC Past Due report, dated March 23, 2023, the Development team has the following past due item(s):

➤ None

Closing of the loan is conditioned upon verification that any outstanding past due and/or noncompliance items noted at the time closing and the issuance of the annual HC allocation recommended herein have been satisfied.

Strengths:

1. The Principals, General Contractor, and the Management Company are experienced in affordable multifamily housing.
2. The Principals have sufficient experience and substantial financial resources to develop and operate the proposed Development.
3. Based on the Market Study, the existing supply of family LIHTC developments within the PMA have a weighted average occupancy of 98.4%.

Issues and Concerns:

None

Mitigating Factors:

None

Waiver Requests/Special Conditions:

None

Additional Information:

1. The Applicant has applied to VNB to provide construction and permanent funding for the Development. The Funding Loan is requested pursuant to any Federal, State or local requirements concerning the proposed tax-exempt private activity allocation and/or Low-Income Housing Tax Credit requirements. The Funding Loan will be originated by VNB on behalf of FHFC (“Governmental Lender”). The proceeds of the Funding Loan will be used by FHFC to fund a mortgage loan with matching economic terms (“Project Loan”) to the Applicant to finance the construction and permanent financing of the Development. The Funding Loan will be a non-recourse obligation of FHFC secured solely by receipts and revenues from the Project Loan and the collateral pledged (including a first mortgage lien with respect to the Development). Under the MMRN structure, the Funding Loan replaces the purchase by VNB of tax-exempt bonds.

MMRN & HC CREDIT UNDERWRITING REPORT

Recommendation:

First Housing recommends a Tax-Exempt MMRN in the amount of \$22,000,000 and an annual 4% HC Allocation of \$1,864,160 for the construction and permanent financing of the Development.

These recommendations are based upon the assumptions detailed in the Report Summary (Section A) and Supporting Information and Schedules (Section C). In addition, these recommendations are subject to the MMRN Special and General Conditions and the HC Allocation Recommendation and Contingencies (Section B). **This recommendation is only valid for six months from the date of the report.**

The United States is currently under a national emergency due to the spread of the virus known as COVID-19. The extent of the virus' impact to the overall economy is unknown. More specifically, it is unknown as to the magnitude and timeframe the residential rental market (e.g. absorption rates, vacancy rates, collection losses, appraised value, etc.) and the construction industry (e.g. construction schedules, construction costs, subcontractors, insurance, etc.) will be impacted. Recommendations made by First Housing in this report, in part, rely upon assumptions made by third-party reports that are unable to predict the impacts of the virus.

The reader is cautioned to refer to these sections for complete information.

Prepared by:

Thomas Wright

Thomas Wright
Credit Underwriter

Reviewed by:

Edward Busansky

Edward Busansky
Senior Vice President

MMRN & HC CREDIT UNDERWRITING REPORT

Overview

Construction Financing Sources:

Construction Sources	Lender	Application	Revised Applicant	Underwriter	Construction Interest Rate	Annual Construction Debt Service
FHFC - MMRN	FHFC/VNB	\$19,600,000	\$22,000,000	\$22,000,000	9.26%	\$2,037,200
Local Government Subsidy	OC	\$5,000,000	\$9,300,000	\$9,300,000	0.50%	\$46,500
HC Equity	Enterprise	\$3,935,612	\$5,115,040	\$5,028,330	N/A	N/A
Deferred Developer Fee	BDG Developer	\$4,265,501	\$5,594,505	\$5,628,348	N/A	N/A
Total		\$32,801,113	\$42,009,545	\$41,956,678		\$2,083,700

First Mortgage:

The Applicant has requested \$22,000,000 in tax-exempt notes to be issued by FHFC for the construction of the Development. First Housing has reviewed a term sheet from VNB, dated February 2, 2023, for construction to permanent financing. VNB anticipates a construction loan in the lesser amount of \$24,000,000, or 75% Loan to Value, including the value of the real estate and tax credits. First Housing has used a loan amount of \$22,000,000, based on Applicant projections. The construction loan term is 24 months. The term may be extended for six (6) additional months for an extension fee of \$10,000 and VNB approval. The MMRN will require monthly payments of interest only. The interest rate of the construction loans will be a floating rate based on one-month Term Secured Overnight Financing Rate (“SOFR”), plus 350 basis points (“bps”). The construction loan interest is calculated based on the SOFR rate of 4.76% (as of March 17, 2023) plus 350 bps, and a 1.00% underwriting cushion for an all-in rate of 9.26%.

The annual FHFC Issuer Fee of 24 basis points and annual Fiscal Agent Fee of \$4,500 has been included in the uses section of this report.

OC Loan:

First Housing reviewed a draft Multi-Family Affordable Housing Developer’s Agreement from Orange County, for construction to permanent financing in the amount of \$9,300,000 for the Development. The OC will provide funds to Neighborhood Lending Partners of Florida, Inc. (“NLP”) who will, in turn, disburse proceeds of and service the loan. The OC loan has a construction term of 24 months, with the option of one, six-month extension. The loan will be interest only for the entire construction period. The interest rate of the OC loan is 0.50%. The construction loan interest is based on the interest rate of 0.50%. In addition to the interest rate, there is an annual service fee of 0.25% of the loan amount.

MMRN & HC CREDIT UNDERWRITING REPORT

Housing Credit Equity:

First Housing has reviewed a letter, dated March 23, 2023, indicating Enterprise, will acquire 99.99% ownership interest in the Partnership. Based on the letter, the annual HC allocation is estimated to be in the amount of \$1,824,168 and the syndication rate is anticipated to be \$0.9025 per dollar. The housing credit syndication price is \$0.9025 in the letter; however, the actual calculation of the syndication rate is \$0.902591893. Enterprise anticipates a net capital contribution of \$16,463,146 and has committed to make available 30.54% or \$5,028,330 of the total net equity during the construction period. An additional \$11,434,816 will be available at cost certification, conversion/stabilization, and Form 8609. The first installment, in the amount of \$3,352,000 or 20.36%, meets FHFC's requirement that at least 15% of the total equity must be contributed at or prior to the closing.

Deferred Developer Fee:

In order to balance the sources and uses of funds during the construction period, the Developer must defer \$5,628,348 or 96.00% of the total Developer Fee of \$5,862,862 during the construction period.

MMRN & HC CREDIT UNDERWRITING REPORT

Permanent Financing Sources:

Permanent Sources	Lender	Application	Revised Applicant	Underwriter	Term Yrs.	Amort. Yrs.	Interest Rate	Annual Debt Service
FHFC - MMRN	FHFC/VNB	\$11,500,000	\$12,000,000	\$12,000,000	15	35	5.38%	\$762,017
Local Government Subsidy	OC	\$5,000,000	\$9,300,000	\$9,300,000	30	30	0.50%	\$333,895
Solar Equity	Enterprise	\$0	\$297,053	\$297,053	0	0	0.00%	\$0
HC Equity	Enterprise	\$13,774,982	\$16,753,080	\$16,463,146	N/A	N/A	N/A	N/A
Deferred Developer Fee	BDG Developer	\$2,526,131	\$3,659,412	\$3,896,479	N/A	N/A	N/A	N/A
Total		\$32,801,113	\$42,009,545	\$41,956,678				\$1,095,912

First Mortgage:

First Housing has reviewed a term sheet from VNB, dated February 2, 2023, for construction to permanent financing, where VNB anticipates a permanent loan in the lesser amount of \$12,000,000, or 75% Loan to Value, including the value of the real estate and tax credits. The permanent loan term is for 15 years based on a 35-year amortization schedule. The interest rate of the permanent loan will be a fixed rate locked at construction loan closing based on the 10-year Treasury Bill rate, plus 2.00%. The permanent loan interest is calculated based on the 10-year Treasury Bill rate of 3.38% (as of March 24, 2023) plus 2.00%, for an all-in rate of 5.38%.

Additional fees included in the Debt Service calculation consist of an annual Permanent Loan Servicing Fee, an annual Compliance Monitoring Fee, an annual Issuer Fee of 24 bps of the outstanding loan balance, and an annual Fiscal Agent Fee of \$4,500. The annual Permanent Loan Servicing Fee is based upon a fee of 2.3 bps of the outstanding loan amount, with a minimum monthly fee of \$236. The annual Compliance Monitoring Fee is based upon a total fee which is comprised of a base fee of \$183 per month plus an additional fee per set-aside unit of \$11.24 per year, subject to a minimum of \$286 per month.

The permanent Note will mature 15 years following the termination of the construction phase and conversion to the permanent phase. At maturity, the Applicant may satisfy the Note via refinancing or sale of the Development pending market feasibility. In the event the Applicant is unable to refinance or sell the Development, then an event of default would not be triggered under the loan documents. Instead, a “Mortgage Assignment Event” would occur whereby VNB agrees to cancel the Note in exchange for an assignment, by the Fiscal Agent, of the mortgage and all other related documents and accounts. The Fiscal Agent would cancel the Note and discharge the lien of the Funding Loan Agreement. The Fiscal Agent would assign the mortgage loan and any other related documents and collateral to VNB, effectively ending the tax-exempt financing provided by FHFC. Under this scenario, the Note will have been redeemed/cancelled not by payment of cash but by the assignment of the mortgage loan documents; therefore, there is no default. As the new direct mortgagee, VNB would then be in a position to work with the Applicant to arrive at a resolution

MMRN & HC CREDIT UNDERWRITING REPORT

without involvement of either FHFC or the Fiscal Agent (as the Note would have been cancelled and would no longer be outstanding).

OC Loan:

First Housing reviewed a draft Multi-Family Affordable Housing Developer's Agreement from Orange County, for construction to permanent financing in the amount of \$9,300,000 for the Development. The OC will provide the funds to NLP, who will, in turn, disburse proceeds of and service the loan. The OC loan will have a permanent term of 30 years, based on a 30-year amortization schedule. The loan will be interest only for the first five years post stabilization and cash flow contingent beyond that. The interest rate of the OC loans is 0.50%. The permanent loan interest is based on the interest rate of 0.50%. In addition to the interest rate, there is an annual service fee of 0.25% of the loan amount.

Solar Credit Equity:

First Housing has reviewed a letter, dated March 23, 2023, indicating Enterprise will acquire 99.99% ownership interest in the Partnership. Based on the letter, the Federal Solar Tax Credit equity contribution is estimated to be in the amount of \$297,053 and the syndication rate is anticipated to be \$0.85 per dollar. Enterprise will make the contribution available at cost certification.

MMRN & HC CREDIT UNDERWRITING REPORT

Housing Credit Equity:

The Applicant has applied to FHFC to receive 4% Housing Credits. A HC calculation is contained in Exhibit 2 of this credit underwriting report. Based on a letter, dated March 23, 2023 the syndication price is \$0.9025; however, the actual calculation of the syndication rate is \$0.902591893; the letter indicates Enterprise, will provide HC equity as follows:

Capital Contributions	Amount	Percentage of Total	When Due
1st Installment	\$3,352,000	20.36%	At admission
2nd Installment	\$1,676,330	10.18%	TCO/95% construction completion
3rd Installment	\$8,588,921	52.17%	Construction Completion, Cost Certification
4th Installment	\$2,516,895	15.29%	Stabilization/Conversion
5th Installment	\$329,000	2.00%	Tax Returns /8609s
Total	\$16,463,146	100.00%	

Annual Credit Per Syndication Agreement	\$1,824,168
Calculated HC Exchange Rate	\$0.902591893
Limited Partner Ownership Percentage	99.99%
Proceeds Available During Construction	\$5,028,330

The total contribution included in the letter is \$16,760,199, which includes the solar tax credit contribution

Deferred Developer Fee:

To balance the sources and uses of funds during the permanent funding period, the Developer is required to defer \$3,896,479 or 66.46% of the total Developer Fee of \$5,862,862.

Uses of Funds

CONSTRUCTION COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
New Rental Units	\$15,500,000	\$22,325,874	\$19,235,221	\$123,303	\$0
Site Work	\$2,283,218	\$0	\$3,090,653	\$19,812	\$726,482
Furniture, Fixture, & Equipment	\$100,000	\$0	\$0	\$0	\$0
Constr. Contr. Costs subject to GC Fee	\$17,883,218	\$22,325,874	\$22,325,874	\$143,115	\$726,482
General Conditions	\$0	\$1,280,811	\$1,280,811	\$8,210	\$0
Overhead	\$0	\$426,937	\$426,937	\$2,737	\$0
Profit	\$2,172,318	\$1,280,811	\$1,280,811	\$8,210	\$0
Payment and Performance Bonds	\$150,000	\$140,022	\$140,022	\$898	\$0
Total Construction Contract/Costs	\$20,205,536	\$25,454,455	\$25,454,455	\$163,170	\$726,482
Hard Cost Contingency	\$1,010,000	\$1,265,722	\$1,265,722	\$8,114	\$0
FF&E paid outside Constr. Contr.	\$0	\$100,000	\$100,000	\$641	\$0
Total Construction Costs:	\$21,215,536	\$26,820,177	\$26,820,177	\$171,924	\$726,482

Notes to the Total Construction Costs:

1. The Applicant has provided an executed construction contract, dated March 1, 2023, in the amount of \$25,454,455. This is a Standard Form of Agreement between Owner, BDG Barnett Villas, LP, and Contractor, RBK 3 LLC dba Roger B. Kennedy Construction where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price (“GMP”). Per the contract, substantial completion is to be achieved by no later than 485 days from the date of commencement. The construction contract specifies a 10% retainage of each application for payment until 50% complete. Insurance and bonds are not subject to retainage.
2. The Hard Cost Contingency is within 5% of the total construction cost, less the P&P Bond, as allowed for new construction developments by Rule Chapter 67-21.
3. The General Contractor (“GC”) fee is within the maximum 14% of hard costs allowed by Rule Chapter 67-21. The GC fee stated herein is for credit underwriting purposes only, and the final GC fee will be determined pursuant to the final cost certification process as per Rule Chapter 67-21.

MMRN & HC CREDIT UNDERWRITING REPORT

4. The GC Contract includes \$3,394,891 in allowances which equals 13.3% of the GMP.

Unsuitable Material Removal and Replace	\$75,000
Main Site Water Tie-In	\$100,000
Hardscape Package	\$100,000
Irrigation	\$125,000
Rough Carpentry Materials	\$1,542,000
Wood Roof and Floor Trusses	\$1,189,591
Clubhouse Custom Millwork / Cabinets and Tops	\$50,000
Clubhouse Flooring	\$35,000
Fitness Center Wall Mirror	\$4,900
Unit / Building Signage	\$15,600
Monument Signage and Structure	\$25,000
Clubhouse Appliances	\$2,800
DAS System and Conduit and Vertical Rated Shafts	\$50,000
Power Company's primary conduit	\$80,000

Based on the draft PCA, the allowances are within an acceptable range for the scope of work indicated; however, the actual projects costs may be modified depending on the actual cost of the allowance items. Please note, rough carpentry materials and wood roof and floor trusses are not considered allowances. Verification these two items are removed from Exhibit F of the GC Contract, is a condition to close.

5. The GC has budgeted for a Payment and Performance Bond (“P&P Bond”) to secure the construction contract.
6. The Applicant has stated, via email, dated March 8, 2023, that all costs associated with Washer and Dryers will be funded directly by the Applicant outside of the Development Costs.

MMRN & HC CREDIT UNDERWRITING REPORT

GENERAL DEVELOPMENT COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Accounting Fees	\$25,000	\$25,000	\$25,000	\$160	\$12,500
Appraisal	\$5,000	\$5,000	\$5,000	\$32	\$0
Architect's Fee - Site/Building Design	\$275,000	\$234,500	\$234,500	\$1,503	\$0
Architect's Fee - Supervision	\$90,000	\$97,600	\$97,600	\$626	\$0
Building Permits	\$100,000	\$250,000	\$250,000	\$1,603	\$0
Builder's Risk Insurance	\$200,000	\$312,000	\$312,000	\$2,000	\$0
Capital Needs Assessment/Rehab	\$5,000	\$0	\$0	\$0	\$0
Engineering Fees	\$131,000	\$141,000	\$141,000	\$904	\$0
Environmental Report	\$10,000	\$3,500	\$3,500	\$22	\$0
FHFC Administrative Fees	\$135,000	\$175,500	\$167,774	\$1,075	\$167,774
FHFC Application Fee	\$4,000	\$3,000	\$3,000	\$19	\$3,000
FHFC Credit Underwriting Fee	\$25,000	\$30,000	\$21,005	\$135	\$21,005
FHFC Compliance Fee	\$0	\$0	\$0	\$0	\$0
Impact Fee	\$248,196	\$256,152	\$256,152	\$1,642	\$0
Lender Inspection Fees / Const Admin	\$30,000	\$30,000	\$30,000	\$192	\$0
Green Building Cert. (LEED, FGBC, NAHB)	\$20,000	\$20,000	\$24,180	\$155	\$0
Legal Fees - Organizational Costs	\$125,000	\$125,000	\$125,000	\$801	\$62,500
Market Study	\$5,000	\$5,000	\$4,500	\$29	\$4,500
Marketing and Advertising	\$50,000	\$50,000	\$50,000	\$321	\$50,000
Plan and Cost Review Analysis	\$0	\$5,000	\$2,800	\$18	\$0
Property Taxes	\$30,000	\$30,000	\$30,000	\$192	\$0
Soil Test	\$10,000	\$0	\$0	\$0	\$0
Survey	\$30,000	\$50,000	\$50,000	\$321	\$0
Title Insurance and Recording Fees	\$80,000	\$80,000	\$80,000	\$513	\$64,000
Utility Connection Fees	\$403,416	\$425,880	\$425,880	\$2,730	\$0
Soft Cost Contingency	\$100,000	\$100,000	\$116,944	\$750	\$0
Total General Development Costs:	\$2,136,612	\$2,454,132	\$2,455,835	\$15,743	\$385,279

Notes to the General Development Costs:

1. General Development Costs are the Applicant's updated estimates, which appear reasonable.
2. First Housing has utilized actual costs for: FHFC Fees, Market Study, and PCA.
3. The FHFC Administrative Fee is based on 9% of the recommended annual 4% Housing Credit allocation.
4. First Housing received a Proposal, dated January 9, 2023, from Green Built Solutions for FGBC Administration and Verification services for the Development. First Housing has included an estimated cost of \$24,180 for these services.
5. First Housing adjusted the Soft Cost Contingency to be 5% of the General Development Costs less the soft cost contingency, as allowed by Rule Chapter 67-21 for new construction developments.

MMRN & HC CREDIT UNDERWRITING REPORT

FINANCIAL COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Construction Loan Origination Fee	\$196,000	\$220,000	\$220,000	\$1,410	\$0
Construction Loan Closing Costs	\$0	\$50,000	\$50,000	\$321	\$0
Construction Loan Interest	\$700,000	\$2,000,000	\$2,281,664	\$14,626	\$760,555
Permanent Loan Origination Fee	\$115,000	\$60,000	\$120,000	\$769	\$120,000
Permanent Loan Closing Costs	\$80,000	\$50,000	\$50,000	\$321	\$50,000
Bridge Loan Origination Fee	\$50,000	\$0	\$0	\$0	\$0
Bridge Loan Interest	\$50,000	\$0	\$0	\$0	\$0
FHFC Note Fiscal Agent Fee	\$0	\$11,500	\$11,250	\$72	\$11,250
FHFC Note Cost of Issuance	\$250,000	\$250,000	\$250,030	\$1,603	\$250,030
Misc Loan Origination Fee	\$0	\$93,000	\$93,000	\$596	\$93,000
Misc Loan Interest	\$0	\$46,500	\$46,500	\$298	\$15,500
Initial TEFRA Fee	\$0	\$0	\$1,000	\$6	\$1,000
Other: Syndication Fee	\$80,000	\$40,000	\$40,000	\$256	\$40,000
Other: FHFC Note Issuer Fees	\$0	\$132,000	\$132,000	\$846	\$132,000
Total Financial Costs:	\$1,521,000	\$2,953,000	\$3,295,444	\$21,125	\$1,473,335
Dev. Costs before Acq., Dev. Fee & Reserves	\$24,873,148	\$32,227,309	\$32,571,456	\$208,791	\$2,585,096

Notes to the Financial Costs:

1. The Construction Loan Origination Fee is equal to 1% of the Construction Loan amount.
2. The Construction Loan Interest is based on projections from First Housing for a 24-month construction loan period, including a 16-month construction schedule and 8-month lease-up, and a 56% outstanding balance.
3. The Permanent Loan Origination Fee is equal to 1% of the Permanent Loan amount.
4. The Miscellaneous Loan Origination Fee and Interest are based on projections from the Applicant for the OC loan, which appear reasonable.
5. The FHFC Note Fiscal Agent Fee represents 2.5 years of the annual Fiscal Agent Fee of \$4,500 during the construction period.
6. FHFC Note Cost of Issuance (“COI”) includes MMRN Closing Costs, and expenses of the Fiscal Agent, Real Estate Counsel, MMRN Counsel, Disclosure Counsel, and other fees.
7. The FHFC Note Issuer Fee is based on 2.5 years of the FHFC Issuer Fee of 24 basis points on the MMRN during construction.

MMRN & HC CREDIT UNDERWRITING REPORT

NON-LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Total Non-Land Acquisition Costs:	\$0	\$0	\$0	\$0	\$0

Notes to the Non-Land Acquisition Costs:

1. As this is new construction, non-land acquisition costs do not apply.

DEVELOPER FEE ON NON-ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Developer Fee - Unapportioned	\$4,477,166	\$5,800,915	\$5,484,602	\$35,158	\$0
DF to Excess Land Costs	\$0	\$0	\$378,260	\$2,425	\$0
Total Other Development Costs:	\$4,477,166	\$5,800,915	\$5,862,862	\$37,582	\$0

Notes to the Developer Fee on Non-Acquisition Costs:

1. The recommended Developer's Fee does not exceed 18% of Total Development Cost before Developer Fee, land acquisition costs, and ODR as allowed by Rule Chapter 67-21.
2. First Housing has included DF to Excess Land Costs in the amount of \$378,260 , which is the land carrying cost, totaling \$3,028,260 , and the appraisal Fee Simple Market Value As Is of \$2,650,000.

LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Land	\$2,681,250	\$2,650,000	\$2,650,000	\$16,987	\$2,650,000
Land Carrying Costs	\$0	\$449,915	\$0	\$0	\$0
Total Acquisition Costs:	\$2,681,250	\$3,099,915	\$2,650,000	\$16,987	\$2,650,000

Notes to Land Acquisition Costs:

1. First Housing received a Vacant Land Contract, dated March 29, 2022, Addendum to Contract, dated June 1, 2022, Addendum to Contract, dated October 1, 2022 and Third Amendment to Purchase and Sale Agreement, dated March 24, 2023. The purchase price is \$2,650,000. In addition to the purchase price, non-land acquisition interest cost at a rate of 10% per annum from the effective date of March 29, 2022 until closing will be due. The Developer's budget includes \$378,260 in non-land acquisition interest costs.

MMRN & HC CREDIT UNDERWRITING REPORT

- The appraisal, dated January 26, 2023, indicates a Fee Simple Market Value As Is, as of December 19, 2022, of \$2,650,000. First Housing has included non-land acquisition interest costs of \$378,260 , as a subset of Developer Fee.

RESERVE ACCOUNTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Operating Deficit Reserve (Syndicator)	\$769,549	\$881,406	\$872,360	\$5,592	\$872,360
Total Reserve Accounts:	\$769,549	\$881,406	\$872,360	\$5,592	\$872,360

Notes to Reserve Accounts:

- An ODR in the amount of \$872,360 will be required by Enterprise. In exchange for receiving, funding from the Corporation, the Corporation reserves the authority to restrict the disposition of any funds remaining in any operating deficit reserve(s) after the term of the reserve’s original purpose has terminated or is near termination. Authorized disposition uses are limited to payments towards any outstanding loan balances of the Development funded from the Corporation, any outstanding Corporation fees, any unpaid costs incurred in the completion of the Development (i.e., deferred Developer Fee), the Development’s capital replacement reserve account (provided, however, that any operating deficit reserve funds deposited to the replacement reserve account will not replace, negate, or otherwise be considered an advance payment or pre-funding of the Applicant’s obligation to periodically fund the replacement reserve account), the reimbursement of any loan(s) provided by a partner, member or guarantor as set forth in the Applicant’s organizational agreement (i.e., operating or limited partnership agreement). The actual direction of the disposition is at the Applicant’s discretion so long as it is an option permitted by the Corporation. In no event, shall the payment of amounts to the Applicant or the Developer from any operating deficit reserve established for the Development cause the Developer Fee or General Contractor fee to exceed the applicable percentage limitations provided for in this Rule Chapter 67-21.

TOTAL DEVELOPMENT COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
TOTAL DEVELOPMENT COSTS:	\$32,801,113	\$42,009,545	\$41,956,678	\$268,953	\$6,107,456

Notes to Total Development Costs:

- The TDC has increased by a total of \$9,155,565 from \$32,801,113 to \$41,956,678 or 27.91% since the Application. The increase is mainly due to the increase in construction costs and financial costs.

MMRN & HC CREDIT UNDERWRITING REPORT

Operating Pro Forma – Barnett Villas

FINANCIAL COSTS:		Year 1	Year 1 Per Unit
OPERATING PRO FORMA			
INCOME:	Gross Potential Rental Income	\$1,917,864	\$12,294
	Other Income		
	Ancillary Income	\$49,093	\$315
	Washer/Dryer Rentals	\$46,800	\$300
	Gross Potential Income	\$2,013,757	\$12,909
	Less:		
	Physical Vac. Loss Percentage: 4.00%	\$80,550	\$516
	Collection Loss Percentage: 1.00%	\$20,138	\$129
	Total Effective Gross Income	\$1,913,069	\$12,263
	EXPENSES:	Fixed:	
Real Estate Taxes		\$147,000	\$942
Insurance		\$124,800	\$800
Variable:			
Management Fee Percentage: 5.00%		\$95,653	\$613
General and Administrative		\$62,400	\$400
Payroll Expenses		\$249,600	\$1,600
Utilities		\$156,000	\$1,000
Marketing and Advertising		\$11,700	\$75
Maintenance and Repairs/Pest Control		\$62,400	\$400
Grounds Maintenance and Landscaping		\$31,200	\$200
Reserve for Replacements		\$46,800	\$300
Total Expenses		\$987,553	\$6,330
Net Operating Income	\$925,516	\$5,933	
Debt Service Payments			
First Mortgage - FHFC/VNB	\$762,017	\$4,885	
Second Mortgage - OC	\$333,895	\$2,140	
First Mortgage Fees - FHFC/VNB	\$39,928	\$256	
Second Mortgage Fees - OC	\$23,250	\$149	
Total Debt Service Payments	\$1,159,090	\$7,430	
Cash Flow after Debt Service	-\$233,574	-\$1,497	
Debt Service Coverage Ratios			
DSC - First Mortgage plus Fees		1.15x	
DSC - Second Mortgage plus Fees		0.80x	
Financial Ratios			
Operating Expense Ratio		51.62%	
Break-even Economic Occupancy Ratio (all debt)		106.85%	

- First Housing has calculated a 1.12x DSC for the Development, when including the First Mortgage, First Mortgage Fees and Second Mortgage Fees. First Housing has excluded the Second Mortgage principal and interest payments as they are based on available cash flow.

MMRN & HC CREDIT UNDERWRITING REPORT

Notes to the Operating Pro Forma and Ratios:

- The MMRN program does not impose any rent restrictions. However, in conjunction with the MMRN this Development will be utilizing Housing Credits which will impose rent restrictions. The LIHTC rent levels are based on the 2022 maximum LIHTC rents published on FHFC’s website for Orange County less the utility allowance. The Utility Allowances are based on the UA Energy Consumption Model (“ECM”) Estimate, dated January 6, 2022, prepared by Matern Professional Engineering, Inc. FHFC approved the UA ECM on April 6, 2023:

Orange County, Orlando-Kissimmee-Sanford MSA

Bed Rooms	Bath Rooms	Units	Square Feet	AMI%	Low HOME Rents	High HOME Rents	Gross HC Rent	Utility Allow.	Net Restricted Rents	PBRA Contr Rents	Applicant Rents	Appraiser Rents	CU Rents	Annual Rental Income
1	1.0	15	761	50%			\$778	\$33	\$ 745		\$ 745	\$ 745	\$ 745	\$ 134,100
1	1.0	30	761	60%			\$933	\$33	\$ 900		\$ 900	\$ 900	\$ 900	\$ 324,000
1	1.0	15	761	70%			\$1,089	\$33	\$ 1,056		\$ 1,260	\$ 1,056	\$ 1,056	\$ 190,080
2	2.0	21	1,017	50%			\$933	\$39	\$ 894		\$ 894	\$ 894	\$ 894	\$ 225,288
2	2.0	42	1,017	60%			\$1,120	\$39	\$ 1,081		\$ 1,081	\$ 1,081	\$ 1,081	\$ 544,824
2	2.0	21	1,017	70%			\$1,307	\$39	\$ 1,268		\$ 1,254	\$ 1,268	\$ 1,268	\$ 319,536
3	2.0	3	1,197	50%			\$1,078	\$43	\$ 1,035		\$ 1,035	\$ 1,035	\$ 1,035	\$ 37,260
3	2.0	6	1,197	60%			\$1,293	\$43	\$ 1,250		\$ 1,250	\$ 1,250	\$ 1,250	\$ 90,000
3	2.0	3	1,197	70%			\$1,509	\$43	\$ 1,466		\$ 1,466	\$ 1,466	\$ 1,466	\$ 52,776
		156	145,452											\$ 1,917,864

- First Housing has utilized a 5.00% vacancy and collection loss which includes a 4.00% vacancy loss and a 1.00% collection loss, which is more conservative than the appraisal.
- The Break-even Economic Occupancy Ratio includes all debt; however, the subordinate debt payments are based on available cash flow. This ratio would improve to 90.27% if the subordinate debt principal and interest payments were not included in the calculation.
- Ancillary Income is comprised of revenue from, vending machines, late charges, forfeited security deposits and other miscellaneous sources. Total Miscellaneous Income of \$49,093 or \$315 per unit is supported by the appraisal.
- The Development will offer washer/dryers to rent to the residents at \$50 per month. The appraiser has estimated a 50% capture rate and income of \$46,800 or \$300 per unit.
- Based upon operating data from comparable properties, third-party reports (appraisal and market study) and First Housing's independent due diligence, First Housing represents that, in its professional opinion, estimates for Rental Income, Vacancy, Other Income, and Operating Expenses fall within a band of reasonableness.

MMRN & HC CREDIT UNDERWRITING REPORT

7. The Applicant has submitted a Management Agreement between BDG Barnett Villas, LLC and AGPM, LLC, dated March 21, 2023. The Agreement reflects a monthly management fee of the greater of \$2,000 or 5% of Gross Operating Revenues.
8. Tenants are responsible for electric, cable and internet. The landlord is responsible for common area electric, water/sewer and trash collection.
9. Replacement Reserves of \$300 per unit per year are required, per Rule Chapter 67-21. According to the letter from Enterprise, dated March 23, 2023, replacement reserves will be required at \$300 per unit and increasing at 3% per year.
10. Refer to Exhibit I, Page 1 for a 15-Year Pro Forma, which reflects rental income increasing at an annual rate of 2%, and expenses increasing at an annual rate of 3%.

Section B

MMRN Special and General Conditions

HC Allocation Recommendation and Contingencies

Special Conditions

This recommendation is contingent upon the review and approval of the following items by Florida Housing and First Housing **at least 30 days prior to Real Estate Loan Closing**. Failure to submit and to receive approval of these items within this time frame may result in postponement of the MMRN pricing date and/or MMRN closing date. For competitive MMRN sales, these items must be reviewed and approved prior to issuance of the notice of MMRN sale:

1. Receipt and satisfactory review of the Final signed, sealed “approved for construction” plans and specifications by the Construction Consultant and the Servicer.
2. Firm Commitment from VNB (construction and permanent financing) with terms and conditions that are not substantially different than those utilized in this credit underwriting report.
3. Receipt of final Multi-Family Affordable Housing Developer’s Agreement from OC.
4. Receipt of satisfactory bank statements or verification of deposit for Banyan Development Group, LLC
5. Receipt of satisfactory bank statements or verification of deposit for the GC.
6. Receipt and satisfactory review of final PCA, confirming all amenities/features are included as required by FHFC, compliance with all applicable Federal accessibility laws is met and any additional recommendations, by OSG, are followed.
7. Receipt and satisfactory review of Forms 121, 126 and 128.
8. Verification that allowances have been removed from Exhibit F of the GC Contract.
9. Receipt and satisfactory review of updated financials for the Guarantors and Enterprise dated within 90 days of closing if un-audited and within a year of closing if audited.
10. Any other reasonable requirements of the Servicer, Florida Housing, or its Legal Counsel.

General Conditions

This recommendation is contingent upon the review and approval of the following items by Florida Housing and First Housing **at least 30 days prior to Real Estate Loan Closing**. Failure to submit

and to receive approval of these items within this time frame may result in postponement of the closing date:

1. Payment of any outstanding arrearages to the Corporation, its Legal Counsel, Servicer or any agent or assignee of the Corporation for past due issues applicable to the development team (Applicant or Developer or Principal, Affiliate or Financial Beneficiary, as described in 67-21.0025 (5) F.A.C. of an Applicant or a Developer).
2. OSG is to act as construction inspector during the construction phase.
3. At all times there will be undisbursed loan funds (collectively held by Florida Housing, the first mortgage lender and any other source) sufficient to complete the Development. If at any time there are not sufficient funds to complete the Development, the Borrower will be required to expend additional equity on Development Costs or to deposit additional equity with Florida Housing which is sufficient (in Florida Housing's judgment) to complete the Development before additional loan funds are disbursed. This condition specifically includes escrowing at closing all equity necessary to complete construction or another alternative acceptable to Florida Housing in its sole discretion.
4. Construction Period Developer Fee shall be the lesser of i) 50% of the Total Developer Fee or ii) the Total Developer Fee less the Deferred Developer Fee listed in the Sources and Uses for the construction period, as calculated by the Servicer. At closing, a maximum of 35% of the Construction Period Developer Fee may be funded. Remaining Construction Period Developer Fee will be disbursed during construction/rehabilitation on a pro rata basis, based on the percentage of completion of the development, as approved and reviewed by FHFC and Servicer.

Once the Development has achieved 100% lien free completion and retainage has been released, the Post-Construction Period Developer Fee may be funded. Post-Construction Period Developer Fee is the remaining portion of Developer Fee less Deferred Developer Fee listed in the Sources and Uses for the permanent period, as calculated by the Servicer.

5. Signed and sealed survey, dated within 90 days of loan closing, unless otherwise approved by Florida Housing, and its Legal Counsel, based upon the particular circumstances of the transaction. The Survey shall be certified to Florida Housing, and its Legal Counsel, as well as the title insurance company, and shall indicate the legal description, exact boundaries of the Development, easements, utilities, roads, and means of access to public streets, total acreage and flood hazard area and any other requirements of Florida Housing.

6. Building permits and any other necessary approvals and permits (e.g., final site plan approval, Department of Environmental Protection, Army Corps of Engineers, the Water Management District, Department of Transportation, etc.) or 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), or evidence of 100% lien-free completion, if applicable. If a letter is provided, copies of all permits will be required as a condition of the first post-closing draw.
7. Final "as permitted" (signed and sealed) site plans, building plans and specifications. The geotechnical report must be bound within the final plans and specifications, if applicable.
8. Final sources and uses of funds schedule itemized by source and line item, in a format and in amounts approved by the Servicer. A detailed calculation of the construction loan interest based upon the final draw schedule, documentation of the closing costs, and draft loan closing statement must also be provided. The sources and uses of funds schedule will be attached to the Construction Loan Agreement as the approved development budget.
9. A final construction draw schedule showing itemized sources and uses of funds for each monthly draw. The closing draw must include appropriate backup and ACH wiring instructions.
10. Evidence of insurance coverage pursuant to the Rule governing this proposed transaction and, as applicable, the FHFC Insurance Guide.
11. The General Contractor shall secure a payment and performance bond equal to 100 percent of the total construction cost listing FHFC as a co-obligee, whose terms do not adversely affect the Corporation's interest, issued in the name of the General Contractor, from a company rated at least "A-" by AMBest & Co., or a Corporation-approved alternate security for the General Contractor's performance such as a letter of credit issued by a financial institution with a senior long term (or equivalent) credit rating of at least "Baa3" by Moody's, or at least "BBB-" by Standard & Poor's or Fitch, or a financial rating of at least 175 by IDC Financial Publishing. The LOC must include "evergreen" language and be in a form satisfactory to Florida Housing, its Servicer and its Legal Counsel.
12. Architect, Construction Consultant, and Developer Certifications on forms provided by FHFC will be required for both design and as built with respect to Section 504 of the Rehabilitation Act, Americans with Disabilities Act, and the Federal Fair Housing Act requirements, if applicable.

13. Borrower is to comply with any and all recommendations noted in the PCA, prepared by OSG.
14. At the end of the Compliance Period, any remaining balance of the ODR less amounts that may be permitted to be drawn (which includes Deferred Developer Fee and reimbursements for authorized member/partner and guarantor loan(s) pursuant to the operating/partnership agreement), will be used to pay FHFC loan debt; if there is no FHFC loan debt on the proposed Development at the end of the Compliance Period, any remaining balance shall be used to pay any outstanding FHFC fees. If any balance is remaining in the ODR after the payments above, the amount should be placed in a Replacement Reserve account for the Development. In no event shall the payments of amounts to the Applicant or the Developer from the Reserve Account cause the Developer Fee or General Contractor Fee to exceed the applicable percentage limitations provided for in the Rule. Any and all terms and conditions of the ODR must be acceptable to Florida Housing, its Servicer and its Legal Counsel.
15. A copy of an Amended and Restated Limited Partnership Agreement reflecting purchase of the HC under terms consistent with the assumptions contained within this Credit Underwriting Report. The Amended and Restated Limited Partnership Agreement shall be in a form and of financial substance satisfactory to Servicer and to FHFC and its Legal Counsel.

This recommendation is contingent upon the review and approval of the following items by Florida Housing, and its Legal Counsel **at least 30 days prior to Real Estate Loan Closing**. Failure to receive approval of these items, along with all other items listed on Florida Housing Counsel's due diligence, within this time frame may result in postponement of the loan closing date.

1. Documentation of the legal formation and current authority to transact business in Florida for the Borrower, the general partner/principal(s)/manager(s) of the Borrower, the guarantor, and any limited partners of the Borrower.
2. Award of 4% Housing Credits and purchase of HC by Enterprise Housing Credit investments or an affiliate, under terms consistent with the assumptions of this report.
3. Signed and sealed survey, dated within 90 days of closing, unless otherwise approved by Florida Housing, and its Legal Counsel, based upon the particular circumstances of the transaction. The Survey shall be certified to Florida Housing and its Legal Counsel, as well as the title insurance company, and shall indicate the legal description, exact boundaries of the Development, easements, utilities, roads, and means of access to

public streets, total acreage and flood hazard area and any other requirements of Florida Housing.

4. An acceptable updated Environmental Audit Report, together with a reliance letter to Florida Housing, prepared within 90 days of closing, unless otherwise approved by Florida Housing, and Legal Counsel, based upon the particular circumstances of the transaction. Borrower to comply with any and all recommendations and remediation restrictions noted in the Environmental Assessment(s) and Updates and the Environmental Review, if applicable.
5. Title insurance pro forma or commitment for title insurance with copies of all Schedule B exceptions, in the amount of the Loans naming FHFC as the insured. All endorsements required by FHFC shall be provided.
6. Florida Housing and its Legal Counsel shall review and approve all other lenders closing documents and the limited partnership agreement or other applicable agreement. Florida Housing shall be satisfied in its sole discretion that all legal and program requirements for the Loan(s) have been satisfied.
7. Evidence of insurance coverage pursuant to the Rule governing this proposed transaction and, as applicable, the FHFC Insurance Guide.
8. Receipt of a legal opinion from the Borrower's Legal Counsel acceptable to Florida Housing addressing the following matters:
 - a. The legal existence and good standing of the Borrower and of any partnership or limited liability company that is the general partner of the Borrower (the "GP") and of any corporation or partnership that is the managing general partner of the GP, of any corporate guarantor and any manager;
 - b. Authorization, execution, and delivery by the Borrower and the guarantor, of all Loan(s) documents;
 - c. The Loan(s) documents being in full force and effect and enforceable in accordance with their terms, subject to bankruptcy and equitable principles only;
 - d. The Borrower's and the Guarantor's execution, delivery and performance of the Loan(s) documents shall not result in a violation of, or conflict with, any judgments, orders, contracts, mortgages, security agreements or leases to which the Borrower is a party or to which the Development is subject to the Borrower's Partnership Agreement and;

- e. Such other matters as Florida Housing or its Legal Counsel may require.
9. Evidence of compliance with the local concurrency laws, if applicable.
10. Such other assignments, affidavits, certificates, financial statements, closing statements and other documents as may be reasonably requested by Florida Housing or its Legal Counsel in form and substance acceptable to Florida Housing or its Legal Counsel, in connection with the Loan(s).
11. UCC Searches for the Borrower, its partnerships, as requested by Counsel.
12. Any other reasonable conditions established by Florida Housing and its Legal Counsel.

Additional Conditions

This recommendation is also contingent upon satisfaction of the following additional conditions:

1. Compliance with all provisions of Sections 420.507, 420.509, Florida Statutes, Rule Chapter 67-21, F.A.C. (MMRB and Non-Competitive 4% Housing Credits), Rule Chapter 67-53, F.A.C., Section 42 I.R.C (Housing Credits), and any other State or Federal requirements.
2. Acceptance by the Borrower and execution of all documents evidencing and securing the MMRN in form and substance satisfactory to Florida Housing, including, but not limited to, the Promissory Note(s), the Loan Agreement(s), the Mortgage and Security Agreement(s), and the Land Use Restriction Agreement(s) and/or Extended Land Use Agreement(s) and Final Cost Certificate.
3. Receipt and satisfactory review of a Joint Funding Agreement between Applicant and Enterprise Housing Credit Investments or an affiliate, that requires funding of all HC Equity Installments during construction, even if the Applicant is in default under the Limited Partnership Agreement.
4. All amounts necessary to complete construction must be deposited with the Fiscal Agent prior to closing, or any phased HC Equity pay-in amount necessary to complete construction shall be contingent upon an obligation of the entity providing payments, regardless of any default under any documents relating to the HC's, as long as the First Mortgage continues to be funded. Notwithstanding the foregoing, at least 15% of all HC Equity (but not less than provided for in the Syndication Agreement or such higher amount as recommended by First Housing) shall be deposited with the Fiscal Agent at the MMRN closing unless a lesser amount is approved by FHFC prior to closing.

5. Guarantors to provide the standard FHFC Construction Completion Guaranty, to be released upon lien-free completion, as approved by the Servicer.
6. For the MMRN, Guarantors are to provide the standard FHFC Operating Deficit Guaranty. If requested in writing by the Applicant, the Servicer will consider a recommendation to release the Operating Deficit Guaranty if all conditions are met, including achievement of a 1.15x debt service coverage ratio on the permanent first mortgage as determined by FHFC or the Servicer and 90 percent occupancy and 90 percent of the gross potential rental income, net of utility allowances, if applicable, all for a period equal to 12 consecutive months, all certified by an independent Certified Public Accountant, and verified by the Servicer. The calculation of the debt service coverage ratio shall be made by FHFC or the Servicer. Notwithstanding the above, the Operating Deficit Guaranty shall not terminate earlier than three (3) years following the final certificate of occupancy.
7. Guarantors to provide the Standard FHFC Environmental Indemnity Guaranty.
8. Guarantors to provide the Standard FHFC Guaranty of Recourse Obligations.
9. If applicable, receipt and satisfactory review of Financial Statements from all Guarantors dated within 90 days of Real Estate Closing.
10. A Mortgagee Title Insurance policy naming Florida Housing as the insured in the amount of the Loan(s) is to be issued immediately after closing. Any exceptions to the title insurance policy must be acceptable to Florida Housing or its Legal Counsel. The form of the title policy must be approved prior to closing.
11. Property tax and hazard insurance escrow are to be established and maintained by the First Mortgagee Lender, Fiscal Agent, or the Servicer. In the event the reserve account is held by Florida Housing's Loan(s) servicing agent, the release of funds shall be at Florida Housing's sole discretion.
12. Replacement Reserves in the amount of \$300 per unit per year will be required to be deposited on a monthly basis into a designated escrow account, to be maintained by the First Mortgagee or Florida Housing's Loan(s) servicing agent. However, Applicant has the option to prepay Replacement Reserves, as allowed per Rule Chapter 67-21 F.A.C., in the amount of \$46,800 (one-half the required Replacement Reserves for Years 1 and 2), in order to meet the applicable DSC loan requirements. Applicant can waive this election, if at closing of the loan(s) the required DSC is met without the need to exercise

the option. It is currently estimated that Replacement Reserves will be funded from Operations in the amount of \$300 per unit per year for year 1, increasing by 3% per unit per year thereafter. The initial replacement reserve will have limitations on the ability to be drawn. New construction developments shall not be allowed to draw during the first five (5) years or until the establishment of a minimum balance equal to the accumulation of five (5) years of replacement reserves per unit. The amount established as a replacement reserve shall be adjusted based on a Capital Needs Assessment (“CNA”) to be received by the Corporation or its servicers, prepared by an independent third party and acceptable to the Corporation and its servicers at the time the CNA is required, beginning no later than the tenth year after the first residential building in the development receives a certificate of occupancy, a temporary certificate of occupancy, or is placed in service, whichever is earlier (“initial replacement reserve date”). A subsequent CNA is required no later than the 15th year after the initial Replacement Reserve Date and subsequently every five (5) years thereafter.

13. A minimum of 10% retainage holdback on all construction draws until the Development is 50% complete, and 0% retainage thereafter is required. Retainage will not be released until successful completion of construction and issuance of all certificates of occupancy. The construction contract specifies a 10% retainage of each application for payment made prior to Substantial Completion of the Work. This satisfies Rule Chapter 67-21 minimum requirement.
14. Closing of all funding sources prior to or simultaneous with the MMRN.
15. Satisfactory completion of a pre-loan closing compliance audit conducted by FHFC or Servicer, if applicable.
16. Satisfactory resolution of any outstanding past due and/or noncompliance items.
17. Any other reasonable requirements of the Servicer, Florida Housing, or its Legal Counsel.

Housing Credit Allocation Recommendation

First Housing Development Corporation has estimated a preliminary annual 4% HC allocation of \$1,864,160. Please see the HC Allocation Calculation in Exhibit 2 of this report for further details.

Contingencies

The HC allocation will be contingent upon the receipt and satisfactory review of the following items by First Housing and Florida Housing by the deadline established in the Preliminary Determination. Failure to submit these items within this time frame may result in forfeiture of the HC Allocation.

1. Purchase of the HC's by Enterprise Housing Credit Investments, its affiliate or designee, under terms consistent with assumptions of this report.
2. Satisfactory resolution of any outstanding past due and/or noncompliance items.
3. Receipt of executed FHFC Fair Housing, Section 504 and ADA as-built certification forms 122, 127, and 129.
4. Any other reasonable requirements of the Servicer, Florida Housing, or its Legal Counsel.

15-Year Proforma – Barnett Villas

FINANCIAL COSTS:		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
OPERATING PRO FORMA																
INCOME:	Gross Potential Rental Income	\$1,917,864	\$1,956,221	\$1,995,346	\$2,035,253	\$2,075,958	\$2,117,477	\$2,159,826	\$2,203,023	\$2,247,083	\$2,292,025	\$2,337,866	\$2,384,623	\$2,432,315	\$2,480,962	\$2,530,581
	Other Income															
	Ancillary Income	\$49,093	\$50,075	\$51,076	\$52,098	\$53,140	\$54,203	\$55,287	\$56,392	\$57,520	\$58,671	\$59,844	\$61,041	\$62,262	\$63,507	\$64,777
	Gross Potential Income	\$2,013,757	\$2,054,032	\$2,095,113	\$2,137,015	\$2,179,755	\$2,223,350	\$2,267,817	\$2,313,174	\$2,359,437	\$2,406,626	\$2,454,759	\$2,503,854	\$2,553,931	\$2,605,009	\$2,657,110
	Less:															
	Physical Vac. Loss Percentage: 4.00%	\$80,550	\$82,161	\$83,805	\$85,481	\$87,190	\$88,934	\$90,713	\$92,527	\$94,377	\$96,265	\$98,190	\$100,154	\$102,157	\$104,200	\$106,284
	Collection Loss Percentage: 1.00%	\$20,138	\$20,540	\$20,951	\$21,370	\$21,798	\$22,234	\$22,678	\$23,132	\$23,594	\$24,066	\$24,548	\$25,039	\$25,539	\$26,050	\$26,571
	Total Effective Gross Income	\$1,913,069	\$1,951,331	\$1,990,357	\$2,030,164	\$2,070,768	\$2,112,183	\$2,154,427	\$2,197,515	\$2,241,465	\$2,286,295	\$2,332,021	\$2,378,661	\$2,426,234	\$2,474,759	\$2,524,254
	Fixed:															
	Real Estate Taxes	\$147,000	\$151,410	\$155,952	\$160,631	\$165,450	\$170,413	\$175,526	\$180,791	\$186,215	\$191,802	\$197,556	\$203,482	\$209,587	\$215,874	\$222,351
Insurance	\$124,800	\$128,544	\$132,400	\$136,372	\$140,463	\$144,677	\$149,018	\$153,488	\$158,093	\$162,836	\$167,721	\$172,752	\$177,935	\$183,273	\$188,771	
Variable:																
Management Fee Percentage: 5.00%	\$95,653	\$97,567	\$99,518	\$101,508	\$103,538	\$105,609	\$107,721	\$109,876	\$112,073	\$114,315	\$116,601	\$118,933	\$121,312	\$123,738	\$126,213	
General and Administrative	\$62,400	\$64,272	\$66,200	\$68,186	\$70,232	\$72,339	\$74,509	\$76,744	\$79,046	\$81,418	\$83,860	\$86,376	\$88,967	\$91,637	\$94,386	
Payroll Expenses	\$249,600	\$257,088	\$264,801	\$272,745	\$280,927	\$289,355	\$298,035	\$306,977	\$316,186	\$325,671	\$335,442	\$345,505	\$355,870	\$366,546	\$377,542	
Utilities	\$156,000	\$160,680	\$165,500	\$170,465	\$175,579	\$180,847	\$186,272	\$191,860	\$197,616	\$203,545	\$209,651	\$215,940	\$222,419	\$229,091	\$235,964	
Marketing and Advertising	\$11,700	\$12,051	\$12,413	\$12,785	\$13,168	\$13,564	\$13,970	\$14,390	\$14,821	\$15,266	\$15,724	\$16,196	\$16,681	\$17,182	\$17,697	
Maintenance and Repairs/Pest Control	\$62,400	\$64,272	\$66,200	\$68,186	\$70,232	\$72,339	\$74,509	\$76,744	\$79,046	\$81,418	\$83,860	\$86,376	\$88,967	\$91,637	\$94,386	
Grounds Maintenance and Landscaping	\$31,200	\$32,136	\$33,100	\$34,093	\$35,116	\$36,169	\$37,254	\$38,372	\$39,523	\$40,709	\$41,930	\$43,188	\$44,484	\$45,818	\$47,193	
Reserve for Replacements	\$46,800	\$48,204	\$49,650	\$51,140	\$52,674	\$54,254	\$55,882	\$57,558	\$59,285	\$61,063	\$62,895	\$64,782	\$66,726	\$68,727	\$70,789	
Total Expenses	\$987,553	\$1,016,224	\$1,045,735	\$1,076,111	\$1,107,380	\$1,139,566	\$1,172,697	\$1,206,800	\$1,241,906	\$1,278,042	\$1,315,240	\$1,353,531	\$1,392,948	\$1,433,523	\$1,475,291	
Net Operating Income	\$925,516	\$935,107	\$944,623	\$954,053	\$963,388	\$972,617	\$981,730	\$990,715	\$999,560	\$1,008,253	\$1,016,781	\$1,025,130	\$1,033,286	\$1,041,236	\$1,048,963	
Debt Service Payments																
First Mortgage - FHFC/VNB	\$762,017	\$762,017	\$762,017	\$762,017	\$762,017	\$762,017	\$762,017	\$762,017	\$762,017	\$762,017	\$762,017	\$762,017	\$762,017	\$762,017	\$762,017	
Second Mortgage - OC	\$333,895	\$333,895	\$333,895	\$333,895	\$333,895	\$333,895	\$333,895	\$333,895	\$333,895	\$333,895	\$333,895	\$333,895	\$333,895	\$333,895	\$333,895	
First Mortgage Fees - FHFC/VNB	\$39,928	\$39,751	\$39,562	\$39,359	\$39,143	\$38,910	\$38,662	\$38,397	\$38,113	\$37,810	\$37,487	\$37,141	\$36,773	\$36,381	\$35,962	
Second Mortgage Fees - OC	\$23,250	\$23,250	\$23,250	\$23,250	\$23,250	\$23,250	\$23,250	\$23,250	\$23,250	\$23,250	\$23,250	\$23,250	\$23,250	\$23,250	\$23,250	
Total Debt Service Payments	\$1,159,090	\$1,158,914	\$1,158,724	\$1,158,522	\$1,158,305	\$1,158,073	\$1,157,824	\$1,157,559	\$1,157,275	\$1,156,972	\$1,156,649	\$1,156,304	\$1,155,936	\$1,155,543	\$1,155,124	
Cash Flow after Debt Service	-\$233,574	-\$223,807	-\$214,102	-\$204,469	-\$194,917	-\$185,455	-\$176,094	-\$166,844	-\$157,715	-\$148,720	-\$139,868	-\$131,174	-\$122,649	-\$114,307	-\$106,162	
Debt Service Coverage Ratios																
DSC - First Mortgage plus Fees	1.15	1.17	1.18	1.19	1.20	1.21	1.23	1.24	1.25	1.26	1.27	1.28	1.29	1.30	1.31	
DSC - Second Mortgage plus Fees	0.80	0.81	0.82	0.82	0.83	0.84	0.85	0.86	0.86	0.87	0.88	0.89	0.89	0.90	0.91	
DSC - All Mortgages and Fees	0.80	0.81	0.82	0.82	0.83	0.84	0.85	0.86	0.86	0.87	0.88	0.89	0.89	0.90	0.91	
Financial Ratios																
Operating Expense Ratio	51.62%	52.08%	52.54%	53.01%	53.48%	53.95%	54.43%	54.92%	55.41%	55.90%	56.40%	56.90%	57.41%	57.93%	58.44%	
Break-even Economic Occupancy Ratio (all debt)	106.85%	106.15%	105.47%	104.82%	104.19%	103.59%	103.01%	102.46%	101.93%	101.43%	100.95%	100.49%	100.05%	99.64%	99.25%	

According to the letter from Enterprise, dated March 23, 2023, replacement reserves will be required at \$300 per unit and increasing at 3% per year.

HC Allocation Calculation

Section I: Qualified Basis Calculation

Total Development Costs(including land and ineligible Costs)	\$41,956,678
Less Land Costs	\$2,650,000
Less Federal Grants and Loans	\$0
Less Other Ineligible Costs	\$3,457,456
Total Eligible Basis	\$35,849,222
Applicable Fraction	100%
DDA/QCT Basis Credit	130%
Qualified Basis	\$46,603,989
Housing Credit Percentage	4.00%
Annual Housing Credit Allocation	\$1,864,160

Notes to the Qualified Basis Calculation:

1. Other ineligible costs include; site work, accounting fees, FHFC Fees, legal fees, marketing, market study, title insurance and recording fees, financial costs, ODR and closing costs.
2. The Development has a 100% set-aside; therefore, the Applicable Fraction is 100%.
3. For purposes of this analysis, the Development is located in a Qualified Census Tract ("QCT"); therefore the 130% basis credit was applied.
4. For purposes of this recommendation a HC percentage of 4.00% was applied based on the 4% floor rate, which was established through the Consolidated Appropriations Act of 2021.

Section II: GAP Calculation

Total Development Costs(including land and ineligible Costs)	\$41,956,678
Less Mortgages	\$21,300,000
Less Grants	\$0
Equity Gap	\$20,656,678
HC Syndication Percentage to Investment Partnership	99.99%
HC Syndication Pricing	\$0.902591893
HC Required to meet Equity Gap	\$22,888,244
Annual HC Required	\$2,288,824

Notes to the Gap Calculation:

- The pricing and syndication percentage was taken from the letter, dated March 23, 2023, from Enterprise. The Letter indicates the syndication price is \$0.9025; however, the actual calculation of the syndication rate is \$0.902591893.

Section III: Summary

HC Per Syndication Agreement	\$1,824,168
HC Per Qualified Basis	\$1,864,160
HC Per GAP Calculation	\$2,288,824
Annual HC Recommended	\$1,864,160
Syndication Proceeds based upon Syndication Agreement	\$16,463,146

- The estimated annual 4% Housing Credit allocation is limited to the lesser of the qualified basis calculation or the gap calculation. The recommendation is based on the qualified basis calculation.

50% Test

Tax-Exempt Note Amount	\$22,000,000
Less: Debt Service Reserve Funded with Tax-Exempt Note Proceeds	\$0
Other:	\$0
Other:	\$0
Equals Net Tax-Exempt Note Amount	\$22,000,000
Total Depreciable Cost	\$35,849,222
Plus Land Cost	\$2,650,000
Aggregate Basis	\$38,499,222
Net Tax-Exempt Note to Aggregate Basis Ratio	57.14%

1. Based on the budget, the Development appears to meet the 50% test for 4% Housing Credits.

EXHIBIT "B"
(Barnett Villas / 2021-108B / 2021-555C)
DESCRIPTION OF FEATURES AND AMENITIES

A. The Development will consist of:

156 units located in 7 Garden Apartment residential buildings.

Unit Mix:

Sixty (60) one bedroom / one bath unit

Eighty-four (84) two bedroom / two bath units;

Twelve (12) three bedroom / two bath units

156 Total Units

The Development is to be rehabilitated/constructed in accordance with the final plans and specifications approved by the appropriate city or county building or planning department or equivalent agency and approved as reflected in the Pre-Construction Analysis prepared for Florida Housing or its Servicer, unless a change has been approved in writing by Florida Housing or its Servicer. The Development will conform to requirements of local, state & federal laws, rules, regulations, ordinances, orders and codes, the Federal Fair Housing Act and Americans with Disabilities Act ("ADA"), as applicable.

All selected features and amenities must be located on the Development site. In addition, if the proposed Development will consist of Scattered Sites, the Applicant must locate each selected feature and amenity that is not unit-specific on each of the Scattered Sites, or no more than 1/16 mile from the site with the most units, or a combination of both.

B. The Borrower has committed to provide the following Optional Features and Amenities for All Developments:

1. Exercise room with appropriate equipment. The exercise room must have secure entry
2. Community center and clubhouse
3. Laundry hook-ups and space for full-size washer and dryer inside each unit.
4. Each unit wired for high-speed internet

C. The Borrower has committed to provide the following Green Building Features:

1. Energy efficient windows in each unit (there are specific requirements per Development Type, as outlined in Section 11.b (3) of the Application instructions
 2. Install daylight sensors, timers or motion detectors on all outdoor lighting attached to buildings
 3. Low-flow water fixtures in bathrooms – WaterSense labeled products or the following specifications: Toilets: 1.28 gallons/flush or less; Urinals: 0.5 gallons/flush; Lavatory Faucets: 1.5 gallons/minute or less at 60 psi flow rate; and Showerheads: 2.0 gallons/minute or less at 80 psi flow rate
 4. Energy Star qualified refrigerators, dishwashers and washing machines that are provided by the Applicant
 5. Minimum SEER of 16 for unit air conditioners
- D. The Borrower has committed to provide the following Qualified Resident Program:
1. Financial Counseling - This service must be provided by the Applicant or its Management Company, at no cost to the resident, and must include the following components: must be regularly scheduled at least once each quarter; must include tax preparation assistance by qualified professionals; must include educational workshops on such topics as “Learning to Budget”, “Handling Personal Finances”, “Predatory Lending”, or “Comparison Shopping for the Consumer”. Counseling sessions must be held between the hours of 9:00a.m. and 8:00p.m. and electronic media, if used, must be used in conjunction with live instruction.

DEVELOPMENT

NAME: Barnett Villas

DATE: April 17, 2023

In accordance with the applicable Program Rule(s), the applicant is required to submit the information required to evaluate, complete, and determine its sufficiency in satisfying the requirements for Credit Underwriting to the Credit Underwriter in accordance with the schedule established by the Florida Housing Finance Corporation ("FHFC"). The following items must be satisfactorily addressed. "Satisfactorily" means that the Credit Underwriter has received assurances from third parties unrelated to the applicant that the transaction can close within the allowed time frame. Unsatisfactory items, if any, are noted below in the "Issues and Concerns" section of the Executive Summary.

FINAL REVIEW	STATUS	NOTE
REQUIRED ITEMS:	Satis. / Unsatis.	
1. The development's final "as submitted for permitting" plans and specifications. Note: Final "signed, sealed, and approved for construction" plans and specifications will be required thirty days before closing.	Satis.	1.
2. Final site plan and/or status of site plan approval.	Satis.	
3. Permit Status.	Satis.	2.
4. Pre-construction analysis ("PCA"). a. No construction costs exceeding 20% is subcontracted to any one entity with the exception of a subcontractor contracted to deliver the building shell of a building of at least 5 stories which may not have more than 31% of the construction cost in a subcontract. b. No construction costs is subcontracted to any entity that has common ownership or is an affiliate of the general contractor of the developer.	Unsatis. Satis. Satis.	3.
5. Survey.	Satis.	4.
6. Complete, thorough soil test reports.	Satis	
7. Full or self-contained appraisal as defined by the Uniform Standards of Professional Appraisal Practice.	Satis.	
8. Market Study separate from the Appraisal.	Satis.	
9. Environmental Site Assessment – Phase I and/or the Phase II if applicable (If Phase I and/or II disclosed environmental problems requiring remediation, a plan, including time frame and cost, for the remediation is required). If the report is not dated within one year of the application date, an update from the assessor must be provided indicating the current environmental status.	Satis.	
10. Audited financial statements for the most recent fiscal year ended or acceptable alternative as stated in Rule for credit enhancers, applicant, general partner, principals, guarantors and general contractor.	UnSatis.	5.
11. Resumes and experience of applicant, general contractor and management agent. Confirmed active status on Sunbiz for Applicant, Developer, and GC entities.	Satis.	
12. Credit authorizations; verifications of deposits and mortgage loans.	Satis.	
13. Management Agreement and Management Plan.	Satis.	
14. Firm commitment from the credit enhancer or private placement purchaser, if any.	N/A	
15. Firm commitment letter from the syndicator, if any.	Satis.	6.

16. Firm commitment letter(s) for any other financing sources.	Satis.	7.
17. Updated sources and uses of funds.	Satis.	
18. Draft construction draw schedule showing sources of funds during each month of the construction and lease-up period.	Unsatis.	8.
19. Fifteen-year income, expense, and occupancy projection.	Satis.	
20. Executed general construction contract with "not to exceed" costs.	Satis.	
21. HC ONLY: 15% of the total equity to be provided prior to or simultaneously with the closing of the construction financing.	Satis.	
22. Any additional items required by the credit underwriter.	Satis.	
23. Receipt of executed Florida Housing Fair Housing, Section 504 and ADA Design Certification Forms 121, 126, and 128.	UnSatis.	9.
24. If the owner has a HAP Contract or ACC with HUD, then receipt of HUD approval for an owner-adopted preference or limited preference specifically for individuals or families who are referred by a designated Referral Agency serving the county where the Development is located.	N/A	
25. Receipt of Tenant Eligibility and Selection Plan	Satis.	
26. Receipt of GC Certification	Satis.	
27. Reliance for FHDC as agent for FHFC is include in all applicable third party reports: Appraisal, Market Study, PCA, CNA, and Phase I.	Satis.	

1. Closing is conditioned upon receipt of final plans and specifications.
2. Acceptable permits or a permit ready letter is a condition to close.
3. Receipt of a final PCA is a condition to close.
4. Closing is conditioned upon receipt of final survey certified to FHFC.
5. Receipt of updated financials from Enterprise is a condition to closing.
6. Closing is conditioned upon receipt of a Limited Partnership Agreement.
7. Closing is conditioned upon receipt of a firm commitment from VNB (construction and permanent financing) and Orange County (construction and permanent financing) with terms and conditions that are not substantially different than those utilized in this credit underwriting report.
8. Receipt of a final draw schedule is a condition to close.
9. Receipt of Form 128 from OSG and updated Forms 121 and 126.

**FLORIDA HOUSING FINANCE CORPORATION
AUTHORIZATION RESOLUTION
BARNETT VILLAS**

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE ISSUANCE OF A MULTIFAMILY MORTGAGE REVENUE NOTE, 2023 SERIES ___ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (BARNETT VILLAS), OR SUCH OTHER DESIGNATION FOR EACH SERIES OR SUBSERIES AS SHALL BE DETERMINED, OF THE FLORIDA HOUSING FINANCE CORPORATION; PROVIDING FOR A MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF SUCH NOTE; APPROVING THE PREPARATION, EXECUTION AND DELIVERY OF A FUNDING LOAN AGREEMENT AND ANY PROJECT OR BORROWER LOAN AGREEMENT OR FINANCING AGREEMENT RELATING TO SUCH NOTE; AUTHORIZING THE PURCHASE OF SUCH NOTE PURSUANT TO SUCH FUNDING LOAN AGREEMENT OR A NOTE PURCHASE AGREEMENT APPROVED BY FLORIDA HOUSING IN ACCORDANCE WITH THE TERMS HEREOF, AND A LOAN MADE PURSUANT TO ANY PROJECT OR BORROWER LOAN AGREEMENT OR FINANCING AGREEMENT TO THE BORROWER NAMED THEREIN; AUTHORIZING THE PREPARATION, EXECUTION AND DELIVERY OF ALL DOCUMENTS NECESSARY OR DESIRED IN CONNECTION WITH THE ISSUANCE AND SALE OF SUCH NOTE, INCLUDING, BUT NOT LIMITED TO, A PRIVATE PLACEMENT MEMORANDUM OR TRANSACTION SUMMARY; AUTHORIZING ALL ACTIONS NECESSARY FOR FINAL APPROVAL OF THE ISSUANCE AND SALE OF SUCH NOTE AND MAKING OTHER PROVISIONS IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Florida Housing Finance Corporation (“Florida Housing”) is a public corporation within the Department of Economic Opportunity of the State of Florida (the “State”) and a public body corporate and politic, duly organized under the Florida Housing Finance Corporation Act, Sections 420.501 *et seq.*, Florida Statutes, as amended (the “Act”), and is authorized by the Act to issue bonds, notes and other evidences of financial indebtedness from time to time to fulfill its public purposes, which include the financing and refinancing of

multifamily residential housing developments for rental to persons and families of low, moderate or middle income; and

WHEREAS, pursuant to the Act, Florida Housing has now determined to authorize the issuance of its Multifamily Mortgage Revenue Note, 2023 Series ___ [one or more series or subseries to be designated] (Barnett Villas), or such other designation for each series or subseries as shall be determined by Florida Housing (collectively, the “Note”), as tax-exempt or taxable obligations, for the purpose of making a loan to BDG Barnett Villas, LP, together with its predecessors, successors, assigns, affiliates and/or related entities (the “Borrower”), to finance the acquisition, construction and equipping of an approximately 156 unit multifamily residential rental development for persons of low, moderate and middle income, named Barnett Villas, located in Orange County, Florida (the “Property”); provided that the aggregate principal amount of the Note shall not exceed (a) \$22,000,000 or (b) such greater aggregate principal amount of the Note which at the time of issuance does not exceed an aggregate principal amount that would result in a debt service coverage ratio for the Note, as reflected in the Credit Underwriter Confirmation (as defined below) for the Property, of less than 1.00, subject to private activity bond allocation being made available for the tax-exempt Note and compliance with Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”); and

WHEREAS, as required by the Act, the Board of Directors of Florida Housing (the “Board”) has made the following determinations with respect to the financing of the Property:

(1) A significant number of low, moderate or middle income persons in the State are subject to hardship finding or obtaining reasonably accessible decent, safe and sanitary residential housing; and

(2) Private enterprise, unaided, is not meeting and cannot reasonably be expected to meet the need for such residential housing; and

(3) The need for such residential housing will be alleviated by the financing of the Property; and

WHEREAS, Florida Housing desires to take all action necessary to give final approval to make moneys available for the financing of the Property and to issue the Note in compliance with the Act and other applicable provisions of law;

NOW THEREFORE, it is hereby ascertained, determined and resolved that:

1. The Property is given final approval for financing on the terms and conditions described in the Credit Underwriting Report presented to and approved by the Board on this date (the "Credit Underwriting Report"), with such deviations as the Executive Director of Florida Housing, in consultation with staff of Florida Housing and Special Counsel to Florida Housing, may approve. Execution of any loan agreement or financing agreement described below by an Authorized Signatory (as defined below) shall be conclusive evidence of such approval.

2. Florida Housing hereby authorizes the issuance and sale of the Note as tax-exempt or taxable "Bonds" (as such term is defined in and within the meaning of the Act), in such series or subseries as Florida Housing shall designate, in an aggregate principal amount of not to exceed (a) \$22,000,000 or (b) such greater aggregate principal amount of the Note which, at the time of issuance, does not exceed an aggregate principal amount that would result in a debt service coverage ratio for the Note, as reflected in the Credit Underwriter Confirmation, of less than 1.00, subject to receipt of private activity bond allocation being made available for the tax-exempt Note and compliance with Section 147(f) of the Code. Subject to the immediately preceding sentence,

the maximum amount of the Note that may be issued shall be determined by an Authorized Signatory after receipt of the Credit Underwriter Confirmation. Conclusive evidence of the approval of any such increased aggregate principal amount of the Note shall be established by a certificate of an Authorized Signatory reflecting such increased aggregate principal amount.

The “Credit Underwriter Confirmation” is the written confirmation, delivered prior to the issuance of the Note, from the Florida Housing Credit Underwriter with respect to the Property that, taking into account any increased aggregate principal amount of the Note, the conditions set forth in and the requirements of the Credit Underwriting Report presented to the Board at this meeting have been satisfied.

3. A funding loan agreement between Florida Housing and a corporate fiscal agent, or among Florida Housing, a corporate fiscal agent and the initial funding lender set forth therein, setting forth the terms and conditions of the Note is hereby authorized to be prepared and delivered, in such form as may be approved by any member of the Board, the Executive Director of Florida Housing, the Chief Financial Officer of Florida Housing, the Comptroller of Florida Housing, or any other person designated by separate resolution of the Board, or any person or persons acting in such capacities (collectively, or each individually, an “Authorized Signatory”), which form shall set forth as to the Note such maturities, interest rates and purchase price as shall be determined in accordance with the Act, including Section 420.509, Florida Statutes; the execution of such funding loan agreement by an Authorized Signatory, and the attestation thereof by the Secretary or any Assistant Secretary of Florida Housing, is hereby authorized and the execution thereof by such persons shall be conclusive evidence of such approval.

4. Any project or borrower loan agreement or financing agreement between Florida Housing and the Borrower, or among Florida Housing, the Borrower and a corporate fiscal agent, setting forth the terms of the loan of the proceeds of the Note by Florida Housing to the Borrower (the “Loan”), and the payment and other obligations of the Borrower in respect of the Loan, including the note made by the Borrower to Florida Housing evidencing the Loan, is hereby authorized to be prepared and delivered in such form as may be approved by an Authorized Signatory; the execution of any such loan agreement or financing agreement by an Authorized Signatory, and the attestation thereof by the Secretary or any Assistant Secretary of Florida Housing, is hereby authorized, and the execution thereof by such persons shall be conclusive evidence of such approval.

5. A note purchase agreement or similar agreement among Florida Housing, the initial funding lender set forth therein (the “Initial Purchaser”), and the Borrower, setting forth the terms and conditions of the initial purchase of the Note from Florida Housing by the Initial Purchaser, is hereby authorized to be prepared and delivered in such form as may be approved by an Authorized Signatory; the execution of such note purchase agreement or similar agreement by an Authorized Signatory, and the attestation thereof by the Secretary or any Assistant Secretary of Florida Housing, is hereby authorized, and the execution thereof by such persons shall be conclusive evidence of such approval.

6. A private placement memorandum or transaction summary is hereby authorized to be prepared and delivered in connection with the sale of the Note, in such form as shall be approved by an Authorized Signatory, and the execution of such private placement memorandum by an Authorized Signatory, or delivery of such transaction summary, shall be conclusive evidence

of such approval; provided, however, that such approval shall not be construed to be a representation as to the accuracy, completeness or sufficiency of such document with respect to information not provided by Florida Housing.

7. The Note shall be sold in accordance with the requirements of the Act, including Section 420.509(12), Florida Statutes. In the event the Note shall be sold by a negotiated sale through a private placement pursuant to a note placement agreement or similar agreement, an Authorized Signatory is authorized to acknowledge and endorse such note placement agreement or similar agreement upon approval of the terms thereof by the staff of Florida Housing and Special Counsel to Florida Housing, and the execution and delivery of such note placement agreement or similar agreement by an Authorized Signatory shall be conclusive evidence of such approval.

8. An Authorized Signatory is authorized to cause to be prepared and to execute and deliver any additional documents necessary for the issuance of the Note, the making of the Loan, upon the approval of the terms of any credit enhancement, if applicable, and the security therefor, by the staff of Florida Housing and Special Counsel to Florida Housing. All other actions by Florida Housing necessary for final approval to finance the acquisition, construction and equipping of the Property, the issuance of the Note, the making of the Loan, upon the approval of the terms of any credit enhancement, if applicable, and the security therefor, in accordance with the requirements of the Credit Underwriting Report, are hereby authorized.

9. The principal of, premium, if any, and all interest on the Note shall be payable solely out of revenues and other amounts pledged therefor as described in the funding loan agreement for the Note. The Note does not constitute an obligation, either general or special, of

the State or any of its units of local government and shall not be a debt of the State or of any unit of local government thereof, and neither the State nor any unit of local government thereof shall be liable thereon. Florida Housing does not have the power to pledge the credit, the revenues or the taxing power of the State or of any unit of local government thereof; neither the credit, the revenues nor the taxing power of the State or any unit of local government thereof shall be, or shall be deemed to be, pledged to the payment of the Note.

10. The Note may be executed either manually or by facsimile signature by any officer of Florida Housing.

11. The maximum amount of the Note authorized to be issued hereunder may not exceed the amount permitted in accordance with the applicable Rules of Florida Housing, and reflected in the Credit Underwriter Confirmation, and for which fiscal sufficiency has been determined in accordance with the Act, including Section 420.509(2), Florida Statutes.

12. All resolutions or parts of resolutions in conflict with this Resolution shall be and the same are hereby superseded and repealed to the extent of such conflict.

[Remainder of page intentionally left blank]

13. This Resolution shall take effect immediately upon adoption.

ADOPTED this 28th day of April, 2023.

(SEAL)

ATTEST:

FLORIDA HOUSING FINANCE
CORPORATION, a public corporation
and a public body corporate and politic
duly created and existing under the laws
of the State of Florida

Tim Kennedy, Assistant Secretary, Florida
Housing Finance Corporation's Board of
Directors

Mario Facella, Chair, Florida Housing
Finance Corporation's Board of Directors

STATE OF FLORIDA
COUNTY OF LEON

I hereby certify that the above and foregoing is a true and correct copy of a Resolution adopted at a duly noticed public meeting of the Florida Housing Finance Corporation, legally called and held on the 28th day of April, 2023, at which a quorum was present, all as will appear by reference to the original Resolution incorporated in the official records of the Florida Housing Finance Corporation.

Tim Kennedy, Multifamily Loans and Bonds
Director, Florida Housing Finance
Corporation

STATE OF FLORIDA
COUNTY OF LEON

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this _____ day of _____, 2023 by Tim Kennedy, as Multifamily Loans and Bonds Director of the Florida Housing Finance Corporation, a public corporation and a public body corporate and politic duly created and existing under the laws of the State of Florida, on behalf of the corporation. He is personally known to me.

NOTARY SEAL

Notary Public

Name typed, printed or stamped

My Commission Expires: _____

FLORIDA HOUSING FINANCE CORPORATION
SALE RESOLUTION
BARNETT VILLAS

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING AND APPROVING THE NEGOTIATED SALE THROUGH A PRIVATE PLACEMENT OF A MULTIFAMILY MORTGAGE REVENUE NOTE, 2023 SERIES ___ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (BARNETT VILLAS), OR SUCH OTHER DESIGNATION FOR EACH SERIES OR SUBSERIES AS SHALL BE DETERMINED, OF THE FLORIDA HOUSING FINANCE CORPORATION; AUTHORIZING THE NEGOTIATION, EXECUTION AND DELIVERY OF A NOTE PLACEMENT AGREEMENT OR SIMILAR AGREEMENT, AND SUCH OTHER DOCUMENTS AS ARE NECESSARY FOR THE NEGOTIATED SALE THROUGH A PRIVATE PLACEMENT OF SUCH NOTE; AUTHORIZING THE EXECUTIVE DIRECTOR, CHIEF FINANCIAL OFFICER, COMPTROLLER, OR ANY MEMBER OF THE BOARD OF DIRECTORS OF THE FLORIDA HOUSING FINANCE CORPORATION, OR ANY OTHER AUTHORIZED SIGNATORY, TO TAKE ANY OTHER ACTIONS NECESSARY TO NEGOTIATE THE SALE OF SUCH NOTE THROUGH A PRIVATE PLACEMENT AND MAKING OTHER PROVISIONS IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Florida Housing Finance Corporation (“Florida Housing”) is a public corporation, created within the Department of Economic Opportunity of the State of Florida and a public body corporate and politic, duly organized under the Florida Housing Finance Corporation Act, Sections 420.501 *et seq.*, Florida Statutes, as amended (the “Act”), and is authorized by the Act to issue bonds, notes and other evidences of financial indebtedness from time to time to fulfill its public purposes, which include the financing and refinancing of multifamily residential housing developments for rental to persons or families of low, moderate or middle income; and

WHEREAS, Florida Housing adopted a resolution authorizing the issuance of its Multifamily Mortgage Revenue Note, 2023 Series ___ [one or more series or subseries to be

designated] (Barnett Villas), or such other designation for each series or subseries as shall be determined by Florida Housing (collectively, the “Note”), as tax-exempt or taxable obligations, for the purpose of making funds available to finance the acquisition, construction and equipping of an approximately 156 unit multifamily residential rental development for persons of low, moderate and middle income, named Barnett Villas, located in Orange County, Florida; provided that the aggregate principal amount of the Note shall not exceed (a) \$22,000,000 or (b) such greater aggregate principal amount of the Note which, at the time of issuance, does not exceed an aggregate principal amount that would result in a debt service coverage ratio for the Note of less than 1.00 (subject to private activity bond allocation being made available for the tax-exempt Note and compliance with Section 147(f) of the Internal Revenue Code of 1986, as amended); and

WHEREAS, the Act authorizes Florida Housing to negotiate with the (i) purchaser or purchasers designated by Florida Housing for a negotiated sale or private placement of the Note with such purchaser or purchasers or (ii) placement agent or placement agents designated by Florida Housing for a negotiated sale or private placement of the Note through such placement agent or placement agents, in each case, if Florida Housing by official action at a public meeting determines that such negotiated sale or private placement of the Note is in the best interest of Florida Housing; and

WHEREAS, Florida Housing has reviewed the market conditions and trends affecting the negotiated sale through a private placement of the Note; and

WHEREAS, Florida Housing has received a recommendation from its independent registered municipal advisor relating to the method of sale of the Note and reviewed the relative

advantages of a negotiated sale of the Note through a private placement in light of current and anticipated market conditions; and

WHEREAS, the Board of Directors of Florida Housing (the “Board”) has considered the best interests of Florida Housing and the public; and

WHEREAS, the nature and structure of the Note renders the Note a candidate for a negotiated sale through a private placement; and

WHEREAS, based on the foregoing, the Board hereby finds that a negotiated sale of the Note through a private placement is in the public’s and Florida Housing’s best interest, based on current market conditions and the structure of the issue. Existing and projected market conditions and any lack of flexibility in the sale of the Note could be prejudicial to Florida Housing and to the public. Additionally, the structure of the issue and the current demand for these types of obligations support a negotiated sale of the Note through a private placement.

NOW, THEREFORE, the Board hereby ascertains, determines and resolves that:

1. A negotiated sale of the Note through a private placement is in the best interest of Florida Housing and the public for the reasons herein described.

2. The negotiated sale of the Note through a private placement is to be negotiated by Florida Housing with or through RBC Capital Markets, LLC, or any other placement agent selected by Florida Housing (hereinafter referred to as the “Placement Agent”), and the initial funding lender to serve as the initial purchaser or holder of the Note (the “Initial Purchaser”).

3. The Note is to be generally described as follows:

Florida Housing Finance Corporation
Multifamily Mortgage Revenue Note, 2023 Series ____ [one or more series or subseries to be designated] (Barnett Villas)
[or such other designation for each series or subseries as shall be determined by Florida Housing].

4. Florida Housing shall negotiate directly or through the Placement Agent with the Initial Purchaser and execute such documents as are necessary to sell the Note to the Initial Purchaser pursuant to this Resolution. Any member of the Board, the Executive Director of Florida Housing, the Chief Financial Officer of Florida Housing, the Comptroller of Florida Housing, or any other person designated by separate resolution of the Board (or any person or persons acting in such capacities) (collectively, or each individually, an “Authorized Signatory”) is authorized to negotiate the terms of a negotiated sale of the Note through a private placement and to execute and deliver a note placement agreement or similar agreement to facilitate such private placement (the “Note Placement Agreement”) upon approval of the terms of such agreement, and the execution and delivery of the Note Placement Agreement by an Authorized Signatory shall be conclusive evidence of such approval.

5. The authority to execute the Note Placement Agreement is predicated upon the Note Placement Agreement providing for an interest rate on the Note that would facilitate an interest rate on the mortgage not to exceed the lesser of ten percent (10%) and the maximum rate authorized under Florida law and would provide for a sale of the Note in conformance with the program documents.

6. An Authorized Signatory, the attorneys for Florida Housing and other consultants, agents, or employees thereof, are hereby authorized to execute all necessary documents and to take whatever action is necessary to finalize the issuance and negotiated sale of the Note through a private placement pursuant to this Resolution and to provide for the use of the proceeds of the Note contemplated by this Resolution.

7. The award of the Note pursuant to the terms of this Resolution shall be final without any further action by Florida Housing.

8. All resolutions or parts of resolutions in conflict with this Resolution shall be and the same are hereby superseded and repealed to the extent of such conflict.

9. This Resolution shall take effect immediately upon adoption.

ADOPTED this 28th day of April, 2023.

(SEAL)

ATTEST:

FLORIDA HOUSING FINANCE
CORPORATION, a public corporation
and a public body corporate and politic
duly created and existing under the laws
of the State of Florida

Tim Kennedy, Assistant Secretary, Florida
Housing Finance Corporation's Board of
Directors

Mario Facella, Chair, Florida Housing
Finance Corporation's Board of Directors

STATE OF FLORIDA
COUNTY OF LEON

I hereby certify that the above and foregoing is a true and correct copy of a Resolution adopted at a duly noticed public meeting of the Florida Housing Finance Corporation, legally called and held on the 28th day of April, 2023, at which a quorum was present, all as will appear by reference to the original Resolution incorporated in the official records of the Florida Housing Finance Corporation.

Tim Kennedy, Multifamily Loans and Bonds
Director, Florida Housing Finance
Corporation

STATE OF FLORIDA
COUNTY OF LEON

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this _____ day of _____, 2023 by Tim Kennedy, as Multifamily Loans and Bonds Director of the Florida Housing Finance Corporation, a public corporation and a public body corporate and politic duly created and existing under the laws of the State of Florida, on behalf of the corporation. He is personally known to me.

NOTARY SEAL

Notary Public

Name typed, printed or stamped

My Commission Expires: _____



Caine Mitter

Caine Mitter & Associates Incorporated
*** cainemitter.com

225 West 35th Street, Suite 900
New York, NY 10001
t 212 686 8820 | f 212 686 2155

April 3, 2023

Angie Sellers, Chief Financial Officer
Florida Housing Finance Corporation
227 North Bronough Street, Suite 5000
Tallahassee, Florida 32301-1329

Re: **Barnett Villas, 2023 Multifamily Mortgage Revenue Notes Method of Sale Recommendation**

Dear Angie,

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 dated as of March 31, 2023, relating to Barnett Villas (the "Credit Underwriting Report"), and herein provide my recommendation for a negotiated private 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 notes,
- The anticipated credit and security structure,
- The proposed financing and issue structure,
- The experience of the developer in financing affordable housing,
- Florida Housing's known programmatic objectives,
- Probable near term market conditions,
- The timing of the transaction, and
- Other information provided by Florida Housing staff and the working group for this transaction, as applicable

The Credit Underwriting Report outlines a plan of finance for affordable multifamily housing involving tax-exempt notes that are privately placed with a bank. The notes will bear interest at a variable rate during the construction phase and a fixed rate during the permanent phase.

The Credit Underwriting Report proposes a negotiated private 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: Barnett Villas

Construction Note Purchaser: Valley National Bank of Florida

Permanent Note Purchaser: Valley National Bank of Florida

Developer / Key Representative: BDG Barnett Villas Developer, LLC / Scott Zimmerman

Recommended Method of Sale: Negotiated private placement

Based on the structure of the note issue and prevailing market conditions, a negotiated private placement will be an effective method of sale for the tax-exempt notes. 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,

Victor Chiang

Caine Mitter & Associates Incorporated

Victor Chiang
Vice President

cc: Tim Kennedy, Multifamily Loans & Bonds Director



April 20, 2023

Mr. Tim Kennedy
Multifamily Loans and Bonds Director
Florida Housing Finance Corporation
227 North Bronough Street, Suite 5000
Tallahassee, Florida 32301

RE: Hillsboro Landing f/k/a Tallman Pines-Phase II ("Development") –/ Multifamily Mortgage Revenue Notes ("MMRN") 2023 Series H / State Apartment Incentive Loan ("SAIL") / Extremely Low-Income Loan ("ELI") / National Housing Trust Fund Loan ("NHTF") RFA 2020-205 (2021-207BSN) / 4% Non-Competitive Housing Credits ("HC") 2020-538C / Invitation to Participate ("ITP") 2022 SAIL Construction Housing Inflation Response Program ("CHIRP")

Credit Underwriting Report Update Letter ("CUR Update Letter") – Changes to the Final Credit Underwriting Report ("Final CUR") dated December 1, 2022, for a change in the selection of the General Contractor, an increase in the Capital Lease Payment Note amount from Broward County Housing Authority ("BCHA") along with the Capital Lease Payment amount, an increase in the construction and permanent first mortgage MMRN loan amounts and a reduction in the SAIL CHIRP loan amount.

Dear Mr. Kennedy:

Florida Housing Finance Corporation ("Florida Housing" or "FHFC") has requested that AmeriNat® ("AmeriNat" or "Servicer") review correspondence dated February 2, 2023 as submitted by Tallman Pines HR, Ltd. ("Applicant" or "Borrower") requesting consent to the change in the General Contractor from Craft Construction Company, LLC ("Craft") to Ferncore Corporation ("Ferncore" or "Replacement GC") for the Development. AmeriNat has been requested to provide a recommendation for the above-referenced changes to the Final CUR approved at the December 9, 2022 FHFC Board meeting. An analysis of the proposed changes follows below.

AmeriNat reviewed the request, performed certain due diligence, and formulated a recommendation and closing conditions which are contained at the end of the CUR Update Letter. For purposes of this analysis, AmeriNat reviewed the following due diligence:

1. Final CUR dated December 1, 2022
2. Correspondence from the Borrower
3. Appraisal prepared by Integra Realty Resources dated April 14, 2023
4. Bank Letter dated January 19, 2023
5. CPA Letter dated January 26, 2023
6. Surety Letter dated January 23, 2023
7. Resume, credit report, lender and trade references
5. Executed General Contractor Certification of Requirements
6. State of Florida GC License
7. Executed GC Contract dated February 1, 2023
8. Plan & Cost Analysis dated February 8, 2023

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Background:

The Development will be located at 3851 N. Dixie Highway, Deerfield Beach, Broward County, FL 33064. The Development will be new construction consisting of a mid-rise (6 stories) apartment building, 75 units, with an Elderly demographic.

Per the Final CUR, AmeriNat recommended an issuance of MMRN in the amount of \$25,000,000, a SAIL loan in the amount of \$2,770,000, a SAIL CHIRP loan in the amount of \$4,300,000, an ELI Loan in the amount of \$600,000, a NHTF loan in the amount of \$1,569,397 and an annual 4% HC allocation in the amount of \$1,861,951 to the Applicant for the construction and permanent financing of the Development.

Original Construction and Permanent Sources in the Final CUR were as follows:

CONSTRUCTION/PERMANENT SOURCES:				
Source	Lender	Construction	Permanent	Perm Loan/Unit
FHFC - MMRN	FHFC/Fifth Third (const)/ Grandbridge (perm)	\$22,974,629	\$9,300,000	\$124,000
FHFC - SAIL	FHFC	\$2,770,000	\$2,770,000	\$36,933
FHFC - SAIL	FHFC- CHIRP	\$4,300,000	\$4,300,000	\$57,333
FHFC - SAIL ELI	FHFC	\$600,000	\$600,000	\$8,000
FHFC - NHTF	FHFC	\$1,569,397	\$1,569,397	\$20,925
Local Government Subsidy	Broward County HA	\$507,800	\$507,800	\$6,771
Local Government Subsidy	HFA of Broward County	\$0	\$100,000	\$1,333
Operating Deficit Reserve	Developer	\$276,016	\$0	\$0
HC Equity	RJAH	\$3,462,661	\$17,313,306	\$230,844
Deferred Developer Fee	Developer	\$1,873,099	\$1,873,099	\$24,975
TOTAL		\$38,333,602	\$38,333,602	\$511,115

Original Overview:

Deferred Developer Fee	\$1,873,099
As-Is Land Value	\$2,100,000
Market Rent/Market Financing Stabilized Value	\$31,800,000
Rent Restricted Market Financing Stabilized Value	\$9,800,000
Projected Net Operating Income (NOI) - Year 1	\$806,409
Projected Net Operating Income (NOI) - 15 Year	\$1,010,145
Year 15 Pro Forma Income Escalation Rate	2.00%
Year 15 Pro Forma Expense Escalation Rate	3.00%
Note Structure	Direct Purchase
Housing Credit (HC) Syndication Price	\$0.93
HC Annual Allocation - Qualified in CUR	\$1,861,951
HC Annual Allocation - Equity Letter of Interest	\$1,861,832

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Proposed Construction and Permanent Sources are as follows:

CONSTRUCTION/PERMANENT SOURCES:				
Source	Lender	Construction	Permanent	Perm Loan/Unit
FHFC - MMRN	FHFC/Fifth Third (const)/ Grandbridge (perm)	\$25,000,000	\$12,165,000	\$162,200
FHFC - SAIL	FHFC	\$2,770,000	\$2,770,000	\$36,933
FHFC - SAIL	FHFC- CHIRP	\$4,241,828	\$4,241,828	\$56,558
FHFC - SAIL ELI	FHFC	\$600,000	\$600,000	\$8,000
FHFC - NHTF	FHFC	\$1,569,397	\$1,569,397	\$20,925
Local Government Subsidy	Broward County HA	\$1,050,000	\$1,050,000	\$14,000
Local Government Subsidy	HFA of Broward County	\$0	\$100,000	\$1,333
Operating Deficit Reserve	Developer	\$276,016	\$0	\$0
HC Equity	RJAH	\$3,462,661	\$17,313,306	\$230,844
Deferred Developer Fee	Developer	\$2,331,572	\$1,491,943	\$19,893
TOTAL		\$41,301,474	\$41,301,474	\$550,686

Proposed Permanent Sources:

PERMANENT FINANCING INFORMATION						
	1st Source	2nd Source	3rd Source	4th Source	5th Source	Other
Lien Position	1	2	2	3	4	5
Lender/Grantor	FHFC/ Grandbridge/ Freddie Mac	FHFC-SAIL	FHFC-SAIL CHIRP	FHFC-SAIL ELI	FHFC-NHTF	BCHA Loan/ HFABC Grant
Amount	\$12,165,000	\$2,770,000	\$4,241,828	\$600,000	\$1,569,397	\$1,050,000/ \$100,000
Underwritten Interest Rate	5.88%	1.00%	1.00%	0.00%	0.00%	6.17%/0.00%
All In Interest Rate	5.88%	1.00%	1.00%	0.00%	0.00%	6.17%/0.00%
Loan Term	15	15.5	15.5	15.5	30	20/0
Amortization	40	0	0	0	0	20/0
Market Rate/Market Financing LTV	44%	54%	69%	71%	77%	81%/81%
Restricted Market Financing LTV	143%	176%	226%	233%	251%	264%/265%
Loan to Cost - Cumulative	29%	36%	46%	48%	52%	54%/55%
Loan to Cost - SAIL Only			17%			
Debt Service Coverage	1.31		1.19	1.18	1.18	1.07/1.07
Operating Deficit & Debt Service Reserves	\$369,209					
# of Months covered by the Reserves	3.1					

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Proposed Overview:

Deferred Developer Fee	\$1,491,943
As-Is Land Value	\$2,400,000
Market Rent/Market Financing Stabilized Value	\$27,700,000
Rent Restricted Market Financing Stabilized Value	\$8,500,000
Projected Net Operating Income (NOI) - Year 1	\$1,086,208
Projected Net Operating Income (NOI) - 15 Year	\$1,373,178
Year 15 Pro Forma Income Escalation Rate	2.00%
Year 15 Pro Forma Expense Escalation Rate	3.00%
Note Structure	Direct Purchase
Housing Credit (HC) Syndication Price	\$0.93
HC Annual Allocation - Qualified in CUR	\$1,958,574
HC Annual Allocation - Equity Letter of Interest	\$1,861,832

Proposed Increase in the Construction and Permanent First Mortgage MMRN:

At the time of the Final CUR, the construction MMRN amount was approved at a maximum amount of \$25,000,000 and underwritten to \$22,974,629. The Borrower has requested the full \$25,000,000 for an increase of \$2,025,371. The Borrower has requested the permanent MMRN amount to be increased from \$9,300,000 to \$12,165,000 for an increase of \$2,865,000. The permanent first mortgage MMRN interest has been locked in and fixed at 5.88% per the Index Lock Agreement dated March 13, 2023; however, the Agreement expired on April 17, 2023 and the Borrower is requesting an extension. Satisfactory receipt and review of the Index Lock Agreement extension is a condition to loan closing and listed as a condition in the Recommendation Section of this letter. All other terms and conditions have remained the same. See below for the Debt Service Coverage Ratio (“DSCR”) calculation and the one-year Operating Proforma and Exhibit 1 for the 15-year Operating Proforma.

Annual payments of all applicable fees will be required and are included in the Debt Service Coverage Ratio (“DSCR”) analysis. Fees have been updated since the Final CUR using the 2023 fees and include Permanent Loan Servicing Fees to be paid annually based on 2.3 basis points of the outstanding MMRN balance, subject to a minimum monthly fee of \$236, and an hourly fee of \$198 for extraordinary services; Compliance Monitoring Fees based on \$183 per month plus an additional fee per set-aside unit of \$11.24, subject to a minimum monthly fee of \$286; a Trustee Fee of \$4,500 and an Issuer Fee to be paid annually based on 24 basis points on the outstanding MMRN balance, subject to a minimum fee of \$10,000.

SAIL/SAIL CHIRP/SAIL ELI/NHTF:

Based on the changes of the Sources and Uses noted in this letter, the SAIL CHIRP loan has been reduced by \$58,172 from \$4,300,000 to \$4,241,828. See Exhibit 2 for the CHIRP Calculation.

For each of the SAIL, SAIL CHIRP, SAIL ELI and NHTF loans, fees have been updated since the Final CUR using the 2023 fees and include an annual Permanent Loan Servicing Fee of 25 bps of the outstanding loan amount up to a maximum of \$936 per month, subject to a minimum of \$236 per month and an annual Compliance Monitoring Multiple Program Fee of \$1,023.

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Local Government Subsidy – Broward County Housing Authority:

Per correspondence dated February 9, 2023 from the Borrower, the Capital Lease Payment Note amount from BCHA will increase by \$542,200 from \$507,800 to \$1,050,000; as well as the Capital Lease Payment amount. This change is due to a new ground lease being drafted between the Borrower and BCHA during the loan closing process. The ground lease will provide for a capitalized lease payment in the amount of 50% of the appraised value of the leasehold interest and payable at the time of closing of the construction loan with the remainder to be conveyed via a Capital Lease Payment Note. Per an appraisal prepared by Integra Realty Resources-Miami dated October 5, 2022, identifies the “As-Is” market value of the real estate at \$2,100,000. At the time of the Final CUR, the appraised value of the land was based on an appraisal prepared by Vance Real Estate Services dated July 23, 2021, which valued the land at \$507,800. Although an updated appraisal, dated April 14, 2023 has been received, the Capital Lease Payment is based on the October 5, 2022 appraisal.

Deferred Developer Fee:

Since the time of the Final CUR and based on the changes in the Sources and Uses, Deferred Developer Fee during the construction phase has increased by \$458,473 from \$1,873,099 to \$2,331,572 or 50.69% of total Developer Fee. Deferred Developer Fee during the permanent phase has decreased by \$381,156 from \$1,873,099 to \$1,491,943 or 32.43% of total Developer Fee, which meets the RFA and SAIL CHIRP requirements.

Debt Service Coverage:

An updated appraisal prepared by Integra Realty Resources-Miami was provided and dated April 14, 2023. The appraisal included gross rents that are based on the Fort Lauderdale, Florida HUD Metro Fair Market Rent Area at 110% as provided by HUD that will be in effect at the time the Development is ready for occupancy, per a letter dated October 30, 2022 from the Housing Authority of Broward County, which is providing Section 8 Project-Based Vouchers for all 75 units. See below.

Bed Rooms	Bath Rooms	Units	Square Feet	AMI%	Low HOME Rents	High HOME Rents	Gross HC Rent	Utility Allow.	Net Restricted Rents	PBRA Contr Rents	Applicant Rents	Appraiser Rents	CU Rents	Annual Rental Income
1	1.0	5	700	25%			\$425	\$99	\$326	\$1,526	\$1,526	\$1,526	\$1,526	\$91,560
1	1.0	35	700	60%			\$1,020	\$99	\$921	\$1,526	\$1,526	\$1,526	\$1,526	\$640,920
2	2.0	3	915	25%			\$510	\$106	\$404	\$1,926	\$1,926	\$1,926	\$1,926	\$69,336
2	2.0	27	915	60%			\$1,225	\$106	\$1,119	\$1,926	\$1,926	\$1,926	\$1,926	\$624,024
1	1.0	5	700	22%			\$374	\$99	\$275	\$1,526	\$1,526	\$1,526	\$1,526	\$91,560
		75	58,950											\$1,517,400

Due to a decrease in the estimated permanent MMRN first mortgage interest rate from 6.39% to 5.88% since the time of the Final CUR, and the increase in the permanent first mortgage MMRN loan amount, the Debt Service Coverage Ratio (“DSCR”) has improved from 1.19x to 1.31x. The combined permanent first mortgage loan and the SAIL/SAIL CHIRP loan improved from 1.06x to 1.19x. See below for the DSCR calculation and the one-year Operating Proforma and Exhibit 1 for the 15-year Operating Proforma.

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OPERATING PRO FORM

FINANCIAL COSTS:		Year 1	Year 1 Per Unit
OPERATING PRO FORMA			
INCOME:	Gross Potential Rental Income	\$1,517,400	\$20,232
	Other Income		
	Miscellaneous	\$17,100	\$228
	Washer/Dryer Rentals	\$42,750	\$570
	Gross Potential Income	\$1,577,250	\$21,030
	Less:		
	Physical Vac. Loss Percentage: 4.00%	\$63,090	\$841
	Collection Loss Percentage: 1.00%	\$15,773	\$210
Total Effective Gross Income	\$1,498,388	\$19,979	
EXPENSES:	Fixed:		
	Real Estate Taxes	\$0	\$0
	Insurance	\$112,500	\$1,500
	Variable:		
	Management Fee Percentage: 4.01%	\$60,055	\$801
	General and Administrative	\$15,000	\$200
	Payroll Expenses	\$110,625	\$1,475
	Utilities	\$41,250	\$550
	Marketing and Advertising	\$3,750	\$50
	Maintenance and Repairs/Pest Control	\$46,500	\$620
	Reserve for Replacements	\$22,500	\$300
Total Expenses	\$412,180	\$5,496	
Net Operating Income	\$1,086,208	\$14,483	
Debt Service Payments			
First Mortgage - FHFC/Grandbridge	\$791,024	\$10,547	
Second Mortgage - FHFC SAIL/CHIRP	\$70,118	\$935	
Third Mortgage - FHFC SAIL ELI	\$0	\$0	
Fourth Mortgage - FHFC NHTF	\$0	\$0	
Fifth Mortgage - Broward County HA	\$91,510	\$1,220	
All Other Mortgages - HFA of Broward County	\$0	\$0	
First Mortgage Fees - FHFC/Grandbridge	\$39,960	\$533	
Second Mortgage Fees - FHFC SAIL/CHIRP	\$12,255	\$163	
Third Mortgage Fees - FHFC SAIL ELI	\$3,855	\$51	
Fourth Mortgage Fees - FHFC NHTF	\$4,946	\$66	
Fifth Mortgage Fees - Broward County HA	\$0	\$0	
All Other Mortgages Fees - HFA of Broward	\$0	\$0	
Total Debt Service Payments	\$1,013,669	\$13,516	
Cash Flow after Debt Service	\$72,538	\$967	
Debt Service Coverage Ratios			
DSC - First Mortgage plus Fees	1.31x		
DSC - Second Mortgage plus Fees	1.19x		
DSC - Third Mortgage plus Fees	1.18x		
DSC - Fourth Mortgage plus Fee	1.18x		
DSC - Fifth Mortgage plus Fees	1.07x		
DSC - All Mortgages and Fees	1.07x		
Financial Ratios			
Operating Expense Ratio	27.51%		
Break-even Economic Occupancy Ratio (all debt)	90.60%		

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Proposed Changes in the Uses:

Since the Final CUR, the Uses have increased by \$2,967,872 from \$38,333,602 to \$41,301,474. The increase is primary due to increases in the General and Financial Costs, Land Acquisition Cost and Reserves. As this Development is currently in the closing process, the Uses will be vetted and approved by AmeriNat, and a final closing draw will be provided at the time of loan closing.

In accordance with RFA 2020-205, FHFC limits the Total Development Cost (“TDC”) per unit for all Developments categorized by the construction type of the units as indicated by the Applicant in the RFA. The maximum TDC per unit for the construction specified by the Applicant (new construction, Mid-Rise-ESSC, 5-6 stories), inclusive of a \$7,500/unit add-on for using tax-exempt bonds and a \$7,500/unit add-on for a PHA: Davis-Bacon Boost per the RFA and a 8.00% weighted average upward escalation adjustment applied to the base \$423,977.40 per unit allowable ratified at the April 1, 2022 Telephonic FHFC Board meeting, is \$474,095.59 per unit. The TDC as underwritten equals \$497,497.49 which exceeds the allowable amount therefore, Developer Fee has been reduced by \$1,561,807 from \$6,161,807 to \$4,600,000 to meet the TDC Limitation Requirements.

Since the time of the Final CUR, Developer Fee has been reduced by \$185,669 from \$4,785,669 to \$4,600,000.

General Contractor Information:

General Contractor: Ferncore Corporation (“Ferncore”)

Type: A Florida Profit Corporation

Contact Person: Jose I. Fernandez, President
jfernandez@ferncore.com
(305) 345-2888

Address: 12940 N. Bayshore Drive
North Miami, FL 33181

Experience: Ferncore is a newly formed corporation on December 27, 2022. The Founder and President, Jose (“Joe”) Fernandez, has over 25 years’ experience with a primary focus on educational, residential, municipal, multi-story and healthcare projects. Project highlights include: i) Joe Moretti, a Miami-Dade County Public Housing development consisting of 13 stories and 116 units financed with FHFC funding; ii) Keystone Villas I & II an affordable housing development consisting of two, nine-story apartment buildings with 310 units; and iii) Tequesta Knoll, an affordable housing development consisting of a nine-story apartment building with 100 units. Jose Fernandez is a Florida Certified General Contractor, license #CGC1511711, which is valid through August 31, 2024.

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Credit Evaluation: A Dun & Bradstreet Business and Information Report (“DNBi”), dated February 2, 2023, was obtained on Ferncore. The DNBi report reflects a clear history status with no bankruptcies, judgements, liens or suits.

Banking and Trade References: AmeriNat received satisfactory banking and trade references for Ferncore. AmeriNat received a letter from Professional Bank, dated January 19, 2023 and executed by Miriam Lopez, EVP of Private Banking Group, stating the current balance in the Ferncore account totaled \$1.2 million. A screenshot of the account balance was also provided.

Financial Statements: AmeriNat received a letter from Julian J. Rodriguez, PA, CPA, dated January 26, 2023, confirming Ferncore was in receipt of \$1.2 million in invested capital and has not had any operations to date. Financial statements will be prepared as of June 30, 2023.

Payment & Performance Bond: AmeriNat received a surety letter, dated January 23, 2023, from Alter Surety Group stating they anticipate providing a Payment and Performance Bond (“P&P”) to Ferncore for sinOSG size jobs in the \$30,000,000 range and \$45,000,000 in the aggregate through Berkshire Hathaway Specialty Insurance Company, which carries an AM Best Rating of A++ (Excellent) XV and listed in the Department of the Treasury’s Federal Register.

Summary: Mr. Fernandez has experience in the construction industry and will provide a P&P Bond equal to 100% of the total Construction Contract. As such, receipt of a P&P Bond acceptable to FHFC, its Legal Counsel and Servicer is a condition precedent to loan closing and listed below in the Recommendation section. AmeriNat recommends Ferncore be accepted as the General Contractor.

Construction Contract:

The Construction Contract’s dollar amount, General Contractor’s fee, timing of substantial completion and retainage have remained the same as the original Construction Contract underwritten in the Final CUR.

A Standard Form of Agreement Between Owner and Contractor where the basis of payment is the cost of the work plus a fee with a guaranteed maximum price in the amount \$26,399,156 (the “Construction Contract”), dated February 1, 2023, has been provided between the Applicant and Ferncore Corporation. The Construction Contract indicates substantial completion shall be achieved no later than 451 days from the date of commencement. Retainage shall be limited to a minimum of 10% retainage holdback on all construction draws until the Development is 50% complete and 0% retainage thereafter.

General Contractor's Fee (consisting of general requirements, overhead, and profit) is based upon the schedule of values attached to the Construction Contract and does not exceed 14.00% of allowable hard costs as per the RFA and Rule Chapters 67-48 and 67-21 and is calculated excluding General Liability Insurance and Payment and Performance Bonds.

The General Contractor will secure a Payment and Performance Bond to secure the Construction Contract. The cost is included in the Schedule of Values.

Plan & Cost Analysis:

On Solid Ground ("OSG") provided a Plan & Cost Analysis ("PCA") dated February 8, 2023, for the Development.

The Guaranteed Maximum Price ("GMP") Contract of \$26,399,156 reflects a cost of \$334.22 per square foot. By subtracting Sitework and Special Construction costs, which can vary considerably between projects, OSG obtained a figure of \$316.13 per square foot, which is slightly less than the average cost per square foot of comparable projects at \$321.16 per square foot. The cost of \$332,943 per unit also excludes the costs of Sitework and Special Construction. The cost per unit far exceeds the highest range of costs for similar projects in OSG's files at \$254,288 per unit.

OSG considered that there are several attributing factors to the higher costs:

- Increased costs in construction materials, equipment and labor since the onset of the Covid- 19 pandemic. Costs for materials and equipment have continued to increase significantly; this is primarily attributed to shortage of materials, equipment and labor, and very long lead times for procuring materials and equipment nationwide.
- Projects subject to prevailing wages can typically see an increase of 10% to 15% to the total hard cost to account for wages vs. non-wages jobs. Hillsboro Landing is required to comply with Section 3 of the Housing and Urban Development Act of 1968, per Article 15.5.10 of the Construction Contract. Minority Business Enterprise participation is also required at all levels throughout all phases of the Development. Hillsboro Landing is also subject to Prevailing Wages, Davis-Bacon. The General Decision Number is FL20220197 07/01/2022.
- Hillsboro Landing has a unique architectural design and custom features of the building shell. It also has many open amenity areas such as outdoor seating areas with trellises and two (2) levels of parking garage. If the costs for the structural portion of the open areas and parking garage were subtracted from the GMP, the total cost per square foot and cost per unit would be considerably lower.

OSG noted the following Allowances:

• \$ 15,000	ALTA Survey
• \$ 225,000	Landscaping & Irrigation
• \$ 20,000	Plywood cabinets w/quartz countertops (common)
• \$ 91,474	Spray-on insulation at underside of third floor deck
• \$ 403,946	Interior floor finishes
• \$ 450,000	Plywood cabinets with quartz countertops (units)
• \$ 35,000	Amenity deck drainage
• \$ 55,000	Plumbing fixtures
• \$ 45,000	Amenities area HVAC
• \$ 150,000	Light Fixtures
• \$ 18,000	Lighting control-occupancy sensors
• \$ 80,000	CCTV system
• \$ 50,000	Low voltage BDA system
\$1,638,420	TOTAL

It is OSG's opinion that the specified Allowances are reasonable for this project.

The construction progress schedule submitted for OSG's review shows a 451-day duration; OSG stated this period is adequate for the scope of work contemplated. OSG noted four units meet the requirements of the Section 504 and two units are designed to have communication features for the hearing and visually impaired. This meets the minimum requirements of the RFA.

Recommendation:

AmeriNat's review indicates that the increase in the construction and permanent first mortgage MMRN loan amount, a reduction in the SAIL CHIRP loan amount, and the Capital Lease Payment Loan amount and the Capital Lease Payment amount do not adversely impact the transaction as previously underwritten. Also, AmeriNat's review indicates Ferncore Corporation has the requisite experience and financial capability to act as the Replacement GC and successfully construct the Development. Accordingly, AmeriNat recommends that FHFC consent to and approve these changes to the Final CUR, subject to the following:

1. Satisfactory receipt and review of the Index Lock Agreement extension.
2. Receipt of a Payment & Performance Bond equal to 100% of the Construction Contract and acceptable to FHFC, its Legal Counsel and Servicer.
3. Review and approval of all loan documents consistent with the terms outlined above by the Servicer, Florida Housing and its Legal Counsel.
4. All of the closing conditions in the Final CUR are to be met.
5. Any other requirement of Florida Housing, its Legal Counsel and Servicer.

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Please contact AmeriNat if you have any questions or if we can provide further assistance.

Sincerely,

A handwritten signature in cursive script that reads "Kimberly A. Thorne".

Kimberly A. Thorne
Senior Credit Underwriter

Exhibit 1
Hillsboro Landing
15-Year Operating Pro Forma

FINANCIAL COSTS:		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
OPERATING PRO FORMA																
INCOME:	Gross Potential Rental Income	\$1,517,400	\$1,547,748	\$1,578,703	\$1,610,277	\$1,642,483	\$1,675,332	\$1,708,839	\$1,743,016	\$1,777,876	\$1,813,433	\$1,849,702	\$1,886,696	\$1,924,430	\$1,962,919	\$2,002,177
	Other Income															
	Miscellaneous	\$17,100	\$17,442	\$17,791	\$18,147	\$18,510	\$18,880	\$19,257	\$19,643	\$20,035	\$20,436	\$20,845	\$21,262	\$21,687	\$22,121	\$22,563
	Washer/Dryer Rentals	\$42,750	\$43,605	\$44,477	\$45,367	\$46,274	\$47,199	\$48,143	\$49,106	\$50,088	\$51,090	\$52,112	\$53,154	\$54,217	\$55,302	\$56,408
	Gross Potential Income	\$1,577,250	\$1,608,795	\$1,640,971	\$1,673,790	\$1,707,266	\$1,741,411	\$1,776,240	\$1,811,764	\$1,848,000	\$1,884,960	\$1,922,659	\$1,961,112	\$2,000,334	\$2,040,341	\$2,081,148
	Less:															
	Physical Vac. Loss Percentage: 4.00%	\$63,090	\$64,352	\$65,639	\$66,952	\$68,291	\$69,656	\$71,050	\$72,471	\$73,920	\$75,398	\$76,906	\$78,444	\$80,013	\$81,614	\$83,246
	Collection Loss Percentage: 1.00%	\$15,773	\$16,088	\$16,410	\$16,738	\$17,073	\$17,414	\$17,762	\$18,118	\$18,480	\$18,850	\$19,227	\$19,611	\$20,003	\$20,403	\$20,811
Total Effective Gross Income	\$1,498,388	\$1,528,355	\$1,558,922	\$1,590,101	\$1,621,903	\$1,654,341	\$1,687,428	\$1,721,176	\$1,755,600	\$1,790,712	\$1,826,526	\$1,863,057	\$1,900,318	\$1,938,324	\$1,977,090	
EXPENSES:	Fixed:															
	Real Estate Taxes	\$0														
	Insurance	\$112,500	\$115,875	\$119,351	\$122,932	\$126,620	\$130,418	\$134,331	\$138,361	\$142,512	\$146,787	\$151,191	\$155,726	\$160,398	\$165,210	\$170,166
	Variable:															
	Management Fee Percentage: 4.01%	\$60,055	\$61,256	\$62,481	\$63,731	\$65,005	\$66,306	\$67,632	\$68,984	\$70,364	\$71,771	\$73,207	\$74,671	\$76,164	\$77,688	\$79,241
	General and Administrative	\$15,000	\$15,450	\$15,914	\$16,391	\$16,883	\$17,389	\$17,911	\$18,448	\$19,002	\$19,572	\$20,159	\$20,764	\$21,386	\$22,028	\$22,689
	Payroll Expenses	\$110,625	\$113,944	\$117,362	\$120,883	\$124,509	\$128,245	\$132,092	\$136,055	\$140,136	\$144,341	\$148,671	\$153,131	\$157,725	\$162,457	\$167,330
	Utilities	\$41,250	\$42,488	\$43,762	\$45,075	\$46,427	\$47,820	\$49,255	\$50,732	\$52,254	\$53,822	\$55,437	\$57,100	\$58,813	\$60,577	\$62,394
	Marketing and Advertising	\$3,750	\$3,863	\$3,978	\$4,098	\$4,221	\$4,347	\$4,478	\$4,612	\$4,750	\$4,893	\$5,040	\$5,191	\$5,347	\$5,507	\$5,672
	Maintenance and Repairs/Pest Control	\$46,500	\$47,895	\$49,332	\$50,812	\$52,336	\$53,906	\$55,523	\$57,189	\$58,905	\$60,672	\$62,492	\$64,367	\$66,298	\$68,287	\$70,335
Reserve for Replacements	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	\$23,175	\$23,870	\$24,586	\$25,324	\$26,084	
Total Expenses	\$412,180	\$423,270	\$434,680	\$446,421	\$458,501	\$470,931	\$483,721	\$496,881	\$510,423	\$524,357	\$539,370	\$554,819	\$570,717	\$587,077	\$603,912	
Net Operating Income	\$1,086,208	\$1,105,085	\$1,124,242	\$1,143,680	\$1,163,402	\$1,183,410	\$1,203,707	\$1,224,295	\$1,245,177	\$1,266,355	\$1,287,156	\$1,308,237	\$1,329,601	\$1,351,247	\$1,373,178	
Debt Service Payments																
First Mortgage - FHFC/Grandbridge	\$791,024	\$791,024	\$791,024	\$791,024	\$791,024	\$791,024	\$791,024	\$791,024	\$791,024	\$791,024	\$791,024	\$791,024	\$791,024	\$791,024	\$791,024	\$791,024
Second Mortgage - FHFC SAIL/CHIRP	\$70,118	\$70,118	\$70,118	\$70,118	\$70,118	\$70,118	\$70,118	\$70,118	\$70,118	\$70,118	\$70,118	\$70,118	\$70,118	\$70,118	\$70,118	\$70,118
Third Mortgage - FHFC SAIL ELI	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fourth Mortgage - FHFC NHTF	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fifth Mortgage - Broward County HA	\$91,510	\$91,510	\$91,510	\$91,510	\$91,510	\$91,510	\$91,510	\$91,510	\$91,510	\$91,510	\$91,510	\$91,510	\$91,510	\$91,510	\$91,510	\$91,510
All Other Mortgages - HFA of Broward County	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
First Mortgage Fees - FHFC/Grandbridge	\$39,960	\$39,876	\$39,784	\$39,684	\$39,573	\$39,453	\$39,322	\$39,180	\$39,025	\$38,857	\$38,675	\$38,477	\$38,264	\$38,033	\$37,784	
Second Mortgage Fees - FHFC SAIL/CHIRP	\$12,255	\$12,255	\$12,255	\$12,255	\$12,255	\$12,255	\$12,255	\$12,255	\$12,255	\$12,255	\$12,255	\$12,255	\$12,255	\$12,255	\$12,255	
Third Mortgage Fees - FHFC SAIL ELI	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	
Fourth Mortgage Fees - FHFC NHTF	\$4,946	\$4,946	\$4,946	\$4,946	\$4,946	\$4,946	\$4,946	\$4,946	\$4,946	\$4,946	\$4,946	\$4,946	\$4,946	\$4,946	\$4,946	
Fifth Mortgage Fees - Broward County HA	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
All Other Mortgages Fees - HFA of Broward	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Debt Service Payments	\$1,013,669	\$1,013,586	\$1,013,494	\$1,013,393	\$1,013,283	\$1,013,163	\$1,013,032	\$1,012,889	\$1,012,734	\$1,012,566	\$1,012,384	\$1,012,187	\$1,011,973	\$1,011,743	\$1,011,494	
Cash Flow after Debt Service	\$72,538	\$91,500	\$110,748	\$130,287	\$150,119	\$170,247	\$190,675	\$211,406	\$232,442	\$253,788	\$274,772	\$296,051	\$317,627	\$339,504	\$361,685	
Debt Service Coverage Ratios																
DSC - First Mortgage plus Fees	1.31x	1.33x	1.35x	1.38x	1.40x	1.42x	1.45x	1.47x	1.50x	1.53x	1.55x	1.58x	1.60x	1.63x	1.66x	
DSC - Second Mortgage plus Fees	1.19x	1.21x	1.23x	1.25x	1.27x	1.30x	1.32x	1.34x	1.36x	1.39x	1.41x	1.43x	1.46x	1.48x	1.51x	
DSC - Third Mortgage plus Fees	1.18x	1.20x	1.23x	1.25x	1.27x	1.29x	1.31x	1.34x	1.36x	1.38x	1.41x	1.43x	1.45x	1.48x	1.50x	
DSC - Fourth Mortgage plus Fee	1.18x	1.20x	1.22x	1.24x	1.26x	1.28x	1.31x	1.33x	1.35x	1.37x	1.40x	1.42x	1.44x	1.47x	1.49x	
DSC - Fifth Mortgage plus Fees	1.07x	1.09x	1.11x	1.13x	1.15x	1.17x	1.19x	1.21x	1.23x	1.25x	1.27x	1.29x	1.31x	1.34x	1.36x	
DSC - All Mortgages and Fees	1.07x	1.09x	1.11x	1.13x	1.15x	1.17x	1.19x	1.21x	1.23x	1.25x	1.27x	1.29x	1.31x	1.34x	1.36x	
Financial Ratios																
Operating Expense Ratio	27.51%	27.69%	27.88%	28.08%	28.27%	28.47%	28.67%	28.87%	29.07%	29.28%	29.53%	29.78%	30.03%	30.29%	30.55%	
Break-even Economic Occupancy Ratio (all debt)	90.60%	89.51%	88.45%	87.42%	86.41%	85.42%	84.47%	83.53%	82.62%	81.74%	80.91%	80.10%	79.32%	78.56%	77.82%	

Exhibit 2
Hillsboro Landing
CHIRP Calculation

CHIRP RECOMMENDATION - ADDITIONAL LOANS

Development Name: Hillsboro Landing

Permanent Period 1st Mortgages for Sizing Purposes	
Actual DSCR in approved CUR 1st Mtg LOI (no fees)	
Actual DSCR in current 1st Mtg LOI (Yr 1 NOI; no fees)	1.32x
Maximum CHIRP DSCR	1.30x
DSCR used for sizing (lowest DSCs from above)	1.30x
Actual Traditional 1st Mtg Amount to be stated in CUI	\$ 12,165,000.00
Calculated 1st Mtg at Restricted DSCR (1.30x)	\$ 12,376,942.86
1st Mtg Restricted to 1.30x DSCR	\$ 12,376,942.86
RESULT: 1st Mtg amount for sizing purposes	\$ 12,376,942.86

Total Sources	
1st Mtg amt. for sizing from above	\$ 12,376,942.86
2nd Mortgage - SAIL	\$ 2,770,000.00
3rd Mortgage - SAIL ELI	\$ 600,000.00
4th Mortgage - NHTF	\$ 1,569,397.00
5th Mortgage - BCHA	\$ 1,050,000.00
6th Mortgage -	\$ -
Total HC Equity	\$ 17,313,306.00
30% Deferred Developr Fee for Sizing	\$ 1,380,000.00
Total Sources	\$ 37,059,645.86
Total Uses	\$ 41,301,474.00

Test 1 - GAP ANALYSIS	
RESULT: Total Gap	\$ 4,241,828.00

Test 2 - INCREASED COST ANALYSIS	
Current GC Contract Amount	\$26,399,156
30% of GC Contract (est. Increased costs)*	\$ 7,919,746.80
Increased Corporation Fees	\$ -
Increased Construction Financing Costs	\$ -
Increased Dev. Fee (18.00% x sum of new costs)	\$ 1,425,554.42
RESULT: Total Increased Costs	\$ 9,345,301.00

**This amount already yields a CHIRP amount that meets or exceeds the maximum All at 25% LTC except the following:*

Rule Test - SAIL LTC ANALYSIS	
Active Award Total SAIL Funding	\$ 3,370,000.00
Max Total SAIL Funding assuming a 35% LTC	\$ 14,455,515.00
Max New SAIL Funding using a 35% LTC	\$ 11,085,515.00

Rule Test - Minimum 1.10x DSC overall Ratio	
Net Operating Income	\$ 1,046,247.50
Actual % DDF when using Actual 1st Mortgage	34.61%
Debt Service for an Overall 1.10x DSC Ratio	\$ 951,134.09
Actual Traditional 1st mortgage Debt Service	\$ 791,024.27
Actual Traditional 1st mortgage Servicing Fees	\$ 39,960.00
Debt Service Available for New SAIL	\$ 120,149.82
Total (non-ELI) SAIL at 1.00% Interest Only DS	\$ 12,014,982.17
Total (non-ELI) SAIL less Active Award (non-ELI) SAIL	\$ 9,244,982.17

ADDITIONAL FHFC LOAN AMOUNT	
Lessor of: Tests 1 & 2, \$4,300,000, 35% LTC, Minimum 1.10x DSC	
	\$4,241,828.00

FINAL: TOTAL NEW SAIL LOAN AMOUNT	
	\$7,011,828.00

Select the RFA of the Active Award 2020-205

Assumptions	
Number of units	75
Total Development Costs	\$41,301,474
Annual Servicing Fees (\$) on stated	\$ -
Traditional 1st Mtg Amort. Years	40.00
Traditional 1st Mtg Interest Rate	5.88%
Is the Perm 1st Mtg an MMRB or Local HFA bond	MMRB
Total Effective Gross Income in CUR	\$1,498,388
Total Operating Expenses in CUR	\$452,140
Net Operating Income in CUR Yr 1	\$ 1,046,247.50
Net Operating Income in CUR Yr 15	\$1,373,178
Total HC Equity	\$ 17,313,306.00
Developer Fee % Basis for Deferral	18%
Total 18% Developer Fee	\$4,600,000

Loan using lowest 1.30x DSCR (1st Yr NOI)	\$ 12,376,942.86
Loan using Max CHIRP 1.30x DSCR (1st Yr NOI)	\$12,376,942.86
Annual Servicing Fees (\$) on 1.30x	\$ 40,483.36
Annual Servicing Fees (\$) on 1.30x	\$ 40,483.36
Actual DSC in current LOI, incl. fees (1st Yr NOI)	1.32x

Dev Fee Deduct for Incorporating Actual Fee	0.00%
(This amount will be deducted from 18.00%, yielding a net 18.00%)	

SAIL & 9%HCs (35% LTC)- Over 25% LTC allowed
 Family/Elderly: More than 10% ELI At least 80% Homeles:
 SAIL w/o 9%HCs (35% LTC)-
 Family/Elderly: At least 5% ELI
 (The above can be altered if RFA permitted a different limit)

SAIL Interest Rate: 1.00%

For those developments that qualify for a rate of less than 1%, please enter the a



March 2, 2023

Tim Kennedy, Assistant Director of Multifamily Programs
Florida Housing Finance Corp.
227 North Bronough Street, Suite 5000
Tallahassee, Florida 32301

Re: Request to Remove NRI Development Corp. as Co-Developer
Board of Director Changes for Neighborhood Renaissance, Inc.
Coleman Park Renaissance (2021-219SN)

Dear Mr. Kennedy,

Neighborhood Renaissance, Inc. is requesting to remove NRI Development Corporation as a co-developer for the Coleman Park Renaissance. Their removal will have no impact on the development of the project since they do not provide financial guarantees nor do they bring the requisite experience.

In addition, please be advised of the following changes to the Neighborhood Renaissance, Inc. Board of Directors: Romin N. Currier and Cathleen D. Ward are no longer Directors, and Maricela Torres joined as a Director.

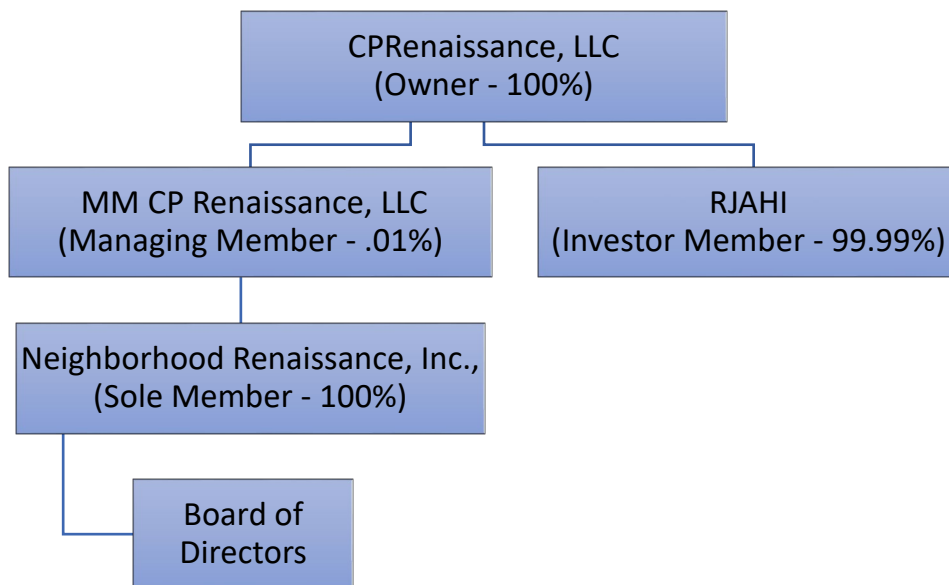
Thank you for your consideration.

Sincerely,

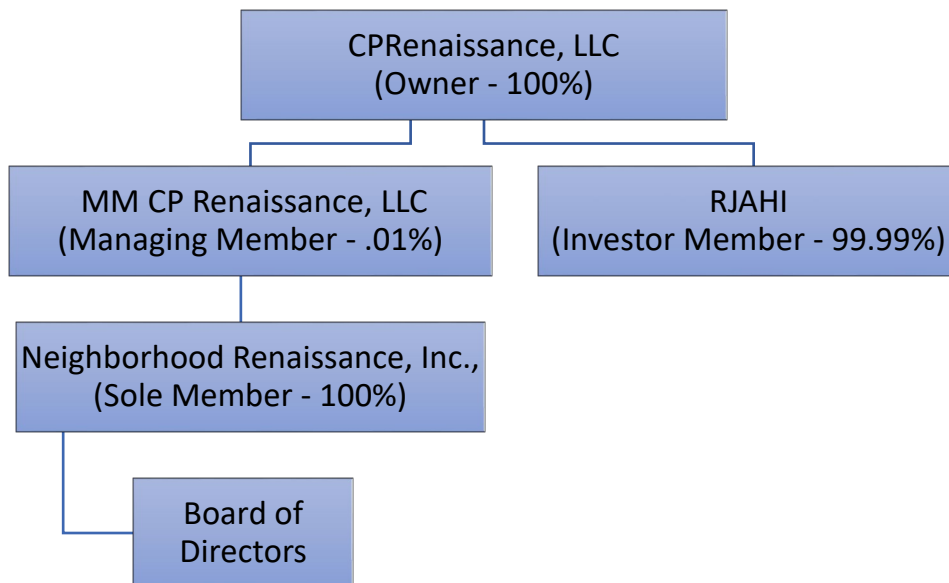
Terri Murray
Executive Director

Coleman Park Renaissance

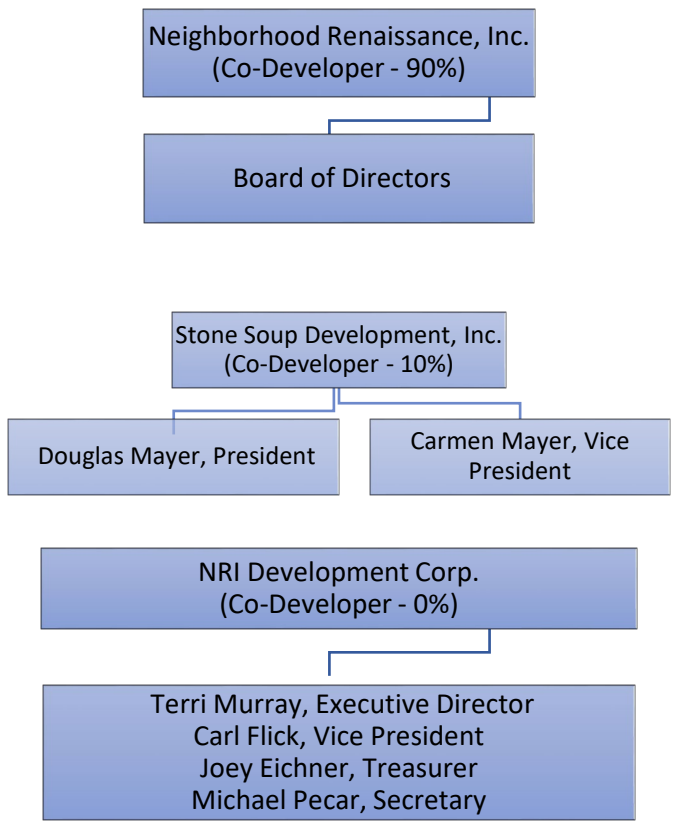
Current Organizational Chart - Ownership



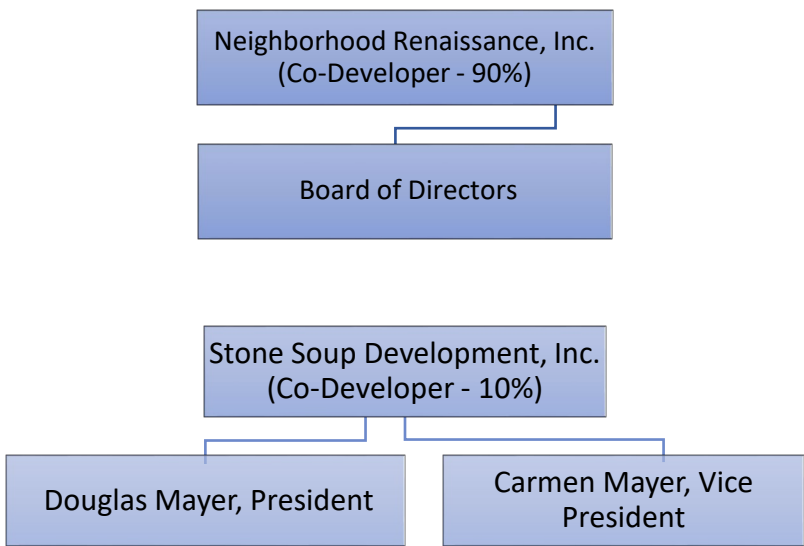
Proposed Organizational Chart - Ownership



Current Organizational Chart – Co-Developers



Proposed Organizational Chart – Developers



Principal Disclosures for the Applicant

APPROVED for HOUSING CREDITS
FHFC Advance Review
Received 10.8.20; Approved 10.8.20

Select the organizational structure for the Applicant entity:

The Applicant is a: Limited Liability Company

Provide the name of the Applicant Limited Liability Company:

CP Renaissance, LLC

% Ownership input features will not be made available until invitation to credit underwriting

First Principal Disclosure Level:

[Click here for Assistance with Completing the Entries for the First Level Principal Disclosure for the Applicant](#)

First Level Entity #	Select Type of Principal of Applicant	Enter Name of First Level Principal	Select organizational structure of First Level Principal identified	% Ownership of Applicant
1.	<u>Manager</u>	<u>MM CP Renaissance, LLC</u>	<u>Limited Liability Company</u>	<u>0.0100%</u>
2.	<u>Investor Member</u>	<u>Neighborhood Renaissance, Inc.</u>	<u>Non-Profit Corporation</u>	<u>99.9900%</u>
3.	<u>Non-Investor Member</u>	<u>MM CP Renaissance, LLC</u>	<u>Limited Liability Company</u>	<u>0.0000%</u>

Second Principal Disclosure Level:

CP Renaissance, LLC

[Click here for Assistance with Completing the Entries for the Second Level Principal Disclosure for the Applicant](#)

Select the corresponding First Level Principal Entity # from above for which the Second Level Principal is being identified

Second Level Entity #	Select the type of Principal being associated with the corresponding First Level Principal Entity	Enter Name of Second Level Principal	Select organizational structure of Second Level Principal identified	Second Level Principal % Ownership of First Level Principal
<u>1. (MM CP Renaissance, LLC)</u>	<u>1.A. Managing Member</u>	<u>Neighborhood Renaissance, Inc.</u>	<u>Non-Profit Corporation</u>	<u>100.0000%</u>
<u>3. (MM CP Renaissance, LLC)</u>	<u>3.A. Sole Member</u>	<u>Neighborhood Renaissance, Inc.</u>	<u>Non-Profit Corporation</u>	<u>100.0000%</u>

Third Principal Disclosure Level:

CP Renaissance, LLC

[Click here for Assistance with Completing the Entries for the Third Level Principal Disclosure for the Applicant](#)

Select the corresponding Second Level Principal Entity # from above for which the Third Level Principal is being identified

Third Level Entity #	Select the type of Principal being associated with the corresponding Second Level Principal Entity	Enter Name of Third Level Principal who must be either a Natural Person or a Trust	The organizational structure of Third Level Principal identified Must be either a Natural Person or a Trust	3rd Level Principal % Ownership of 2nd Level Principal
<u>1.A. (Neighborhood Renaissance, Inc.)</u>	<u>1.A.(1) Executive Director</u>	<u>Murray, Terri</u>	<u>Natural Person</u>	
<u>1.A. (Neighborhood Renaissance, Inc.)</u>	<u>1.A.(2) Officer/Director</u>	<u>Flick, Carl A.</u>	<u>Natural Person</u>	
<u>1.A. (Neighborhood Renaissance, Inc.)</u>	<u>1.A.(3) Officer/Director</u>	<u>Hyatt, Julie</u>	<u>Natural Person</u>	
<u>1.A. (Neighborhood Renaissance, Inc.)</u>	<u>1.A.(4) Officer/Director</u>	<u>Starkey, Bette Anne</u>	<u>Natural Person</u>	
<u>1.A. (Neighborhood Renaissance, Inc.)</u>	<u>1.A.(5) Officer/Director</u>	<u>Eichner, Joey Aaron</u>	<u>Natural Person</u>	
<u>1.A. (Neighborhood Renaissance, Inc.)</u>	<u>1.A.(6) Officer/Director</u>	<u>Banks, Cheryl</u>	<u>Natural Person</u>	
<u>1.A. (Neighborhood Renaissance, Inc.)</u>	<u>1.A.(7) Officer/Director</u>	<u>Bayol, Jean</u>	<u>Natural Person</u>	
<u>1.A. (Neighborhood Renaissance, Inc.)</u>	<u>1.A.(8) Officer/Director</u>	<u>Coppage, Timothy</u>	<u>Natural Person</u>	
<u>1.A. (Neighborhood Renaissance, Inc.)</u>	<u>1.A.(9) Officer/Director</u>	<u>Currier, Romin N.</u>	<u>Natural Person</u>	
<u>1.A. (Neighborhood Renaissance, Inc.)</u>	<u>1.A.(10) Officer/Director</u>	<u>Peterson McNeal, Diane</u>	<u>Natural Person</u>	
<u>1.A. (Neighborhood Renaissance, Inc.)</u>	<u>1.A.(11) Officer/Director</u>	<u>Ward, Cathleen D.</u>	<u>Natural Person</u>	
<u>3.A. (Neighborhood Renaissance, Inc.)</u>	<u>3.A.(1) Executive Director</u>	<u>Murray, Terri</u>	<u>Natural Person</u>	
<u>3.A. (Neighborhood Renaissance, Inc.)</u>	<u>3.A.(2) Officer/Director</u>	<u>Flick, Carl A.</u>	<u>Natural Person</u>	
<u>3.A. (Neighborhood Renaissance, Inc.)</u>	<u>3.A.(3) Officer/Director</u>	<u>Hyatt, Julie</u>	<u>Natural Person</u>	
<u>3.A. (Neighborhood Renaissance, Inc.)</u>	<u>3.A.(4) Officer/Director</u>	<u>Starkey, Bette Anne</u>	<u>Natural Person</u>	
<u>3.A. (Neighborhood Renaissance, Inc.)</u>	<u>3.A.(5) Officer/Director</u>	<u>Eichner, Joey Aaron</u>	<u>Natural Person</u>	
<u>3.A. (Neighborhood Renaissance, Inc.)</u>	<u>3.A.(6) Officer/Director</u>	<u>Banks, Cheryl</u>	<u>Natural Person</u>	
<u>3.A. (Neighborhood Renaissance, Inc.)</u>	<u>3.A.(7) Officer/Director</u>	<u>Bayol, Jean</u>	<u>Natural Person</u>	
<u>3.A. (Neighborhood Renaissance, Inc.)</u>	<u>3.A.(8) Officer/Director</u>	<u>Coppage, Timothy</u>	<u>Natural Person</u>	
<u>3.A. (Neighborhood Renaissance, Inc.)</u>	<u>3.A.(9) Officer/Director</u>	<u>Currier, Romin N.</u>	<u>Natural Person</u>	
<u>3.A. (Neighborhood Renaissance, Inc.)</u>	<u>3.A.(10) Officer/Director</u>	<u>Peterson McNeal, Diane</u>	<u>Natural Person</u>	
<u>3.A. (Neighborhood Renaissance, Inc.)</u>	<u>3.A.(11) Officer/Director</u>	<u>Ward, Cathleen D.</u>	<u>Natural Person</u>	

Principal Disclosures for the three Developers

*APPROVED for HOUSING CREDITS
FHFC Advance Review
Received 10.8.20; Approved 10.8.20*

How many Developers are part of this Application structure? (Please complete the Principal Disclosures for each of the three Co-Developers below.)

3

Select the organizational structure for the first Co-Developer entity:

The first Co-Developer is a: Non-Profit Corporation

Provide the name of the Developer Non-Profit Corporation:

NRI Development Corp.

First Principal Disclosure Level:

NRI Development Corp.

[Click here for Assistance with Completing the Entries for the First Level Principal Disclosure for a Developer](#)

<u>First Level Entity #</u>	<u>Select Type of Principal of Developer</u>	<u>Enter Name of First Level Principal</u>	<u>Select organizational structure of First Level Principal identified</u>
1.	<u>Executive Director</u>	<u>Murray, Terri</u>	<u>Natural Person</u>
2.	<u>Officer/Director</u>	<u>Flick, Carl A.</u>	<u>Natural Person</u>
3.	<u>Officer/Director</u>	<u>Eichner, Joey Arron</u>	<u>Natural Person</u>
4.	<u>Officer/Director</u>	<u>Pecar, Michael</u>	<u>Natural Person</u>

Select the organizational structure for the second Co-Developer entity:

The second Co-Developer is a: Non-Profit Corporation

Provide the name of the Developer Non-Profit Corporation:

Neighborhood Renaissance, Inc.

First Principal Disclosure Level:

Neighborhood Renaissance, Inc.

[Click here for Assistance with Completing the Entries for the First Level Principal Disclosure for a Developer](#)

<u>First Level Entity #</u>	<u>Select Type of Principal of Developer</u>	<u>Enter Name of First Level Principal</u>	<u>Select organizational structure of First Level Principal identified</u>
1.	<u>Executive Director</u>	<u>Murray, Terri</u>	<u>Natural Person</u>
2.	<u>Officer/Director</u>	<u>Flick, Carl A.</u>	<u>Natural Person</u>
3.	<u>Officer/Director</u>	<u>Hyatt, Julie</u>	<u>Natural Person</u>
4.	<u>Officer/Director</u>	<u>Starkey, Bette Anne</u>	<u>Natural Person</u>
5.	<u>Officer/Director</u>	<u>Eichner, Joey Aaron</u>	<u>Natural Person</u>
6.	<u>Officer/Director</u>	<u>Banks, Cheryl</u>	<u>Natural Person</u>
7.	<u>Officer/Director</u>	<u>Bayol, Jean</u>	<u>Natural Person</u>
8.	<u>Officer/Director</u>	<u>Coppage, Timothy</u>	<u>Natural Person</u>
9.	<u>Officer/Director</u>	<u>Currier, Romin N.</u>	<u>Natural Person</u>
10.	<u>Officer/Director</u>	<u>Peterson McNeal, Diane</u>	<u>Natural Person</u>
11.	<u>Officer/Director</u>	<u>Ward, Cathleen D.</u>	<u>Natural Person</u>

Select the organizational structure for the third Co-Developer entity:

The third Co-Developer is a: For-Profit Corporation

Provide the name of the Developer For-Profit Corporation:

Stone Soup Development, Inc.

First Principal Disclosure Level:

Stone Soup Development, Inc.

[Click here for Assistance with Completing the Entries for the First Level Principal Disclosure for a Developer](#)

<u>First Level Entity #</u>	<u>Select Type of Principal of Developer</u>	<u>Enter Name of First Level Principal</u>	<u>Select organizational structure of First Level Principal identified</u>
1.	<u>Officer/Director</u>	<u>Mayer, Douglas R</u>	<u>Natural Person</u>
2.	<u>Officer/Director</u>	<u>Mayer, Carmen G</u>	<u>Natural Person</u>
3.	<u>Executive Director</u>	<u>Mayer, Douglas R</u>	<u>Natural Person</u>
4.	<u>Shareholder</u>	<u>Mayer, Douglas R</u>	<u>Natural Person</u>
5.	<u>Shareholder</u>	<u>Mayer, Carmen G</u>	<u>Natural Person</u>

<u>First Level Entity #</u>	<u>Select Type of Principal of Developer</u>	<u>Enter Name of First Level Principal</u>	<u>of First Level Principal Identified</u>
1.	Officer/Director	Mayer, Douglas R	Natural Person
2.	Officer/Director	Mayer, Carmen G	Natural Person
3.	Executive Director	Mayer, Douglas R	Natural Person
4.	Shareholder	Mayer, Douglas R	Natural Person
5.	Shareholder	Mayer, Carmen G	Natural Person
6.	<Select an option>		<Select an option>
7.	<Select an option>		<Select an option>
8.	<Select an option>		<Select an option>
9.	<Select an option>		<Select an option>
10.	<Select an option>		<Select an option>
11.	<Select an option>		<Select an option>
12.	<Select an option>		<Select an option>
13.	<Select an option>		<Select an option>
14.	<Select an option>		<Select an option>
15.	<Select an option>		<Select an option>
16.	<Select an option>		<Select an option>
17.	<Select an option>		<Select an option>
18.	<Select an option>		<Select an option>
19.	<Select an option>		<Select an option>
20.	<Select an option>		<Select an option>

Florida Housing Finance Corporation

Credit Underwriting Report

Coleman Park Renaissance

State Apartment Incentive Loan (“SAIL”), Extremely Low Income (“ELI”) Loan, National Housing Trust Fund (“NHTF”) Program, and 4% Non-Competitive Housing Credits (“HC”)

RFA 2020-205 (2021-219SN) / 2020-536C

SAIL Financing of Affordable Multifamily Housing Developments to be used in conjunction with Tax-Exempt Bond Financing and Non-Competitive Housing Credits

Section A: Report Summary

**Section B: SAIL, ELI, and NHTF Loan Special and General Conditions
HC Allocation Recommendation and Contingencies**

Section C: Supporting Information and Schedules

Prepared by

First Housing Development Corporation of Florida

FINAL REPORT

April 20, 2023

Coleman Park Renaissance

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FHDC

Section A
Report Summary

April 20, 2023

SAIL, ELI, NHTF, & HC CREDIT UNDERWRITING REPORT

Recommendation

First Housing Development Corporation of Florida (“First Housing”, “FHDC”, or “Servicer”) recommends a SAIL Loan in the amount of \$2,940,000, an ELI Loan in the amount of \$571,300, a NHTF Loan in the amount of \$1,196,493, and an annual 4% HC Allocation of \$901,563 for the construction and permanent financing of Coleman Park Renaissance (“Development”).

DEVELOPMENT & SET-ASIDES

Development Name: Coleman Park Renaissance

RFA/Program Numbers: RFA 2020-205 / 2021-219SN 2020-536C

Address: *933 21st Street

City: West Palm Beach Zip Code: 33407 County: Palm Beach County Size: Large

Development Category: New Construction Development Type: Garden Apts (1-3 Stories)

Construction Type: Masonry

Demographic Commitment:

Primary: Family for 100% of the Units

Unit Composition:

of ELI Units: 7 ELI Units Are Restricted to 30% AMI, or less. Total # of units with PBRA? 0

of Link Units: 4 Are the Link Units Demographically Restricted? Yes # of NHTF Units: 5

*Please refer to page A-11 for the complete list of addresses.

Palm Beach County, West Palm Beach-Boca Raton HMFA

Bed Rooms	Bath Rooms	Units	Square Feet	AMI%	Low HOME Rents	High HOME Rents	Gross HC Rent	Utility Allow.	Net Restricted Rents	PBRA Contr Rents	Applicant Rents	Appraiser Rents	CU Rents	Annual Rental Income
1	1.0	5	542	22%			\$379	\$90	\$ 289		\$ 289	\$ 289	\$ 289	\$ 17,340
1	1.0	2	542	30%			\$517	\$90	\$ 427		\$ 427	\$ 427	\$ 427	\$ 10,248
1	1.0	6	542	70%			\$1,207	\$90	\$ 1,117		\$ 1,117	\$ 1,117	\$ 1,117	\$ 80,424
2	2.0	4	808	30%			\$621	\$107	\$ 514		\$ 514	\$ 514	\$ 514	\$ 24,672
2	2.0	7	808	60%			\$1,242	\$107	\$ 1,135		\$ 1,135	\$ 1,135	\$ 1,135	\$ 95,340
2	2.0	11	808	70%			\$1,449	\$107	\$ 1,342		\$ 1,342	\$ 1,342	\$ 1,342	\$ 177,144
3	2.0	1	1,088	30%			\$717	\$129	\$ 588		\$ 588	\$ 588	\$ 588	\$ 7,056
3	2.0	3	1,088	60%			\$1,435	\$129	\$ 1,306		\$ 1,306	\$ 1,306	\$ 1,306	\$ 47,016
3	2.0	4	1,088	70%			\$1,674	\$129	\$ 1,545		\$ 1,545	\$ 1,545	\$ 1,545	\$ 74,160
		43	33,526											\$ 533,400

SAIL, ELI, NHTF, & HC CREDIT UNDERWRITING REPORT

According to the Request for Applications 2020-205 (“RFA”), Non-Self Sourced Applicants that selected Average Income Test, are required to set aside at least 15% of the total units (7 units) for ELI Households.

All Non-Self Sourced Applicants are eligible for ELI Loan funding for each ELI Set-Aside, not to exceed the lesser of \$600,000 or the maximum amount based on the ELI Set-Aside per unit limits for 10% of the total units (5 units).

ELI Limits: Palm Beach County

Two (2) One-Bedroom Units at \$100,800 = \$201,600

Two (2) Two-Bedroom Units at \$118,200 = \$236,400

One (1) Three-Bedroom Units at \$133,300 = \$133,300

Total ELI Loan \$571,300

Persons with Special Needs Set-Aside Commitment: all Non-Self-Sourced Applicants must commit to set-aside 50% of the ELI Set-Aside units (4 units) as Link Units for Persons with Special Needs. In order to meet the commitment of Link units for Persons with Special Needs, the Applicant must develop and execute a Memorandum of Understanding (“MOU”) with at least one designated Special Needs Household Referral Agency that provides supportive services for Persons with Special Needs for the county where the proposed Development will be located (Palm Beach County). The MOU was approved by Florida Housing Finance Corporation (“FHFC” or “Florida Housing”) on July 19, 2021.

NHTF Units Set-Aside Commitment: The proposed Development must set-aside 5 units as NHTF Link units targeted for Persons with Special Needs. These units are required to be set aside for residents earning at or below 22% of AMI and are in addition to the fifty percent (50%) requirement for ELI set-aside units. Therefore, the Development will have a total of 9 units targeted for Link Units for Persons with Special Needs (ELI - 4 units, NHTF - 5 units). The Persons with Special Needs set-aside commitment must be maintained throughout the entire 50-year Compliance Period.

After 30 years, all of the NHTF Link units (5 units) may convert to serve residents at or below 60 percent AMI. However, the Persons with Special Needs set-aside commitment must be maintained throughout the entire 50-year Compliance Period.

The Tenant Selection Plan was approved by FHFC on April 6, 2022.

SAIL, ELI, NHTF, & HC CREDIT UNDERWRITING REPORT

Buildings: Residential - 6 Non-Residential - 0
 Parking: Parking Spaces - 50 Accessible Spaces - 4

Set Asides:

Program	% of Units	# of Units	% AMI	Term (Years)
NHTF	11.628%	5	22%	50
SAIL/ELI/HC	16.279%	7	30%	50
SAIL/HC	34.884%	15	60%	50
SAIL/HC	48.837%	21	70%	50
County MMRN	40%	18	60%	15
County ARPA	27.9%	12	50%	50
County HOME Assisted Units	25.58%	11	80%	30
City SHIP Assisted Units	4.6%	2	50%	30

Absorption Rate 20 units per month for 2.2 months.

Occupancy Rate at Stabilization: Physical Occupancy 96.00% Economic Occupancy 95.00%
 Occupancy Comments N/A - New Construction

DDA: No QCT: Yes Multi-Phase Boost: No QAP Boost: No
 Site Acreage: 1.405 Density: 30.60 Flood Zone Designation: X
 Zoning: NC, Coleman Park Neighborhood Commercial Flood Insurance Required?: No

Please note, the total parking spaces of 50 includes 21 spaces that are off-site (street parking).

SAIL, ELI, NHTF, & HC CREDIT UNDERWRITING REPORT

DEVELOPMENT TEAM		
Applicant/Borrower:	CP Renaissance, LLC	% Ownership
Manager	MM CP Renaissance, LLC	
Member	RJ HOF 70-CP Renaissance L.L.C.	
Construction Completion		
Guarantor(s):		
CC Guarantor 1:	CP Renaissance, LLC	
CC Guarantor 2:	MM CP Renaissance, LLC	
CC Guarantor 3:	Neighborhood Renaissance, Inc. ("Neighborhood Renaissance")	
Operating Deficit		
Guarantor(s):		
OD Guarantor 1:	CP Renaissance, LLC	
OD Guarantor 2:	MM CP Renaissance, LLC	
OD Guarantor 3:	Neighborhood Renaissance	
Note Purchaser	TD Bank, N.A. ("TD Bank") (Construction) M&T Realty Capital Corporation ("M&T Realty")/Freddie Mac (Permanent)	
Developer:	Neighborhood Renaissance	
Co-Developer:	Stone Soup Development, Inc. ("Stone Soup Development")	
General Contractor 1:	JWR Construction Services, Inc. ("JWR Construction")	
Management Company:	Your Way Home Realty, Inc. ("YWHR")	
Syndicator:	Raymond James Affordable Housing Investments, Inc. ("RJAHI")	
Note Issuer:	Housing Finance Authority of Palm Beach County ("HFAPBC")	
Architect:	Lawrence Kramer - South East Architect Services, Inc.	
Market Study Provider:	Meridian Appraisal Group, Inc. ("Meridian")	
Appraiser:	Meridian	

SAIL, ELI, NHTF, & HC CREDIT UNDERWRITING REPORT

PERMANENT FINANCING INFORMATION						
	1st Source	2nd Source	3rd Source	4th Source	5th Source and 6th Source	7th Source
Lien Position	First	Second	Third	Fourth	Fifth and Sixth	Seventh
Lender/Grantor	HFAPBC/ M&T Realty/ Freddie Mac	FHFC - SAIL	FHFC - SAIL ELI	FHFC - NHTF	Palm Beach County - ARPA and HOME	City of West Palm Beach - SHIP
Amount	\$2,096,000	\$2,940,000	\$571,300	\$1,196,493	\$3,093,001	\$176,500
Underwritten Interest Rate	5.80%	1.00%	0.00%	0.00%	0.00%	0.00%
Loan Term	15	15.5	15.5	30	50/30	30
Amortization	35	0	0	0	0	0
Market Rate/Market Financing LTV	15%	36%	40%	48%	70%	71%
Restricted Market Financing LTV	46%	110%	123%	149%	217%	221%
Loan to Cost - Cumulative	11%	26%	29%	35%	51%	52%
Loan to Cost - SAIL Only	N/A	15%	N/A	N/A	N/A	N/A
Debt Service Coverage	1.39	1.12	1.10	1.08	1.06	1.06
Operating Deficit & Debt Service Reserves	\$236,665					
# of Months covered by the Reserves	6.0					

The chart above shows the total term of the NHTF loan which is 30 years of which 2.5 years is for the construction/stabilization period and 27.5 years is for the permanent period.

SAIL, ELI, NHTF, & HC CREDIT UNDERWRITING REPORT

Deferred Developer Fee	\$1,432,081
As-Is Land Value	\$950,000
Market Rent/Market Financing Stabilized Value	\$14,170,000
Rent Restricted Market Financing Stabilized Value	\$4,560,000
Projected Net Operating Income (NOI) - Year 1	\$221,272
Projected Net Operating Income (NOI) - 15 Year	\$236,942
Year 15 Pro Forma Income Escalation Rate	2.00%
Year 15 Pro Forma Expense Escalation Rate	3.00%
Note Structure	Private Placement
Housing Credit (HC) Syndication Price	\$0.9075
HC Annual Allocation - Initial Award	\$418,853
HC Annual Allocation - Qualified in CUR	\$901,563
HC Annual Allocation - Equity Letter of Interest	\$874,292

CONSTRUCTION/PERMANENT SOURCES:				
Source	Lender	Construction	Permanent	Perm Loan/Unit
Local HFA Notes	HFAPBC/TD Bank / M&T Realty/Freddie Mac	\$9,970,000	\$2,096,000	\$48,744
FHFC - SAIL	FHFC	\$1,809,395	\$2,940,000	\$68,372
FHFC - SAIL ELI	FHFC	\$571,300	\$571,300	\$13,286
FHFC - NHTF	FHFC	\$1,196,493	\$1,196,493	\$27,825
Local Government Subsidy	Palm Beach County - ARPA and HOME	\$3,093,001	\$3,093,001	\$71,930
Local Government Subsidy	City of West Palm Beach - SHIP	\$176,500	\$176,500	\$4,105
HC Equity	RJAH	\$1,190,011	\$7,933,406	\$184,498
Deferred Developer Fee	Neighborhood Renaissance and Stone Soup Development	\$1,432,081	\$1,432,081	\$33,304
TOTAL		\$19,438,781	\$19,438,781	\$452,065

Credit Underwriter: First Housing
Date of Final CUR: 04/20/2023
TDC PU Limitation at Application: \$282,200 TDC PU Limitation at Credit Underwriting: \$423,035
Minimum 1st Mortgage per Rule: N/A Amount Dev. Fee Reduced for TDC Limit: \$585,971

SAIL, ELI, NHTF, & HC CREDIT UNDERWRITING REPORT

Changes from the Application:

COMPARISON CRITERIA	YES	NO
Does the level of experience of the current team equal or exceed that of the team described in the Application?	1-2.	
Are all funding sources the same as shown in the Application?		3-6.
Are all local government recommendations/contributions still in place at the level described in the Application?	X	
Is the Development feasible with all amenities/features listed in the Application?	X	
Do the site plans/architectural drawings account for all amenities/features listed in the Application?	X	
Does the applicant have site control at or above the level indicated in the Application?	X	
Does the applicant have adequate zoning as indicated in the Application?	X	
Has the Development been evaluated for feasibility using the total length of set-aside committed to in the Application?	X	
Have the Development costs remained equal to or less than those listed in the Application?		7.
Is the Development feasible using the set-asides committed to in the Application?	X	
If the Development has committed to serve a special target group (e.g. elderly, large family, etc.), do the development and operating plans contain specific provisions for implementation?	X	
HOME ONLY: If points were given for match funds, is the match percentage the same as or greater than that indicated in the Application?	N/A	
HC ONLY: Is the rate of syndication the same as or greater than that shown in the Application?	X	
Is the Development in all other material respects the same as presented in the Application?		8-11.

The following are explanations of each item checked "No" in the table above:

1. The Application listed three co-developers: NRI Development Corp., Neighborhood Renaissance, Inc., and Stone Soup Development, Inc. First Housing received a letter, dated March 2, 2023, requesting for NRI Development, Corp. to be removed as a co-developer, which was approved by FHFC's staff on March 16, 2023.

SAIL, ELI, NHTF, & HC CREDIT UNDERWRITING REPORT

2. Since the Application, the Officers/Directors of Neighborhood Renaissance, Inc. have changed, which was approved by FHFC’s staff on March 16, 2023. This request will be on the Consent agenda at the April 28, 2023 FHFC Board Meeting for approval. Board approval is a condition to close.

Officers/Directors (From):	Officers/Directors (To)
Terri Murray – Executive Director	Terri Murray – Executive Director
Carl A. Flick – Officer/Director	Carl A. Flick – Officer/Director
Julie Hyatt - Officer/Director	Julie Hyatt - Officer/Director
Bette Anne Starkey - Officer/Director	Bette Anne Starkey - Officer/Director
Joey Aaron Eichner - Officer/Director	Joey Aaron Eichner - Officer/Director
Cheryl Banks - Officer/Director	Cheryl Banks - Officer/Director
Jean Bayol - Officer/Director	Jean Bayol - Officer/Director
Timothy Coppage - Officer/Director	Timothy Coppage - Officer/Director
Romin N. Currier - Officer/Director	Diane Peterson McNeal - Officer/Director
Diane Peterson McNeal - Officer/Director	Maricela Torres - Officer/Director
Cathleen D. Ward - Officer/Director	

3. At the time of the Application it was anticipated that the Applicant would receive an issuance of tax-exempt notes in the amount of \$6,500,000, which has increased to \$9,970,000. The permanent tax-exempt note amount has decreased from \$4,300,000 to \$2,096,000.
4. Since the Application, per the Invitation to Enter Credit Underwriting issued by FHFC on June 24, 2021, the Applicant was awarded FHFC NHTF funding in the loan amount of \$1,196,493.
5. Since the Application, Palm Beach County funds in the aggregate amount of \$3,093,001 have been added as a source.
6. The Syndicator has changed from Alliant Capital, Ltd. to RJAHI and the syndication rate has increased from \$0.89 to \$0.9075.
7. The Total Development Cost (“TDC”) has increased by a total of \$7,844,124 from \$11,594,657 to \$19,438,781 or 67.65% since the Application. This increase is mainly due to an increase in construction costs.
8. Since the Application, the number of residential buildings has increased from 5 to 6, which was approved by FHFC’s staff on February 20, 2023.

SAIL, ELI, NHTF, & HC CREDIT UNDERWRITING REPORT

9. Since the Application, the number of units has increased from 42 to 43, as requested by the Applicant on April 8, 2022, and approved by FHFC’s staff on April 22, 2022.

Item Description (From)	Item Description (To)
12 – 1 bedroom/1 bathroom	13 – 1 bedroom/1 bathroom
22 – 2 bedroom/2 bathroom	22 – 2 bedroom/2 bathroom
8 – 3 bedroom/2 bathroom	8 – 3 bedroom/2 bathroom
42 Total Units	43 Total Units

The increase in the number of units also changed the total set-asides, which was requested by the Applicant on April 18, 2023, and approved by FHFC’s staff on April 19, 2023.

Set-Asides (From)	Set-Asides (To)
7 – units at or below 30% AMI	7 – units at or below 30% AMI
14 – units at or below 60% AMI	15 – units at or below 60% AMI
21 – units at or below 70% AMI	21 – units at or below 70% AMI
7 ELI Units	7 ELI Units

10. The Application listed Royal American Management, Inc. as the Management Company; however, the Applicant has requested to change the Management Company to Your Way Home Realty, Inc. and a management company prior experience chart and certification form were provided. Florida Housing approved this change on January 18, 2023.
11. The 21-Day Requirements identified Jerry W. DuBois as the qualifying agent of the General Contractor; however, the qualifying agent is now Dustin J. DuBois with Florida License Number CGC1520341. First Housing received the Florida Housing Finance Corporation General Contractor Certification form for Dustin J. DuBois, along with his experience chart.

The above changes have no substantial material impact to the SAIL, ELI, NHTF or HC recommendation for this Development.

Does the Development Team have any FHFC Financed Developments on the Past Due/Noncompliance Report?

According to the FHFC Asset Management Noncompliance Report, dated December 28, 2022, the Development has the following noncompliance item(s) not in the correction period:

- None

SAIL, ELI, NHTF, & HC CREDIT UNDERWRITING REPORT

According to the FHFC Past Due Report, dated March 23, 2023, the Development Team has the following past due item(s):

- None

Closing of the loan is conditioned upon verification that any outstanding past due, and/or noncompliance items noted at the time of closing, and the issuance of the annual HC allocation recommended herein, have been satisfied.

Strengths:

1. The Principals, Developer, and Management Company are experienced in affordable multifamily housing.
2. According to the Market Study, the weighted average occupancy rate for like-kind, existing, stabilized properties within the Development's Competitive Market Area ("CMA") is 96.4%.

Issues and Concerns:

None

Mitigating Factors:

None

Waiver Requests/Special Conditions:

1. According to the RFA, the Corporation will review the limited partnership agreement or limited liability company operating agreement language on reserves for compliance with the RFA requirement. If the limited partnership agreement or limited liability company operating agreement does not specifically state that the parties will comply with the Corporation's RFA requirements, the Corporation will require an amendment of the agreement and will not issue IRS form(s) 8609 until the amendment is executed and provided to the Corporation.

The RFA includes language restricting the disposition of any funds remaining in any operating deficit reserve(s) after the term of the reserve's original purpose has terminated or is near termination. The RFA also requires the Corporation to review the limited partnership agreement or limited liability company operating agreement language on reserves for compliance with the RFA requirement. While Florida Housing will continue

to require the Applicant to adhere to all requirements in the RFA including the restrictions on the disposition of any funds in an operating deficit reserve account, Florida Housing will not monitor the limited partnership agreement or limited liability company operating agreement language for compliance with these requirements, as this would require analysis of a legal contract. This deviation in process was included as an Information Item in the April 29, 2022 FHFC Board meeting.

Additional Information:

1. The Applicant has applied to TD Bank and M&T Realty/Freddie Mac to provide construction and permanent funding (“Funding Loan”). The Funding Loan is requested pursuant to any Federal, State or local requirements concerning the proposed tax-exempt private activity allocation and/or Low-Income Housing Tax Credit requirements. The Funding Loan will be originated on behalf of HFAMDC (“Governmental Lender”) for subsequent purchase by and delivery to the construction and permanent lender. The proceeds of the Funding Loan will be used by HFAMDC to fund a mortgage loan with matching economic terms (“Project Loan”) to the Applicant to finance the construction and permanent financing of the Development. The Funding Loan will be a non-recourse obligation of HFAMDC secured solely by receipts and revenues from the Project Loan and the collateral pledged (including a first mortgage lien with respect to the Development). Under the Tax-Exempt Multifamily Mortgage Revenue Note structure, the Funding Loan replaces the purchase by the construction and permanent lender of tax-exempt bonds.
2. The Development consists of scattered sites. Below is a list of the sites along with the associated addresses and total square footage:

Address	Square Feet
Site A	20,777
918 22nd St.	
2212 N. Tamarind Ave.	
933 21st St.	
Site D	16,373
1004 19th St.	
1977 N Tamarind Ave.	
1945 N. Tamarind Ave.	
Site F	14,896
1940 N. Tamarind Ave.	
1980 N. Tamarind Ave.	
910 19th St.	
Site G	9,160
1002 Grant St.	
1001 State St.	

3. According to an email, dated February 16, 2023, the Development will include 2,860 square feet of rentable retail/commercial space. The plan for the rentable space is for minority small businesses that will provide goods and services currently lacking in the neighborhood (bakery, breakfast/coffee shop, etc.), which includes mom/pop businesses currently operating out of their homes. Neighborhood Renaissance has started outreach and is coordinating small business workshops and financial training that will continue throughout the construction phase. They will also work with both the City and County's small business assistance programs to find potential tenants for the space.
4. Based on the TDC per unit limitations in affect as of the April 1, 2022 Telephonic FHFC Board meeting, FHFC has set the TDC for RFA 2020-205, exclusive of land costs, and Operating Deficit Reserves ("ODR"), of \$423,035 per unit for a new construction, garden-style Enhanced Structural Systems Construction ("ESSC") development located in Palm Beach County, which includes the \$7,500 add-on. The TDC for the Development, exclusive of demolition costs, land costs, and reserves, is \$18,875,449 or \$438,964 per unit, which is within 5% of the TDC limitation as allowed by the RFA. According to the TDC Calculator, the maximum allowable Developer Fee is \$2,777,671. Please note, the Applicant voluntarily decreased the Developer Fee by \$585,971 to meet the TDC requirements.
5. The equity provider is a related entity to the first mortgage Construction Lender, which will cause the interest on the MMRN to be taxable, while held by TD Bank. Additionally, IRS regulations related to the substantial user issue will not allow the Note Issuer, HFAPBC to receive its full standard Issuer Fees during construction (when TD Bank is the Noteholder). There will not be a substantial user issue during the permanent phase since TD Bank will no longer be the Noteholder.

SAIL, ELI, NHTF, & HC CREDIT UNDERWRITING REPORT

Recommendation:

First Housing recommends a SAIL Loan in the amount of \$2,940,000, an ELI Loan in the amount of \$571,300, a NHTF Loan in the amount of \$1,196,493, and an annual 4% HC Allocation of \$901,563 for the construction and permanent financing of the Development.

These recommendations are based upon the assumptions detailed in the Report Summary (Section A) and Supporting Information and Schedules (Section C). In addition, these recommendations are subject to the SAIL, ELI, and NHTF Loan Special and General Conditions and the HC Allocation Recommendation and Contingencies (Section B). **This recommendation is only valid for six months from the date of the report.**

The United States is currently under a national emergency due to the spread of the virus known as COVID-19. The extent of the virus' impact to the overall economy is unknown. More specifically, it is unknown as to the magnitude and timeframe the residential rental market (e.g. absorption rates, vacancy rates, collection losses, appraised value, etc.) and the construction industry (e.g. construction schedules, construction costs, subcontractors, insurance, etc.) will be impacted. Recommendations made by First Housing in this report, in part, rely upon assumptions made by third-party reports that are unable to predict the impacts of the virus.

The reader is cautioned to refer to these sections for complete information.

Prepared by:



Stephanie Petty
Senior Credit Underwriter

Reviewed by:



Ed Busansky
Senior Vice President

SAIL, ELI, NHTF, & HC CREDIT UNDERWRITING REPORT

Overview

Construction Financing Sources:

Construction Sources	Lender	Application	Revised Applicant	Underwriter	Construction Interest Rate	Annual Construction Debt Service
Local HFA Notes	HFAPBC/TD Bank	\$6,500,000	\$9,970,000	\$9,970,000	8.30%	\$827,510
FHFC - SAIL	FHFC	\$2,940,000	\$2,085,395	\$1,809,395	1.00%	\$18,094
FHFC - SAIL ELI	FHFC	\$571,300	\$571,300	\$571,300	0.00%	\$0
FHFC - NHTF	FHFC	\$0	\$1,196,493	\$1,196,493	0.00%	\$0
Local Government Subsidy	Palm Beach County - ARPA and HOME	\$0	\$3,093,001	\$3,093,001	0.00%	\$0
Local Government Subsidy	City of West Palm Beach - SHIP	\$0	\$176,500	\$176,500	0.00%	\$0
HC Equity	RJAH	\$2,609,191	\$1,224,741	\$1,190,011	N/A	N/A
Deferred Developer Fee	Neighborhood Renaissance and Stone Soup Development	\$1,100,000	\$1,094,755	\$1,432,081	N/A	N/A
Total		\$13,720,491	\$19,412,185	\$19,438,781		\$845,604

First Mortgage:

First Housing has reviewed a term sheet from TD Bank, dated March 30, 2023, for construction financing. The construction loan is an amount equal to the lesser of 1) \$9,970,000 2) 74% of the appraised “as stabilized” and “as restricted” value plus the value of the tax credits, or 3) 74% loan to project cost ratio during construction. The term of the construction loan shall be 24 months from the date of closing, plus one six-month extension. Payments of interest only will be required monthly on the outstanding principal balance. The funds shall be disbursed on a draw down basis during construction. The construction loan shall bear interest at a variable rate based on the forward-looking Secured Overnight Financing Rate (“SOFR”) for a month period as published by CME Group Benchmark Administration Ltd. plus a 2.50% spread. The construction loan interest is calculated based on the SOFR rate of 4.80% (as of March 30, 2023) plus a 2.50% spread, and a 1.00% underwriting cushion for an all-in rate of 8.30%.

HFAPBC will collect a 1% closing fee of the total Note amount at closing. The HFAPBC Issuer Fee and the annual Fiscal Agent Fee of \$4,500 have been included in the uses section of the report.

FHFC SAIL, ELI and NHTF Loans:

First Housing reviewed an invitation to enter credit underwriting, dated June 24, 2021, from FHFC with a preliminary SAIL Loan in the amount of \$2,940,000, a preliminary ELI loan in the amount of \$571,300, and a preliminary NHTF Loan in the amount of \$1,196,493.

SAIL, ELI, NHTF, & HC CREDIT UNDERWRITING REPORT

The SAIL Loan is non-amortizing with an interest rate of 1% plus permanent loan servicing and compliance monitoring fees for a total term of 18 years, of which 2.5 years is for the construction/stabilization period and 15.5 years is for the permanent period. As required by Freddie Mac and permitted by Rule 67-48, the SAIL Loan will be coterminous with the first mortgage plus six months (total term of 18 years). Annual payments of all applicable fees will be required. The Applicant shall not be obligated to pay more than 75% of surplus cash flow on an annual basis as required by Freddie Mac. Any unpaid interest will be deferred until cash flow is available. However, at the maturity of the SAIL Loan, all principal and unpaid interest will be due. In order to balance sources and uses during the construction period, First Housing is estimating \$1,809,395 of the SAIL loan will be funding during construction.

The ELI Loan is non-amortizing with an interest rate of 0% plus permanent loan servicing and compliance monitoring fees for a total loan term of 18 years, of which 2.5 years is for the construction/stabilization period and 15.5 years is for the permanent period. As required by Freddie Mac and permitted by the RFA, the ELI Loan term will be coterminous with the first mortgage plus 6 months (total term 18 years). Annual payments of all applicable fees will be required. The Applicant shall not be obligated to pay more than 75% of surplus cash flow on an annual basis as required by Freddie Mac. Principal is forgivable at maturity, provided the units for which the ELI Loan amount is awarded are targeted to ELI households.

The NHTF Loan is a forgivable loan with an interest rate of 0% plus permanent loan servicing and compliance monitoring fees for a term of 30 years, of which 2.5 years is for the construction/stabilization period and 27.5 years is for the permanent period. Annual payments of all applicable fees will be required. The Applicant shall not be obligated to pay more than 75% of surplus cash flow on an annual basis as required by Freddie Mac. After 30 years all of the NHTF Link units may convert to serve residents at or below 60% AMI; however, the Persons with Special Needs set aside commitments must be maintained throughout the entire 50-year Compliance Period. The principal will be forgiven at maturity provided the units for which the NHTF Loan amount is awarded are targeted as NHTF Link units for the first 30 years of the 50-year Compliance Period.

Palm Beach County ARPA and HOME:

First Housing received a Memo from Palm Beach County, dated February 16, 2023, for \$2,358,001 in American Rescue Plan Act (“ARPA”) funds for the Applicant. The interest rate is 0% with a 50-year forgivable loan term. The Affordability Period will be 50 years from the date of first occupancy.

First Housing received a Memo from Palm Beach County, dated February 16, 2023, for \$735,000 in HOME Investment Partnerships Program (“HOME”) funds for the Applicant. The interest rate

SAIL, ELI, NHTF, & HC CREDIT UNDERWRITING REPORT

is 0% with a 30-year loan term. Payments will be cash flow dependent. The Affordability Period will be 30 years from the date of first occupancy. The Development will include 11 HOME-Assisted units.

City of West Palm Beach - SHIP:

First Housing received a Rental Housing Development Agreement, provided by City of West Palm Beach. According to the Agreement, the total funding/loan under the Agreement shall not exceed \$176,500. The total SHIP-Assisted Units shall be 2 units. The loan will accrue interest on the outstanding principal balance at a rate of 0% per year. The term of the loan shall be non-amortizing for 30 years.

Housing Credit Equity:

First Housing has reviewed a letter, dated March 19, 2023, indicating a Fund sponsored by RJAHI will acquire 99.99% ownership interest in the Applicant. Based on the letter, the annual HC allocation is estimated to be in the amount of \$874,292 and a syndication rate of \$0.9075 per dollar. RJAHI anticipates a net capital contribution of \$7,933,406 and has committed to make available 15.00% or \$1,190,011 of the total net equity during the construction period. Three additional installments will be available upon construction completion, at stabilization, and upon receipt of the Form 8609. The first installment, in the amount of \$1,190,011 or 15.00% of the total net equity, meets the RFA requirement that 15% of the total equity must be contributed at or prior to the closing.

Deferred Developer Fee:

To balance the sources and uses of funds during construction, the Developer is required to defer \$1,432,081 or approximately 70.22% of the total Developer Fee of \$2,039,526 (excluding Impact Fee Refund).

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Permanent Financing Sources:

Permanent Sources	Lender	Application	Revised Applicant	Underwriter	Term Yrs.	Amort. Yrs.	Interest Rate	Annual Debt Service
Local HFA Notes	HFAPBC/M&T Realty/Freddie Mac	\$4,300,000	\$2,120,000	\$2,096,000	15	35	5.80%	\$140,052
FHFC - SAIL	FHFC	\$2,940,000	\$2,940,000	\$2,940,000	15.5	0	1.00%	\$29,400
FHFC - SAIL ELI	FHFC	\$571,300	\$571,300	\$571,300	15.5	0	0.00%	\$0
FHFC - NHTF	FHFC	\$0	\$1,196,493	\$1,196,493	30	0	0.00%	\$0
Local Government Subsidy	Palm Beach County - ARPA and HOME	\$0	\$3,093,001	\$3,093,001	50/30	0	0.00%	\$0
Local Government Subsidy	City of West Palm Beach - SHIP	\$0	\$176,500	\$176,500	30	0	0.00%	\$0
HC Equity	RJAH	\$3,727,416	\$8,164,942	\$7,933,406	N/A	N/A	N/A	N/A
Deferred Developer Fee	Neighborhood Renaissance and Stone Soup Development	\$250,000	\$1,149,949	\$1,432,081	N/A	N/A	N/A	N/A
Total		\$11,788,716	\$19,412,185	\$19,438,781				\$169,452

First Mortgage:

First Housing received a Loan Application, dated February 17, 2023, from M&T Realty for Freddie Mac’s Multifamily Direct Purchase of Tax-Exempt Loan Program. The loan amount is the lesser of \$2,740,000, an amount not to exceed 65% of the underwritten value of the Development, and a loan amount that is limited to a 1.20x debt service coverage ratio. The term of the loan is 15 years from conversion with a 35-year amortization. The interest will be fixed based on an estimated spread of 242 basis points over the yield rate on the 10-year United States Treasury Security, with a treasury floor of 3.36%. The interest rate on the loan is based upon the 10-year Treasury rate of 3.38% (as of March 23, 2023) plus a spread of 2.42% for an overall interest rate of 5.80%. As requested by the Developer, First Housing is projecting a First Mortgage amount of \$2,096,000 in order to maintain a 1.10 debt service coverage ratio on the SAIL and ELI Loans.

Additional fees included in the Debt Service calculation consist of an annual Issuer Fee of 15 bps (on the original tax-exempt note issued) and an annual Fiscal Agent Fee of \$4,500.

FHFC SAIL, ELI and NHTF Loans:

First Housing reviewed an invitation to enter credit underwriting, dated June 24, 2021, from FHFC with a preliminary SAIL Loan in the amount of \$2,940,000, a preliminary ELI loan in the amount of \$571,300, and a preliminary NHTF Loan in the amount of \$1,196,493.

The SAIL Loan is non-amortizing with an interest rate of 1% plus permanent loan servicing and compliance monitoring fees for a total term of 18 years, of which 2.5 years is for the construction/stabilization period and 15.5 years is for the permanent period. As required by Freddie Mac and permitted by Rule 67-48, the SAIL Loan will be coterminous with the first mortgage plus six months (total term of 18 years). Annual payments of all applicable fees will be required. The

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Applicant shall not be obligated to pay more than 75% of surplus cash flow on an annual basis as required by Freddie Mac. Any unpaid interest will be deferred until cash flow is available. However, at the maturity of the SAIL Loan, all principal and unpaid interest will be due.

The ELI Loan is non-amortizing with an interest rate of 0% plus permanent loan servicing and compliance monitoring fees for a total loan term of 18 years, of which 2.5 years is for the construction/stabilization period and 15.5 years is for the permanent period. Annual payments of all applicable fees will be required. As required by Freddie Mac and permitted by the RFA, the ELI Loan term will be coterminous with the first mortgage plus 6 months (total term of 18 years). Annual payments of all applicable fees will be required. The Applicant shall not be obligated to pay more than 75% of surplus cash flow on an annual basis as required by Freddie Mac. Principal is forgivable at maturity, provided the units for which the ELI Loan amount is awarded are targeted to ELI households.

The NHTF Loan is a forgivable loan with an interest rate of 0% plus permanent loan servicing and compliance monitoring fees for a term of 30 years, of which 2.5 years is for the construction/stabilization period and 27.5 years is for the permanent period. Annual payments of all applicable fees will be required. The Applicant shall not be obligated to pay more than 75% of surplus cash flow on an annual basis as required by Freddie Mac. After 30 years all of the NHTF Link units may convert to serve residents at or below 60% AMI; however, the Persons with Special Needs set aside commitments must be maintained throughout the entire 50-year Compliance Period. The principal will be forgiven at maturity provided the units for which the NHTF Loan amount is awarded are targeted as NHTF Link units for the first 30 years of the 50-year Compliance Period.

For each of the SAIL, ELI, and NHTF loans, fees include an annual multiple program Compliance Monitoring Fee of \$1,023 and an annual Permanent Loan Servicing Fee of 25 bps of the outstanding loan amount up to a maximum of \$936 per month, subject to a minimum of \$236 per month.

Palm Beach County ARPA and HOME:

First Housing received a Memo from Palm Beach County, dated February 16, 2023, for \$2,358,001 in ARPA funds for the Applicant. The interest rate is 0% with a 50-year forgivable loan term. The Affordability Period will be 50 years from the date of first occupancy. An annual monitoring fee of \$2,500 will be payable.

First Housing received a Memo from Palm Beach County, dated February 16, 2023, for \$735,000 in HOME funds for the Applicant. The interest rate is 0% with a 30-year loan term. Payments will be cash flow dependent. The Affordability Period will be 30 years from the date of first occupancy.

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The Development will include 11 HOME-Assisted units. An annual monitoring fee of \$2,000 will be payable.

City of West Palm Beach - SHIP:

First Housing received a Rental Housing Development Agreement, provided by City of West Palm Beach. According to the Agreement, the total funding/loan under the Agreement shall not exceed \$176,500. The total SHIP-Assisted Units shall be 2 units. The loan will accrue interest on the outstanding principal balance at a rate of 0% per year. The term of the loan shall be non-amortizing for 30 years.

Housing Credit Equity:

The Applicant has applied to FHFC to receive 4% Housing Credits directly from the U.S. Treasury in conjunction with tax-exempt financing. A HC calculation is contained in Exhibit 2 of this credit underwriting report. Based on the letter, dated March 19, 2023, a fund sponsored by RJAHI will provide HC equity as follows:

Syndication Contributions

Capital Contributions	Amount	Percentage of Total	When Due
1st Installment	\$1,190,011	15.00%	Closing
2nd Installment	\$2,776,692	35.00%	Paid at the later of November 1, 2024 or Construction Completion
3rd Installment	\$3,716,703	46.85%	Paid at the later of May 1, 2025 or Stabilized Operations
4th Installment	\$250,000	3.15%	Paid when all required tax filing information and Forms 8609 are received and audited finances for the year of breakeven operations are available
Total	\$7,933,406	100.00%	

Annual Credit Per Syndication Agreement	\$874,292
Calculated HC Exchange Rate	\$0.9075
Limited Partner Ownership Percentage	99.99%
Proceeds Available During Construction	\$1,190,011

Deferred Developer Fee:

To balance the sources and uses of funds during the permanent funding period, the Developer is required to defer \$1,432,081 or approximately 70.22% of the total Developer Fee of \$2,039,526 (excluding Impact Fee Refund).

Uses of Funds

CONSTRUCTION COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
New Rental Units	\$5,289,200	\$9,583,274	\$9,547,731	\$222,040	\$289,697
Site Work	\$630,000	\$1,281,138	\$1,316,681	\$30,620	\$131,668
Constr. Contr. Costs subject to GC Fee	\$5,919,200	\$10,864,412	\$10,864,412	\$252,661	\$421,365
General Conditions	\$850,900	\$651,864	\$651,864	\$15,160	\$0
Overhead	\$0	\$869,152	\$217,288	\$5,053	\$0
Profit	\$0	\$0	\$651,864	\$15,160	\$0
General Liability Insurance	\$0	\$159,772	\$159,772	\$3,716	\$0
Payment and Performance Bonds	\$0	\$125,452	\$125,452	\$2,917	\$0
Total Construction Contract/Costs	\$6,770,100	\$12,670,652	\$12,670,652	\$294,666	\$421,365
Hard Cost Contingency	\$346,300	\$633,532	\$633,532	\$14,733	\$0
Demolition paid outside Constr. Contr.	\$0	\$18,667	\$18,667	\$434	\$0
FF&E paid outside Constr. Contr.	\$159,000	\$0	\$0	\$0	\$0
Total Construction Costs:	\$7,275,400	\$13,322,851	\$13,322,851	\$309,834	\$421,365

Notes to the Total Construction Costs:

1. The Applicant has provided an executed construction contract, dated March 24, 2023, in the amount of \$12,670,652. This is a Standard Form of Agreement between Owner, CP Renaissance, LLC, and Contractor, JWR Construction Services, Inc., where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price (“GMP”). Per the contract, substantial completion is to be achieved not later than 427 days from the date of commencement of the work. The construction contract specifies a 10% retainage on monthly contractor pay requisitions up to 50% completion of the project: at which time the retainage will be reduced to 5%.
2. First Housing utilized the Schedule of Values (“SOV”) to break out the construction costs.
3. The Development will include retail/commercial space on the first floor of four of the apartment buildings. The ineligible cost of \$289,697 is associated with the retail/commercial space.
4. The General Contractor (“GC”) fee is within the maximum 14% of hard costs allowed by the RFA and Rule Chapters 67-48 and 67-21. The GC fee stated herein is for credit underwriting purposes only, and the final GC fee will be determined pursuant to the final cost certification process as per Rule Chapters 67-48 and 67-21.
5. The GC Contract includes \$477,332 in allowances which equals 3.77% of the GMP. Based on the Plan and Cost Analysis, it is the opinion of On Solid Ground, LLC (“OSG”) that the allowances are reasonable for this Development.

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Stamped concrete/asphalt	\$ 25,470
Irrigation	\$ 40,000
Backfill earth on wall that is collapsing	\$ 19,000
Millwork & counter tops	\$ 217,300
Front entrance unit doors	\$ 81,482
Polished concrete floor in gym	\$ 10,490
Unit signage at \$150/unit	\$ 6,450
Building letter/numbers \$500/building	\$ 3,000
Way finding signage \$500/building	\$ 3,000
Unit bathroom mirrors	\$ 5,110
Rubber flooring at playgrounds	\$ 14,855
Light fixture package	\$ 51,175
Total	\$ 477,332

6. The GC has budgeted for Payment and Performance Bonds (“P&P Bonds”) to secure the construction contract.

7. The Hard Cost Contingency is within 5% of the total construction cost, as required for new construction by the RFA and Rule Chapters 67-48 and 67-21.

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GENERAL DEVELOPMENT COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Accounting Fees	\$30,000	\$30,000	\$30,000	\$698	\$7,500
Appraisal	\$10,000	\$10,500	\$10,500	\$244	\$0
Architect's Fee - Site/Building Design	\$201,000	\$320,750	\$320,750	\$7,459	\$0
Architect's Fee - Supervision	\$30,000	\$0	\$0	\$0	\$0
Building Permits	\$72,870	\$92,870	\$92,870	\$2,160	\$0
Builder's Risk Insurance	\$58,800	\$133,230	\$133,230	\$3,098	\$0
Environmental Report	\$10,000	\$30,000	\$30,000	\$698	\$0
FHFC Administrative Fees	\$23,037	\$49,268	\$49,586	\$1,153	\$49,586
FHFC Application Fee	\$3,000	\$3,000	\$3,000	\$70	\$3,000
FHFC Credit Underwriting Fee	\$15,500	\$26,073	\$26,073	\$606	\$26,073
FHFC Compliance Fee	\$209,427	\$223,041	\$223,041	\$5,187	\$223,041
Impact Fee	\$237,095	\$160,071	\$160,071	\$3,723	\$0
Lender Inspection Fees / Const Admin	\$80,000	\$36,000	\$36,000	\$837	\$0
Green Building Cert. (LEED, FGBC, NAHB)	\$9,000	\$51,595	\$51,595	\$1,200	\$0
Insurance	\$33,600	\$53,750	\$53,750	\$1,250	\$53,750
Legal Fees - Organizational Costs	\$150,000	\$150,000	\$150,000	\$3,488	\$11,029
Market Study	\$6,000	\$10,500	\$10,500	\$244	\$10,500
Marketing and Advertising	\$15,000	\$20,000	\$20,000	\$465	\$20,000
Plan and Cost Review Analysis	\$5,000	\$2,600	\$2,900	\$67	\$0
Property Taxes	\$6,200	\$7,500	\$7,500	\$174	\$0
Soil Test	\$6,000	\$12,000	\$12,000	\$279	\$0
Survey	\$10,000	\$20,000	\$20,000	\$465	\$0
Title Insurance and Recording Fees	\$75,000	\$60,000	\$60,000	\$1,395	\$6,000
Utility Connection Fees	\$25,620	\$0	\$0	\$0	\$0
Soft Cost Contingency	\$65,000	\$75,137	\$75,168	\$1,748	\$0
Total General Development Costs:	\$1,387,149	\$1,577,885	\$1,578,534	\$36,710	\$410,479

Notes to the General Development Costs:

1. General Development Costs are the Applicant's updated estimates, which appear reasonable.
2. First Housing has utilized actual costs for: FHFC Credit Underwriting, Appraisal, Market Study, and Plan and Cost Analysis.
3. The FHFC Administrative Fee is based on 5.5% of the recommended annual 4% Housing Credit allocation.
4. The FHFC Credit Underwriting Fee includes \$24,179 for the SAIL, ELI, NHTF and HC underwriting and \$1,894 for the Subsidy Layering Review.
5. FHFC Compliance Monitoring Fee of \$223,041 is based on the compliance monitoring fee calculator spreadsheet provided by FHFC.

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6. First Housing received a Work Order from RunBrook, dated February 15, 2023, for National Green Building Standard Services in the amount of \$51,595.
7. First Housing adjusted the Soft Cost Contingency to be 5% of the General Development Costs less the soft cost contingency, as allowed by the RFA and Rule Chapters 67-48 and 67-21 for new construction developments.

FINANCIAL COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Construction Loan Origination Fee	\$105,000	\$99,700	\$99,700	\$2,319	\$0
Construction Loan Closing Costs	\$22,000	\$50,000	\$50,000	\$1,163	\$0
Construction Loan Interest	\$441,458	\$1,157,284	\$1,158,514	\$26,942	\$231,703
Permanent Loan Application Fee	\$0	\$9,500	\$9,500	\$221	\$9,500
Permanent Loan Origination Fee	\$40,000	\$35,000	\$35,000	\$814	\$35,000
Permanent Loan Closing Costs	\$0	\$36,860	\$36,860	\$857	\$36,860
Local HFA Note Application Fee	\$0	\$7,500	\$7,500	\$174	\$7,500
Local HFA Note Underwriting Fee	\$0	\$18,789	\$18,789	\$437	\$18,789
Local HFA Note Fiscal Agent Fee	\$0	\$19,750	\$19,750	\$459	\$19,750
Local HFA Note Cost of Issuance	\$300,000	\$135,902	\$179,227	\$4,168	\$179,227
SAIL Commitment Fee	\$30,150	\$70,226	\$58,800	\$1,367	\$58,800
SAIL Closing Costs	\$0	\$12,500	\$12,500	\$291	\$12,500
SAIL-ELI Commitment Fee	\$0	\$0	\$11,426	\$266	\$11,426
SAIL-ELI Closing Costs	\$0	\$6,500	\$6,500	\$151	\$6,500
NHTF Closing Costs	\$0	\$12,500	\$12,500	\$291	\$12,500
Placement Agent/Underwriter Fee	\$0	\$22,500	\$22,500	\$523	\$22,500
Other: Syndication Costs	\$0	\$50,000	\$50,000	\$1,163	\$50,000
Other: NHTF Extension Fee	\$0	\$0	\$11,965	\$278	\$11,965
Total Financial Costs:	\$938,608	\$1,744,511	\$1,801,031	\$41,884	\$724,520
Dev. Costs before Acq., Dev. Fee & Reserves	\$9,601,157	\$16,645,247	\$16,702,416	\$388,428	\$1,556,364

Notes to the Financial Costs:

1. The Construction Loan Origination Fee is based on 1.00% on the construction loan amount (\$9,970,000).
2. The Construction Loan Interest of \$1,158,514 is based on an interest rate of 8.30%, a 30-month term, and an average outstanding loan balance of 56%.
3. According to the M&T Realty/Freddie Mac Loan Application, dated February 17, 2023, the permanent lender Application Fee is \$6,500 and the Freddie Mac Application Fee is \$3,000.

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4. According to the HFAPBC Guidelines for Issuance of Multi-Family Rental Housing Revenue Bonds, there is an Application Fee of \$1,500 and a Public Hearing Fee of \$6,000.
5. The Permanent Loan Origination Fee is the greater of 1.25% of the total permanent note amount or \$35,000.
6. Local HFA Note Underwriting Fee includes an underwriting fee of \$16,009 and a closing fee of \$2,780.
7. Local HFA Note Fiscal Agent Fee includes a Fiscal Agent Acceptance Fee of \$2,000, Fiscal Agent Counsel cost of \$6,500, and an annual Fiscal Agent Fee of \$4,500 for 2.5 years.
8. Local HFA Note Cost of Issuance represents the HFAPBC Closing Fee of 1% of the total tax-exempt note amount (\$9,970,000), a Note Counsel cost of \$65,000 and an Issuer's Counsel expense of \$14,527.
9. The SAIL Commitment Fee is based on a 1% commitment fee and a 1% extension fee of the SAIL Loan.
10. The SAIL ELI Commitment Fee is based on a 1% commitment fee and a 1% extension fee of the ELI Loan.
11. First Housing included FHFC closing costs of \$6,500 for the ELI loan and \$12,500 for each of the SAIL and NHTF loans for legal counsel fees.
12. First Housing included a Placement Agent Fee of \$22,500 per the Cost of Issuance provided by Raymond James.
13. The NHTF Extension Fee is based on 1% of the NHTF Loan.

NON-LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Total Non-Land Acquisition Costs:	\$0	\$0	\$0	\$0	\$0

Notes to the Non-Land Acquisition Costs:

1. The Development is new construction, non-land acquisition costs do not apply.

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DEVELOPER FEE ON NON-ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Developer Fee - Unapportioned	\$1,725,000	\$2,198,131	\$2,039,526	\$47,431	\$0
Other: <u>Impact Fees Refund</u>	\$0	\$0	\$152,174	\$3,539	\$0
Total Other Development Costs:	\$1,725,000	\$2,198,131	\$2,191,700	\$50,970	\$0

Notes to the Developer Fee on Non-Acquisition Costs:

1. The recommended Developer's Fee does not exceed 18% of Total Development Cost before Developer Fee and ODR as allowed by the RFA and Rule Chapters 67-48 and 67-21. According to the TDC Calculator, the maximum allowable Developer Fee is \$2,777,671. Please note, the Applicant voluntarily decreased the Developer Fee by \$585,971 to meet the TDC requirements. Due to the TDC limitations, the overall Developer Fee is approximately 13.12% of total development costs before Developer Fee, ODR and land costs.
2. Total Impact Fees are \$312,245 of which \$152,174 will be refundable. Since this portion is refundable, it has been treated as a subset of Developer Fee.

LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Land	\$268,500	\$288,000	\$288,000	\$6,698	\$288,000
Total Acquisition Costs:	\$268,500	\$288,000	\$288,000	\$6,698	\$288,000

Notes to Acquisition Costs:

1. First Housing received a Commercial Contract between CP Renaissance, LLC (“Buyer”) and Neighborhood Renaissance, Inc., dated October 19, 2020, and an Addendum to Contract, dated February 22, 2023. According to the Addendum, the purchase price is \$288,000 and has a closing date of December 31, 2023.
2. First Housing reviewed an Appraisal of the Development prepared by Meridian, dated March 28, 2023, which estimated the land value at \$950,000. The appraisal supports the purchase price.

RESERVE ACCOUNTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Operating Deficit Reserve (Syndicator)	\$0	\$260,807	\$236,665	\$5,504	\$236,665
Reserves - Start-Up/Lease-up Expenses	\$0	\$20,000	\$20,000	\$465	\$20,000
Total Reserve Accounts:	\$0	\$280,807	\$256,665	\$5,969	\$256,665

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Notes to Reserve Accounts:

1. An Operating Deficit Reserve (“ODR”) is required by the Syndicator in the estimated amount of \$236,665, which is to be funded upon Stabilization. In exchange for receiving funding from the Corporation, the Corporation reserves the authority to restrict the disposition of any funds remaining in any operating deficit reserve(s) after the term of the reserve’s original purpose has terminated or is near termination. Authorized disposition uses are limited to payments towards any outstanding loan balances of the Development funded from the Corporation, any outstanding Corporation fees, any unpaid costs incurred in the completion of the Development (i.e., deferred Developer Fee), the Development’s capital replacement reserve account (provided, however, that any operating deficit reserve funds deposited to the replacement reserve account will not replace, negate, or otherwise be considered an advance payment or pre-funding of the Applicant’s obligation to periodically fund the replacement reserve account), the reimbursement of any loan(s) provided by a partner, member or guarantor as set forth in the Applicant’s organizational agreement (i.e., operating or limited partnership agreement). The actual direction of the disposition is at the Applicant’s discretion so long as it is an option permitted by the Corporation. In no event, shall the payment of amounts to the Applicant or the Developer from any operating deficit reserve established for the Development cause the Developer Fee or General Contractor fee to exceed the applicable percentage limitations provided for in this RFA.

At the end of the Compliance Period, any remaining balance of the ODR less amounts that may be permitted to be drawn (which includes Deferred Developer Fee and reimbursements for authorized member/partner and guarantor loan(s) pursuant to the operating/partnership agreement), will be used to pay FHFC loan debt; if there is no FHFC loan debt on the proposed Development at the end of the Compliance Period, any remaining balance shall be used to pay any outstanding FHFC fees. If any balance is remaining in the ODR after the payments above, the amount should be placed in a Replacement Reserve account for the Development. In no event shall the payments of amounts to the Applicant or the Developer from the Reserve Account cause the Developer Fee or General Contractor Fee to exceed the applicable percentage limitations provided for in Rule Chapter 67-48. Any and all terms and conditions of the ODR must be acceptable to Florida Housing, its legal counsel, and its Servicer.

2. The Applicant has budgeted \$20,000 for Start-up/Lease-up Expenses.

TOTAL DEVELOPMENT COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
TOTAL DEVELOPMENT COSTS:	\$11,594,657	\$19,412,185	\$19,438,781	\$452,065	\$2,101,029

Notes to Total Development Costs:

1. Total Development Costs have increased by a total of \$7,844,124 from \$11,594,657 to \$19,438,781 or 67.65% since the Application. This change is mainly due to an increase in construction costs.

SAIL, ELI, NHTF, & HC CREDIT UNDERWRITING REPORT

Operating Pro Forma – Coleman Park Renaissance

FINANCIAL COSTS:				Year 1	Year 1 Per Unit
OPERATING PRO FORMA					
INCOME:	Gross Potential Rental Income			\$533,400	\$12,405
	Other Income				
	Ancillary Income			\$17,160	\$399
	Miscellaneous			\$10,320	\$240
	Gross Potential Income			\$560,880	\$13,044
	Less:				
	Physical Vac. Loss	Percentage:	4.00%	\$22,435	\$522
	Collection Loss	Percentage:	1.00%	\$5,609	\$130
	Total Effective Gross Income			\$532,836	\$12,392
	EXPENSES:	Fixed:			
Real Estate Taxes			\$69,277	\$1,611	
Insurance			\$53,750	\$1,250	
Variable:					
Management Fee		Percentage:	5.00%	\$26,642	\$620
General and Administrative			\$16,125	\$375	
Payroll Expenses			\$60,200	\$1,400	
Utilities			\$38,270	\$890	
Marketing and Advertising			\$2,150	\$50	
Maintenance and Repairs/Pest Control			\$19,350	\$450	
Grounds Maintenance and Landscaping			\$10,750	\$250	
Contract Services			\$2,150	\$50	
Reserve for Replacements			\$12,900	\$300	
Total Expenses			\$311,564	\$7,246	
Net Operating Income			\$221,272	\$5,146	
Debt Service Payments					
First Mortgage - HFAPBC/M&T Realty/Freddie Mac			\$140,052	\$3,257	
Second Mortgage - FHFC SAIL			\$29,400	\$684	
Third Mortgage - FHFC SAIL ELI			\$0	\$0	
Fourth Mortgage - FHFC NHTF			\$0	\$0	
Fifth and Sixth Mortgage - West Palm Beach County ARPA and HOME			\$0	\$0	
All Other Mortgages - City of West Palm Beach - SHIP			\$0	\$0	
First Mortgage Fees - HFAPBC			\$19,455	\$452	
Second Mortgage Fees - FHFC SAIL			\$8,373	\$195	
Third Mortgage Fees - FHFC SAIL ELI			\$3,855	\$90	
Fourth Mortgage Fees - FHFC NHTF			\$4,014	\$93	
Fifth and Sixth Mortgage Fees - West Palm Beach County ARPA and			\$4,500	\$105	
Total Debt Service Payments			\$209,649	\$4,876	
Cash Flow after Debt Service			\$11,623	\$270	
Debt Service Coverage Ratios					
DSC - First Mortgage plus Fees			1.39x		
DSC - Second Mortgage plus Fees			1.12x		
DSC - Third Mortgage plus Fees			1.10x		
DSC - Fourth Mortgage plus Fee			1.08x		
DSC - All Mortgages and Fees			1.06x		
Financial Ratios					
Operating Expense Ratio			58.47%		
Break-even Economic Occupancy Ratio (all debt)			93.18%		

SAIL, ELI, NHTF, & HC CREDIT UNDERWRITING REPORT

Notes to the Operating Pro Forma and Ratios:

1. The Development will be utilizing Housing Credits in conjunction with SAIL, ELI and NHTF, which will impose rent restrictions. The rent levels are based on 2022 maximum Low Income Housing Tax Credits (“LIHTC”) rents published on FHFC’s website for Palm Beach County less the applicable utility allowances.

Palm Beach County, West Palm Beach-Boca Raton HMFA

Bed Rooms	Bath Rooms	Units	Square Feet	AMI%	Low HOME Rents	High HOME Rents	Gross HC Rent	Utility Allow.	Net Restricted Rents	PBRA Contr Rents	Applicant Rents	Appraiser Rents	CU Rents	Annual Rental Income
1	1.0	5	542	22%			\$379	\$90	\$ 289		\$ 289	\$ 289	\$ 289	\$ 17,340
1	1.0	2	542	30%			\$517	\$90	\$ 427		\$ 427	\$ 427	\$ 427	\$ 10,248
1	1.0	6	542	70%			\$1,207	\$90	\$ 1,117		\$ 1,117	\$ 1,117	\$ 1,117	\$ 80,424
2	2.0	4	808	30%			\$621	\$107	\$ 514		\$ 514	\$ 514	\$ 514	\$ 24,672
2	2.0	7	808	60%			\$1,242	\$107	\$ 1,135		\$ 1,135	\$ 1,135	\$ 1,135	\$ 95,340
2	2.0	11	808	70%			\$1,449	\$107	\$ 1,342		\$ 1,342	\$ 1,342	\$ 1,342	\$ 177,144
3	2.0	1	1,088	30%			\$717	\$129	\$ 588		\$ 588	\$ 588	\$ 588	\$ 7,056
3	2.0	3	1,088	60%			\$1,435	\$129	\$ 1,306		\$ 1,306	\$ 1,306	\$ 1,306	\$ 47,016
3	2.0	4	1,088	70%			\$1,674	\$129	\$ 1,545		\$ 1,545	\$ 1,545	\$ 1,545	\$ 74,160
		43	33,526											\$ 533,400

2. The utility allowances are based off the U.S. Department of Housing and Urban Development for Palm Beach County, which were effective January 1, 2022.
3. First Housing has included vacancy and collection loss at a total of 5.00%, which is supported by the Appraisal.
4. The Development will include four retail spaces on the first floor of buildings on Site A, Sited D, and Site F, which total 2,860 square feet of net rentable area. The Appraiser concluded to \$8 per square foot per year or \$22,880. First Housing has concluded to \$6 per square foot per year or \$17,160 to be more conservative.
5. Miscellaneous Income is comprised of revenue from forfeited deposits, vending machines, late charges, and other miscellaneous sources. Total Miscellaneous Income of \$240 per unit/per year is supported by the appraisal.
6. Based upon operating data from comparable properties, third-party reports (appraisal and market study) and First Housing's independent due diligence, First Housing represents that, in its professional opinion, estimates for Rental Income, Vacancy, Other Income, and Operating Expenses fall within a band of reasonableness.

7. The draft Management Agreement includes a proposed management fee equal to 5% of the gross revenue. First Housing utilized a 5% fee based on the draft Management Agreement.
8. The landlord will pay for water/sewer, common area utilities, trash, and pest control. The tenant will be responsible for the electric in their unit.
9. Replacement Reserves of \$300 per unit per year are required, per the RFA and Rule Chapters 67-48 and 67-21. Based on the Letter from RJAHI, dated March 19, 2023, Replacement Reserves will be \$300 per unit and increase by 3% per year.
10. The Break-even Economic Occupancy Ratio includes all debt; however, the SAIL Loan interest payment is based on available cash flow. This ratio would improve to 87.94% if the SAIL Loan interest payment was not included in the calculation.
11. Refer to Exhibit I, Page 1 for a 15-Year Pro Forma, which reflects rental income increasing at an annual rate of 2%, and expenses increasing at an annual rate of 3%.

Section B

SAIL, ELI, and NHTF Loan Special and General Conditions

HC Allocation Recommendation and Contingencies

Special Conditions

This recommendation is contingent upon the review and approval of the following items by Florida Housing and First Housing **at least two weeks prior to Real Estate Loan Closing**. Failure to submit and to receive approval of these items within this time frame may result in postponement of the SAIL, ELI, and NHTF Loan closing date.

1. Firm Commitment from TD Bank and M&T Realty/Freddie Mac (construction and permanent financing, respectively) for the MMRN with terms and conditions that are not substantially different than those utilized in this credit underwriting report.
2. Firm Commitment or closing documents for the Palm Beach County ARPA and HOME loans and City of West Palm Beach SHIP with terms and conditions that are not substantially different than those utilized in this credit underwriting report.
3. Receipt and satisfactory review of the Final signed, sealed “approved for construction” plans and specifications by the Construction Consultant and the Servicer.
4. Satisfactory receipt and review of updated financials for the Guarantors, dated within 90 days of closing.
5. FHFC’s Board approval of the changes to the Officer/Directors of Neighborhood Renaissance, Inc.
6. Payoff of FHFC PLP Loan (PLP 2019-13P-09) in the amount of \$750,000.
7. Receipt and satisfactory review of an executed Management Agreement and final Management Plan.
8. Any other reasonable requirements of the Servicer, Florida Housing, or its legal counsel.

General Conditions

This recommendation is contingent upon the review and approval of the following items by Florida Housing and First Housing **at least two weeks prior to Real Estate Loan Closing**. Failure to submit and to receive approval of these items within this time frame may result in postponement of the closing date:

1. Payment of any outstanding arrearages to the Corporation, its legal counsel, Servicer or any agent or assignee of the Corporation for past due issues applicable to the Development Team (Applicant or Developer or Principal, Affiliate or Financial Beneficiary, as described in 67-21.0025 (5) F.A.C. and 67-48.0075 (5) F.A.C. of an Applicant or a Developer).
2. On Solid Ground, LLC (“OSG”) is to act as construction inspector during the construction phase.
3. At all times there will be undisbursed loan funds (collectively held by Florida Housing, the first mortgage lender and any other source) sufficient to complete the Development. If at any time there are not sufficient funds to complete the Development, the Applicant will be required to expend additional equity on Development Costs or to deposit additional equity with Florida Housing which is sufficient (in Florida Housing’s judgment) to complete the Development before additional loan funds are disbursed. This condition specifically includes escrowing at closing all equity necessary to complete construction or another alternative acceptable to Florida Housing in its sole discretion.
4. Construction Period Developer Fee shall be the lessor of i) 50% of the Total Developer Fee or ii) the Total Developer Fee less the Deferred Developer Fee listed in the Sources and Uses for the construction period, as calculated by the Servicer. At closing, a maximum of 35% of the Construction Period Developer Fee may be funded. Remaining Construction Period Developer Fee will be disbursed during construction/rehabilitation on a pro rata basis, based on the percentage of completion of the development, as approved and reviewed by FHFC and Servicer.

Once the Development has achieved 100% lien free completion and retainage has been released, the Post-Construction Period Developer Fee may be funded. Post-Construction Period Developer Fee is the remaining portion of Developer Fee less Deferred Developer Fee listed in the Sources and Uses for the permanent period, as calculated by the Servicer.

5. Signed and sealed survey, dated within 90 days of loan closing, unless otherwise approved by Florida Housing, and its legal counsel, based upon the particular circumstances of the

transaction. The Survey shall be certified to Florida Housing, and its legal counsel, as well as the title insurance company, and shall indicate the legal description, exact boundaries of the Development, easements, utilities, roads, and means of access to public streets, total acreage and flood hazard area and any other requirements of Florida Housing.

6. All building permits and any other necessary approvals and permits (e.g., final site plan approval, Department of Environmental Protection, Army Corps of Engineers, the Water Management District, Department of Transportation, etc.) or 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), or evidence of 100% lien-free completion, if applicable. If a letter is provided, copies of all permits will be required as a condition of the first post-closing draw.
7. Final "as permitted" (signed and sealed) site plans, building plans and specifications. The geotechnical report must be bound within the final plans and specifications, if applicable.
8. Final sources and uses of funds schedule itemized by source and line item, in a format and in amounts approved by the Servicer. A detailed calculation of the construction loan interest based upon the final draw schedule, documentation of the closing costs, and draft loan closing statement must also be provided. The sources and uses of funds schedule will be attached to the Loan Agreement as the approved development budget.
9. A final construction draw schedule showing itemized sources and uses of funds for each monthly draw. SAIL Program loan proceeds shall be disbursed during the construction phase in an amount per draw that does not exceed the ratio of the SAIL Loan to the Total Development Costs, unless approved by First Housing. ELI Loan proceeds shall be disbursed during the construction phase in an amount per draw which does not exceed the ratio of the ELI Loan to the Total Development Costs, unless approved by First Housing. NHTF Loan proceeds shall be disbursed during the construction phase in an amount per draw which does not exceed the ratio of the NHTF Loan to the Total Development Costs, unless approved by First Housing. The closing draw must include appropriate backup and ACH wiring instructions.
10. Evidence of insurance coverage pursuant to the RFA governing this proposed transaction and, as applicable, the FHFC Insurance Guide.
11. The General Contractor shall secure a payment and performance bond equal to 100 percent of the total construction cost listing FHFC as a co-obligee, whose terms do not adversely affect the Corporation's interest, issued in the name of the General Contractor, from a company rated at least "A-" by AMBest & Co., or a Corporation-approved alternate

security for the General Contractor's performance such as a letter of credit issued by a financial institution with a senior long term (or equivalent) credit rating of at least "Baa3" by Moody's, or at least "BBB-" by Standard & Poor's or Fitch, or a financial rating of at least 175 by IDC Financial Publishing. The LOC must include "evergreen" language and be in a form satisfactory to Florida Housing, its Servicer and its Legal Counsel.

12. Architect, Construction Consultant, and Developer Certifications on forms provided by FHFC will be required for both design and as built with respect to Section 504 of the Rehabilitation Act, Americans with Disabilities Act, and the Federal Fair Housing Act requirements, if applicable.
13. Applicant is to comply with any and all recommendations noted in the Document and Cost Review, prepared by OSG.
14. At the end of the Compliance Period, any remaining balance of the ODR less amounts that may be permitted to be drawn (which includes Deferred Developer Fee and reimbursements for authorized member/partner and guarantor loan(s) pursuant to the operating/partnership agreement), will be used to pay FHFC loan debt; if there is no FHFC loan debt on the proposed Development at the end of the Compliance Period, any remaining balance shall be used to pay any outstanding FHFC fees. If any balance is remaining in the ODR after the payments above, the amount should be placed in a Replacement Reserve account for the Development. In no event shall the payments of amounts to the Applicant or the Developer from the Reserve Account cause the Developer Fee or General Contractor Fee to exceed the applicable percentage limitations provided for in the Rule. Any and all terms and conditions of the ODR must be acceptable to Florida Housing, its Servicer and its Legal Counsel.
15. A copy of an Amended and Restated Operating Agreement reflecting purchase of the HC under terms consistent with the assumptions contained within this Credit Underwriting Report. The Amended and Restated Operating Agreement shall be in a form and of financial substance satisfactory to Servicer and to FHFC and its legal counsel.

This recommendation is contingent upon the review and approval of the following items by Florida Housing, and its legal counsel **at least two weeks prior to Real Estate Loan Closing**. Failure to receive approval of these items, along with all other items listed on Florida Housing counsel's due diligence, within this time frame may result in postponement of the loan closing date.

1. Documentation of the legal formation and current authority to transact business in Florida for the Applicant, the general partner/principal(s)/manager(s) of the Applicant, the guarantor, and any limited partners of the Applicant.

2. Award of 4% Housing Credits and purchase of HC by RJAHI or an affiliate, under terms consistent with the assumptions of this report.
3. Signed and sealed survey, dated within 90 days of closing, unless otherwise approved by Florida Housing, and its legal counsel, based upon the particular circumstances of the transaction. The Survey shall be certified to Florida Housing and its legal counsel, as well as the title insurance company, and shall indicate the legal description, exact boundaries of the Development, easements, utilities, roads, and means of access to public streets, total acreage and flood hazard area and any other requirements of Florida Housing.
4. An acceptable updated Environmental Audit Report, together with a reliance letter to Florida Housing, prepared within 90 days of closing, unless otherwise approved by Florida Housing, and legal counsel, based upon the particular circumstances of the transaction. Applicant to comply with any and all recommendations and remediation restrictions noted in the Environmental Assessment(s) and Updates and the Environmental Review, if applicable.
5. Title insurance pro forma or commitment for title insurance with copies of all Schedule B exceptions, in the amount of the Loans naming FHFC as the insured. All endorsements required by FHFC shall be provided.
6. Florida Housing and its legal counsel shall review and approve all other lenders closing documents and the limited partnership or other applicable agreement. Florida Housing shall be satisfied in its sole discretion that all legal and program requirements for the Loan(s) have been satisfied.
7. Evidence of insurance coverage pursuant to the RFA governing this proposed transaction and, as applicable, the FHFC Insurance Guide.
8. Receipt of a legal opinion from the Applicant's legal counsel acceptable to Florida Housing addressing the following matters:
 - a. The legal existence and good standing of the Applicant and of any partnership or limited liability company that is the general partner of the Applicant (the "GP") and of any corporation or partnership that is the managing general partner of the GP, of any corporate guarantor and any manager;
 - b. Authorization, execution, and delivery by the Applicant and the guarantor, of all Loan(s) documents;

- c. The Loan(s) documents being in full force and effect and enforceable in accordance with their terms, subject to bankruptcy and equitable principles only;
 - d. The Applicant's and the Guarantor's execution, delivery and performance of the Loan(s) documents shall not result in a violation of, or conflict with, any judgments, orders, contracts, mortgages, security agreements or leases to which the Applicant is a party or to which the Development is subject to the Applicant's Operating Agreement and;
 - e. Such other matters as Florida Housing or its legal counsel may require.
9. Evidence of compliance with the local concurrency laws, if applicable.
 10. Such other assignments, affidavits, certificates, financial statements, closing statements and other documents as may be reasonably requested by Florida Housing or its legal counsel in form and substance acceptable to Florida housing or its legal counsel, in connection with the Loan(s).
 11. UCC Searches for the Applicant, its partnerships, as requested by counsel.
 12. Any other reasonable conditions established by Florida Housing and its legal counsel.

Additional Conditions

This recommendation is also contingent upon satisfaction of the following additional conditions:

1. Compliance with all provisions of Sections 420.507 and 420.5087, Florida Statutes, Rule Chapter 67-21, F.A.C. (Non-Competitive 4% Housing Credits), Rule Chapter 67-48 F.A.C. (SAIL), Rule Chapter 67-53, F.A.C., Rule Chapter 67-60 F.A.C., RFA 2020-205, Section 42 I.R.C. (Housing Credits), and any other State or Federal requirements.
2. Acceptance by the Applicant and execution of all documents evidencing and securing the SAIL, ELI and NHTF loans in form and substance satisfactory to Florida Housing, including, but not limited to, the Promissory Note(s), the Loan Agreement(s), the Mortgage and Security Agreement(s), and the Land Use Restriction Agreement(s) and/or Extended Land Use Agreement(s) and Final Cost Certificate.
3. Receipt and satisfactory review of a Joint Funding Agreement between Applicant and RJAHI or an affiliate, that requires funding of all HC Equity Installments during construction, even if the Borrower is in default under the Operating Agreement.

4. All amounts necessary to complete construction must be deposited with the Fiscal Agent prior to closing, or any phased HC Equity pay-in amount necessary to complete construction shall be contingent upon an obligation of the entity providing payments, regardless of any default under any documents relating to the HC's, as long as the First Mortgage continues to be funded. Notwithstanding the foregoing, at least 15% of all HC Equity (but not less than provided for in the Syndication Agreement or such higher amount as recommended by First Housing) shall be deposited with the Fiscal Agent at the MMRN closing unless a lesser amount is approved by FHFC prior to closing.
5. Guarantors to provide the standard FHFC Construction Completion Guaranty, to be released upon lien-free completion, as approved by the Servicer.
6. For the SAIL Loan, Guarantors are to provide the standard FHFC Operating Deficit Guaranty. If requested in writing by the Applicant, the Servicer will consider a recommendation to release the Operating Deficit Guaranty if all conditions are met, including achievement of a 1.15x debt service coverage on the combined permanent first mortgage and SAIL Loan as determined by FHFC, or the Servicer, and 90 percent occupancy and 90 percent of the gross potential rental income, net of utility allowances, if applicable, for a period equal to 12 consecutive months, all as certified by an independent Certified Public Accountant, and verified by the Servicer. The calculation of the debt service coverage ratio shall be made by FHFC or the Servicer. Notwithstanding the above, the Operating Deficit Guaranty shall not terminate earlier than three (3) years following the final certificate of occupancy.
7. Guarantors to provide the Standard FHFC Environmental Indemnity Guaranty.
8. Guarantors to provide the Standard FHFC Guaranty of Recourse Obligations.
9. If applicable, receipt and satisfactory review of Financial Statements from all Guarantors dated within 90 days of Real Estate Closing.
10. A Mortgagee Title Insurance policy naming Florida Housing as the insured in the amount of the Loan(s) is to be issued immediately after closing. Any exceptions to the title insurance policy must be acceptable to Florida Housing or its legal counsel. The form of the title policy must be approved prior to closing.
11. Property tax and hazard insurance escrow are to be established and maintained by the First Mortgagee Lender, Fiscal Agent, or the Servicer. In the event the reserve account is held by Florida Housing's Loan(s) servicing agent, the release of funds shall be at Florida Housing's sole discretion.

12. Replacement Reserves in the amount of \$300 per unit per year will be required to be deposited on a monthly basis into a designated escrow account, to be maintained by the First Mortgagee or Florida Housing's Loan(s) servicing agent. However, Applicant has the option to prepay Replacement Reserves, as allowed per Rule Chapters 67-21 and 67-48 F.A.C., in the amount of \$12,900 (one-half the required Replacement Reserves for Years 1 and 2), in order to meet the applicable DSC loan requirements. Applicant can waive this election, if at closing of the loan(s) the required DSC is met without the need to exercise the option. It is currently estimated that Replacement Reserves will be funded from Operations in the amount of \$300 per unit per year for years 1 and 2, followed by \$300 per unit per year thereafter. The initial replacement reserve will have limitations on the ability to be drawn. New construction developments shall not be allowed to draw during the first five (5) years or until the establishment of a minimum balance equal to the accumulation of five (5) years of replacement reserves per unit. The amount established as a replacement reserve shall be adjusted based on a CNA to be received by the Corporation or its servicers, prepared by an independent third party and acceptable to the Corporation and its servicers at the time the CNA is required, beginning no later than the tenth year after the first residential building in the development receives a certificate of occupancy, a temporary certificate of occupancy, or is placed in service, whichever is earlier ("initial replacement reserve date"). A subsequent CNA is required no later than the 15th year after the initial Replacement Reserve Date and subsequently every five (5) years thereafter.
13. A minimum of 10% retainage holdback on all construction draws until the Development is 50% complete, and 0% retainage thereafter is required. Retainage will not be released until successful completion of construction and issuance of all certificates of occupancy. The GC contract specifies a 10% retainage until 50% complete, at which time retainage will be reduced to 5%. This meets the RFA and Rules 67-48 and 67-21 minimum requirements.
14. Closing of all funding sources prior to or simultaneous with the SAIL, ELI, and NHTF Loans.
15. Satisfactory completion of a pre-loan closing compliance audit conducted by FHFC or Servicer, if applicable.
16. Satisfactory resolution of any outstanding past due and/or noncompliance items.
17. Any other reasonable requirements of the Servicer, Florida Housing, or its legal counsel.

Housing Credit Allocation Recommendation

First Housing Development Corporation has estimated a preliminary annual 4% HC allocation of \$901,563. Please see the HC Allocation Calculation in Exhibit 2 of this report for further details.

Contingencies

The HC allocation will be contingent upon the receipt and satisfactory review of the following items by First Housing and Florida Housing by the deadline established in the Preliminary Determination. Failure to submit these items within this time frame may result in forfeiture of the HC Allocation.

1. Purchase of the HC's by RJAHI or an affiliate, under terms consistent with assumptions of this report.
2. Satisfactory resolution of any outstanding past due and/or noncompliance items.
3. Receipt of executed FHFC Fair Housing, Section 504 and ADA as-built certification forms 122, 127, and 129.
4. Any other reasonable requirements of the Servicer, Florida Housing, or its legal counsel.

SAIL, ELI, NHTF, & HC CREDIT UNDERWRITING REPORT

15-Year Pro Forma

FINANCIAL COSTS:		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	
OPERATING PRO FORMA																	
INCOME:	Gross Potential Rental Income	\$533,400	\$544,068	\$554,949	\$566,048	\$577,369	\$588,917	\$600,695	\$612,709	\$624,963	\$637,462	\$650,212	\$663,216	\$676,480	\$690,010	\$703,810	
	Other Income																
	Ancillary Income	\$17,160	\$17,503	\$17,853	\$18,210	\$18,575	\$18,946	\$19,325	\$19,711	\$20,106	\$20,508	\$20,918	\$21,336	\$21,763	\$22,198	\$22,642	
	Miscellaneous	\$10,320	\$10,526	\$10,737	\$10,952	\$11,171	\$11,394	\$11,622	\$11,854	\$12,092	\$12,333	\$12,580	\$12,832	\$13,088	\$13,350	\$13,617	
	Gross Potential Income	\$560,880	\$572,098	\$583,540	\$595,210	\$607,115	\$619,257	\$631,642	\$644,275	\$657,160	\$670,304	\$683,710	\$697,384	\$711,331	\$725,558	\$740,069	
	Less:																
	Physical Vac. Loss Percentage: 4.00%	\$22,435	\$22,884	\$23,342	\$23,808	\$24,285	\$24,770	\$25,266	\$25,771	\$26,286	\$26,812	\$27,348	\$27,895	\$28,453	\$29,022	\$29,603	
	Collection Loss Percentage: 1.00%	\$5,609	\$5,721	\$5,835	\$5,952	\$6,071	\$6,193	\$6,316	\$6,443	\$6,572	\$6,703	\$6,837	\$6,974	\$7,113	\$7,256	\$7,401	
	Total Effective Gross Income	\$532,836	\$543,493	\$554,363	\$565,450	\$576,759	\$588,294	\$600,060	\$612,061	\$624,302	\$636,788	\$649,524	\$662,515	\$675,765	\$689,280	\$703,066	
	EXPENSES:	Fixed:															
Real Estate Taxes		\$69,277	\$71,355	\$73,496	\$75,701	\$77,972	\$80,311	\$82,720	\$85,202	\$87,758	\$90,391	\$93,102	\$95,896	\$98,772	\$101,736	\$104,788	
Insurance		\$53,750	\$55,363	\$57,023	\$58,734	\$60,496	\$62,311	\$64,180	\$66,106	\$68,089	\$70,132	\$72,236	\$74,403	\$76,635	\$78,934	\$81,302	
Variable:																	
Management Fee Percentage: 5.00%		\$26,642	\$27,175	\$27,718	\$28,272	\$28,838	\$29,415	\$30,003	\$30,603	\$31,215	\$31,839	\$32,476	\$33,126	\$33,788	\$34,464	\$35,153	
General and Administrative		\$16,125	\$16,609	\$17,107	\$17,620	\$18,149	\$18,693	\$19,254	\$19,832	\$20,427	\$21,039	\$21,671	\$22,321	\$22,990	\$23,680	\$24,391	
Payroll Expenses		\$60,200	\$62,006	\$63,866	\$65,782	\$67,756	\$69,788	\$71,882	\$74,038	\$76,260	\$78,547	\$80,904	\$83,331	\$85,831	\$88,406	\$91,058	
Utilities		\$38,270	\$39,418	\$40,601	\$41,819	\$43,073	\$44,365	\$45,696	\$47,067	\$48,479	\$49,934	\$51,432	\$52,975	\$54,564	\$56,201	\$57,887	
Marketing and Advertising		\$2,150	\$2,215	\$2,281	\$2,349	\$2,420	\$2,492	\$2,567	\$2,644	\$2,724	\$2,805	\$2,889	\$2,976	\$3,065	\$3,157	\$3,252	
Maintenance and Repairs/Pest Control		\$19,350	\$19,931	\$20,528	\$21,144	\$21,779	\$22,432	\$23,105	\$23,798	\$24,512	\$25,247	\$26,005	\$26,785	\$27,588	\$28,416	\$29,269	
Grounds Maintenance and Landscaping		\$10,750	\$11,073	\$11,405	\$11,747	\$12,099	\$12,462	\$12,836	\$13,221	\$13,618	\$14,026	\$14,447	\$14,881	\$15,327	\$15,787	\$16,260	
Contract Services		\$2,150	\$2,215	\$2,281	\$2,349	\$2,420	\$2,492	\$2,567	\$2,644	\$2,724	\$2,805	\$2,889	\$2,976	\$3,065	\$3,157	\$3,252	
Reserve for Replacements		\$12,900	\$13,287	\$13,686	\$14,096	\$14,519	\$14,955	\$15,403	\$15,865	\$16,341	\$16,832	\$17,337	\$17,857	\$18,392	\$18,944	\$19,512	
Total Expenses		\$311,564	\$320,644	\$329,992	\$339,614	\$349,520	\$359,717	\$370,215	\$381,021	\$392,146	\$403,598	\$415,388	\$427,524	\$440,019	\$452,882	\$466,123	
Net Operating Income		\$221,272	\$222,848	\$224,371	\$225,835	\$227,239	\$228,577	\$229,845	\$231,040	\$232,157	\$233,190	\$234,137	\$234,990	\$235,746	\$236,399	\$236,942	
Debt Service Payments																	
First Mortgage - HFAPBC/M&T Realty/Freddie Mac	\$140,052	\$140,052	\$140,052	\$140,052	\$140,052	\$140,052	\$140,052	\$140,052	\$140,052	\$140,052	\$140,052	\$140,052	\$140,052	\$140,052	\$140,052	\$140,052	
Second Mortgage - FHFC SAIL	\$29,400	\$29,400	\$29,400	\$29,400	\$29,400	\$29,400	\$29,400	\$29,400	\$29,400	\$29,400	\$29,400	\$29,400	\$29,400	\$29,400	\$29,400	\$29,400	
Third Mortgage - FHFC SAIL ELI	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Fourth Mortgage - FHFC NHTF	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Fifth and Sixth Mortgage - West Palm Beach County ARPA and HOME	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
All Other Mortgages - City of West Palm Beach - SHIP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
First Mortgage Fees - HFAPBC	\$19,455	\$19,455	\$19,455	\$19,455	\$19,455	\$19,455	\$19,455	\$19,455	\$19,455	\$19,455	\$19,455	\$19,455	\$19,455	\$19,455	\$19,455	\$19,455	
Second Mortgage Fees - FHFC SAIL	\$8,373	\$8,373	\$8,373	\$8,373	\$8,373	\$8,373	\$8,373	\$8,373	\$8,373	\$8,373	\$8,373	\$8,373	\$8,373	\$8,373	\$8,373	\$8,373	
Third Mortgage Fees - FHFC SAIL ELI	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	\$3,855	
Fourth Mortgage Fees - FHFC NHTF	\$4,014	\$4,014	\$4,014	\$4,014	\$4,014	\$4,014	\$4,014	\$4,014	\$4,014	\$4,014	\$4,014	\$4,014	\$4,014	\$4,014	\$4,014	\$4,014	
Fifth and Sixth Mortgage Fees - West Palm Beach County ARPA and HOME	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	
Total Debt Service Payments	\$209,649	\$209,649	\$209,649	\$209,649	\$209,649	\$209,649	\$209,649	\$209,649	\$209,649	\$209,649	\$209,649	\$209,649	\$209,649	\$209,649	\$209,649	\$209,649	
Cash Flow after Debt Service	\$11,623	\$13,199	\$14,721	\$16,186	\$17,589	\$18,927	\$20,196	\$21,391	\$22,507	\$23,541	\$24,487	\$25,341	\$26,097	\$26,749	\$27,293		
Debt Service Coverage Ratios																	
DSC - First Mortgage plus Fees	1.39	1.40	1.41	1.42	1.42	1.43	1.44	1.45	1.46	1.46	1.47	1.47	1.48	1.48	1.49	1.49	
DSC - Second Mortgage plus Fees	1.12	1.13	1.14	1.14	1.15	1.16	1.17	1.17	1.18	1.18	1.19	1.19	1.19	1.20	1.20	1.20	
DSC - Third Mortgage plus Fees	1.10	1.11	1.12	1.12	1.13	1.14	1.14	1.15	1.15	1.16	1.16	1.17	1.17	1.18	1.18	1.18	
DSC - Fourth Mortgage plus Fee	1.08	1.09	1.09	1.10	1.11	1.11	1.12	1.13	1.13	1.14	1.14	1.15	1.15	1.15	1.15	1.15	
DSC - All Mortgages and Fees	1.06	1.06	1.07	1.08	1.08	1.09	1.10	1.10	1.11	1.11	1.12	1.12	1.12	1.13	1.13	1.13	
Financial Ratios																	
Operating Expense Ratio	58.47%	59.00%	59.53%	60.06%	60.60%	61.15%	61.70%	62.25%	62.81%	63.38%	63.95%	64.53%	65.11%	65.70%	66.30%	66.90%	
Break-even Economic Occupancy Ratio (all debt)	93.18%	92.94%	92.73%	92.53%	92.35%	92.19%	92.05%	91.93%	91.83%	91.74%	91.67%	91.62%	91.58%	91.56%	91.56%	91.56%	

Based on the letter from RJAHI, dated March 19, 2023, Replacement Reserves will be \$300 per unit and increasing 3% per year.

HC Allocation Calculation

Section I: Qualified Basis Calculation

Total Development Costs(including land and ineligible Costs)	\$19,438,781
Less Land Costs	\$288,000
Less Federal Grants and Loans	\$0
Less Other Ineligible Costs	\$1,813,029
Total Eligible Basis	\$17,337,752
Applicable Fraction	100%
DDA/QCT Basis Credit	130%
Qualified Basis	\$22,539,078
Housing Credit Percentage	4.00%
Annual Housing Credit Allocation	\$901,563

Notes to the Qualified Basis Calculation:

1. Other ineligible costs include; retail, site work costs, accounting fees, FHFC Fees, insurance, legal fees, market study, advertising/marketing fees, title fees, financing costs, and reserves.
2. The Development has a 100% set-aside. Therefore, the Applicable Fraction is 100%.
3. For purposes of this analysis, the Development is located in a Qualified Census Tract ("QCT"); therefore, the 130% basis boost was applied.
4. For purposes of this recommendation a HC percentage of 4.00% was applied based on the 4% floor rate, which was established through the Consolidated Appropriations Act of 2021.

Section II: GAP Calculation

Total Development Costs(including land and ineligible Costs)	\$19,438,781
Less Mortgages	\$10,073,294
Less Grants	\$0
Equity Gap	\$9,365,487
HC Syndication Percentage to Investment Partnership	99.99%
HC Syndication Pricing	\$0.9075
HC Required to meet Equity Gap	\$10,321,128
Annual HC Required	\$1,032,113

Notes to the Gap Calculation:

1. The pricing and syndication percentage was taken from letter from RJAHI, dated March 19, 2023.

Section III: Summary

HC Per Syndication Agreement	\$874,292
HC Per Qualified Basis	\$901,563
HC Per GAP Calculation	\$1,032,113
Annual HC Recommended	\$901,563
Syndication Proceeds based upon Syndication Agreement	\$7,933,406

1. The estimated annual 4% Housing Credit allocation is limited to the lesser of the qualified basis calculation or the gap calculation. The recommendation is based on the Qualified Basis calculation.

SAIL, ELI, NHTF, & HC CREDIT UNDERWRITING REPORT

50% Test

Tax-Exempt Note Amount	\$9,970,000
Less: Debt Service Reserve Funded with Tax-Exempt Note Proceeds	\$0
Other:	\$0
Other:	\$0
Equals Net Tax-Exempt Note Amount	\$9,970,000
Total Depreciable Cost	\$17,337,752
Plus Land Cost	\$288,000
Aggregate Basis	\$17,625,752
Net Tax-Exempt Note to Aggregate Basis Ratio	56.56%

1. Based on the budget, the Development appears to meet the 50% test for 4% Housing Credits. If, at the time of Final Cost Certification, the Tax-Exempt Note amount is less than 50%, Developer Fee will have to be reduced by an amount to ensure compliance with the 50% Test. That may, in turn, result in a reduction to HC Equity.

Coleman Park Renaissance
RFA 2020-205 (2021-219SN) / 2020-536C
DESCRIPTION OF FEATURES AND AMENITIES

A. The Development will consist of:

43 Garden Apartments located in 6 residential buildings

Unit Mix:

Thirteen (13) one bedroom/one bath units;

Twenty-two (22) two bedrooms/two bath units;

Eight (8) three bedrooms/two bath units;

43 Total Units

B. All units are expected to meet all requirements as outlined below. The quality of the construction features committed to by the Applicant is subject to approval of the Board of Directors.

The Development must meet all federal requirements and state building code requirements, including the following, incorporating the most recent amendments, regulations, and rules: The Federal Fair Housing Act as implemented by 24 CFR 100, Florida Accessibility Code for Building Construction as adopted pursuant to Section 553.503, F.S., Section 504 of the Rehabilitation Act of 1973, and Titles II and III of the Americans with Disabilities Act (“ADA”) of 1990 as implemented by 28 CFR 35.

All Developments must meet accessibility standards of Section 504. Section 504 accessibility standards require a minimum of 5 percent of the total dwelling units, but not fewer than one unit, to be accessible for individuals with mobility impairments. An additional 2 percent of the total units, but not fewer than one unit, must be accessible for persons with hearing or vision impairments.

C. All Developments must provide the following General Features:

1. Broadband infrastructure which includes cables, fiber optics, wiring, or other infrastructure, as long as the installation results in accessibility in each unit;
2. Termite prevention;
3. Pest control;
4. Window covering for each window and glass door inside each unit;
5. Cable or satellite TV hook-up in each unit and, if the Development offers cable or satellite TV service to the residents, the price cannot exceed the market rate for service of similar quality available to the Development’s residents from a primary provider of cable or satellite TV;

6. Washer and dryer hook ups in each of the Development's units or an on-site laundry facility for resident use. If the proposed Development will have an on-site laundry facility, the following requirements must be met:
 - There must be a minimum of one (1) Energy Star certified washer and one (1) Energy Star certified or commercial grade dryer per every 15 units. To determine the required number of washers and dryers for the on-site laundry facility; divide the total number of the Developments' units by 15, and then round the equation's total up to the nearest whole number;
 - At least one washing machine and one dryer shall be front loading that meets the accessibility standards of Section 504;
 - If the proposed Development consists of Scattered Sites, the laundry facility shall be located on each of the Scattered Sites, or no more than 1/16 mile from the Scattered Site with the most units, or a combination of both.
7. At least two full bathrooms in all 3 bedroom or larger new construction units;
8. Bathtub with shower in at least one bathroom in at least 90% of the new construction non-Elderly units;
9. All Family Demographic Developments must provide a full-size range and oven in all units.

D. Required Accessibility Features, regardless of the age of the Development:

Federal and state law and building code regulations requires that programs, activities, and facilities be readily accessible to and usable by persons with disabilities. Florida Housing requires that the design, construction, or alteration of its financed Developments be in compliance with federal and state accessibility requirements. When more than one law and accessibility standard applies, the Applicant shall comply with the standard (2010 ADA Standards, Section 504, Fair Housing Act, or Florida Building Code, Accessibility) which affords the greater level of accessibility for the residents and visitors. Areas required to be made accessible to mobility-impaired residents and their visitors, including those in wheelchairs, shall include, but not be limited to, accessible routes and entrances, paths of travel, primary function areas, parking, trash bins, mail and package receiving areas for residents, pool and other amenities, including paths of travel to amenities and laundry rooms, including washers and dryers.

E. The Development must provide the following Accessibility Features in all units:

1. Primary entrance doors on an accessible route shall have a threshold with no more than a ½-inch rise;
2. All door handles on primary entrance door and interior doors must have lever handles;
3. Lever handles on all bathroom faucets and kitchen sink faucets;
4. Mid-point on light switches and thermostats shall not be more than 48 inches above finished floor level; and
5. Cabinet drawer handles and cabinet door handles in bathroom and kitchen shall be lever or D-pull type that operate easily using a single closed fist.

- F.** All Family Demographic Developments must provide reinforced walls for future installation of horizontal grab bars in place around each tub/shower and toilet, or a Corporation-approved alternative approach for grab bar installation. The installation of the grab bars must meet or exceed the 2010 ADA Standards for Accessible Design.

At the request of and at no charge to a resident household, the Development shall purchase and install grab bars around each tub/shower unit and toilet in the dwelling unit. The product specifications and installation must meet or exceed 2010 ADA Standards for Accessible Design. The Development shall inform a prospective resident that the Development, upon a resident household's request and at no charge to the household, will install grab bars around a dwelling unit's tub/shower unit and toilet, pursuant to the 2010 ADA Standards. At a minimum, the Development shall inform each prospective lessee by including language in the Development's written materials listing and describing the unit's features, as well as including the language in each household's lease.

- G.** Green Building Features required in all Developments:

All new construction units and, as applicable, all common areas must have the features listed below:

- a. Low or No-VOC paint for all interior walls (Low-VOC means 50 grams per liter or less for flat; 150 grams per liter or less for non-flat paint);
- b. Low-flow water fixtures in bathrooms – WaterSense labeled products or the following specifications:
 - i. Toilets: 1.28 gallons/flush or less
 - ii. Urinals: 0.5 gallons/flush,
 - iii. Lavatory Faucets: 1.5 gallons/minute or less at 60 psi flow rate,
 - iv. Showerheads: 2.0 gallons/minute or less at 80 psi flow rate;
- c. Energy Star certified refrigerator;
- d. Energy Star certified dishwasher;
- e. Energy Star certified ventilation fan in all bathrooms;
- f. Water heater minimum efficiency specifications:
 - Residential Electric:
 - i. Up to 55 gallons = 0.95 EF or 0.92 UEF; or
 - ii. More than 55 gallons = Energy Star certified; or
 - iii. Tankless = 0.97 EF and Max GPM of ≥ 2.5 over a 77° rise or 0.87 UEF and GPM of ≥ 2.9 over a 67° rise;
 - Residential Gas (storage or tankless/instantaneous): Energy Star certified
 - Commercial Gas Water Heater: Energy Star certified;
- g. Energy Star certified ceiling fans with lighting fixtures in bedrooms;
- h. Air Conditioning (in-unit or commercial):
 - i. Air-Source Heat Pumps – Energy Star certified:
 - a. ≥ 8.5 HSPF/ ≥ 15 SEER/ ≥ 12.5 EER for split systems

- b. ≥ 8.2 HSPF/ ≥ 15 SEER/ ≥ 12 EER for single package equipment including gas/electric package units
- ii. Central Air Conditioners – Energy Star certified:
 - a. ≥ 15 SEER/ ≥ 12.5 EER* for split systems
 - b. ≥ 15 SEER/ ≥ 12 EER* for single package equipment including gas/electric package units.

NOTE: Window air conditioners and portable air conditioners are not allowed. Package Terminal Air Conditioners (PTACs) / Package Terminal Heat Pumps (PTHPs) are allowed in studio and 1 bedroom units;

In addition to the required Green Building Features outlined above, proposed Developments with a Development Category of New Construction or Redevelopment, with or without acquisition, must commit to achieve one of the following Green Building Certification programs:

_____ Leadership in Energy and Environmental Design (LEED); or

_____ Florida Green Building Coalition (FGBC); or

___X___ ICC 700 National Green Building Standard (NGBS); or

_____ Enterprise Building Communities.

H. The Applicant must provide the following Resident Programs:

The quality of the Resident Programs committed to by the Applicant is subject to approval of the Board of Directors. The availability of the Resident Programs must be publicized on an ongoing basis such as through community newsletters, bulletin board posts, or flyers.

1. Employment Assistance Program

The Applicant or its Management Company must provide, at no cost to the resident, a minimum of quarterly scheduled Employment Assistance Program workshops/meetings offering employment counseling by a knowledgeable employment counselor. Such a program includes employability skills workshops providing instruction in the basic skills necessary for getting, keeping, and doing well in a job. The instruction must be held between the hours of 8:00 a.m. and 7:00 p.m. and include, but not be limited to, the following:

- Evaluation of current job skills;
- Assistance in setting job goals;
- Assistance in development of and regular review/update of an individualized plan for each participating resident;
- Resume assistance;
- Interview preparation; and
- Placement and follow-up services.

If the training is not provided on-site, transportation at no cost to the resident must be provided. Electronic media, if used, must be used in conjunction with live instruction.

2. Financial Management Program

The Applicant or its Management Company shall provide a series of classes to provide residents training in various aspects of personal financial management. Classes must be held at least quarterly, consisting of at least two hours of training per quarter, and must be conducted by parties that are qualified to provide training regarding the respective topic area. If the Development consists of Scattered Sites, the Resident Program must be held on the Scattered Site with the most units. Residents residing at the other sites of a Scattered Site Development must be offered transportation, at no cost to them, to the classes. The topic areas must include, but not be limited to:

- Financial budgeting and bill-paying including training in the use of technologies and web-based applications;
- Tax preparation including do's and don'ts, common tips, and how and where to file, including electronically;
- Fraud prevention including how to prevent credit card and banking fraud, identity theft, computer hacking and avoiding common consumer scams;
- Retirement planning & savings options including preparing a will and estate planning; and
- Homebuyer education including how to prepare to buy a home, and how to access to first-time homebuyer programs in the county in which the development is located.

Different topic areas must be selected for each session, and no topic area may be repeated consecutively.

3. Adult Literacy

The Applicant or its Management Company must make available, at no cost to the resident, literacy tutor(s) who will provide weekly literacy lessons to residents in private space on-site. Various literacy programming can be offered that strengthens participants' reading, writing skills, and comprehension, but at a minimum, these must include English proficiency and basic reading education.

Training must be held between the hours of 8:00 a.m. and 7:00 p.m. and electronic media, if used, must be used in conjunction with live instruction. If the Development consists of Scattered Sites, this resident program must be provided on the Scattered Site with the most units.

SAIL, ELI, NHTF, & HC CREDIT UNDERWRITING REPORT

DEVELOPMENT

NAME: Coleman Park Renaissance

DATE: April 20, 2023

In accordance with the applicable Program Rule(s), the applicant is required to submit the information required to evaluate, complete, and determine its sufficiency in satisfying the requirements for Credit Underwriting to the Credit Underwriter in accordance with the schedule established by the Florida Housing Finance Corporation ("FHFC"). The following items must be satisfactorily addressed. "Satisfactorily" means that the Credit Underwriter has received assurances from third parties unrelated to the applicant that the transaction can close within the allowed time frame. Unsatisfactory items, if any, are noted below in the "Issues and Concerns" section of the Executive Summary.

FINAL REVIEW REQUIRED ITEMS:	STATUS	NOTE
	Satis. / Unsatis.	
1. The development's final "as submitted for permitting" plans and specifications. Note: Final "signed, sealed, and approved for construction" plans and specifications will be required thirty days before closing.	Satis.	1.
2. Final site plan and/or status of site plan approval.	Satis.	
3. Permit Status.	Satis.	2.
4. Pre-construction analysis ("PCA"). a. No construction costs exceeding 20% is subcontracted to any one entity with the exception of a subcontractor contracted to deliver the building shell of a building of at least 5 stories which may not have more than 31% of the construction cost in a subcontract. b. No construction costs is subcontracted to any entity that has common ownership or is an affiliate of the general contractor of the developer.	Satis. Satis. Satis.	
5. Survey.	Unsatis.	3.
6. Complete, thorough soil test reports.	Satis	
7. Full or self-contained appraisal as defined by the Uniform Standards of Professional Appraisal Practice.	Satis.	
8. Market Study separate from the Appraisal.	Satis.	
9. Environmental Site Assessment – Phase I and/or the Phase II if applicable (If Phase I and/or II disclosed environmental problems requiring remediation, a plan, including time frame and cost, for the remediation is required). If the report is not dated within one year of the application date, an update from the assessor must be provided indicating the current environmental status.	Satis.	
10. Audited financial statements for the most recent fiscal year ended or acceptable alternative as stated in Rule for credit enhancers, applicant, general partner, principals, guarantors and general contractor.	Satis.	
11. Resumes and experience of applicant, general contractor and management agent. Confirmed active status on Sunbiz for Applicant, Developer, and GC entities.	Satis.	
12. Credit authorizations; verifications of deposits and mortgage loans.	Satis.	
13. Management Agreement and Management Plan.	Unsatis.	4.
14. Firm commitment from the credit enhancer or private placement purchaser, if any.	Unsatis.	5.
15. Firm commitment letter from the syndicator, if any.	Unsatis.	6.

SAIL, ELI, NHTF, & HC CREDIT UNDERWRITING REPORT

16. Firm commitment letter(s) for any other financing sources.	Unsatis.	7.
17. Updated sources and uses of funds.	Satis.	
18. Draft construction draw schedule showing sources of funds during each month of the construction and lease-up period.	Ssatis.	8.
19. Fifteen-year income, expense, and occupancy projection.	Satis.	
20. Executed general construction contract with "not to exceed" costs.	Satis.	
21. HC ONLY: 15% of the total equity to be provided prior to or simultaneously with the closing of the construction financing.	Satis.	
22. Any additional items required by the credit underwriter.	Satis.	
23. Receipt of executed Florida Housing Fair Housing, Section 504 and ADA Design Certification Forms 121, 126, and 128.	Satis.	
24. If the owner has a HAP Contract or ACC with HUD, then receipt of HUD approval for an owner-adopted preference or limited preference specifically for individuals or families who are referred by a designated Referral Agency serving the county where the Development is located.	N/A	
25. Receipt of Tenant Eligibility and Selection Plan	Satis.	
26. Receipt of GC Certification	Satis.	
27. Reliance for FHDC as agent for FHFC is include in all applicable third party reports: Appraisal, Market Study, PCA, CNA, and Phase I.	Satis.	

1. Closing is conditioned upon receipt of final plans and specifications.
2. Acceptable permits or a permit ready letter is a condition to closing.
3. First Housing received a Boundary Survey, closing is conditioned upon receipt of final Alta Survey.
4. Closing is conditioned upon receipt and satisfactory review of an executed Management Agreement and Final Management Plan.
5. Closing is conditioned upon receipt of a firm commitment from TD Bank (construction financing) and M&T Realty/Freddie Mac (permanent financing) for the MMRN, with terms and conditions that are not substantially different than those utilized in this credit underwriting report.
6. Closing is conditioned upon receipt of an Amended Operating Agreement.
7. Closing is conditioned upon receipt of a firm commitment or loan documents from Palm Beach County for the ARPA and HOME and City of West Palm Beach for the SHIP funds, with terms and conditions that are not substantially different than those utilized in this credit underwriting report.

8. Closing is conditioned upon receipt of a final construction draw schedule.



Blue Sky Communities
180 Fountain Parkway N
St. Petersburg FL 33716

March 27, 2023

Tim Kennedy
Multifamily Loans Director
Florida Housing Finance Corporation
227 N. Bronough Street, Suite 5000
Tallahassee, Florida 32301

RE: Alto Tower, 2021-294CSN

Dear Tim,

We are writing today in an abundance of caution, to respectfully request an extension until June 9, 2023, to Close this transaction.

As Staff knows, Blue Sky and our team are working diligently on many separate permitting tracks, through as many separate agencies, including but not limited to City of Miami, FDOT, and MDWASD. We started most of these processes more than a year ago, and we are very close. We have also shared the FHFC deadlines with Agency staff many times. Despite these efforts, there is a good chance that we will not complete all permitting in order to achieve a closing by the current deadline of April 28, 2023.

Therefore, we hereby request a Closing date extension through June 9, 2023.

If you have any questions or need further documentation, please call Shawn Wilson at (813) 384-4825 or contact Angela Hatcher at (727) 269-3853.

Sincerely,

BLUE CASL DADE, LLC

By: Blue DADE M, LLC, its manager

By: 

Shawn Wilson, Manager

Cc: Amanda Perry, FHFC
Keith Whitaker, Seltzer Management Group



April 4, 2023

Mr. Tim Kennedy
Florida Housing Finance Corporation
227 N. Bronough Street
Suite 5000
Tallahassee, FL 32301

Subject: University Station (2021-199BSN) Request for Chirp Closing Deadline extension

Dear Mr. Kennedy:

University Station I, LLC, (“Applicant”), hereby requests an extension from the April 28, 2023 CHIRP closing deadline to the next FHFC Board meeting dated June 9, 2023.

The Applicant has been actively putting forth its best effort to meet the April 28, 2023 CHIRP closing deadline. The outstanding items include complex closing documentation, the plat recording and the building permit ready letter.

The complex closing documentation is due to University Station being a public private partnership with the City of Hollywood for 2 mixed-use towers, for a total 216 units, a retail component, a Sublease back to the City and a sub-sublease to Barry University. Additionally, the development includes a standalone parking garage with over 630 parking spaces (with a complex Vertical Subdivision Agreement and a PSA back to the City for the Public Parking component). The development will have 7 mortgages and a couple of additional unsecured sources. We submitted for Permit on July 2022, even before getting full site plan approval on October 2022, a process that took more than a year, and anticipate receiving the permit ready letter in April. The Plat should be recorded within the next week or two (process has lasted 18 months, which is common in Southeast Florida).

Moreover, University Station, being a self-sourcing development, was not initially eligible for CHIRP. The lack of financial feasibility made this project go even slower at times. Nevertheless, we have also indexed and we are very vested on closing as soon as possible.

Therefore, due to extenuating circumstances and processes, and in an abundance of caution we are requesting an extension from the current closing deadline to the June 9th FHFC Board meeting.

Should FHFC require additional information, the Applicant is available to answer questions and to provide all information necessary for your consideration.

Sincerely,

University Station I, LLC
a Florida limited liability company

By: 
Matthew Rieger, Manager



April 4, 2023

Mr. Tim Kennedy
Florida Housing Finance Corporation
227 N. Bronough Street
Suite 5000
Tallahassee, FL 32301

Subject: Hillsboro Landing f/k/a Tallman Pines – Phase II (2021-2017BSN) Request for Chirp Closing Deadline extension

Dear Mr. Kennedy:

Tallman Pines HR, Ltd. (“Applicant”), hereby requests an extension from the April 28, 2023 CHIRP closing deadline to the next FHFC Board meeting dated June 9, 2023.

The Applicant has been actively putting forth its best effort to meet the April 28, 2023 CHIRP closing deadline. The only outstanding items pending for closing are 2 HUD approvals that are currently under review and the Permit Ready Letter. We anticipate having the Permit Ready Letter by the second week of April as there are no outstanding comments from reviewers. We are solely waiting for the City to finish processing our sub-permit applications.

We submitted our Subsidy Layering Review to HUD on January 17, 2023 and while we have expressed our deadlines very clearly to HUD staff, we are ultimately at the will of the HUD review process. HUD cannot provide any guarantees on when the review will be finalized but we continue to press on and try our best for some expedition. Therefore, in an abundance of caution, we are requesting an extension from the current closing deadline to the June 9th Board meeting.

Should FHFC require additional information, the Applicant is available to answer questions and to provide all information necessary for your consideration.

Sincerely,

Tallman Pines HR, Ltd.
a Florida limited partnership

By: HTG Tallman HR, LLC,
a Florida limited liability company,
its Special limited partner

By: 
Matthew Rieger, Manager



April 13, 2023

Tim Kennedy
Florida Housing Finance Corporation
227 North Bronough Street, #5000
Tallahassee, FL 32301

RE: Culmer Apartments, RFA 2019-116/2020-435BSN/2019-572/CHIRP
CHIRP Closing Deadline Extension Request

Dear Mr. Kennedy:

In connection with the above-referenced affordable housing development, we respectfully request a 42-day extension to the closing deadline for the CHIRP SAIL loan from April 28, 2023, to June 9, 2023. The request for the extension stems from the extensive delays we have experienced with HUD and the uncertainties surrounding their ability to complete reviews within typical time frames. A summary of these delays are below:

1. **HUD 221(d)4 delays:** As you know, we are pursuing HUD Section 221(d)4 financing for this development and a firm application for the financing was submitted to HUD on May 25, 2022. Under normal circumstances, our lender advised us that from submitting the firm application to HUD, firm commitment issuance should be anticipated to occur four months later. However, we did not receive the 221(d)4 financing firm commitment until January 10, 203, almost four months beyond the original projected timeline.
2. **RAD Conversion delays:** Culmer Apartments is a partial public housing conversion utilizing the Rental Assistance Demonstration ("RAD") program. While the RAD financing plan was submitted to HUD for approval on May 25, 2022, and expectations were to receive the RAD conversion commitment (RCC) within four months, we only received the RCC from HUD on March 20, 2023. This was a six-month delay to the original projected timeline. Since receiving the RCC, we have been advised that HUD often requires 30-60 days to review closing documentation and close on the financing. Based on the date we received the RCC, we are pushing to close by the end of April.

While we believe that all delays are behind us and we are pushing towards the earliest possible closing, as a result of the above delays and uncertainties surrounding the remaining HUD review period, we respectfully request a 42-day extension to the closing deadline for the CHIRP loan from April 28, 2023, to June 9, 2023. This request is being submitted in an abundance of caution as we do not want to place Culmer's FHFC funding at risk. The extension fee will be wired to the Corporation upon Board approval should we require the extension to close beyond April 28th, 2023.

If you have any questions or concerns, please do not hesitate to contact us. Your assistance and consideration are very much appreciated.

Sincerely,



Culmer Apartments, Ltd.
By: APC Culmer Apartments, LLC,
its managing general partner

A handwritten signature in blue ink, appearing to read "K. Naylor", is written over the text of the signature line.

Kenneth Naylor, Vice President

cc: Amanda Franklin, FHFC
George Repity, AmeriNat
Greg Griffith, APC
Ed Sperling, APC

David Woodward, FHFC
Mark Fredericks, AmeriNat
Oscar Hentschel, APC



April 6, 2023

Mr. Tim Kennedy
Florida Housing Finance Corporation
227 North Bronough Street, #5000
Tallahassee, FL 32301

RE: The Village of Casa Familia, RFA 2019-107, 2019-422CGN/2021-325CGN, RFA 2021-211/2022-230V, CHIRP Closing Extension Request

Dear Mr. Kennedy:

The Village of Casa Familia (“Casa Familia”) is a proposed affordable housing community located in Miami-Dade County. We kindly request an extension to Casa Familia’s closing deadlines outlined in the firm commitment letter dated 1/30/23 for the Viability Loan and the Grant funds from 5/30/23 to 09/08/23. Additionally, we would like to request an extension to the CHIRP loan closing deadline from 4/28/23 to 09/08/23 to be consistent with the Viability Loan and Grant closing time-lines as shown below.

	<u>Current Deadline</u>	<u>Extended Deadline</u>
Viability Loan	5/30/2023	09/08/23
FHFC Grant	5/30/2023	09/08/23
CHIRP Loan	4/28/2023	09/08/23
10% Test	6/30/2023	09/08/23
Site Control	6/30/2023	09/08/23

Casa Familia has incurred substantial delays caused by concerns raised by HUD’s Fair Housing and Equal Opportunity (“FHEO”) office since early 2021. Over the past two plus years we have coordinated with HUD, Florida Housing, and Miami-Dade County Public Housing and Community Development department (“PHCD”) to address FHEO’s concerns with the proposed development. During this time period, our site control expired, and any extensions were put on hold, we were unable to progress the Miami-Dade County Surtax loan and General Obligation Bond grant underwriting, and we were unable to progress the project based voucher subsidy layering review process with HUD and PHCD.

Dedicated to creating sustainable, enriched and affordable housing communities, with features, amenities and services designed to benefit adults with intellectual, developmental and other related disabilities.

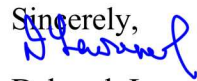


Fortunately, since our last extension request, we received guidance from HUD that allows all parties to proceed towards a closing. Site control has been reinstated, we are currently working with the various funding parties to complete underwriting and draft loan documents, and we are working with PHCD to submit our subsidy layering review for the project-based voucher approvals to HUD.

We are working diligently to complete these items within the next few months and expect to get the necessary Committee and Board of County Commission approvals by 8/31/2023 which should allow us to close late in the third quarter this year.

However, in an abundance of caution, we are requesting the deadlines listed above be extended to 09/08/23 for us to ensure all necessary approvals are obtained prior to a future closing deadline.

Should you and/or staff have any questions or comments please do not hesitate to contact us. We appreciate your assistance and consideration of our request.

Sincerely,


Deborah Lawrence
Senior Housing Director

Dedicated to creating sustainable, enriched and affordable housing communities, with features, amenities and services designed to benefit adults with intellectual, developmental and other related disabilities.

1550 Douglas Road
Suite 280
Coral Gables, FL 33134
(786) 505-8887 ~ www.casafamiliainc.org

Casa Familia Closing Timeline

Task Name	Start Date	End Date	2022				2023				2024				2025				2026			
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
50 + Water & Sewer Permit	06/01/20	07/21/23	Water & Sewer Permit																			
83 + Building Permit	08/08/20	08/09/23	Building Permit																			
94 - Underwriting	05/20/19	08/31/23	Underwriting																			
112 - Miami-Dade County Surtax	09/01/19	08/30/23	Miami-Dade County Surtax																			
118 Subsidy Layering Review	04/02/23	06/30/23	Subsidy Layering Review																			
120 Submit PHCD Approved package to BCC	07/01/23	07/01/23	Submit PHCD Approved package to BCC																			
122 BCC Surtax Closing Approval	08/01/23	08/01/23	BCC Surtax Closing Approval																			
124 - Tax Credit Equity/Debt	07/30/19	08/31/23	Tax Credit Equity/Debt																			
130 Finalize LPA & Loan Docs	08/02/23	08/31/23	Finalize LPA & Loan Docs																			
139 - GOB Financing	10/22/20	08/01/23	GOB Financing																			
144 GOB Underwriting	02/02/23	06/01/23	GOB Underwriting																			
145 Submit package to BCC	06/02/23	07/01/23	Submit package to BCC																			
146 BCC GOB Closing Approval	08/01/23	08/01/23	BCC GOB Closing Approval																			
163 - Project Based Voucher Award	04/08/22	08/25/23	Project Based Voucher Award																			
165 SLR For PBV Award	04/28/23	07/26/23	SLR For PBV Award																			
166 Execute AHAP	07/27/23	08/25/23	Execute AHAP																			
168 CLOSE FINANCING	09/01/23	09/05/23	CLOSE FINANCING																			
169 + Demolition	09/06/23	10/26/23	Demolition																			
189 + Construction	09/09/23	11/17/24	Construction																			
201 + Leasing	07/06/24	04/01/25	Leasing																			
210 + Conversion	11/03/24	04/28/25	Conversion																			
223 CONVERT/STABILIZE	04/28/25	04/28/25	CONVERT/STABILIZE																			
225																						
226																						
227																						
228																						
229																						
230																						
231																						

April 4, 2023

Ms. Marisa Button, Director of Multifamily Programs
Florida Housing Finance Corporation
227 N. Bronough St., Suite 5000
Tallahassee, Florida 32301

Re: Baytown Apartments – RFA2021-108 – Project # 2021-324CG/2023-011CGA

Dear Ms. Button,

On behalf of Baytown Apartments, LLC (“Applicant”), please consider this letter a request to extend the April 28, 2023, loan closing and LPA deadlines for Baytown Apartments (“Development”). Despite diligent efforts, one item remains open without which the Housing Credit investor will not close.

The sole remaining item preventing closing is HUD approval of the subsidy layering review (“SLR”) required to provide project-based rental subsidy for eight of the Development’s 30 units. The project-based rental subsidy was secured through a Tampa Housing Authority (“THA”) competitive solicitation issued last April, for which we received a Notice of Award from THA in June. All THA checklist items required for the SLR as were provided by THA by the July 8, 2022, deadline, including an environmental site assessment. THA reviewed the submission and forwarded it to HUD’s Miami Field Office (“MFO”).

In September, the MFO requested two additional items/revisions from the Applicant, including an environmental report meeting the requirements of the National Environmental Policy Act (“NEPA”). The NEPA process is significantly more involved and time consuming than the standard site assessment required by lenders. This process was completed on November 17, 2022, and the full response package was promptly submitted. After some back and forth with THA on the requirements, the November package was forwarded to the MFO, reviewed, and then forwarded to HUD’s Financial Management Division (“FMD”) – its last stop before approval – on December 13, 2022.

Since that time, communication with HUD has been sparse notwithstanding our pleas regarding the initial January CHIRP deadline and Board-approved extensions to March 10th and then April 28th. We finally heard from HUD’s FMD on March 30th. We believe the response we provided on March 31st is all FMD needs, and we should receive HUD approval shortly; however, we feel it prudent to request an extension to June 9, 2023, in case there are additional delays. Once HUD provides approval of the SLR, all parties have indicated the ability to close the transaction in less than two weeks.

Thank you for your consideration and please let us know if you have any questions.

Respectfully submitted,



Andrew Sewnauth, Executive Director
Authorized Principal of Applicant



**THE HOUSING AUTHORITY
OF THE
CITY OF MIAMI BEACH**



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WWW.HACMB.ORG

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MATTI BOWER
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EXECUTIVE DIRECTOR

April 11, 2023

Tim Kennedy, Multifamily Loans & Bonds Director
Florida Housing Finance Corporation
227 N. Bronough Street, Suite 5000
Tallahassee, FL 32301

Re: The Heron (RFA 2020-102/2020-483SA/ITP-2022 CHIRP)
Request for Extension of Time for CHIRP

Dear Mr. Kennedy:

The Miami Beach Housing Initiatives, Inc. ("MBHI"), an instrumentality of the Housing Authority of the City of Miami Beach ("HACMB"), respectfully requests an extension to the CHIRP loan closing deadline (April 28, 2023) for The Heron through the June 9, 2023 Florida Housing Finance Corporation ("Florida Housing") Board meeting.

The Heron development will provide twenty units of much needed permanent supportive housing for elderly persons with special needs in Miami Beach. The development is in the final stages of the permitting approval process with a building permit expected to be issued within the next sixty days and by the June 9th meeting.

The project financing, in addition to the funding provided by Florida Housing, includes Surtax and Affordable Housing Trust Funds from Miami-Dade County, and HOME-ARP from the City of Miami Beach. Unfortunately, the County and City have not yet provided their closing documents for review thus requiring an extension of the closing deadline for The Heron.

Thank you in advance for your consideration of the extension of time.

Sincerely,

Miguell Del Campillo
Executive Director

BID-A-WEE APARTMENTS, LLC

575 Pharr Road NE, Unit 550069, Atlanta, Georgia 30355

(404) 963-6657

April 12, 2023

Mr. Tim Kennedy
Multifamily Loans and Bonds Director
Florida Housing Finance Corporation
227 North Bronough Street, Suite 5000
Tallahassee, Florida 32301

Re: Sovereign at North Bay, formerly known as Bid-A-Wee Apartments
RFA 2019-111 (2020-076BR)/2019-575C
Request for Extension of Deadline for Closing of Financing and Closing of Limited
Partnership Agreement

Dear Mr. Kennedy:

As you know, Sovereign at North Bay (“Sovereign”) in Bay County, Florida, formerly known as Bid-A-Wee Apartments, applied for funding under the Construction Housing Inflation Response Program (“CHIRP”) Invitation to Participate. This funding supplements funding previously awarded in the Hurricane Michael Rental Recovery Loan Program (“RRLP”), wherein Sovereign was awarded \$7,171,200 in RRLP and Extremely Low-Income loan funding, Corporation-issued tax-exempt bond financing, and non-competitive housing credits. Sovereign received a favorable Credit Underwriting Report dated December 1, 2022, which was approved by Florida Housing’s Board of Directors on December 9, 2022. Sovereign received its firm loan commitment for the RRLP, CHIRP, and ELI financing on December 14, 2022, and subsequently received favorable CUR updates.

Sovereign is in a position to close on its loan financing, as well as close the Limited Partnership Agreement (“LPA”) associated with the non-competitive tax credit financing. However, due to the need to coordinate multiple funding sources, and the heavy volume of closings on Florida Housing financing, out of an abundance of caution Sovereign at North Bay seeks an extension of the April 28 closing deadline in the event that any unforeseen events delay an April closing.

For the financing awarded to Sovereign other than CHIRP financing, the applicable closing deadline is June 12, 2023. The original CHIRP ITP when issued by Florida Housing in May 2022 required applicants receiving CHIRP awards to close on Corporation-issued financing and their limited partnership agreements by January 31, 2023 (or an earlier closing deadline connected to their prior, non-CHIRP “Active Award” of financing). At subsequent Board meetings, the CHIRP closing deadlines have been granted a blanket extension, the most recent to April 28, 2023, with the Board indicating that any subsequent extension requests would be considered on a case-by-case basis.

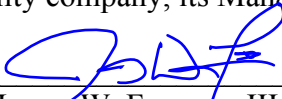
Specifically, Sovereign at North Bay requests that the time for the closing of both its LPA and financing be extended up to and including June 9, 2023, the date of the Board meeting immediately before the June 12 deadline applicable to its underlying Active Award of RRLP, tax-exempt bond, and housing credit financing. Sovereign has been working in close cooperation with Florida Housing staff, expects to close by the current April 28 deadline, and is hopeful this extension will not be needed.

Thank you for your time and consideration with this matter.

Sincerely,

Bid-A-Wee Apartments, LLC, a Florida limited liability company

By: Bid-A-Wee Manager, LLC, a Florida limited liability company, its Manager

By: 
James W. Freeman III, Manager



April 13, 2023

Mr. Tim Kennedy
Multifamily Loans and Bonds Director
Florida Housing Finance Corporation
227 N. Bronough Street, Suite 5000
Tallahassee, FL 32301

Re: Written Request to Extend the Construction Housing Inflation Response Program (CHIRP)
Closing Deadline for Falcon Trace II, 2022-186S/2021-519C
Via: Procorem

Dear Mr. Kennedy:

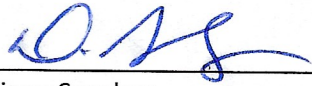
On behalf of Falcon Trace II, LLC, the Applicant and Ownership Entity for the above-referenced Development, please allow this correspondence to serve as our written request for approval of an extension of the CHIRP closing deadline to June 9, 2023.

As you know, the closing of Falcon Trace II has been delayed pending receipt of our South Florida Water Management District (SFWMD) permit. The delay has been a result of on-going discussions between Osceola County and SFWMD regarding stormwater retention and floodplain compensation that will be off-site for this transaction but will impact the County's overall design for the larger, master-planned Poinciana SunRail Park development, of which Falcon Trace II is a part. Those discussions have resulted in a plan for moving forward, acceptable to both SFWMD and Osceola County, and we are close to receiving our SFWMD permit – which is the final permit we need to close. In all other respects, we are ready to close.

We expect that we will receive that permit and closing will occur prior to our current CHIRP closing deadline of April 28, 2023. However, in an abundance of caution, we seek an extension should it be needed.

We sincerely appreciate Florida Housing's flexibility as we work towards closing Falcon Trace II.

Sincerely,
Domingo Sanchez

By: 
Domingo Sanchez
Authorized Principal Representative

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April 11, 2023

Mr. Robert Dearduff
 Florida Housing Finance Corporation
 227 N. Bronough Street Ste. 5000
 Tallahassee, FL 32301-1329

RE: Adjusted Development Plan Approval for Cross Creek Gardens at Quincy 2022-004P-09 and Revised PLP Budget

Dear Mr. Dearduff:

This letter provides notice that Neighborhood Renaissance, Inc. is requesting a modification to the previously approved PLP loan for Cross Creek Gardens at Quincy PLP 2022-004P-09 that received an original FHFC approval of the Predevelopment Loan Program loan amount of \$500,000.

The Applicant Entity listed on the original Development Plan was Neighborhood Renaissance, Inc. (NRI). This is corrected to reflect Cross Creek Gardens at Quincy, LLC, which is 100% owned by NRI and has been selected to receive a HOME loan award from FHFC (RFA 2021-206). The Applicant is requesting a revision to the PLP Budget to include a new approved line item of \$250,000 for site acquisition. The most recent appraisal reflects a value of \$240,000 and the PSA purchase price is \$300,000 "subject to an appraisal acceptable to FHFC." Instead of using two separate funding sources for predevelopment site-acquisition and non-site acquisition, the Applicant is seeking to obtain these funds through one lender instead of two, reducing costs and expediting the purchase before the PSA deadline.

There is an increase to the final number of units from 34 to 36. The Development Plan also reflects an increase to construction costs, changes to the Development Team, financing that now includes Bonds and 4% LIHTC, and the timeline. Escambia HFA has provided a written Schedule of Documents and Approval Dates for this project, confirming that the Bond Application was submitted on 2/23/2023 and the final approvals by Gadsden and Escambia Counties are anticipated to be complete by September 2023. Cross Creek Gardens at Quincy, LLC has my approval to adjust the Development Plan to update the project information and revise PLP budget. This will increase the PLP Loan from \$500,000 to \$750,000. Modifying the loan to a bifurcated PLP loan will allow the Applicant to use PLP funds for both the site acquisition and non-site acquisition predevelopment expenses.

I have provided the adjusted Development Plan, which provides the updated development project information and increases the PLP Loan request to \$750,000.

Should you need any further information please feel free to contact me at plancher@flhousing.org or call 850-274-9764.

Elissa Plancher
 Technical Advisor



Predevelopment Loan Program

Development Plan

Development Name	Cross Creek Gardens at Quincy
Development File Number	2022-004P-09

A. General Information		
	ORIGINAL	ADJUSTED FEB 2023
Applicant Entity Name	Neighborhood Renaissance, Inc.	Cross Creek Gardens at Quincy, LLC
Development Name	Cross Creek Gardens at Quincy	No change
Development Address	South Springs Road, approximately 1,500 feet west of the intersection of Pat Thomas Parkway and South Springs Road, City of Quincy	No change
Development Co-Developers	Neighborhood Renaissance, Inc. Acruva Community Developers, LLC.	No change
Primary Contact	Guy Kempe gtkempe@neighborhoodrenaissance.org	Terri Murray tmurray@neighborhoodrenaissance.org
Development Type	Rental <input checked="" type="checkbox"/> Homeownership <input type="checkbox"/>	No change
Number of Buildings	3	No change
Number of Units	34	36
Target Population	Family	No change
Construction Type	New <input checked="" type="checkbox"/> Rehab <input type="checkbox"/> Both <input type="checkbox"/>	No change
Applicant Comments:		
TAP Comments: This project has received an award of HOME funds from RFA-2021-206 and has been invited to credit underwriting. The legal description will be provided.		Cross Creek Gardens at Quincy, LLC is 100% owned by NRI. NRI and Acruva are co-developers and Acruva has no ownership interest. The project has added two units to the final number of units for the project.

B. Development Finance Information		
	ORIGINAL	ADJUSTED FEB 2023
PLP Loan Recommended Amount	\$500,000	\$740,000
Total Predevelopment Costs	\$810,132	\$860,000
PLP Loan Amount for Acquisition	0	\$250,000
Estimated Total Development Costs	\$8,798,381	\$13,544,357
Applicant Comments: Construction cost inflation & rising interest rates		
TAP Comments: The PLP Loan Amount for Acquisition has been lowered to the appraised value in this Adjusted Development Plan. Changes to the project costs also include higher infrastructure costs.		

C. Development Team				
	ORIGINAL VENDOR	ORIGINAL STATUS	ADJUSTED FEB 2023 VENDOR	ADJUSTED FEB 2023 STATUS
Developer	Neighborhood Renaissance, Inc. Acruva Community Developers, LLC.			No change
Architect	Southeast Architects	Contract pending	To be selected in PLP process	TBD
Engineer	To be selected in PLP process		To be selected in PLP process	To be included in Architect Contract
Contractor	To be selected in PLP process		Marmer Construction	Executed Construction Management Agreement
Consultant			Carlos Toledo/Michael Pecar	Under contract
Property Management	Royal American Management	Contract pending	Your Way Home Realty, Inc.	No change
Applicant Comments: Consultants have different areas of expertise.				

TAP Comments: Carlos Toledo was Consultant to the project from the beginning. Acruva is entitled to 15% of the developer's fee.

D. Market/Feasibility		
Type of Study	Performed By	Status
ORIGINAL Market Study	Performed By	Status
Market Study	As required by Lender	To be engaged
ADJUSTED FEB 2023 Type of Study	Performed By	Status
Market Study	As required by Lender	To be engaged
Provide narrative of anticipated marketing and lease up of property: ORIGINAL: A market study and appraisal will be prepared according to the requirements of the assigned underwriter. ADJUSTED FEB 2023: No change		
Applicant Comments:		
TAP Comments:		

E. Site Control		
	ORIGINAL STATUS	ADJUSTED FEB 2023 STATUS
Is the property owned by the Applicant Entity?	No	No change
Are there existing liens on the property? If no, how was that verified?	Unknown	No change
List all existing liens	Unknown	No change
Will the property be owned by a single purpose entity other than the Applicant Entity?	Yes	No change
If the property is going to be acquired, is there an executed contract for sale or lease agreement?	Yes	No change
Applicant Comments:		
TAP Comments: The PSA between Acruva and NRI has been assigned to the PLP Applicant Entity, Cross Creek Gardens at Quincy, LLC.		

F. Development Readiness		
Item	ORIGINAL Status	ADJUSTED FEB 2023 STATUS
Current Zoning on Property	PUD	No change
Current Use of Property	Vacant Land	No change
Future Land Use Plan	Mixed Agricultural and Municipal	No change
Site Plan Approval	In process	No change
Property Survey	Completed	No change
Soil Testing	In process	No change
Permits	In process	No change
Availability of Utilities to property	Yes	No change
Availability of Water to property	City of Quincy	No change
Availability of Sewer to property	City of Quincy	No change
Availability of Road access to property	Public Road	Public Road-To Be Extended
Environmental Assessments Performed	Completed Phase 1 ESA, Environmental Feasibility	Ordered tree & wetland delineation survey
Appraisal	Completed	No change
Financial Statements available for review	Yes	No change
Plans, Specs for Development	In Process	Conceptual Site Plan & Design
Applicant Comments:		
TAP Comments: South Springs Road must be extended 825 feet to provide access and utilities.		

G. Financing Sources Committed				
Name of Source	ORIGINAL Amount	ORIGINAL Status	ADJUSTED FEB 2023 AMOUNT	ADJUSTED FEB 2023 STATUS
HOME Award (FHFC RFA 2021-206)	\$6,000,000	In FHFC Underwriting	No change	6-month extension requested
Construction Loan	\$2,790,000	In process	0	N/A
Permanent Mortgage	\$2,790,000	In process	0	N/A
4% LIHTC Equity			\$5,128,957	In process
Escambia HFA Bond Allocation			\$7,000,000 Construction \$2,100,000 Permanent	Applied for
Applicant Comments:				
TAP Comments: Escambia HFA supplied a timeline for the Bond allocation. The Bond application was submitted on 2/24/2023 and is scheduled for review and an Inducement Resolution in May 2023, the TEFRA Hearing process will begin June 2023. Gadsden County's approval process is anticipated in August 2023, and Escambia County's approval is anticipated in September 2023.				

H. Narrative
Provide Additional narrative not covered in comments above:

I. Predevelopment Loan Request Budget		
Item	ORIGINAL Amount	REVISED FEB 2023 AMOUNT
Acquisition	0	250,000
Market & Feasibility Analysis	8,000	No change
Title Search, Insurance & Recording	70,000	No change
Legal Fees	20,000	No change
Boundary Survey	9,000	No change
Administrative Expenses	5,500	No change
Consultant Fees	5,000	No change
Credit Underwriting Fees	15,000	No change
Commitment Fees to Secure Financing	15,000	No change
Environmental Assessments	5,500	No change
Soil Tests (Geo-tech)	10,000	No change
Appraisal	8,000	No change
Architectural/Engineering	240,000	No change
Impact Fees & Water/Sewer Connection/Impact Fees	74,091	No change
Pre-Construction Analysis/ EPE (Project Cost Analysis)	5,000	No change
Contingency	9,909	No change
PLP Loan Total	\$500,000	\$750,000
TAP COMMENTS REVISED FEB 2023 PLP Budget		
<p>Acquisition: When the Applicant initially applied for PLP and submitted the original Development Plan for the Board's approval, the Applicant lacked site control to secure the loan and the ability to place a LURA on the land. The Applicant is currently under a PSA with Acruva. The Applicant can secure site acquisition funding from another lender but using PLP for site acquisition would allow the Applicant to close on the land before the PSA expires.</p>		

J. Total Development Costs		
	ORIGINAL	ADJUSTED FEB 2023
Acquisition costs not covered by PLP	300,000	0
Acquisition closing costs not covered by PLP	5,000	0
Other Predevelopment costs not covered by PLP	360,132	No change
Rehabilitation	-	
Hard Construction	5,975,003	8,534,569
Construction Contingency	298,762	426,728
Developer Fees	1,172,190	2,000,057

		(\$315,400 deferred)
Project Soft Costs (w/ Financial Costs)	1,052,188	2,343,003
Total Development Cost	8,798,381	13,544,357

K. Timeline				
Timeline Item	ORIGINAL Date	ORIGINAL Status	ADJUSTED FEB 2023 DATE	ADJUSTED FEB 2023 STATUS
PLP Loan Approval	06/30/2022	Anticipated	No change	Development Plan Modified
PLP Loan Closing	08/01/2022	Anticipated	5/15/2023	Anticipated
Site Acquisition	03/31/2023	Anticipated	No change	5/15/2023
Survey	04/29/2022	Completed	No change	No change
Site Planning	09/15/2022	Anticipated	No change	No change
Architectural Design	12/15/2022	Anticipated	3/29/23	In process
Market study	10/15/2022	Anticipated	5/31/23	Anticipated
Financing applications	06/01/2022	Anticipated	2/22/23	In process
Credit Underwriting	06/01/2022	In process	No change	In process
Permitting	03/29/2023	Anticipated	10/31/23	Anticipated
Close on Construction Financing	04/30/2023	Anticipated	10/31/23	Anticipated
Start Construction	05/31/2023	Anticipated	11/30/23	Anticipated
Pre-Leasing	11/30/2023	Anticipated	7/1/24	Anticipated
Construction Completion	02/28/2024	Anticipated	12/30/24	Anticipated

**BOARD OF DIRECTORS****Suzanne Cabrera, Chair***Housing Leadership Council of Palm Beach County, Inc.***Robert Von, Vice Chair***Meridian Appraisal Group, Inc.***Ben Johnson, Treasurer***Seltzer Management Group, Inc.***Leroy Moore, Secretary***Tampa Housing Authority***Ed Busansky, At Large***First Housing Development Corporation***Mark Hendrickson, At Large***The Hendrickson Company***Jeff Kiss, At Large***Kiss & Company, Inc.***Melvin Philpot, At Large***Duke Energy***George Romagnoli, At Large***Neighborhood Lending Partners***Stephen Bender***University of Florida***Gladys Cook***Consultant***Charles Eisesser***Community Justice Project***Marilyn Drayton***Wells Fargo***Armando Fana***City of West Palm Beach***Bradford Goar***Florida Power and Light***David Hall***Florida Realtors***Kathy Hazelwood***Synovus***Cheryl Howell***Hillsborough County***Jack Humburg***Boley Centers, Inc.***Aileen Pruitt***PNC Bank***Anne Ray***Shimberg Center for Housing Studies***Mike Rogers***Southern Advocacy Group***Manny Sarria***Miami-Dade County Homeless Trust***Carmen Smith***Chipola Area Habitat for Humanity***ADVISORY COUNCIL****Stephanie Berman***Carrfour Supportive Housing***Helen Hough Feinberg***RBC Capital Markets***Debra Koehler***Sage Partners***Esther Marshall***Fifth Third Bank***Tammy Paycer***Truist***Christine Ruiz***Bank of America***Thais Sullivan***Valley National Bank***CHIEF EXECUTIVE OFFICER****Ashon Nesbitt**

April 4, 2023

Mr. Robert Dearduff
 Florida Housing Finance Corporation
 227 N. Bronough Street Ste. 5000
 Tallahassee, FL 32301-1329

RE: Adjusted Development Plan Approval and Revised PLP Budget for 34 Ways Homeownership Scattered Sites PLP 2022-001P-09

Dear Mr. Dearduff:

This is a request for an amendment to the approved Development Plan for 34 Ways Scattered Sites PLP 2022-001P-09 PLP loan. During the PLP process the Borrower has requested a revision to the original approved PLP budget that will add Legal as an approved use of the PLP loan and reallocate funds from approved line items to make funds available for Legal services. The Development Plan has also been adjusted to document project readiness.

The PLP parcels were conveyed to the Borrower through the Miami Dade County Infill Program and required legal services to resolve the following issues prohibitive to advancing the development project. The parcels were conveyed with liens that had not been cleared. Some of the parcels had common use designations that required legal assistance to be resolved with Miami Dade County. Legal services were necessary to obtain an extension on the deed to develop affordable housing and the Borrower is awaiting approval from the County Commissioner to increase the sales price to the most recent Infill Program maximum sales price. All of these actions required legal representation. Additionally, the Borrower was unable to close on the PLP loan until the liens and common area use designation was resolved with legal assistance.

The revisions to the PLP Budget include a new line item for Legal in the amount of \$33,000 and reduces funds from the following uses: Environmental Assessments, Permitting and Impact Fees, and Contingency. The total PLP Budget loan amount remains the same.

This letter provides notice that as TAP for this project, I recommend approval of the revisions to the 34 Ways Scattered Site PLP Development Plan. The total PLP loan amount is unchanged at \$350,000. The current PLP balance available is \$338,569.99 and the only draw completed is for the PLP loan closing costs. I believe this is sufficient to complete the remaining predevelopment activities. I have provided an Adjusted Development Plan which indicates revisions to the PLP budget and other project details.

Should you need any further information please feel free to contact me at plancher@flhousing.org or call 850-274-9764.

Elissa Plancher
 Technical Advisor



Predevelopment Loan Program

Development Plan

Development Name	34 Ways Homeownership Scattered Sites
Development File Number	2022-001P-09

A. General Information		
	ORIGINAL	ADJUSTED MARCH 2023
Applicant Entity Name	Thirty-Four Ways Foundation Inc.	No Change
Development Name	34-Ways Homeownership Scattered Sites	No Change
Development Address	Legal Descriptions to be provided	Parcel 1&2: Folio: 34-2105-014-0930 (address not assigned) Parcel 3: Folio: 34-2115-006-1150 (address not assigned) Parcel 4: Folio: 34-2115-006-1150 (2121 Rutland Street, Opa Locka, FL 33054)
Development Co-Developers	Davis Consulting & Management Inc.	No co-developer
Primary Contact	Nehemiah Davis	No Change
Development Type	Rental <input type="checkbox"/> Homeownership <input checked="" type="checkbox"/>	No Change
Number of Buildings	4 (2 SFH, 2 Twin-Homes)	No Change
Number of Units	6 (2 Single Family Homes and 4 Twin-homes)	No Change
Target Population	Family	No Change
Construction Type	New <input checked="" type="checkbox"/> Rehab <input type="checkbox"/> Both <input type="checkbox"/>	No Change
Applicant Comments:		
TAP Comments: The developer has experience with this concept in Miami and is working with the Miami-Dade Infill Program. Legal Descriptions and addresses to be provided.		

B. Development Finance Information		
	ORIGINAL	ADJUSTED MARCH 2023
PLP Loan Recommended Amount	\$350,000	No Change
Total Predevelopment Costs	\$350,000	No Change
PLP Loan Amount for Acquisition	\$0	No Change
Estimated Total Development Costs	\$1,400,000	\$1,663,203
Applicant Comments:		
TAP Comments: The Total Development Cost increase is related to hard construction and construction		

contingency.

C. Development Team				
	Original Vendor	Original Status	Adjusted March 2023 Vendor	Adjusted March 2023 Status
Developer	Davis Consulting & Management Inc.	Contract Pending	34 Ways Foundation	
Architect	To be selected during PLP process		FOR Architecture Co.	Under Contract
Engineer	To be selected during PLP process		FOR Architecture Co.	Under Contract
Contractor	LCN Group Inc. / Building Remodeling	Contract Pending	No Change	No Change
Consultant	Davis Consulting & Management Inc.	Contract Pending	No Change	No Change
Applicant Comments:				
TAP Comments: Corrected to reflect 34 Ways Foundation as the Developer, and Davis Consulting & Management Inc. is the Developer Consultant.				

D. Market/Feasibility		
Type of Study	Performed By	Status
Market Study	As required by Lender	To be engaged
ADJUSTED MARCH 2023		
Market Study	As required by Lender	To be engaged
Provide narrative of anticipated marketing and lease up of property: The applicant participates in a homebuyer counseling network that creates a pipeline of buyers.		
Applicant Comments:		
TAP Comments:		

E. Site Control		
	ORIGINAL	ADJUSTED MARCH 2023
Is the property owned by the Applicant Entity?	Yes	No Change
Are there existing liens on the property? If no, how was that verified?	Pending detailed lien search	No
List all existing liens	To be completed during PLP process	N/A
Will the property be owned by a single	No	No Change

purpose entity other than the Applicant Entity?		
If the property is going to be acquired, is there an executed contract for sale or lease agreement?	N/A	No Change
Applicant Comments:		
TAP Comments: Title work to be completed during PLP process on Miami-Dade Infill Program properties. Liens on Miami Dade County Infill Program parcels resolved prior to closing on PLP loan.		

F. Development Readiness		
Item	ORIGINAL Status	ADJUSTED MARCH 2023 Status
Current Zoning on Property	Residential, Multi-Family, Commercial (RU-1, R-15, NC)	No Change
Current Use of Property	Vacant Land Parcel	No Change
Future Land Use Plan	Residential	No Change
Site Plan Approval	To be completed during PLP process	No Change
Property Survey	To be completed during PLP process	No Change
Soil Testing	To be completed during PLP process	No Change
Permits	To be completed during PLP process	No Change
Availability of Utilities to property	Yes	No Change
Availability of Water to property	Yes-public	No Change
Availability of Sewer to property	Yes-public	No Change
Availability of Road access to property	Yes-paved public	No Change
Environmental Assessments Performed	To be completed during PLP process	No Change
Appraisal	To be completed during PLP process	No Change
Financial Statements available for review	Yes	No Change
Plans, Specs for Development	To be completed during PLP process	No Change
Applicant Comments:		
TAP Comments:		

G. Financing Sources Committed				
Name of Source	ORIGINAL Amount	ORIGINAL Status	ADJUSTED MARCH 2023 Amount	ADJUSTED MARCH 2023 Status
Miami-Dade Surtax	TBD	Will apply in 2022	\$1,245,955	Will Apply in the next 12 months
Construction Loan/Private Equity	TBD	Will apply in 2022	TBD	Will Apply in the next 12 months
Applicant Comments:				
TAP Comments: Borrower will apply for Construction Loan/Private Equity if it is needed.				

H. Narrative
Provide Additional narrative not covered in comments above: N/A

J. Predevelopment Loan Request Budget		
Item	ORIGINAL BUDGET	REVISED MARCH 2023
Surveys	8,000	8,000
Geo-Tech Ground Density Test	3,900	3,900
Tree Removal Permits	3,300	3,300
Arborist Report	5,600	5,600
Utility Application and Connection Fees	13,200	13,200
Environmental Assessments	10,600	5,000
Administrative Expenses	1,500	1,500
Consultant Fees	35,000	35,000
Architecture/Engineering	35,500	35,500
Permitting and Impact Fees	182,310	164,910
Market and Feasibility Analysis	3,500	3,500
Financial Commitment Fees	25,200	25,200
Legal	0	33,000
Contingency	22,390	12,390
PLP Loan Total	350,000	350,000
<p>MARCH 2023 TAP Comments: Environmental Assessments-Reduction of \$5,600 to reallocate funds, \$5,000 of this line item has been expended. Permitting and Impact Fees-Reduction of \$17,400 to reallocate funds to the Legal line item. Legal-Revised budget includes this new line item in the amount of \$33,000. This PLP Budget revision is due to challenges that required legal services to clear liens on Miami Dade County Infill Program parcels, resolve issues with common use areas, and obtain approval to extend the term on the deed and to increase the sales price commensurate with the Infill Program guidelines. Contingency-Reduction of \$10,000 to reallocate PLP funds to the Legal line item.</p>		

I. Total Development Costs		
	ORIGINAL	ADJUSTED MARCH 2023
Acquisition costs not covered by PLP	0	\$3,000
Acquisition closing costs not covered by PLP	0	\$3,000
Other Predevelopment costs not covered by PLP	0	No Change
Rehabilitation	0	No Change
Hard Construction	1,000,000	1,215,896
Construction Contingency	\$50,000	85,112
Developer Fees	0	No Change
Project Soft Costs	\$350,000	No Change
Total Development Cost	\$1,400,000	\$1,663,203

J. Timeline				
Timeline Item	ORIGINAL Date	ORIGINAL Status	ADJUSTED MARCH 2023 Date	ADJUSTED MARCH 2023 Status
PLP Loan Approval	June 2022	Anticipated	No Change	No Change
PLP Loan Closing	July 2022	Anticipated	March 2023	Complete
Survey	August 2022	Anticipated	November 2022	Completed
Site Planning	September 2022	Anticipated	September 2023	Anticipated
Architectural Design	November 2022	Anticipated	November 2022	Completed
Market study	November 2022	Anticipated	June 2023	Anticipated
Financing applications	December 2022	Anticipated	June 2023	Anticipated
Permitting	February 2023	Anticipated	July 2023	Anticipated
Close on Construction Financing	February 2023	Anticipated	July 2023	Anticipated
Start Construction	April 2023	Anticipated	September 2023	Anticipated
Pre-Sales	April 2023	Anticipated	December 2023	Anticipated
Construction Completion	August 2023	Anticipated	March 2024	Anticipated

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April 5, 2023

Mr. Robert Dearduff
 Florida Housing Finance Corporation
 227 N. Bronough Street Ste. 5000
 Tallahassee, FL 32301-1329

RE: Development Plan Approval for Embassy Village Development PLP
 (2022-007P-09)

Dear Mr. Dearduff:

This letter provides notice that this project has my approval to go forward for consideration of FHFC approval of a loan amount of \$500,000 and execution of loan documents. Embassy Village Development Partners, LLLP is planning to build one 113-unit rental building for low- and moderate-income family households in Fort Pierce, FL (St. Lucie County). This PLP was initially submitted under the project name The Life Center PLP by the Applicant Entity, Resurrection Life Community and Economic Development Corporation. The co-developers are both nonprofit organizations and have created a single asset entity for this project, Embassy Village Development Partners, LLLP, which is now the PLP Applicant Entity. PLP funds will be used for site predevelopment expenses. The applicant has expressed a desire to have the FHFC Board consider this request at their next meeting.

I have provided a Development Plan which provides information on the project, the project timeline, and a budget which details how PLP funds will be spent.

After reviewing all documents pertaining to this project, and discussing the project specifics with the applicant, I believe that \$500,000 is sufficient to complete the proposed predevelopment activities for this project.

Should you need any further information please feel free to contact me at plancher@flhousing.org or call 850-274-9764.

Elissa Plancher
 Technical Advisor



Predevelopment Loan Program

Development Plan

Development Name	Embassy Village Development
Development File Number	2022-007P-09

A. General Information	
Applicant Entity Name	Embassy Village Development Partners, LLLP
Development Name	Embassy Village Development
Development Address	1910 Jenkins Road Fort Pierce, FL 34947
Tax Assessor Parcel Id Number	2418-322-0001-000-5
Development Co-Developers	Community Economic Development Corporation
Primary Contact	Trevor Banks, Jr.
Development Type	Rental <input checked="" type="checkbox"/> Homeownership <input type="checkbox"/>
Number of Buildings	1
Number of Units	113
Target Population	Family
Construction Type	New <input checked="" type="checkbox"/> Rehab <input type="checkbox"/> Both <input type="checkbox"/>
Applicant Comments: Previously known as The Life Center PLP, Embassy Village Development PLP, is in the preapplication phase of with the City of Fort Pierce and Embassy Village Development Partners, LLLP is scheduled to present the project’s development plan in May 2023.	
TAP Comments: Embassy Village Development Partners, LLLP General Partner is an established nonprofit in the Fort Pierce community, as the CEO of Resurrection Life Center Economic Development Corporation. The codeveloper is also a nonprofit corporation.	

B. Development Finance Information	
PLP Loan Recommended Amount	500,000
Total Predevelopment Costs	967,193
PLP Loan Amount for Acquisition	0
Estimated Total Development Costs	\$38,351,576
Will the Development be pursuing Tax Credits or Bonds? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
If “Yes” selected above, please state name of entity that will own the property?	Embassy Village Development Partners, LLLP
Applicant Comments:	
TAP Comments: Embassy Village Development Partners, LLLP is registered in the State of Florida and organizational documents were provided for review.	

C. Development Team		
	Company/Vendor	Status
Developer	Resurrection Life Center Economic Development Corporation	Under Contract
Co-Developer	Delores Brown Community Economic Development Corporation	Under Contract
Contractor	Curtom-Dunsmuir	Negotiating Contract
Architect	Spalding and Olson Design Group	Negotiating Contract
Engineer	EDC	Negotiating Contract
Consultant		
Property Manager	TBD	TBD
Other		
Applicant Comments:		
TAP Comments:		

D. Market/Feasibility		
Type of Study	Performed By	Status
Market Study	As required by the lender	To be engaged
<p>Provide narrative of anticipated marketing and lease up of property:</p> <p>We are a part of the Treasure Coast Christian Alliance, which is a consortium of churches and businesses here in St Lucie County that have a broad network of relationships and reach with community residents.</p> <p>Marketing and Lease up Strategy: The Embassy Village Development marketing strategy is designed to work in collaboration and lead our community through a four-phase program:</p> <ul style="list-style-type: none"> • I. Organizing the Community • II. Gathering and Presenting Information About Your Neighborhood • III. Planning for Success • IV. Implementing the Marketing Plan <p>Embassy Village will meet the objectives of the State of Florida, Fort Pierce and St Lucie County’s objective of the affirmative fair housing marketing of affordable housing units that affirmatively further fair housing (the “AFFH units”). This marketing will be conducted under a two-pronged</p>		

approach so as to reach all potentially eligible households, especially those least likely to apply (“LLA”).

Embassy will utilize the following methods to ensure adherence to outreach objectives through the following vehicles:

- Press Releases Embassy Village will issue press releases announcing available AFFH units that will be circulated to media outlets within the Marketing and Outreach Area
- Advertising: Embassy shall indicate the commercial media within the Marketing and Outreach Area to be used to advertise the availability of the housing so as to ensure outreach to racially and ethnically diverse households from groups deemed to be least likely to apply for the units in question.
- Web-Based Media: Embassy Village will seek Web Based media coverage with sites that focus on the LLA populations, including the following:
- Collaboration with community-based organizations and local Faith-based community: Embassy Village will work with existing affordable housing organizations to create a pipeline of potential residents.
- Brochures, Signs and Leaflets and HUD’s Fair Housing Poster: Embassy Village will provide a temporary sign, as required by the State or other development funding sources, if consistent with and permitted by any local sign ordinance, will be erected. With a listing of all funding sources, the development team, and contact information to obtain an application, and must include the disability logo and, where applicable, the International Accessibility logo. The sign will be placed on the construction site at the commencement of construction.

Applicant Comments:

TAP Comments: A recent appraisal of the subject property indicated a value of \$1,300,000.

E. Development Site and Site Control

A description of the development site is required in order to complete this development plan. Please provide (or attach) a legal description if available; if not, please identify the site by location or some other means such as street address:

1910 South Jenkins Road, Fort Pierce, FL 34947.

Legal Description below from Title Policy:

The West 1/2 of the Northwest 1/4 of the Southwest 1/4 of Section 18, Township 35 South, Range 40 East, lying and situate in St. Lucie County, Florida. LESS the West 40 feet for road right-of-way and LESS the North 44.5 feet for the N.S.L.R.D.D. Canal No. 36 right-of-way and except road and canal rights-of-way.

Site Control Questions	Applicant Response
Applicant currently owns the site (recorded deed)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> X <input type="checkbox"/> No

The Applicant has or will have prior to loan closing, a contract to purchase the site	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
The Applicant has or will have prior to loan closing, a long-term lease on the site	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are there existing liens on the property?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If no liens exist, how was that verified?	Updated Title Policy in March 2023, resulted in no liens identified.
List all existing mortgages and liens on the property:	
Are there currently any mortgages or liens, or will there be any mortgages or liens at PLP closing, that will prevent the PLP Loan from being in a first mortgage or a second mortgage position?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If the PLP will be a second mortgage, please provide details on the first mortgage, including the Lender, amount of mortgage and proposed closing date.	TBD
If the development site will be titled in the name of a special purpose entity (SPE) formed by the Applicant, please provide the name of the SPE. If not yet formed, please advise when the entity will be formed and list as "SPE to be formed" (Note: If a SPE will hold title to the development site, the SPE must be owned by the Applicant and it (the SPE) will be required to execute the note and mortgage, as borrower, and the Applicant will be required to act as guarantor of the PLP Loan.)	
Applicant Comments: Applicant Entity has entered into a PSA for the land and intends to complete the site acquisition prior to PLP loan closing.	
TAP Comments: The PSA was executed on March 31, 2023 between the Seller and PLP Applicant Entity. Purchase price is consistent with appraisal. The Borrower intends to secure a mortgage which will come due at construction financing.	

F. Development Readiness	
Item	Status
Current Zoning on Property	R-4
Current Use of Property	Vacant Land

Future Land Use Plan	High Density Residential
Site Plan Approval	To be completed
Property Survey	Complete
Soil Testing	Complete
Permits	To be completed
Availability of Utilities to property	Fort Pierce Utilities Authority
Availability of Water to property	Fort Pierce Utilities Authority
Availability of Sewer to property	Fort Pierce Utilities Authority
Availability of Road access to property	Yes-Paved via Jenkins Road
Environmental Assessments Performed	Complete
Appraisal	Complete
Financial Statements available for review	No-Newly formed entity
Plans, Specs for Development	To be completed
Applicant Comments: Future Land Use change has been approved for High Density Residential and the Applicant Entity is in process of rezoning to a Planned Unit Development. The application is on the City of Fort Pierce Commission April 2023 agenda.	
TAP Comments:	

G. Financing Sources		
Name of Source	Amount	Status
FHFC MMRB	\$22,421,903	Will Apply for in next 12 months
FHFC 4% LIHTC	\$8,679,673	Will Apply for in next 12 months
SAIL	\$6,000,000	Will Apply for in next 12 months
FHLB AHP	\$750,000	Will Apply for in next 12 months
Local Government HOME	\$500,000	Will apply for in next 12 months
Applicant Comments: Applicant Entity is discussing Impact Fee Waiver/Deferrals with the City of Fort Pierce.		
Is the Applicant applying for any other FHFC financing? If so, has it been approved?	Embassy Village Development Partners, LLLP intends to apply for financing through FHFC's competitive solicitation process. No financing has not been approved to date.	
Is the Applicant entity under the other FHFC financing the same applicant entity as the PLP	Yes	

applicant entity? If not, provide the name of the Applicant entity.	
Will any of the other financing be closing in conjunction with the PLP loan?	No
Will any of the financing closing in conjunction with the PLP loan be permanent or construction financing?	No
TAP Comments:	

H. Narrative
Provide Additional narrative not covered in comments above: Embassy Village Apartments is a rental development project presenting a unique opportunity to bring housing opportunities to low-income family households. The development will include 127 units of mixed-income housing in one six-story building with on-site parking. State of the art amenities will include on-site management services and leasing, pool, recreation rooms, a gym and other common areas. Units will have in-unit washers and dryers and well-designed finishes.

I. Predevelopment Loan Request Budget	
Item	Amount
Closing Costs	7,500
Appraisal	1,500
Architect/Engineer	309,000
Credit Underwriting Fees	35,000
Insurance	38,000
Legal Fees	20,000
Market Study	6,000
Survey	8,000
Rezoning	30,000
Contingency	45,000
PLP Loan Total	\$500,000

J. Total Development Costs	
Acquisition costs not covered by PLP	1,300,000
Acquisition closing costs not covered by PLP	26,000
Other Predevelopment costs not covered by PLP	457,451

Rehabilitation	0
Hard Construction	21,246,250
Construction Contingency	748,537
Developer Fees	3,607,272
Other construction costs	1,966,066
Total Development Cost	\$38,351,576

K. Timeline		
Timeline Item	Date	Status
PLP Loan Approval	May, 2023	Scheduled
Site Acquisition	March 31, 2023	Complete
Survey	February 2023	Complete
Zoning Approval	June 20, 2023	Anticipated
PLP Loan Closing	May 15, 2023	Anticipated
Applying for Construction Financing	June 2023	Anticipated
Construction Start	March 2024	Anticipated
Construction Completion	January 2026	Anticipated
Lease-up/Sale	January 2026	Anticipated

**BOARD OF DIRECTORS****Suzanne Cabrera, Chair***Housing Leadership Council of Palm Beach County, Inc.***Robert Von, Vice Chair***Meridian Appraisal Group, Inc.***Ben Johnson, Treasurer***Seltzer Management Group, Inc.***Leroy Moore, Secretary***Tampa Housing Authority***Ed Busansky, At Large***First Housing Development Corporation***Mark Hendrickson, At Large***The Hendrickson Company***Jeff Kiss, At Large***Kiss & Company, Inc.***Melvin Philpot, At Large***Duke Energy***George Romagnoli, At Large***Neighborhood Lending Partners***Stephen Bender***University of Florida***Gladys Cook***Consultant***Charles Elsesser***Community Justice Project***Marilyn Drayton***Wells Fargo***Armando Fana***City of West Palm Beach***Bradford Goar***Florida Power and Light***David Hall***Florida Realtors***Kathy Hazelwood***Synovus***Cheryl Howell***Hillsborough County***Jack Humburg***Boley Centers, Inc.***Aileen Pruitt***PNC Bank***Anne Ray***Shimberg Center for Housing Studies***Mike Rogers***Southern Advocacy Group***Manny Sarria***Miami-Dade County Homeless Trust***Carmen Smith***Chipola Area Habitat for Humanity***ADVISORY COUNCIL****Stephanie Berman***Carrfour Supportive Housing***Helen Hough Feinberg***RBC Capital Markets***Debra Koehler***Sage Partners***Esther Marshall***Fifth Third Bank***Tammy Paycer***Truist***Christine Ruiz***Bank of America***Thais Sullivan***Valley National Bank***CHIEF EXECUTIVE OFFICER****Ashon Nesbitt**

April 4, 2023

Mr. Robert Dearduff
 Florida Housing Finance Corporation
 227 N. Bronough Street Ste. 5000
 Tallahassee, FL 32301-1329

RE: Adjusted Development Plan Approval and Revised PLP Budget for NANA City Homes PLP 2021-015P-09

Dear Mr. Dearduff:

This is a request for an amendment to the approved Development Plan for NANA City Homes PLP 2021-015P-09 PLP loan. During the PLP process the Borrower has requested a revision to the original approved budget to reallocate funds from approved line items to increase PLP funds available for Permitting and Impact Fees. Miami-Dade County Impact Fees are \$15,890 per single family home, totaling \$381,368 for the 24 PLP single family homes and this PLP Budget revision will fund a portion of the first 10 units constructed.

This adjusted Development Plan reports changes to the project's status and details progress to the permitting phase which supports this reallocation of funds for this use. The Borrower has closed on a revolving construction loan in the amount of \$2,200,000 from LISC's Black Economic Development Fund and anticipates that construction will begin April 2023.

The revised PLP Budget includes a reduction in funds from the following line items: Commitment Fees, Connection Fees, and Market Study and Feasibility. The only PLP budget line item to be increased is the Permitting/Impact Fees. Upon paying Permitting and Impact Fees for the first 10 homes, the Borrower will obtain permits and begin construction. This is reflected in the adjusted timeline.

This letter provides notice that as TAP for this project, I recommend approval of the revisions to the NANA City Homes PLP Development Plan and PLP Budget. The total PLP loan amount is unchanged at \$500,000. The current PLP balance available is \$351,430.45 and I believe the remaining funds will allow the Borrower to complete time sensitive predevelopment activities on ten homes so construction can begin. I have provided an adjusted Development Plan which indicates revisions to the PLP Budget, the development team, development readiness, financing, and the timeline.

Should you need any further information please feel free to contact me at plancher@flhousing.org or call 850-274-9764.

Elissa Plancher
 Technical Advisor



Predevelopment Loan Program

Development Plan

Development Name	NANA City Homes
Development File Number	2021-015P-09

A. General Information			
	ORIGINAL	ADJUSTED MAY 2022	ADJUSTED MARCH 2023
Applicant Entity Name	Neighbors and Neighbors Association Inc. (NANA)	NANA & CRC Affordable Housing LLC (wholly owned by NANA Inc.)	No change
Development Name	NANA City Homes	No change	No change
Development Addresses	Addresses and Legal Descriptions to be provided	No change	1469 NW 73 St. 6235 NW 20TH AVE 5532 NW 6 AVE 4230 NW 31st AVE NW 17 Ave and NW 66 ST About-1580 NW 69 ST 1871 NW 41 ST 137 NE 60 ST 4624 NW 31 Court Adjacent East of 1725 NW 64 ST 1876 NW 68 ST 1541 NW 67 ST 1818 NW 63 ST 1784 NW 63 ST 1724 NW 63 ST 1822 NW 63 ST 1854 NW 68 TER 1021 NW 76 ST About -7221 NW 16 AVE 5032 NW 24 AVE 1866 NW 47 TER 1744 NW 44 ST (*) 294 NE 58 ST 1886 NW 50TH ST 152 NW 58th Street 128 NE 60th Street 2355 NW 64th Street Adjacent East 3160 NW 48th Street
Development Co-Developers	Davis Consulting /Project Director Under NANA & CRC A.H. LLC	No change	No change

Primary Contact	Nehemiah Davis	No change	No change
Development Type	Rental <input type="checkbox"/> Homeownership <input checked="" type="checkbox"/>	No change	No change
Number of Buildings	28 (24 SFH and 4 Townhomes)	No change	No change
Number of Units	37	No change	No change
Target Population	Family	No change	No change
Construction Type	New <input checked="" type="checkbox"/> Rehab <input type="checkbox"/> Both <input type="checkbox"/>	No change	No change
Applicant Comments:			
TAP Comments: The developer has experience with this concept in Miami and is working with the Miami-Dade County Infill Program.			

B. Development Finance Information		
	ORIGINAL	ADJUSTED MARCH 2023
PLP Loan Recommended Amount	\$500,000	No change
Total Predevelopment Costs	\$1,110,939	No change
PLP Loan Amount for Acquisition	\$0	No change
Estimated Total Development Costs	\$7,714,035	No change
Applicant Comments:		
TAP Comments:		

C. Development Team				
	ORIGINAL VENDOR	ORIGINAL STATUS	ADJUSTED MARCH 2023 VENDOR	ADJUSTED MARCH 2023 STATUS
Developer	Davis Consulting Management Inc. (DCM)	Under Contract	Volunteer Group	No Contract
Architect	FOR Architecture Co.	Contract Pending	No change	Under Contract
Engineer	To be selected during PLP process	Contract Pending	Humberto Estevez from	Under Contract

			Invos Group, LLC.	
Contractor	LCN Group Inc.	Contract Pending	No change	Under Contract
Consultant	Yanis Development Group, LLC	Contract Pending	No change	Under Contract
Applicant Comments:				
TAP Comments: DCM is not operating under a contractual agreement, and not seeking compensation from NANA. DCM is performing all work as a professional courtesy to the non-profit organization. Engineer is selected by and hired under the Architecture Firm.				

D. Market/Feasibility		
Type of Study	Performed By	Status
Market Study	As required by Lender	To be engaged
ADJUSTED MARCH 2023		
Type of Study	Performed by	Status
Market Study/Appraisals	Appraisal Assoc. of Dade, Inc. and Appraisal Link	Completed November 2022
Provide narrative of anticipated marketing and lease up of property: A market study will be prepared per the requirement of lenders. Marketing is conducted by NANA as described below.		
Applicant Comments: Over the past several years, NANA and its development team formulated a marketing and advertising program where they created fliers, brochures, and monthly special event fliers, that were used to inform the public. NANA started a first-time homebuyer affordable housing campaign by conducting homebuyer's workshops on a monthly basis. Every month, two of these intro-workshops were performed on the north side and south side of Miami-Dade County. NANA flooded the area neighborhood businesses and local churches with our advertising fliers; we conducted public announcements over the local radio. The efforts resulted in over 2,000 participants visiting our centers for the workshop. We have over 300 people that applied for the infill housing program.		
TAP Comments:		

E. Site Control		
	ORIGINAL	ADJUSTED MACH 2023
Is the property owned by the Applicant Entity?	Yes	No change
Are there existing liens on the	Yes. The infill program	None

property? If no, how was that verified?	removes previous owner liens for projects serving households below 80% AMI.	
List all existing liens	Will be provided by title agent/legal counsel	None
Will the property be owned by a single purpose entity other than the Applicant Entity?	No	No Change
If the property is going to be acquired, is there an executed contract for sale or lease agreement?	N/A	No Change
Applicant Comments: Out of the 28 properties NANA is developing, 11 of the properties are within the City of Miami and the other 17 properties are within the unincorporated areas of Miami-Dade County, therefore we will have to work with two departments to clear the properties and build new homes through their affordable housing program.		
TAP Comments: Title work to be completed during PLP process on Miami-Dade Infill Program properties. Title work is complete, liens are resolved, and the Borrower has closed on the PLP loan.		

F. Development Readiness		
Item	ORIGINAL Status	ADJUSTED Status
Current Zoning on Property	Residential and Multi-Family Zoning (RU-1, RU-2, T3-0, and T5-0)	No Change
Current Use of Property	Vacant platted lots	No Change
Future Land Use Plan	Single-Family and Duplex zoning.	No Change
Site Plan Approval	To be completed during PLP process	In process
Property Survey	To be updated during PLP process	Completed
Soil Testing	To be completed during PLP process	Completed
Permits	Master Permits in place	In process-Individual single family home lots
Availability of Utilities to property	Yes	No Change
Availability of Water to property	Yes	No Change

Availability of Sewer to property	Yes	No Change
Availability of Road access to property	Yes-paved public roads	No Change
Environmental Assessments Performed	Yes	No Change
Appraisal	No	Yes
Financial Statements available for review	Yes	Yes
Plans, Specs for Development	To be completed during PLP process	Complete
Applicant Comments: A boundary survey was performed on all the properties, and they need to be updated for elevations and certifications. In addition, a Phase-One environmental report is complete on all of the properties.		
TAP Comments: Permits will be issued upon payment of Impact Fees and Building Permit Fees.		

G. Financing Sources Committed				
Name of Source	ORIGINAL Amount	ORIGINAL Status	ADJUSTED MARCH 2023 Amount	ADJUSTED MARCH 2023 Status
LISC Black Economic Development Fund (BEDF): Construction Loan	\$1,500,000	Credit underwriting process	N/A	N/A
LISC BEDF: Townhome Building Revolving Construction Loan	\$900,000	Credit underwriting process	N/A	N/A
LISC BEDF Revolving Construction Loan			\$2,200,000	Closed
Florida Community Loan Fund	TBD	Will apply for in next 12 months	0	N/A
Miami-Dade County Surtax Program	\$3,700,000	Will apply for in next 12 months	\$3,700,000	Applied for
TAP Comments: Applicant is working with the Miami-Dade County Surtax Program for construction financing.			NANA has closed on the LISC BEDF revolving construction loan and is ready to pay the impact fees and building permits.	

H. Narrative

Provide Additional narrative not covered in comments above:

I. Predevelopment Loan Request Budget

Item	ORIGINAL Amount	REVISED MARCH 2023
Architecture/Engineering	154,000	154,000
Building Plan Expeditor Service	7,000	7,000
Commitment Fees	153,300	35,670
Connection Fees	27,540	0
Consultant Fees	35,000	35,000
Legal and title	40,000	40,000
Environmental	5,400	5,400
Market Study and Feasibility	5,000	1,600
Permitting/Impact fees	37,500	186,070
Soil Tests	4,300	4,300
Survey	10,400	10,400
Waiver of Plat Survey	6,000	6,000
Contingency	14,560	14,560
PLP Loan Total	\$500,000	\$500,000

PLP Budget Revision TAP Comments: Commitment Fees: Reduced by \$117,630 because the revolving construction loan commitment fees have been paid to LISC BEDF and the construction loan is closed. The revised balance for this line item accounts for the LISC fees expended (\$20,010.00) and anticipated fees for Miami Dade County Surtax funding.

Connection Fees: Reduced by \$27,540, this budget revision removes all funding from that line item. The Borrower has supplied proof of payment for some of the connection fees.

Market Study and Feasibility: Reduced by \$3,400 to reallocate funds to Permitting/Impact Fees. The remaining \$1,600 for this line item has already been expended. Borrower has completed credit underwriting with LISC BEDF and the Market Study was completed as part of the appraisal. The has Affordability Studies on prospective buyers that is required by Miami Dade County are complete.

Permitting/Impact Fees: Revised PLP Budget to increase line item by \$148,570. Increasing from \$37,500 to \$186,070 to fund the Impact and Permitting Fees for the for the first 10 single family homes being constructed. Phase 1 (first 10 single family homes) will begin construction once impact and permitting fees are paid and then building permits are issued for each individual home.

J. Total Development Costs		
	ORIGINAL	ADJUSTED MARCH 2023
Acquisition costs not covered by PLP	\$0	No Change
Acquisition closing costs not covered by PLP	\$0	27,000
Other Predevelopment costs not covered by PLP	\$610,939	No Change
Hard Construction	\$5,783,420	No Change
Construction Contingency	\$289,171	No Change
Developer Fees	\$0	No Change
Project Soft Costs	\$1,641,444	No Change
Total Development Cost	\$7,714,035	No Change

K. Timeline				
Timeline Item	ORIGINAL Date	ORIGINAL Status	ADJUSTED MARCH 2023 Date	ADJUSTED MARCH 2023 Status
PLP Loan Approval	January 2022	Anticipated	No Change	No Change
PLP Loan Closing	February 2022	Anticipated	No Change	No Change
Survey	February 2022	Anticipated	December 2022	Complete
Site Planning	February 2022	Anticipated	No Change	No Change
Architectural Design	March 2022	Anticipated	No Change	No Change
Market study	April 2022	Anticipated	November 2022	Complete
Financing applications	January – April 2022	Anticipated	No Change	No Change
Permitting	May- June 2022	Anticipated	April-May 2023	Anticipated
Close on Construction Financing	July 2022	Anticipated	January 2023	Closed
Start Construction	August 2022	Anticipated	April 2023	Anticipated
Unit Pre-Sales	January 2023	Anticipated	August 2023	Anticipated
Construction Completion	December 2023	Anticipated	September 2024	Anticipated
Sales and occupancy	April 2024	Anticipated	December 2024	Anticipated

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Ashon Nesbitt

April 10, 2023

Mr. Robert Dearduff
Florida Housing Finance Corporation
227 N. Bronough Street Ste. 5000
Tallahassee, FL 32301-1329

RE: TAP Approval for PLP Loan Assignment Saving Mercy/Mercy Oaks Phase I PLP 2018-001P-09, Adjusted Development Plan, and Revised PLP Budget

Dear Mr. Dearduff:

As PLP Technical Advisor, this shall serve as notice of my approval of the assignment and assumption of the Predevelopment Loan Program (PLP) loan related to the Saving Mercy/Mercy Oaks Phase I PLP 2018-001P-09 project. Saving Mercy Corporation and Carrfour Supportive Housing entered into a MOU in preparation for RFA 2022-103. Under the MOU, the Borrower, Saving Mercy Corporation, entered into a land lease with Mercy Village, LLLP (Carrfour Supportive Housing) to lease the land for 65 years commencing upon closing of construction financing. In RFA 2023-103, Carrfour created the Applicant Entity Mercy Village, LLLP, with Carrfour having 100% ownership as the Developer/Owner. Therefore, Saving Mercy Corporation is no longer a co-developer and is leasing the land to the new entity owned by Carrfour. Carrfour Supportive Housing is the developer and the leasehold owner of the project. There is no joint venture structure to the agreement.

The PLP loan of \$500,000 has borrowed a principal amount of \$174,503.62. Mercy Village, LLLP agrees to assume the full amount of PLP indebtedness. Mercy Village, LLLP is requesting approval of an adjusted Development Plan to reflect the project changes such as the final number of units, timeline, project cost, financing, and a revised PLP Budget. The PLP Budget revisions reallocating PLP funds to existing uses such as Architecture/Engineering, Credit Underwriting, and Contingency while reducing funds from the Appraisal, Consultant, Plan and Cost Review, and Legal Fees line items. The only new line item requiring approval as an approved use is for Soil Testing in the amount of \$3,500. The newly assigned Borrower will need to update plans, as the scope and scale of project has changed. The Borrower intends to use PLP funds to support additional costs by increasing funds available in the Architecture/Engineer line item.

I have provided the adjusted Development Plan, which details the updated development project information and includes the revised the PLP Loan without increasing the total approved PLP Loan amount of \$500,000. As the TAP, I approve of the adjusted Development Plan, Revised Budget, and assignment of the PLP Loan.

Should you need any further information please feel free to contact me at plancher@flhousing.org or at 850-274-9764.

Elissa Plancher
Technical Advisor



Predevelopment Loan Program

Development Plan

	ORIGINAL	ADJUSTED MARCH 2023
Development Name	Mercy Oaks Phase 1	Mercy Village
Development File Number	2018-001P-09	No change

A. General Information		
	ORIGINAL	ADJUSTED MARCH 2023
Applicant Entity Name	Saving Mercy Corporation	Mercy Village, LLLP
Development Name	Mercy Oaks – Phase 1	Mercy Village
Development Address	3601 W. Silver Springs Blvd., Ocala, FL 34475	No change
Development Co-Developers	N/A	Carrfour Supportive Housing is the sole developer
Primary Contact	Jason Halstead	James Petrone
Development Type	Rental <input checked="" type="checkbox"/> Homeownership <input type="checkbox"/>	No change
Number of Buildings	TBD	1
Number of Units	30 (proposed)	59
Target Population	Homeless	Homeless
Construction Type	New <input checked="" type="checkbox"/> Rehab <input type="checkbox"/> Both <input type="checkbox"/>	No Change
Applicant Comments:		
TAP Comments: Project will involve the demolition of the existing 1-story hotel structure and construction of a new, two-story structure, containing 30, single room occupancy (0-bedroom) units of permanent supportive housing. The site plan is still under development. Applicant has leased the property to the Applicant Entity, which is owned by Carrfour Supportive Housing. Mercy Village, LLLP submitted a successful application for funding under RFA 2023-103. The development project has changed, increasing the total units to 59 in one building.		

B. Development Finance Information		
	ORIGINAL	ADJUSTED MARCH 2023
PLP Loan Recommended Amount	\$500,000	No change
Total Predevelopment Costs	\$500,000	No Change
PLP Loan Amount for Acquisition	0	No Change
Estimated Total Development Costs	5,800,000	23,218,266

Applicant Comments:

TAP Comments: Total development costs include refinancing of \$700,000 of existing debt on the property (acquisition costs further described in Section G below). The predevelopment loan will take second position and will be repaid from proceeds of closing on new permanent financing. The original PLP loan was approved with the PLP Budget of \$500,000. To date a principal amount of \$174,503.62 has been expended, leaving \$325,496.38 to be funded. Total Development costs have increased to \$23,218,266 based on an increase in units and a design change.

C. Development Team				
	ORIGINAL VENDOR	ORIGINAL STATUS	ADJUSTED MARCH 2023 VENDOR	ADJUSTED MARCH 2023 STATUS
Developer	Saving Mercy Corporation		Carrfour Supportive Housing Inc.	
Co-Developer			N/A	
Contractor	Boyle Construction Inc.		TBD	
Architect	Martinez Architecture, LLC		TBD	
Engineer	Pigeon-Roberts and Associates, LLC		TBD	
Engineering Consultant	John Esbenshade, PE		TBD	
Construction Consultant	Brian Ehlers Construction Company		N/A	
Property Management			Crossroads Management LLC	Pending Contract
Other				
<p>Applicant Comments: Under the direction of Carrfour Supportive Housing, the bid process to identify and secure the development team is in process.</p> <p>TAP Comments: Saving Mercy is in process of assembling and finalizing members of the development team, potentially including a developer partner. Saving Mercy has leased the property to Carrfour Supportive Housing, who submitted an application for RFA 2023-103 and was selected. The development process is in the early phase.</p>				

D. Market/Feasibility		
ORIGINAL		
Type of Study	Performed By	Status
Ocala/Marion County Home Matters Report	Florida Housing Coalition	Completed September 2017; homelessness remains critical issue in Marion County
ADJUSTED MARCH 2023		
Type of Study	Performed By	Status
Market Study	As required by Lender	To be engaged
<p>Provide narrative of anticipated marketing and lease up of property: Saving Mercy will utilize its relationship with the Continuum of Care, accepting referrals through its coordinated entry system, and will collaborate with other agencies to market the units. The location is also near several employers such as UPS, Closet Maid, Goodwill, Cheney Brothers, Gander Mountain and Chariot Eagle, which will serve both as attractors to the location and potential employment opportunities for tenants. Additionally, current tenants of the operating motel may choose to return as tenants of the redeveloped property.</p>		
<p>Applicant Comments: Mercy Village will be a supportive housing community in the heart of Ocala with 59 apartments and ample common space/amenities to truly create a sense of community within the development. All 59 units will be permanent supportive housing for homeless individuals with (3) Units at 22% Area Median Income (AMI), (9) units at 40% AMI, and the remainder of units at 60% AMI or less. The overarching goal of Mercy Village is to provide homeless, some disabled residents with voluntary and self-directed services within a supportive community that promotes residential stability, self-determination, wellness and independence. Mercy Village is a collaboration between Carrfour Supportive Housing and the Saving Mercy Corporation, a fellow non-profit who also works to provide homeless housing in Ocala and greater Marion County.</p>		
<p>TAP Comments: The Florida Housing Coalition recently completed a Home Matters Report for Ocala and Marion County in September 2017 indicating there remains a need for housing for chronically homeless individuals and homeless veterans, target populations for Phase I. This development project has been selected for funding for RFA 2023-103 and will comply with the Lender’s requirements once invited to credit underwriting.</p>		

E. Site Control		
	ORIGINAL	ADJUSTED MARCH 2023
Is the property owned by the Applicant Entity?	Yes	Yes

Are there existing liens on the property? If no, how was that verified?	Yes	Yes
List all existing liens	First Mortgage of \$1,170,000	\$610,977.77
Will the property be owned by a single purpose entity other than the Applicant Entity?	TBD	Yes
If the property is going to be acquired, is there an executed contract for sale or lease agreement?	N/A	Lease Agreement
Applicant Comments: Verified from Jesse Chaffee, Executive Director of Saving Mercy Corporation, the first mortgage remaining is \$610,977.77.		
TAP Comments: The first mortgage is held by the previous owner of the property. Ultimate ownership of the property will depend upon funding sources secured for the demolition and reconstruction of the motel units as part of Phase 1, and plans for Phase 2 (plans still under discussion). Saving Mercy anticipates selling portion of property containing restaurant building and using the proceeds towards construction of Phase I. Currently, the site is owned by the Saving Mercy Corporation. During the RFA process, Carrfour created a single purpose entity Mercy Village, LLLP. The original PLP Borrower, who owns the site, has leased the land to Mercy Village, LLLP. The ground lease between Saving Mercy Corporation and Mercy Village, LLLP will commence upon closing of construction financing.		

F. Development Readiness		
Item	ORIGINAL Status	ADJUSTED MARCH 2023 Status
Current Zoning on Property	B-2, multifamily allowed with special exception	No change
Current Use of Property	Motel (weekly rental) and RV park	No change
Future Land Use Plan	Employment Center (residential allowed)	No change
Site Plan Approval	TBD	TBD
Property Survey	Soliciting bids, complete in August 2018	To be updated

Soil Testing	TBD	To be completed
Permits	TBD	To be completed
Availability of Utilities to property	Electric on site	Yes
Availability of Water to property	Private – need to connect to public	Yes-City of Ocala
Availability of Sewer to property	Private – need to connect to public	Yes-City of Ocala
Availability of Road access to property	Yes – direct access to main arterial	No change
Environmental Assessments Performed	Completed March 2018 – no issues	To be updated
Appraisal	TBD	To be completed
Financial Statements available for review	Yes	Yes
Plans, Specs for Development	In process	In process
Applicant Comments: Awaiting Invitation to Credit Underwriting for RFA 2023-103.		
TAP Comments: Saving Mercy is in process of developing a site plan for the property. At the time of the site visit, only preliminary discussions with the City about plans. TAP followed up with City planner, who provided zoning scenarios, including recommendations for PUD zoning to facilitate accomplishing the full vision for site. Development is in the early stages as the site plan changed and the number of units increased.		

G. Financing Sources Committed				
Name of Source	ORIGINAL Amount	ORIGINAL Status	ADJUSTED MARCH 2023 Amount	ADJUSTED MARCH 2023 Status
LIHTC	N/A		\$17,338,266	Awarded
SAIL	\$4,000,000	Will Apply for in next 12 months	\$4,200,000	Awarded
Conventional Loan	\$1,400,000	Will Apply for in next 12 months	\$12,500,000	Will Apply for in next 12 months
City/County SHIP	\$200,000	Will Apply for in next 12 months	N/A	N/A
NHTF Funds	N/A		\$1,650,000	Awarded

Private Donations	\$200,000	Committed	0	N/A
Applicant Comments:				
TAP Comments: Total sources takes into account an existing debt that will be refinanced as part of the permanent transaction. The applicant plans to pursue SAIL financing in 2019 under an RFA that fits its target of permanent supportive housing for homeless individuals (anticipating similar RFA to 2018-101 during the 2019 cycle). The applicant has demonstrated ability to raise funds, raising a \$1.1 million deposit within 3 months towards the \$2.3 million purchase price of the property in May 2018. The applicant has a loan of \$1.17 million for the remainder of the purchase price, which the applicant will reduce to \$700,000 by selling the vacant restaurant (structure and parking area) on the property for commercial redevelopment. The SAIL award includes ELI subsidy financing, which is subject to credit underwriting.				

H. Narrative
<p>ORIGINAL: Provide Additional narrative not covered in comments above: Saving Mercy will serve the community through this development by providing both housing and on-site case management accomplished through relationships with local government agencies, social service providers, churches and other entities. Phase I of the development will focus on homeless individuals. Phase II will focus on homeless families. Saving Mercy will operate the entire development in accordance with the principles of Housing First, recognizing that homelessness is first and foremost a housing crisis to be addressed through the provision of safe and affordable housing.</p> <p>ADJUSTED MARCH 2023: As the City of Ocala has grown and prospered, a segment of the population has been left behind. They are the forgotten faces of the Ocala community that are struggling to survive staggering socioeconomic factors, such as a poverty rate nearly 50% higher than the state average and a suicide rate that is ten points higher. The United Way’s ALICE Report shows that 37% of the households in Marion County and 55% of the households in the City of Ocala do not earn enough money to pay for basic necessities such as food, housing, and health care. Similarly, Florida’s Shimberg Center reports there are only 23 affordable housing units for every 100 extremely low-income households (those earning less than 30% of the AMI) in Marion County. A typical family earning 30% of the AMI pays between 74% to 78% of its income for housing and transportation in Marion County. This overall lack of affordable housing has empowered landlords to be more selective in who they offer housing to, pushing the most vulnerable onto the streets and into homelessness.</p>

I. Predevelopment Loan Request Budget		
	ORIGINAL Amount	REVISED MARCH 2023
Appraisal	6,000	0
Architect/Engineer	200,000	378,734
Consultant	10,000	0
FHFC Application Fee	1,500	3,000
Credit Underwriting	20,000	27,000
Plan and Cost Review	3,000	0

Impact Fees	200,000	221
Environmental Testing	5,000	5,000
Insurance	19,000	5,000
Legal Fees	10,000	0
Market Study	5,000	6,500
Surveys	3,000	33,700
Title Insurance	10,000	21,072
Soil Testing	0	3,500
Contingency	7,500	16,273
PLP Loan Total	500,000	500,000

TAP COMMENTS MARCH 2023 REVISED PLP BUDGET

Appraisal: The appraisal line item has been reduced to zero and reallocated to another approved use. The Borrower will complete the appraisal during credit underwriting.

Architect/Engineer: The original Borrower, Saving Mercy Corporation, expended a total of \$117,512 on the prior plan. The Developer assigned to assume this PLP loan is modifying the project scope and scale, which requires new plans. This line item is being increased by \$178,734 to support the project changes, including increased final number of units from 30 to 59 units.

Consultant: Under the new Developer, the project no longer requires the support of a Consultant. Carrfour Supportive Housing has the internal capacity to complete the development process and close on construction financing. This line item is reduced to zero and reallocated to other approved uses.

FHFC Application Fee: This line item has increased by \$1,500, from \$1,500 to \$3,000 to fund the RFA 2023-103 application.

Credit Underwriting: The Borrower has increased this line item by \$3,000, increasing funds for credit underwriting expenses to \$27,000.

Plan and Cost Review: The Borrower no longer requires this service and has reduced the line item to zero, reallocating \$3,000 in PLP funds to other approved uses.

Impact Fees: The original Borrower, Saving Mercy Corporation, expended a total of \$220.50 of this approved line item. The newly assigned Borrower of this PLP Loan is reducing the line item by \$199,799 to reallocate PLP funds for more timely uses.

Soil Testing: This is a new line item in the PLP Budget, with a total of \$3,500 requested for this use.

Insurance: This line item is being reduced by \$14,000, leaving \$5,000 in this PLP line item for this approved use.

Legal Fees: This line item is being reduced by \$10,000, leaving zero PLP funds remaining for this approved use.

Market Study: The Borrower is requesting to increase this line item from \$5,000 to \$6,500 for this approved use to be expended during the credit underwriting process.

Surveys: The original Borrower has expended \$33,700 of the PLP budget to complete boundary and topographic surveys.

Title Insurance: The original Borrower completed the PLP loan closing and expended \$21,071.12 of this line item. The PLP funds for this use are fully expended, and the revised PLP Budget has been rounded to a whole number.

Contingency: The assigned Borrower has requested to increase the Contingency line item by \$8,773 from \$7,500 to \$16,273.

J. Total Development Costs		
	ORIGINAL	ADJUSTED MARCH 2023
Acquisition costs not covered by PLP	700,000	175,000
Acquisition closing costs not covered by PLP		5,000
Additional Predevelopment costs not covered by PLP		TBD
Rehabilitation		0
Hard Construction	3,400,000	13,979,138
Construction Contingency	340,000	620,000
Developer Fees	600,000	3,015,500
Other Development Costs (including PLP total)	760,000	5,603,628
Total Development Cost	5,800,000	\$23,218,266

Timeline				
Timeline Item	ORIGINAL Date	ORIGINAL Status	ADJUSTED MARCH 2023 Date	ADJUSTED MARCH 2023 Status
Site Acquisition	May 2018	Complete	TBD	Complete
PLP Approval	July 2018	Anticipated	April 2023	Anticipated
Survey	August 2018	Anticipated	April 2023	Anticipated
PLP Loan Closing	August 2018	Anticipated	No change	Complete
Applying for Construction Financing (Conventional and Local Funding)	September 2018	Anticipated	September 2023	Anticipated

Zoning Approval	November 2018	Anticipated	September 2023	Anticipated
Conventional and Local Funding Approval	February 2019	Anticipated	February 2024	Anticipated
Applying for FHFC Funding	March 2019	Anticipated	January 2023	Complete
FHFC Funding Approval	May 2019	Anticipated	March 2024	Anticipated
FHFC Closing and Construction Start	October 2019	Anticipated	April 2024	Anticipated
Construction Completion	October 2020	Anticipated	December 2025	Anticipated
Lease-up/Sale	December 2020	Anticipated	April 2026	Anticipated

REQUEST FOR QUALIFICATIONS (RFQ) 2023-02

**GUARANTEED INVESTMENT CONTRACT BROKER SERVICES
FOR THE SINGLE FAMILY BOND PROGRAM**

for

FLORIDA HOUSING FINANCE CORPORATION

February 13, 2023

SECTION ONE INTRODUCTION

Florida Housing Finance Corporation (“Florida Housing”) is soliciting competitive, sealed responses from qualified firms to provide Guaranteed Investment Contract (GIC) Broker services for its single-family bond program in accordance with the terms and conditions set forth in this Request for Qualifications (RFQ), and any other term and condition in any contract subsequently awarded. Respondents will be selected and determined through Florida Housing’s review of each response, considering the factors identified in this RFQ. Florida Housing expects to select one or more Respondents that propose to provide all of the services specified in this RFQ.

SECTION TWO DEFINITIONS

For purposes of this document, the following terms will be defined as follows:

“Board”	The Board of Directors of Florida Housing Finance Corporation.
“Committee”	The review committee composed only of employees of Florida Housing that is established pursuant to Rule 67-49.007, Fla. Admin. Code.
“Contractor”	A person or entity providing the professional services described in Section Four of this RFQ.
“Days”	Calendar days, unless otherwise specified.
“Effective Date”	The date the last party signs the contract that is awarded as a result of this RFQ.
“Financing Team”	The team of professionals associated with a bond issue by Florida Housing Finance Corporation. This team may include, but is not limited to: bond counsel, co-bond counsel, special counsel, disclosure counsel, bond underwriter, financial advisor, and cash flow manager.
“Florida Housing”	Florida Housing Finance Corporation, a public corporation and public body corporate and politic created by Section 420.504, Fla. Stat.
“GIC Broker”	A person or entity providing the Guaranteed Investment Contract Broker services described in Section Four of this RFQ.

“Respondent”	Any person or entity who has the capability in all respects to perform fully the requirements contained in this RFQ, and submits a response to this RFQ.
“Response”	The written submission by an Respondent to this RFQ.
“RFQ”	This RFQ, including all exhibits referenced in this document and all other documents incorporated by reference.
“Single Family Program”	The Single Family Mortgage Revenue Bond program that Florida Housing administers pursuant to Sections 420.507 and 420.509, Fla. Stat., and Fla. Admin. Code Chapter 67-25.
“Website”	The Florida Housing Finance Corporation website, the URL of which is www.floridahousing.org .

SECTION THREE PROCEDURES AND PROVISIONS

A. Respondents will submit their Response to:

<https://www.floridahousing.org/legal/procurements/RFQ-2023-02-Document-Upload>

Florida Housing must receive the entire Response on or before 2:00 p.m., Eastern Time, on March 22, 2023, as Responses will be opened at that time. Any Responses received after the deadline will be considered non-responsive. One complete copy of the response in PDF format is preferred, unless specified otherwise in Section Six below, and the file name ought to contain a reference to both the solicitation number (RFQ 2023-02) and the name of the Respondent. Please note that the site will ask for the Respondent's contact information and the solicitation number prior to being able to upload the Response. Florida Housing will not accept a mailed or faxed Response.

B. This RFQ does not commit Florida Housing to award a contract to any Respondent or to pay any costs incurred in the preparation or mailing of a Response.

C. All services under the contract awarded are to be performed solely by the Contractor, unless subcontracted or assigned with the prior written approval and consent of Florida Housing.

D. Florida Housing reserves the right to:

1. Waive minor deficiencies and informalities;
2. Accept or reject any or all Responses received as a result of this RFQ;
3. Obtain information concerning any or all Respondents from any source;

4. Request an oral interview before the Board from any or all Respondents;
5. Select for contract negotiation or for award a Response other than (or in addition to) that with the highest score in order to serve the best interests of Florida Housing and the public; and
6. Negotiate with the successful Respondent with respect to any additional terms or conditions of the contract.

E. Any interested party may submit any question regarding this RFQ in writing via e-mail to the Contract Administrator at Contract.Admin@floridahousing.org. All questions must be submitted no later than 2:00 p.m., Eastern Time, on March 1, 2023. Phone calls will not be accepted. Florida Housing expects to respond to all questions in writing by 5:00 p.m., Eastern Time, on March 8, 2023. Florida Housing will post a copy of all questions received and the corresponding answers on Florida Housing's website at:

<http://www.floridahousing.org/legal/procurements/request-for-qualifications>

Only written responses or statements from the Contract Administrator that are posted on our website will bind Florida Housing. No other means of communication, whether oral or written, may be construed as an official response or statement from Florida Housing.

F. Between the release of the solicitation and the end of the 72-hour period following the posting of the notice of intended award, respondents to this solicitation or persons acting on their behalf may not contact any member of Florida Housing's Board of Directors or any Florida Housing employee concerning any aspect of this solicitation, except in writing to the Contract Administrator. Violation of this provision may be grounds for rejecting a response.

G. Any person who wishes to protest the specifications of this RFQ must file a protest in compliance with Section 120.57(3), Fla. Stat., and Rule Chapter 28-110, Fla. Admin. Code. Failure to file a protest within the time prescribed in Section 120.57(3), Fla. Stat., will constitute a waiver of proceedings under Chapter 120, Fla. Stat.

H. The term of the contract will be for three years, subject to satisfactory performance at the sole discretion of Florida Housing. If the parties mutually agree in writing, the contract may be renewed once for an additional three years.

I. Florida Housing is not required to use the services of any selected Contractor or to assign any work to such provider, and may terminate the contract with any selected Contractor without cause and without penalty.

J. Pursuant to Rule 67-49.004, Fla. Admin. Code, Florida Housing may modify the terms of the RFQ at any point prior to the due date for Responses. A notice of such modification will be posted on Florida Housing's Website. Any Respondent will have at least seven days from the date of the posting of the notice of the modification to submit or modify its Response.

K. The terms of this RFQ, and any modifications thereto, will be incorporated into any contract offered as a result of this RFQ. Failure of a successful Respondent to accept these obligations in the final contract may result in cancellation of the award.

SECTION FOUR SCOPE OF SERVICES

Pursuant to Part V, Chapter 420, Florida Statutes, Florida Housing issues revenue bonds, to make funds available to people in Florida to help them buy a home, to refinance prior bond issues of Florida Housing, and for such other purposes as may be permitted by law. Florida Housing issues bonds that are exempt from federal income tax and bonds that are not exempt from federal income tax. Florida Housing typically issues Single Family bonds through negotiated sales.

Depending on market conditions, Florida Housing has a need to utilize the services of GIC brokers from time to time in connection with the management of its single family bond program. On average, Florida Housing transacts approximately two or three bond deals annually covering Single Family issues, and anywhere from none to all of these deals may use the services of a GIC Broker. In all cases, the Financing Team will determine the required specifications for the guaranteed investment contract bids, and Florida Housing will be the primary contact for all bond issues utilizing the services of the GIC Broker(s).

When needed, the GIC Broker shall perform and render the services reflected below as an independent contractor and not as an agent, representative, or employee of Florida Housing. The services and requirements shall include, but are not limited to, the following:

A. Perform an analysis of the bond issue's financial structure and the language in the financing and bond documents stipulating the permitted investments. This analysis will include a review of all funds that will be subject to bid, including, but not limited to: the program account, debt service reserve fund, float fund, capitalized interest account and derivative product funds, if used. Currently, Florida Housing issues fixed rate Single Family bonds. Should Florida Housing opt to sell variable rate bonds, the GIC Broker is expected to request bids for all the necessary funds.

B. After analysis of the financing structure, the GIC Broker and the Financing Team will jointly determine the strategy to obtain the optimal investment product. Based on this strategy, the GIC Broker must prepare a request for bids that describes the parameters for investment. The GIC Broker must then distribute the request for bids to the Financing Team for that issue for their review and comments.

C. The GIC Broker must prepare a preliminary bid list of potential investment contract providers for approval from the Financing Team. The GIC Broker will ensure that the potential providers meet the credit criteria of Florida Statutes and the rating agencies.

D. The GIC Broker must distribute the approved request for bids with any other requested information to potential bidders. The GIC Broker will coordinate questions and answers between bidders and the Financing Team.

E. The GIC Broker must receive bids on behalf of Florida Housing from all bidders, evaluate any conditions to the bids and ensure all bids conform to the bid specifications. The GIC Broker must then prepare a summary of the bids and present to the Financing Team. The GIC Broker must coordinate the awarding of each bid with the Financing Team.

F. The GIC Broker must receive and review the investment contract and work with the winning bidder's attorney and the Financing Team to ensure the investment contract conforms to the specifications of the requested financing structure.

SECTION FIVE CERTIFICATION

Do not reproduce the language of Section Five in the Response. By inclusion and execution of the statement provided in Section Six, subsection I, of this RFQ, each Respondent certifies that:

A. The Respondent submits this Response without prior understanding, agreement, or connection with any person or entity submitting a separate Response for the same services. However, any agreement with a person or entity with whom the Response is jointly filed and such joint filing is made clear on the face of the Response will be an exception so long as the Response is in all respects fair and without collusion or fraud.

B. Any material submitted in response to this RFQ is a public record pursuant to Chapter 119, Fla. Stat., and subject to examination upon request, but only after Florida Housing provides a notice of decision pursuant to Section 120.57(3), Fla. Stat., or within 30 days after the Response is opened, whichever is earlier.

C. The Respondent, if awarded a contract under this RFQ, will comply with Section 420.512(5), Fla. Stat. For the purpose of Section 420.512(5), Fla. Stat., "Prohibited Business Solicitation Communications" is defined by Section 420.503(34), Fla. Stat.

D. The Respondent further affirms it is in compliance with Section 420.512(5)(c), Fla. Stat.

E. The Respondent is in compliance with Section 287.133(2)(a), Fla. Stat.

F. The Respondent is in compliance with Section 448.095, Fla. Stat.

G. The Respondent understands and agrees to cooperate with any audits conducted in accordance with the provisions set forth in Section 20.055(5), Fla. Stat.

H. Pursuant to Section 119.0701(2)(b), Fla. Stat., the Respondent, if awarded a contract under this RFQ, will be required to comply with public records laws, specifically to:

1. Keep and maintain public records required by Florida Housing to perform the service.
2. Upon request from Florida Housing's custodian of public records, provide Florida Housing with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in this chapter or as otherwise provided by law.
3. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the contract term and following completion of the contract if the contractor does not transfer the records to Florida Housing.
4. Upon completion of the contract, transfer, at no cost, to Florida Housing all public records in possession of the contractor or keep and maintain public records required by Florida Housing to perform the service. If the contractor transfers all public records to Florida Housing upon completion of the contract, the contractor shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the contractor keeps and maintains public records upon completion of the contract, the contractor shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to Florida Housing, upon request from Florida Housing's custodian of public records, in a format that is compatible with Florida Housing's information technology systems.

If the Contractor has questions regarding the application of Chapter 119, Florida Statutes, to the Contractor's duty to provide public records relating to this contract, contact the Corporation Clerk at:

**Corporation Clerk
227 N. Bronough Street, Suite 5000
Tallahassee, Florida 32301-1329
Phone: 850.488.4197
E-mail: Corporation.Clerk@floridahousing.org**

Notwithstanding anything contained herein to the contrary, the provisions and requirements of this paragraph will only apply if and when the Contractor is acting on behalf of Florida Housing.

I. The Respondent acknowledges that if awarded a contract it will be prohibited from engaging in activities in connection with services related to Florida Housing transactions that produce direct or indirect financial gain for the Respondent other than for the compensation agreed upon in the contract that results from this RFQ, unless that Respondent has Florida Housing's written consent after Florida Housing has been fully informed of such activities in writing.

J. The Respondent acknowledges that if awarded a contract it will be prohibited from engaging in any actual, apparent, or potential conflict of interest. Should any such actual, apparent,

or potential conflict of interest come into being subsequent to the effective date of the contract and prior to the conclusion of the contract, the Respondent will provide written notification (Notice of Conflict of Interest) to Florida Housing’s Contract Administrator within 10 working days for review by Florida Housing’s Executive Director in consultation with the Ethics Officer. If the Respondent is found to be in non-compliance with this provision, any compensation received in connection with this contract will be subject to forfeiture to Florida Housing.

K. By submitting a Response, the Respondent affirms that they are in compliance with all current regulatory requirements and must maintain compliance with all regulatory requirements as they are implemented or amended. Awarded Contractors must provide an annual certification to this effect covering the calendar year through December 31st and must be remitted to Florida Housing by January 15th. The first certification will be due upon contract execution.

L. The Respondent, in submitting this Response, acknowledges and agrees that the terms and conditions of this RFQ, as well as any modifications thereto, will be incorporated into any contract offered as a result of this RFQ.

L. CERTIFICATION STATEMENT:

THE FOLLOWING WILL BE REPEATED IN THE RESPONDENT’S RESPONSE AND SIGNED BY AN INDIVIDUAL AUTHORIZED TO BIND THE RESPONDENT. THIS IS A MANDATORY ITEM. FAILURE TO INCLUDE THE CERTIFICATION STATEMENT BEARING AN ORIGINAL SIGNATURE, EXACTLY AS STATED AND WITHOUT ANY ADDITIONS, DELETIONS OR CAVEAT LANGUAGE, WILL RESULT IN REJECTION OF THE RESPONSE.

“I agree to abide by all conditions of RFQ 2023-02 and certify that all information provided in this Response is true and correct, that I am authorized to sign this Response as the Respondent and that I am in compliance with all requirements of the RFQ, including but not limited to, the certification requirements stated in Section Five of this RFQ.”

Authorized Signature (Original)

Print Name and Title

SECTION SIX INFORMATION TO BE PROVIDED IN RESPONSE

In providing the following information, restate each item and sub-item (with its letter and number), limit your Response to one attachment. Responses to the items must be included immediately after the restated items without any reference to any appendix.

A. COVER LETTER

Each proposal must be accompanied by a cover letter that contains a general statement of the purpose of submission and includes the following information.

1. The name, job title, address, office and cellular telephone numbers, and e-mail address of a primary contact person, who will be responsible for day-to-day contact with Florida Housing, and any backup personnel who would be accessible if the primary contact cannot be reached.
2. Legal business status (individual, partnership, corporation, etc.) and address and telephone number of the Respondent.

B. GENERAL INFORMATION

1. Provide an overall description of the services provided by the Respondent. Include any and all types of services provided by the Respondent, not just Guaranteed Investment Contract Brokering, and what percentage of the Respondent's overall business each of those services composes. Include the length of time the Respondent has been in business and the length of time each of the services has been provided by the Respondent.
2. Describe the Respondent's ability to provide the services requested in Section Four of this RFQ immediately upon award of the Contract.
3. Submit evidence of the Respondent's business qualifications and experience in acting as a GIC Broker. Include licensing information from the National Association of Securities Dealers or the Financial Industry Regulatory Authority "FINRA" or explain if there is no licensing. Provide detail for all licenses held by the Respondent. If no licenses are held, provide an explanation.
4. Provide evidence that the Respondent is qualified to do business in the State of Florida.
5. Provide proof of current professional liability errors and omissions insurance to include the following:
 - Name of carrier and policy number;
 - Effective date and termination date of insurance;
 - Policy exclusions, if any;

- Current coverage amounts;
- Staff covered; and
- Type of coverage.

C. EXPERIENCE/QUALIFICATIONS OF PERSONNEL

1. Provide a list of transactions for which the Respondent has acted as GIC Broker in the past four years. Include date, issuer, bond size, winning investment provider and types of funds. List the transactions in chronological order starting with the most recent transaction. Clearly indicate if any of the transactions have been done on behalf of state or local housing agencies.

2. Provide details on the Respondent's three most recent single family transactions. Include the names of providers contacted and the details on the resulting bids and awards (including the number of bids received, names of providers and their bids). Include the name of the issuers, the type of agreement structures, the transaction dates, dollar amounts, maturities, anticipated average life and the name of the Respondent's staff member that was involved.

3. Provide the names and brief resumes of all personnel who will be assigned to Florida Housing's account and describe their responsibility in the transaction. Indicate the individual who will be designated as the primary person responsible for Florida Housing's account and detail the experience and licensing that each individual has regarding the investment market.

4. Describe the steps the Respondent would go through in procuring Guaranteed Investment Contracts for Florida Housing's Single Family bond issues.

5. Provide information on any contract in the last five years entered into by the Respondent to provide services similar to those described in Section Four of this RFQ that was terminated prior to completion. Provide details of such circumstances.

D. FEES

Indicate all fees to be charged to the transaction according to the following bases, as applicable:

1. Provide a GIC Broker fee to bid an all or nothing full flex bid for Single Family bonds or notes issued with the following issue size:

- a. Up to \$10,000,000
- b. \$10,000,001 up to \$50,000,000
- c. \$50,000,001 up to \$100,000,000

2. Provide a GIC Broker fee for a full flex separate bid for a Single Family program fund with an initial deposit of \$100,000,000 and a float fund assuming the following draw schedule from the program fund:

Activity Dates	Running Balance	Anticipated Draws
3/1/2023	\$100,000,000	\$0
4/1/2023	\$80,000,000	\$20,000,000
5/1/2023	\$60,000,000	\$20,000,000
6/1/2023	\$50,000,000	\$10,000,000
7/1/2023	\$40,000,000	\$10,000,000
8/1/2023	\$30,000,000	\$10,000,000
9/1/2023	\$20,000,000	\$10,000,000
10/1/2023	\$10,000,000	\$10,000,000
11/1/2023	\$0	\$10,000,000

3. State if a minimum fee per transaction will be charged.

NOTE: In no case will any fee be accepted that exceeds the safe harbor limitations.

FINAL FEE SCHEDULE FOR EACH TRANSACTION SHALL BE SUBJECT TO NEGOTIATION WITHIN THE MINIMUM AND MAXIMUM RANGE.

E. LEGAL PROCEEDINGS

1. Provide a description of to what extent, if any, the Respondent (including any officers, directors, or other personnel) are now, or within the last 10 years, has been a party to or the subject of any litigation, arbitration, disciplinary, censure or other action or proceeding arising from or related to the firm’s municipal finance-related or investment contract activities.

2. Provide a description of to what extent, if any, the Respondent (including any officers, directors, or other personnel) are now, or have been within the last 10 years, the subject of an investigation by the Securities and Exchange Commission, the National Association of Securities Dealers, Municipal Securities Rulemaking Board, U.S. Department of the Treasury, Internal Revenue Service or any other governmental or securities based regulatory agencies.

3. Provide a description of to what extent, if any, the Respondent (including any officers, directors, or other personnel) has been interviewed by the Federal Bureau of Investigation, testified before a grand jury, or been interviewed by any state or federal securities enforcement entity with regard to the Respondent’s municipal finance or investment contract brokering practice.

F. DRUG-FREE WORKPLACE

If the Respondent has implemented a drug-free workplace program, the Respondent must submit the following certification indicating that it meets all of the requirements of Section 287.087, Fla. Stat.:

I hereby certify on behalf of the Respondent, under the terms of RFQ 2023-02, that the Respondent has implemented a drug-free workplace program pursuant to Section 287.087, Fla. Stat.

Authorized Signature: _____
Print Name: _____
Print Title: _____

G. MINORITY BUSINESS ENTERPRISE

If the Respondent is a minority business enterprise as defined in Section 288.703, Fla. Stat., the Respondent must submit the following certification:

I hereby certify on behalf of the Respondent, under the terms of RFQ 2023-02 that the Respondent is a “minority business enterprise” as defined in Section 288.703(3), Fla. Stat.

Authorized Signature: _____
Print Name: _____
Print Title: _____

H. CERTIFICATION (Mandatory Item)

FAILURE TO INCLUDE THE CERTIFICATION STATEMENT LOCATED IN SECTION FIVE OF THIS RFQ BEARING AN ORIGINAL SIGNATURE WILL RESULT IN REJECTION OF THE RESPONSE.

SECTION SEVEN EVALUATION PROCESS

The individual Committee members will independently evaluate the Responses by reviewing the answers to each of the items identified in Section Six of this RFQ and assigning points up to the maximum points allowed for each item. The points available for items in Section Six are to be evaluated are as follows:

<u>Item Reference</u>	<u>Maximum Points</u>
B.1. – B.3. General Information	50
C. Experience/Qualification of Personnel	60
D. Fees	50
Total Points Available.....	160




In the event of a tie, Florida Housing will give preference in the award process to the Response certifying a drug-free workplace has been implemented in accordance with Section 287.087, Fla. Stat. If a tie continues to exist, Florida Housing will give preference to minority business enterprises as defined in Section 288.703, Fla. Stat.

The Committee will conduct one or more public meetings during which members will discuss their evaluations and develop a recommendation or series of recommendations to the Board. The Committee’s recommendation will be based on the cumulative scoring and information gathered from the non-scored items. The Board may use the Responses, the Committee’s scoring, the non-scored items in the Responses, any other information or recommendation provided by the Committee or staff, and any other information the Board deems relevant in its selection of Respondents to whom to award a contract.

SECTION EIGHT AWARD PROCESS

Florida Housing will provide notice of its decision, or intended decision, for this RFQ on Florida Housing’s Website the next business day after the applicable Board vote. After posting, an unsuccessful applicant may file a notice of protest and a formal written protest in accordance with Section 120.57(3), Fla. Stat. Failure to file a protest within the time prescribed in Section 120.57(3), Fla. Stat. or failure to post the bond or other security required by law within the time allowed for filing a bond will constitute a waiver of proceedings under Chapter 120, Fla. Stat.

RFQ 2023-02 - Guaranteed Investment Contract Broker Services for the Single Family Bond Program

		BLX Group LLC 				Caine Mitter & Associates Incorporated 				Causey Demgen & Moore P.C.				Grant Street Group, Inc.				Raymond James & Associates, Inc. 			
SECTION SIX ITEM REFERENCE	Max Score	Melanie	Michelle	Edny	Total	Melanie	Michelle	Edny	Total	Melanie	Michelle	Edny	Total	Melanie	Michelle	Edny	Total	Melanie	Michelle	Edny	Total
B.1. - B.3. General Information	50	47	50	50	147	49	50	48	147	42	40	45	127	42	40	38	120	48	49	47	144
C. Experience/Qualifications of Personnel	60	55	60	56	171	58	60	54	172	50	50	48	148	52	45	49	146	58	60	53	171
D. Fees	50	45	43	50	138	49	45	30	124	43	40	40	123	43	40	45	128	47	40	35	122
TOTAL POINTS	160	147	153	156	456	156	155	132	443	135	130	133	398	137	125	132	394	153	149	135	437
A. Cover Letter	Y/N	Y	Y	Y		Y	Y	Y		Y	Y	Y		Y	Y	Y		Y	Y	Y	
B.4. General Information	Y/N	Y	Y	Y		Y	Y	Y		Y	N	N		Y	Y	Y		Y	Y	Y	
B.5. General Information	Y/N	Y	Y	Y		Y	Y	Y		Y	Y	Y		Y	Y	Y		Y	Y	Y	
E. Legal Proceedings	Y/N	Y	Y	Y		Y	Y	Y		Y	Y	Y		Y	Y	Y		Y	Y	Y	
F. Drug-Free Workplace	Y/N	Y	Y	Y		Y	Y	Y		Y	Y	Y		Y	Y	Y		Y	Y	Y	
G. Minority Business Enterprise	Y/N	N	N	N		N	N	N		N	N	N		N	N	N		N	N	N	
H. Certification	Y/N	Y	Y	Y		Y	Y	Y		Y	Y	Y		Y	Y	Y		Y	Y	Y	



ECG Ridge Road, LP
118 16th Avenue South, Suite 200
Nashville, TN 37203

February 28, 2023

Tim Kennedy
Assistant Director of Multifamily Programs
Florida Housing Finance Corporation
227 N Bronough St, Ste. 5000
Tallahassee, FL 32301

Re: Ridge Road Apartments (2022-190S) – Equity Pay-In Relief

Dear Mr. Kennedy,

Please accept this letter as our formal request for relief from the equity pay-in requirement in connection with the above-referenced development.

Per the regulations established by FHFC, 15% of the total equity must be contributed at or prior to close. Due to the pending review status of Ridge Road's subsidy layering review by HUD, an executed Agreement to Enter into a Housing Assistance Payments (AHAP) Contract is not anticipated until after the closing deadline. To proceed with closing, the syndicator has agreed to an initial closing prior to receipt of the AHAP with the condition of delaying disbursement of the first equity contribution.

Thank you for your consideration, and, if you have any questions or comments, please do not hesitate to contact me.

Respectfully,

A handwritten signature in blue ink, appearing to read "C. Hunter Nelson". The signature is fluid and cursive.

Hunter Nelson, Authorized Representative
ECG Ridge Road, LP

Cc: Taylor Arruda, First Housing



March 6, 2023

Attention: Tim Kennedy
Multifamily Loans & Bonds Director
Florida Housing Finance Corporation
227 North Bronough Street, Suite 5000
Tallahassee, FL 32301

RE: Liberty Square Phase Four
RFA 2020-208
Firm Loan Commitment - Request for Extension of Closing Deadline

Dear Tim Kennedy,

Per our Firm Loan Commitment for State Apartment Incentive Loan (SAIL) funds in the amount of \$3,250,000, we were required to close within 180 calendar days of the date of the firm commitment, issued September 22, 2022, with a deadline of March 21, 2023. Please accept this letter as our official request for extension in accordance with the provisions in the commitment.

We are requesting this extension as we have experienced delays in necessary HUD approvals. Our targeted closing date is now May 30th, 2023, and we are confident that this date will be met.

Please let us know if you need additional information. Thank you for your assistance.

Sincerely,

Alberto Milo Jr.
Vice President
Liberty Square Phase Four, LLC



RURAL NEIGHBORHOODS

Building Livable Places for Working Families

Post Office Box 343529, 19308 SW 380th Street, Florida City, FL 33034
Telephone 305-242-2142 Facsimile 305-242-2143

April 10th, 2023

Mr. Tim Kennedy
Multifamily Loans and Bonds Director
Florida Housing Finance Corporation
227 N. Bronough Street, Suite 5000
Tallahassee, FL 32301

Re: Everglades Village Phase 5.6 (2022-237S) Extension to Firm Loan Commitment

Dear Mr. Kennedy:

Rural Neighborhoods, Incorporated ("RN") and Everglades Village Phase 5.6, LLC, the Developer and Applicant for Everglades Village Phase 5.6 ("EV5.6") rental community, respectively, request an extension of the scheduled March 18th, 2023 deadline for Firm Commitment until September 17th, 2023. This request is based on (a) increased construction and permanent loan interest, (b) increased construction pricing and (c) interruptions to the construction supply chain. RN believes market demand for Farmworker Family housing remains strong in the local market, and the project remains otherwise feasible.

Rules permit one extension of up to six (6) months to secure a firm loan commitment. This letter requests that period. The Developer and Applicant note, however, its intent to seek gap financing from the planned viability loan program FHFC may create from monies appropriated in the recent Live Local Act. Accordingly, the requested period above may require further extension depending upon FHFC's planned RFA timetable.

It is our understanding that the corporation shall charge a 1 percent fee if this extension is approved. If you have additional questions, please do not hesitate to contact me by Email or at 305-242-2142.

Sincerely,

Steven Kirk
President
Rural Neighborhoods and Everglades Village Phase 5.6, LLC



March 28, 2023
VIA Procorem Upload

Mr. Tim Kennedy
Multifamily Loans & Bond Director
Florida Housing Finance Corporation
227 N. Bronough Street, Ste. 5000
Tallahassee, FL 32301

RE: Lofts at Bahama Village (2022-265CS)

Dear Mr. Kennedy:

The Invitation to Credit Underwriting for Lofts at Bahama Village requires a firm commitment for the \$5,520,000 SAIL loan no later than 12 months from the acceptance date of May 3, 2022. Bahama Village Community, Ltd. ("Applicant") requests a six-month extension of the firm commitment deadline to November 3, 2023. The extension is required to allow time to complete credit underwriting and the permitting process. Upon approval of the extension, a non-refundable fee of one percent (1%) of the SAIL loan amount (\$55,200) will be sent to FHFC via wire transfer.

Should you have any additional questions, please feel free to call me at 904-288-7784.

Sincerely,

A handwritten signature in blue ink, appearing to read "James R. Hoover".

James R. Hoover
VP of Manager of GP of Bahama Village Community, Ltd.



April 14, 2023

Mr. Todd Fowler
Director of Special Assets
Florida Housing Finance Corporation
227 North Bronough Street, Suite 5000
Tallahassee, Florida 32301

RE: Manatee Cove Apartments ("Development") - SAIL 2005-006S/Supplemental SAIL 2006-06-SEL/
4% Housing Credits 2005-511C
First Mortgage Refinance/Subordination of SAIL Loan, SAIL LURA and ELIHA

Dear Mr. Fowler:

On your behalf, AmeriNat® ("AmeriNat") has reviewed a request dated February 22, 2023 from Manatee Cove, Ltd. ("Borrower"), an entity/affiliate of The Richman Group, requesting Florida Housing Finance Corporation ("FHFC" or "Florida Housing") approve a refinancing of the existing first mortgage loan, execution of a Subordination Agreement of the existing State Apartment Incentive Loan ("SAIL Loan"), SAIL Land Use Restriction Agreement ("SAIL LURA") and Housing Credit Extended Low-Income Housing Agreement ("ELIHA"), if applicable, which are requirements of the new first mortgage lender. The existing first mortgage loan was financed from proceeds of the sale of Multifamily Mortgage Revenue Bonds ("MMRB") issued by the Brevard County Housing Finance Authority ("HFA"). The Borrower intends to obtain financing from a proposed first mortgage bridge loan originated by Merchants Capital Corporation as a wholly owned subsidiary of Merchants Bank of Indiana ("Merchants"), the proceeds of which will be utilized to satisfy the existing first mortgage loan and pay related financing costs. The Borrower received SAIL financing, as evidenced by a Promissory Note dated November 17, 2006, in the amount of \$4,000,000 with all principal and unpaid accrued interest due and payable on November 15, 2037.

Rule 67-48.0105(5) F.A.C. requires that the refinancing of any loan superior to the SAIL Loan be approved by Florida Housing's Board of Directors conditioned upon meeting the requirements of Rule 67-48.010(15).

For the purposes of this analysis, AmeriNat has reviewed the following:

1. Correspondence seeking Florida Housing's consent of the request outlined above
2. SAIL Credit Underwriting Report ("CUR") dated August 24, 2006, prepared by AmeriNat
3. SAIL Mortgage and Security Agreement dated November 17, 2006
4. SAIL Promissory Note dated November 17, 2006
5. ELIHA dated February 15, 2007
6. SAIL LURA dated November 17, 2006
7. Borrower Audited Financial Statements for years ending December 31, 2022 and 2021
8. Borrower's Sources and Uses
9. Letter of Proposed Terms from Merchants Capital Corporation dated February 9, 2023
10. Appraisal dated February 17, 2023
11. FHFC Occupancy Reports

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12. Annual Management Review and Physical Inspection dated December 7, 2022
13. FHFC Past Due Report dated March 23, 2023
14. FHFC Noncompliance Report dated December 28, 2022

Background

Manatee Cove Apartments is located at 746 Madelyn Way, Melbourne, Brevard County, FL and consists of 192 units in eight three-story residential buildings with a clubhouse/community building. The Development contains of 128 two-bedroom, two-bath units and 64 three-bedroom, two-bath units. The General Partner is Manatee Cove Apartments, LLC with 0.01% ownership interest, and the Limited Partner is U.S.A. Institutional Tax Credit Fund XL, L.P. with 99.99% ownership interest.

The Development was originally financed with an issuance of MMRB from the Housing Finance Authority of Brevard County ("HFA") in the amount of \$11,415,000. The HFA mortgage was funded on May 1, 2005 with proceeds from the issuance of \$11,415,000 Brevard County HFA Variable Rate Demand Multifamily Housing Revenue Bonds Series 2005 (Manatee Cove Apartments Project) (the "Bonds") with credit enhancement provided by Citibank, N.A. The mortgage is secured by the underlying property, rents, and other assets of the Partnership. The HFA loan currently bears interest at a weekly variable rate (3.66% at December 31, 2022) with a maturity date of November 15, 2037. Prepayment of the HFA loan is permitted under the terms of the loan agreement. The credit enhancement is provided by Citibank, N.A. in the form of a letter of credit equal to the outstanding bonds plus accrued interest as provided in the credit documents. The fee for this credit enhancement is equal to 1.00% of the stated amount of its letter of credit per annum from the date of issuance. The letter of credit expires on May 4, 2023; however, it has been extended until August 3, 2023 to facilitate the timing of the refinance. As of December 31, 2022 and 2021, the outstanding principal balance was \$7,945,000 and \$8,275,000, respectively. The Development is required to fund a principal reserve, which is used to redeem the bonds when the balance in the principal reserve reaches \$100,000. The balance in the principal reserve account at December 31, 2022 and 2021 is \$58,376 and \$55,931, respectively.

The Development entered into the Swap Agreement as of May 1, 2005 with an affiliate of the General Partner to limit the potential impact of adverse changes in interest rate. Effective January 1, 2008 under the terms of the Amended and Restated Swap Agreement, the Partnership has agreed to pay an affiliate (the "Swap Provider") a fixed rate of 4.2% per annum exclusive of any fees, add-ons or other trustee or bank charges less the Rate Cap Amortization Amount as that term is defined within the Second Amended and Restated Swap Agreement, subject to an interest rate floor of 4.2%, while the Swap Provider has agreed to make the Partnership's required monthly mortgage payment subject to the maximum interest rate pursuant to the Rate Cap. In the event that the floating rate is greater than the fixed rate, the affiliate will reimburse the Partnership for the difference less the Rate Cap Amortization Amount. The notional amount of the Swap Agreement is equal to the outstanding amount of the HFA mortgage. The Swap Agreement expires upon payment in full of the HFA mortgage. Effective January 1, 2010 under the terms of the Third Amended and Restated Swap Agreement, at any time following the expiration of the tax credit compliance period, the Swap Provider shall have the right to terminate the Swap Agreement by sending written notice to the Partnership of such termination together with a fee to the Partnership in the amount equal to 1% of the outstanding principal amount of the HFA mortgage on the date such notice is given. Interest expense during the years ended

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December 31, 2022 and 2021 was \$356,063 and \$356,301, respectively. The Partnership has made interest payments of \$356,301 and \$366,874 in connection with the Swap Agreement for the years ended December 31, 2022 and 2021, of which \$255,595 and \$349,269 was paid directly to the Swap Provider, all respectively. The balance was paid to HFA. At December 31, 2022 and 2021, accrued interest is \$13,877 and \$885, respectively.

Other financing sources include a SAIL loan in the amount of \$3,000,000 and Supplemental SAIL loan in the amount of \$1,000,000 for a combined SAIL loan amount of \$4,000,000. The SAIL loan will mature November 15, 2037 and is non-amortizing with an interest rate of 3.00% over the life of the loan with payments based upon available development cash flow as determined by Florida Housing. The Development incurred interest for each of the years ended December 31, 2022 and 2021 of \$120,000, and interest paid totaled \$27,661 and \$400, respectively. As of December 31, 2022 and 2021, the outstanding principal was \$4,000,000, and accrued interest was \$1,762,282 and \$1,669,943, respectively. As of December 31, 2022 and 2021, \$7,492,917 has been contributed by the Limited Partner, U.S.A. Institutional Tax Credit Fund XL, L.P. The Partnership also has a Special Limited Partner who is responsible for no capital contribution and has no percentage interest.

Operation of the Development is restricted by terms and conditions detailed in various loan documents, including but not limited to the SAIL LURA and ELIHA. In accordance with the SAIL LURA, 100% of the total units (192 units) are set-aside for tenants earning 60% or less of the area median income ("AMI") for a term of 50 years. In accordance with the ELIHA, 100% of the total units (192 units) are set-aside for tenants earning 60% or less of the AMI for a period of 30 years.

The 2022 audited financial statement reflects that the Development generated sufficient income to meet operating expense and to service the mortgage debt and related fees; however, shows a net loss due to accumulated depreciation expense. Total liabilities exceed total assets resulting in negative net asset position. No Going Concern comments were noted.

According to the FHFC Asset Management Noncompliance Report dated December 28, 2022, various noncompliance items exist for The Richman Group on six developments (Lake Kathy, Meridian Pointe, Royal Palm Key, Santa Fe Oaks I, Santa Fe Oaks II and Stoddert Place).

According to the FHFC Past Due Report dated March 23, 2023, no past due items exist for the Borrower and its Affiliates.

As of the February 2, 2023 FHFC occupancy report, the Development was 96.88% occupied.

AmeriNat's Annual Management Review and Physical Site Inspection dated December 7, 2022 noted no discrepancies and the review has been closed out.

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Refinancing Overview

As stated above, the letter of credit expires on May 4, 2023 and will not be renewed; however, it has been extended until August 3, 2023 to facilitate the timing of the refinance. The intent of the Borrower is to refinance the bond loan with a short-term bridge loan with a plan to re-syndicate or rehabilitate the Development with proceeds of a future loan through an agency execution to allow for a rehabilitation. The amount of the first mortgage bridge loan will be in an amount sufficient to cover the payoff of the first mortgage and the refinancing costs with no proceeds going to the Borrower.

Refinancing of the existing first mortgage loan is permitted under the underlying SAIL Loan documents if the criteria outlined in Rule Chapter 67-48.0105(5) and 67-48.010(15) are met, the original combined loan to value ratio for the superior mortgage and the SAIL mortgage is maintained or improved, and a proportionate amount of the increase in the superior mortgage is used to reduce the outstanding SAIL Loan balance. Rule Chapter 67-48.0105(5) states that the "Board shall approve requests for mortgage loan refinancing only if Development Cash Flow is improved, the Development's economic viability is maintained, the security interest of the Corporation is not adversely affected, and the Credit Underwriter provides a positive recommendation."

As required by Rule, subsequent to construction completion, with any increase in a mortgage superior to the SAIL mortgage, the original combined loan to value ratio for the superior mortgage and the SAIL mortgage is maintained or improved, and a proportionate amount of the increase in the superior mortgage is used to reduce the outstanding SAIL loan balance. At the time of original SAIL Underwriting, the combined (first mortgage and SAIL) market loan to value ("LTV") was 84.70%, which met the SAIL Rule requirement. Based on the appraisal completed by CBRE Valuation & Advisory Services ("CBRE") dated February 17, 2023, the combined new first mortgage and SAIL LTV is 36.44%, which meets Rule 67-48.010(15), whereby the original combined LTV ratio for the superior mortgage and the SAIL mortgage is maintained or improved, and a proportionate amount of the increase in the superior mortgage is used to reduce the outstanding SAIL Loan balance. The required pay down of the SAIL Loan is estimated to be \$30,070.71. See attached Exhibit A for the calculation.

The Borrower provided an executed letter of proposed terms from Merchants dated February 9, 2023 for a first mortgage loan in an amount up to \$8,120,000 or 60% loan to value. The proposed terms and conditions of the Merchant first mortgage includes a term of 36 months, interest only with a floating interest rate based on the Secured Overnight Financing Rate ("SOFR") (4.57% as of March 16, 2023) plus 300 basis points ("bps") for an interest rate of 7.57%. For underwriting purposes, the underwriter has included 50 bps cushion for an all-in interest rate of 8.07%. AmeriNat has calculated the estimated annual debt service following refinance of the first mortgage loan to be \$665,169 based upon the anticipated loan amount of \$8,242,488. AmeriNat received and satisfactorily reviewed an appraisal dated February 17, 2023 which was completed by CBRE and was engaged by Merchants. Based upon the conclusions made by CBRE in the appraisal and their survey of comparable properties, the proposed operating pro forma is as follows:

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Operating Pro Forma

FINANCIAL COSTS:			Year 1	Year 1 Per Unit
OPERATING PRO FORMA				
INCOME:	Gross Potential Rental Income		\$2,541,312	\$7,288
	Other Income			
	Ancillary Income		\$85,388	\$240
	Less:			
	Physical Vac. Loss	Percentage: 3.0%	\$76,239	\$376
	Collection Loss	Percentage: 1.0%	\$25,413	\$75
Total Effective Gross Income			\$2,525,048	\$7,077
EXPENSES:	Fixed:			
	Real Estate Taxes		\$13,556	\$437
	Insurance		\$172,800	\$400
	Variable:			
	Management Fee	Percentage: 5.00%	\$126,252	\$389
	General and Administrative		\$86,400	\$300
	Payroll Expenses		\$288,000	\$1,325
	Utilities		\$292,800	\$1,025
	Marketing and Advertising		\$28,800	\$100
	Maintenance and Repairs/Pest Control		\$153,600	\$525
	Grounds Maintenance and Landscaping		\$67,200	\$300
	Security		\$24,000	\$250
	Reserve for Replacements		\$57,600	\$300
Total Expenses			\$1,311,008	\$5,351
Net Operating Income			\$1,214,040	\$1,726
Debt Service Payments				
First Mortgage - Merchants Capital		\$665,169	\$910	
Second Mortgage - SAIL		\$120,000	\$288	
SAIL PLS Fee		\$2,832	\$37	
SAIL CM Fee		\$3,432	\$22	
Total Debt Service Payments		\$791,433	\$1,515	
Cash Flow after Debt Service		\$422,607	\$211	
		Annual	Per Unit	
Debt Service Coverage Ratios				
DSC - First Mortgage plus Fees		1.83x		
DSC - Second Mortgage plus Fees		1.54x		
DSC - All Mortgages and Fees		1.53x		
Financial Ratios				
Operating Expense Ratio		51.92%		
Break-even Economic Occupancy Ratio (all deb		80.04%		

Note: AmeriNat adjusted the Management Fee to 5.00% based on the current fees versus the appraisal at 3.00%; and also adjusted the Reserve for Replacements to \$300 per unit/year versus the appraisal at \$250 per unit/year.

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Overall Sources & Uses of Funds

The Borrower provided AmeriNat with an estimate of the overall sources and uses of funds:

Refi Sources	
Merchants 1st Mortgage	\$8,242,488
Total Sources	\$8,242,488
Refi Uses	
Existing 1st Mortgage	\$8,060,885
Financing Fees	\$81,643
Lender Legal	\$25,000
Borrower Legal	\$50,000
CUR	\$3,960
SAIL & ELIHA Subordination	\$2,000
FHFC Legal	\$6,500
3rd Party Reports	\$12,500
Total Uses	\$8,242,488

First mortgage loan payoff, financing and closing costs are based on estimates provided by the Borrower, which appear reasonable at this time.

Summary and Recommendation

AmeriNat recommends that FHFC consent to and approve the refinancing of the existing first mortgage loan, subordination of the SAIL Loan, SAIL LURA and ELIHA, as applicable, as well as modification of any other loan documents as required to effectuate the refinancing, subject to the following.

- Review of final first mortgage loan terms and confirmation that all FHFC underwriting standards for approval have been met
- Confirmation of refinancing fees and closing costs prior to closing
- Review and approval of all loan documents by Florida Housing, its Legal Counsel and Servicer
- Receipt of a non-refundable SAIL subordination fee of \$1,000 on the date of the closing
- Receipt of a non-refundable ELIHA subordination fee of \$1,000 on the date of the closing, if applicable
- Transfer of existing tax, insurance, replacement reserve and debt service reserve escrow accounts or establishment of new accounts in like or greater amounts satisfactory to FHFC prior to closing, if applicable
- Consent of the HC equity provider, as applicable
- FHFC requires the Borrower to waive the right to a Qualified Contract under the ELIHA, such waiver to be in form and substance acceptable to FHFC, if applicable
- Prepayment of any compliance monitoring fees and servicing fees, if applicable
- Payment of any outstanding arrearages to FHFC, its Legal Counsel, Servicer or any Agent or Assignee of Florida Housing for Past Due issues applicable to the Development Team (Borrower or Developer)

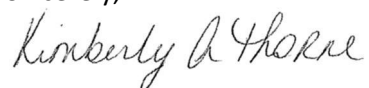
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or Principal, Affiliate or Financial Beneficiary, as described in 67-48.0075(5) F.A.C., of a Borrower or a Developer)

- Satisfactory resolution of any noncompliance and/or past due items
- Any payment of deferred developer fee will be subordinate to the annual SAIL interest for each SAIL Loan, if applicable
- Payment of any required SAIL paydown
- Any other due diligence required by FHFC, its Legal Counsel and Servicer

Please do not hesitate to contact me if I can be of further assistance.

Sincerely,



Kimberly A. Thorne
Senior Credit Underwriter

Exhibit A
SAIL Paydown Calculation

Development Name	Manatee Cove Apartments	
Original First Mortgage Amount		\$ 11,415,000
SAIL Loan Amount		\$ 4,000,000
Total		\$ 15,415,000
SAIL as % of Total		25.95%
Requested First Mortgage Amount (estimate)		\$ 8,242,488
Current First Mortgage Balance		\$ 7,945,000
Increased Loan Amount		\$ 297,488
Refinancing Transaction Costs (estimate)		\$ 181,603
Net Increase		\$ 115,885
SAIL as % of Total		25.95%
SAIL Paydown calculation:		\$30,070.71
Required SAIL Loan Payment (estimate)		\$ 30,070.71



April 18, 2023

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

Re: Stoddert Place (f/k/a Stoddert Arms Apartments)
HOME: 96DHR-007 / Housing Credits (“HC”): 1998-515C

Refinance of the First Mortgage / Renegotiation of the HOME Loan / Subordination of HOME Loan Documents and Housing Credit (“HC”) Extended Low-Income Housing Agreement (“ELIHA”)

Dear Mr. Fowler:

First Housing Development Corporation of Florida (“First Housing”, FHDC”, or “Servicer”) has reviewed a request dated February 22, 2023, from William T. Fabbri on behalf of Blue Angel Limited Partnership (“Borrower”) a related party of The Richman Group of Florida, requesting consent from Florida Housing Finance Corporation (“Florida Housing” or “FHFC”) to refinance the first mortgage and execute Subordination Agreements of the existing HOME Loan Documents and ELIHA. The Borrower intends to obtain a Bridge Loan, in the estimated amount of \$9,665,000, from Merchants Capital. The loan proceeds will be used to pay off the existing first mortgage and to pay refinancing closing costs.

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

- Credit Underwriting Report dated September 25, 1996 (“Original CUR”), MMRB Refunding CUR dated December 1, 2006, and First Mortgage Refinance, Subordination, and Transfer of Ownership Interest CUR dated March 7, 2019.

- Development Audited Financial Statements for the year ended December 31, 2021 and December 31, 2020.
- Development Unaudited Income Statement and Balance Sheet, dated December 31, 2022.
- Property Rent Roll, dated February 28, 2023.
- FHFC Occupancy Reports.
- HOME Promissory Note, dated September 24, 1996 and Allonge to Promissory Note, dated March 25, 2019.
- Financing proposal, dated March 20, 2023.
- ELIHA, dated August 31, 1998.
- HOME Land Use Restriction Agreement (“LURA”), dated September 26, 1996.
- Borrower’s Sources and Uses of Funds Schedule.
- FHFC Past Due Report, dated February 27, 2023.
- FHFC Asset Management Noncompliance Report, dated December 28, 2022.
- Annual Management Review and Physical Inspection, dated November 15, 2022.

Background

Stoddert Place (f/k/a Stoddert Arms Apartments) (“Development”) is an existing 320-unit multifamily development located at 150 Tiger Lily Drive, Pensacola, Escambia County, Florida and consists of twenty-five (25) two-story residential apartment buildings, and a single-story leasing office/clubhouse. The Development contains twenty-four (24) one-bed/one-bath units, one-hundred twenty-eight (128) two-bed/two-bath units and one-hundred sixty-eight (168) three bed/two bath units.

The Development was originally financed with \$11,930,000 in Tax Exempt Multifamily Mortgage Revenue Bonds (“MMRB”) 1996 Series O issued by Florida Housing. The Note was credit enhanced by Florida Housing’s Affordable Housing Guarantee Fund Program with HUD Risk-sharing. The MMRB were redeemed on June 5, 2019. The MMRB LURA was terminated on June 5, 2019. The existing first mortgage is with Merchants Bank of Indiana in the amount of \$9,500,000. The loan matures on June 1, 2023.

The existing second mortgage is payable to FHFC under its HOME loan program in the original amount of \$2,200,000. The HOME loan bears interest at a rate of 3% per annum. The entire unpaid principal amount shall be due and payable at maturity on September 1, 2036. The Borrower shall maintain an escrow account (the “Principal Retirement Account”) with the Servicer and pay the sum of \$1,260 per month (“the Sinking Fund Payments”) beginning September 1, 1998 and continuing each month thereafter. As of March 31, 2023, the outstanding principal was \$1,827,039.99 and the outstanding interest was \$41,284.13.

The Development also received an allocation of HC’s.

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

ELIHA requires the following set asides for a term of thirty (30) years:

- 78.75% of the units (252 units) set aside at or below 60% Area Median Income (“AMI”)

HOME LURA requires the following 137 HOME Assisted Units to be set aside for a term of fifty (50) years:

- 73% of the HOME Assisted Units (100 units) set aside at or below 60% AMI
- 27% of the HOME Assisted Units (37 units) set aside at or below 80% AMI

Per the 2023 FHFC occupancy report, the Development was 86.56% occupied in February 2023. Based on FHFC’s Occupancy Reports, the property’s occupancy averaged 91.48% for 2022; however, occupancy for April 2022 was not reported.

An Annual Management Review and Physical Site Inspection was conducted on October 14, 2022. The inspection found the property to be in noncompliance; however, the issue was cured. A closeout letter was issued on January 4, 2023.

Status of the Development Team Noncompliance/Past Due

The development team was reported on Florida Housing’s March 23, 2023 Past Due Report for the following:

- None

The development team was reported on Florida Housing’s December 28, 2022 Asset Management Noncompliance Report for the following:

- Lake Kathy – Failure to document eligibility upon initial occupancy.
- Meridian Point – Failure to meet uniform physical condition standards for common areas.

- Royal Palm Key – Failure to perform first anniversary income determination.
- Santa Fee Oaks I – Failure to perform first anniversary income determination.
- Santa Fe Oaks II – Failure to perform first anniversary income determination.
- Stoddert Place – Failure to annually recertify eligibility, failure to perform first anniversary income determination, and failure to meet HC overall set-aside.

Refinance / Renegotiation Overview

The Borrower's long-term plan is to re-syndicate or refinance the Development to allow for a rehabilitation of the Development. In the interim, the Borrower plans to refinance the Development with a short-term Bridge Loan from Merchants Capital. First Housing reviewed a financing proposal, dated March 20, 2023, from Merchants Capital for a loan in the maximum amount of \$9,665,000. The loan term will be 36 months and will require interest only payments. The interest rate is floating and is based on the Secured Overnight Financing Rate ("SOFR") plus a spread of 275 basis points ("bps"). First Housing has calculated the interest rate by adding the SOFR rate of 4.81% (as of March 27, 2023), a spread of 2.75%, and an underwriting cushion of 1.00% for an all-in interest rate of 8.56%.

Renegotiation of the HOME loan will require a negotiated principal payment of \$30,000, payment of all outstanding accrued HOME interest will be made, and if applicable, any payments of deferred developer fee will be subordinate to the annual HOME interest payment.

Based on a review of historical operating results, First Housing has concluded a net operating income ("NOI") estimate (including annual replacement reserve deposits of \$250 per unit per year) in the amount of \$1,102,921. The resulting combined debt service coverage ("DSC") ratio for the first mortgage loan and HOME loan, after the principal payment, is calculated at 1.25x which meets FHFC DSC underwriting requirements. Cash flow will not be improved although the Development's economic viability will be maintained.

Merchants Capital has ordered an appraisal but it has not been received at this time. Receipt of a final appraisal is a condition of this report and a condition of closing.

Source and Use of Funds

The Borrower has provided First Housing with an estimate of the overall sources and uses of funds. First Housing changed the financing fees to be 0.75% of the bridge loan amount and changed the third party reports to \$10,000 based on the financing proposal, dated March 20, 2023, from Merchants Capital. First Housing also adjusted the Borrower Legal line item in order to balance. Please note if closing costs are higher, it is anticipated that a larger Bridge Loan would be obtained.

Sources	
Bridge Loan	\$9,665,000
Total Sources	\$9,665,000
Uses	
Payoff 1st Mortgage	\$9,500,000
Financing Fees	\$72,488
Lender Legal	\$25,000
Borrower Legal	\$4,088
Credit Underwriting Fee	\$5,789
FHFC Fees	\$11,135
FHFC Legal Fees	\$6,500
Third Party Reports	\$10,000
HOME Negotiated Principal Payment	\$30,000
Total Uses	\$9,665,000

Management Company

The existing management company is Richman Property Services, Inc (“RPS”) and there is no plan to change management for the Development. RPS manages over 120 properties in 49 states with over 19,000 residential units that range from affordable housing, market-rate, and senior living. The selection of the management company is currently approved by Florida Housing’s Asset Management Department. Continued approval is contingent upon ongoing satisfactory performance.

Recommendation

Based upon the review of the information submitted and within the scope of the analysis, First Housing recommends the Bridge Loan in an amount of \$9,665,000 and recommends that FHFC approve the refinance of the first mortgage, and subordination of the HOME Loan Documents and ELIHA, as applicable to the new first mortgage lender, all to meet the requirements of the Bridge Loan, and the modification of any loan documents as required to effectuate the transaction. Additionally, FHFC will receive a negotiated HOME principal payment in the amount of \$30,000.

Conditions

The recommendation is subject to the following conditions:

1. Formal consent of all other lenders of the refinancing prior to closing, if applicable.

2. Review and approval of all loan documents consistent with the terms outlined above by FHFC, its legal counsel, and Servicer.
3. Confirmation of final proposed Bridge Loan terms.
4. Confirmation of refinancing fees and closing costs prior to closing.
5. Satisfactory resolution of any outstanding FHFC past due and/or noncompliance items.
6. Payment of any outstanding arrearages to the Corporation, its legal counsel, Servicer or any agent or assignee of the Corporation for past due issues applicable to the development team (Applicant or Developer or Principal, Affiliate or Financial Beneficiary, as described in 67-48.0075 (5) F.A.C., of an Applicant or a Developer).
7. Prepayment of any required compliance monitoring fees and servicing fees, if applicable.
8. Payment of HOME negotiated principal payment in the amount of \$30,000.
9. Payment of outstanding HOME Loan deferred and accrued interest as determined by FHFC and its Servicer; if applicable.
10. Verification that all Insurance Certificates are current and acceptable to First Housing and FHFC.
11. Receipt of a non-refundable renegotiation fee equal to one-half of one percent of the HOME principal amount on the date of the closing.
12. Receipt of a satisfactory final appraisal.
13. Receipt of a non-refundable subordination fee of \$1,000 for the HOME Subordination.
14. Receipt of a non-refundable subordination fee of \$1,000 for the ELIHA Subordination, if applicable.
15. Transfer of existing tax, insurance, replacement reserve and debt service escrow accounts or establishment of new accounts in like or greater amounts satisfactory to FHFC prior to closing, if applicable.
16. Consent of HC equity provider, as applicable.
17. All other due diligence required by FHFC, its legal counsel and Servicer.

Prepared by:



Taylor Arruda
Senior Credit Underwriter

Reviewed By:



Ed Busansky
Senior Vice President

Operating Pro Forma

FINANCIAL COSTS:		2020 AFS	Per Unit	2021 AFS	Per Unit	Unaudited Income Statement December 31, 2022	Per Unit	Underwriter Projected Proforma 2023	Per Unit
OPERATING PRO FORMA									
INCOME:	Gross Potential Rental Income	\$3,473,183	\$10,854	\$3,491,400	\$10,911	\$3,687,587	\$11,524	\$3,761,339	\$11,754
	Other Income								
	Miscellaneous	\$172,474	\$539	\$145,018	\$453	\$146,133	\$457	\$149,055	\$466
	Gross Potential Income	\$3,645,657	\$11,393	\$3,636,418	\$11,364	\$3,833,719	\$11,980	\$3,910,394	\$12,220
	Less:								
	Physical Vac. Loss 7.70%	\$261,091	\$816	\$698,588	\$2,183	\$295,378	\$923	\$301,100	\$941
	Collection Loss 6.00%	\$230,734	\$721	\$0	\$0	\$227,841	\$712	\$234,624	\$733
Rent Concessions 0.50%	\$12,218	\$38	\$166,173	\$519	\$17,138	\$0	\$19,552	\$61	
Total Effective Gross Income	\$3,141,614	\$9,818	\$2,771,657	\$8,661	\$3,293,363	\$10,292	\$3,355,118	\$10,485	
EXPENSES:	Fixed:								
	Real Estate Taxes	\$128,131	\$400	\$159,752	\$499	\$103,737	\$324	\$106,849	\$334
	Insurance	\$178,300	\$557	\$237,486	\$742	\$289,291	\$904	\$297,970	\$931
	Variable:								
	Management Fee Percentage: 4%	\$119,828	\$374	\$106,985	\$334	\$127,098	\$397	\$134,205	\$419
	General and Administrative	\$148,377	\$464	\$177,603	\$555	\$207,343	\$648	\$213,563	\$667
	Payroll Expenses	\$520,242	\$1,626	\$542,943	\$1,697	\$582,912	\$1,822	\$600,399	\$1,876
	Utilities	\$320,861	\$1,003	\$365,858	\$1,143	\$466,543	\$1,458	\$480,539	\$1,502
	Marketing and Advertising	\$14,256	\$45	\$7,002	\$22	\$10,045	\$31	\$10,347	\$32
	Maintenance and Repairs/Decorating	\$303,461	\$948	\$283,797	\$887	\$260,231	\$813	\$268,038	\$838
	Grounds Maintenance and Landscaping	\$47,193	\$147	\$55,925	\$175	\$58,531	\$183	\$60,287	\$188
	Reserve for Replacements	\$80,000	\$250	\$80,000	\$250	\$80,000	\$250	\$80,000	\$250
Total Expenses	\$1,860,649	\$5,815	\$2,017,351	\$6,304	\$2,185,731	\$6,830	\$2,252,196	\$7,038	
Net Operating Income	\$1,280,965	\$4,003	\$754,306	\$2,357	\$1,107,632	\$3,461	\$1,102,921	\$3,447	
Debt Service Payments									
First Mortgage	\$349,679	\$1,093	\$299,068	\$935	\$421,338	\$1,317	\$827,324	\$2,585	
Second Mortgage - FHFC/HOME	\$56,078	\$175	\$55,624	\$174	\$55,022	\$172	\$53,911	\$168	
Other Fees - Agency/Servicer	\$4,615	\$14	\$4,653	\$15	\$4,594	\$14	\$4,493	\$14	
Total Debt Service Payments	\$410,372	\$1,282	\$359,345	\$1,123	\$480,954	\$1,503	\$885,728	\$2,768	
Cash Flow after Debt Service	\$870,593	\$2,721	\$394,961	\$1,234	\$626,678	\$1,958	\$217,194	\$679	
Debt Service Coverage Ratios									
DSC - First Mortgage	3.66		2.52		2.63		1.33		
DSC - First & Second Mortgages	3.16		2.13		2.33		1.25		
DSC - All Mortgages and Fees	3.12		2.10		2.30		1.25		
Financial Ratios									
Operating Expense Ratio	59%		73%		66%		67%		
Break-even Economic Occupancy Ratio (all d	62%		65%		70%		80%		

First Housing's calculation on the HOME Loan is a rough estimate, as the HOME Loan bears interest on the outstanding principal balance and First Housing did not factor in the sinking fund payment when calculating the interest payment.

April 20, 2023

Mr. Todd Fowler
Director of Special Assets
Florida Housing Finance Corporation
227 North Bronough Street, Suite 5000
Tallahassee, FL 32301-1329

RE: Marina Del Ray (the "Development") – SAIL 2002-026CS
Partial Release of Land from the SAIL Mortgage, Land Use Restriction Agreement ("LURA"), and
Extended Low Income Housing Agreement ("ELIHA")

Dear Mr. Fowler:

AmeriNat® ("AmeriNat" or "Servicer") has reviewed a correspondence dated January 25, 2023, from a representative of Creative Choice Homes XXVIII, Ltd. (the "Borrower"), which requests Florida Housing Finance Corporation ("Florida Housing" or "FHFC") release +/-1,020 square feet of land currently encumbered by the State Apartment Incentive Loan ("SAIL") Mortgage, LURA, and ELIHA. According to the Exclusive Utility Easement dated November 30, 2022, between the Borrower and Rolling Oaks Utilities, Inc. ("RO Utilities"), RO Utilities has been previously granted an easement to the land and has previously installed a lift station that provides regional potable water and wastewater service to the Development. AmeriNat has reviewed the following documentation in conjunction with this request:

- Correspondence from FHFC regarding approval of the request detailed above
- Final SAIL & Housing Credit ("HC") Underwriting Report ("CUR") for the Development dated March 18, 2004
- SAIL Mortgage dated June 14, 2004
- SAIL LURA dated June 14, 2004
- ELIHA dated March 1, 2005
- Exclusive Utility Easement dated November 30, 2022
- Easement Survey dated May 6, 2022
- FHFC Occupancy Report dated February 28, 2023
- FHFC Past Due Report dated March 23, 2023
- FHFC Noncompliance Report dated December 28, 2022
- The Development's Annual Management Review and Physical Inspection dated June 16, 2022
- Rule Chapters 67-48 and 67-21
- Various other correspondence related to the aforementioned documentation

Background

The Development is located at 265 Fathom Loop, Beverly Hills, Citrus County, Florida, 34465. It consists of 100 apartment units in five garden-style buildings serving an elderly demographic. The Development site contains approximately 7.55 acres including the approximate 1,020 square feet of land requested for release. Creative Choice Homes, Inc. and Dilip Barot are the principals of the Borrower.

Per the Loan Documents, the Borrower received \$1,100,000 in SAIL funding and an annual HC allocation of \$748,670. Additional funding includes a first mortgage from Pacific Life in the amount of \$700,000 and

a SHIP Loan from Citrus County in the amount of \$150,000. For a term of fifty (50) years, the Development's ELIHA requires the Development set aside a minimum of 40% of the units (40 units) for tenants earning 60% or less of the Area Median Income ("AMI") and the LURA requires the following set asides:

- 56% of the units (56 units) at 50% or less of AMI
- 44% of the units (remaining 44 units) at 60% or less of AMI

Based on FHFC's occupancy report, the Development was 99.00% occupied as of February 2023.

The FHFC Past Due Report dated March 23, 2023, indicates the following issues with the Borrower's development team:

- Andros Isle aka Vista Palms - Creative Choice Homes; Creative Choice Homes XI, Ltd., Creative Choice Homes XI Inc.; Creative Choice Homes, Inc.; Vista Palms Investment Holding LLC; Dr. Paresh Desai - SAIL 2001-060S/ELI 2010-16-26R/SMI #27/HC 2001-533C - SAIL - Loan Matured on 12/18/18. SMI - Loan Matured on 12/15/20.

The FHFC Noncompliance Report dated December 28, 2022, indicates the following issues associated with the Borrower's development team:

- Creative Choice Homes XVIII, Ltd. - Hickory Hills - HC 2004-079C - 4/20/2022 Triennial Review: 4/13/2022 1) Failure to meet uniform physical condition standards ("UPCS") for buildings; 2) Failure to meet UPCS for site; 3) Failure to meet UPCS for common areas
- Creative Choice Homes XXIV, Ltd. - Sanctuary Walk - HC 2004-069C/ 2005-001C - 3/23/2022 Triennial Review: 3/16/2022 1) Failure to meet UPCS for site; 2) Failure to meet UPCS for common areas.

Partial Release of Land Overview

According to the Exclusive Utility Easement, the Borrower grants, conveys and transfers unto RO Utilities, its successors and assigns, an exclusive utility easement for maintenance and repair of a wastewater utility lift station, together with ingress and egress in, upon, over, under and across the Easement Area, for installation, maintenance and repair work related to RO Utilities' lift station and appurtenant facilities. Upon permanent abandonment or relocation by RO Utilities of the lift station, the easement shall terminate. There is no payment or fees illustrated in the Exclusive Utility Easement. The lift station equipment is fenced off from tenants and RO Utilities is responsible for maintaining the Easement Area including repairing any damage whatsoever and of any nature caused directly or indirectly by the Borrower, its employees, invitees, or agents.

CSWR-Florida Utility Operating Company, LLC ("CSWR-Florida") is an affiliate of Central States Water Resources ("CSWR"), a private, investor-owned, regulated water utility company with a national footprint across 11 states. CSWR is the 11th largest water and wastewater utility company, and the single largest operator of wastewater plants in the United States. CSWR-Florida is in the process of acquiring RO Utilities and desires that the lift station equipment be unencumbered by the Mortgage, LURA, and ELIHA. The Borrower would retain ownership of the property and there is no intention to sell the land to CSWR-Florida; therefore, there shall be no exchange of funds if the release is granted. However, the lift station equipment is arguably encumbered by the SAIL Mortgage, LURA and ELIHA; and, CSWR-Florida wants to remove all doubt that CSWR-Florida is acquiring the lift station equipment free and clear.

As the Easement area is fenced off from tenants and the lift station remains operational, providing potable water and wastewater services to the Development. This request is not anticipated to affect the tenants in any way but will allow CSWR-Florida to assume maintenance and continue to provide potable water and wastewater services to the Development.

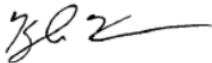
Recommendation

AmeriNat recommends that FHFC approve the release of +/-1,020 square feet of land at the Development and a modification of the legal description in the SAIL Mortgage, LURA, and ELIHA to ensure the lift station equipment located in the Easement Area is free and clear. The partial release of land will not negatively impact the continued operation of the Development and potable water and wastewater services will still be provided to the tenants, and is subject to the following:

1. Review and approval of all documents needed to effectuate the partial release of land (+/- 1,020 square feet) for the purposes of assisting in effectuating a sale of RO Utilities to CSWR-Florida, consistent with the terms outlined above by Florida Housing, its Legal Counsel, and Servicer;
2. The Borrower is not to benefit financially by providing this release and no funds shall be exchanged to the Borrower from either RO Utilities or CSWR-Florida for this purpose.
3. Payment of any outstanding arrearages to Florida Housing, its Legal Counsel, Servicer or any Agent or Assignee of Florida Housing for past due issues applicable to the Development Team (Borrower or Developer or Principal, Affiliate or Financial Beneficiary, as described in Rule Chapter 67-21.0025(5) and 67-48.0075 (5) F.A.C., of a Borrower or a Developer), if applicable;
4. Satisfactory resolution of any outstanding Florida Housing noncompliance and/or past due items;
5. Any other requirement of Florida Housing, its Legal Counsel and Servicer.

Please do not hesitate to contact me if you need further assistance.

Sincerely,



Kyle Kuenn
Senior Credit Underwriter