STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION

FHFC CASE NO.: 2026-019VW
APPLICATION NO.: 2023-166BH

RECEIVED
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FLORIDA HOUSING FINANCE CORPORATION

SOVEREIGN AT PARKSIDE EAST, LLC,

Petitioner,

vs.

FLORIDA HOUSING FINANCE CORPORATION,

Respondent.
_____/

PETITION FOR WAIVER OF RULE 67-48.0072(21)(b)

Sovereign at Parkside East, LLC, a Florida limited liability company (the "Petitioner"), by and through its undersigned counsel, hereby petitions the Florida Housing Finance Corporation (the "Corporation") for a waiver of Rule 67-48.0072(21)(b), Florida Administrative Code ("F.A.C") (July 6, 2022) (the "Rule"), in effect at the time Petitioner submitted its Application (as defined below) in response to the Corporation's RFA (as defined below), to allow Petitioner to extend its deadline to secure a firm loan commitment for an additional six (6) months. Petitioner seeks a waiver of, or variance from, the Rule for reasons set forth below. This Petition is filed pursuant to Section 120.542, Florida Statutes, and Chapter 28-104, Florida Administrative Code. In support, the Petitioner states as follows:

A. THE PETITIONER

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

Sovereign at Parkside East, LLC
512629 New Brittany Boulevard, Building 16
Fort Myers, Florida 33907

Telephone: (239) 691-5559
Attention: Matthew D. Miller
Email: mmiller@national-development.com

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

Nicholas W. Heckman, Esq.
Nelson Mullins Riley & Scarborough LLP
390 N. Orange Ave., Suite 1400
Orlando, Florida 32801
Telephone: (407) 669-4241
Facsimile: (407) 425-8377
Email: nick.heckman@nelsonmullins.com

3. On January 24, 2023, Petitioner submitted an application (the "Application") in response to RFA 2022-206 HOME Financing to be used for Rental Developments in Certain Hurricane Ian Impacted Counties (the "RFA") requesting a loan financed by Corporation-issued Multifamily Mortgage Revenue Bonds in an amount up to $6,010,000 (the "MMRB Loan") and a HOME Investment Partnership Program funds in an amount up to $5,653,571(the "HOME Loan") to finance the development of a 32-unit elderly residential housing development to be located in the city of Charlotte County, Florida, to be commonly known as Sovereign at Parkside East (the "Development"). The Petitioner received -and subsequently accepted - correspondence from the Corporation providing a preliminary commitment for the HOME Loan and the MMRB Loan (the HOME Loan and MMRB Loan, collectively referred to herein as the "Loans") and inviting the Petitioner to enter credit underwriting. Pursuant to the Rule, the Petitioner must receive a firm loan commitment within twelve (12) months of the Petitioner accepting its invitation to enter into credit underwriting. On November 20, 2023, the Petitioner requested the approval of the Corporation to extend the Petitioner's deadline to secure a firm loan commitment by six (6) months. On May 10, 2024, the Corporation approved the Petitioner's request and approved the deadline to be extended

through November 26, 2024. Petitioner paid a one (1) percent extension fee in connection with approval of the foregoing extension. On October 3, 2024, Petitioner submitted a petition to the Corporation for waiver of Rule 67048.0072(21)(b), in order to extend the Petitioner's deadline to secure a firm loan commitment for six (6) months. On October 22, 2024, the Corporation's Board of Directors (the "Board"), granted Petitioner's request to extend the Petitioner's firm loan commitment deadline to May 26, 2025.

4. On May 28, 2025, Petitioner submitted a petition to the Corporation for waiver of Rule 67048.0072(21)(b), in order to extend the Petitioner's deadline to secure a firm loan commitment for an additional six (6) months to allow Petitioner additional time to finalize a restructuring of the applicant and developer entities for the Development. On August 1, 2025, the Board granted Petitioner's request to extend the Petitioner's firm loan commitment deadline to February 1, 2026.

B. THE RULE FROM WHICH WAIVER IS SOUGHT

5. The Petitioner requests a waiver of or variance from Rule 67-48.0072(21)(b), F.A.C (effective July 6, 2022), which provides in part:

> **67-48.0072 Credit Underwriting and Loan Procedures.**
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> (21) Information required by the Credit Underwriter shall be provided as follows:
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> (b) For SAIL and HOME, unless stated otherwise in a competitive solicitation, the firm loan commitment must be issued within twelve (12) months of the Applicant's acceptance to enter credit underwriting, which may be automatically extended to the next scheduled meeting of the Board of Directors that is after the twelve (12) month deadline.

> Unless an extension is approved by the Corporation in writing, failure to achieve issuance of a firm loan commitment by the specified deadline shall result in withdrawal of the preliminary commitment. **Applicants may request one (1) extension of up to six (6) months, which may be automatically extended to the next scheduled meeting of the Board of Directors that is after the six (6) month extension deadline, to secure a firm loan commitment.** All extension requests must be submitted in writing to the program administrator and contain the specific reasons for requesting the extension and shall detail the time frame to achieve a firm loan commitment. In determining whether to grant an extension, the Corporation shall consider the facts and circumstances of the Applicant's request, inclusive of the responsiveness of the Development team and its ability to deliver the Development timely. The Corporation shall charge a non-refundable extension fee of one (1) percent of each loan amount if the request to extend the credit underwriting and firm loan commitment process beyond the initial twelve (12) month deadline is approved. If an approved extension is utilized, Applicants must pay the extension fee not later than seven (7) Calendar Days after the original twelve (12) month deadline. If, by the end of the extension period, the Applicant has not received a firm loan commitment, then the preliminary commitment shall be withdrawn.
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> **(Emphasis added.)**

C. STATUTES IMPLEMENTED BY THE RULES

6. The Rule is implementing, among other sections of the Florida Housing Finance Corporation Act (the "Act"), the statute that designated the Corporation to administer the HOME Investment Partnership Program. *See* Fla. Stat. § 420.5089.

D. JUSTIFICATION FOR PETITIONER'S REQUESTED WAIVER

7. Petitioner was previously granted an extension to secure a firm loan commitment for the Loans to February 1, 2026. Petitioner respectfully requests an extension of the deadline to secure a firm loan commitment for the Loans for an additional six months in order for Petitioner to finalize the Development's credit underwriting report. Shortly after the Board granted

Petitioner's request to extend its firm loan commitment deadline to February 1, 2026, the Petitioner, its previous principals and its new principals worked tirelessly to finalize the restructuring of the Development's applicant and developer entities. On October 24, 2025, the Board approved Petitioner's request to change its applicant and developer organization structure and the Petitioner, its previous principals and its new principals, soon thereafter finalized the respective transfer and organization documents needed to memorialize the proposed applicant and developer structure approved by the Board.

8. After Petitioner's new applicant and developer structure was in place, the Petitioner quickly began working to finalize its credit underwriting report as quickly and efficiently as possible in order to receive its firm loan commitment. Since such time, the Petitioner has diligently worked to complete and provide credit underwriter the required items credit underwriter needs to finalize the report. As of this date, the Petitioner has received its preliminary site plan approval, received preliminary approval from Charlotte County for State Housing Initiatives Partnership ("SHIP") funds in an estimated amount of $400,000; and, also received an impact fee waiver from the County, which is estimated to provide the Development an additional $150,000 in financing. Moreover, the Petitioner has completed its general contractor bid process and predicts to have the general contractor contract finalized and executed in the next two weeks; and its environmental assessment from HUD is being processed timely and is on schedule to being completed within the Petitioner's timeline.

9. The Petitioner anticipates finalizing its credit underwriting report by mid-March 2026 in order for the report to be on the Board's May 1, 2026 Board meeting for approval. As such, Petitioner hereby formally requests a waiver of the Rule or variance from the Rule, in order to extend the Petitioner's firm loan commitment deadline for an additional six months to allow

Petitioner additional time to finalize its credit underwriting report and receive its firm loan commitment from the Corporation.

10. 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 hardship[1] *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.

11. Petitioner is actively and promptly undertaking the steps necessary to finalize its credit underwriting report so that Petitioner can receive its firm loan commitment. Despite several set-backs with the restructuring, the Petitioner has finalized its restructuring and has made substantial progress towards finalizing its credit underwriting report. As stated above, since the restructuring, the Petitioner is proceeding expeditiously toward completing its credit underwriting report and anticipates having it finalized for Board approval by March 2026 (i.e., to be on the May 1, 2026 Board Meeting). Moreover, Petitioner used its own money to cover the costs of predevelopment items, restructuring costs, and also has purchased the land for the Development using its own money to ensure that the Development proceeds to completion. A denial of the request would result in substantial economic hardship to the Petitioner as it has incurred substantial costs to date restructuring the applicant and developer entities and ensuring that the Development proceeds to completion and if not granted would otherwise cause the Petitioner to lose its award.

[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.

12. The Corporation would benefit by granting the requested waiver of, or variance of the Rule. Since the Board approved Petitioner's applicant and developer structure change, the Petitioner has devoted a substantial amount of time and energy to quickly and efficiently finalize its credit underwriting report. If granted, it will allow the Petitioner the additional time it needs to to finalize its credit underwriting report and receive the Development's firm loan commitment.

13. The Florida Housing Finance Corporation Act (Section 420.501, *et seq*.) was passed to encourage private and public investment in facilities for persons of low-income. The purposes of Section 420.5089, Fla. Stat. and the Act that are implemented by Chapter 67-48, as one of the goals is for Corporation financing to be used to facilitate the availability of decent, safe and sanity housing in the State of Florida to low-income persons and households. Further, the Act was passed in order to stimulate and prioritize initiatives to increase the supply of affordable housing. By granting the requested waivers, the Corporation would promote the goal of providing persons of low-income with of affordable housing through private investment. The requested waivers or variances will not adversely impact the Development or the Corporation or provide Petitioner with an unfair advantage, and will ensure that the 32 affordable elderly housing units of the Development will be made available for the target population in Charlotte County to obtain decent, safe, and sanitary housing.

E. TYPE OF WAIVER

14. The waiver being sought is permanent in nature.

F. ACTION REQUESTED

15. For the reasons set forth herein, the Petitioner respectfully requests the Corporation (*i*) grant a waiver of the Rule to extend the February 1, 2026 deadline to secure a firm loan

commitment for an additional six months; (*ii*) grant this Petition and all the relief requested herein; and (*iii*) grant such further relief as it may deem appropriate.

Respectfully submitted the 25th day of February 2026.

Respectfully submitted,

Nicholas W. Heckman, Esq.
Fla. Bar No. 0127356
Nelson Mullins Riley & Scarborough LLP
390 N. Orange Ave., Suite 1400
Orlando, FL 32801
Telephone: (407) 669-4241
Facsimile: (407) 425-8377
Email: nick.heckman@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 25th day of February, 2026.

By: _____
Nicholas W. Heckman, Esq.
Fla. Bar No. 0127356