

# Southport Financial Services, Inc.

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August 24, 2016

Steve Auger, Executive Director  
Ken Reecy, Multifamily Director  
227 N Bronough, Suite 5000  
Florida Housing Finance Corporation  
Tallahassee, Florida 32301-1329

RE: 2016 RFA's/Extended Use

Dear Mr. Auger:

We are writing you in reference to the ongoing discussion surrounding the reduction in extended use periods from 50 years to 30 years. Southport is of the opinion that the 50 year extended use period "EUA" should remain and not be reduced to 30 years. There are various programs in place, bonds, credits and FHA financing in particular, that allow for the recapitalization of affordable assets after their compliance periods. FHFC currently has procedures in place to allow for the re-subordination of FHFC soft debt in the context of recycles. So long as this policy remains in place, we see no reason to reduce EUAs.

One idea as it pertains to new RFAs is to include the 50 years extended use period as a point item, similar to a developer experience and proximity point items. By doing so, FHFC would not be requiring a 50 year EUA going forward but making it an applicant election.

I am available to further discuss at any time.

Sincerely,



Peter H. Leach  
Senior Vice President  
Southport Financial Services, Inc.