

**STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION**

In Re: FF REALTY LLC

FHFC Case No. : 2006-003VW

**ORDER GRANTING VARIANCE FROM
RULE 67-21.008(1)(b), FLORIDA ADMINISTRATIVE CODE**

THIS CAUSE came on for consideration and final action before the Board of Directors of Florida Housing Finance Corporation on April 21, 2006, pursuant to a Petition for Variance of Rule 67-21.008(1)(b), Florida Administrative Code, (the "Petition"). Florida Housing Finance Corporation ("Florida Housing") received the Petition on March 20, 2006, from FF Realty LLC., ("Petitioner"). On March 31, 2006, the Notice of the Petition was published in Volume 32, Number 13, of the Florida Administrative Weekly. Florida Housing did not receive any comments regarding the Petition. After careful review of the record and being otherwise fully advised in the premises, the Board of Directors (the "Board") of Florida Housing hereby finds:

1. The Board has jurisdiction over the subject matter of this case and the parties hereto.
2. In September of 1996, Florida Housing financed the construction of Mariner's Club Apartments with \$19,475,000 in tax-exempt Multifamily Mortgage Revenue Bonds ("MMRB") and \$3,375,000 in taxable bonds designated as 1996 Series K to Mariner Club, Ltd. The Development is a 336-unit family apartment development located in Duval County, Florida.
3. Petitioner has applied for \$30,000,000 in MMRB funding in the 2006 Supplemental MMRB cycle and is acquiring this development from Mariner Club, Ltd, the current owner. This transfer of ownership is to be approved by the Board on April 21, 2006.

4. Rule 67-21.008(1)(b), Florida Administrative Code, states in pertinent part:

(1) Each Mortgage Loan for a Development made by the Corporation shall:

(b) Provide for a fully amortized payment of the Mortgage Loan in full beginning on the earlier of 36 months after closing, or stabilized occupancy, or conversion to permanent financing under the loan documents and ending no later than the expiration of the useful life of the property, and in any event, no later than 45 years from the date of the Mortgage Loan.

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

6. Petitioner requests a variance from the above Rule to delay the start of the fully amortized payment of the mortgage loan from 36 months to ten (10) years from the date of closing of the MMRB financing.

7. Petitioner states that this variance is necessary and that denial thereof would create a substantial hardship for Petitioner, in that the viability of the Development will be threatened. Petitioner has filed an application for supplemental MMRB funding and has incurred significant expenses in based on that financing structure and in obtaining the subject real property.

8. The granting of this variance would serve the purpose of the underlying statute, as facilitating the rehabilitation of the Mariner's Club Apartments development will further Florida Housing's statutory mandate to provide safe, sanitary and affordable housing to the citizens of Duval County, Florida.

9. Moreover, not granting this variance will result in a substantial hardship to Petitioner, in that Petitioner may be unable to acquire and rehabilitate the development as anticipated per its supplemental MMRB application.

IT IS THEREFORE ORDERED:

The Petition for Variance from Rule 67-21.008(1)(b), Florida Administrative Code, is hereby **GRANTED**. Petitioner shall provide for a fully amortized payment of the Mortgage Loan in full beginning ten (10) years from the issuance of the Series 2006 Bonds, during which period no amortization of the Series 2006 Bonds would be required.

DONE and ORDERED this 21st day of April, 2006.

Florida Housing Finance Corporation

By: 
Chairperson

Copies furnished to:

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