

FHFC III

Consent

I. FHFC III

A. Request Ratification of the Sale of South Springs Property, Gadsden County (PLP 98026)

Development Name: South Springs (“Development”)	Location: Gadsden County
Developer/Principal: North Florida Development Corp. (“Developer”) FHFC III (“Owner”)	Set-Aside: 100% @ 60% AMI, 15 Years
Number of Units: 92 acres vacant land	Allocated Amount: PLP \$410,573.21
Demographics: Elderly	Servicer: Florida Housing

1. Background

- a) South Springs (“the Development”) d/b/a North Florida Educational Development Company (“Borrower”) was intended to be an affordable 80-unit development built on 92 acres of land located in Gadsden County, Florida that was financed with \$410,573.21 from the Predevelopment Loan Program (PLP).
- b) On June 20, 2003, the Board granted a one-year extension of the loan term for completion of predevelopment activities and for pursuit of construction financing. The PLP loan matured on May 19, 2004. Florida Housing worked diligently with the Borrower in its efforts to secure financing to build affordable housing on said land.
- c) To preserve our rights to enforce our lien and avoid the statute of limitations, we proceeded with a foreclosure action on May 1, 2009. On June 24, 2009, FHFC filed a motion for summary final judgment for foreclosure and taxation of costs. On January 12, 2010, FHFC was the successful bidder at the foreclosure sale.
- d) On February 23, 2010, FHFC received an offer for 20 acres of the plot. On April 30, 2010, FHFC’s Board of Directors approved the sale of the 20 acres. On July 1, 2010 FHFC transferred the property to FHFC III. The 20 acres sale closed on September 24, 2010.
- e) On June 24, 2021, FHFC III received an offer to purchase the remaining 72 acres for \$225,000.
- f) Pursuant to Board Resolutions 2010-003 dated January 22, 2010, and 2019-056 dated September 20, 2019 the Board delegated authority to the Chair or Vice Chair, with the advice of Florida Housing’s Financial Advisor, to, upon approval by the Chair, or in the absence of the Chair, the Vice Chair to (i) engage in activities to sell the Development (the "Sale"), (ii) to negotiate, finalize, execute, deliver and perform on behalf of FHFC III any and all agreements, documents, certificates and instruments required in connection with the Sale of the Development, and (iii) bind FHFC III thereby, as may become necessary between Board meetings to maintain or recover the maximum value from such properties.

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- g) On July 19, 2021, the Board Chair authorized staff to proceed with the sale of the Gadsden County property.

2. Recommendation

- a) Ratify the sale of the remaining 72 acres to the buyer for the offered price of \$225,000.