



March 26, 2024

Consent Items

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HOME RENTAL

Consent

I. HOME RENTAL

A. Request Approval of the Credit Underwriting Report for Village at Cedar Hills (RFA 2022-210 / 2022-270CAN)

Development Name: Village at Cedar Hills	Location: Duval County
Applicant/Borrower: Ability VCH, LLC.	Set Asides: 20% @ 50% AMI 80% @ 60% AMI
Developer/Principal: Ability Housing, Inc. / Shannon Nazworth	Demographic/Number of Units: Homeless, Disabled / 90 Units
Requested Amounts: Annual Competitive Housing Credits: \$1,887,000 HOME-ARP: \$7,200,000 NHTF: \$1,835,100	Development Category/Type: New Construction/Garden Apartments

1. Background:

- a) On June 7, 2022, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2022-210 for Permanent Supportive Housing Focusing on Best Practices and Funding for Tenancy Supports and Resident Services Coordination for High Utilizers of Public Behavioral.
- b) On August 5, 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 August 16, 2022, the Applicant was invited to enter credit underwriting activities which was accepted on August 18, 2022. The one-year deadline to complete credit underwriting was August 18, 2023.
- d) On September 8, 2023, the Board approved a six-month firm loan commitment deadline extension due to multiple rejections and denials of sewer connection plans by Jacksonville Energy Authority, creating delays and the inability to provide required documentation to complete credit underwriting.

2. Present Situation:

- a) On March 14, 2024, staff received a final credit underwriting report with a positive recommendation for the requested funding ([Exhibit A](#)). Staff has reviewed this report and finds that the Development meets all requirements of the RFA.

3. Recommendation:

- a) Approve the final credit underwriting report and direct staff to proceed with issuance of a firm commitment and closing activities, subject to further approvals and verifications by the Credit Underwriter, Counsels, and appropriate Florida Housing Staff.

HOUSING CREDITS

Consent

II. HOUSING CREDITS

A. Request Approval to Replace Co-Developer and Approval of Applicant Organizational Change Prior to Carryover Allocation Agreement for Madison Terrace (RFA 2023-202 / 2024-150C)

Development Name: Madison Terrace	Location: Palm Beach County
Applicant/Borrower: Madison Terrace, LLC	Set-Asides: 10% @ 33% AMI 90% @ 60% AMI
Developer/Principal: American Residential Communities, LLC / Patrick E. Law New South Residential, LLC / Stacy Banach	Demographic/Number of Units: Elderly, Non-ALF / 91
Requested Amounts: \$2,800,000 Housing Credits	Development Category/Type: New Construction / Mid-Rise (5-6 stories)

1. Background/Present Situation:

- a) Madison Terrace, LLC ("Applicant") applied for and was awarded funding from Request for Applications (RFA) 2023-202 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 91-unit Elderly, Non-ALF, development in Palm Beach County. On December 1, 2023, staff issued an invitation to the Applicant to enter credit underwriting and subsequently the Preliminary Recommendation Letter was finalized on February 22, 2024.
- b) On January 29, 2024, Florida Housing received a letter from the Applicant requesting to make changes to the Applicant and co-Developer organizational structures prior to the Carryover Allocation Agreement. The change to the co-Developer organizational structure may be approved by staff but is being included as part of this request for consistency purposes. The request letter and current and proposed Principal Disclosure Forms for the Applicant and co-Developers are provided as [Exhibit A](#).
- c) In regard to the Applicant structure, the first level of principals will remain the same. At the second level, the Applicant proposes to replace Patrick E. Law (Manager), Patrick E. Law Revocable Trust (99.98% Member), and New South Residential, LLC (0.01% Member), of Madison Terrace Apartments, LLC, the Non-Investor Member of the Applicant (0.01%). These entities will be replaced with PEL Madison Terrace, LLC (99.98% Managing Member) and NSR MT, LLC (0.01% Member). MAD PP, LLC will remain a 0.01% Member. Ownership of PEL Madison Terrace, LLC will consist of Patrick E Law, Revocable Trust (99.99% Managing Member) and Lindsey Sultan (0.01% Member). Ownership of NSR MT, LLC will consist of Stacy Banach (33.34% Managing Member), Lindsey Sultan (33.33% Managing Member), and Michael Oliver (33.33% Managing Member). The beneficiary and trustee of the Patrick E. Law, Revocable Trust is Patrick E. Law.
- d) In regard to the co-Developer structure, the Applicant proposes to replace co-Developer American Residential Communities, LLC with ARD Madison Terrace, LLC. Ownership of ARD Madison Terrace, LLC will consist of PLAW MT, LLC (Managing Member), MAD PP, LLC (Managing Member), and Patrick E. Law (Manager). Ownership of PLAW MT, LLC will consist of Patrick E. Law, Revocable Trust (Managing Member) and MAD PP, LLC (Member). Ownership of MAD PP, LLC will consist of Patrick E. Law, Revocable Trust (Managing

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Member), Lindsey Sultan (Member), Miguel Sultan (Member), Stacy Banach (Member), and Edward Otte (Member).

- e) The Applicant requests the change to the Applicant organizational structure to insert single purpose entities in order to provide K1 to the members of the Non-Investor Member of the Applicant, Madison Terrace, LLC. The co-Developer change was requested because the Applicant utilized American Residential Communities, LLC as the Developer entity for all applications but decided it would be better to handle each transaction as a single-purpose entity.
- f) Per the RFA, prior to the issuance of the Carryover Allocation Agreement, any change (materially or non-materially) in the ownership structure of the named Applicant will require review and recommendation of the Corporation, as well as Board approval prior to the change. Once the Carryover Allocation Agreement has been executed by all parties, (i) 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 (ii) any non-material change in the ownership structure of the named Applicant will require Corporation approval prior to the change.
- g) The RFA also 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 Corporation 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.
- h) Patrick E. Law met the Developer Experience requirement of the RFA and will remain a Principal of the co-Developer.
- i) Furthermore, 67-48.004(3)(a) F.A.C. states:

For the SAIL, HOME and Housing Credit Programs, notwithstanding any other provisions 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:

Name of Applicant or Developer entity(s); notwithstanding the foregoing, the name of the Applicant or Developer entity(s) may be changed only by written request of an Applicant to Corporation staff and approval of the Corporation after the Applicant has been invited to enter credit underwriting. With regard to said approval, the Corporation shall consider the facts and circumstances of each Applicant's request, inclusive of validity and consistency of Application documentation.

- j) Staff has reviewed this request and finds that the Development meets all other requirements of the RFA/Rule.

2. Recommendation:

- a) Approve (1) the request to change the Applicant organizational structure prior to the issuance of the Carryover Allocation Agreement and (2) the request to replace one of the co-Developer entities as described above.

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B. Request Approval to Replace Co-Developer and Approval of Applicant Organizational Change Prior to Carryover Allocation Agreement for Madison Highlands II (RFA 2023-202 / 2024-149C)

Development Name: Madison Highlands II	Location: Hillsborough County
Applicant/Borrower: Madison Highlands II, LLC	Set-Asides: 10% @ 40% AMI 90% @ 60% AMI
Developer/Principal: American Residential Communities, LLC / Patrick E. Law New South Residential, LLC / Stacy Banach	Demographic/Number of Units: Elderly Non-ALF/88
Requested Amounts: \$2,650,000	Development Category/Type: New Construction/Mid-Rise (5-6 Stories)

1. Background/Present Situation:

- a) Madison Highlands II, LLC ("Applicant Name") applied for and was awarded funding from Request for Applications (RFA) 2023-202 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 an 88-unit Elderly, Non-ALF, development in Hillsborough County. On December 1, 2023, staff issued an invitation to the Applicant to enter credit underwriting and subsequently the Preliminary Recommendation Letter was finalized on February 21, 2024.
- b) On January 29, 2024, Florida Housing received a letter from the Applicant requesting to make changes to the Applicant and co-Developer organizational structures prior to the Carryover Allocation Agreement. The change to the co-Developer organizational structure may be approved by staff but is being included as part of this request for consistency purposes. The request letter and current and proposed Principal Disclosure Forms for the Applicant and co-Developers are provided as [Exhibit B](#).
- c) In regard to the Applicant structure, the first level of principals will remain the same. At the second level, the Applicant proposes to replace Patrick E. Law (Manager), Patrick E. Law Revocable Trust (99.98% Member), and New South Residential, LLC (0.01% Member) of Madison Highlands II Apartments, LLC, the Non-Investor Member of the Applicant, with PEL Madison Highlands II, LLC (99.98% Managing Member) and NSR MHII, LLC (0.01% Member). MAD PP, LLC will remain a 0.01% Member. Ownership of PEL Madison Highlands II, LLC will consist of Patrick E Law, Revocable Trust (99.99% Managing Member) and Lindsey Sultan (0.01% Member). Ownership of NSR MHII, LLC will consist of Stacy Banach (33.34% Managing Member), Lindsey Sultan (33.33% Managing Member), and Michael Oliver (33.33% Managing Member). The beneficiary and trustee of the Patrick E. Law, Revocable Trust is Patrick E. Law.
- d) In regard to the co-Developer structure, the Applicant proposes to replace co-Developer American Residential Communities, LLC with ARD Madison Terrace, LLC. ARD Madison Terrace, LLC will be owned by PLAW MT, LLC (Managing Member), MAD PP, LLC (Managing Member), and Patrick E. Law (Manager). Ownership of PLAW MT, LLC will consist of Patrick E. Law, Revocable Trust (Managing Member) and MAD PP, LLC (Member). Ownership of MAD PP, LLC will consist of Patrick E. Law, Revocable Trust (Managing Member), Lindsey

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Sultan (Member), Miguel Sultan (Member), Stacy Banach (Member), and Edward Otte (Member).

- e) The Applicant requests the change to the Applicant organizational structure to insert single purpose entities in order to provide K1 to the members of the Non-Investor Member of the Applicant, Madison Highlands II Apartments, LLC. The co-Developer change was requested because the Applicant utilized American Residential Communities, LLC as the Developer entity for all applications but decided it would be better to handle each transaction as a single-purpose entity.
- f) Per the RFA/Rule, prior to issuance of the Carryover Allocation Agreement, any change (materially or non-materially) in the ownership structure of the named Applicant will require review and recommendation of the Corporation, as well as Board approval prior to the change. Once the Carryover Allocation Agreement has been executed by all parties, (i) 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 (ii) any non-material change in the ownership structure of the named Applicant will require Corporation approval prior to the change.
- g) The RFA also 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 Corporation 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.
- h) Patrick E. Law met the Developer Experience requirement of the RFA and will remain a Principal of the co-Developer.
- i) Furthermore, 67-48.004(3)(a) F.A.C. states:

For the SAIL, HOME and Housing Credit Programs, notwithstanding any other provisions 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:

- (a) Name of Applicant or Developer entity(s); notwithstanding the foregoing, the name of the Applicant or Developer entity(s) may be changed only by written request of an Applicant to Corporation staff and approval of the Corporation after the Applicant has been invited to enter credit underwriting. With regard to said approval, the Corporation shall consider the facts and circumstances of each Applicant's request, inclusive of validity and consistency of Application documentation.
- j) Staff has reviewed this request and finds that the development meets all other requirements of the RFA/Rule.
- k) Recommendation:

Approve (1) the request to change the Applicant organizational structure prior to the issuance of the Carryover Allocation Agreement and (2) the request to replace one of the co-Developer entities as described above.

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III. LEGAL

A. In Re: Apollo Gardens, LLLP

FHFC Case No. 2024-004VW

Development Name (“Development”):	Apollo Gardens
Developer/Principal (“Developer”):	Carrfour Supportive Housing, Inc./Stephanie Berman
Number of Units: 84 units	Location: Brevard County
Type: New Construction/Garden	Set-Asides: 20% @ 30% AMI 80% @ 60% AMI
Demographics: Persons with Special Needs	Funding: 9% HC: \$1,848,000 HOME: \$7,200,000 NHTF: \$1,780,200

1. Background:

- a) Apollo Gardens, LLLP ("Petitioner") successfully applied for funding to assist in the construction of Apollo Gardens, an 84-unit development located in Brevard County, Florida (the “Development”). On February 22, 2024, Florida Housing received a Petition for Waiver of Rule 67-48.002(96), F.A.C. (5/18/21) and the 2022 QAP for Returning Housing Credit Allocations ("Petition") to allow Petitioner the immediate return of its 2023 Housing Credit Allocation, and an immediate allocation of new Housing Credits for 2024 or later. On March 4, 2024, Petitioner filed an Amended Petition for Waiver of Rule 67-48.002(96), F.A.C. (5/18/21) and the 2022 QAP for Returning Housing Credit Allocations (the “Amended Petition”). A copy of the Amended Petition is attached as [Exhibit A](#).

2. Present Situation:

- a) Rule 67-48.002(96), Fla. Admin. Code (2021), adopts and incorporates the 2021 Qualified Allocation Plan (“QAP”). Subsection II.J. of the 2022 QAP states:

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

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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.

- b) Petitioner successfully applied for RFA 2022-210, competitive Housing Credits under the Low-Income Housing Tax Credit program (LIHTC) for a development located in Brevard County and was invited into credit underwriting in August 2022. Florida Housing staff executed a 2023. Carryover Allocation Agreement ("CAA") on April 13, 2023. The CAA mandated that the development be placed in service by December 31, 2025, and required satisfaction of the 10% test by October 31, 2023 (the "CAA Deadline"). The 10% Test required Petitioner to incur at least ten percent of the reasonably expected basis of the Development on or before October 31, 2023. Petitioner has been previously granted a CAA Deadline extension to April 13, 2024. Failure to comply with the CAA Deadline will cause the Housing Credits allocated within the CAA to be deemed returned to Florida Housing under Section 42(h)(3)(C), Internal Revenue Code.
- c) Since being selected for funding and invited to credit underwriting, Petitioner states that it has been engaged in the pursuit of all necessary development approvals and permits from the necessary jurisdictional authorities. However, in August 2023 litigation was initiated against the development. The complaint was dismissed and refiled. Petitioner is currently seeking to have the complaint dismissed with prejudice. The hearing on Petitioner's motion to dismiss is scheduled to be heard on March 15, 2024. Petitioner expects to submit drawings for permitting by late 2024. Due to the described delays, the estimated completion for the Development will not occur by December 31, 2025, as required by the CAA, nor will it satisfy the 10% test by April 13, 2024.
- d) On February 23, 2024, the Notice of Petition was published in the Florida Administrative Register in Volume 50, Number 38. To date, Florida Housing has received no comments concerning the Petition.
- e) 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 the application of a rule would create a substantial hardship or would violate principles of fairness.
- f) Granting the requested waiver does not impact other participants in funding programs administered by Florida Housing, nor does it detrimentally impact 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.

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3. **Recommendation:**

- a) Staff recommends the Board GRANT Petitioner's request for a waiver of 67-48.002(96), Fla. Admin. Code (2021) and Subsection II.J. of the 2022 QAP to allow Petitioner to exchange its present allocation of housing credits for an allocation of 2024 or later housing credits.

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B. In Re: Beachwood Preservation LP

FHFC Case No. 2024-005VW

Development Name: (“Development”):	Beachwood Apartments
Developer/Principal: (“Developer”):	Beachwood Developer LLC/Jeffrey Goldberg
Number of Units: 148	Location: Duval County
Type: Acquisition and Rehab/Garden	Set-Asides: 28% @ 40% AMI 47% @ 60% AMI 25% @ 80% AMI
Demographics: Family	Funding: 4% HC: \$1,414,380

In Re: Forest & Village Preservation LP

FHFC Case No. 2024-006VW

Development Name: (“Development”):	Sweetwater Square
Developer/Principal: (“Developer”):	FA Developer LLC/Jeffrey Goldberg
Number of Units: 200	Location: Alachua County
Type: Acquisition and Rehab/Garden	Set-Asides: 100% @ 60% AMI
Demographics: Family	Funding: 4% HC: \$1,321,743

In Re: Federation Gardens Preservation LP

FHFC Case No. 2024-007VW

Development Name: (“Development”):	Federation Gardens Apartments
Developer/Principal: (“Developer”):	FA Developer LLC/Jeffrey Goldberg
Number of Units: 161	Location: Miami-Dade County
Type: Acquisition and Rehab/Mid-Rise	Set-Asides: 100% @ 60% AMI
Demographics: Elderly, Non-ALF	Funding: 4% HC: \$1,475,345 MMRB: \$38,200,000

In Re: Federation Towers Preservation LP

FHFC Case No. 2024-008VW

Development Name: (“Development”):	Federation Towers
Developer/Principal: (“Developer”):	FA Developer LLC/Jeffrey Goldberg
Number of Units: 114	Location: Miami-Dade County
Type: Acquisition and Rehab/High-Rise	Set-Asides: 100% @ 60% AMI
Demographics: Elderly, Non-ALF	Funding: 4% HC: \$887,983 MMRB: \$28,245,000

In Re: Sable Palms Preservation LP

FHFC Case No. 2024-009VW

Development Name: (“Development”):	Sable Palms Apartments
Developer/Principal: (“Developer”):	Sable Palms Developer LLC/Jeffrey Goldberg
Number of Units: 200	Location: Duval County
Type: Acquisition and Rehab/Garden	Set-Asides: 100% @ 60% AMI
Demographics: Family	Funding: 4% HC: \$2,542,478

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In Re: Federation Sunrise Preservation LP

FHFC Case No. 2024-010VW

Development Name: (“Development”):	Federation Sunrise Apartments
Developer/Principal: (“Developer”):	FA Developer FL LLC/Jeffrey Goldberg
Number of Units: 123	Location: Broward County
Type: Acquisition and Rehab/Garden	Set-Asides: 100% @ 60% AMI
Demographics: Elderly, Non-ALF	Funding: 4% HC: \$1,412,900

In Re: Federation Davie Preservation LP

FHFC Case No. 2024-011VW

Development Name: (“Development”):	Federation Davie Apartments
Developer/Principal: (“Developer”):	FA Developer FL LLC/Jeffrey Goldberg
Number of Units: 80	Location: Broward County
Type: Acquisition and Rehab/Garden	Set-Asides: 100% @ 60% AMI
Demographics: Elderly, Non-ALF	Funding: 4% HC: \$850,217

In Re: Federation Gould Preservation LP

FHFC Case No. 2024-013VW

Development Name: (“Development”):	Gould House
Developer/Principal: (“Developer”):	FA Developer FL LLC/Jeffrey Goldberg
Number of Units: 101	Location: Palm Beach County
Type: Acquisition and Rehab/Mid-Rise	Set-Asides: 100% @ 60% AMI
Demographics: Elderly, Non-ALF	Funding: 4% HC: \$1,612,794

1. Background:

- a) Beachwood Preservation LP, Forest & Village Preservation LP, Federation Gardens Preservation LP, Federation Towers Preservation LP, Sable Palms Preservation LP, Federation Sunrise Preservation LP, Federation Davie Preservation LP, and Federation Gould Preservation LP (collectively the “Petitioners”) successfully applied for funding to assist in the rehabilitation of their respective, above referenced, Developments. On February 28, 2024, Florida Housing received the Petitioners' Petitions for Waiver of Rule 67-21.003(1)(b), F.A.C, and the Non-Competitive Application Instructions (the “Petitions”) to allow the release of IRS Form 8609 for their Developments prior to the resolution of an ongoing ownership structure dispute that similarly affects each Petitioner. Copies of the Petitions are attached as [Exhibits B, C, D, E, F, G, H & I](#).

2. Present Situation

- a) Rule 67-21.003(1)(b), Fla. Admin. Code, incorporates by reference the Non-Competitive Application Package (“NCA”). The NCA, Part A.6.B.(1), states in relevant part:

The name of the Applicant entity stated in the Application may be changed only by written request of an Applicant to Corporation staff and approval of the Corporation after the Applicant has been invited to enter Credit Underwriting.

For purposes of (1) and (2) below, a material change shall mean 33.3 percent or more of the Applicant, a general partner of the Applicant, or a non-investor member of the Applicant, and a non-material change shall mean less than 33.3 percent of the Applicant, a general partner of the Applicant, or a non-investor member of the Applicant.

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(1) For Applicants requesting Non-Competitive Housing Credits only:

The Applicant entity shall be the recipient of the Housing Credits and the ownership structure of the Applicant entity as set forth in the Principal Disclosure Form and cannot be changed in any way (materially or non-materially) until after the Preliminary Determination is issued. Once the Preliminary Determination has been issued, (a) any 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. The ownership structure of the Applicant entity may be changed without Corporation or Board approval after a Final Housing Credit Allocation Agreement has been approved and the IRS Forms 8609 have been issued; however, the Corporation must still be notified in writing of the change. The Applicant must comply with Principal disclosure requirements outlined in Rule Chapter 67-21, F.A.C. for the duration of the Compliance Period. Changes to the ownership structure of the Applicant entity prior to the issuance of the Preliminary Determination or without Board approval or Corporation approval, as applicable, prior to the approval of the Final Housing Credit Allocation and issuance of the IRS Forms 8609 shall result in a disqualification from receiving funding and shall be deemed a material misrepresentation. Changes prior to the issuance of the Preliminary Determination to the officers or directors of a Public Housing Authority, officers or directors of a Non-Profit entity, or the limited partner of an investor limited partnership or an investor member of a limited liability company owning the syndicating interest therein will not result in disqualification, however, the Corporation must be notified of the change. Changes to the officers or directors of a Non-Profit entity shall require Corporation approval.

(2) For Applicants requesting MMRB, with or without Non-Competitive Housing Credits:

The Applicant entity shall be the recipient of the Non-Competitive Housing Credits and the borrowing entity for the MMRB Loan and cannot be changed in any way (materially or non-materially) until after the MMRB Loan closing. After loan closing, any change (materially or non-materially) will require Board approval prior to the change. Changes to the Applicant entity prior to the loan closing or without Board approval after the loan closing shall result in disqualification from receiving funding and shall be deemed a material misrepresentation. Changes to the limited partner of an investor limited partnership or an investor member of a limited liability

- b) Petitioners state that the renovation of each of the Developments has been completed, the Extended Use Agreements have been executed, and the Corporation is in the process of completing its final evaluations and determinations of the Housing Credit Allocations for each respective development. An issue has arisen related to two of the Petitioners' principals that may result in a material change (as defined in the NCA) to the ownership structure. Petitioners request a waiver of the above rule to avoid further impact on the financial stability of the transaction that may result if the IRS Form 8609 issuance is delayed. Specifically, Petitioners state that delays in the issuance of the IRS Form 8609 may cause a significant reduction in the tax credit equity

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financing for their respective Development and Petitioners may be required to repay capital contributions to their tax credit investors with interest and penalties. Petitioners have agreed that any change in ownership resulting from the dispute would be subject to Board approval.

- c) On February 29, 2024, Notice of Petitions for Beachwood Preservation LP, Forest & Village Preservation LP, Federation Gardens Preservation LP, Federation Towers Preservation LP, Sable Palms Preservation LP, Federation Sunrise Preservation LP, and Federation Davie Preservation LP, were published in the Florida Administrative Register in Volume 50, Number 42. On March 5, 2024, Notice of Petition for Federation Gould Preservation LP was published in the Florida Administrative Register in Volume 50, Number 45. To date, Florida Housing has received no comments concerning any of the Petitions.

- d) 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 the application of a rule would create a substantial hardship or would violate principles of fairness.

- e) Granting the requested waivers does not impact any other participants in funding programs administered by Florida Housing, nor does it detrimentally impact Florida Housing or the Development. Petitioners have demonstrated that strict application of the above Rules under these circumstances would constitute a substantial hardship. Petitioners have 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 waivers are granted.

3. **Recommendation:**

- a) Staff recommends the Board GRANT the requested waivers of Rule 67-21.003(1)(b), Fla. Admin. Code, and the Non-Competitive Application Package, to allow the release of IRS Form 8609 for each Development prior to the resolution of Petitioners' ongoing ownership structure dispute on the condition that any changes to the ownership structure will be subject to Board approval.

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C. In Re: Fairfield Running Brook II LP

FHFC Case No. 2024--002VW

Development Name: (“Development”):	Running Brook Apartments
Developer/Principal: (“Developer”):	Fairfield Affordable Housing Fund Tranche XI LLC/Richard Boynton
Number of Units: 186 units	Location: Miami-Dade County
Type: Acquisition and Rehabilitation; Garden	Set-Asides: 100% @ 60% AMI
Demographics: Family	Funding: 4% HC: \$3,674,001

1. Background:

- a) Petitioner successfully applied for Non-Competitive Housing Credits to assist in the acquisition and rehabilitation of the Running Brook Apartments, a 186-unit development located in Miami-Dade County, Florida (the "Development"). On February 16, 2024, Florida Housing received a Petition for Waiver of Rule 67-21.026(10), F.A.C. (2022) (the “Petition”) to relieve Petitioner of the requirement to perform all rehabilitation work under a guaranteed maximum price (“GMP”) contract. A copy of the Petition is attached as [Exhibit J](#).

2. Present Situation

- a) Rule 67-21.026(10), Fla. Admin. Code (2022), states in relevant part:

(10) The Corporation’s assigned Credit Underwriter shall require a guaranteed maximum price construction contract, acceptable to the Corporation, which may include change orders for changes in cost or changes in the scope of work, or both, if all parties agree, and shall order, at the Applicant’s sole expense, and review a pre-construction analysis for all new construction units or a physical needs assessment for rehabilitation units and review the Development’s costs.

- b) Petitioner seeks a waiver of the above rule to relieve Petitioner of the requirement to perform all rehabilitation work under a guaranteed maximum price (“GMP”) contract. In connection with the Agreement of Purchaser and Sale of Real Estate (“PSA”), dated April 10, 2023, between the Petitioner and Seller, Fairfield Running Brook LP, the Seller conducted repairs required by the Petitioner to ensure the wellbeing of the Development and its residents (Immediate Repair Work), which the Petitioner agreed to reimburse the Seller after the closing of the PSA. The Immediate Repair work included:

- Repairs to plumbing and landscaping (irrigation and drainage)
- New plumbing fixtures, outside lights, carpet, water heaters, AC units, cabinets, countertops and backsplashes, vinyl flooring, and ESG appliances, including dishwashers, ranges, range hoods, and refrigerators.
- Painting of units,
- Tree removal
- ADA van accessible parking
- Storage of construction materials
- General and Administrative expenses and overhead.

- c) Petitioner closed on its acquisition of the Development and re-syndication on December 21, 2023, and executed a \$7,562,404.00 GMP contract for additional rehabilitation work. Petitioner is requesting the waiver herein to reimburse the

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Seller \$523,976.42 for the Immediate Repair Work. While the Immediate Repair Work was not performed under a GMP contract, Petitioner states: the type of work is customarily contracted directly by or reimbursed by a purchaser upon the acquisition of property; that neither the Seller nor Petitioner (nor the general contractor under the GMP or Developer) has common ownership with, or is an affiliate of, the contractors that performed the Immediate Repair Work; that neither the Seller nor Petitioner (nor the general contractor under the GMP or Developer) performed any of the Immediate Repair Work; only the Seller oversaw the Immediate Repair Work; the cost of the Immediate Repair Work did not exceed the subcontractor limitations imposed by Florida Housing; and the only additional costs charged or received by the Seller, Petitioner, or Developer, was incurred by the Seller for the salaries paid to its construction management representatives.

- d) Petitioner states a waiver of the Rule will permit Petitioner to continue its application for non-competitive tax credits to finance a portion of the rehabilitation of the Development, without which they will not have enough funds to preserve and rehabilitate the units.
- e) Staff requested a satisfactory Agreed Upon Procedures performed by an independent Certified Public Accountant, which procedures must at a minimum (i) confirm and test the costs to all contractors and vendors utilizing the steps outlined in the General Contractor Cost Certification Instructions, (ii) confirm that all overhead, administrative costs, or other fees paid as compensation for oversight of the work performed are documented and within 14% of the total costs paid to vendors and contractors; (iii) confirm that the costs incurred by any one contractor or vendor or any group of entities that have common ownership or are Affiliates of any other contractor or vendor does not exceed the subcontractor limitations as outlined in 67-21, F.A.C.; (iv) confirm that no construction or inspection work was performed by a representative of the Applicant or Developer; (v) confirm that no construction cost was contracted to any entity that has common ownership or is an Affiliate of the Applicant, General Contractor, or Developer. On February 6, 2024, Petitioner submitted a satisfactory Agreed Upon Procedures.
- f) Staff requested Seltzer Management Inc. to review in conjunction with the construction consultant, the costs incurred outside of the GMP contract and the Agreed Upon Procedures to ensure the costs associated with the work were reasonable and verified with invoices and receipts. On February 22, 2024, Seltzer Management, Inc. provided a positive recommendation.
- g) The Notice of Petition was published on February 20, 2024, in the Florida Administrative Register, Volume 50, Number 35. To date, Florida Housing has received no comments concerning the Petition.
- 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 the application of a rule would create a substantial hardship or would violate principles of fairness.
- i) Granting the requested waiver does not impact any other participants in funding programs administered by Florida Housing, nor does it detrimentally impact Florida Housing or the Development. Petitioner has demonstrated that strict application of the above Rules under these circumstances would constitute a

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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 waiver of Rule 67-21.026(10), Fla. Admin. Code (2022), to waive the requirement to perform all rehabilitation work under a GMP contract only to the extent to allow for the reimbursement to the Seller for the Immediate Repair Work.

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D. In Re: Lakeview Tower Venture LP

FHFC Case No. 2024-012VW

Development Name: (“Development”):	Lakeview Tower Apartments
Developer/Principal: (“Developer”):	MRK Partners Inc./Sydne Garchik
Number of Units: 156 units	Location: Polk County
Type: High Rise/Acquisition and Rehabilitation	Set-Asides: 82 units @ 40% AMI 74 units @ 80% AMI
Demographics: Elderly	Funding: 4% HC (\$817,021.00)

1. Background:

- a) Lakeview Tower Venture LP (“Petitioner”) successfully applied for funding to assist in the acquisition and rehabilitation of Lakeview Tower Apartments, a 156-unit development located in Polk County, Florida (the “Development”). On March 1, 2024, Florida Housing received a Petition for Waiver of Florida Administrative Rule 67-21.026(13)(e) (the “Petition”) to allow the Petitioner’s General Contractor to self-perform work valued at 5.5% of the construction contract. A copy of the Petition is attached as [Exhibit K](#).

2. Present Situation

- a) Rule 67-21.026(13)(e), Fla. Admin. Code (2020), applies; however, on April 29, 2022, the Board amended Rule 67-21.026(13)(e), Fla. Admin. Code, and made the rule retroactive to developments that had submitted applications under prior rules versions. Rule 67-21.026(13)(e), Fla. Admin. Code (2022) states in relevant part:

(e). Ensure that no construction or inspection work is performed by the General Contractor, with the following exceptions:

2. The General Contractor may self-perform work of a de minimis amount, defined for purposes of this subparagraph as the lesser of \$350,000 or 5 percent of the construction contract.

- b) Petitioner requests a waiver of the above rule to allow Petitioner’s General Contractor (“GC”) to self-perform 5.5% of the total construction contract, for a total of \$333,340.00. As justification for its request, Petitioner states that it issued a Notice to Proceed to the GC on November 13, 2020, during the COVID-19 pandemic (Pandemic). Petitioner states that the occupied renovations of the Development (which housed the elderly), were significantly impacted by the need to perform work with limited, to no contact with residents. The GC self-performing 5.5% of the overall work allowed the Project to make up lost time, reduced increased costs, and limited exposure to residents, by reducing the need

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for subcontractors. The work was completed within a Guaranteed Maximum Price (GMP) contract and no increased costs were incurred.

- c) Petitioner states the self-performed work was de minimis or work not normally subcontracted and created an overage of \$31,919.00 of work allowed under the Rule.
- d) On March 5, 2024, the Notice of Petition was published in the Florida Administrative Register in Volume 50, Number 45. To date, Florida Housing has received no comments concerning the Petition.
- e) 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 the application of a rule would create a substantial hardship or would violate principles of fairness.
- f) Granting the requested waiver does not impact any other participants in funding programs administered by Florida Housing, nor does it detrimentally impact 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 the requested waiver of 67-21.026(13)(e), Fla. Admin. Code, to allow the Development’s general contractor to self-perform work exceeding the de minimis amount. This waiver is conditioned upon the Petitioner’s compliance with the following:
 - (1) All costs for the GC Self-Perform Labor attributable to affordable units will be at cost with no built-in profit;
 - (2) The GC Fee on the Self-Perform labor scope identified in the Petition will be capped at 14% on the first \$301,421 (5% of the total contract work); and
 - (3) The GC Fee on the Self-Perform labor scope identified in the Petition on the \$31,919 overage, shall be limited to 10% (or \$1,276.76).

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E. In Re: Block 55 Residential, LP

FHFC Case No. 2024-015VW

Development Name: (“Development”):	Sawyer's Walk
Developer/Principal: (“Developer”):	Swerdlow Group, LLC/ Michael Swerdlow
Number of Units: 578 units	Location: Miami-Dade County
Type: New Construction; High-Rise	Set-Asides: 58 units @ 30% AMI 231 units @ 40% AMI 119 units @ 70% AMI 170 units @ 80% AMI
Demographics: Family	Funding: 4% HC: \$10,633,915

1. Background:

- a) Block 55 Residential, LP (“Petitioner”) successfully applied for funding to assist in the construction of Sawyer's Walk, a 578-unit development located in Miami-Dade County, Florida (the “Development”). On March 7, 2024, Florida Housing received a Petition for Waiver of Rule 67-21.025(7)(c) and Non-Competitive Application Package (Rev. 04-2020) (F.A.C. 2020) (the “Petition”) to allow natural person principals beyond the third principal disclosure level. A copy of the Petition is attached as [Exhibit L](#).

2. Present Situation

- a) Rule 67-21.0025(7), Fla. Admin. Code (2020), provides in relevant part:
 - (7) Disclosure of the Principals of the Applicant must comply with the following:
 - (a) The Applicant must disclose all of the Principals of the Applicant (first principal disclosure level). For Applicants seeking Housing Credits, the Housing Credit Syndicator/Housing Credit investor need only be disclosed at the first principal disclosure level and no other disclosure is required;
 - (b) The Applicant must disclose all of the Principals of all the entities identified in paragraph (a) above (second principal disclosure level);
 - (c) The Applicant must disclose all of the Principals of all of the entities identified in paragraph (b) above (third principal disclosure level). Unless the entity is a trust, all of the Principals must be natural persons; and
 - (d) If any of the entities identified in paragraph (c) above are a trust, the Applicant must disclose all of the Principals of the trust (fourth principal disclosure level), all of whom must be natural persons.
- b) Non-Competitive Application (2020) (“NCA”), Section A.6.a., provides in relevant part:

6. Principals Disclosure for Petitioner and each Developer:

- a. Provide the Principals of the Applicant and Developer(s) Disclosure Form in effect at the time of Application submission (“Principal Disclosure Form”), as “Exhibit 3” to the Application form...

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The Principal Disclosure Form must identify, pursuant to subsections 67-21.002(86) and 67-21.0025(7) and (8), F.A.C., the Principals of the Applicant and Developer(s)...

- c) Petitioner was previously granted a waiver on April 30, 2021, to allow the Petitioner's ownership structure to include entities at the fifth level of disclosure, with all natural person principals of these entities being disclosed by the sixth disclosure level. Petitioner states that it now requires a change in its business structure that will require entities at the sixth level of disclosure, with all natural person principals of these entities being disclosed by the seventh disclosure level.
- d) As justification for the waiver, Petitioner states that, in addition to the residential units, which will cover 11 stories of the building, there will be 3 stories of commercial/retail space, including retailers such as Aldi and Target, and the building will also include a 4-story, 955-car parking garage. The contemplated ownership structure for the development is anticipated to include condominium ownership for the various components, with partial common upper-tier ownership of the commercial/retail space and the residential units. The parking garage will be owned by a Community Development District.
- e) Petitioner's ownership structure consists of a non-profit general partner, a Class B limited partner, and an investor limited partner. The Class B limited partner has three additional levels of entities before reaching the natural person owners, which creates noncompliance with the above rule and the NCA. Petitioner states that the multi-tier structure is necessary to accommodate the ownership and financing of the commercial components. Petitioner anticipates that several of its grants will be allocated to the commercial components through entities at the first through third levels and a private equity investment towards the commercial component is anticipated to be made through the second level (which is necessary so that such private investor is not directly a member of the Class B limited partner or the joint venture entity of the developers).
- f) The Petitioner states that creating wholly different entities for the residential and commercial components is not feasible and that the proposed business structure is crucial for the Development's overall success. The new proposed business structure is included as an attachment to the Petition.
- g) On March 8, 2024, the Notice of Petition was published in the Florida Administrative Register in Volume 50, Number 48. To date, Florida Housing has received no comments concerning the Petition.
- 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 the application of a rule would create a substantial hardship or would violate principles of fairness.
- i) Granting the requested waiver does not impact any other participants in funding programs administered by Florida Housing, nor does it detrimentally impact 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

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

3. **Recommendation:**

- a) Staff recommends the Board GRANT the requested waiver of Rule 67-21.025(7)(c), Fla. Admin Code (2020), and the Non-Competitive Application Package (2020) to allow natural person principals beyond the third principal disclosure level.

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F. In Re: Keys Affordable Development IV, LLC

FHFC Case No. 2024-014VW

Development Name (“Development”):	Boatworks Residences
Developer/Principal (“Developer”):	Quint Development, LLC / Martin Flynn, Jr.
Number of Units: 52 units	Location: Monroe County
Type: New Construction/Garden	Set-Asides: 3 units @ 25% AMI 23 units @ 60% AMI
Demographics: Family	Funding: 9% HC: \$925,344

1. Background:

- a) Keys Affordable Development IV, LLC (“Petitioner”) successfully applied for funding to assist in the construction of Boatworks Residences, a 52-unit development located in Monroe County, Florida (the “Development”). On March 4, 2024, Florida Housing received a Petition for Waiver of Rules 67-48.0072 (12) and (17)(h) (7/2018) (the “Petition”) to allow Petitioner’s General Contractor to subcontract with an affiliated subcontractor and to allow for costs of work that was completed outside the Guaranteed Maximum Price contract. A copy of the Petition is attached as [Exhibit M](#).

2. Present Situation:

- a) Rule 67-48.0072(12) and (17)(h), Fla. Admin. Code (2018), states, in relevant part:

(12) For competitive HC, SAIL, and HOME, the Corporation's assigned Credit Underwriter shall require a guaranteed maximum price construction contract, which may include change orders for changes in cost or changes in the scope of work, or both, if parties agree, and shall order at the Applicant's sole expense, and review a pre-construction analysis for all new construction units and a capital needs assessment for rehabilitation units and review the Development's costs.

(17)(h) The General Contractor must meet the following conditions: ... Ensure that no construction cost is subcontracted to any entity that has common ownership or is an Affiliate of the General Contractor or the Developer. For purposes of this paragraph, “Affiliate” has the meaning given it in subsection 67-48.002(5), F.A.C., except that the term “Applicant” therein shall mean “General Contractor.”

- b) Petitioner requests a waiver of the 67-48.0072(12) to allow work performed outside of the Guaranteed Maximum Price ("GMP") contract. Petitioner incurred additional hard construction costs outside of the GMP due to the COVID-19 pandemic which brought about increases of 15% to 20% for materials as well as a scarcity of needed materials. This led Petitioner to a strategy of purchasing materials whenever possible. Materials purchased outside of the GMP included items related to landscaping, painting, carpentry, windows, plumbing, and equipment rentals. The total costs above the GMP were \$1,114,383.
- c) Petitioner also requests a waiver of rule 67-48.0072(17)(h) to allow Petitioner’s General Contractor, Sherwood Construction, Inc ("Sherwood"), to subcontract with an affiliated entity. Sherwood struggled to find a subcontractor for the

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proposed development with the ability to build the shell of the building within budget due to the limited number of available subcontractors in the Keys and the conditions of the COVID-19 pandemic. Sherwood received two bids that were in excess of the 31% limitation for a shell subcontract. The Qualifying Agent for Sherwood, Yann LeLourec, had the willingness and ability to construct the shell of the building, at a lower price, and under the 31% limitation, through his company, Lenken Consultants. As a result, in March 2020, Sherwood removed Mr. LeLourec as the Qualifying Agent and hired Lenken Consultants to perform the shell work. Due to pandemic related issues, including price increases, the final amount for the shell-related construction work was \$3,028,789.88, of which \$86,060.88 was for concrete. The concrete was purchased directly by Mr. LeLourec who was reimbursed for this cost by Sherwood. Mr. LeLourec was also reimbursed \$1,674,710, for payment of non-shell related costs and materials. These costs and materials were purchased in an effort to avoid delays, future price increases and the possibility of materials being unavailable in the future. In March of 2022, upon completion of the building shell, Mr. LeLourec returned as Qualified Agent for Sherwood.

- d) As justification for the request, Petitioner states that the costs paid outside of the GMP contract and the use of an affiliated subcontractor could not be avoided due to increased prices for materials as well as a need to purchase materials when they were available to avoid a future scarcity of needed materials. These strategies allowed the development to meet the goal for timely completion of the development thereby delivering 52 units to Monroe County. The Placed-in-Service date was met on April 22, 2022, and the Development is fully leased.
- e) Staff requested Seltzer Management Group, Inc., the underwriter on this transaction, in conjunction with GLE Associates, Inc., the construction consultant, provide Florida Housing with a recommendation on the reasonableness of the cost incurred by Lenken Consultants for the shell of the building. After a review, staff received a positive recommendation on November 14, 2023.
- f) Staff also requested Novogradac & Company, LLP, the independent Certified Public Accountant for the Petitioner and Sherwood, test all reimbursed costs to Yann LeLourec. Of the \$1,674,710 in costs, Novogradac was able to test, through a review of supporting documentation such as invoices, receipts, and payments, \$1,329,927 of the total costs. Leaving a balance of \$344,783 of untested costs.
- g) On March 5, 2024, the Notice of Petition was published in the Florida Administrative Register in Volume 50, Number 45. To date, Florida Housing has received no comments concerning the Petition.
- 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 the application of a rule would create a substantial hardship or would violate principles of fairness.
- i) Granting the requested waiver does not impact other participants in funding programs administered by Florida Housing, nor does it detrimentally impact 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

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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 Rules 67-48.0072(12) and (17)(h), Fla. Admin. Code (2018), allowing Petitioner’s General Contractor to subcontract with an affiliated subcontractor and to allow for costs of work that was completed outside the Guaranteed Maximum Price. This waiver is conditioned upon the Petitioner’s compliance with the following conditions:

- (1) The General Contractor will limit the General Contractor's Fee to 10% on the Lenken Consultants shell contract.
- (2) No General Contractor fee will be taken on the \$344,783 untested portion of the reimbursements to Mr. LeLourec.

MULTIFAMILY BONDS

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IV. MULTIFAMILY BONDS

A. Request Approval of the Credit Underwriting Report and Authorizing Resolutions for The Salix on Vine (2021-110B / 2021-561C / RFA 2023-211 / 2023-256V)

Development Name: The Salix on Vine	Location: Osceola County
Applicant/Borrower: Vineland Family Apartments, Ltd.	Set-Asides: 100% @ 60% AMI (MMRB & 4% HC)
Developers/Principals: Vineland Family Developer LLC / Jeremy Bronfman	Demographic/Number of Units: Family / 252 units
Requested Amounts: \$50,000,000 Multifamily Mortgage Revenue Bonds (MMRB) \$4,300,000 Viability Loan \$4,676,388 Housing Credits (4% HC)	Development Category/Type: New Construction / Garden Apartments

1. **Background/Present Situation:**

- a) The Applicant submitted a 2021 Non-Competitive Application package requesting tax-exempt MMRB in the amount of \$35,900,000 and Non-Competitive Housing Credits in the amount of \$3,060,938. Subsequently, the MMRB request amount was increased to \$50,000,000.
- b) On February 23, 2022, staff issued an invitation to enter credit underwriting to the Applicant. The acceptance was acknowledged on February 23, 2022.
- c) On May 1, 2023, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2023-211 for Construction Inflation Response Viability Funding (Viability Loan) to assist projects in the development pipeline experiencing cost increases related to market inflation. Viability Loan finding is intended to fill the finding gap experienced due to increased construction cost.
- d) On June 9, 2023, the Board approved the final scores and recommendations for RFA 2023-211 and directed staff to proceed with all necessary credit underwriting activities. Staff issued a notice of preliminary award to the Applicant on June 14, 2023. The acceptance was acknowledged on June 16, 2023.
- e) On October 27, 2023, the Board approved a Rule Waiver to allow changes to the principals of the Applicant prior to MMRB loan closing under Rule 67-21.003(1)(b) and to allow changes to the principals of the Developer prior to MMRB loan closing under Rule 67-21.003(8)(b).
- f) On March 14, 2024, staff received a final credit underwriting report with a positive recommendation for funding ([Exhibit A](#)). Staff has reviewed this report and finds that the development meets all requirements of the Non-Competitive Application and the RFA.
- g) Staff reviewed the authorizing resolutions ([Exhibit B](#)) authorizing the sale and issuance of Multifamily Mortgage Revenue Bonds to finance this affordable

MULTIFAMILY BONDS

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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 issuance of a firm commitment and closing activities, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.

MULTIFAMILY BONDS

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B. Request Approval of the Credit Underwriting Report and Authorizing Resolutions for Emerald Villas Phase Three (2022-103B / 2022-534C)

Development Name: Emerald Villas Phase Three	Location: Orange County
Applicant/Borrower: Emerald Villas Phase Three, LLC	Set-Asides: 40% @ 60% AMI (MMRN) 23 Units @ 50% AMI (4% HC) 56 Units @ 60% AMI (4% HC) 11 Units @ 80% AMI (4% HC)
Developers/Principals: Emerald Villas Phase Three Developer, LLC / Alberto Milo, Jr.	Demographic/Number of Units: Family / 90 units
Requested Amounts: \$12,000,000 Multifamily Mortgage Revenue Note (MMRN) \$1,188,934 Housing Credits (4% HC)	Development Category/Type: New Construction / Garden Apartments

1. **Background/Present Situation:**

- a) The Applicant submitted a 2022 Non-Competitive Application package requesting tax-exempt MMRN in the amount of \$13,700,000 and Non-Competitive Housing Credits in the amount of \$1,330,924. Subsequently, the MMRN request amount was decreased to \$12,000,000.
- b) On July 12, 2023, staff issued an invitation to enter credit underwriting to the Applicant. The acceptance was acknowledged on July 12, 2023.
- c) On March 14, 2024, staff received a final credit underwriting report with a positive recommendation for MMRN funding ([Exhibit C](#)). 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 D](#)) 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

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C. 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 Developments referenced below, the final credit underwriting reports are being presented to the Board for approval simultaneously with this request to assign the appropriate professionals for the transactions and approval of the recommended methods of sale. A brief description of the Developments are detailed below, along with staff's recommendations.
- b) Pursuant to Rule 67-21.0045, F.A.C., staff has requested a review of the proposed financing structures by the Independent Registered Municipal Advisor (IRMA) in order to make a recommendation to the Board for the methods of bond/note sale for the developments. Caine Mitter and Associates Incorporated has prepared an analysis and recommendation for the methods of bond/note sale for the Developments. The recommendation letters are attached as [Exhibits E and F](#).

2. Present Situation

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

3. Recommendation

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

Development Name	Location of Development	Number of Units	Method of Bond/Note Sale	Recommended Professional	Exhibit
The Salix on Vine	Osceola County	252	Public Offering	RBC Capital Markets, LLC	Exhibit E
Emerald Villas Phase Three	Orange County	90	Private Placement	RBC Capital Markets, LLC	Exhibit F

MULTIFAMILY BONDS

Consent

D. Request Approval to Execute Acknowledgement Resolution

1. Background/Present Situation

- a) Pursuant to Rule 67-21, F.A.C., the Acknowledgement Resolution is the official action taken by the Corporation to reflect its intent to finance a Development provided that the requirements of the Corporation, the terms of the MMRB Loan Commitment, and the terms of the Credit Underwriting Report are met. The resolution designates the period within which the Borrower is able to be reimbursed for allowable project costs incurred with MMRB proceeds (with such period starting 60 days prior to the adoption of the resolution).
- b) Staff requests the execution of an Acknowledgement Resolution for the proposed Development referenced below intending to finance the acquisition, construction and/or rehabilitation of the Development. A brief description of the Development is detailed below. The resolution being presented to the Board for approval is attached as [Exhibit G](#).

2. Recommendation

- a) Approve the execution of the Acknowledgment Resolution for the proposed Development, as shown in the chart below.

Development Name	Name of Applicant	County	Number of Units	RFA / Applicable Application	Exhibit
Reserve at Indian Hill	Indian Hill Senior Housing Limited Partnership	Orange County	70	RFA 2023-204 / 2024-219BS	Exhibit G

MULTIFAMILY BONDS

Consent

E. Request Approval of Partial Release of Land for Royal Park Apartments (2021 Series O / RFA 2019-116 / 2020-411BS / 2019-559C)

Development Name: Royal Park Apartments	Location: Alachua County
Applicant/Borrower: BDG Royal Park Apartments, LP	Set-Asides: 40% @ 60% AMI (MMRB) 8 Units @ 30% AMI (SAIL, ELI & 4% HC) 10 Units @ 40% AMI (SAIL & 4% HC) 130 Units @ 60% AMI (SAIL & 4% HC) 44 Units @ 70% AMI (SAIL & 4% HC)
Developers/Principals: BDG Royal Park Apartments Developer, LLC / Scott Zimmerman	Demographic/Number of Units: Family / 192 units
Requested Amounts: \$24,954,000 Multifamily Mortgage Revenue Bonds (MMRB) \$5,242,500 State Apartment Incentive Loan (SAIL) \$600,000 Extremely Low Income (ELI) \$2,108,395 Housing Credits (4% HC)	Development Category/Type: New Construction / Garden Apartments

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.
- b) Staff issued a preliminary commitment and invitation to enter credit underwriting to the Applicant on July 20, 2020. The acceptance was acknowledged on July 20, 2020.
- c) On July 30, 2021, the Board approved the final credit underwriting report with a positive recommendation for funding and directed staff to proceed with closing activities. On December 17, 2021, the Borrower closed on the MMRB, SAIL, and ELI funding.
- d) BDG Royal Park Apartments, LP is requesting Florida Housing release collateral of approximately 6.34 acres of vacant land and an additional 12 feet by 43 feet rectangular piece of land from the MMRB, SAIL, and ELI loan documents. The Borrower will transfer the land to an affiliated entity who will ultimately transfer the land to the City of Gainesville for a multi public trail and city sidewalk. First Housing has reviewed this request and provided a positive recommendation ([Exhibit H](#)).

2. Recommendation:

- a) Approve the partial release of land and direct staff to proceed with amending the MMRB, SAIL, and ELI loan documents, subject to further approvals and verifications by the credit underwriter, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.

MULTIFAMILY PROGRAMS

Consent

V. MULTIFAMILY PROGRAMS

A. Request Approval of Loan Closing Deadline Extension for Courtside Apartments, Phase II (RFA 2021-208 / 2021-323S / 2020-528C & RFA 2023-211 / 2023-257V)

Development Name: Courtside Apartments, Phase II	Location: Miami-Dade County
Applicant/Borrower: AMC HTG 2, Ltd.	Set-Asides: 20 Units @ 30% AMI (SAIL & 4% HC) 6 Units @ 50% AMI (SAIL & 4% HC) 28 Units @ 60% AMI (SAIL & 4% HC) 66 Units @ 70% AMI (SAIL & 4% HC)
Developer/Principal: AMC HTG 2 Developer, LLC / Matthew A. Rieger	Demographic/Number of Units: Workforce/120 units
Requested Amounts: \$2,750,000 State Apartment Incentive Loan (SAIL) \$4,300,000 Viability Loan \$2,666,369 Housing Credits (4% HC)	Development Category/Type: New Construction/Mid-Rise (5-6 Stories)

1. Background/Present Situation:

- a) On March 15, 2021, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2021-208 for SAIL and Housing Credit Financing for the Construction of Workforce Housing.
- b) 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.
- c) On July 12, 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 15, 2021, giving them a firm loan commitment issuance deadline of July 15, 2022.
- d) On June 17, 2022, the Board approved extending the firm loan issuance commitment deadline from July 15, 2022, to January 15, 2023. Since then, the Board has approved Rule waivers extending the firm loan issuance commitment deadline to January 15, 2024.
- e) On May 1, 2023, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2023-211 for Construction Inflation Response Viability Funding (Viability Loan) to assist competitive projects in the development pipeline experiencing cost increases related to market inflation. Viability Loan funding is intended to fill the funding gap experienced due to increased construction costs.
- f) On June 9, 2023, the Board approved the final scores and recommendations for RFA 2023-211 and directed staff to proceed with all necessary credit underwriting activities. Staff issued a notice of preliminary award to the Applicant on June 14, 2023. The acceptance was acknowledged on June 16, 2023.
- g) On September 8, 2023, the Board approved the final credit underwriting report and directed staff to proceed with issuance of a firm commitment and closing

MULTIFAMILY PROGRAMS

Consent

activities. On September 11, 2023, staff issued a firm commitment to the Applicant giving them a loan closing deadline of March 11, 2023. A request for an extension of the loan closing deadline may be considered by the Board for an extension term of up to 90 Calendar Days.

- h) On December 15, 2023, a credit underwriter update letter recommending an increase to the permanent first mortgage and the addition of a construction period Bridge loan was presented on the Board agenda as an Information Item.
- i) On December 22, 2023, the Borrower requested an extension to the loan closing deadline from March 11, 2024 to June 10, 2024 ([Exhibit A](#)). Due to delays in the Agreement to Enter into a Housing Assistance Payment (AHAP) Contract approval process, delays in obtaining permits from the City of Miami and other due diligence items for closing, an extension is necessary. Staff has reviewed this request and finds that the development meets all requirements of the RFAs.

2. Recommendation:

- a) Approve the request for a loan closing deadline extension from March 11, 2024 to June 10, 2024, subject to payment of the required non-refundable extension fee of one percent of the loan amount, pursuant to the requirements of RFA 2021-208.

MULTIFAMILY PROGRAMS

Consent

B. Request Approval of RFA Waiver for Credit Underwriting Report Deadline for Bristol Manor (RFA 2021-201 / 2022-075C / 2023-269C & RFA 2023-211 / 2023-250V)

Development Name: Bristol Manor	Location: Volusia County
Applicant/Borrower: Bristol Manor, Ltd.	Set-Asides: 12 Units @ 30% AMI (9% HC) 50 Units @ 60% AMI (9% HC) 18 Units @ 80% AMI (9% HC)
Developers/Principals: Bristol Manor Developer, LLC / Jonathan L. Wolf	Demographic/Number of Units: Elderly/80 units
Requested Amounts: \$4,300,000 Viability Loan \$1,669,990 Housing Credits (9% HC)	Development Category/Type: New Construction/Garden

1. Background/Present Situation

- a) On July 20, 2021, Florida Housing issued Request for Applications (RFA) 2021-201 for Housing Credit Financing for Affordable Housing Developments Located in Medium and Small Counties. 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 May 5, 2022, staff issued an invitation to the Applicant to enter credit underwriting and the acceptance was acknowledged on May 11, 2022. The Carryover Allocation Agreement was executed on July 20, 2023, giving the Applicant a credit underwriting deadline of March 31, 2024. On January 29, 2024, staff extended the HC 10% test and Site Control documentation from January 15, 2024 to July 20, 2024.
- b) On May 1, 2023, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2023-211 for Construction Inflation Response Viability Funding (Viability Loan) to assist competitive projects in the development pipeline experiencing cost increases related to market inflation. Viability Loan funding is intended to fill the funding gap experienced due to increased construction costs. On June 9, 2023, the Board approved the final scores and recommendations for RFA 2023-211 and directed staff to proceed with all necessary credit underwriting activities. Staff issued a notice of preliminary award to the Applicant on June 14, 2023. The acceptance was acknowledged on June 16, 2023.
- c) On March 4, 2024, staff received a request from the Borrower for an RFA waiver to extend the CUR deadline from March 31, 2024 to June 28, 2024 ([Exhibit B](#)). The extension is needed due to unprecedented escalation in construction costs over the past two years which has resulted in delays in the pre-development process. The Borrower applied for Volusia County gap funding as a result of the recent cost increases and expects to be awarded in late March. Once the county awards are announced, the underwriter can include it in the CUR. Per RFA 2023-211, applicants that are awarded funding through this RFA must meet the following requirement: The Credit Underwriting Report will be completed or updated as applicable prior to March 31, 2024. Therefore, an RFA waiver is required.

2. Recommendation

- a) Approve an RFA waiver request for a credit underwriting report deadline extension from March 31, 2024 to June 28, 2024.

MULTIFAMILY PROGRAMS

Consent

C. Request Approval of RFA Waiver for Credit Underwriting Report Deadline for Osprey Sound (Non-Competitive Application / 2021-107B / 2021-522C & RFA 2023-211 / 2023-258V)

Development Name: Osprey Sound	Location: Orange County
Applicant/Borrower: Osprey Sound Apartments, L.P.	Set-Asides: 100% @ 60% AMI (MMRB & 4%HC)
Developers: Osprey Sound Developer, LLC / Jonathan Gruskin	Demographic/Number of Units: Elderly/294 units
Requested Amounts: \$42,000,000 Multifamily Mortgage Revenue Bonds (MMRB) \$4,300,000 Viability Loan \$3,651,500 Housing Credits (4% HC)	Development Category/Type: New Construction/Mid-Rise (5 to 6 stories)

1. Background/Present Situation

- a) On February 4, 2022, the Applicant applied for Corporation-issued MMRB and 4 Percent Housing Credit through the Non-Competitive Application. Staff approved the application, and on February 16, 2022, an invitation was issued to the Applicant to enter credit underwriting and the acceptance was acknowledged on February 16, 2022.
- b) On May 1, 2023, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2023-211 for Construction Inflation Response Viability Funding (Viability Loan) to assist competitive projects in the development pipeline experiencing cost increases related to market inflation. Viability Loan funding is intended to fill the funding gap experienced due to increased construction costs. On June 9, 2023, the Board approved the final scores and recommendations for RFA 2023-211 and directed staff to proceed with all necessary credit underwriting activities. Staff issued a notice of preliminary award to the Applicant on June 14, 2023. The acceptance was acknowledged on June 14, 2023.
- c) On March 5, 2024, staff received a request from the Borrower for an RFA waiver to extend the CUR deadline from March 31, 2024 to October 22, 2024 ([Exhibit C](#)). The extension is needed due to a delay in the site plan and building permit approval process with Orange County and other processes held up by the county due to a backlog. A construction contract cannot be executed until additional progress has been made on the building permit review process. Per the RFA, Applicants that are awarded funding through this RFA must meet the following requirement: The Credit Underwriting Report will be completed or updated as applicable prior to March 31, 2024. Therefore, an RFA waiver is required.

2. Recommendation

- a) Approve an RFA waiver request for a credit underwriting report deadline extension from March 31, 2024 to October 22, 2024.

MULTIFAMILY PROGRAMS

Consent

D. Request Approval of RFA Waiver for Credit Underwriting Report Deadline for Pollywog Creek Mews (RFA 2021-206 / 2022-242H & RFA 2023-211 / 2023-238V)

Development Name: Pollywog Creek Mews	Location: Hendry County
Applicant/Borrower: Pollywog Creek Mews, LLC	Set-Asides: 20% @ 50% AMI (HOME) 80% @ 60% AMI (HOME)
Developers/Principals: Rural Neighborhoods, Incorporated/Steven Kirk; Odyssey Development Group, LLC / Jason Goldfarb	Demographic/Number of Units: Family/28 units
Requested Amounts: \$2,475,000 Viability Loan \$5,690,000 HOME Investment Partnerships Program (HOME)	Development Category/Type: New Construction/Garden

1. Background/Present Situation

- a) On December 15, 2021, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2021-206 for HOME Financing for the Construction of Small, Rural Developments. 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. On March 29, 2022, 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. The acceptance was acknowledged on April 4, 2022, giving them a firm loan commitment issuance deadline of April 4, 2023.
- b) On March 10, 2023, the Board approved extending the firm loan commitment issuance deadline from April 4, 2023, to October 4, 2023. Subsequently, on October 13, 2023, the Board approved a Rule waiver extending the firm loan commitment issuance deadline to June 4, 2024.
- c) On May 1, 2023, Florida Housing Finance Corporation issued a Request for Applications (RFA) 2023-211 for Construction Inflation Response Viability Funding (Viability Loan) to assist competitive projects in the development pipeline experiencing cost increases related to market inflation. Viability Loan funding is intended to fill the funding gap experienced due to increased construction costs. On June 9, 2023, the Board approved the final scores and recommendations for RFA 2023-211 and directed staff to proceed with all necessary credit underwriting activities. Staff issued a notice of preliminary award to the Applicant on June 14, 2023. The acceptance was acknowledged on June 21, 2023.
- d) On March 4, 2024, staff received a request from the Borrower for an RFA waiver to extend the CUR deadline from March 31, 2024 to June 28, 2024 ([Exhibit D](#)). The extension is needed due to economic obstacles associated with the Development which include insufficient market interest from general contractors in the new construction of a small, 28-unit, ESS residential building in rural Hendry County, FL. Bids far exceed the projected costs deemed reasonable for the Development. Further, the Borrower has obtained \$750,000 in direct subsidy from the Federal Home Loan Bank of Atlanta's Affordable Housing Program to enhance the financial viability of the Development. The Borrower is requesting the additional time to attempt to reduce the budget and to secure a feasible contract. Per the RFA, Applicants that are awarded funding through this RFA must meet the following requirement: The Credit Underwriting Report will be

MULTIFAMILY PROGRAMS

Consent

completed or updated as applicable prior to March 31, 2024. Therefore, an RFA waiver is required.

2. **Recommendation**

- a) Approve an RFA waiver request for a credit underwriting report deadline extension from March 31, 2024 to June 28, 2024.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

VI. PREDEVELOPMENT LOAN PROGRAM (PLP)

A. Request Approval of Loan Maturity Extension for East to West Development Corporation, a not-for-profit entity, for Oaks at Moore Creek II (PLP 2021–012P-09).

DEVELOPMENT NAME (“Development”):	Oaks at Moore Creek II
APPLICANT/DEVELOPER (“Developer”):	East to West Development Corporation
CO-DEVELOPER:	N/A
NUMBER OF UNITS:	15 Homeownership units
LOCATION (“County”):	St. Lucie
TYPE:	Family
MINIMUM SET ASIDE:	50% @ 80% AMI and 50% @ 120% AMI
PLP LOAN AMOUNT:	\$500,000
ADDITIONAL COMMENTS:	

1. Background:

- a) On December 10, 2021, the Board approved a PLP loan for Oaks at Moore Creek II in the amount of \$500,000. To date, the Applicant has drawn \$241,927.38.
- b) On April 14, 2022, the Applicant closed on the PLP loan. The maturity date is April 14, 2025.

2. Present Situation:

- a) On March 2, 2024, staff received a recommendation ([Exhibit A](#)) from the assigned technical assistance provider recommending a one-year extension to the maturity date to allow the PLP loan to accommodate requirements of the construction loan from Neighborhood Lending Partners.
- b) Staff has reviewed the recommendation and believe that the loan maturity date is necessary.

3. Recommendation:

- a) Approve the loan maturity extension for Oaks at Moore Creek II and allow staff to commence the loan document amendment process.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

B. Request Approval of PLP Loan Modifications and Maturity Date Extension for Provident Housing Solutions, Inc., a not-for-profit entity, for Clermont Ridge II (PLP 2019--015P-09).

DEVELOPMENT NAME (“Development”):	Clermont Ridge II
APPLICANT/DEVELOPER (“Developer”):	Provident Housing Solutions, Inc.
CO-DEVELOPER:	Blue Sky Developers
NUMBER OF UNITS:	84 rental units
LOCATION (“County”):	Lake
TYPE:	Elderly
MINIMUM SET ASIDE:	20% @ 50% AMI
PLP LOAN AMOUNT:	\$750,000
ADDITIONAL COMMENTS: Original application was for 93 units.	

1. Background:

- a) On April 17, 2020, the Board approved a PLP loan for Clermont Ridge II in the amount of \$750,000. To date, the Applicant has drawn \$533,095.52.
- b) On June 10, 2020, the Applicant closed on the PLP loan. The original maturity date was June 10, 2023. The Board has approved a one-year extension making the maturity date June 10, 2024.

2. Present Situation:

- c) On March 2, 2024, staff received a revised development plan and a letter ([Exhibit B](#)) from the assigned technical assistance provider recommending a second one-year extension to the maturity date.
- d) In addition to the maturity extension, the recommendation includes a reduction in the number of units from 93 to 84. This is due to a miscalculation of the county zoning limits.
- e) Staff has reviewed the development plan and recommendations and believe that all revisions are necessary to complete this development.

3. Recommendation:

- a) Approve the one-year maturity extension and loan modifications for the PLP loan for Clermont Ridge II to Provident Housing Solutions, Inc. and allow staff to commence the loan closing process.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

C. Request Approval of PLP Loan for Caring & Sharing, Inc., a not-for-profit entity, for Florida City Condos (PLP 2023--006P-09).

DEVELOPMENT NAME (“Development”):	Florida City Condos
APPLICANT/DEVELOPER (“Developer”):	Caring & Sharing, Inc.
CO-DEVELOPER:	Davis Consulting and Management, Inc.
NUMBER OF UNITS:	6 Homeownership units
LOCATION (“County”):	Miami-Dade
TYPE:	Family
MINIMUM SET ASIDE:	50% @ 80% AMI and 50% @ 120% AMI
PLP LOAN AMOUNT:	\$650,000
ADDITIONAL COMMENTS: N/A	

1. Background:

- a) On April 21, 2023, the Applicant submitted an application for a PLP loan in the amount of \$650,000 for Florida City Condos.

2. Present Situation:

- a) On March 6, 2024, staff received a letter ([Exhibit C](#)) from the assigned technical assistance provider recommending approval of the requested PLP loan.
- b) Of the \$650,000 PLP loan request, \$205,000 is being requested for the acquisition of the subject property. This portion of the loan will be subject to a review and positive recommendation from an assigned credit underwriter.
- c) Staff has reviewed the recommendation and believe that the maturity extension is necessary to complete this development.

3. Recommendation:

- a) Approve the PLP loan for Florida City Condos to Caring & Sharing, Inc, and allow staff to commence the loan closing process on the non-site acquisition funds and assign the acquisition portion of the loan to a credit underwriter.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

D. Request Approval of PLP Loan Budget Revision for EcoTech Visions Foundation, Inc., a not-for-profit entity, for Armstrong Building (PLP 2021--004P-09).

DEVELOPMENT NAME (“Development”):	Armstrong Building
APPLICANT/DEVELOPER (“Developer”):	EcoTech Visions Foundation, Inc.
CO-DEVELOPER:	N/A
NUMBER OF UNITS:	48 Homeownership units
LOCATION (“County”):	Miami-Dade
TYPE:	Family
MINIMUM SET ASIDE:	50% @ 80% AMI and 50% @ 120% AMI
PLP LOAN AMOUNT:	\$500,000
ADDITIONAL COMMENTS: N/A	

1. Background:

- a) On October 22, 2021, the Board approved a PLP loan for Armstrong Building in the amount of \$500,000. To date, the Applicant has drawn \$367,925.84.
- b) On January 5, 2022, the Applicant closed on the PLP loan.

2. Present Situation:

- a) On March 3, 2024, staff received a letter and revised budget ([Exhibit D](#)) from the assigned technical assistance provider recommending the changes to the PLP budget. The changes do not affect the total PLP loan amount.
- b) Staff has reviewed the recommendation and believe that the budget revision is necessary to complete this development.

3. Recommendation:

- a) Approve the budget revisions for Armstrong Building to EcoTech Visions Foundation, Inc, and allow staff to commence the loan closing process.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

E. Request Approval of PLP Loan Revisions for NANA, Inc., a not-for-profit entity, for NANA City Homes (PLP 2021--015P-09).

DEVELOPMENT NAME (“Development”):	NANA City Homes
APPLICANT/DEVELOPER (“Developer”):	Neighbors and Neighbors, Inc. (NANA)
CO-DEVELOPER:	Davis Consulting and Management, Inc.
NUMBER OF UNITS:	33 Homeownership units
LOCATION (“County”):	Miami-Dade
TYPE:	Family
MINIMUM SET ASIDE:	50% @ 80% AMI and 50% @ 120% AMI
PLP LOAN AMOUNT:	\$500,000
ADDITIONAL COMMENTS: Original application was for 37 units.	

1. Background:

- a) On April 21, 2023, the Board approved a PLP loan in the amount of \$500,000 for NANA City Homes. To date, the Applicant has drawn \$230,877.71.

2. Present Situation:

- a) On March 6, 2024, staff received a letter ([Exhibit E](#)) from the assigned technical assistance provider recommending a change in the superior lender from BEDF to BBIF and a reduction in the number of units to 33 due to encroachments and setback requirements.
- b) Additionally, an intercreditor agreement for the PLP loan with Miami-Dade for an additional amount of \$3.7 million in construction funds from the Miami-Dade Surtax program will be required.
- c) Staff has reviewed the recommendation and believe that the change in lender and additional subordinate debt is necessary to complete this development.

3. Recommendation:

- a) Approve the PLP loan revisions for NANA City Homes to NANA, Inc, and allow staff to commence the loan closing process.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

F. Request Approval of PLP Loan for Notre Maison I, LLLP, a not-for-profit entity, for Notre Maison (PLP 2024--002P-09).

DEVELOPMENT NAME (“Development”):	Notre Maison
APPLICANT/DEVELOPER (“Developer”):	Notre Maison I, LLLP
CO-DEVELOPER:	Davis Consulting and Management, Inc.
NUMBER OF UNITS:	75 rental units
LOCATION (“County”):	Miami-Dade
TYPE:	Family
MINIMUM SET ASIDE:	20% @ 50% AMI
PLP LOAN AMOUNT:	\$500,000
ADDITIONAL COMMENTS: Notre Maison I, LLLL is a subsidiary of Carrfour Supportive Housing.	

1. Background:

- a) On March 4, 2024, the Applicant submitted an application for a PLP loan in the amount of \$500,000 for Notre Maison.

2. Present Situation:

- a) On March 5, 2024, staff received a letter ([Exhibit F](#)) from the assigned technical assistance provider recommending approval of the requested PLP loan.
- b) The subject property has outstanding liens from previous housing program loans. Due to this, the applicant will secure the PLP loan with a letter of credit as permitted in 67-38.0026 (2).
- c) Staff has reviewed the recommendation and believe that the maturity extension is necessary to complete this development.

3. Recommendation:

- a) Approve the PLP loan for Notre Maison to Notre Maison I, LLLP, and allow staff to commence the loan closing process.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

G. Request Approval of PLP Credit Underwriting Report for Caring & Sharing, Inc., a not-for-profit entity, for Charm Little Haiti (PLP 2023--004P-09).

DEVELOPMENT NAME (“Development”):	Charm Little Haiti
APPLICANT/DEVELOPER (“Developer”):	Caring & Sharing, Inc.
CO-DEVELOPER:	N/A
NUMBER OF UNITS:	6 homeownership units
LOCATION (“County”):	Miami-Dade
TYPE:	Family
MINIMUM SET ASIDE:	50% @ 80% AMI and 50% @ 120% AMI
PLP LOAN AMOUNT:	\$650,000
ADDITIONAL COMMENTS: N/A	

1. Background:

- a) On October 27, 2023, the Board approved a PLP loan in the amount of \$650,000 for Charm Little Haiti. Of that \$650,000 loan, \$284,000 was requested for the acquisition costs related with the subject property. By rule, that portion of the loan is required to be reviewed and receive a positive recommendation from an assigned credit underwriter.
- b) On November 2, 2023, First Housing accepted the assignment for the credit underwriting.

2. Present Situation:

- a) On March 11, 2024, staff received a letter ([Exhibit G](#)) from the assigned credit underwriter recommending approval of the acquisition portion of the PLP loan.

3. Recommendation:

- a) Approve the PLP Credit Underwriting Report for Charm Little Haiti to Caring & Sharing, Inc., and allow staff to commence the loan closing process.

SPECIAL ASSETS

Consent

VII. SPECIAL ASSETS

A. Request Approval of the Extension of the SAIL Loan for Harding Village, LTD, a Florida Limited Partnership, for Harding Village-Miami Beach (2003-016CS)

Development Name: Harding Village-Miami Beach ("Development")	Location: Miami-Dade County
Developer/Principal: Carrfour Supportive Housing Inc. ("Developer"); Harding Village, Ltd. ("Borrower")	Set-Aside: SAIL 17% @ 30%, 83% @ 60% AMI; HC 17% @ 30% & 83% @ 60% AMI LURA & EUA 50 years each
Number of Units: 92	Allocated Amount: SAIL \$2,000,000; HC \$497,510
Demographics: Homeless	Servicer: First Housing Development Corporation

1. Background:

- a) During the 2003 funding cycle, Florida Housing Finance Corporation ("Florida Housing") awarded a State Apartment Incentive Loan ("SAIL") in the amount of \$2,000,000 to Harding Village, Ltd. ("Borrower"), a Florida limited partnership, for the development of a 92-unit property in Miami-Dade County, Florida. The loan closed on May 18, 2005 and matured on May 18, 2022. The Development also received a 2003 allocation of low-income housing tax credits of \$497,510.
- b) The Board has previously approved the Borrower's request for extensions of the SAIL Loan to May 18, 2024.

2. Present Situation:

- a) The Borrower has requested approval to extend the SAIL loan, for one (1) year, to May 18, 2025, while working on refinancing of the Development. The Borrower is currently exploring options to refinance which will include repayment of the SAIL loan by the extended maturity date requested.

3. Recommendation:

- a) Approve the extension of the SAIL loan at its current terms to May 18, 2025, extension of the LURA for an additional year, subject to further approvals and verifications by the Servicer, counsel, and appropriate Florida Housing staff, and direct staff to proceed with loan document modification activities, as needed.

Florida Housing Finance Corporation

Credit Underwriting Report

Village at Cedar Hills

**Permanent Supportive Housing Focusing on Best Practices and Funding for Tenancy Supports
and Resident Services Coordination for High Utilizers of Public Behavioral Health Systems**

HOME-ARP, NHTF and 9% HC

RFA 2022-210 / 2022-270CAN

Section A Report Summary

Section B Loan Conditions and HC Allocation Recommendation and Contingencies

Section C Supporting Information and Schedules

Prepared by

Seltzer Management Group, Inc.

Final Report

March 14, 2024

VILLAGE AT CEDAR HILLS

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Section A
Report Summary

MARCH 14, 2024

HOME-ARP, NHTF AND HC CREDIT UNDERWRITING REPORT

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Recommendation

Seltzer Management Group, Inc. (“SMG” or “Seltzer” or “Servicer”) recommends Florida Housing Finance Corporation (“FHFC” or “Florida Housing” or “Corporation”) issue a HOME-American Rescue Plan (“HOME-ARP”) Mortgage of \$7,200,000 and a National Housing Trust Fund (“NHTF”) Mortgage of \$1,835,100. SMG also recommends an annual Housing Credit (“HC”) allocation of \$1,887,000 to Village at Cedar Hills for construction and permanent financing.

DEVELOPMENT & SET-ASIDES

Development Name: Village at Cedar Hills

RFA/Program Numbers: RFA 2022-210 / 2022-270CAN

Address: 0 Harlow Boulevard

City: Jacksonville Zip Code: 32210 County: Duval County Size: Large

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

Construction Type: Wood Frame

Demographic Commitment:

Primary: Homeless for 25% of the Units

Secondary: Persons with Special Needs for 25% of the Units

Unit Composition:

of ELI Units: 9 ELI Units Are Restricted to 30% AMI, or less. Total # of units with PBRA? 0

of Link Units: 0 Are the Link Units Demographically Restricted? No # of NHTF Units: 9

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	7	698	30%			\$498	\$76	\$422		\$422	\$422	\$422	\$35,448
1	1.0	8	698	50%	\$830			\$76	\$754		\$920	\$754	\$754	\$72,384
1	1.0	21	698	60%			\$996	\$76	\$920		\$920	\$920	\$920	\$231,840
2	2.0	9	995	30%			\$597	\$103	\$494		\$494	\$494	\$494	\$53,352
2	2.0	10	995	50%	\$996			\$103	\$893		\$1,092	\$893	\$893	\$107,160
2	2.0	26	995	60%			\$1,195	\$103	\$1,092		\$1,092	\$1,092	\$1,092	\$340,704
3	2.0	2	1,342	30%			\$690	\$135	\$555		\$555	\$555	\$555	\$13,320
3	2.0	2	1,342	50%	\$1,150			\$135	\$1,015		\$1,245	\$1,015	\$1,015	\$24,360
3	2.0	5	1,342	60%			\$1,380	\$135	\$1,245		\$1,245	\$1,245	\$1,245	\$74,700
		90	81,981											\$953,268

Per the Application and RFA, the demographic commitments are as follows:

High Utilizer Demographic Commitment: Based on the RFA, the Applicant must commit to set aside 20% of the total units (18 units), or a minimum of 15 units, whichever is greater, for High Utilizers for the entire Pilot Period. These units may not be the same units set aside under the Homeless Household Demographic Commitment below, but may be the same units as those set aside under the HOME-ARP Demographic Commitment. The Pilot Period formally begins upon tenancy of the first High Utilizer resident and will end no less than three (3) years after a minimum of 90% of the High Utilizer units are initially occupied. After

HOME-ARP, NHTF AND HC CREDIT UNDERWRITING REPORT

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the Pilot Period and certain reporting requirements are met, the Pilot Period will be considered completed and this demographic commitment will end.

Homeless Demographic Commitment: Based on the RFA, 10% of the total units (9 units) must be set aside for Homeless Households for the entire 50 year Compliance Period. These set-aside units may not be the same units as those set aside under any other Demographic Commitment. Starting in Year 16, the units set aside for Homeless Households will increase to 25 percent of the total units for the remaining Compliance Period as stated under the Termination of the HOME-ARP Demographic Commitment.

All Applicants must meet the following requirements specific to its commitment, pursuant to the RFA, to serve Homeless households:

1. Have an executed agreement to participate in the Continuum of Care Homeless Management Information System (“HMIS”); and will contribute data on the Development’s tenants to the Continuum of Care’s HMIS data system or, if serving Survivors of Domestic Violence, is providing aggregate data reports to the Continuum of Care. The executed agreement shall be required at least 6 months prior to the expected placed in service date.
2. As of the application deadline of July 12, 2022, the Applicant must be a member of the Local Homeless Assistance Continuum of Care, and commit to a housing provider in the Continuum of Care’s Homeless Coordinated Entry system as required by the U.S. Department of Housing and Urban Development. The Applicant must utilize the Continuum’s Coordinated Entry System for a minimum of 10 percent of the total units at the proposed Development throughout the entire 50 year Compliance Period, unless Florida Housing approves another approach to meet this demographic commitment.

HOME-ARP Demographic Commitment: Based on the RFA, 45% of the total units (41 units) will be considered HOME-ARP, for a minimum of 15 years. At least 70% of the HOME-ARP units (29 units) must be set aside to serve HOME-ARP Qualifying Populations for 15 years and will utilize Low HOME rents. Under the HOME-ARP Qualifying Populations commitment, if the Applicant chooses to serve persons meeting the HOME-ARP Qualifying Populations homeless requirement, this must be in addition to the Homeless Demographic Commitment noted above. No more than 30% of the HOME-ARP units (12 units) may be set aside to serve persons up to 80% AMI with High HOME rents or as further restricted by Housing Credit unit rents and income restrictions.

Termination of the HOME-ARP Demographic Commitment: At the end of Year 15, the HOME-ARP set-aside requirements will end. Starting in Year 16 through the 50 year Compliance Period, the following Demographic Commitments will be implemented:

- 25% of the total units (23 units) at or below 60% AMI must serve Persons with Special Needs.
- 25% of the total units (23 units) at or below 60% AMI must serve Homeless Households (this percentage includes the original 10 percent set-aside (9 units) for Homeless Households required starting in Year 1).
- The remaining units may serve any demographic group, including families and elderly.

At the end of Year 15, when the HOME-ARP set-aside requirements and HOME-ARP Qualifying Populations rent restrictions end on the 45% of total units (41 units) under this program, these households may be allowed to occupy the unit with an indefinite length of stay as long as the tenant complies with lease requirements including the Housing Credit Unit rent restrictions.

Persons with Special Needs Set-Aside Commitment: After termination of the HOME-ARP set-aside requirement, 25% of the total units (23 units) must serve Persons with Special Needs. The Applicant has committed to serve a population of adult persons requiring independent living services in order to maintain housing or develop independent living skills and who have a Disabling Condition that neither currently impairs nor is likely to impair their physical mobility, such as persons with a mental illness. Based on the RFA and the Applicant’s Persons with Special Needs commitment, the Applicant shall meet the Level 2 Accessibility Requirements of the RFA. These requirements include:

- Set aside a minimum of five (5) percent of the total units (5 units), rounded up, as fully accessible units in accordance with 2010 ADA Standards for Accessible Design, regardless of whether the proposed Development consists of new construction or Substantial Rehabilitation. These fully accessible units must (A) be on an accessible route with mobility features that comply with the residential dwellings units provision of the 2010 ADA Standards for Accessible Design; and (B) be equally distributed among different units sizes and Development types and must be dispersed throughout the Development (not located in the same area or on a single floor). These units will be included as part of the 5% requirement for fully accessible units per Section 504.
- Set aside at least one additional unit to be accessible to persons with visual and hearing impairments in accordance with 2010 ADA Standards for Accessible Design, regardless of whether the proposed Development consists of new construction or Substantial Rehabilitation. This one unit will be included as part of the 2% requirement for audio/visual units per Section 504. The unit(s) that are accessible to persons with visual and hearing impairments shall comply with the communication features described for Residential Dwelling Units with Communication Features in the 2010 ADA Standards for Accessible Design.

Units required to be set aside for Persons with Special needs may not be the same as those units set aside to meet the Homeless Demographic Commitment described above.

The Applicant selected a minimum of 40% of the units at or below 60% AMI; therefore, the purposes of Request for Applications (“RFA”) 2022-210, the Applicant must set-aside at least 10% of the total units (9 units) for Extremely Low Income (“ELI”) households. For Duval County, the ELI set-aside is 30% of the AMI.

The Tenant Selection Plan was approved by FHFC on October 25, 2022.

The Housing Stability Services Coordination Plan was approved by FHFC on June 29, 2023.

NHTF Set-Aside Commitment: The proposed development must set aside nine (9) units as NHTF Link units targeted for Persons with Special Needs who are referred by a FHFC-designated Special Needs Household Referral Agency. These units are required to be at 30% AMI and are in addition to the 10% requirement for ELI set aside units (9 units). 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 commitment must be maintained throughout the entire 50 year Compliance Period.

NHTF Loan Amount per Number of Units (10% of the total units): Duval County

Nine (9) units at \$203,900 = \$1,835,100

Buildings: Residential -	<u>3</u>	Non-Residential -	<u>1</u>
Parking: Parking Spaces -	<u>180</u>	Accessible Spaces -	<u>7</u>

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Set Asides:	Program	% of Units	# of Units	% AMI	Term (Years)
	HC	10.0%	9	30%	50
	HC	90.0%	81	60%	50
	HOME-ARP	30.0%	29	50% Low HOME	15
	HOME-ARP	70.0%	12	60% High HOME	15
	NHTF	10.0%	9	30%	50

Absorption Rate 20 units per month for 5.0 months.

Occupancy Rate at Stabilization: Physical Occupancy 95.00% Economic Occupancy 94.00%
Occupancy Comments N/A - New Construction

DDA: No QCT: No Multi-Phase Boost: No QAP Boost: No
Site Acreage: 7.02 Density: 12.8205 Flood Zone Designation: X
Zoning: PUD, Planned Unit Development Flood Insurance Required?: No

Per RFA 2022-210, all proposed Developments qualify for the basis boost.

DEVELOPMENT TEAM		
Applicant/Borrower:	Ability VCH, LLC	% Ownership
Member	Ability VCH MSM, LLC	
Member	Raymond James Affordable Housing Investments, Inc. ("RJAHI")	
Construction Completion Guarantor(s):		
CC Guarantor 1:	Ability VCH, LLC	
CC Guarantor 2:	Ability VCH MSM, LLC	
CC Guarantor 3:	Ability VCH Dev MM, LLC	
CC Guarantor 4:	Ability Housing, Inc.	
Operating Deficit Guarantor(s):		
OD Guarantor 1:	Ability VCH, LLC	
OD Guarantor 2:	Ability VCH MSM, LLC	
OD Guarantor 3:	Ability VCH Dev MM, LLC	
OD Guarantor 4:	Ability Housing, Inc.	
Developer:	Ability VCH Dev MM, LLC	
Principal 1	Ability Housing, Inc.	
Principal 2	Executive Director - Shannon Nazworth	
General Contractor 1:	Elkins Construction, LLC	
Management Company:	TPI Management Services, LLC	
Syndicator:	RJAHI	
Architect:	Group 4 Design, Inc.	
Market Study Provider:	Meridian Appraisal Group, Inc.	
Appraiser:	Meridian Appraisal Group, Inc.	

HOME-ARP, NHTF AND HC CREDIT UNDERWRITING REPORT

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PERMANENT FINANCING INFORMATION						
	1st Source	2nd Source	3rd Source	4th Source	5th Source	Other
Lender/Grantor	FHFC - HOME ARP	FHFC - NHTF	City of Jacksonville			
Amount	\$7,200,000	\$1,835,100	\$1,000,000			
Underwritten Interest Rate	0.00%	0.00%	0.00%			
Loan Term	30.0	30.0	0.0			
Amortization	N/A	N/A	N/A			
Market Rate/Market Financing LTV	45.6%	57.2%	63.6%			
Restricted Market Financing LTV	178.7%	224.2%	249.0%			
Loan to Cost - Cumulative	23.4%	29.3%	32.6%			
Debt Service Coverage	10.601	7.326	7.326			
Operating Deficit & Debt Service Reserves	\$1,233,554					
# of Months covered by the Reserves	18.9					

Deferred Developer Fee	\$3,028,256
As-Is Land Value	\$950,000
Market Rent/Market Financing Stabilized Value	\$15,790,000
Rent Restricted Market Financing Stabilized Value	\$4,030,000
Projected Net Operating Income (NOI) - Year 1	\$133,805
Projected Net Operating Income (NOI) - 15 Year	\$33,185
Year 15 Pro Forma Income Escalation Rate	2.00%
Year 15 Pro Forma Expense Escalation Rate	3.00%
Housing Credit (HC) Syndication Price	\$0.94
HC Annual Allocation - Initial Award	\$1,887,000
HC Annual Allocation - Qualified in CUR	\$1,887,000
HC Annual Allocation - Equity Letter of Interest	\$1,887,000

CONSTRUCTION/PERMANENT SOURCES:				
Source	Lender	Construction	Permanent	Perm Loan/Unit
Regulated Mortgage Lender	TIAA Bank	\$16,000,000	\$0	\$0.00
FHFC - HOME	FHFC - HOME-ARP	\$7,200,000	\$7,200,000	\$80,000.00
FHFC - NHTF	FHFC - NHTF	\$1,835,100	\$1,835,100	\$20,390.00
Other	City of Jacksonville	\$1,000,000	\$1,000,000	\$11,111.11
HC Equity	RJAHl	\$2,660,404	\$17,736,026	\$197,066.96
Deferred Developer Fee	Developer	\$2,103,878	\$3,028,256	\$33,647.29
TOTAL		\$30,799,382	\$30,799,382	\$342,215.36

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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?	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?		2
Is the Development feasible using the set-asides committed to in the Application?		3
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?		4

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

1. See the below changes in the source of funds:
 - The Application included a Letter of Intent (“LOI”) for first mortgage financing from Chase Bank, N.A. (“Chase”) for construction financing. Subsequently, the Applicant provided a LOI from TIAA Bank (“TIAA”) for first mortgage construction financing in the amount up to \$18,100,000.
 - Per the August 16, 2022, Invitation to Enter Credit Underwriting the Applicant was awarded additional funding in the amount of \$1,835,100 in the form of a National Housing Trust Fund (“NHTF”) loan.

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- Per a December 12, 2023, City Council Ordinance 2023-441-E, Ability Housing, Inc. was awarded a \$1,000,000 grant from the City of Jacksonville to develop Village at Cedar Hills.
- 2. Total Development Costs (“TDC”) as stated in the application were \$27,207,346. TDC have increased to \$30,799,382, an increase of \$3,592,036. This increase is primarily due to increases in construction and financing costs and an increase in total Developer Fee.
- 3. See the below changes to the set-asides:
 - At the time of Application, the set-asides committed to include a HC commitment of 10% of the units at or below 30% of AMI and the remaining 90% at or below 60% of AMI. Per the Invitation to Credit Underwriting dated August 16, 2022, the Development was awarded a NHTF loan which requires an additional deep targeted set-aside for Persons with Special Needs at 30% of AMI. This requirement is in addition to the 10% ELI set-aside units (9 units) for HC and as such the Development is required to set aside 9 units as NHTF Link units.
- 4. See the below additional changes to the application:
 - On August 30, 2022, the Applicant submitted a request to change the unit mix by increasing the number of bathrooms in the two bedroom units. The change in unit mix is shown below:

<u>Previous</u>	<u>Current</u>
36 – 1 bedroom / 1 bath	36 – 1 bedroom / 1 bath
45 – 2 bedroom / 1 bath	45 – 2 bedroom / 2 bath
9 – 3 bedroom / 2 bath	9 – 3 bedroom / 2 bath
90 total units	90 total units

FHFC approved the request on September 14, 2022.
 - On October 25, 2023, the Applicant submitted a request to change the development location point and FHFC Staff approved the request on November 16, 2023.
 - The Application reflected The Partnership, Inc. as the management company. Subsequently, the management company was changed to TPI Management Services, LLC, a wholly-owned subsidiary of The Partnership, Inc. TPI Management Services, LLC, provided a prior experience chart.
 - On February 29, 2024, the Applicant submitted a request to change the Developer entity for Ability Housing, Inc. to Ability VCH Dev MM, LLC. This request was approved by FHFC Staff on March 14, 2024.

These changes have no substantial material impact to the HOME-ARP, NHTF and HC recommendations for this Development.

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

Florida Housing’s Past Due Report dated February 15, 2024, reflects the following past due item(s): None
Florida Housing’s Asset Management Noncompliance Report dated October 18, 2023, reflects the following noncompliance item(s): None

HOME-ARP, NHTF AND HC CREDIT UNDERWRITING REPORT

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This recommendation is subject to satisfactory resolution of any outstanding past due and/or noncompliance items prior to loan closing and the issuance of the annual HC Allocation Recommendation herein.

Strengths:

1. Per the Market Study, Meridian Appraisal Group, Inc. states the capture rates are low and indicates that there is sufficient demand for the subject units. The average occupancy for the comparables within the Subject's Primary Market Area ("PMA") is 95.5%.
2. Although the Borrower and Members are newly formed, the Developer, General Contractor, and the Management Company all have sufficient experience and financial resources to develop, construct and operate the proposed Development.

Other Considerations: None

Waiver Requests/Special Conditions: None

Additional Information:

1. According to Rule 67-48.0072 (11), the maximum Debt Service Coverage ("DSC") shall be 1.50 to 1.00 for the HOME-ARP, including superior mortgages. The DSC is 10.601 to 1.00 for HOME, which exceeds the maximum threshold. The Rule states that in extenuating circumstances, such as when the Development has deep or short-term subsidy, the DSC may exceed 1.50 to 1.00 if the Credit Underwriter's favorable recommendation is supported by the projected cash flow analysis. Per the RFA, Applicants will qualify for a HOME-ARP with an interest rate of 0 percent. Based on the deep subsidy provided by the 0 percent interest rate of the HOME-ARP and 0 percent interest rate of the NHTF loan, exceeding the maximum threshold is permitted.

The DSC for the Subject Development, as shown in Exhibit 1, exceeds the maximum through year 15, declining each year through year 15. DSC for all mortgages and fees is 7.326 in year 1 and 1.817 in year 15.

Issues and Concerns: None

Mitigating Factors: None

HOME-ARP, NHTF AND HC CREDIT UNDERWRITING REPORT

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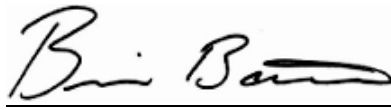
Recommendation:

SMG recommends FHFC approve a HOME-ARP Mortgage in the amount of \$7,200,000 and a NHTF Mortgage in the amount of \$1,835,100. SMG also recommends an Annual HC allocation of \$1,887,000 be awarded to Village at Cedar Hills for construction and permanent financing.

This recommendation is based upon the assumptions detailed in the Report Summary (Section A) and Supporting Information and Schedules (Section C). In addition, this recommendation is subject to the, HOME-ARP and NHTF Loan Conditions and HC Allocation Recommendation and Contingencies (Section B). The reader is cautioned to refer to these sections for complete information.

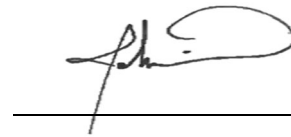
This recommendation is only valid for six months from the date of the report.

Prepared by:



Brian Barth
Senior Credit Underwriter

Reviewed by:



Joshua Scribner
Credit Underwriting Manager

Overview

Construction Financing Sources

Source	Lender	Applicant	Revised Applicant	Underwriter	Interest Rate	Construction Debt Service
First Mortgage	TIAA Bank	\$16,000,000	\$16,000,000	\$16,000,000	8.45%	\$1,494,437
Second Mortgage	FHFC - HOME ARP	\$7,200,000	\$7,200,000	\$7,200,000	0.00%	\$0
Third Mortgage	FHFC - NHTF	\$1,835,100	\$1,835,100	\$1,835,100	0.00%	\$0
Fourth Mortgage	City of Jacksonville	\$0	\$1,000,000	\$1,000,000	0.00%	\$0
HC Equity	RJAH	\$2,603,800	\$2,603,800	\$2,660,404		
Deferred Developer Fee	Developer	\$3,438,988	\$2,135,482	\$2,103,878		
Total		\$31,077,888	\$30,774,382	\$30,799,382		\$1,494,437

First Mortgage Financing:

Applicant submitted a term sheet from TIAA Bank dated April 21, 2023, for a first mortgage construction loan in an amount up to \$18,100,000, currently estimated by the Applicant at \$16,000,000. The initial construction term shall be twenty-four (24) months from the closing date and will require monthly interest only payments with all principal and interest due at maturity.

The interest rate will be based upon the One-month Term Secured Overnight Financing Rate (“SOFR”) plus 235 basis points (“bps”), subject to a floor of 4.00%. As of December 28, 2023, the One-Month Term SOFR was 5.3527%. For any future increases in the One-Month Term SOFR, Seltzer has included an underwriting cushion of 75 bps, resulting in an all in interest rate of 8.45%.

There is an origination fee of 65 bps of the total commitment amount.

Other Construction Sources of Funds:

Additional sources of funds for this Development during construction consist of a HOME-ARP Loan in the amount of \$7,200,000, a NHTF loan in the amount of \$1,835,100, a City of Jacksonville grant in the amount of \$1,000,000, Housing Credit equity of \$2,660,404 and deferred Developer Fees in the amount of \$2,103,878. See the Permanent Financing section below for details.

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Permanent Financing Sources

Source	Lender	Applicant	Revised Applicant	Underwriter	Interest Rate	Amort. Yrs.	Term Yrs.	Annual Debt
First Mortgage	FHFC - HOME ARP	\$7,200,000	\$7,200,000	\$7,200,000	0.00%	N/A	30	\$0
Second Mortgage	FHFC - NHTF	\$1,835,100	\$1,835,100	\$1,835,100	0.00%	N/A	30	\$0
Third Mortgage	City of Jacksonville	\$0	\$1,000,000	\$1,000,000	0.00%	N/A		\$0
HC Equity	RJAH	\$17,358,664	\$17,736,026	\$17,736,026				
Def. Developer Fee	Developer	\$3,438,988	\$3,003,256	\$3,028,256				
Total		\$29,832,752	\$30,774,382	\$30,799,382				\$0

HOME-ARP

Borrower applied to FHFC under RFA 2022-210 for HOME-ARP funds in the amount of \$7,200,000. The HOME-ARP Loan is non-amortizing with a 0 percent interest rate, per annum, over the life of the loan. The principal will be forgivable at maturity provided the units for which the HOME-ARP loan amount is awarded are targeted as HOME-ARP units for the fifteen year Compliance Period.

The HOME-ARP Loan will have a total term of 32 years, of which 2 years is for the construction/stabilization period and 30 years is for the permanent period. Annual payments of all applicable fees will be required. The Annual Permanent Loan Servicing Fee is based on 25 bps of the outstanding loan amount with a maximum of \$964 per month, subject to a minimum of \$243 per month and the Compliance Monitoring Fee is based on an annual multiple program fee of \$1,054.

NHTF Loan

Applicants who submitted an Application for RFA 2022-210 are also eligible for NHTF Loan funding to subsidize additional deep targeted units for Persons with Special Needs. The Applicant was selected to receive an NHTF Loan in the form of a forgivable loan in an amount of \$1,835,100 and is required to designate 9 units as NHTF Link units targeted for Persons with Special Needs at or below 30% of AMI. This set-aside requirement is in addition to the ELI set-aside commitment.

The NHTF Loan is non-amortizing with a 0.00 percent interest rate, per annum, over the life of the loan. The principal is forgivable 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. After 30 years, all of the NHTF Link units (9 units) may convert to serve residents at or below 60% of AMI; however, the Persons with Special Needs set-aside commitment must be maintained throughout the entire 50-year Compliance Period. The NHTF Loan will have a total term of 32 years, of which 2 years is for the construction/stabilization period and 30 years is for the permanent period. The Annual Permanent Loan Servicing Fee is based on 25 bps of the outstanding loan amount with a maximum of \$964 per month, subject to a minimum of \$243 per month and the Compliance Monitoring Fee is based on an annual multiple program fee of \$1,054.

City of Jacksonville

Per a December 12, 2023, City Council Ordinance 2023-441-E, Ability Housing, Inc. was awarded a \$1,000,000 grant from the City of Jacksonville to develop Village at Cedar Hills. The funds shall be disbursed based upon draw requests approved by the senior lender, or the senior lender’s servicer, Florida Housing and the City. The City’s obligation to fund disbursements to the Applicant shall be limited to qualified expenses incurred on or before September 30, 2025.

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Housing Credits Equity Investment:

The Applicant has applied to Florida Housing to receive 9% Housing Credits.

Based upon an April 19, 2023, Letter of Intent, and subsequent email correspondence, RJAHI or an affiliate will purchase a 99.99% membership interest in the Applicant and provide HC equity as follows:

Capital Contributions	Amount	Percent of Total	When Due
1st Installment	\$2,660,404	15.00%	At closing
2nd Installment	\$6,207,609	35.00%	Later of February 1, 2025 or 100% Construction Completion
3rd Installment	\$8,768,013	49.44%	Later of July 1, 2025 or Stabilized Operations
4th Installment	\$100,000	0.56%	Forms 8609
Total	\$17,736,026	100.00%	

Annual Tax Credits per Syndication Agreement: \$1,887,000

Total HC Available to Syndicator (10 years): \$18,868,113

Syndication Percentage (investor member interest): 99.990%

Calculated HC Exchange Rate (per dollar): \$0.940

Proceeds Available During Construction: \$2,660,404

At least 15% of the total equity will be provided prior to or simultaneously with the closing of the construction / permanent financing which meets the RFA requirement.

Other Permanent Sources of Funds:

In order to balance the sources and uses of funds after all loan proceeds and capital contributions payable under the RJAHI LOI have been received, the Developer will have to defer \$3,028,256 of Developer Fees.

Uses of Funds

CONSTRUCTION COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Accessory Buildings				\$0	
New Rental Units	\$14,500,000	\$13,407,489	\$12,497,870	\$138,865	\$390,763
Off-Site Work		\$533,739	\$223,213	\$2,480	\$223,213
Recreational Amenities				\$0	
Site Work		\$2,224,300	\$3,444,445	\$38,272	\$516,667
Swimming Pool				\$0	
Furniture, Fixture, & Equipment				\$0	
Hard Cost Contingency - in Constr. Cont.				\$0	
Constr. Contr. Costs subject to GC Fee	\$14,500,000	\$16,165,528	\$16,165,528.00	\$179,617	\$1,130,643
General Conditions	\$2,030,000	\$969,932	\$1,293,242.24	\$14,369	
Overhead		\$323,311	\$646,621.12	\$7,185	
Profit		\$969,932	\$323,310.56	\$3,592	
Builder's Risk Insurance				\$0	
General Liability Insurance		\$170,099	\$371,128	\$4,124	
Payment and Performance Bonds		\$301,098	\$100,070	\$1,112	
Contract Costs not subject to GC Fee				\$0	
Total Construction Contract/Costs	\$16,530,000	\$18,899,900	\$18,899,900	\$209,999	\$1,130,643
Hard Cost Contingency	\$826,500	\$944,994	\$944,994	\$10,500	
PnP Bond paid outside Constr. Contr.	\$175,000			\$0	
Fees for LOC used as Constr. Surety				\$0	
Demolition paid outside Constr. Contr.				\$0	
FF&E paid outside Constr. Contr.	\$400,000	\$400,000	\$400,000	\$4,444	
Other:				\$0	
Other:				\$0	
Total Construction Costs:	\$17,931,500	\$20,244,894	\$20,244,894	\$224,943	\$1,130,643

Notes to the Construction Costs:

- The Applicant has provided an executed AIA Document A133-2019 Standard Form of Agreement between Owner and Contractor Manager as Contractor where the basis of payment is the Cost of the Work plus a Fee with a Guaranteed Maximum Price dated November 27, 2023, in the amount of \$18,899,900. The contract states the Date of Commencement shall be ten (10) days after the later of (1) Owner's written Notice to Proceed and (2) all permits in Contractor's possession. Substantial Completion is expected to occur not later than 517 calendar days (approximately 18 months) from the Date of Commencement. Ten (10%) percent retainage will be withheld on all work performed up to 50% completion and no retainage thereafter.

Allowances in the GMP Agreement

- Electrical Primary Conduit, JEA to determine layout and sizing - \$50,000
- Pre-fabricated Weather Resistant Postal Boxes - \$26,000
- Total Allowances - \$76,000

GLE Associates, Inc. ("GLE") is of the opinion that the allowances are within an acceptable range for the scope of work indicated.

Final payment will be made when (1) the General Contractor has fully performed the contract, (2) the construction manager has submitted final accounting and final application for payment and (3) a final certificate for payment has been issued by the Architect. The Owner's final payment to the General Contractor shall be made no later than 30 days after the Architect's final Certificate for Payment.

2. SMG received the General Contractor's Certification of Requirements, whereby the General Contractor acknowledges and commits to adhere to all requirements related to a General Contractor as published within Rule Chapter 67-48 ("Rule"), Florida Administrative Code.
3. General Contractor fees as stated are within the 14% maximum per the RFA and Rule.
General liability insurance, subcontractor default insurance/bonds, and payment and performance bond costs reflected in the schedule of values are excluded from construction hard costs in the General Contractor fee calculation.
4. The hard cost contingency is within the 5.00% allowed by the RFA and Rule and is not included within the GC Contract or schedule of values.
5. FF&E outside the construction contract includes the cost of providing personal property at the Development. Personal property includes furniture for the clubhouse, furniture for resident units, security system and computers for staff and resident use.
6. SMG retained reliance and received a Plan and Cost Analysis ("PCA") from GLE. Complete results are set forth in Section C of this credit underwriting report.

HOME-ARP, NHTF AND HC CREDIT UNDERWRITING REPORT

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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	\$25,000	\$25,000	\$25,000	\$278	\$12,500
Appraisal	\$20,000	\$20,000	\$20,000	\$222	
Architect's and Planning Fees				\$0	
Architect's Fee - Green Initiative				\$0	
Architect's Fee - Landscape				\$0	
Architect's Fee - Site/Building Design	\$425,000	\$425,000	\$425,000	\$4,722	
Architect's Fee - Supervision	\$75,000	\$75,000	\$75,000	\$833	
Building Permits	\$75,000	\$75,000	\$75,000	\$833	
Builder's Risk Insurance	\$75,000	\$191,962	\$191,962	\$2,133	
Capital Needs Assessment/Rehab				\$0	
Engineering Fees	\$100,000	\$100,000	\$100,000	\$1,111	
Environmental Report	\$20,000	\$20,000	\$20,000	\$222	
Federal Labor Standards Monitoring				\$0	
FHFC Administrative Fees	\$110,000	\$103,785	\$103,785	\$1,153	\$103,785
FHFC Application Fee	\$3,000	\$3,000	\$3,000	\$33	\$3,000
FHFC Credit Underwriting Fee	\$30,000	\$26,613	\$26,613	\$296	\$26,613
FHFC Compliance Fee	\$365,000	\$219,367	\$219,367	\$2,437	\$219,367
FHFC Other Processing Fee(s)			\$25,000	\$278	\$25,000
Impact Fee	\$325,000	\$325,000	\$325,000	\$3,611	
Lender Inspection Fees / Const Admin	\$35,000	\$35,000	\$35,000	\$389	
Green Building Cert. (LEED, FGBC, NGBS)	\$35,000	\$35,000	\$35,000	\$389	
Home Energy Rating System (HERS)				\$0	
Insurance	\$75,000	\$295,000	\$295,000	\$3,278	
Legal Fees - Organizational Costs	\$60,000	\$60,000	\$60,000	\$667	\$30,000
Local Subsidy Underwriting Fee				\$0	
Market Study	\$7,500	\$7,500	\$7,500	\$83	\$7,500
Marketing and Advertising	\$8,000	\$8,000	\$8,000	\$89	\$8,000
Plan and Cost Review Analysis				\$0	
Property Taxes	\$50,000	\$50,000	\$50,000	\$556	
Soil Test	\$10,000	\$10,000	\$10,000	\$111	
Survey	\$40,000	\$40,000	\$40,000	\$444	\$10,000
Tenant Relocation Costs				\$0	
Title Insurance and Recording Fees	\$90,000	\$90,000	\$90,000	\$1,000	\$22,500
Traffic Study				\$0	
Utility Connection Fees	\$200,000	\$200,000	\$200,000	\$2,222	
Soft Cost Contingency	\$141,675	\$142,011	\$142,011	\$1,578	
Other:				\$0	
Total General Development Costs:	\$2,400,175	\$2,582,238	\$2,607,238	\$28,969	\$468,265

Notes to the General Development Costs:

1. Architect's Fees for Site/Building Design and Supervision are based on the Agreement between Owner and Architect, Group 4 Design, Inc., dated August 11, 2022.
2. Engineering Fees are based on the Proposal between the Owner and Engineer, Kennedy Civil Services, Inc., dated October 7, 2022.
3. The FHFC Administrative Fee is based on 5.5% of the recommended annual allocation of HC. The FHFC Application Fee is reflective of the application fees stated in RFA 2022-210. The total FHFC Credit Underwriting Fees are \$26,613.

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4. The FHFC Other Processing Fee(s) include the following:
 - 10% Test Extension Fee - \$5,000
 - NOC Extension Fee - \$10,000
 - LPA Extension Fee - \$10,000
 - Total - \$25,000
5. Impact Fees and Utility Connection Fees were estimated by the Applicant. These estimates were based on previous new construction developments completed in the Jacksonville area completed by Ability Housing, Inc.
6. Soft cost contingency is within the 5% limit as allowed per the RFA and Rule.
7. Other General Development Costs are based on the Applicant's estimates, which appear reasonable.

FINANCIAL COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Construction Loan Application Fee				\$0	
Construction Loan Underwriting Fee				\$0	
Construction Loan Origination Fee	\$160,000	\$117,650	\$117,650	\$1,307	
Construction Loan Commitment Fee				\$0	
Construction Loan Closing Costs		\$52,000	\$52,000	\$578	
Construction Loan Interest	\$950,000	\$1,494,437	\$1,494,437	\$16,605	\$338,108
Construction Loan Servicing Fees				\$0	
Permanent Loan Application Fee				\$0	\$0
Permanent Loan Underwriting Fee				\$0	\$0
Permanent Loan Subsidy Layering Rev.				\$0	\$0
Permanent Loan Commitment Fee				\$0	\$0
Permanent Loan Origination Fee	\$52,000			\$0	\$0
Permanent Loan Closing Costs				\$0	\$0
Permanent Loan Interest				\$0	\$0
Permanent Loan Servicing Fee				\$0	\$0
HOME Subsidy Layering Review				\$0	\$0
HOME Closing Costs				\$0	\$0
HOME Interest				\$0	\$0
HOME Servicing Fee				\$0	\$0
NHTF Subsidy Layering Review		\$2,010	\$2,010	\$22	\$2,010
NHTF Commitment Fee		\$18,351	\$18,351	\$204	\$18,351
NHTF Closing Costs		\$12,500	\$12,500	\$139	\$12,500
NHTF Servicing Fee				\$0	\$0
Legal Fees - Financing Costs				\$0	
Other: Syndicator Fees		\$50,000	\$50,000	\$556	\$50,000
Other: FHFC HOME-ARP Extension Fee		\$72,000	\$72,000	\$800	\$72,000
Other:				\$0	
Total Financial Costs:	\$1,162,000	\$1,818,948	\$1,818,948	\$20,211	\$492,969
Dev. Costs before Acq., Dev. Fee & Reserves	\$21,493,675	\$24,646,080	\$24,671,080	\$274,123	\$2,091,877

Notes to the Financial Costs:

1. Construction Origination Fee is based on 65 bps of the total commitment amount per the TIAA LOI.
2. Construction Loan Interest is based on SMG's estimate. Interest is based on the construction completion and absorption estimates included in the construction schedule and Market Study. The

HOME-ARP, NHTF AND HC CREDIT UNDERWRITING REPORT

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estimate assumes an “all-in” interest rate of 8.45%, a construction/stabilization period of 21 months, and 57% of the loans outstanding (on average) during the construction schedule.

3. NHTF Commitment Fee consists of a 1% firm loan commitment extension fee.
4. NHTF Closing Costs are \$12,500 for FHFC legal counsel fees.
5. Syndicator Fees represent the cost for legal fees and other closing costs associated with the tax credit equity provided by RJAHI.
6. FHFC HOME-ARP Extension Fee consists of a 1% firm loan commitment extension fee.

NON-LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Brokerage Fees - Building			\$0	\$0	
Building Acquisition Cost			\$0	\$0	
Developer Fee on Non-Land Acq. Costs			\$0	\$0	
Other:				\$0	
Total Non-Land Acquisition Costs:	\$0	\$0	\$0	\$0	\$0

Notes to the Non-Land Acquisition Costs:

1. Since this is a new construction development, there are no non-land acquisition costs.

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	\$3,438,988	\$3,945,373	\$3,944,748	\$43,831	
DF to fund Operating Debt Reserve	\$1,074,683	\$1,232,929	\$1,233,554	\$13,706	
DF to Brokerage Fees - Land			\$0	\$0	
DF to Excess Land Costs				\$0	
DF to Excess Bldg Acquisition Costs				\$0	
DF to Consultant Fees				\$0	
DF to Guaranty Fees				\$0	
Other:				\$0	
Total Other Development Costs:	\$4,513,671	\$5,178,302	\$5,178,302	\$57,537	\$0

Notes to the Other Development Costs:

1. Developer Fee has been limited to 21% of the Development’s construction cost, exclusive of land acquisition costs and reserves, as required per Rule. Five percent (5%) of the Developer Fee must be placed in an operating subsidy reserve account to be held by FHFC or its Servicer. 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 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.

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LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Brokerage Fees - Land			\$0	\$0	\$0
Land Acquisition Cost				\$0	\$0
Land	\$1,200,000	\$950,000	\$950,000	\$10,556	\$950,000
Land Lease Payment				\$0	\$0
Land Carrying Costs				\$0	\$0
Other:				\$0	\$0
Total Acquisition Costs:	\$1,200,000	\$950,000	\$950,000	\$10,556	\$950,000

Notes to the Land Acquisition Costs:

- Applicant provided a Special Warranty Deed dated August 24, 2021, between Applicant (“Purchaser”) and St. Johns Trading Company, Inc. (“Seller”). A closing statement was provided dated August 27, 2021, reflecting a purchase price of \$950,000.

The appraised value of the vacant land is \$950,000, which 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 (FHFC)				\$0	\$0
Operating Deficit Reserve (Lender)				\$0	\$0
Operating Deficit Reserve (Syndicator)				\$0	\$0
Debt Service Coverage Reserve (FHFC)				\$0	\$0
Debt Service Coverage Reserve (Lender)				\$0	\$0
Debt Service Coverage Reserve (Syndicator)				\$0	\$0
Other:				\$0	\$0
Total Reserve Accounts:	\$0	\$0	\$0	\$0	\$0

Notes to Reserve Accounts:

- The Syndicator, RJAHI, is not requiring any Operating Deficit Reserve beyond the 5% that is already budgeted as part of Developer Fee.

TOTAL DEVELOPMENT COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
TOTAL DEVELOPMENT COSTS:	\$27,207,346	\$30,774,382	\$30,799,382	\$342,215	\$3,041,877

Notes to the Total Development Costs:

- Per RFA 2022-210, Total Development Cost (“TDC”) is limited on a per unit basis based on the construction type of the units as indicated by the Applicant. The Applicant has indicated a construction type of Garden Apartments – Non-ESSC Construction, which had a maximum allowable per unit cost of \$320,000.00. Based on changes to TDC limits as approved at previous FHFC Board meetings, most recently the April 1, 2022, Telephonic FHFC Board meeting, the maximum allowable per unit cost is \$406,023.39. Village at Cedar Hills’ final TDC per unit is \$331,659.80.

HOME-ARP, NHTF AND HC CREDIT UNDERWRITING REPORT

SMG

Operating Pro forma

OPERATING PRO FORMA		ANNUAL	PER UNIT
INCOME	Gross Potential Rental Income	\$953,268	\$10,592
	Other Income:		
	Ancillary Income-Parking	\$0	\$0
	Miscellaneous	\$6,750	\$75
	Washer/Dryer Rentals	\$13,500	\$150
	Cable/Satellite Income	\$0	\$0
	Gross Potential Income	\$973,518	\$10,817
	Less:		
	Physical Vacancy Loss - Percentage: 5.0%	(\$48,676)	(\$541)
	Collection Loss - Percentage: 1.0%	(\$9,735)	(\$108)
Total Effective Gross Revenue		\$915,107	\$10,168
EXPENSES	Fixed:		
	Real Estate Taxes	\$112,500	\$1,250
	Insurance	\$90,000	\$1,000
	Variable:		
	Management Fee - Percentage: 4.25%	\$38,892	\$432
	General and Administrative	\$45,000	\$500
	Payroll Expenses	\$202,500	\$2,250
	Utilities	\$116,910	\$1,299
	Marketing and Advertising	\$4,500	\$50
	Maintenance and Repairs	\$36,000	\$400
	Grounds Maintenance and Landscaping	\$36,000	\$400
	Resident Programs	\$72,000	\$800
	Contract Services	\$0	\$0
	Security	\$0	\$0
	Other-Pest Control	\$0	\$0
	Reserve for Replacements	\$27,000	\$300
	Total Expenses		\$781,302
Net Operating Income		\$133,805	\$1,487
Debt Service Payments			
DEBT SERVICE	First Mortgage - FHFC - HOME ARP	\$0	\$0
	Second Mortgage - FHFC - NHTF	\$0	\$0
	All Other Mortgages -	\$0	\$0
	First Mortgage Fees - FHFC - HOME ARP	\$12,622	\$140
	Second Mortgage Fees - FHFC - NHTF	\$5,642	\$63
	All Other Mortgages Fees -	\$0	\$0
Total Debt Service Payments		\$18,264	\$203
Cash Flow After Debt Service		\$115,541	\$1,284

Debt Service Coverage Ratios	
DSC - First Mortgage plus Fees	10.601
DSC - Second Mortgage plus Fees	7.326
DSC - All Mortgages and Fees	7.326
Financial Ratios	
Operating Expense Ratio	85.4%
Break-Even Ratio	82.4%

HOME-ARP, NHTF AND HC CREDIT UNDERWRITING REPORT

SMG

Notes to the Operating Pro forma and Ratios:

1. According to Rule 67-48.0072 (11), the maximum Debt Service Coverage (“DSC”) shall be 1.50 to 1.00 for the HOME-ARP, including superior mortgages. The DSC is 10.601 to 1.00 for HOME, which exceeds the maximum threshold. The Rule states that in extenuating circumstances, such as when the Development has deep or short-term subsidy, the DSC may exceed 1.50 to 1.00 if the Credit Underwriter’s favorable recommendation is supported by the projected cash flow analysis. Per the RFA, Applicants will qualify for a HOME-ARP with an interest rate of 0 percent. Based on the deep subsidy provided by the 0 percent interest rate of the HOME-ARP and 0 percent interest rate of the NHTF loan, exceeding the maximum threshold is permitted.

The DSC for the Subject Development, as shown in Exhibit 1, exceeds the maximum through year 15, declining each year through year 15. DSC for all mortgages and fees is 7.326 in year 1 and 1.817 in year 15.

2. The Development will be utilizing Housing Credits, HOME-ARP and NHTF which will impose rent restrictions. Village at Cedar Hills is projected to achieve 2023 Maximum Allowable HC Rents published by Florida Housing on all units based upon the appraiser’s estimate of achievable rents per comparable properties surveyed. The Applicant engaged KN Consultants, LLC of Safety Harbor, FL to prepare a UA Energy Consumption Model Estimate which was approved by Florida Housing on August 3, 2023. The model reflects the residents paying for electricity and the Applicant paying for water, sewer, pest control, and trash pick-up. No manager/employee units are anticipated at this time.

A rent roll for the Development is illustrated in the following table:

Jacksonville HMFA / Duval County

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	7	698	30%			\$498	\$76	\$422		\$422	\$422	\$422	\$35,448
1	1.0	8	698	50%	\$830			\$76	\$754		\$920	\$754	\$754	\$72,384
1	1.0	21	698	60%			\$996	\$76	\$920		\$920	\$920	\$920	\$231,840
2	2.0	9	995	30%			\$597	\$103	\$494		\$494	\$494	\$494	\$53,352
2	2.0	10	995	50%	\$996			\$103	\$893		\$1,092	\$893	\$893	\$107,160
2	2.0	26	995	60%			\$1,195	\$103	\$1,092		\$1,092	\$1,092	\$1,092	\$340,704
3	2.0	2	1,342	30%			\$690	\$135	\$555		\$555	\$555	\$555	\$13,320
3	2.0	2	1,342	50%	\$1,150			\$135	\$1,015		\$1,245	\$1,015	\$1,015	\$24,360
3	2.0	5	1,342	60%			\$1,380	\$135	\$1,245		\$1,245	\$1,245	\$1,245	\$74,700
		90	81,981											\$953,268

3. The appraiser estimates a stabilized physical vacancy rate of 5% and a collection loss of 1%, resulting in a physical occupancy of 95% and an economic occupancy of 94%.

4. Real estate tax expense is based on the Applicant’s estimate, which was more conservative than the appraiser’s estimate.

5. Management Fees are based upon the Management Agreement provided by the Applicant that reflects a management fee in the amount of 4.25% of the gross collections.

6. Resident Programs expense is based on the Applicant’s estimate for a full-time Housing Stability Services Coordinator.

7. Other operating expense estimates are based on comparable properties and are supported by the appraisal.
8. Replacement Reserves in the amount of \$300 per unit per year meet RFA and Rule requirements. RJAHI requires the replacement reserve to be increased annually by 3.00%.
9. The 15-year income and expense projection reflects a declining debt service coverage (“DSC”) through year 15. At year 15, the DSC on all mortgages and fees is estimated at 1.817. This projection is attached to this report as Exhibit 1.

Our estimate for total debt service, including all required servicing and compliance monitoring fees, through year 15 totals \$273,956 which is covered by the 5% Developer Fee to fund an Operating Reserve of \$1,233,554.

SMG

Section B

Loan Conditions

HC Allocation Recommendation and Contingencies

MARCH 14, 2024

Special Conditions

These recommendations are contingent upon the review and approval of the following items by SMG and Florida Housing at least two weeks prior to loan closing. Failure to receive approval of these items within this time frame may result in postponement of the loan closing.

1. Satisfactory completion of a Davis-Bacon Federal Labor Standards and the HUD Section 3 pre-construction conference.
2. The Development shall meet the Section 3 requirements of the Housing and Urban Development Act of 1968 as amended (12 U.S.C. 1701 u and 24CFR Part 135).
3. Satisfactory receipt of the Affirmative Fair Housing Marketing Plan.
4. Satisfactory receipt of the Resident Community-Based Service Coordination Plan.
5. Receipt and satisfactory review of a fully executed management agreement reflecting terms not substantially different from the unexecuted and undated management agreement utilized herein for underwriting.

General Conditions

This recommendation is contingent upon the review and approval of the following items by SMG and Florida Housing at least two weeks prior to loan closing. Failure to receive approval of these items within this time frame may result in postponement of the loan closing.

1. Borrower to comply with any and all recommendations noted in the Plan and Cost Review.
2. 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.
3. Final "as permitted" (signed and sealed) site plans, building plans and specifications. The geotechnical report, if any, must be bound within the final plans and specifications.
4. Building permits and any other necessary approvals and permits (e.g., final site plan approval, water management district, Department of Environmental Protection, Army Corps of Engineers, Department of Transportation, etc.). Acceptable alternatives to this requirement are receipt and satisfactory review of a letter from the local permitting and approval authority 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.
5. Final sources and uses of funds itemized by source and line item, in a format and in amounts approved by the Servicer. A detailed calculation of the construction interest based on the final draw schedule (see below), 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.

6. A final construction draw schedule showing itemized sources and uses of funds for each monthly draw. HOME-ARP and NHTF Loan Proceeds shall be disbursed pro rata with other funding sources during the construction or rehabilitation phase, unless otherwise approved by the Credit Underwriter. The closing draw shall include appropriate backup and ACH wiring instructions.
7. 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.

8. Evidence of insurance coverage pursuant to the Request for Application governing this proposed transaction and, if applicable, the FHFC Insurance Guide.
9. The General Contractor shall secure a payment and performance bond equal to 100% of the total construction cost listing FHFC as 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 A.M. Best & Co., or a Corporation-approved alternate security for the General Contractor's performance such as a letter of credit ("LOC") 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.
10. Architect, Construction Consultant, and Borrower certifications on forms provided by Florida Housing will be required for both design and as-built with respect to Section 504 of the Rehabilitation Act, the Americans with Disabilities Act ("ADA"), and Federal Fair Housing Act requirements, as applicable.
11. 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.
12. Satisfactory resolution of any outstanding past due and/or noncompliance items.
13. 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).
14. At all times there will be undisbursed loan funds (collectively held by Florida Housing, the first 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.

15. 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 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 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 FHFC, its Servicer 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 loan closing. Failure to receive approval of these items within this time frame may result in postponement of the loan closing.

1. Documentation of the legal formation and current authority to transact business in Florida for the Borrower, the general partner/member(s)/principal(s)/manager(s) of the Borrower, the guarantors, and any limited partners/members of the Borrower.
2. 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.
3. An acceptable updated Environmental Audit Report, together with a reliance letter to Florida Housing, prepared within 90 days of HOME-ARP and NHTF loan 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 noted in the Environmental Assessment(s) and Update and the Environmental Review, if applicable.
4. Title insurance pro-forma or commitment for title insurance with copies of all Schedule B exceptions, in the amount of the HOME-ARP and NHTF loans naming FHFC as the insured. All endorsements required by Florida Housing shall be provided.
5. Florida Housing and its Legal Counsel shall review and approve all other lenders closing documents and the Operating Agreement or other applicable agreement. Florida Housing shall be satisfied in its sole discretion that all legal and program requirements for the Loans have been satisfied.
6. Evidence of insurance coverage pursuant to the Request for Application governing this proposed transaction and, if applicable, the FHFC Insurance Guide.
7. Receipt of a legal opinion from the Borrower's Legal Counsel acceptable to Florida Housing addressing the following matters:

HOME-ARP, NHTF AND HC CREDIT UNDERWRITING REPORT

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- 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 guarantors, of all Loan documents;
 - c. The Loan 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 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/Operating Agreement and;
 - e. Such other matters as Florida Housing or its Legal Counsel may require.
8. Evidence of compliance with local concurrency laws, as applicable.
 9. UCC Searches for the Borrower, its partnerships, as requested by Legal Counsel.
 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 and its Legal Counsel, in connection with the loan(s).
 11. Any other reasonable conditions established by Florida Housing and its Legal Counsel.

Additional Conditions

This recommendation is also contingent upon the following additional conditions:

1. Compliance with all provisions of Sections 420.507 and 420.5087, Florida Statutes, Rule Chapters 67-48, 67-53 and 67-60, F.A.C., RFA 2020-210, Section 42 I.R.C., and any other State and Federal requirements.
2. Acceptance by the Borrower and execution of all documents evidencing and securing the HOME-ARP and NHTF Loan in form and substance satisfactory to Florida Housing and its Legal Counsel, including, but not limited to, the Promissory Note(s), the Loan Agreement(s), the Mortgage and Security Agreement(s), the Land Use Restriction Agreement(s), and Extended Low Income Housing Agreement(s).
3. If applicable, receipt and satisfactory review of Financial Statements from all Guarantors dated within 90 days of Real Estate Closing.
4. Guarantors are to provide the standard FHFC Construction Completion Guaranty, to be released upon lien free completion as approved by the Servicer.
5. Guarantors for the HOME-ARP are to provide the standard FHFC Operating Deficit Guaranty. If requested in writing by the Applicant, Servicer will consider a recommendation to release the Operating Deficit Guaranty if all conditions are met, including achievement of a 1.15 DSC on the HOME-ARP Loan as determined by FHFC or its Servicer, 90% Occupancy and 90% of Gross Potential

Rental Income net of utility allowances, if applicable, for a period equal to twelve (12) consecutive months, all certified by an independent Certified Public Accountant (“CPA”) and verified by the Servicer. The calculation of the debt service coverage ratio shall be made by Florida Housing or the Servicer. Notwithstanding the above, the Operating Deficit Guaranty shall not terminate earlier than three (3) years following the final certificate of occupancy.

6. Guarantors are to provide the standard FHFC Environmental Indemnity Guaranty.
7. Guarantors are to provide the standard FHFC Guaranty of Recourse Obligations.
8. A mortgagee title insurance lender’s policy naming Florida Housing as the insured second and third mortgage holder in the amount of the Loans is to be issued at closing. Any exceptions to the title insurance policy must be acceptable to Florida Housing or its Legal Counsel. All endorsements that are required by Florida Housing are to be issued and the form of the title policy must be approved prior to closing.
9. Property tax and hazard insurance escrows are to be established and maintained by the First Lender or the Servicer. In the event the reserve account is held by Florida Housing’s loan servicing agent, the release of funds shall be at Florida Housing’s sole discretion.
10. Replacement Reserves in the minimum amount of \$300 per unit per year are required to be deposited on a monthly basis into a designated escrow account, to be maintained by the First Mortgagee/Credit Enhancer, the Trustee, or Florida Housing’s loan servicing agent. However, Applicant has the option to prepay Replacement Reserves, as allowed per RFA, in the amount of \$27,405 (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, then escalating at 3.00% per year thereafter. The initial Replacement Reserve will have limitations on the ability to be drawn. New construction or Redevelopment Developments (with or without acquisition) shall not be allowed to draw during the first five years or until the establishment of a minimum balance equal to the accumulation of five 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 10th 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.

11. GLE or other construction inspector acceptable for Florida Housing is to act as Florida Housing’s inspector during the construction period.
12. Under the Village at Cedar Hills construction contract, a minimum of 10% retainage holdback on all construction draws will be withheld until construction is 50% complete and thereafter no additional retainage is withheld. Retainage will not be released until successful lien free completion of construction and issuance of all certificates of occupancy, which satisfies the RFA and Rule minimum requirement.

HOME-ARP, NHTF AND HC CREDIT UNDERWRITING REPORT

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13. Satisfactory completion of a pre-loan closing compliance audit conducted by Florida Housing or its Servicer, if applicable.
14. Closing of all funding sources prior to or simultaneous with the closing of the HOME-ARP and NHTF loans.
15. Satisfactory evidence of compliance with the Davis-Bacon Act and other applicable Federal Labor Standards during the construction of this Development. Evidence of compliance must be through satisfactory completion of a compliance audit by HUD ad its authorized subcontractor.
16. The HOME-ARP funds are subject to the National Environmental Policy Act (“NEPA”) of 1969 and related federal environmental authorities and regulations at 24 CFR Part 58 “Environmental Review Procedures”. No HOME-ARP funds may be committed to a Development before completion of the environmental review process and HUD approval of the environmental review and Request for Release of Funds.
17. Any other reasonable requirements of the Servicer, Florida Housing or its Legal Counsel.

Housing Credit Allocation Recommendation

Seltzer Management Group, Inc. recommends a preliminary annual Housing Credit allocation of \$1,887,000. Please see the HC Allocation Calculation section of this report for further details.

Contingencies

The HC allocation recommendation is contingent upon the receipt and satisfactory review of the following items by SMG and the Florida Housing Finance Corporation by the deadline established in the Preliminary HC Allocation. Failure to submit these items within this time frame may result in forfeiture of the HC Allocation.

1. All items listed under the Special Conditions section of the Loan Conditions to Close.
2. Satisfactory resolution of any outstanding past due items and/or noncompliance items.
3. Any reasonable requirements of Florida Housing, SMG or its Legal Counsel.

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Section C

Supporting Information and Schedules

MARCH 14, 2024

Exhibit 1
Village at Cedar Hills
15 Year Income and Expense Projection

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	\$953,268	\$972,333	\$991,780	\$1,011,616	\$1,031,848	\$1,052,485	\$1,073,535	\$1,095,005	\$1,116,905	\$1,139,244	\$1,162,028	\$1,185,269	\$1,208,974	\$1,233,154	\$1,257,817
Rent Subsidy (ODR)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Income:															
Ancillary Income-Parking	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Miscellaneous	\$6,750	\$6,885	\$7,023	\$7,163	\$7,306	\$7,453	\$7,602	\$7,754	\$7,909	\$8,067	\$8,228	\$8,393	\$8,561	\$8,732	\$8,906
Washer/Dryer Rentals	\$13,500	\$13,770	\$14,045	\$14,326	\$14,613	\$14,905	\$15,203	\$15,507	\$15,817	\$16,134	\$16,456	\$16,786	\$17,121	\$17,464	\$17,813
Cable/Satellite Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Gross Potential Income	\$973,518	\$992,988	\$1,012,848	\$1,033,105	\$1,053,767	\$1,074,843	\$1,096,339	\$1,118,266	\$1,140,631	\$1,163,444	\$1,186,713	\$1,210,447	\$1,234,656	\$1,259,349	\$1,284,536
Less:															
Physical Vacancy Loss - Percentage: 5.0%	(\$48,676)	(\$49,649)	(\$50,642)	(\$51,655)	(\$52,688)	(\$53,742)	(\$54,817)	(\$55,913)	(\$57,032)	(\$58,172)	(\$59,336)	(\$60,522)	(\$61,733)	(\$62,967)	(\$64,227)
Collection Loss - Percentage: 1.0%	(\$9,735)	(\$9,930)	(\$10,128)	(\$10,331)	(\$10,538)	(\$10,748)	(\$10,963)	(\$11,183)	(\$11,406)	(\$11,634)	(\$11,867)	(\$12,104)	(\$12,347)	(\$12,593)	(\$12,845)
Total Effective Gross Revenue	\$915,107	\$933,409	\$952,077	\$971,119	\$990,541	\$1,010,352	\$1,030,559	\$1,051,170	\$1,072,194	\$1,093,637	\$1,115,510	\$1,137,820	\$1,160,577	\$1,183,788	\$1,207,464
EXPENSES															
Fixed:															
Real Estate Taxes	\$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
Insurance	\$90,000	\$92,700	\$95,481	\$98,345	\$101,296	\$104,335	\$107,465	\$110,689	\$114,009	\$117,430	\$120,952	\$124,581	\$128,318	\$132,168	\$136,133
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Variable:															
Management Fee - Percentage: 4.3%	\$38,892	\$39,670	\$40,463	\$41,273	\$42,098	\$42,940	\$43,799	\$44,675	\$45,568	\$46,480	\$47,409	\$48,357	\$49,325	\$50,311	\$51,317
General and Administrative	\$45,000	\$46,350	\$47,741	\$49,173	\$50,648	\$52,167	\$53,732	\$55,344	\$57,005	\$58,715	\$60,476	\$62,291	\$64,159	\$66,084	\$68,067
Payroll Expenses	\$202,500	\$208,575	\$214,832	\$221,277	\$227,916	\$234,753	\$241,796	\$249,049	\$256,521	\$264,217	\$272,143	\$280,307	\$288,717	\$297,378	\$306,299
Utilities	\$116,910	\$120,417	\$124,030	\$127,751	\$131,583	\$135,531	\$139,597	\$143,785	\$148,098	\$152,541	\$157,117	\$161,831	\$166,686	\$171,686	\$176,837
Marketing and Advertising	\$4,500	\$4,635	\$4,774	\$4,917	\$5,065	\$5,217	\$5,373	\$5,534	\$5,700	\$5,871	\$6,048	\$6,229	\$6,416	\$6,608	\$6,807
Maintenance and Repairs	\$36,000	\$37,080	\$38,192	\$39,338	\$40,518	\$41,734	\$42,986	\$44,275	\$45,604	\$46,972	\$48,381	\$49,832	\$51,327	\$52,867	\$54,453
Grounds Maintenance and Landscaping	\$36,000	\$37,080	\$38,192	\$39,338	\$40,518	\$41,734	\$42,986	\$44,275	\$45,604	\$46,972	\$48,381	\$49,832	\$51,327	\$52,867	\$54,453
Resident Programs	\$72,000	\$74,160	\$76,385	\$78,676	\$81,037	\$83,468	\$85,972	\$88,551	\$91,207	\$93,944	\$96,762	\$99,665	\$102,655	\$105,734	\$108,906
Contract Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Security	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other-Pest Control	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserve for Replacements	\$27,000	\$27,810	\$28,644	\$29,504	\$30,389	\$31,300	\$32,239	\$33,207	\$34,203	\$35,229	\$36,286	\$37,374	\$38,496	\$39,650	\$40,840
Total Expenses	\$781,302	\$804,352	\$828,086	\$852,524	\$877,687	\$903,597	\$930,275	\$957,745	\$986,031	\$1,015,156	\$1,045,146	\$1,076,026	\$1,107,824	\$1,140,565	\$1,174,279
Net Operating Income	\$133,805	\$129,057	\$123,991	\$118,595	\$112,854	\$106,755	\$100,284	\$93,425	\$86,163	\$78,481	\$70,364	\$61,794	\$52,753	\$43,223	\$33,185
Debt Service Payments															
First Mortgage - FHFC - HOME ARP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Second Mortgage - FHFC - NHTF	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Third Mortgage - City of Jacksonville	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
All Other Mortgages -	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
First Mortgage Fees - FHFC - HOME ARP	\$12,622	\$12,622	\$12,622	\$12,622	\$12,622	\$12,622	\$12,622	\$12,622	\$12,622	\$12,622	\$12,622	\$12,622	\$12,622	\$12,622	\$12,622
Second Mortgage Fees - FHFC - NHTF	\$5,642	\$5,642	\$5,642	\$5,642	\$5,642	\$5,642	\$5,642	\$5,642	\$5,642	\$5,642	\$5,642	\$5,642	\$5,642	\$5,642	\$5,642
Third Mortgage Fees - City of Jacksonville	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
All Other Mortgages Fees -	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Debt Service Payments	\$18,264	\$18,264	\$18,264	\$18,264	\$18,264	\$18,264	\$18,264	\$18,264	\$18,264	\$18,264	\$18,264	\$18,264	\$18,264	\$18,264	\$18,264
Cash Flow After Debt Service	\$115,541	\$110,793	\$105,727	\$100,331	\$94,590	\$88,492	\$82,020	\$75,161	\$67,899	\$60,217	\$52,100	\$43,530	\$34,489	\$24,960	\$14,921
Debt Service Coverage Ratios															
DSC - First Mortgage plus Fees	10.601	10.225	9.823	9.396	8.941	8.458	7.945	7.402	6.826	6.218	5.575	4.896	4.179	3.424	2.629
DSC - Second Mortgage plus Fees	7.326	7.066	6.789	6.493	6.179	5.845	5.491	5.115	4.718	4.297	3.853	3.383	2.888	2.367	1.817
DSC - Third Mortgage plus Fees	7.326	7.066	6.789	6.493	6.179	5.845	5.491	5.115	4.718	4.297	3.853	3.383	2.888	2.367	1.817
DSC - All Mortgages and Fees	7.326	7.066	6.789	6.493	6.179	5.845	5.491	5.115	4.718	4.297	3.853	3.383	2.888	2.367	1.817
Financial Ratios															
Operating Expense Ratio	85.4%	86.2%	87.0%	87.8%	88.6%	89.4%	90.3%	91.1%	92.0%	92.8%	93.7%	94.6%	95.5%	96.3%	97.3%
Break-Even Ratio	82.4%	83.1%	83.8%	84.5%	85.3%	86.0%	86.8%	87.5%	88.3%	89.1%	89.9%	90.7%	91.5%	92.3%	93.1%

VILLAGE AT CEDAR HILLS
RFA 2022-210 / 2022-270CAN
DESCRIPTION OF FEATURES AND AMENITIES

The Development will consist of:

90 apartment units located in 3 garden style residential buildings.

Unit Mix:

Thirty-six (36) one bedroom/one bath units;

Forty-five (45) two bedroom/two bath units; and

Nine (9) three bedroom/two bath units.

90 Total Units

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.

a. Federal Requirements and State Building Code Requirements for all Developments

All proposed Developments must meet all federal requirements and state building code requirements, including the following, incorporating the most recent amendments, regulations and rules:

- Florida Accessibility Code for Building Construction as adopted pursuant to Section 553.503, Florida Statutes;
- The Fair Housing Act as implemented by 24 CFR 100;
- Section 504 of the Rehabilitation Act of 1973*; and
- Titles II and III of the Americans with Disabilities Act of 1990 as implemented by 28 CFR 35.

*All Developments must comply with Section 504 of the Rehabilitation Act of 1973, as implemented by 24 CFR Part 8 (“Section 504 and its related regulations”). 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. All of the accessible units must be equally distributed among different unit sizes and Development types and must be dispersed on all accessible routes throughout the Development.

To the extent that a Development is not otherwise subject to Section 504 and its related regulations, the Development shall nevertheless comply with Section 504 and its related regulations as requirements of the Corporation funding program to the same extent as if the Development were subject to Section 504 and its related regulations in all respects. To that end, all Corporation funding shall be deemed “Federal financial assistance” within the meaning of that term as used in Section 504 and its related regulations for all Developments.

VILLAGE AT CEDAR HILLS
RFA 2022-210 / 2022-270CAN
DESCRIPTION OF FEATURES AND AMENITIES

Note: Section 504 of the Rehabilitation Act of 1973 requirements are met through the Applicant's commitment to meet either the Level 1 or Level 2 requirements described in c. below.

b. General Features

The Development will provide the following General Features:

- Termite prevention;
- Pest control;
- Window covering for each window and glass door inside each unit;
- 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;
- At least two full bathrooms in all 3 bedroom or larger new construction units;
- Washer and dryer hook ups in each of the Development's units or an onsite laundry facility for resident use. If the proposed Development will have an onsite laundry facility, the following requirements must be met:
 - There must be a minimum of one Energy Star certified washer and one Energy Star certified or commercial grade dryer per every 15 units. To determine the required number of washers and dryers for the onsite laundry facility; divide the total number of the Development's 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;
- At least two full bathrooms in all 3 bedroom or larger new construction units;
- Bathtub with shower in at least one bathroom in at least 90 percent of the new construction units.
- Full-size range and oven must be incorporated in all units.
- A Community Building/dedicated space that includes:
 - At least one private office space with a door for resident purposes such as meeting with case managers and/or counselors; and
 - At least one enclosed training room with a door to conduct group training and educational activities for residents.

c. Required Accessibility Features

Federal and state law and building code regulations requires that programs, activities, and facilities be readily accessible to and usable by persons with disabilities. The Corporation 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

VILLAGE AT CEDAR HILLS
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DESCRIPTION OF FEATURES AND AMENITIES

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.

(1) Level 2 Accessibility Requirements

- (a) Set aside a minimum of five percent of the total units, rounded up, as fully accessible units in accordance with the 2010 ADA Standards for Accessible Design, regardless of whether the proposed Development consists of new construction or Substantial Rehabilitation. These fully accessible units must (A) be on an accessible route and provide mobility features that comply with the residential dwelling units provision of the 2010 ADA Standards for Accessible Design*; and (B) be equally distributed among different unit sizes and Development types and must be dispersed throughout the Development (not located in the same area, or on a single floor); and
- (b) Set aside at least one additional unit to be accessible to persons with visual and hearing impairments in accordance with the 2010 ADA Standards for Accessible Design,* regardless of whether the proposed Development consists of new construction or Substantial Rehabilitation. The unit(s) that is accessible to persons with visual and hearing impairments shall comply with the communication features described for Residential Dwelling Units with Communication Features in the 2010 ADA Standards for Accessible Design.

d. Required Green Building Features in all Developments

(1) All units and, as applicable, all common areas must have the features listed below:

- 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);
- 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,
 - Showerheads: 2.0 gallons/minute or less at 80 psi flow rate;
- Energy Star certified refrigerator;
- Energy Star certified dishwasher;
- Energy Star certified ventilation fan in all bathrooms;
- Water heater minimum efficiency specifications:
 - Residential Electric:

VILLAGE AT CEDAR HILLS
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DESCRIPTION OF FEATURES AND AMENITIES

- Up to 55 gallons = 0.95 EF or 0.92 UEF; or
- More than 55 gallons = Energy Star certified; or
- 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;
- Energy Star certified ceiling fans with lighting fixtures in bedrooms;
- Air Conditioning (in-unit or commercial):
 - Air-Source Heat Pumps – Energy Star certified:
 - ≥ 8.5 HSPF/ ≥ 15 SEER/ ≥ 12.5 EER for split systems
 - ≥ 8.2 HSPF ≥ 15 SEER/ ≥ 12 EER for single package equipment including gas/electric package units
 - Central Air Conditioners – Energy Star certified:
 - ≥ 15 SEER/ ≥ 12.5 EER* for split systems
 - ≥ 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.

- (2) In addition to the required Green Building features outlined in (1) above, this New Construction Development commits to achieve the following Green Building Certification program:

- _____ Leadership in Energy and Environmental Design (LEED);
- X Florida Green Building Coalition (FGBC);
- _____ Enterprise Green Communities; or
- _____ ICC 700 National Green Building Standard (NGBS)

e. Housing Stability Services and Access to Community-Based Services Coordination

- (1) Housing Stability Services Coordination

To serve the High Utilizer tenants who will be part of the pilot, during lease-up and through the Pilot Period, the Applicant must provide and oversee a Housing Stability Services Coordinator to support these residents, oversee implementation of resident plans and provide or coordinate services for each resident based on the housing stability services listed in Exhibit I of the RFA. In addition, Applicants and Managing Entities may

VILLAGE AT CEDAR HILLS
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DESCRIPTION OF FEATURES AND AMENITIES

propose additional staff and/or supports in the RFA application narratives to ensure that these residents receive the support needed to develop stability to live independently in their communities.

The Housing Stability Services Coordinator will work full time, at the Development, to provide housing stability services, including broad supportive services coordination, such as employment and training support, services coordination and appropriate referrals for High Utilizer residents, as further explained in Exhibit I of the RFA. The primary responsibilities of the Housing Stability Services Coordinator(s) may not include provision of resident services coordination to the rest of the residents.

Note: Once the Pilot Period is completed, Applicants and Managing Entities are encouraged to continue working together to provide Permanent Supportive Housing for the Managing Entities' consumers.

(2) Resident Community-Based Services Coordination

The provision of community-based Services Coordination for all but the High Utilizer residents will be the responsibility of the Applicant but may be in conjunction with public and/or private partnerships as approved by the Corporation in credit underwriting. All proposed Developments will be required to assist interested residents with the coordination of their community-based services. The purpose is to assist each resident to become aware of, access and/or maintain adequate and appropriate community-based services and resources. It is not the intent for this resident service to take the place of Services Coordination already provided for a resident by a program and/or agency as part of their supportive services plan. The focus shall be to assist residents not receiving community-based Services Coordination by another program and/or agency, as well as to assist those residents who need additional assistance with coordination of community-based services.

The approved provider of this service must have a minimum of five years' experience administering and providing supportive services including outreach, information and referral services, benefits counseling, community-based services planning and coordination, and/or other related supportive services. Such experience must demonstrate that the supportive services listed above have been oriented to the needs and preferences of each intended resident in assisting them to access services related to health care, independent activities of daily living, employment, income and housing. The provider of this resident service shall also provide, at credit underwriting, information demonstrating its mission, qualifications, experience, agreements and/or contracts with state and federal supportive services programs, professional staffing and experience in serving the intended residents described in question C.1. of Exhibit A of the RFA.

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Community-based Services Coordination shall be offered and made available on site and at no charge to the residents initially and regularly, and resident participation shall be voluntary. Resident participation shall not be a requirement for new or continued residency. The Applicant shall commit to submit a Resident Community-Based Service Coordination Plan at credit underwriting. The Resident Community-Based Service Coordination Plan shall adhere to guidelines developed by the Corporation, in conjunction with state agencies, or their designee(s), that administer publicly funded supportive services for the intended residents.

Property management and resident community-based Services Coordination should not be the responsibility of the same staff persons; the functions must be entirely separate.

COMPLETENESS AND ISSUES CHECKLIST

DEVELOPMENT NAME: Village at Cedar Hills

DATE: MARCH 14, 2024

In accordance with applicable Program Rule(s), the Borrower 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 (“Florida Housing” or “FHFC”). The following items must be satisfactorily addressed. “Satisfactorily” means that the Credit Underwriter has received assurances from third parties unrelated to the Borrower that the transaction can close within the allotted time frame. Unsatisfactory items, if any, are noted below and in the “Issues and Concerns” section of the Executive Summary.

CREDIT UNDERWRITING 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.	
2. Final site plan and/or status of site plan approval.	Satis.	
3. Permit Status.	Satis.	
4. Pre-construction analysis (“PCA”).	Satis.	
5. Survey.	Satis.	
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 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 the Rule for credit enhancers, Borrower, general partner, principals, guarantors and general contractor.	Satis.	

HOME-ARP, NHTF AND HC CREDIT UNDERWRITING REPORT

SMG

11. Resumes and experience of Borrower, general contractor and management agent.	Satis.	
12. Credit authorizations; verifications of deposits and mortgage loans.	Satis.	
13. Management Agreement and Management Plan.	Satis.	1
14. Firm commitment from the credit enhancer or private placement purchaser, if any.	Satis.	
15. Firm commitment letter from the syndicator, if any.	Satis.	
16. Firm commitment letter(s) for any other financing sources.	Satis.	
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.	Satis.	
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.	

NOTES AND APPLICANT’S RESPONSES:

1. An unexecuted and undated Property Management agreement was provided between TPI and the Applicant.

Response: Applicant will provide a fully executed Property Management Agreement not substantially different from the unexecuted and undated agreement utilized herein for underwriting.

HC Allocation Calculation

Section I: Qualified Basis Calculation	
Development Cost	\$30,799,382
Less Land Cost	(\$950,000)
Less Federal Funds	\$0
Less Other Ineligible Cost	(\$2,091,877)
Less Disproportionate Standard	\$0
Total Eligible Basis	\$27,757,506
Applicable Fraction	100.00%
DDA/QCT Basis Credit	130.00%
Qualified Basis	\$36,084,757
Housing Credit Percentage	9.00%
Annual Housing Credit Allocation	\$3,247,628

Notes to the Qualified Basis Calculation:

1. Other Ineligible Costs primarily include off-site work, a portion of site work, accounting fees, legal fees, and construction loan interest, FHFC Loan commitment fees, FHFC administrative, application, and underwriting fees, market study, and marketing.
2. The Borrower committed to a set aside of 100%. Therefore, SMG has utilized an Applicable Fraction of 100.00%.
3. Per RFA 2020-210, all proposed Developments qualify for the basis boost. Therefore, the 130% basis credit has been applied to the Eligible Basis.
4. Per the FY 2016 Omnibus Spending and Tax Bill passed by Congress as of December 18, 2015, a permanent 9% minimum HC rate was established. For purposes of this report, a total HC percentage of 9.00% has therefore been applied.

HOME-ARP, NHTF AND HC CREDIT UNDERWRITING REPORT

SMG

Section II: Gap Calculation	
Total Development Cost (Including Land and Ineligible Costs)	\$30,799,382
Less Mortgages	(\$10,035,100)
Less Grants	\$0
Equity Gap	\$20,764,282
Percentage to Investment Partnership	99.99%
HC Syndication Pricing	\$0.9400
HC Required to Meet Gap	\$22,091,871
Annual HC Required	\$2,209,187

Notes to the Gap Calculation:

1. Per Rule Chapter 67-48.0072(29)(g)(2)(b), Homeless or Persons with Special Needs Demographic Developments would only use its actual committed debt instead of the qualifying first mortgage calculation. "Mortgages" include the FHFC HOME-ARP first mortgage and the FHFC NHTF second mortgage.
2. HC Syndication Pricing and Percentage to Investment Partnership are based upon the April 19, 2023, LOI, and subsequent email correspondence, from RJAHI.

Section III: Summary	
HC per Applicant Request	\$1,887,000
HC per Qualified Basis	\$3,247,628
HC per Gap Calculation	\$2,209,187
Annual HC Recommended	\$1,887,000

Notes to the Summary:

1. The Annual HC Recommended is limited by the Applicant's Request.

January 29, 2024

Attn FHFC Staff

I am writing to request a nonmaterial change in Ownership structure for Madison Terrace LLC. Please see the attached original and requested principal disclosure forms for the Developer and the Applicant. During application we used American Residential Communities as the developer entity for all of our applications. We decided the cleaner way to handle each was with a single purpose entity (ARD Madison Terrace, LLC). Also during underwriting we inserted single purpose entities (PEL Madison Terrace LLC, NSR MT LLC, MAD PP, LLC) in order to provide K1 to the members in Madison Terrace Apartments, LLC. The ownership percentages are still more than 99.99 to Patrick Law. Please let me know if you need further information in order to approve this change.

We do understand that the typical process of requesting this type of change happens after the carryover but prior to the CUR.

Sincerely,

A handwritten signature in blue ink, appearing to read "Patrick Law", with a long horizontal flourish extending to the right.

Patrick Law ,Manager

Madison Terrace, LLC

**APPROVED for HOUSING CREDITS
FHFC Advance Review
Received 8.23.2023; Approved 8.28.2023**

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:

Madison Terrace, 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.	Manager	Law, Patrick, E.	Natural Person	
2.	Non-Investor Member	Madison Terrace Apartments, LLC	Limited Liability Company	0.0100%
3.	Investor Member	Law, Patrick, E. (Equity Placeholder)	Natural Person	99.9900%

Second Principal Disclosure Level:

Madison Terrace, 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>2. (Madison Terrace Apartments, LI</u>	2.A.	Manager	Law, Patrick E.	Natural Person	99.9800%
<u>2. (Madison Terrace Apartments, LI</u>	2.B.	Member	Law, Patrick E., Revocable Trust	Trust	
<u>2. (Madison Terrace Apartments, LI</u>	2.C.	Member	MAD PP, LLC	Limited Liability Company	0.0100%
<u>2. (Madison Terrace Apartments, LI</u>	2.D.	Member	New South Residential, LLC	Limited Liability Company	0.0100%

Third Principal Disclosure Level:

Madison Terrace, 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>2.C. (MAD PP, LLC)</u>	2.C.(1)	Manager	Law, Patrick E.	Natural Person	20.0000%
<u>2.C. (MAD PP, LLC)</u>	2.C.(2)	Member	Sultan, Lindsey	Natural Person	20.0000%
<u>2.C. (MAD PP, LLC)</u>	2.C.(3)	Member	Banach, Stacy	Natural Person	20.0000%
<u>2.C. (MAD PP, LLC)</u>	2.C.(4)	Member	Otte, Edward	Natural Person	20.0000%
<u>2.C. (MAD PP, LLC)</u>	2.C.(5)	Member	Sultan, Miguel	Natural Person	20.0000%
<u>2.C. (MAD PP, LLC)</u>	2.C.(6)	Member	Law, Patrick E., Revocable Trust	Trust	
<u>2.D. (New South Residential, LLC)</u>	2.D.(1)	Manager	Banach, Stacy	Natural Person	33.3400%
<u>2.D. (New South Residential, LLC)</u>	2.D.(2)	Member	Banach, Stacy	Natural Person	
<u>2.D. (New South Residential, LLC)</u>	2.D.(3)	Manager	Sultan, Lindsey	Natural Person	33.3300%
<u>2.D. (New South Residential, LLC)</u>	2.D.(4)	Member	Sultan, Lindsey	Natural Person	
<u>2.D. (New South Residential, LLC)</u>	2.D.(5)	Manager	Oliver, Michael	Natural Person	
<u>2.D. (New South Residential, LLC)</u>	2.D.(6)	Member	Oliver, Michael	Natural Person	33.3300%
<u>2.B. (Law, Patrick E., Revocable Trust)</u>	2.B.(1)	Trustee	Law, Patrick E.	Natural Person	100.0000%
<u>2.B. (Law, Patrick E., Revocable Trust)</u>	2.B.(2)	Beneficiary	Law, Patrick E.	Natural Person	

Fourth Principal Disclosure Level:

Madison Terrace, LLC

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

Select the corresponding Third Level Principal Entity # from above for which the Fourth Level Principal is being identified	Select the type of Principal being associated with the corresponding Third Level Principal Entity	Enter Name of Fourth Level Principal who must be a Natural Person	The organizational structure of Fourth Level Principal identified Must Be a Natural Person	4th Level Principal % Ownership of 3rd Level Principal
<u>2.C.(6) (Law, Patrick E., Revocable Trust)</u>	Trustee	Law, Patrick E.	Natural Person	100.0000%
<u>2.C.(6) (Law, Patrick E., Revocable Trust)</u>	Beneficiary	Law, Patrick E.	Natural Person	

Principal Disclosures for the Applicant

PROPOSED APPLICANT STRUCTURE

Select the organizational structure for the Applicant entity:

The Applicant is a: Limited Liability Company

Provide the name of the Applicant Limited Liability Company:

MadisonTerrace, 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](#)

<u>First Level Entity #</u>	<u>Select Type of Principal of Applicant</u>	<u>Enter Name of First Level Principal</u>	<u>Select organizational structure of First Level Principal identified</u>	<u>% Ownership of Applicant</u>
1.	<u>Non-Investor Member</u>	<u>Madison Terrace Apartments, LLC</u>	<u>Limited Liability Company</u>	<u>0.0100%</u>
2.	<u>Investor Member</u>	<u>Patrick E Law</u>	<u>Natural Person</u>	<u>99.9900%</u>
3.	<u>Manager</u>	<u>Patrick E Law</u>	<u>Natural Person</u>	

Second Principal Disclosure Level:

MadisonTerrace, 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

<u>Second Level Entity #</u>	<u>Select the type of Principal being associated with the corresponding First Level Principal Entity</u>	<u>Enter Name of Second Level Principal</u>	<u>Select organizational structure of Second Level Principal identified</u>	<u>Second Level Principal % Ownership of First Level Principal</u>
<u>1. (Madison Terrace Apartments, L</u>	<u>1.A. Managing Member</u>	<u>PEL Madison Terrace, LLC</u>	<u>Limited Liability Company</u>	<u>99.9800%</u>
<u>1. (Madison Terrace Apartments, L</u>	<u>1.B. Member</u>	<u>MAD PP, LLC</u>	<u>Limited Liability Company</u>	<u>0.0100%</u>
<u>1. (Madison Terrace Apartments, L</u>	<u>1.C. Member</u>	<u>NSR MT, LLC</u>	<u>Limited Liability Company</u>	<u>0.0100%</u>

Third Principal Disclosure Level:

MadisonTerrace, 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

<u>Third Level Entity #</u>	<u>Select the type of Principal being associated with the corresponding Second Level Principal Entity</u>	<u>Enter Name of Third Level Principal who must be either a Natural Person or a Trust</u>	<u>The organizational structure of Third Level Principal identified. Must be either a Natural Person or a Trust</u>	<u>3rd Level Principal % Ownership of 2nd Level Principal</u>
<u>1.A. (PEL Madison Terrace, LLC)</u>	<u>1.A.(1) Managing Member</u>	<u>Patrick E Law, Revocable Trust</u>	<u>Trust</u>	<u>99.9900%</u>
<u>1.A. (PEL Madison Terrace, LLC)</u>	<u>1.A.(2) Member</u>	<u>Lindsey Sultan</u>	<u>Natural Person</u>	<u>0.0100%</u>
<u>1.B. (MAD PP, LLC)</u>	<u>1.B.(1) Managing Member</u>	<u>Patrick E Law, Revocable Trust</u>	<u>Trust</u>	<u>20.0000%</u>
<u>1.B. (MAD PP, LLC)</u>	<u>1.B.(2) Member</u>	<u>Lindsey Sultan</u>	<u>Natural Person</u>	<u>20.0000%</u>
<u>1.B. (MAD PP, LLC)</u>	<u>1.B.(3) Member</u>	<u>Miguel Sultan</u>	<u>Natural Person</u>	<u>20.0000%</u>
<u>1.B. (MAD PP, LLC)</u>	<u>1.B.(4) Member</u>	<u>Stacy Banach</u>	<u>Natural Person</u>	<u>20.0000%</u>
<u>1.B. (MAD PP, LLC)</u>	<u>1.B.(5) Member</u>	<u>Edward Otte</u>	<u>Natural Person</u>	<u>20.0000%</u>
<u>1.C. (NSR MT, LLC)</u>	<u>1.C.(1) Managing Member</u>	<u>Stacy Banach</u>	<u>Natural Person</u>	<u>33.3400%</u>
<u>1.C. (NSR MT, LLC)</u>	<u>1.C.(2) Managing Member</u>	<u>Lindsey Sultan</u>	<u>Natural Person</u>	<u>33.3300%</u>
<u>1.C. (NSR MT, LLC)</u>	<u>1.C.(3) Managing Member</u>	<u>Michael Oliver</u>	<u>Natural Person</u>	<u>33.3300%</u>

Fourth Principal Disclosure Level:

MadisonTerrace, LLC

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

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

<u>Fourth Level Entity #</u>	<u>Select the type of Principal being associated with the corresponding Third Level Principal Entity</u>	<u>Enter Name of Fourth Level Principal who must be a Natural Person</u>	<u>The organizational structure of Fourth Level Principal identified. Must Be a Natural Person</u>	<u>4th Level Principal % Ownership of 3rd Level Principal</u>
<u>1.A.(1) (Patrick E Law, Revocable Trust)</u>	<u>Trustee</u>	<u>Patrick E Law</u>	<u>Natural Person</u>	<u>100.0000%</u>
<u>1.B.(1) (Patrick E Law, Revocable Trust)</u>	<u>Trustee</u>	<u>Patrick E Law</u>	<u>Natural Person</u>	<u>100.0000%</u>
<u>1.A.(1) (Patrick E Law, Revocable Trust)</u>	<u>Beneficiary</u>	<u>Patrick E Law</u>	<u>Natural Person</u>	
<u>1.B.(1) (Patrick E Law, Revocable Trust)</u>	<u>Beneficiary</u>	<u>Patrick E Law</u>	<u>Natural Person</u>	

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FHFC Advance Review
Received 8.23.2023; Approved 8.28.2023*

Principal Disclosures for the two Developers

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

2

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

The first Co-Developer is a: Limited Liability Company

Provide the name of the Developer Limited Liability Company:

American Residential Communities, LLC

First Principal Disclosure Level:

American Residential 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>Manager</u>	<u>Law, Patrick E.</u>	<u>Natural Person</u>
2.	<u>Member</u>	<u>Law, Patrick E., Revocable Trust</u>	<u>Trust</u>
3.	<u>Manager</u>	<u>Sultan, Lindsey</u>	<u>Natural Person</u>
4.	<u>Member</u>	<u>MAD PP, LLC</u>	<u>Limited Liability Company</u>

Second Principal Disclosure Level:

American Residential Communities, LLC

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

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

Select the type of Principal being associated with the corresponding First Level Principal Entity

Select organizational structure of Second Level Principal identified

<u>Second Level Entity #</u>	<u>Select the type of Principal being associated with the corresponding First Level Principal Entity</u>	<u>Enter Name of Second Level Principal</u>	<u>Select organizational structure of Second Level Principal identified</u>
<u>4. (MAD PP, LLC)</u>	<u>4.A. Manager</u>	<u>Law, Patrick E.</u>	<u>Natural Person</u>
<u>4. (MAD PP, LLC)</u>	<u>4.B. Member</u>	<u>Sultan, Lindsey</u>	<u>Natural Person</u>
<u>4. (MAD PP, LLC)</u>	<u>4.C. Member</u>	<u>Banach, Stacy</u>	<u>Natural Person</u>
<u>4. (MAD PP, LLC)</u>	<u>4.D. Member</u>	<u>Otte, Edward</u>	<u>Natural Person</u>
<u>4. (MAD PP, LLC)</u>	<u>4.E. Member</u>	<u>Sultan, Miguel</u>	<u>Natural Person</u>
<u>4. (MAD PP, LLC)</u>	<u>4.F. Member</u>	<u>Law, Patrick E., Revocable Trust</u>	<u>Trust</u>
<u>2. (Law, Patrick E., Revocable Trust)</u>	<u>2.A. Trustee</u>	<u>Law, Patrick E.</u>	<u>Natural Person</u>
<u>2. (Law, Patrick E., Revocable Trust)</u>	<u>2.B. Beneficiary</u>	<u>Law, Patrick E.</u>	<u>Natural Person</u>

Principal Disclosures for the two Developers **PROPOSED CO-DEVELOPER STRUCTURE**

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

2

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

The first Co-Developer is a: Limited Liability Company

Provide the name of the Developer Limited Liability Company:

ARD Madison Terrace, LLC

First Principal Disclosure Level:

ARD Madison Terrace, LLC

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

First Level Entity #	Select Type of Principal of Developer	Enter Name of First Level Principal	Select organizational structure of First Level Principal identified
1.	<u>Managing Member</u>	<u>PLAW MT, LLC</u>	<u>Limited Liability Company</u>
2.	<u>Managing Member</u>	<u>MAD PP, LLC</u>	<u>Limited Liability Company</u>
3.	<u>Manager</u>	<u>Patrick E. Law</u>	<u>Natural Person</u>

Second Principal Disclosure Level:

ARD Madison Terrace, LLC

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

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
<u>1. (PLAW MT, LLC)</u>	1.A.	<u>Managing Member</u>	<u>Patrick E Law, Revocable Tust</u>	<u>Trust</u>
<u>1. (PLAW MT, LLC)</u>	1.B.	<u>Member</u>	<u>MAD PP, LLC</u>	<u>Limited Liability Company</u>
<u>2. (MAD PP, LLC)</u>	2.A.	<u>Managing Member</u>	<u>Patrick E Law, Revocable Tust</u>	<u>Trust</u>
<u>2. (MAD PP, LLC)</u>	2.B.	<u>Member</u>	<u>Lindsey Sultan</u>	<u>Natural Person</u>
<u>2. (MAD PP, LLC)</u>	2.C.	<u>Member</u>	<u>Miguel Sultan</u>	<u>Natural Person</u>
<u>2. (MAD PP, LLC)</u>	2.D.	<u>Member</u>	<u>Stacy Banach</u>	<u>Natural Person</u>
<u>2. (MAD PP, LLC)</u>	2.E.	<u>Member</u>	<u>Edward Otte</u>	<u>Natural Person</u>

Principal Disclosures for the two Developers

*APPROVED for HOUSING CREDITS
 FHFC Advance Review
 Received 8.23.2023; Approved 8.28.2023*

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

The second Co-Developer is a: [Limited Liability Company](#)

Provide the name of the Developer Limited Liability Company:

[New South Residential, LLC](#)

First Principal Disclosure Level:

New South Residential, 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.	Member	Banach, Stacy	Natural Person
2.	Manager	Banach, Stacy	Natural Person
3.	Member	Oliver, Michael	Natural Person
4.	Manager	Oliver, Michael	Natural Person
5.	Member	Sultan, Lindsey	Natural Person
6.	Manager	Sultan, Lindsey	Natural Person

Principal Disclosures for the two Developers **PROPOSED CO-DEVELOPER STRUCTURE**

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

The second Co-Developer is a: Limited Liability Company

Provide the name of the Developer Limited Liability Company:

New South Residential, LLC

First Principal Disclosure Level:

New South Residential, 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>Stacy Banach</u>	<u>Natural Person</u>
2.	<u>Managing Member</u>	<u>Lindsey Sultan</u>	<u>Natural Person</u>
3.	<u>Managing Member</u>	<u>Michael Oliver</u>	<u>Natural Person</u>

Second Principal Disclosure Level:

New South Residential, LLC

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

<u>Select the corresponding First Level Principal Entity # from above for which the Second Level Principal is being</u>	<u>Second Level Entity #</u>	<u>Select the type of Principal being associated with the corresponding First Level Principal Entity</u>	<u>Enter Name of Second Level Principal</u>	<u>Select organizational structure of Second Level Principal identified</u>
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January 29, 2024

Attn FHFC Staff

I am writing to request a nonmaterial change in Ownership structure for Madison Highlands II, LLC. Please see the attached original and requested principal disclosure forms for the Developer and the Applicant. During application we used American Residential Communities as the developer entity for all of our applications. We decided the cleaner way to handle each was with a single purpose entity (ARD Madison Highlands II, LLC). Also during underwriting we inserted single purpose entities (PEL Madison Highlands II LLC, NSR MH LLC, MADPEL, LLC) in order to provide K1 to the members in Madison Highlands II Apartments, LLC. The ownership percentages are still more than 99.99 to Patrick Law. Please let me know if you need further information in order to approve this change.

We do understand that the typical process of requesting this type of change happens after the carryover but prior to the CUR.

Sincerely,

A handwritten signature in blue ink, appearing to read "Patrick Law", with a long horizontal flourish extending to the right.

Patrick Law ,Manager

Madison Highlands II, LLC

APPROVED for HOUSING CREDITS
FHFC Advance Review
Received 8.23.2023; Approved 8.28.2023

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:

Madison Highlands II, 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](#)

<u>First Level Entity #</u>	<u>Select Type of Principal of Applicant</u>	<u>Enter Name of First Level Principal</u>	<u>Select organizational structure of First Level Principal identified</u>	<u>% Ownership of Applicant</u>
1.	<u>Manager</u>	<u>Law, Patrick, E.</u>	<u>Natural Person</u>	
2.	<u>Non-Investor Member</u>	<u>Madison Highlands II Apartments, LLC</u>	<u>Limited Liability Company</u>	<u>0.0100%</u>
3.	<u>Investor Member</u>	<u>Law, Patrick, E. (Equity Placeholder)</u>	<u>Natural Person</u>	<u>99.9900%</u>

Second Principal Disclosure Level:

Madison Highlands II, LLC

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

<u>Select the corresponding First Level Principal Entity # from above for which the Second Level Principal is being</u>	<u>Second Level Entity #</u>	<u>Select the type of Principal being associated with the corresponding First Level Principal Entity</u>	<u>Enter Name of Second Level Principal</u>	<u>Select organizational structure of Second Level Principal identified</u>	<u>Second Level Principal % Ownership of First Level Principal</u>
<u>2. (Madison Highlands II Apartmen</u>	2.A.	<u>Manager</u>	<u>Law, Patrick E.</u>	<u>Natural Person</u>	
<u>2. (Madison Highlands II Apartmen</u>	2.B.	<u>Member</u>	<u>Law, Patrick E., Revocable Trust</u>	<u>Trust</u>	<u>99.9800%</u>
<u>2. (Madison Highlands II Apartmen</u>	2.C.	<u>Member</u>	<u>MAD PP, LLC</u>	<u>Limited Liability Company</u>	<u>0.0100%</u>
<u>2. (Madison Highlands II Apartmen</u>	2.D.	<u>Member</u>	<u>New South Residential, LLC</u>	<u>Limited Liability Company</u>	<u>0.0100%</u>

Third Principal Disclosure Level:

Madison Highlands II, LLC

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

<u>Select the corresponding Second Level Principal Entity # from above for which the Third Level Principal is being identified</u>	<u>Third Level Entity #</u>	<u>Select the type of Principal being associated with the corresponding Second Level Principal Entity</u>	<u>Enter Name of Third Level Principal who must be either a Natural Person or a Trust</u>	<u>The organizational structure of Third Level Principal identified Must be either a Natural Person or a Trust</u>	<u>3rd Level Principal % Ownership of 2nd Level Principal</u>
<u>2.C. (MAD PP, LLC)</u>	2.C.(1)	<u>Manager</u>	<u>Law, Patrick E.</u>	<u>Natural Person</u>	<u>20.0000%</u>
<u>2.C. (MAD PP, LLC)</u>	2.C.(2)	<u>Member</u>	<u>Sultan, Lindsey</u>	<u>Natural Person</u>	<u>20.0000%</u>
<u>2.C. (MAD PP, LLC)</u>	2.C.(3)	<u>Member</u>	<u>Banach, Stacy</u>	<u>Natural Person</u>	<u>20.0000%</u>
<u>2.C. (MAD PP, LLC)</u>	2.C.(4)	<u>Member</u>	<u>Otte, Edward</u>	<u>Natural Person</u>	<u>20.0000%</u>
<u>2.C. (MAD PP, LLC)</u>	2.C.(5)	<u>Member</u>	<u>Sultan, Miguel</u>	<u>Natural Person</u>	<u>20.0000%</u>
<u>2.C. (MAD PP, LLC)</u>	2.C.(6)	<u>Member</u>	<u>Law, Patrick E., Revocable Trust</u>	<u>Trust</u>	
<u>2.D. (New South Residential, LLC)</u>	2.D.(1)	<u>Manager</u>	<u>Banach, Stacy</u>	<u>Natural Person</u>	<u>33.3400%</u>
<u>2.D. (New South Residential, LLC)</u>	2.D.(2)	<u>Member</u>	<u>Banach, Stacy</u>	<u>Natural Person</u>	
<u>2.D. (New South Residential, LLC)</u>	2.D.(3)	<u>Manager</u>	<u>Sultan, Lindsey</u>	<u>Natural Person</u>	<u>33.3300%</u>
<u>2.D. (New South Residential, LLC)</u>	2.D.(4)	<u>Member</u>	<u>Sultan, Lindsey</u>	<u>Natural Person</u>	
<u>2.D. (New South Residential, LLC)</u>	2.D.(5)	<u>Manager</u>	<u>Oliver, Michael</u>	<u>Natural Person</u>	<u>33.3300%</u>
<u>2.D. (New South Residential, LLC)</u>	2.D.(6)	<u>Member</u>	<u>Oliver, Michael</u>	<u>Natural Person</u>	
<u>2.B. (Law, Patrick E., Revocable Trust)</u>	2.B.(1)	<u>Trustee</u>	<u>Law, Patrick E.</u>	<u>Natural Person</u>	<u>100.0000%</u>
<u>2.B. (Law, Patrick E., Revocable Trust)</u>	2.B.(2)	<u>Beneficiary</u>	<u>Law, Patrick E.</u>	<u>Natural Person</u>	

Fourth Principal Disclosure Level:

Madison Highlands II, LLC

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

<u>Select the corresponding Third Level Principal Entity # from above for which the Fourth Level Principal is being identified</u>	<u>Select the type of Principal being associated with the corresponding Third Level Principal Entity</u>	<u>Enter Name of Fourth Level Principal who must be a Natural Person</u>	<u>The organizational structure of Fourth Level Principal identified Must Be a Natural Person</u>	<u>4th Level Principal % Ownership of 3rd Level Principal</u>
<u>2.C.(6) (Law, Patrick E., Revocable Trust)</u>	<u>Trustee</u>	<u>Law, Patrick E.</u>	<u>Natural Person</u>	<u>100.0000%</u>
<u>2.C.(6) (Law, Patrick E., Revocable Trust)</u>	<u>Beneficiary</u>	<u>Law, Patrick E.</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:

Madison Highlands II, 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](#)

<u>First Level Entity #</u>	<u>Select Type of Principal of Applicant</u>	<u>Enter Name of First Level Principal</u>	<u>Select organizational structure of First Level Principal identified</u>	<u>% Ownership of Applicant</u>
1.	<u>Non-Investor Member</u>	<u>Madison Highlands II Apartments, LLC</u>	<u>Limited Liability Company</u>	<u>0.0100%</u>
2.	<u>Investor Member</u>	<u>Patrick E Law</u>	<u>Natural Person</u>	<u>99.9900%</u>
3.	<u>Manager</u>	<u>Patrick E Law</u>	<u>Natural Person</u>	

Second Principal Disclosure Level:

Madison Highlands II, LLC

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

<u>Select the corresponding First Level Principal Entity # from above for which the Second Level Principal is being</u>	<u>Second Level Entity #</u>	<u>Select the type of Principal being associated with the corresponding First Level Principal Entity</u>	<u>Enter Name of Second Level Principal</u>	<u>Select organizational structure of Second Level Principal identified</u>	<u>Second Level Principal % Ownership of First Level Principal</u>
<u>1. (Madison Highlands II Apartmen</u>	1.A.	<u>Managing Member</u>	<u>PEL Madison Highlands II, LLC</u>	<u>Limited Liability Company</u>	<u>99.9800%</u>
<u>1. (Madison Highlands II Apartmen</u>	1.B.	<u>Member</u>	<u>MAD PP, LLC</u>	<u>Limited Liability Company</u>	<u>0.0100%</u>
<u>1. (Madison Highlands II Apartmen</u>	1.C.	<u>Member</u>	<u>NSR MHII, LLC</u>	<u>Limited Liability Company</u>	<u>0.0100%</u>

Third Principal Disclosure Level:

Madison Highlands II, LLC

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

<u>Select the corresponding Second Level Principal Entity # from above for which the Third Level Principal is being identified</u>	<u>Third Level Entity #</u>	<u>Select the type of Principal being associated with the corresponding Second Level Principal Entity</u>	<u>Enter Name of Third Level Principal who must be either a Natural Person or a Trust</u>	<u>The organizational structure of Third Level Principal identified Must be either a Natural Person or a Trust</u>	<u>3rd Level Principal % Ownership of 2nd Level Principal</u>
<u>1.A. (PEL Madison Highlands II, LLC)</u>	1.A.(1)	<u>Managing Member</u>	<u>Patrick E Law, Revocable Trust</u>	<u>Trust</u>	<u>99.9900%</u>
<u>1.A. (PEL Madison Highlands II, LLC)</u>	1.A.(2)	<u>Member</u>	<u>Lindsey Sultan</u>	<u>Natural Person</u>	<u>0.0100%</u>
<u>1.B. (MAD PP, LLC)</u>	1.B.(1)	<u>Managing Member</u>	<u>Patrick E Law, Revocable Trust</u>	<u>Trust</u>	<u>20.0000%</u>
<u>1.B. (MAD PP, LLC)</u>	1.B.(2)	<u>Member</u>	<u>Lindsey Sultan</u>	<u>Natural Person</u>	<u>20.0000%</u>
<u>1.B. (MAD PP, LLC)</u>	1.B.(3)	<u>Member</u>	<u>Miguel Sultan</u>	<u>Natural Person</u>	<u>20.0000%</u>
<u>1.B. (MAD PP, LLC)</u>	1.B.(4)	<u>Member</u>	<u>Stacy Banach</u>	<u>Natural Person</u>	<u>20.0000%</u>
<u>1.B. (MAD PP, LLC)</u>	1.B.(5)	<u>Member</u>	<u>Edward Otte</u>	<u>Natural Person</u>	<u>20.0000%</u>
<u>1.C. (NSR MHII, LLC)</u>	1.C.(1)	<u>Managing Member</u>	<u>Stacy Banach</u>	<u>Natural Person</u>	<u>33.3400%</u>
<u>1.C. (NSR MHII, LLC)</u>	1.C.(2)	<u>Managing Member</u>	<u>Lindsey Sultan</u>	<u>Natural Person</u>	<u>33.3300%</u>
<u>1.C. (NSR MHII, LLC)</u>	1.C.(3)	<u>Managing Member</u>	<u>Michael Oliver</u>	<u>Natural Person</u>	<u>33.3300%</u>

Fourth Principal Disclosure Level:

Madison Highlands II, LLC

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

<u>Select the corresponding Third Level Principal Entity # from above for which the Fourth Level Principal is being identified</u>	<u>Select the type of Principal being associated with the corresponding Third Level Principal Entity</u>	<u>Enter Name of Fourth Level Principal who must be a Natural Person</u>	<u>The organizational structure of Fourth Level Principal identified Must Be a Natural Person</u>	<u>4th Level Principal % Ownership of 3rd Level Principal</u>
<u>1.A.(1) (Patrick E Law, Revocable Trust)</u>	<u>Trustee</u>	<u>Patrick E Law</u>	<u>Natural Person</u>	<u>100.0000%</u>
<u>1.B.(1) (Patrick E Law, Revocable Trust)</u>	<u>Trustee</u>	<u>Patrick E Law</u>	<u>Natural Person</u>	<u>100.0000%</u>
<u>1.A.(1) (Patrick E Law, Revocable Trust)</u>	<u>Beneficiary</u>	<u>Patrick E Law</u>	<u>Natural Person</u>	
<u>1.B.(1) (Patrick E Law, Revocable Trust)</u>	<u>Beneficiary</u>	<u>Patrick E Law</u>	<u>Natural Person</u>	

Principal Disclosures for the two Developers

*APPROVED for HOUSING CREDITS
FHFC Advance Review
Received 8.23.2023; Approved 8.28.2023*

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

2

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

The first Co-Developer is a: Limited Liability Company

Provide the name of the Developer Limited Liability Company:

American Residential Communities, LLC

First Principal Disclosure Level:

American Residential 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>Manager</u>	<u>Law, Patrick E.</u>	<u>Natural Person</u>
2.	<u>Member</u>	<u>Law, Patrick E., Revocable Trust</u>	<u>Trust</u>
3.	<u>Manager</u>	<u>Sultan, Lindsey</u>	<u>Natural Person</u>
4.	<u>Member</u>	<u>MAD PP, LLC</u>	<u>Limited Liability Company</u>

Second Principal Disclosure Level:

American Residential Communities, LLC

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

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

<u>Second Level Entity #</u>	<u>Select the type of Principal being associated with the corresponding First Level Principal Entity</u>	<u>Enter Name of Second Level Principal</u>	<u>Select organizational structure of Second Level Principal identified</u>
<u>4. (MAD PP, LLC)</u>	<u>4.A. Manager</u>	<u>Law, Patrick E.</u>	<u>Natural Person</u>
<u>4. (MAD PP, LLC)</u>	<u>4.B. Member</u>	<u>Sultan, Lindsey</u>	<u>Natural Person</u>
<u>4. (MAD PP, LLC)</u>	<u>4.C. Member</u>	<u>Banach, Stacy</u>	<u>Natural Person</u>
<u>4. (MAD PP, LLC)</u>	<u>4.D. Member</u>	<u>Otte, Edward</u>	<u>Natural Person</u>
<u>4. (MAD PP, LLC)</u>	<u>4.E. Member</u>	<u>Sultan, Miguel</u>	<u>Natural Person</u>
<u>4. (MAD PP, LLC)</u>	<u>4.F. Member</u>	<u>Law, Patrick E., Revocable Trust</u>	<u>Trust</u>
<u>2. (Law, Patrick E., Revocable Trust)</u>	<u>2.A. Trustee</u>	<u>Law, Patrick E.</u>	<u>Natural Person</u>
<u>2. (Law, Patrick E., Revocable Trust)</u>	<u>2.B. Beneficiary</u>	<u>Law, Patrick E.</u>	<u>Natural Person</u>

Principal Disclosures for the two Developers **PROPOSED CO-DEVELOPER STRUCTURE**

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

2

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

The first Co-Developer is a: Limited Liability Company

Provide the name of the Developer Limited Liability Company:

ARD Madison Terrace, LLC

First Principal Disclosure Level:

ARD Madison Terrace, 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>PLAW MT, LLC</u>	<u>Limited Liability Company</u>
2.	<u>Managing Member</u>	<u>MAD PP, LLC</u>	<u>Limited Liability Company</u>
3.	<u>Manager</u>	<u>Patrick E. Law</u>	<u>Natural Person</u>

Second Principal Disclosure Level:

ARD Madison Terrace, LLC

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

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

<u>Second Level Entity #</u>	<u>Select the type of Principal being associated with the corresponding First Level Principal Entity</u>	<u>Enter Name of Second Level Principal</u>	<u>Select organizational structure of Second Level Principal identified</u>
<u>1. (PLAW MT, LLC)</u>	<u>1.A. Managing Member</u>	<u>Patrick E Law, Revocable Trust</u>	<u>Trust</u>
<u>1. (PLAW MT, LLC)</u>	<u>1.B. Member</u>	<u>MAD PP, LLC</u>	<u>Limited Liability Company</u>
<u>2. (MAD PP, LLC)</u>	<u>2.A. Managing Member</u>	<u>Patrick E Law, Revocable Trust</u>	<u>Trust</u>
<u>2. (MAD PP, LLC)</u>	<u>2.B. Member</u>	<u>Lindsey Sultan</u>	<u>Natural Person</u>
<u>2. (MAD PP, LLC)</u>	<u>2.C. Member</u>	<u>Miguel Sultan</u>	<u>Natural Person</u>
<u>2. (MAD PP, LLC)</u>	<u>2.D. Member</u>	<u>Stacy Banach</u>	<u>Natural Person</u>
<u>2. (MAD PP, LLC)</u>	<u>2.E. Member</u>	<u>Edward Otte</u>	<u>Natural Person</u>

Principal Disclosures for the two Developers

*APPROVED for HOUSING CREDITS
FHFC Advance Review
Received 8.23.2023; Approved 8.28.2023*

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

The second Co-Developer is a: Limited Liability Company

Provide the name of the Developer Limited Liability Company:

New South Residential, LLC

First Principal Disclosure Level:

New South Residential, 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>Banach, Stacy</u>	<u>Natural Person</u>
2.	<u>Manager</u>	<u>Banach, Stacy</u>	<u>Natural Person</u>
3.	<u>Member</u>	<u>Oliver, Michael</u>	<u>Natural Person</u>
4.	<u>Manager</u>	<u>Oliver, Michael</u>	<u>Natural Person</u>
5.	<u>Member</u>	<u>Sultan, Lindsey</u>	<u>Natural Person</u>
6.	<u>Manager</u>	<u>Sultan, Lindsey</u>	<u>Natural Person</u>

Principal Disclosures for the two Developers

PROPOSED CO-DEVELOPER STRUCTURE

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

The second Co-Developer is a: Limited Liability Company

Provide the name of the Developer Limited Liability Company:

New South Residential, LLC

First Principal Disclosure Level:

New South Residential, 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>Stacy Banach</u>	<u>Natural Person</u>
2.	<u>Managing Member</u>	<u>Lindsey Sultan</u>	<u>Natural Person</u>
3.	<u>Managing Member</u>	<u>Michael Oliver</u>	<u>Natural Person</u>

Second Principal Disclosure Level:

New South Residential, LLC

STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION

CASE NO. 2024-004VW

APOLLO GARDENS, LLLP,

Application No. 2022-271 CAN

Petitioner,

RECEIVED

v.

MAR 4 2024 3:30 PM

FLORIDA HOUSING FINANCE
CORPORATION

Respondent.

FLORIDA HOUSING
FINANCE CORPORATION

AMENDED AND RESTATED PETITION FOR WAIVER OF RULE 67-48.002(96) AND
THE
2022 QUALIFIED ALLOCATION PLAN'S REQUIREMENT FOR
RETURNING HOUSING CREDIT ALLOCATIONS

Apollo Gardens, LLLP, a Florida limited liability limited partnership (“Petitioner”), submits its Amended and Restated Petition to Respondent Florida Housing Finance Corporation (the “Corporation”) for a waiver of the Corporation’s Qualified Allocation Plan’s prohibition from returning its 2023 Housing Credit Allocation prior to the third quarter of 2025. The return of these Housing Credits is required before the Corporation may reserve an allocation of Housing Credits that Petitioner requests be immediately allocated. *See* Rule 67-48.002(96), Florida Administrative Code (2021) (the “Rules”), and 2022 Qualified Allocation Plan Section II.J. Due to events outside of Petitioner’s control, Petitioner cannot meet the “placed in service” and “10% test” deadlines as required by the Carryover Allocation Agreement.

1. Pursuant to Section 120.542, Fla. Stat. (2023) and Rules 28-104.001 through 28-104.006, F.A.C., Petitioner requests a waiver of Rule 67-48.002(96), Florida Administrative Code (2021), and of Section II.J of the 2022 Qualified Allocation Plan (“QAP”) to allow the

immediate return of its 2023 Housing Credit Allocation, and an immediate allocation of new Housing Credits (2024 or later).

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

Apollo Gardens, LLLP
1398 S.W. 1st Street
Miami, FL 33155
Attn: Stephanie Berman
305-371-8300 (telephone)
sberman@carrfour.org (e-mail)

3. The name, address, telephone and facsimile numbers of Petitioner's attorneys are:

Gary J. Cohen, Esq.
Shutts & Bowen LLP
200 S. Biscayne Blvd., Ste. 4100
Miami, FL 33131
305-347-7308 (telephone)
305-347-7808 (facsimile)
gcohen@shutts.com (e-mail)

4. Pursuant to RFA 2022-210, Petitioner timely submitted its application for competitive Housing Credits under the Low Income Housing Tax Credit program ("LIHTC Program" or "HC Program"). See Application Number 2022-271CAN.

5. Equity raised from Housing Credits will be used for the construction of 84 residential units (all of which will be low-income housing tax credit units) to be known as Apollo Gardens (the "Development"). The Development will serve low and extremely low income adult persons requiring independent living services in order to maintain housing or develop independent living skills and who have a disabling condition that neither currently impairs nor is likely to impair their physical mobility, in the City of Titusville and Brevard County, Florida.

6. Petitioner's application was selected for funding by FHFC, and Petitioner was invited to credit underwriting in August 2022.

7. Under Rule 67-48.028(1), if an applicant cannot complete its development by the end of the year in which the preliminary allocation of Housing Credits is issued, such applicant must enter into a “carryover allocation agreement” with the Corporation by December 31 of the year in which the preliminary allocation is issued. On April 13, 2023, Petitioner and the Corporation entered into the carryover allocation agreement for the Development (the “carryover Allocation Agreement”). The carryover allocation may (under Section 42 of the Internal Revenue Code) allow the applicant until the end of the second year following the year in which the carryover allocation is issued to place the development in service; in the instant case the Corporation mandated in the carryover allocation agreement that the development be placed in service by December 31, 2025. The carryover allocation agreement requires satisfaction of the 10% test by October 31, 2023 (extended to April 13, 2024 upon Petitioner’s request) (collectively, the “Deadlines”). In order to meet the 10% test, Petitioner will need to have closed debt and equity financing, which will likely not occur by April 13, 2024.

8. As explained more fully below, there is uncertainty as to whether or not the Development will be able to meet the Deadlines, and as such Petitioner is requesting an exchange of Housing Credits in order to effectuate an extension of such deadlines.

9. Since being preliminarily selected for funding and invited to credit underwriting, the Development has suffered unforeseen events outside of its control that make it clear that the Development may not be able to meet its December 31, 2025 placed in service deadline, or meet the 10% test by April 13, 2024. These challenges are set forth below:

- (a) Petitioner commenced pre-development activities in September 2022 upon receipt of its invitation to credit underwriting from the Corporation, after resolution of all appeals pertaining to RFA 2022-210. Petitioner has been processing all necessary pre-development and development approvals

diligently since that time. Petitioner submitted for site plan approval in February 2023 and received conditional site plan approval in November 2023. Petitioner received HUD Environmental approval in March 2023. Petitioner requested reduction of parking requirements from the City of Titusville, and received City Design Review Committee approval of such request in August 2023. Petitioner has commenced preparation of construction plans which are approximately 50% complete.

- (b) However, in the third quarter of 2023, a resident of a nearby single-family home filed a complaint against Petitioner, seeking (among other things) to prohibit the City of Titusville from issuing any development orders for the Development. Petitioner was served with the complaint on August 25, 2023.
- (c) On August 28, 2023 Petitioner filed a motion to dismiss the above complaint, and (in September 2023) separately filed a Fair Housing Complaint against the plaintiff and is awaiting a decision with respect thereto. On December 12, 2023, Petitioner's motion to dismiss the complaint was granted without prejudice. On January 3, 2024, the plaintiff filed an amended complaint, setting forth primarily the same legal theories and arguments used in her previously dismissed complaint. Petitioner filed a motion to dismiss the amended complaint with prejudice (meaning it cannot be refiled again) on January 16, 2024, and the City of Titusville thereafter filed its own, substantially similar, motion to dismiss.
- (d) Since that time, Petitioner and the party filing the amended complaint have entered into settlement negotiations but have not yet reached agreement on

a settlement. The hearing on Petitioner's motion to dismiss the amended complaint is scheduled to be heard on March 15, 2014.

- (e) Petitioner will (assuming the complaint is resolved favorably) proceed with the completion of construction drawings and permitting. Petitioner estimates completion of such drawings and submission for permitting by the fourth quarter of 2024, resulting in a financial closing in the third quarter of 2025 and placement in service in the fourth quarter of 2026.
- (f) Due to the delays described above, the estimated completion date for the Development does not meet the December 31, 2025 placed in service date required by the Carryover Allocation Agreement.
- (g) As noted above, Petitioner is required to satisfy the 10% test by April 13, 2024. Due to the delays described above, Petitioner will not be able to meet this deadline. As such, Petitioner will be unable to satisfy the 10% test, further giving rise to the necessity of exchanging the 2023 Housing Credits for later Housing Credits (2024 or later) in order to obtain a later date for satisfaction of the 10% test.

10. As discussed above, the delays have been caused by circumstances outside Petitioner's control. As a result, such delays make it impossible to meet the April 13, 2024 10% test deadline and the December 31, 2025 placed in service deadline.

11. As set forth more fully below, Petitioner seeks to return its 2023 Housing Credit allocation now, rather than wait for the third calendar quarter of 2025 as required under the QAP, and obtain from the Corporation an immediate allocation of new Housing Credits with a later required 10% test date and placed in service date.

12. The requested waivers and variance will not adversely affect the Development. A denial of the Petition, however, would (a) result in substantial economic hardship to Petitioner as set forth herein, (b) deprive the City of Titusville and Brevard County of new constructed rental units set aside for low-income and extremely low-income tenants with special needs, and (c) violate principles of fairness. Petitioner already acquired the land and has invested approximately \$1,980,000 to date in the development, and respectfully requests the relief sought herein in order to keep Development of this badly needed new construction of special needs affordable housing moving forward.

13. Section 42(m) of the Internal Revenue Code requires each state allocating agency to adopt an allocation plan for the allocation and distribution of federal low income housing tax credits. The Corporation, as the allocating agency for the State of Florida, must distribute housing credits to applicants pursuant to its qualified allocation plan.

14. The Corporation's 2022 Qualified Allocation Plan (Section II.J) (incorporated by Rule 67-48.002(96)) provides that Housing Credits may be returned **only** after the second calendar quarter of the year in which a development is required to be placed in service:

...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..."

QAP at Section II.J.

15. The applicable Rules for which waivers are requested are implementing, among other sections of the Florida Housing Finance Corporation Act (the “Act”),¹ the statute that created the Housing Credits Program. *See* § 420.5099, Fla. Stat. (2023). The Act designates FHFC as the State of Florida’s housing credit agency within the meaning of Section 42(h)(8)(A) of the Internal Revenue Code of 1986. As the designated agency, FHFC is responsible for and is authorized to establish procedures for the allocation and distribution of low-income housing tax credits (“Allocation Procedures”). §§ 420.5099(1) and (2), Fla. Stat. (2023). Accordingly, the Rules subject to Petitioner’s waiver requests are implementing, among other sections of the Act, the statutory authorization for the Corporation’s establishment of Allocation Procedures for the HC Program. §§ 420.5099(1) and (2), Fla. Stat. (2022).

16. The requested waivers will ensure the availability of Housing Credits which might otherwise be lost as a consequence of development delays described herein.

17. The facts set forth in Sections 9 through 14 of this Petition demonstrate the hardship and other circumstances which justify Petitioner’s request for Rule waiver.

18. As demonstrated above, the requested waiver serves the purposes of Section 420.5099 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 by ensuring:

The maximum use of available tax credits in order to encourage development of low-income housing in the state, taking into consideration the timeliness of the application, the location of the proposed housing project, the relative need in the area for low-income housing and the availability of such housing, the economic feasibility of the project, and the ability of the applicant to proceed

¹ The Florida Housing Finance Corporation Act is set forth in Sections 420.501 through 420.55 of the Florida Statutes (the “Act”).

to completion of the project in the calendar year for which the credit is sought.

§ 420.5099(2), Fla. Stat. (2023).

19. Further, by granting the requested waiver, the Corporation would recognize principles of fundamental fairness in the development of affordable rental housing. In addition, grant of the requested waiver will permit the construction of much needed housing for low-income and extremely low-income tenants with special needs. Finally, grant of the requested waiver will enable Petitioner to utilize (and not lose) its significant investment in due diligence expenses (and acquisition of the land) that cannot be recouped if the requested waiver is not granted.

20. The requested waiver will not adversely impact the Development or the Corporation.

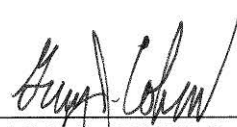
21. The waiver being sought is permanent in nature.

Should the Corporation require additional information, Petitioner is available to answer questions and to provide all information necessary for consideration of its Amended and Restated Petition for Waiver.

WHEREFORE, Petitioner Apollo Gardens, LLLP, respectfully requests that the Corporation:

- A. Grant the Amended and Restated Petition and all the relief requested therein;
- B. Waive the provisions of the Qualified Allocation Plan (incorporated by Rule 67-48.002(96)) prohibiting Petitioner from returning Housing Credit Allocations prior to the third quarter of 2025;
- C. Allow the immediate return of Petitioner's 2023 Housing Credit Allocation;
- D. Immediately allocate new Housing Credits to Petitioner with a later placed in service date, in an amount equal to the amount of its 2023 Housing Credit Allocation; and

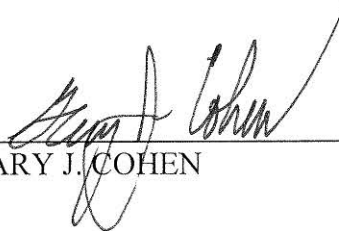
E.. Award such further relief as may be deemed appropriate.



GARY J. COHEN
Shutts & Bowen LLP
200 S. Biscayne Blvd., Suite 4100
Miami, Florida 33131
(305) 347-7308
ATTORNEYS FOR PETITIONER

CERTIFICATE OF SERVICE

The Amended and Restated Petition is being served by email and overnight delivery for filing with the Corporation Clerk of the Florida Housing Finance Corporation, 227 North Bronough Street, City Centre Building, Room 5000, Tallahassee, Florida 32399, with copies served by overnight delivery on the Joint Administrative Procedures Committee, Room 680, Pepper Building, 111 W. Madison Street, Tallahassee, Florida 32399-1400 this 4th day of March, 2024.



GARY J. COHEN

STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION

RECEIVED

FEB 28 2024 9:07 AM

FLORIDA HOUSING
FINANCE CORPORATION

Beachwood Preservation LP,
a Florida limited partnership,

Petitioner,

FHFC CASE NO. 2024-005VW
Application No. 2021-501C

FLORIDA HOUSING FINANCE
CORPORATION,

Respondent.

PETITION FOR WAIVER OF RULE 67-21.003(1)(b), F.A.C. (05/18/21) AND THE NON-COMPETITIVE APPLICATION INSTRUCTIONS (03/2021)

Petitioner, Beachwood Preservation LP, a Florida limited partnership (the "Petitioner") pursuant to Section 120.542, Florida Statutes, and Chapter 28-104, Florida Administrative Code ("F.A.C."), submits this petition to Respondent, Florida Housing Finance Corporation (the "Corporation"), for a waiver of Rule 67-21.003(1)(b), F.A.C., effective 05/18/21 (the "Rule") and the Non-competitive Application Instructions (03/2021) ("NCA"). The Corporation is in the process of completing the final evaluation and determination of the Housing Credit Allocation. Petitioner respectfully seeks a waiver of the Rule and NCA such that the Corporation may release the IRS Form 8609 prior to final resolution of certain issues that have arisen regarding the current principals of Petitioner. In support of this Petition for Rule Waiver, Petitioner states as follows:

A. Petitioner.

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

Jeffrey Goldberg
Beachwood Preservation LP

250 W 55th Street, 35th Floor
New York, NY 10019
Telephone: (212) 798-4081
Fax: N/A
Email: Jeffrey.Goldberg@Fairstead.com

2. The name, address, telephone, and facsimile numbers of Petitioner's counsel are:

Brian J. McDonough
Stearns Weaver Miller Weissler Alhadeff
& Sitterson
150 West Flagler Street
Suite 2200
Miami, FL 33130
bmcdonough@stearnsweaver.com
Tel: (305) 789-3350
Fax: (305) 789-3395

Bridget Smitha
Stearns Weaver Miller Weissler
Alhadeff & Sitterson
106 East College Avenue, Suite 700
Tallahassee, FL 32301
bsmitha@stearnsweaver.com
Direct: 850-329-4852
Fax: 850-329-4844

B. The Development.

3. This Petition is submitted on behalf of the following development (“Development”):

- Development Name: Beachwood Apartments
- Developer: Beachwood Developer LLC
- Address: 2901 Beachwood Boulevard
- County: Duval
- Number of Units: 148 (Acquisition and Rehabilitation)
- Type: Garden Apartments
- Set Asides: 41 units at or below 40% AMI; 70 units at or below 60% AMI; 37 units at or below 80% AMI
- Demographics: Family
- Funding Request: \$1,414,380 annual 4% non-competitive LIHTC

C. Rule from which Waiver is Sought.

4. Petitioner requests a waiver of Rule 67-21.003(1)(b), F.A.C. (05/18/21) which provides in pertinent part:

If the NC Award will not be in conjunction with other Corporation funding made available through the competitive solicitation funding process outlined in rule Chapter 67-60, F.A.C., the Applicant shall utilize the Non-Competitive Application Package in effect at the time the Applicant submits the Application. The Non-Competitive Application Package or NCA (Rev. 03-2021) is adopted and incorporated herein by reference and consists of the forms and instructions available, without charge, on the Corporation's website under the Multifamily Programs link labeled Non-Competitive Programs or from <http://www.flrules.org/Gateway/reference.asp?No=Ref-13093>, which shall be completed and submitted to the Corporation in accordance with this rule chapter.

Id. The Rule incorporates by reference the Non-Competitive Application Package (Rev. 03-2021) ("NCA"). The NCA includes the following requirement:

The name of the Applicant entity stated in the Application may be changed only by written request of an Applicant to Corporation staff and approval of the Corporation after the Applicant has been invited to enter Credit Underwriting.

For purposes of (1) and (2) below, a material change shall mean 33.3 percent or more of the Applicant, a general partner of the Applicant, or a non-investor member of the Applicant, and a non-material change shall mean less than 33.3 percent of the Applicant, a general partner of the Applicant, or a non-investor member of the Applicant.

(1) For Applicants requesting Non-Competitive Housing Credits only:

The Applicant entity shall be the recipient of the Housing Credits and the ownership structure of the Applicant entity as set forth in the Principal Disclosure Form and cannot be changed in any way (materially or non-materially) until after the Preliminary Determination is issued. Once the Preliminary Determination has been issued, (a) any 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. The ownership structure of the Applicant entity may be changed without Corporation or Board approval after a Final Housing Credit Allocation Agreement has been approved and the IRS Forms 8609 have been issued; however, the Corporation must still be notified in writing of the change. The Applicant must comply with Principal disclosure requirements outlined in Rule Chapter 67-21, F.A.C. for the duration of the Compliance Period. Changes to the ownership structure of the Applicant entity prior to the issuance of the Preliminary Determination or without Board approval or Corporation approval, as applicable,

prior to the approval of the Final Housing Credit Allocation and issuance of the IRS Forms 8609 shall result in a disqualification from receiving funding and shall be deemed a material misrepresentation. Changes prior to the issuance of the Preliminary Determination to the officers or directors of a Public Housing Authority, officers or directors of a Non-Profit entity, or the limited partner of an investor limited partnership or an investor member of a limited liability company owning the syndicating interest therein will not result in disqualification, however, the Corporation must be notified of the change. Changes to the officers or directors of a Non-Profit entity shall require Corporation approval.

Id. at Part A. 6. b. (1).

D. Statute Implemented.

5. The Rule implements, among other sections of the Florida Housing Finance Corporation Act (the “Act”):

- Section 420.502, Legislative findings.
- Section 420.507, Powers of the corporation.
- Section 420.508, Special powers; multifamily and single-family projects.
- Section 420.509, Revenue bonds.
- Section 420.5099, Allocation of the low-income housing tax credit.

Per Section 420.5099(1),(2), Florida Housing acts as the State’s housing credit agency and is authorized to establish procedures for allocating and distributing low-income housing tax credits.

E. Justification for the Requested Waiver

6. Petitioner submitted to the Corporation Non-Competitive Application No. (2021-501C (the “Application”) related to the Development.

7. The renovation of the Development is now complete.

8. The Corporation is in the process of completing the final evaluation and determination of the Housing Credit Allocation amount.

9. The Extended Use Agreement has been executed.

10. The next step is for Petitioner to complete Form 8609.

11. Issues have arisen related to two of Petitioner's principals. Petitioner cannot change its ownership structure until this dispute is resolved. To avoid any impact to the financial stability of the transaction, Petitioner respectfully requests that the Corporation release the Form 8609s before any material change to Petitioner's ownership structure is approved by the Corporation's Board subject to the condition that the ownership structure will be approved once the issues are resolved. Because the proposed change involves two minority non-controlling principals, whether the change occurs before or after issuance of the Form 8609 is inconsequential and will not prejudice the Development, nor the Corporation.

12. Petitioner would suffer a substantial hardship if this Petition is denied. Specifically, delays in the issuance of Form 8609 will cause a significant reduction in the tax credit equity financing available to the Development if the Petition is not granted. Further, the tax credit investor could require the Petitioner to repay all of the capital contributions previously made by the tax credit investor, with interest and penalties, thus causing the Development to fail and for the lenders to likely foreclose their security interests in the Development.

13. By granting this waiver, the Corporation would recognize the goal of increasing private investment and participation in increasing the supply of affordable housing and promote the principles of fundamental fairness in developing affordable rental housing. The purpose of the underlying statute, which is to "encourage development of low-income housing in the state" as identified in Section 420.5099(2), Fla. Stat., would still be achieved if the variance is granted. The requested waiver serves the purpose of the Statutes that are implemented by the Rule. The Florida Housing Finance Corporation Act, Section 420.501, *et seq.* ("Act") was passed in order to

encourage private and public investment in facilities for persons of low-income. The purpose of the creation of the Housing Tax Credit Program is to stimulate creative private sector initiatives to increase the supply of affordable housing. By granting this waiver, the Corporation would recognize the principles of fundamental fairness in the development of affordable housing.

14. The Corporation has jurisdiction to grant a waiver of the Rule and Petitioner meets the standard for a waiver of the Rule.

15. As demonstrated above, the requested waiver serves the purposes of Section 420.5099, 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.

16. A representative of Petitioner is available to answer any questions should the Corporation require additional information.

F. Type of Waiver.

17. The waiver being sought is permanent in nature.

G. Action Requested.

18. Petitioner respectfully requests that the Corporation:

- a. Grant this Petition and all the relief requested therein;
- b. Grant a waiver of Rule 67-21.003(1)(b), F.A.C., effective 05/18/21 (the "Rule") and the Non-competitive Application Instructions (03/2021) such that the Corporation may release the IRS Form 8609 prior to final resolution of certain issues that have arisen regarding the current principals of Petitioner; and
- c. Award such further relief as may be deemed appropriate.

Respectfully submitted,

STEARNS WEAVER MILLER WEISSLER
ALHADEFF & SITTERSON, P.A.
150 West Flagler Street, 22nd Floor
Miami, Florida 33131
Tel: (305) 789-3350
Fax: (305) 789-3395
E-mail: bmcdonough@stearnsweaver.com
Counsel for Petitioner

By: /s/ Brian J. McDonough
BRIAN J. MCDONOUGH, ESQ.

CERTIFICATE OF SERVICE

This Petition is being served by electronic transmission for filing with the Clerk for the Florida Housing Finance Corporation, CorporationClerk@FloridaHousing.org, with copies served by U.S. Mail on the Joint Administrative Procedures Committee, 680 Pepper Building, 111 W. Madison Street, Tallahassee, Florida 32399-1400, this 28th day of February, 2024.

By: /s/ Brian J. McDonough
Brian J. McDonough, Esq.

RECEIVED

FEB 28 2024 9:08 AM

FLORIDA HOUSING
FINANCE CORPORATION

STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION

Forest & Village Preservation LP,
a Florida limited partnership,

Petitioner,

FHFC CASE NO. 2024-006VW
Application No. 2019-526C

FLORIDA HOUSING FINANCE
CORPORATION,

Respondent.

PETITION FOR WAIVER OF RULE 67-21.003(1)(b), F.A.C. (07/11/19) AND THE NON-COMPETITIVE APPLICATION INSTRUCTIONS (04/2019)

Petitioner, Forest & Village Preservation LP, a Florida limited partnership (the "Petitioner") pursuant to Section 120.542, Florida Statutes, and Chapter 28-104, Florida Administrative Code ("F.A.C."), submits this petition to Respondent, Florida Housing Finance Corporation (the "Corporation"), for a waiver of Rule 67-21.003(1)(b), F.A.C., effective 07/11/19 (the "Rule") and the Non-competitive Application Instructions (04/2019) ("NCA"). The Corporation is in the process of completing the final evaluation and determination of the Housing Credit Allocation. Petitioner respectfully seeks a waiver of the Rule and NCA such that the Corporation may release the IRS Form 8609 prior to final resolution of certain issues that have arisen regarding the current principals of Petitioner. In support of this Petition for Rule Waiver, Petitioner states as follows:

A. Petitioner.

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

Jeffrey Goldberg

Forest & Village Preservation LP
250 W 55th Street, 35th Floor
New York, NY 10019
Telephone: (212) 798-4081
Fax: N/A
Email: Jeffrey.Goldberg@Fairstead.com

2. The name, address, telephone, and facsimile numbers of Petitioner's counsel are:

Brian J. McDonough
Stearns Weaver Miller Weissler Alhadeff
& Sitterson
150 West Flagler Street
Suite 2200
Miami, FL 33130
bmcdonough@stearnsweaver.com
Tel: (305) 789-3350
Fax: (305) 789-3395

Bridget Smitha
Stearns Weaver Miller Weissler
Alhadeff & Sitterson
106 East College Avenue, Suite 700
Tallahassee, FL 32301
bsmitha@stearnsweaver.com
Direct: 850-329-4852
Fax: 850-329-4844

B. The Development.

3. This Petition is submitted on behalf of the following development (“Development”):

- Development Name: Sweetwater Square¹
- Developer: FA Developer LLC
- Address: 3101 NE 15TH ST, Gainesville, FL 32609
- County: Alachua
- Number of Units: 200 (Acquisition and Rehabilitation)
- Type: Garden Apartments
- Set Asides: 100% of units at 60% or lower AMI
- Demographics: Family

¹ The Development was previously known as Forest & Village Apartments, but the name change was approved on October 19, 2023.

- Funding Request: \$1,321,743 annual 4% non-competitive LIHTC

C. Rule from which Waiver is Sought.

4. Petitioner requests a waiver of Rule 67-21.003(1)(b), F.A.C. (07/11/19) which provides in pertinent part:

(1) Applicants shall apply for MMRB, Non-Competitive HC, or a combination of MMRB and Non-Competitive HC as set forth below. For purposes of this subsection only, the term NC Award shall refer to MMRB, Non-Competitive HC, or a combination of MMRB and Non-Competitive HC, and funding from the following Corporation programs will not be considered to be other Corporation funding: Predevelopment Loan Program (PLP) and Elderly Housing Community Loan (EHCL) Program.

(b) If the NC Award will not be in conjunction with other Corporation funding made available through the competitive solicitation funding process outlined in rule chapter 67-60, F.A.C., the Applicant shall utilize the Non-Competitive Application Package in effect at the time the Applicant submits the Application. The Non-Competitive Application Package or NCA (Rev. 04-2019) is adopted and incorporated herein by reference and consists of the forms and instructions available, without charge, on the Corporation's website under the Multifamily Programs link labeled Non-Competitive Programs or from <http://www.flrules.org/Gateway/reference.asp?No=Ref-10774>, which shall be completed and submitted to the Corporation in accordance with this rule chapter.

Id. The Rule incorporates by reference the Non-Competitive Application Package (Rev. 04-2019) ("NCA"). The NCA includes the following requirement:

The name of the Applicant entity stated in the Application 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.

For purposes of (1) and (2) below, a material change shall mean 33.3 percent or more of the Applicant, a general partner of the Applicant, or a non-investor member of the Applicant, and a non-material change shall mean less than 33.3 percent of the Applicant, a general partner of the Applicant, or a non-investor member of the Applicant.

(1) For Applicants requesting Non-Competitive Housing Credits only:

The Applicant entity shall be the recipient of the Housing Credits and cannot be changed in any way (materially or non-materially) until after the Preliminary Determination is issued. Once the Preliminary Determination has been issued, (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. The Applicant entity may be changed

without Board approval after a Final Housing Credit Allocation Agreement has been approved and the IRS Forms 8609 have been issued; however, the Corporation must still be notified in writing of the change. Changes to the Applicant entity prior to the issuance of the Preliminary Determination or without Board approval or Corporation approval, as applicable, prior to the approval of the Final Housing Credit Allocation and issuance of the IRS Forms 8609 shall result in a disqualification from receiving funding and shall be deemed a material misrepresentation. Changes prior to the issuance of the Preliminary Determination to the officers or directors of a Public Housing Authority, officers or directors of a Non-Profit entity, or the limited partner of an investor limited partnership or an investor member of a limited liability company owning the syndicating interest therein will not result in disqualification, however, the Corporation must be notified of the change. Changes to the officers or directors of a Non-Profit entity shall require Corporation approval.

Id. at Part A. 6. b. (1).

D. Statute Implemented.

5. The Rule implements, among other sections of the Florida Housing Finance Corporation Act (the “Act”):

- Section 420.502, Legislative findings.
- Section 420.507, Powers of the corporation.
- Section 420.508, Special powers; multifamily and single-family projects.
- Section 420.509, Revenue bonds.
- Section 420.5099, Allocation of the low-income housing tax credit.

Per Section 420.5099(1),(2), Florida Housing acts as the State’s housing credit agency and is authorized to establish procedures for allocating and distributing low-income housing tax credits.

E. Justification for the Requested Waiver

6. Petitioner submitted to the Corporation Non-Competitive Application No. 2019-526C (the “Application”) related to the Development.

7. The renovation of the Development is now complete.
8. The Corporation is in the process of completing the final evaluation and determination of the Housing Credit Allocation amount.
9. The Extended Use Agreement has been executed.
10. The next step is for Petitioner to complete Form 8609.
11. Issues have arisen related to two of Petitioner's principals. Petitioner cannot change its ownership structure until this dispute is resolved. To avoid any impact to the financial stability of the transaction, Petitioner respectfully requests that the Corporation release the Form 8609s before any material change to Petitioner's ownership structure is approved by the Corporation's Board subject to the condition that the ownership structure will be approved once the issues are resolved. Because the proposed change involves two minority non-controlling principals, whether the change occurs before or after issuance of the Form 8609 is inconsequential and will not prejudice the Development, nor the Corporation.
12. Petitioner would suffer a substantial hardship if this Petition is denied. Specifically, delays in the issuance of Form 8609 will cause a significant reduction in the tax credit equity financing available to the Development if the Petition is not granted. Further, the tax credit investor could require the Petitioner to repay all of the capital contributions previously made by the tax credit investor, with interest and penalties, thus causing the Development to fail and for the lenders to likely foreclose their security interests in the Development.
13. By granting this waiver, the Corporation would recognize the goal of increasing private investment and participation in increasing the supply of affordable housing and promote the principles of fundamental fairness in developing affordable rental housing. The purpose of the underlying statute, which is to "encourage development of low-income housing in the state" as

identified in Section 420.5099(2), Fla. Stat., would still be achieved if the variance is granted. The requested waiver serves the purpose of the Statutes that are implemented by the Rule. The Florida Housing Finance Corporation Act, Section 420.501, *et seq.* (“Act”) was passed in order to encourage private and public investment in facilities for persons of low-income. The purpose of the creation of the Housing Tax Credit Program is to stimulate creative private sector initiatives to increase the supply of affordable housing. By granting this waiver, the Corporation would recognize the principles of fundamental fairness in the development of affordable housing.

14. The Corporation has jurisdiction to grant a waiver of the Rule and Petitioner meets the standard for a waiver of the Rule.

15. As demonstrated above, the requested waiver serves the purposes of Section 420.5099, 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.

16. A representative of Petitioner is available to answer any questions should the Corporation require additional information.

F. Type of Waiver.

17. The waiver being sought is permanent in nature.

G. Action Requested.

18. Petitioner respectfully requests that the Corporation:

- a. Grant this Petition and all the relief requested therein;
- b. Grant a waiver of Rule 67-21.003(1)(b), F.A.C., effective 07/11/2019 (the "Rule") and the Non-competitive Application Instructions (04/2019cac) such that the Corporation may release the IRS Form 8609 prior to final

resolution of certain issues that have arisen regarding the current principals
of Petitioner; and

- c. Award such further relief as may be deemed appropriate.

Respectfully submitted,

STEARNS WEAVER MILLER WEISSLER
ALHADEFF & SITTERSON, P.A.
150 West Flagler Street, 22nd Floor
Miami, Florida 33131
Tel: (305) 789-3350
Fax: (305) 789-3395
E-mail: bmcdonough@stearnsweaver.com
Counsel for Petitioner

By: /s/ Brian J. McDonough
BRIAN J. MCDONOUGH, ESQ.

CERTIFICATE OF SERVICE

This Petition is being served by electronic transmission for filing with the Clerk for the Florida Housing Finance Corporation, CorporationClerk@FloridaHousing.org, with copies served by U.S. Mail on the Joint Administrative Procedures Committee, 680 Pepper Building, 111 W. Madison Street, Tallahassee, Florida 32399-1400, this 28th day of February, 2024.

By: /s/ Brian J. McDonough
Brian J. McDonough, Esq.

RECEIVED

FEB 28 2024 9:09 AM

FLORIDA HOUSING
FINANCE CORPORATION

STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION

Federation Gardens Preservation LP,
a Florida limited partnership,

Petitioner,

FHFC CASE NO. 2024-007VW
Application No. 2018-102B; 2018-524C

FLORIDA HOUSING FINANCE
CORPORATION,

Respondent.

PETITION FOR WAIVER OF RULE 67-21.003(1)(b), F.A.C. (07/8/18) AND THE NON-COMPETITIVE APPLICATION INSTRUCTIONS (05/2018)

Petitioner, Federation Gardens Preservation LP, a Florida limited partnership (the "Petitioner") pursuant to Section 120.542, Florida Statutes, and Chapter 28-104, Florida Administrative Code ("F.A.C."), submits this petition to Respondent, Florida Housing Finance Corporation (the "Corporation"), for a waiver of Rule 67-21.003(1)(b), F.A.C., effective 07/8/18 (the "Rule") and the Non-competitive Application Instructions (05/2018) ("NCA"). The Corporation is in the process of completing the final evaluation and determination of the Housing Credit Allocation. Petitioner respectfully seeks a waiver of the Rule and NCA such that the Corporation may release the IRS Form 8609 prior to final resolution of certain issues that have arisen regarding the current principals of Petitioner. In support of this Petition for Rule Waiver, Petitioner states as follows:

A. Petitioner.

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

Jeffrey Goldberg

Federation Gardens Preservation, LP
250 W 55th Street, 35th Floor
New York, NY 10019
Telephone: (212) 798-4081
Fax: N/A
Email: Jeffrey.Goldberg@Fairstead.com

2. The name, address, telephone, and facsimile numbers of Petitioner's counsel are:

Brian J. McDonough
Stearns Weaver Miller Weissler Alhadeff
& Sitterson
150 West Flagler Street
Suite 2200
Miami, FL 33130
bmcdonough@stearnsweaver.com
Tel: (305) 789-3350
Fax: (305) 789-3395

Bridget Smitha
Stearns Weaver Miller Weissler
Alhadeff & Sitterson
106 East College Avenue, Suite 700
Tallahassee, FL 32301
bsmitha@stearnsweaver.com
Direct: 850-329-4852
Fax: 850-329-4844

B. The Development.

3. This Petition is submitted on behalf of the following development (“Development”):

- Development Name: Federation Gardens Apartments
- Developer: FA Developer LLC
- Address: 10905 SW 112 Ave, Miami, FL 33176
- County: Miami-Dade
- Number of Units: 161 (Acquisition and Rehabilitation)
- Type: Mid-Rise, 4-Stories
- Set Asides: 100% of units at 60% or lower AMI
- Demographics: Elderly, Non-ALF
- Funding Request: \$39,050,000 corporation-issued MMRN and \$1,475,345 annual 4% non-competitive LIHTC

C. Rule from which Waiver is Sought.

4. Petitioner requests a waiver of Rule 67-21.003(1)(b), F.A.C. (07/08/18) which provides in pertinent part:

(1) Applicants shall apply for MMRB, Non-Competitive HC, or a combination of MMRB and Non-Competitive HC as set forth below. For purposes of this subsection only, the term NC Award shall refer to MMRB, Non-Competitive HC, or a combination of MMRB and Non-Competitive HC, and funding from the following Corporation programs will not be considered to be other Corporation funding: Predevelopment Loan Program (PLP) and Elderly Housing Community Loan (EHCL) Program.

(b) If the NC Award will not be in conjunction with other Corporation funding made available through the competitive solicitation funding process outlined in rule chapter 67-60, F.A.C., the Applicant shall utilize the Non-Competitive Application Package in effect at the time the Applicant submits the Application. The Non-Competitive Application Package or NCA (Rev. 05-2018) is adopted and incorporated herein by reference and consists of the forms and instructions available, without charge, on the Corporation's website under the Multifamily Programs link labeled Non-Competitive Programs or from <http://www.flrules.org/Gateway/reference.asp?No=Ref-09576>, which shall be completed and submitted to the Corporation in accordance with this rule chapter.

Id. The Rule incorporates by reference the Non-Competitive Application Package (Rev. 05-2018) ("NCA"). The NCA includes the following requirement:

The name of the Applicant entity stated in the Application 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.

For purposes of (1) and (2) below, a material change shall mean 33.3 percent or more of the Applicant, a general partner of the Applicant, or a non-investor member of the Applicant, and a non-material change shall mean less than 33.3 percent of the Applicant, a general partner of the Applicant, or a non-investor member of the Applicant.

(2) For Applicants requesting MMRB, with or without Non-Competitive Housing Credits:

The Applicant entity shall be the recipient of the Non-Competitive Housing Credits and the borrowing entity for the MMRB Loan and cannot be changed in any way (materially or non-materially) until after the MMRB Loan closing. After loan closing, any change (materially or non-materially) will require Board approval prior to the change. Changes to the Applicant entity prior to the loan closing or without Board approval after the loan closing shall result in disqualification from receiving funding and shall be deemed a material misrepresentation. Changes to the limited partner of an investor limited partnership or an investor member of a limited liability

company owning the syndicating interest therein will not result in disqualification.

Id. at Part A. 5. b. (2).

D. Statute Implemented.

5. The Rule implements, among other sections of the Florida Housing Finance Corporation Act (the “Act”):

- Section 420.502, Legislative findings.
- Section 420.507, Powers of the corporation.
- Section 420.508, Special powers; multifamily and single-family projects.
- Section 420.509, Revenue bonds.
- Section 420.5099, Allocation of the low-income housing tax credit.

Per Section 420.5099(1),(2), Florida Housing acts as the State’s housing credit agency and is authorized to establish procedures for allocating and distributing low-income housing tax credits.

E. Justification for the Requested Waiver

6. Petitioner submitted to the Corporation Non-Competitive Application Form, Application Nos. 2018-102B/2018-524C (the “Application”) in relation to the Development.

7. The renovation of the Development is now complete.

8. The Corporation is in the process of completing the final evaluation and determination of the Housing Credit Allocation amount.

9. The Extended Use Agreement has been executed.

10. The next step is for Petitioner to complete Form 8609.

11. Issues have arisen related to two of Petitioner’s principals. Petitioner cannot change

its ownership structure until this dispute is resolved. To avoid any impact to the financial stability of the transaction, Petitioner respectfully requests that the Corporation release the Form 8609s before any material change to Petitioner's ownership structure is approved by the Corporation's Board subject to the condition that the ownership structure will be approved once the issues are resolved. Because the proposed change involves two minority non-controlling principals, whether the change occurs before or after issuance of the Form 8609 is inconsequential and will not prejudice the Development, nor the Corporation.

12. Petitioner would suffer a substantial hardship if this Petition is denied. Specifically, delays in the issuance of Form 8609 will cause a significant reduction in the tax credit equity financing available to the Development if the Petition is not granted. Further, the tax credit investor could require the Petitioner to repay all of the capital contributions previously made by the tax credit investor, with interest and penalties, thus causing the Development to fail and for the lenders to likely foreclose their security interests in the Development.

13. By granting this waiver, the Corporation would recognize the goal of increasing private investment and participation in increasing the supply of affordable housing and promote the principles of fundamental fairness in developing affordable rental housing. The purpose of the underlying statute, which is to "encourage development of low-income housing in the state" as identified in Section 420.5099(2), Fla. Stat., would still be achieved if the variance is granted. The requested waiver serves the purpose of the Statutes that are implemented by the Rule. The Florida Housing Finance Corporation Act, Section 420.501, *et seq.* ("Act") was passed in order to encourage private and public investment in facilities for persons of low-income. The purpose of the creation of the Housing Tax Credit Program is to stimulate creative private sector initiatives to increase the supply of affordable housing. By granting this waiver, the Corporation would

recognize the principles of fundamental fairness in the development of affordable housing.

14. The Corporation has jurisdiction to grant a waiver of the Rule and Petitioner meets the standard for a waiver of the Rule.

15. As demonstrated above, the requested waiver serves the purposes of Section 420.5099, 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.

16. A representative of Petitioner is available to answer any questions should the Corporation require additional information.

F. Type of Waiver.

17. The waiver being sought is permanent in nature.

G. Action Requested.

18. Petitioner respectfully requests that the Corporation:

- a. Grant this Petition and all the relief requested therein;
- b. Grant a waiver of Rule 67-21.003(1)(b), F.A.C., effective 07/08/2018 (the "Rule") and the Non-competitive Application Instructions (05/2018) such that the Corporation may release the IRS Form 8609 prior to final resolution of certain issues that have arisen regarding the current principals of Petitioner; and
- c. Award such further relief as may be deemed appropriate.

Respectfully submitted,

STEARNS WEAVER MILLER WEISSLER
ALHADEFF & SITTERSON, P.A.
150 West Flagler Street, 22nd Floor
Miami, Florida 33131
Tel: (305) 789-3350
Fax: (305) 789-3395
E-mail: bmcdonough@stearnsweaver.com
Counsel for Petitioner

By: /s/ Brian J. McDonough
BRIAN J. MCDONOUGH, ESQ.

CERTIFICATE OF SERVICE

This Petition is being served by electronic transmission for filing with the Clerk for the Florida Housing Finance Corporation, CorporationClerk@FloridaHousing.org, with copies served by U.S. Mail on the Joint Administrative Procedures Committee, 680 Pepper Building, 111 W. Madison Street, Tallahassee, Florida 32399-1400, this 28th day of February, 2024.

By: /s/ Brian J. McDonough
Brian J. McDonough, Esq.

STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION

RECEIVED

FEB 28 2024 9:10 AM

FLORIDA HOUSING
FINANCE CORPORATION

Federation Towers Preservation LP,
a Florida limited partnership,

Petitioner,

FHFC CASE NO. 2024-008VW
Application No. 2018-103B / 2018-525C

FLORIDA HOUSING FINANCE
CORPORATION,

Respondent.

PETITION FOR WAIVER OF RULE 67-21.003(1)(b), F.A.C. (07/08/18) AND THE NON-COMPETITIVE APPLICATION INSTRUCTIONS (05/2018)

Petitioner, Federation Towers Preservation LP, a Florida limited partnership (the "Petitioner") pursuant to Section 120.542, Florida Statutes, and Chapter 28-104, Florida Administrative Code ("F.A.C."), submits this petition to Respondent, Florida Housing Finance Corporation (the "Corporation"), for a waiver of Rule 67-21.003(1)(b), F.A.C., effective 07/08/18 (the "Rule") and the Non-competitive Application Instructions (05/2018) ("NCA"). The Corporation is in the process of completing the final evaluation and determination of the Housing Credit Allocation. Petitioner respectfully seeks a waiver of the Rule and NCA such that the Corporation may release the IRS Form 8609 prior to final resolution of certain issues that have arisen regarding the current principals of Petitioner. In support of this Petition for Rule Waiver, Petitioner states as follows:

A. Petitioner.

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

Jeffrey Goldberg

Federation Towers Preservation LP
250 W 55th Street, 35th Floor
New York, NY 10019
Telephone: (212) 798-4081
Fax: N/A
Email: Jeffrey.Goldberg@Fairstead.com

2. The name, address, telephone, and facsimile numbers of Petitioner's counsel are:

Brian J. McDonough
Stearns Weaver Miller Weissler Alhadeff
& Sitterson
150 West Flagler Street
Suite 2200
Miami, FL 33130
bmcdonough@stearnsweaver.com
Tel: (305) 789-3350
Fax: (305) 789-3395

Bridget Smitha
Stearns Weaver Miller Weissler
Alhadeff & Sitterson
106 East College Avenue, Suite 700
Tallahassee, FL 32301
bsmitha@stearnsweaver.com
Direct: 850-329-4852
Fax: 850-329-4844

B. The Development.

3. This Petition is submitted on behalf of the following development (“Development”):

- Development Name: Federation Towers
- Developer: FA Developer LLC
- Address: 757 West Avenue, Miami Beach, FL 33139
- County: Miami-Dade
- Number of Units: 114 (Acquisition and Rehabilitation)
- Type: High-Rise
- Set Asides: 100% of units at 60% or lower AMI
- Demographics: Elderly, Non-ALF
- Funding Request: \$28,245,000 corporation-issued MMRN and \$887,983 annual 4% non-competitive LIHTC

C. Rule from which Waiver is Sought.

4. Petitioner requests a waiver of Rule 67-21.003(1)(b), F.A.C. (07/08/18) which provides in pertinent part:

(1) Applicants shall apply for MMRB, Non-Competitive HC, or a combination of MMRB and Non-Competitive HC as set forth below. For purposes of this subsection only, the term NC Award shall refer to MMRB, Non-Competitive HC, or a combination of MMRB and Non-Competitive HC, and funding from the following Corporation programs will not be considered to be other Corporation funding: Predevelopment Loan Program (PLP) and Elderly Housing Community Loan (EHCL) Program.

(b) If the NC Award will not be in conjunction with other Corporation funding made available through the competitive solicitation funding process outlined in rule chapter 67-60, F.A.C., the Applicant shall utilize the Non-Competitive Application Package in effect at the time the Applicant submits the Application. The Non-Competitive Application Package or NCA (Rev. 05-2018) is adopted and incorporated herein by reference and consists of the forms and instructions available, without charge, on the Corporation's website under the Multifamily Programs link labeled Non-Competitive Programs or from <http://www.flrules.org/Gateway/reference.asp?No=Ref-09576>, which shall be completed and submitted to the Corporation in accordance with this rule chapter.

Id. The Rule incorporates by reference the Non-Competitive Application Package (Rev. 05-2018) ("NCA"). The NCA includes the following requirement:

The name of the Applicant entity stated in the Application 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.

For purposes of (1) and (2) below, a material change shall mean 33.3 percent or more of the Applicant, a general partner of the Applicant, or a non-investor member of the Applicant, and a non-material change shall mean less than 33.3 percent of the Applicant, a general partner of the Applicant, or a non-investor member of the Applicant.

(2) For Applicants requesting MMRB, with or without Non-Competitive Housing Credits:

The Applicant entity shall be the recipient of the Non-Competitive Housing Credits and the borrowing entity for the MMRB Loan and cannot be changed in any way (materially or non-materially) until after the MMRB Loan closing. After loan closing, any change (materially or non-materially) will require Board approval prior to the change. Changes to the Applicant entity prior to the loan closing or without Board approval after the loan closing shall result in disqualification from receiving funding and shall be deemed a material misrepresentation. Changes to the limited partner of an investor limited partnership or an investor member of a limited liability

company owning the syndicating interest therein will not result in disqualification.

Id. at Part A. 5. b. (2).

D. Statute Implemented.

5. The Rule implements, among other sections of the Florida Housing Finance Corporation Act (the “Act”):

- Section 420.502, Legislative findings.
- Section 420.507, Powers of the corporation.
- Section 420.508, Special powers; multifamily and single-family projects.
- Section 420.509, Revenue bonds.
- Section 420.5099, Allocation of the low-income housing tax credit.

Per Section 420.5099(1),(2), Florida Housing acts as the State’s housing credit agency and is authorized to establish procedures for allocating and distributing low-income housing tax credits.

E. Justification for the Requested Waiver

6. Petitioner submitted to the Corporation a Non-Competitive Application (the “Application”) related to the Development.

7. The renovation of the Development is now complete.

8. The Corporation is in the process of completing the final evaluation and determination of the Housing Credit Allocation amount.

9. The Extended Use Agreement has been executed.

10. The next step is for Petitioner to complete Form 8609.

11. Issues have arisen related to two of Petitioner’s principals. Petitioner cannot change

its ownership structure until this dispute is resolved. To avoid any impact to the financial stability of the transaction, Petitioner respectfully requests that the Corporation release the Form 8609s before any material change to Petitioner's ownership structure is approved by the Corporation's Board subject to the condition that the ownership structure will be approved once the issues are resolved. Because the proposed change involves two minority non-controlling principals, whether the change occurs before or after issuance of the Form 8609 is inconsequential and will not prejudice the Development, nor the Corporation.

12. Petitioner would suffer a substantial hardship if this Petition is denied. Specifically, delays in the issuance of Form 8609 will cause a significant reduction in the tax credit equity financing available to the Development if the Petition is not granted. Further, the tax credit investor could require the Petitioner to repay all of the capital contributions previously made by the tax credit investor, with interest and penalties, thus causing the Development to fail and for the lenders to likely foreclose their security interests in the Development.

13. By granting this waiver, the Corporation would recognize the goal of increasing private investment and participation in increasing the supply of affordable housing and promote the principles of fundamental fairness in developing affordable rental housing. The purpose of the underlying statute, which is to "encourage development of low-income housing in the state" as identified in Section 420.5099(2), Fla. Stat., would still be achieved if the variance is granted. The requested waiver serves the purpose of the Statutes that are implemented by the Rule. The Florida Housing Finance Corporation Act, Section 420.501, *et seq.* ("Act") was passed in order to encourage private and public investment in facilities for persons of low-income. The purpose of the creation of the Housing Tax Credit Program is to stimulate creative private sector initiatives to increase the supply of affordable housing. By granting this waiver, the Corporation would

recognize the principles of fundamental fairness in the development of affordable housing.

14. The Corporation has jurisdiction to grant a waiver of the Rule and Petitioner meets the standard for a waiver of the Rule.

15. As demonstrated above, the requested waiver serves the purposes of Section 420.5099, 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.

16. A representative of Petitioner is available to answer any questions should the Corporation require additional information.

F. Type of Waiver.

17. The waiver being sought is permanent in nature.

G. Action Requested.

18. Petitioner respectfully requests that the Corporation:

- a. Grant this Petition and all the relief requested therein;
- b. Grant a waiver of Rule 67-21.003(1)(b), F.A.C., effective 07/08/18 (the "Rule") and the Non-competitive Application Instructions (05/2018) such that the Corporation may release the IRS Form 8609 prior to final resolution of certain issues that have arisen regarding the current principals of Petitioner; and
- c. Award such further relief as may be deemed appropriate.

Respectfully submitted,

STEARNS WEAVER MILLER WEISSLER
ALHADEFF & SITTERSON, P.A.
150 West Flagler Street, 22nd Floor
Miami, Florida 33131
Tel: (305) 789-3350
Fax: (305) 789-3395
E-mail: bmcdonough@stearnsweaver.com
Counsel for Petitioner

By: /s/ Brian J. McDonough
BRIAN J. MCDONOUGH, ESQ.

CERTIFICATE OF SERVICE

This Petition is being served by electronic transmission for filing with the Clerk for the Florida Housing Finance Corporation, CorporationClerk@FloridaHousing.org, with copies served by U.S. Mail on the Joint Administrative Procedures Committee, 680 Pepper Building, 111 W. Madison Street, Tallahassee, Florida 32399-1400, this 28th day of February, 2024.

By: /s/ Brian J. McDonough
Brian J. McDonough, Esq.

RECEIVED

FEB 28 2024 9:11 AM

FLORIDA HOUSING
FINANCE CORPORATION

STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION

Sable Palms Preservation LP,
a Florida limited partnership,

Petitioner,

FHFC CASE NO. 2024-009VW
Application No. 2021-515C

FLORIDA HOUSING FINANCE
CORPORATION,

Respondent.

PETITION FOR WAIVER OF RULE 67-21.003(1)(b), F.A.C. (05/18/21) AND THE NON-COMPETITIVE APPLICATION INSTRUCTIONS (03/2021)

Petitioner, Sable Palms Preservation LP, a Florida limited partnership (the "Petitioner") pursuant to Section 120.542, Florida Statutes, and Chapter 28-104, Florida Administrative Code ("F.A.C."), submits this petition to Respondent, Florida Housing Finance Corporation (the "Corporation"), for a waiver of Rule 67-21.003(1)(b), F.A.C., effective 05/18/21 (the "Rule") and the Non-competitive Application Instructions (03/2021) ("NCA"). The Corporation is in the process of completing the final evaluation and determination of the Housing Credit Allocation. Petitioner respectfully seeks a waiver of the Rule and NCA such that the Corporation may release the IRS Form 8609 prior to final resolution of certain issues that have arisen regarding the current principals of Petitioner. In support of this Petition for Rule Waiver, Petitioner states as follows:

A. Petitioner.

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

Jeffrey Goldberg
Sable Palms Preservation LP

250 W 55th Street, 35th Floor
New York, NY 10019
Telephone: (212) 798-4081
Fax: N/A
Email: Jeffrey.Goldberg@Fairstead.com

2. The name, address, telephone, and facsimile numbers of Petitioner's counsel are:

Brian J. McDonough
Stearns Weaver Miller Weissler Alhadeff
& Sitterson
150 West Flagler Street
Suite 2200
Miami, FL 33130
bmcdonough@stearnsweaver.com
Tel: (305) 789-3350
Fax: (305) 789-3395

Bridget Smitha
Stearns Weaver Miller Weissler
Alhadeff & Sitterson
106 East College Avenue, Suite 700
Tallahassee, FL 32301
bsmitha@stearnsweaver.com
Direct: 850-329-4852
Fax: 850-329-4844

B. The Development.

3. This Petition is submitted on behalf of the following development (“Development”):

- Development Name: Sable Palms Apartments
- Developer: Sable Palms Developer LLC
- Address: 2150 Emerson Street
- County: Duval
- Number of Units: 200 (Acquisition and Rehabilitation)
- Type: Garden Apartments
- Set Asides: 100% at 60% AMI or less
- Demographics: Family
- Funding Request: \$2,542,478 annual 4% non-competitive LIHTC

C. Rule from which Waiver is Sought.

4. Petitioner requests a waiver of Rule 67-21.003(1)(b), F.A.C. (05/18/21) which provides in pertinent part:

Applicants shall apply for MMRB, Non-Competitive HC, or a combination of MMRB and Non-Competitive HC as set forth below. For purposes of this subsection only, the term NC Award shall refer to MMRB, Non-Competitive HC, or a combination of MMRB and Non-Competitive HC, and funding from the following Corporation programs will not be considered to be other Corporation funding: Predevelopment Loan Program (PLP) and Elderly Housing Community Loan (EHCL) Program.

If the NC Award will not be in conjunction with other Corporation funding made available through the competitive solicitation funding process outlined in rule Chapter 67-60, F.A.C., the Applicant shall utilize the Non-Competitive Application Package in effect at the time the Applicant submits the Application. The Non-Competitive Application Package or NCA (Rev. 03-2021) is adopted and incorporated herein by reference and consists of the forms and instructions available, without charge, on the Corporation's website under the Multifamily Programs link labeled Non-Competitive Programs or from <http://www.flrules.org/Gateway/reference.asp?No=Ref-13093>, which shall be completed and submitted to the Corporation in accordance with this rule chapter.

Id. The Rule incorporates by reference the Non-Competitive Application Package (Rev. 03-2021) ("NCA"). The NCA includes the following requirement:

The name of the Applicant entity stated in the Application may be changed only by written request of an Applicant to Corporation staff and approval of the Corporation after the Applicant has been invited to enter Credit Underwriting.

For purposes of (1) and (2) below, a material change shall mean 33.3 percent or more of the Applicant, a general partner of the Applicant, or a non-investor member of the Applicant, and a non-material change shall mean less than 33.3 percent of the Applicant, a general partner of the Applicant, or a non-investor member of the Applicant.

(1) For Applicants requesting Non-Competitive Housing Credits only:

The Applicant entity shall be the recipient of the Housing Credits and the ownership structure of the Applicant entity as set forth in the Principal Disclosure Form and cannot be changed in any way (materially or non-materially) until after the Preliminary Determination is issued. Once the Preliminary Determination has been issued, (a) any 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. The ownership structure of the Applicant entity may be changed without Corporation or Board approval after a Final Housing Credit Allocation Agreement has been approved and the IRS Forms 8609 have been issued; however, the Corporation must still be notified in writing of the change. The Applicant must comply with Principal disclosure requirements outlined in Rule

Chapter 67-21, F.A.C. for the duration of the Compliance Period. Changes to the ownership structure of the Applicant entity prior to the issuance of the Preliminary Determination or without Board approval or Corporation approval, as applicable, prior to the approval of the Final Housing Credit Allocation and issuance of the IRS Forms 8609 shall result in a disqualification from receiving funding and shall be deemed a material misrepresentation. Changes prior to the issuance of the Preliminary Determination to the officers or directors of a Public Housing Authority, officers or directors of a Non-Profit entity, or the limited partner of an investor limited partnership or an investor member of a limited liability company owning the syndicating interest therein will not result in disqualification, however, the Corporation must be notified of the change. Changes to the officers or directors of a Non-Profit entity shall require Corporation approval.

Id. at Part A. 6. b. (1).

D. Statute Implemented.

5. The Rule implements, among other sections of the Florida Housing Finance Corporation Act (the “Act”):

- Section 420.502, Legislative findings.
- Section 420.507, Powers of the corporation.
- Section 420.508, Special powers; multifamily and single-family projects.
- Section 420.509, Revenue bonds.
- Section 420.5099, Allocation of the low-income housing tax credit.

Per Section 420.5099(1),(2), Florida Housing acts as the State’s housing credit agency and is authorized to establish procedures for allocating and distributing low-income housing tax credits.

E. Justification for the Requested Waiver

6. Petitioner submitted to the Corporation Non-Competitive Application No. (2021-515C (the “Application”) related to the Development.

7. The renovation of the Development is now complete.

8. The Corporation is in the process of completing the final evaluation and determination of the Housing Credit Allocation amount.

9. The Extended Use Agreement has been executed.

10. The next step is for Petitioner to complete Form 8609.

11. Issues have arisen related to Petitioner's ownership structure. To avoid any impact to the financial stability of the transaction, Petitioner respectfully requests that the Corporation release the Form 8609s before any material change to Petitioner's ownership structure is approved by the Corporation's Board subject to the condition that the ownership structure will be approved once the issues are resolved.

12. Petitioner would suffer a substantial hardship if this Petition is denied. Specifically, delays in the issuance of Forms 8609 will cause a significant reduction in the tax credit equity financing available to the Development if the Petition is not granted. Further, the tax credit investor could require the Petitioner to repay all of the capital contributions previously made by the tax credit investor, with interest and penalties, thus causing the Development to fail and for the lenders to likely foreclose their security interests in the Development.

13. By granting this waiver, the Corporation would recognize the goal of increasing private investment and participation in increasing the supply of affordable housing and promote the principles of fundamental fairness in developing affordable rental housing. The purpose of the underlying statute, which is to "encourage development of low-income housing in the state" as identified in Section 420.5099(2), Fla. Stat., would still be achieved if the variance is granted. The requested waiver serves the purpose of the Statutes that are implemented by the Rule. The Florida Housing Finance Corporation Act, Section 420.501, *et seq.* ("Act") was passed in order to encourage private and public investment in facilities for persons of low-income. The purpose of

the creation of the Housing Tax Credit Program is to stimulate creative private sector initiatives to increase the supply of affordable housing. By granting this waiver, the Corporation would recognize the principles of fundamental fairness in the development of affordable housing.

14. The Corporation has jurisdiction to grant a waiver of the Rule and Petitioner meets the standard for a waiver of the Rule.

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16. A representative of Petitioner is available to answer any questions should the Corporation require additional information.

F. Type of Waiver.

17. The waiver being sought is permanent in nature.

G. Action Requested.

18. Petitioner respectfully requests that the Corporation:

- a. Grant this Petition and all the relief requested therein;
- b. Grant a waiver of Rule 67-21.003(1)(b), F.A.C., effective 05/18/21 (the "Rule") and the Non-competitive Application Instructions (03/2021) such that the Corporation may release the IRS Form 8609 prior to final resolution of certain issues that have arisen regarding the current principals of Petitioner; and
- c. Award such further relief as may be deemed appropriate.

Respectfully submitted,

STEARNS WEAVER MILLER WEISSLER
ALHADEFF & SITTERSON, P.A.
150 West Flagler Street, 22nd Floor
Miami, Florida 33131
Tel: (305) 789-3350
Fax: (305) 789-3395
E-mail: bmcdonough@stearnsweaver.com
Counsel for Petitioner

By: /s/ Brian J. McDonough
BRIAN J. MCDONOUGH, ESQ.

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By: /s/ Brian J. McDonough
Brian J. McDonough, Esq.

RECEIVED

FEB 28 2024 9:11 AM

FLORIDA HOUSING
FINANCE CORPORATION

STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION

Federation Sunrise Preservation LP,
a Florida limited partnership,

Petitioner,

FHFC CASE NO. 2024-010VW
Application No. 2019-519C

FLORIDA HOUSING FINANCE
CORPORATION,

Respondent.

PETITION FOR WAIVER OF RULE 67-21.003(1)(b), F.A.C. (07/11/19) AND THE NON-COMPETITIVE APPLICATION INSTRUCTIONS (04/2019)

Petitioner, Federation Sunrise Preservation LP, a Florida limited partnership (the "Petitioner") pursuant to Section 120.542, Florida Statutes, and Chapter 28-104, Florida Administrative Code ("F.A.C."), submits this petition to Respondent, Florida Housing Finance Corporation (the "Corporation"), for a waiver of Rule 67-21.003(1)(b), F.A.C., effective 07/11/19 (the "Rule") and the Non-competitive Application Instructions (04/2019) ("NCA"). The Corporation is in the process of completing the final evaluation and determination of the Housing Credit Allocation. Petitioner respectfully seeks a waiver of the Rule and NCA such that the Corporation may release the IRS Form 8609 prior to final resolution of certain issues that have arisen regarding the current principals of Petitioner. In support of this Petition for Rule Waiver, Petitioner states as follows:

A. Petitioner.

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

Jeffrey Goldberg

Federation Sunrise Preservation LP
250 W 55th Street, 35th Floor
New York, NY 10019
Telephone: (212) 798-4081
Fax: N/A
Email: Jeffrey.Goldberg@Fairstead.com

2. The name, address, telephone, and facsimile numbers of Petitioner's counsel are:

Brian J. McDonough
Stearns Weaver Miller Weissler Alhadeff
& Sitterson
150 West Flagler Street
Suite 2200
Miami, FL 33130
bmcdonough@stearnsweaver.com
Tel: (305) 789-3350
Fax: (305) 789-3395

Bridget Smitha
Stearns Weaver Miller Weissler
Alhadeff & Sitterson
106 East College Avenue, Suite 700
Tallahassee, FL 32301
bsmitha@stearnsweaver.com
Direct: 850-329-4852
Fax: 850-329-4844

B. The Development.

3. This Petition is submitted on behalf of the following development (“Development”):

- Development Name: Federation Sunrise Apartments
- Developer: FA Developer FL LLC
- Address: 5010 Nob Hill Rd, Sunrise, FL 33351
- County: Broward
- Number of Units: 123 (Acquisition and Rehabilitation)
- Type: Garden Apartments
- Set Asides: 100% of units at 60% or lower AMI
- Demographics: Elderly, Non-ALF
- Funding Request: \$1,412,900 annual 4% non-competitive LIHTC

C. Rule from which Waiver is Sought.

4. Petitioner requests a waiver of Rule 67-21.003(1)(b), F.A.C. (07/11/19) which provides in pertinent part:

(1) Applicants shall apply for MMRB, Non-Competitive HC, or a combination of MMRB and Non-Competitive HC as set forth below. For purposes of this subsection only, the term NC Award shall refer to MMRB, Non-Competitive HC, or a combination of MMRB and Non-Competitive HC, and funding from the following Corporation programs will not be considered to be other Corporation funding: Predevelopment Loan Program (PLP) and Elderly Housing Community Loan (EHCL) Program.

(b) If the NC Award will not be in conjunction with other Corporation funding made available through the competitive solicitation funding process outlined in rule chapter 67-60, F.A.C., the Applicant shall utilize the Non-Competitive Application Package in effect at the time the Applicant submits the Application. The Non-Competitive Application Package or NCA (Rev. 04-2019) is adopted and incorporated herein by reference and consists of the forms and instructions available, without charge, on the Corporation's website under the Multifamily Programs link labeled Non-Competitive Programs or from <http://www.flrules.org/Gateway/reference.asp?No=Ref-10774>, which shall be completed and submitted to the Corporation in accordance with this rule chapter.

Id. The Rule incorporates by reference the Non-Competitive Application Package (Rev. 04-2019) ("NCA"). The NCA includes the following requirement:

The name of the Applicant entity stated in the Application 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.

For purposes of (1) and (2) below, a material change shall mean 33.3 percent or more of the Applicant, a general partner of the Applicant, or a non-investor member of the Applicant, and a non-material change shall mean less than 33.3 percent of the Applicant, a general partner of the Applicant, or a non-investor member of the Applicant.

(1) For Applicants requesting Non-Competitive Housing Credits only:

The Applicant entity shall be the recipient of the Housing Credits and cannot be changed in any way (materially or non-materially) until after the Preliminary Determination is issued. Once the Preliminary Determination has been issued, (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. The Applicant entity may be changed without Board approval after a Final Housing Credit Allocation Agreement has been approved and the IRS Forms 8609 have been issued; however, the Corporation

must still be notified in writing of the change. Changes to the Applicant entity prior to the issuance of the Preliminary Determination or without Board approval or Corporation approval, as applicable, prior to the approval of the Final Housing Credit Allocation and issuance of the IRS Forms 8609 shall result in a disqualification from receiving funding and shall be deemed a material misrepresentation. Changes prior to the issuance of the Preliminary Determination to the officers or directors of a Public Housing Authority, officers or directors of a Non-Profit entity, or the limited partner of an investor limited partnership or an investor member of a limited liability company owning the syndicating interest therein will not result in disqualification, however, the Corporation must be notified of the change. Changes to the officers or directors of a Non-Profit entity shall require Corporation approval.

Id. at Part A. 6. b. (1).

D. Statute Implemented.

5. The Rule implements, among other sections of the Florida Housing Finance Corporation Act (the “Act”):

- Section 420.502, Legislative findings.
- Section 420.507, Powers of the corporation.
- Section 420.508, Special powers; multifamily and single-family projects.
- Section 420.509, Revenue bonds.
- Section 420.5099, Allocation of the low-income housing tax credit.

Per Section 420.5099(1),(2), Florida Housing acts as the State’s housing credit agency and is authorized to establish procedures for allocating and distributing low-income housing tax credits.

E. Justification for the Requested Waiver

6. Petitioner submitted to the Corporation Non-Competitive Application No. 2019-519C (the “Application”) related to the Development.

7. The renovation of the Development is now complete.

8. The Corporation is in the process of completing the final evaluation and determination of the Housing Credit Allocation amount.

9. The Extended Use Agreement has been executed.

10. The next step is for Petitioner to complete Form 8609.

11. Issues have arisen related to two of Petitioner's principals. Petitioner cannot change its ownership structure until this dispute is resolved. To avoid any impact to the financial stability of the transaction, Petitioner respectfully requests that the Corporation release the Form 8609s before any material change to Petitioner's ownership structure is approved by the Corporation's Board subject to the condition that the ownership structure will be approved once the issues are resolved. Because the proposed change involves two minority non-controlling principals, whether the change occurs before or after issuance of the Form 8609 is inconsequential and will not prejudice the Development, nor the Corporation.

12. Petitioner would suffer a substantial hardship if this Petition is denied. Specifically, delays in the issuance of Form 8609 will cause a significant reduction in the tax credit equity financing available to the Development if the Petition is not granted. Further, the tax credit investor could require the Petitioner to repay all of the capital contributions previously made by the tax credit investor, with interest and penalties, thus causing the Development to fail and for the lenders to likely foreclose their security interests in the Development.

13. By granting this waiver, the Corporation would recognize the goal of increasing private investment and participation in increasing the supply of affordable housing and promote the principles of fundamental fairness in developing affordable rental housing. The purpose of the underlying statute, which is to "encourage development of low-income housing in the state" as identified in Section 420.5099(2), Fla. Stat., would still be achieved if the variance is granted. The

requested waiver serves the purpose of the Statutes that are implemented by the Rule. The Florida Housing Finance Corporation Act, Section 420.501, *et seq.* ("Act") was passed in order to encourage private and public investment in facilities for persons of low-income. The purpose of the creation of the Housing Tax Credit Program is to stimulate creative private sector initiatives to increase the supply of affordable housing. By granting this waiver, the Corporation would recognize the principles of fundamental fairness in the development of affordable housing.

14. The Corporation has jurisdiction to grant a waiver of the Rule and Petitioner meets the standard for a waiver of the Rule.

15. As demonstrated above, the requested waiver serves the purposes of Section 420.5099, 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.

16. A representative of Petitioner is available to answer any questions should the Corporation require additional information.

F. Type of Waiver.

17. The waiver being sought is permanent in nature.

G. Action Requested.

18. Petitioner respectfully requests that the Corporation:

- a. Grant this Petition and all the relief requested therein;
- b. Grant a waiver of Rule 67-21.003(1)(b), F.A.C., effective 07/11/19 (the "Rule") and the Non-competitive Application Instructions (04/2019) such that the Corporation may release the IRS Form 8609 prior to final resolution of certain issues that have arisen regarding the current principals of

Petitioner; and

- c. Award such further relief as may be deemed appropriate.

Respectfully submitted,

STEARNS WEAVER MILLER WEISSLER
ALHADEFF & SITTERSON, P.A.
150 West Flagler Street, 22nd Floor
Miami, Florida 33131
Tel: (305) 789-3350
Fax: (305) 789-3395
E-mail: bmcdonough@stearnsweaver.com
Counsel for Petitioner

By: /s/ Brian J. McDonough
BRIAN J. MCDONOUGH, ESQ.

CERTIFICATE OF SERVICE

This Petition is being served by electronic transmission for filing with the Clerk for the Florida Housing Finance Corporation, CorporationClerk@FloridaHousing.org, with copies served by U.S. Mail on the Joint Administrative Procedures Committee, 680 Pepper Building, 111 W. Madison Street, Tallahassee, Florida 32399-1400, this 28th day of February, 2024.

By: /s/ Brian J. McDonough
Brian J. McDonough, Esq.

STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION

RECEIVED

FEB 28 2024 11:51 AM

FLORIDA HOUSING
FINANCE CORPORATION

Federation Davie Preservation LP,
a Florida limited partnership,

Petitioner,

FHFC CASE NO. 2024-011VW
Application No. 2020-510C

FLORIDA HOUSING FINANCE
CORPORATION,

Respondent.

**PETITION FOR WAIVER OF RULE 67-21.003(1)(b), F.A.C. (06/23/2020) AND THE
NON-COMPETITIVE APPLICATION INSTRUCTIONS (04/2020)**

Petitioner, Federation Davie Preservation LP, a Florida limited partnership (the "Petitioner") pursuant to Section 120.542, Florida Statutes, and Chapter 28-104, Florida Administrative Code ("F.A.C."), submits this petition to Respondent, Florida Housing Finance Corporation (the "Corporation"), for a waiver of Rule 67-21.003(1)(b), F.A.C., effective 06/23/2020 (the "Rule") and the Non-competitive Application Instructions (04/2020) ("NCA"). The Corporation is in the process of completing the final evaluation and determination of the Housing Credit Allocation. Petitioner respectfully seeks a waiver of the Rule and NCA such that the Corporation may release the IRS Form 8609 prior to final resolution of certain issues that have arisen regarding the current principals of Petitioner. In support of this Petition for Rule Waiver, Petitioner states as follows:

A. Petitioner.

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

Jeffrey Goldberg

Federation Davie Preservation LP
250 W 55th Street, 35th Floor
New York, NY 10019
Telephone: (704)575-1268
Fax: N/A
Email: Jeffrey.Goldberg@Fairstead.com

2. The name, address, telephone, and facsimile numbers of Petitioner's counsel are:

Brian J. McDonough
Stearns Weaver Miller Weissler Alhadeff
& Sitterson
150 West Flagler Street
Suite 2200
Miami, FL 33130
bmcdonough@stearnsweaver.com
Tel: (305) 789-3350
Fax: (305) 789-3395

Bridget Smitha
Stearns Weaver Miller Weissler
Alhadeff & Sitterson
106 East College Avenue, Suite 700
Tallahassee, FL 32301
bsmitha@stearnsweaver.com
Direct: 850-329-4852
Fax: 850-329-4844

B. The Development.

3. This Petition is submitted on behalf of the following development (“Development”):

- Development Name: Federation Davie Apartments
- Developer: FA Developer FL LLC
- Address: 5701 SW 82nd Avenue, Davie, FL 33328
- County: Broward
- Number of Units: 80 (Acquisition and Rehabilitation)
- Type: Garden Apartments
- Set Asides: 100% of units at 60% or lower AMI
- Demographics: Elderly, Non-ALF
- Funding Request: 4% Non-Competitive Housing Credit allocation in an annual amount of \$850,217

C. Rule from which Waiver is Sought.

4. Petitioner requests a waiver of Rule 67-21.003(1)(b), F.A.C. (06/23/2020) which provides in pertinent part:

(1) Applicants shall apply for MMRB, Non-Competitive HC, or a combination of MMRB and Non-Competitive HC as set forth below. For purposes of this subsection only, the term NC Award shall refer to MMRB, Non-Competitive HC, or a combination of MMRB and Non-Competitive HC, and funding from the following Corporation programs will not be considered to be other Corporation funding: Predevelopment Loan Program (PLP) and Elderly Housing Community Loan (EHCL) Program.

(b) If the NC Award will not be in conjunction with other Corporation funding made available through the competitive solicitation funding process outlined in rule chapter 67-60, F.A.C., the Applicant shall utilize the Non-Competitive Application Package in effect at the time the Applicant submits the Application. The Non-Competitive Application Package or NCA (Rev. 04-2020) is adopted and incorporated herein by reference and consists of the forms and instructions available, without charge, on the Corporation's website under the Multifamily Programs link labeled Non-Competitive Programs or from <https://www.flrules.org/Gateway/reference.asp?No=Ref-12011>, which shall be completed and submitted to the Corporation in accordance with this rule chapter.

Id. Rule 67-21.003(1)(b), F.A.C. (06/23/2020) incorporates by reference the Non-Competitive Application Package (Rev. 04-2020) ("NCA"). The NCA includes the following requirement:

b. The name of the Applicant entity stated in the Application may be changed only by written request of an Applicant to Corporation staff and approval of the Corporation after the Applicant has been invited to enter Credit Underwriting.

For purposes of (1) and (2) below, a material change shall mean 33.3 percent or more of the Applicant, a general partner of the Applicant, or a non-investor member of the Applicant, and a non-material change shall mean less than 33.3 percent of the Applicant, a general partner of the Applicant, or a non-investor member of the Applicant.

(1) For Applicants requesting Non-Competitive Housing Credits only:

The Applicant entity shall be the recipient of the Housing Credits and the ownership structure of the Applicant entity as set forth in the Principal Disclosure Form and

cannot be changed in any way (materially or non-materially) until after the Preliminary Determination is issued. Once the Preliminary Determination has been issued, (a) any 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. The ownership structure of the Applicant entity may be changed without Corporation or Board approval after a Final Housing Credit Allocation Agreement has been approved and the IRS Forms 8609 have been issued; however, the Corporation must still be notified in writing of the change. Changes to the ownership structure of the Applicant entity prior to the issuance of the Preliminary Determination or without Board approval or Corporation approval, as applicable, prior to the approval of the Final Housing Credit Allocation and issuance of the IRS Forms 8609 shall result in a disqualification from receiving funding and shall be deemed a material misrepresentation. Changes prior to the issuance of the Preliminary Determination to the officers or directors of a Public Housing Authority, officers or directors of a Non-Profit entity, or the limited partner of an investor limited partnership or an investor member of a limited liability company owning the syndicating interest therein will not result in disqualification, however, the Corporation must be notified of the change. Changes to the officers or directors of a Non-Profit entity shall require Corporation approval.

Id. at Part A. 6. b. (1).

D. Statute Implemented.

5. The Rule implements, among other sections of the Florida Housing Finance Corporation Act (the “Act”):

- Section 420.502, Legislative findings.
- Section 420.507, Powers of the corporation.
- Section 420.508, Special powers; multifamily and single-family projects.
- Section 420.509, Revenue bonds.
- Section 420.5099, Allocation of the low-income housing tax credit.

Per Section 420.5099(1),(2), Florida Housing acts as the State’s housing credit agency and is authorized to establish procedures for allocating and distributing low-income housing tax credits.

E. Justification for the Requested Waiver

6. Petitioner submitted Non-Competitive Application Form, Application No. 2020-510C (the “Application”), in relation to the Development, to the Corporation.

7. The renovation of the Development is now complete.

8. The Corporation is in the process of completing the final evaluation and determination of the Housing Credit Allocation amount.

9. The Extended Use Agreement has been executed.

10. The next step is for Petitioner to complete Form 8609.

11. Issues have arisen related to two of Petitioner’s former employees. Petitioner cannot provide signed documentation from such former employees or other such evidence to document any changes its ownership structure until this dispute is concluded. To avoid any impact to the financial stability of the transaction, Petitioner respectfully requests that the Corporation release the Form 8609s before any material change to Petitioner’s ownership structure is approved by the Corporation’s Board subject to the condition that the ownership structure will be approved once the issues are resolved. Because the proposed change involves two minority non-controlling principals, whether the change occurs before or after issuance of the Form 8609 is inconsequential and will not prejudice the Development, nor the Corporation.

12. Petitioner would suffer a substantial hardship if this Petition is denied. Specifically, delays in the issuance of Form 8609 will cause a significant reduction in the tax credit equity financing available to the Development if the Petition is not granted. Further, the tax credit investor could require the Petitioner to repay all of the capital contributions previously made by the tax credit investor, with interest and penalties, thus causing the Development to fail and for the lenders to likely foreclose their security interests in the Development.

13. By granting this waiver, the Corporation would recognize the goal of increasing private investment and participation in increasing the supply of affordable housing and promote the principles of fundamental fairness in developing affordable rental housing. The purpose of the underlying statute, which is to “encourage development of low-income housing in the state” as identified in Section 420.5099(2), Fla. Stat., would still be achieved if the variance is granted. The requested waiver serves the purpose of the Statutes that are implemented by the Rule. The Florida Housing Finance Corporation Act, Section 420.501, *et seq.* (“Act”) was passed in order to encourage private and public investment in facilities for persons of low-income. The purpose of the creation of the Housing Tax Credit Program is to stimulate creative private sector initiatives to increase the supply of affordable housing. By granting this waiver, the Corporation would recognize the principles of fundamental fairness in the development of affordable housing.

14. The Corporation has jurisdiction to grant a waiver of the Rule and Petitioner meets the standard for a waiver of the Rule.

15. As demonstrated above, the requested waiver serves the purposes of Section 420.5099, 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.

16. A representative of Petitioner is available to answer any questions should the Corporation require additional information.

F. Type of Waiver.

17. The waiver being sought is permanent in nature.

G. Action Requested.

18. Petitioner respectfully requests that the Corporation:

- a. Grant this Petition and all the relief requested therein;
- b. Grant a waiver of Rule 67-21.003(1)(b), F.A.C., effective 06/23/2020 (the "Rule") and the Non-competitive Application Instructions (04/2020) such that the Corporation may release the IRS Form 8609 prior to final resolution of certain issues that have arisen regarding the current principals of Petitioner; and
- c. Award such further relief as may be deemed appropriate.

Respectfully submitted,

STEARNS WEAVER MILLER WEISSLER
ALHADEFF & SITTERSON, P.A.
150 West Flagler Street, 22nd Floor
Miami, Florida 33131
Tel: (305) 789-3350
Fax: (305) 789-3395
E-mail: bmcdonough@stearnsweaver.com
Counsel for Petitioner

By: /s/ Brian J. McDonough
BRIAN J. MCDONOUGH, ESQ.

CERTIFICATE OF SERVICE

This Petition is being served by electronic transmission for filing with the Clerk for the Florida Housing Finance Corporation, CorporationClerk@FloridaHousing.org, with copies served by U.S. Mail on the Joint Administrative Procedures Committee, 680 Pepper Building, 111 W. Madison Street, Tallahassee, Florida 32399-1400, this 28th day of February, 2024.

By: /s/ Brian J. McDonough
Brian J. McDonough, Esq.

STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION

RECEIVED

MAR 1 2024 3:23 PM

FEDERATION GOULD PRESERVATION LP,
a Florida limited partnership,

Petitioner,

FHFC CASE NO. 2024-013VW
Application No. 2019-539C

FLORIDA HOUSING
FINANCE CORPORATION

FLORIDA HOUSING FINANCE
CORPORATION,

Respondent.

PETITION FOR WAIVER OF RULE 67-21.003(1)(b), F.A.C. (07/11/19) AND THE NON-COMPETITIVE APPLICATION INSTRUCTIONS (04/2019)

Petitioner, Federation Gould Preservation LP, a Florida limited partnership (the "Petitioner") pursuant to Section 120.542, Florida Statutes, and Chapter 28-104, Florida Administrative Code ("F.A.C."), submits this petition to Respondent, Florida Housing Finance Corporation (the "Corporation"), for a waiver of Rule 67-21.003(1)(b), F.A.C., effective 07/11/19 (the "Rule") and the Non-competitive Application Instructions (04/2019) ("NCA"). The Corporation is in the process of completing the final evaluation and determination of the Housing Credit Allocation. Petitioner respectfully seeks a waiver of the Rule and NCA such that the Corporation may release the IRS Form 8609 prior to final resolution of certain issues that have arisen regarding the current principals of Petitioner. In support of this Petition for Rule Waiver, Petitioner states as follows:

A. Petitioner.

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

Jeffrey Goldberg

Federation Gould Preservation LP
250 W 55th Street, 35th Floor
New York, NY 10019
Telephone: (704)575-1268
Fax: N/A
Email: Jeffrey.Goldberg@Fairstead.com

2. The name, address, telephone, and facsimile numbers of Petitioner's counsel are:

Brian J. McDonough
Stearns Weaver Miller Weissler Alhadeff
& Sitterson
150 West Flagler Street
Suite 2200
Miami, FL 33130
bmcdonough@stearnsweaver.com
Tel: (305) 789-3350
Fax: (305) 789-3395

Bridget Smitha
Stearns Weaver Miller Weissler
Alhadeff & Sitterson
106 East College Avenue, Suite 700
Tallahassee, FL 32301
bsmitha@stearnsweaver.com
Direct: 850-329-4852
Fax: 850-329-4844

B. The Development.

3. This Petition is submitted on behalf of the following development (“Development”):

- Development Name: Gould House
- Developer: FA Developer FL LLC
- Address: 21000 Ruth and Baron Coleman Blvd, Boca Raton, FL 33428
- County: Palm Beach
- Number of Units: 101 (Acquisition and Rehabilitation)
- Type: Mid-Rise, 4-stories
- Set Asides: 100% of units at 60% or lower AMI
- Demographics: Elderly, Non-ALF
- Funding Request: 4% Non-Competitive Housing Credit allocation in an annual amount of \$1,612,794

C. Rule from which Waiver is Sought.

4. Petitioner requests a waiver of Rule 67-21.003(1)(b), F.A.C. (07/11/19) which provides in pertinent part:

(1) Applicants shall apply for MMRB, Non-Competitive HC, or a combination of MMRB and Non-Competitive HC as set forth below. For purposes of this subsection only, the term NC Award shall refer to MMRB, Non-Competitive HC, or a combination of MMRB and Non-Competitive HC, and funding from the following Corporation programs will not be considered to be other Corporation funding: Predevelopment Loan Program (PLP) and Elderly Housing Community Loan (EHCL) Program.

(b) If the NC Award will not be in conjunction with other Corporation funding made available through the competitive solicitation funding process outlined in rule chapter 67-60, F.A.C., the Applicant shall utilize the Non-Competitive Application Package in effect at the time the Applicant submits the Application. The Non-Competitive Application Package or NCA (Rev. 04-2019) is adopted and incorporated herein by reference and consists of the forms and instructions available, without charge, on the Corporation's website under the Multifamily Programs link labeled Non-Competitive Programs or from <http://www.flrules.org/Gateway/reference.asp?No=Ref-10774>, which shall be completed and submitted to the Corporation in accordance with this rule chapter.

Id. The Rule incorporates by reference the Non-Competitive Application Package (Rev. 04-2019) ("NCA"). The NCA includes the following requirement:

The name of the Applicant entity stated in the Application 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.

For purposes of (1) and (2) below, a material change shall mean 33.3 percent or more of the Applicant, a general partner of the Applicant, or a non-investor member of the Applicant, and a non-material change shall mean less than 33.3 percent of the Applicant, a general partner of the Applicant, or a non-investor member of the Applicant.

(1) For Applicants requesting Non-Competitive Housing Credits only:

The Applicant entity shall be the recipient of the Housing Credits and cannot be changed in any way (materially or non-materially) until after the Preliminary Determination is issued. Once the Preliminary Determination has been issued, (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. The Applicant entity may be changed without Board approval after a Final Housing Credit Allocation Agreement has been approved and the IRS Forms 8609 have been issued; however, the Corporation must still be notified in writing of the change. Changes to the Applicant entity prior

to the issuance of the Preliminary Determination or without Board approval or Corporation approval, as applicable, prior to the approval of the Final Housing Credit Allocation and issuance of the IRS Forms 8609 shall result in a disqualification from receiving funding and shall be deemed a material misrepresentation. Changes prior to the issuance of the Preliminary Determination to the officers or directors of a Public Housing Authority, officers or directors of a Non-Profit entity, or the limited partner of an investor limited partnership or an investor member of a limited liability company owning the syndicating interest therein will not result in disqualification, however, the Corporation must be notified of the change. Changes to the officers or directors of a Non-Profit entity shall require Corporation approval.

Id. at Part A. 6. b. (1).

D. Statute Implemented.

5. The Rule implements, among other sections of the Florida Housing Finance Corporation Act (the “Act”):

- Section 420.502, Legislative findings.
- Section 420.507, Powers of the corporation.
- Section 420.508, Special powers; multifamily and single-family projects.
- Section 420.509, Revenue bonds.
- Section 420.5099, Allocation of the low-income housing tax credit.

Per Section 420.5099(1),(2), Florida Housing acts as the State’s housing credit agency and is authorized to establish procedures for allocating and distributing low-income housing tax credits.

E. Justification for the Requested Waiver

6. Petitioner submitted Non-Competitive Application Form, Application No. 2019-539C (the “Application”), related to the Development, to the Corporation on or about June 16, 2020.

7. The renovation of the Development is now complete.

8. The Corporation is in the process of completing the final evaluation and determination of the Housing Credit Allocation amount.

9. The Extended Use Agreement has been executed.

10. The next step is for Petitioner to complete Form 8609.

11. Issues have arisen related to two of Petitioner's principals. Petitioner cannot change its ownership structure until this dispute is resolved. To avoid any impact to the financial stability of the transaction, Petitioner respectfully requests that the Corporation release the Form 8609s before any material change to Petitioner's ownership structure is approved by the Corporation's Board subject to the condition that the ownership structure will be approved once the issues are resolved. Because the proposed change involves two minority non-controlling principals, whether the change occurs before or after issuance of the Form 8609 is inconsequential and will not prejudice the Development, nor the Corporation.

12. Petitioner would suffer a substantial hardship if this Petition is denied. Specifically, delays in the issuance of Form 8609 will cause a significant reduction in the tax credit equity financing available to the Development if the Petition is not granted. Further, the tax credit investor could require the Petitioner to repay all of the capital contributions previously made by the tax credit investor, with interest and penalties, thus causing the Development to fail and for the lenders to likely foreclose their security interests in the Development.

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requested waiver serves the purpose of the Statutes that are implemented by the Rule. The Florida Housing Finance Corporation Act, Section 420.501, *et seq.* ("Act") was passed in order to encourage private and public investment in facilities for persons of low-income. The purpose of the creation of the Housing Tax Credit Program is to stimulate creative private sector initiatives to increase the supply of affordable housing. By granting this waiver, the Corporation would recognize the principles of fundamental fairness in the development of affordable housing.

14. The Corporation has jurisdiction to grant a waiver of the Rule and Petitioner meets the standard for a waiver of the Rule.

15. As demonstrated above, the requested waiver serves the purposes of Section 420.5099, 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.

16. A representative of Petitioner is available to answer any questions should the Corporation require additional information.

F. Type of Waiver.

17. The waiver being sought is permanent in nature.

G. Action Requested.

18. Petitioner respectfully requests that the Corporation:

- a. Grant this Petition and all the relief requested therein;
- b. Grant a waiver of Rule 67-21.003(1)(b), F.A.C., effective 07/11/19 (the "Rule") and the Non-competitive Application Instructions (04/2019) such that the Corporation may release the IRS Form 8609 prior to final resolution of certain issues that have arisen regarding the current principals of

Petitioner; and

- c. Award such further relief as may be deemed appropriate.

Respectfully submitted,

STEARNS WEAVER MILLER WEISSLER
ALHADEFF & SITTERSON, P.A.
150 West Flagler Street, 22nd Floor
Miami, Florida 33131
Tel: (305) 789-3350
Fax: (305) 789-3395
E-mail: bmcdonough@stearnsweaver.com
Counsel for Petitioner

By: /s/ Brian J. McDonough
BRIAN J. MCDONOUGH, ESQ.

CERTIFICATE OF SERVICE

This Petition is being served by electronic transmission for filing with the Clerk for the Florida Housing Finance Corporation, CorporationClerk@FloridaHousing.org, with copies served by U.S. Mail on the Joint Administrative Procedures Committee, 680 Pepper Building, 111 W. Madison Street, Tallahassee, Florida 32399-1400, this 1st day of March, 2024.

By: /s/ Brian J. McDonough
Brian J. McDonough, Esq.

STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION

FHFC CASE NO. 2024-002VW
APPLICATION NO. 2022-530C

FAIRFIELD RUNNING BROOK II LP,

Petitioner

vs.

FLORIDA HOUSING FINANCE
CORPORATION,

Respondent.

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FLORIDA HOUSING
FINANCE CORPORATION

PETITION FOR WAIVER OF RULE 67-21.026(10)

FAIRFIELD RUNNING BROOK II LP, a Florida limited partnership (“Petitioner”), by and through its undersigned counsel, hereby petitions Respondent, the FLORIDA HOUSING FINANCE CORPORATION (the “Corporation”) for a waiver of the rule which requires a guaranteed maximum price construction contract (a “GMP Contract”) for all of the rehabilitation work. This Petition is filed pursuant to Section 120.542 of the Florida Statutes (2022) and Chapter 28-104 of the Florida Administrative Code (2022). In support of its Petition, the Petitioner states:

A. PETITIONER AND DEVELOPMENT

1. The address, telephone number, facsimile number and e-mail address of the Petitioner are:

Fairfield Running Brook II LP
5355 Mira Sorrento Place, Suite 100
San Diego, California 92121
Attn: Richard Boynton
Telephone: (858) 824-6424
Facsimile: (858) 625-6047
Email: rboynton@ffres.com

2. For purposes of this Petition, the address, telephone number, facsimile number and e-mail address of Petitioner's counsel is:

Hollie A. Croft, Esq.
Nelson Mullins Riley & Scarborough
390 N. Orange Avenue, Suite 1400
Orlando, Florida 32801
Telephone: (407) 839-4200
Facsimile: (407) 425-8377
Email: hollie.croft@nelsonmullins.com

3. Petitioner previously submitted an application to the Housing Finance Authority of Palm Beach County, Florida for an issuance of multifamily housing revenue bonds to be used for the rehabilitation of that certain 186-unit multifamily housing development to be known as Running Brook Apartments, located at 20505 SW 122nd Avenue, Miami, Florida 33177 (the "Development"). Petitioner has also submitted an application to the Corporation for an allocation of Non-Competitive Housing Credits to fund a portion of the acquisition or rehabilitation of the Development.

B. WAIVER IS PERMANENT

4. The waiver being sought is permanent in nature.

C. THE RULE FROM WHICH WAIVER IS REQUESTED

5. Petitioner requests a waiver from Rule 67-21.026(10), F.A.C. (2022) which requires the Petitioner to enter into a GMP Contract for the intended rehabilitation work for the Development that is acceptable to the Corporation (collectively, the "Rule"). The specific provisions of the Rule from which Petitioner is seeking a waiver are as follows:

Rule 67-21.026(10), F.A.C. (2022), which provides in relevant part:

(10) The Corporation's assigned Credit Underwriter **shall require a guaranteed maximum price construction contract, acceptable to the Corporation**, which may include change orders for changes in cost or changes in the scope of work, or both, if all parties agree, and shall order, at the Applicant's sole expense, and review a pre-construction analysis for all new construction units or a CNA for rehabilitation units and review the Development's costs.

(emphasis added)

D. STATUTES IMPLEMENTED BY THE RULE

6. The Rule is implementing, among other sections of the Florida Housing Finance Corporation Act, the statute that created the Housing Tax Credit Program and the Multifamily Mortgage Revenue Bonds Program. *See* §§ 420.509, 420.5099, *Fla. Stat.* (2022) (the "Statute").

7. The Corporation has the authority pursuant to Section 120.542(1), Florida Statutes, and Chapter 28-104, F.A.C., to grant waivers to its rule requirements when strict application of such rules would lead to unreasonable, unfair and unintended results in particular instances. Waivers shall be granted when the person subject to the rule demonstrates that the application of the rule would (1) create a substantial hardship or violate principals of fairness, and (2) the purpose of the underlying statute has been or will be achieved by other means by the person. § 120.542(2), *Fla. Stat.*

E. JUSTIFICATION FOR GRANTING THE WAIVER OF THE RULE

8. Petitioner is seeking a waiver from Rule 67-21.026(10), F.A.C. (2022), which requires the Petitioner to enter into a GMP Contract for the intended rehabilitation work for the Development that is acceptable to the Corporation. In connection with that certain Agreement of

Purchaser and Sale of Real Estate, dated April 10, 2023 (the “PSA”), by and between Petitioner and Fairfield Running Brook LP (“Seller”), the Development required a number of immediate repairs which could not be deferred until the closing of the PSA without a substantial increase in cost, which involved life and safety matters, deferred maintenance at the Project and design and preparatory work in connection therewith, that Petitioner requested Seller address promptly to ensure the wellbeing of the Development and its residents (the “Immediate Repair Work”) while maintaining the viability of the intended rehabilitation of the Project as a whole, and which Petitioner agreed to reimburse Seller for performing (in addition to the purchase price under the PSA) following the closing of the PSA, as a seller would not typically undertake such costs ahead of an acquisition of its underlying property without an agreement from the purchaser to reimburse such costs. More specifically, the Immediate Repair Work involved:

- a. Repairs to the plumbing, landscape irrigation, landscape drainage and units;
- b. Installation of new plumbing fixtures, outside lights, carpet, water heaters, AC units, cabinets, countertops (including back splashes), PLANK Vinyl flooring ESG dishwashers, ranges, ESG range hoods and ESG refrigerators;
- c. Painting of units;
- d. Tree removal;
- e. Addition of ADA van accessible parking;
- f. Storage of construction materials; and
- g. General & administrative expenses and overhead in connection with the foregoing.

The state of the market is such that it is common practice for purchasers to reimburse sellers for certain rehabilitation work performed prior to closing if the acquisition is closing directly into bond-financing and re-syndication. Petitioner closed on its acquisition of the Development and

re-syndication on December 21, 2023 and a GMP for the rehabilitation work associated therewith in the amount of approximately \$7,562,404 was executed at that time. Prior to the closing of the PSA, Seller incurred approximately \$523,976.42 in performing the Immediate Repair Work, which Petitioner will reimburse Seller for, pursuant to the PSA, once the waiver requested herein has been granted, which costs would otherwise be eligible for reimbursement under Treas. Reg. 1.150-2 but for the Rule which requires such costs be under a GMP Contract.

9. But for the Immediate Repair Work being performed outside the purview of a GMP Contract, Petitioner's reimbursement of Seller for the Immediate Repair Work would otherwise constitute eligible rehabilitation costs that Petitioner could include in its basis for the Development. While the Immediate Repair Work was not performed under a GMP Contract, there are a number of mitigating factors that should nonetheless adequately assure the Corporation that the Immediate Repair Work was otherwise performed in accordance with the Corporation's rules. Specifically, (i) the Immediate Repair Work, on its own, is not of the type of work that would typically warrant entering a separate GMP contract and is customarily contracted directly by a purchaser in connection with the acquisition of a property, or by a seller and reimbursed by such purchaser upon acquisition of such property, and as such the contractors to perform the Immediate Repair Work have been directly hired by Seller, which includes subcontractors, trade contractors and architects; (ii) neither Seller nor Petitioner (nor the general contractor under the GMP Contract or Developer) has common ownership with, nor is either an affiliate of, the contractors hired to perform the Immediate Repair Work; (iii) neither Seller nor Petitioner (nor the general contractor under the GMP Contract or Developer) has directly performed any of the Immediate Repair Work, Seller representatives only oversee completion of the Immediate Repair Work by the hired contractors; (iv) the costs incurred for the Immediate

Repair Work, which Seller bids out and oversees, do not exceed the subcontractor limitations imposed by the Corporation and have been evaluated by the plan and cost reviewer and have been deemed reasonable; (v) no additional fees were charged or received by the Seller, Petitioner or Developer, the only cost incurred by Seller directly for the work being the salaries paid by Seller to its construction management representatives for overseeing completion of the Immediate Repair Work by the hired contractors; (vi) Petitioner's accountant has submitted Agreed Upon Procedures outlining all costs and contractors and certifying same are, cumulatively with the rehabilitation work to be performed under the GMP Contract, in accordance with the Corporation rules, with regards to the Immediate Repair Work; and (vii) Seltzer Management Group, Inc., the credit underwriter assigned to this Development, has provided a positive recommendation with respect to the costs incurred outside of the GMP Contract.

10. While the Petitioner has closed on its re-syndication of the Project, this was done with the intent of the parties performing an upward adjustment of tax credits, once the costs for the Immediate Repair Work are deemed eligible rehabilitation costs, and facilitate further investor equity. A waiver of the Rule will permit Petitioner to continue its application for non-competitive tax credits to finance a portion of the rehabilitation of the Development. Without this additional source of investor equity, the Petitioner will not have enough funds to preserve and rehabilitate these much needed 184 affordable units in Miami, Florida. Petitioner acquired the Development on December 21, 2023. While the Development is currently encumbered by a SAIL Land Use Restriction Agreement until 2051, the re-syndication of the Development will extend the rent restrictions at the Development for an additional 30 years.

11. In this instance, Petitioner meets the standards for a waiver of the Rule. The Corporation has the authority pursuant to Section 120.542(1), Florida Statutes, to provide relief from its rules if strict application of those rules will lead to unreasonable, unfair or unintended results in particular instances. Unless the Rule is waived to allow the Petitioner to continue its application for non-competitive housing credits, certain unreasonable, unfair and unintended results will occur, resulting in a substantial hardship to the Petitioner and the Development. Specifically, the purpose of the Rule was for the Corporation to ensure the rehabilitation costs included in a petitioner's basis are reasonable and incurred in accordance with the Corporation's rules. However, strict application of the Rule would lead to the unintended result that: a petitioner that incurred valid rehabilitation costs is unable to include them in its basis. In this specific instance, the Corporation's failure to grant the waiver requested will result in a substantial hardship to Petitioner, as Petitioner will not be able to continue its application for and obtain the entirety of its anticipated 4% housing credits and, as such, the much-needed rehabilitation of the Development will suffer material detriment. The Corporation will not be harmed by granting this Petition as the intent of the Rule will not be violated. The Rule was implemented to allow the Corporation to ensure eligible basis costs were incurred in accordance with Corporation's rules. Petitioner is able to provide assurances to the Corporation that the costs of the Immediate Repair Work were reasonable and otherwise incurred in accordance with the Corporation's rules.

12. The requested waiver of the Rule serves the purpose of the Statute that is implemented by the Rule. The Florida Housing Finance Corporation Act (Section 420.501, *et seq.*) was passed in order to encourage private and public investment in facilities for persons of low-income. The purpose of the creation of the Housing Tax Credit Program and Multifamily

Mortgage Revenue Bonds Program is to stimulate creative private sector initiatives to increase the supply of affordable housing. By granting the waiver of Corporation's requirement that eligible rehabilitation work for the Development be conducted under a GMP Contract, Petitioner will be able to continue its application for non-competitive housing credits with all of its eligible rehabilitation costs accounted for, as requested in this Petition, the Corporation would recognize the goal of increasing the supply of affordable housing through private investment in persons of low-income.

F. ACTION REQUESTED

13. For the reasons set forth herein, Petitioner respectfully requests the Board (i) grant the requested waiver of the Corporation's rule which requires eligible rehabilitation work be performed under a GMP Contract; (ii) grant the Petition and all of the relief requested herein; and (iii) grant such further relief as it may deem appropriate.

Respectfully submitted,



Andrew Bennett, Esq.
Fla. Bar No. 0125189
Hollie A. Croft, Esq.
Fla. Bar No. 886181
NELSON MULLINS RILEY & SCARBOROUGH
390 N. Orange Avenue, Suite 1400
Orlando, Florida 32801
Telephone: (407) 839-4200
Facsimile: (407) 425-8377
Email: drew.bennett@nelsonmullins.com
hollie.croft@nelsonmullins.com
COUNSEL FOR PETITIONER

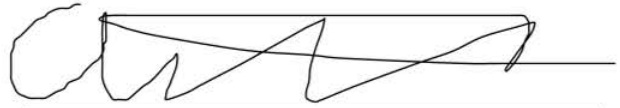
CERTIFICATE OF SERVICE

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
CorporationClerk@floridahousing.org

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

This 16th day of February, 2024.

A handwritten signature in black ink, appearing to read "Andrew Bennett", is written over a horizontal line. The signature is somewhat stylized and overlaps the line.

Andrew Bennett, Esq.
Fla. Bar No. 0125189

STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION

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FLORIDA HOUSING
FINANCE CORPORATION

IN RE: LAKEVIEW TOWER VENTURE LP

FHFC CASE NO. 2024-012VW
Application No. 2020-505C

**PETITION FOR WAIVER OF
FLORIDA ADMINISTRATIVE CODE RULE 67-21.026(13)(e)**

Petitioner, Lakeview Tower Venture LP, as Applicant/Owner, pursuant to section 120.542, Florida Statutes, (“F.S.”) and chapter 28-104, Florida Administrative Code, (“F.A.C.”), petitions the Florida Housing Finance Corporation (“Florida Housing”) for a waiver of Rule 67-21.026(13)(e), F.A.C., relating to the work that a General Contractor may perform. In support of this Petition, Petitioner states:

A. Petitioner and the Development

1. The name, address, telephone, and email address for Petitioner are:

Lakeview Tower Venture LP
c/o Bryan Hartnett
2711 N. Sepulveda Blvd. #526
Manhattan Beach, CA 90266
Telephone: (424) 999-4588
Email: bHartnett@ahidevelopment.com

2. The contact information for Petitioner’s counsel is:

Lawrence E. Sellers, Jr.
Holland & Knight LLP
315 S Calhoun Street
Tallahassee, Florida 32301
Telephone: 850-425-5670
Email: larry.sellers@hklaw.com

3. On February 26, 2021, Petitioner received a Preliminary Determination for Housing Credits in the amount of \$817,021.00.

4. Here is the requested background information regarding the Development:

Application Number:	2020-505C
Development Name:	Lakeview Tower Apartments
Applicant/Borrower:	Lakeview Tower Venture LP
Developer/Principal:	MRK Partners Inc. (Sydne Garchik)
Number of units:	156
County of Development:	Polk
Development/Type:	High Rise
Set Asides:	Income Average with 80 residential units
Demographics:	(51.28% at 40% AMI) and 76 residential
Funding Amounts:	units (48.71) at 80% of AMI, Elderly/Acquisition and Rehabilitation Housing Credits in the amount of \$817,021.00.

B. Type of Waiver

5. The waiver being sought is permanent in nature.

C. Rule For Which a Waiver Is Requested

6. Petitioner requests a waiver from Rule 67-21.026(13)(e), F.AC. (the “Rule”), which limits the type and amount of work a General Contractor may perform as follows:

(e). Ensure that no construction or inspection work is performed by the General Contractor, with the following exceptions:

1. The General Contractor may perform its duties to manage and control the construction of the Development; and
2. The General Contractor may self-perform work of a de minimis amount, defined for purposes of this subparagraph as the lesser of \$350,000 or 5 percent of the construction contract.

D. Statutes Implemented by the Rule

7. The Rule implements, among other sections of the Florida Housing Finance Corporation Act (“the Act”), section 420.5089, F.S., relating to the State Apartment Incentive Loan Program, and section 420.5099, F.S., relating to the allocation of Low-Income Housing Tax Credits.

E. Justification for Granting the Requested Waiver from the Rule

8. Under Section 120.542(1), F.S., Florida Housing has the authority to grant waivers to or variances from its requirements when strict application of the 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.

9. Petitioner is the Applicant for the Lakeview Towers Apartments (“Project”) and is subject, along with its General Contractor, NEI General Contracting, Inc. (“NEI”), to the Rule.

10. Petitioner on September 11th, 2020, entered into a Standard Form Construction Contract Agreement with NEI, where the basis of the payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price (“Lakeview Towers Apartments Contract”).

11. Applicant issued the Notice To Proceed to NEI on November 13, 2020, just before the height of the COVID-19 pandemic. The Pandemic had an immediate, negative impact on the construction industry and this Project. Such impacts included, but were not limited to, labor shortages and supply chain disruptions. Occupied renovations, such as the Lakeview Towers Apartments Project (which houses the elderly, a particularly vulnerable segment of the population in Miami-Dade County), were significantly affected more than unoccupied projects, as the work had to be performed with limited, if not no, contact with the existing elderly residents. In addition, COVID-19 protocols were required to be developed and implemented to prevent the spread of the disease between NEI employees, NEI’s subcontractor, and the existing elderly residents.

12. In an attempt to make up time lost on the schedule as a result of the COVID-19 Pandemic, to reduce the increased costs associated with material and labor shortages and to limit exposing the elderly residents to COVID, NEI was required to self-perform a small percentage (5.5%) of the overall value of the work associated with the Project. The total cost of the required self-perform work was \$333,340. This work was completed within the Guaranteed Maximum Price (GMP) value and no increased costs to the Project were incurred.

13. Although the work self-performed was for the most part de minimus or work not normally subcontracted, the self-perform rule was amended in 2022 and the amount of self-performed work exceeds this new rule. The new rule would allow a maximum amount of self-performed work of \$301,421, creating an overage of \$31,919.

14. The required work that makes up the \$333,340, in order to reduce delays, to reduce the increased costs associated with material and labor shortages and to limit exposing the elderly residents, is described below:

a. **Selective Demo - \$6,520** - as part of the very early mobilization NEI was forced to do some minor demolition to prepare the mock up unit for renovation. This took place prior to the mobilization of the demolition subcontractor in order to maintain schedule.

b. **Finish Carpentry - \$8,588** - this work involved minor repairs and adjustments to cabinets and installation of missing shelving not originally shown to be replaced.

c. **Drywall - \$7,824** - similar to above this work was related to the mock up units and getting the work started prior to subcontractor mobilization. In order to maintain schedule, we completed some minor framing, drywall and drywall patching.

d. **Electrical - \$7,824** - as part of a cost savings effort and to ensure material availability NEI purchased the light fixtures directly from a wholesale supplier. This required labor to off load, handle and deliver the lighting the units.

e. **Rough Carpentry - \$302,584** - Approximately \$125,532 of this cost was to provide an elevator operator during the renovation. This operator served all trades equally to be sure the project makes progress and to be sure the interaction between residents and workers was limited. Another \$86,722 of this cost was made up of ongoing punchlist and minor repairs to the work that were backed charged to the subs where appropriate. The remaining \$90,330 were miscellaneous expenses associated with building the bus shelter (that was added late to the project), installing wood blocking when missing (not in contract), installing some doors that were not originally scheduled to be replaced, among other de minimus work.

15. Requiring NEI to hire subcontractors to perform the above tasks would have delayed the Project and increased resident exposure to COVID thus causing a substantial economic hardship to the Applicant, NEI, and the elderly residents of the Casa Devon Apartments.

16. Under section 120.542(1), F.S., and Chapter 28-104, F.A.C., Florida Housing has the 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. Waivers shall be granted when the person who is subject to the rule demonstrates that (1) the application of the rule would create a substantial hardship 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. § 120.542(2), F.S. .

17. In this instance, Petitioner meets the standards for a waiver of the Rule and its prohibition against GC Self-Performance provided in the Rule. The requested waiver will not adversely affect the Development or Florida Housing and will ensure that 156 much needed affordable housing units will be made available for a vulnerable segment of the population in Polk County, Florida. The strict application of the Rule and the prohibition against GC Self-Performance will create a substantial hardship for Petitioner because it would have increased the cost of the Project, would have delayed the delivery of these much-needed units in Polk County

and would have increased the risk of exposing elderly residents to COVID-19 if additional subcontracted labor were required to be hired.

18. Further, the waiver will serve the purposes of the referenced statutes and the Act, because one of the Act's primary purposes is to facilitate the availability of decent, safe and sanitary housing in the State, and particularly the development of low-income housing. See s. 420.5099(2), F.S.

19. Petitioner and NEI have been working together with FHFC staff and intend to comply with the purpose of the Rule in question and agree to the following conditions:

- A. All costs for NEI Self-Perform Labor attributable to affordable units will be at cost with no built-in profit;
- B. The GC Fee on the Self-Perform labor scope identified in the Petition will be capped at 14% on the first \$301,421; and
- C. The GC Fee on the Self-Perform labor scope identified in the Petition over and above \$301,421 (i.e., \$31,919) shall be limited to 10 percent or \$1,276.76.¹

F. Action Requested

WHEREFORE, Petitioner respectfully requests that Florida Housing:

- (i) Grant the requested waiver of Rule 67-21.026(13)(e), and to the extent required, the Applicant's certification and acknowledgement form, for the amount identified herein, as applicable;
- (ii) Grant this Petition and all of the relief requested herein, and all costs allowed by Rule 67-21.026(13)(e), F.A.C., and the Lakeview Towers Apartments Contract; and
- (iii) Grant such further relief as may be deemed appropriate.

¹ The revised GCCC shows a reduction in fee of \$3,594.84 which exceeds the requirements.

Respectfully submitted this 1st day of March, 2024.

/s/Lawrence E. Sellers, Jr.
Lawrence E. Sellers, Jr.
Florida Bar No. 300241
HOLLAND & KNIGHT LLP
315 S. Calhoun St., Suite 600
Tallahassee, Florida 32301
(850) 224-7000
(850) 224-8832 (facsimile)
larry.sellers@hklaw.com

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that the foregoing Petition was filed on this 1st day of
March, 2024, by electronic delivery to:

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

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

Lawrence E. Sellers, Jr.
Lawrence E. Sellers, Jr.

STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION

FHFC CASE NO. 2024-015VW
APPLICATION NO.: 2020-523C

BLOCK 55 RESIDENTIAL, LP

Petitioner

vs.

FLORIDA HOUSING FINANCE
CORPORATION,

Respondent.

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FLORIDA HOUSING
FINANCE CORPORATION

**PETITION FOR WAIVER OF RULE 67-21.0025(7)(c) and NON-COMPETITIVE
APPLICATION PACKAGE (REV. 04-2020) (F.A.C. 2020)**

BLOCK 55 RESIDENTIAL, LP, a Florida limited partnership (“**Petitioner**”), by and through its undersigned counsel, hereby petitions Florida Housing Finance Corporation (the “**Corporation**”) for a waiver of the Corporation’s rules which require natural person principals by the third principal disclosure level (“**Third Disclosure Level Requirement**”). Petitioner previously obtained the Corporation’s approval for a waiver of Rules 67-21.0025(7)(c) and Non-Competitive Application Package (Rev. 04-2020). Specifically, Petitioner seeks to modify the previous waiver granted by the Corporation on April 30, 2021 (the “**Prior Waiver**”), further extending the requirement for disclosing natural person principals beyond the sixth principal disclosure level (“**Sixth Disclosure Level**”), as originally permitted under the Prior Waiver. This Petition is filed pursuant to Section 120.542 of the Florida Statutes (2020) and Chapter 28-104, Florida Administrative Code. In support, Petitioner states as follows:

A. THE PETITIONER AND DEVELOPMENT

1. The address, telephone number and e-mail address of Petitioner are:

Block 55 Residential, LP
2901 Florida Avenue, Suite 806
Coconut Grove, Florida 33133
Attention: Flynn Janisse
Telephone: (480) 467-3171
Email: fjanisse@rainbowhousing.org
With a copy to: ccoler@mrkpartners.com

2. For purposes of this Petition, the address, telephone number, facsimile number and e-mail address of Petitioner's counsel are:

Hollie A. Croft, Esq.
Nelson Mullins Riley & Scarborough LLP
390 N. Orange Ave., Suite 1400
Orlando, Florida 32801
Telephone: (407) 669-4239
Facsimile: (407) 425-8377
Email: hollie.croft@nelsonmullins.com

3. Petitioner submitted an application to the Corporation for an allocation of 4% low-income housing tax credits ("**Housing Credits**"), to be used in conjunction with multifamily housing revenue bonds that have been issued by the Housing Finance Authority of Miami-Dade County (the "**HFA**"), to fund a portion of the acquisition and construction of that certain 578-unit affordable housing development, which is intended to be part of a mixed-use development in Downtown Miami, Florida that will be known as Sawyer's Walk (the "**Development**").

B. WAIVER IS PERMANENT

4. The waiver being sought is permanent in nature.

C. THE RULES FROM WHICH WAIVER IS SOUGHT

5. Petitioner requests a waiver from Rule 67-21.0025(7)(c), F.A.C. (2020), which requires Petitioner to disclose natural person principals by the third principal disclosure level (unless the entity is a trust in which case the natural person principals may be identified by the

fourth principal disclosure level) when submitting the Principal Disclosure Form (defined below) in connection with the Application; and the Non-Competitive Application Instructions which are incorporated by Rule 67-21.003(1)(b), F.A.C. (2020) (collectively, the “**Rules**”). The specific provisions of the Rules from which Petitioner is seeking a waiver are as follows:

Rule 67-21.0025(7)(c), F.A.C. (2020), which provides in relevant part:

(7) Disclosure of the Principals of the Applicant must comply with the following:

(a) The Applicant must disclose all of the Principals of the Applicant (first principal disclosure level). For Applicants seeking Housing Credits, the Housing Credit Syndicator/Housing Credit investor need only be disclosed at the first principal disclosure level and no other disclosure is required;

(b) The Applicant must disclose all of the Principals of all the entities identified in paragraph (a) above (second principal disclosure level);

(c) **The Applicant must disclose all of the Principals of all of the entities identified in paragraph (b) above (third principal disclosure level). Unless the entity is a trust, all of the Principals must be natural persons;** and

(d) If any of the entities identified in paragraph (c) above are a trust, the Applicant must disclose all of the Principals of the trust (fourth principal disclosure level), all of whom must be natural persons.

(emphasis added).

6. Given the Application itself requires the Third Disclosure Level Requirement, Petitioner is also seeking a waiver of various provisions of the Application, as incorporated into the Rule. The specific provisions of the Application from which Petitioner is seeking a waiver are as follows:

Non-Competitive Application, Section A.6.a., provides in relevant part:

6. Principals Disclosure for Petitioner and each Developer:

a. Provide the Principals of the Applicant and Developer(s) Disclosure Form in effect at the time of Application submission (“Principal Disclosure Form”), as “Exhibit 3” to the Application form. The current Principals Disclosure Form is available on the Website at <https://www.floridahousing.org/programs/developers-multifamily-programs/non-competitive>.

The Principal Disclosure Form must identify, pursuant to subsections 67-21.002(86) and 67- 21.0025(7) and (8), F.A.C., the Principals of the Applicant and Developer(s)...

(emphasis added).

D. STATUTES IMPLEMENTED BY THE RULES

7. The Rules are implementing, among other sections of the Florida Housing Finance Corporation Act, the statute that created the Housing Tax Credit Program and the Multifamily Mortgage Revenue Bonds Program. See §§ 420.509, 420.5099, Fla. Stat. (2020) (the “Statute”).

8. The Corporation has the authority pursuant to Section 120.542(1), Florida Statutes, and Chapter 28-104, F.A.C., to grant waivers to its rule requirements when strict application of such rules would lead to unreasonable, unfair and unintended results in particular instances. Waivers shall be granted when the person subject to the rule demonstrates that the application of the rule would (1) create a substantial hardship or violate principals of fairness, and (2) the purpose of the underlying statute has been or will be achieved by other means by the person. § 120.542(2), *Fla. Stat.* (2020).

E. JUSTIFICATION FOR GRANTING THE WAIVER OF THE RULES

9. Due to the complexity of the financing plan and multi-tier ownership structure, Petitioner successfully obtained a waiver to allow the ownership structure to include entities at the fifth level of disclosure, with all natural person principals of these entities being disclosed by the

Sixth Disclosure Level. In consideration of our Prior Waiver, the rationale for which has been reiterated below, we request extending this disclosure allowing all natural person principals of these entities to be disclosed beyond the Sixth Disclosure Level.

10. For Petitioner to submit the Principals of the Applicant and Developer(s) Disclosure Form (Rev. 05-2019) (hereinafter, the “Principal Disclosure Form”), as an exhibit to the Application, Petitioner required the Prior Waiver seeking a waiver of Rule 67-21.0025(7)(c), which the Principal Disclosure Form must follow. Specifically, Section A.6.a. of the application requires that the applicant identify the principals pursuant to subsections 67-21.002(86), F.A.C., which provides the definition of who constitutes a “Principal” for disclosure purposes, and 67-21.0025(7), F.A.C., which provides specific requirements an applicant must comply with for the disclosure of “Principals”.

11. As such, for Petitioner to submit an Application for 4% housing credits for the Development, it must be able to submit the Principal Disclosure Form in accordance with not only Rule 67-21.002(86), but also Rule 67-21.0025(7)(c). Petitioner’s current ownership structure does not comply with the requirements of Rule 67-21.0025(7)(c). Therefore, Petitioner required the Prior Waiver seeking a waiver of 67-21.0025(7)(c), which requires that by the third principal disclosure level of the Principal Disclosure Form, the Principals disclosed must all be natural persons except if the Principal(s) is a trust, in which case the natural persons can be disclosed by the fourth principal disclosure level.

12. Petitioner could not and cannot meet the requirement to have natural person principals by the third principal disclosure level for the following reasons:

- a. The Development will consist of 578 affordable residential units of which 96% will serve the elderly population. In addition to the residential units which will cover

11 stories of the building, there will be 3 stories of commercial/retail space including retailers such as Aldi and Target, and the building will also include a 4-story, 955-car parking garage. The contemplated ownership structure for Sawyer's Walk is complex and is anticipated to include condominium ownership for the various components, with partial common upper tier ownership of the commercial/retail space and the residential units. The parking garage will be owned by a Community Development District. Likewise, the financing structure for the Development is complex, and is anticipated to include many grants, a City of Miami loan, Miami Forever Bonds, Miami-Dade Housing Finance Authority tax-exempt bonds, 4% low-income housing tax credits, private equity, and below-market land acquisition pricing from the Southeast Overtown CRA. It is also anticipated that Petitioner will receive project-based vouchers from Miami-Dade County for half of the residential units.

- b. The financing plan for the Development, specifically, is anticipated to consist of the local county bonds, 4% tax credits, and the City of Miami loan. To that end, Petitioner has submitted an Application for Housing Credits; however, Petitioner's ownership structure originally identified natural persons by the sixth principal disclosure level and not the third/fourth, as required by the Rule.
- c. Petitioner's ownership structure consists of a non-profit general partner, a Class B limited partner and the investor limited partner. The Class B limited partner has three additional levels of entities before reaching the natural person owners, which creates the noncompliance with the Third Disclosure Level Requirement. The multi-tier structure is necessary to accommodate the ownership and financing of

the commercial components. Specifically, it is anticipated that several of the grants will be made to entities at the first through third levels since same will be allocated to the commercial components and therefore cannot flow through Petitioner. Further, the private equity investment, which is in relation to, and will be allocated towards, the commercial component, is anticipated to be made at the second level, which is necessary so that such private investor is not directly a member of the Class B limited partner or the joint venture entity of the developers (the third level).

- d. The creation of wholly different entities for the residential and commercial components is not feasible or beneficial to the Development. The Class B limited partner's participation in the ownership of all of the various components of Sawyer's Walk, through the various entities in its structure, will be crucial for the overall success of Sawyer's Walk, including the Development, as it will allow for centralized operations and oversight of all aspects of the development and financing.
- e. As the Corporation knows, Stephen Garchik, a disclosed principal of the Petitioner, intends to transfer his 50% membership interest in MG Sawyers Landing Associates LLC, which holds an indirect, but not material, ownership interest in the Special Limited Partner of the Petitioner, to a new entity, New Garchik Universal Limited Partnership, LLLP. This transfer is non-material and solely for estate planning purposes, however, does not allow for all natural person principals to be disclosed until after the Sixth Disclosure Level. The various members of the joint venture entity of the developers will be companies and trusts at the fourth, fifth and sixth levels and all natural person principals of these entities/trusts will be disclosed

by the seventh level. An organizational chart is attached to this Petition as Exhibit A.

13. A waiver of the Rules will permit Petitioner to continue its application for non-competitive tax credits to finance a portion of the construction of the Development. Without this additional source of investor equity, Petitioner will not have sufficient funds to construct these much-needed affordable units to be set aside for families in Miami.

14. In this instance, Petitioner meets the standards for a waiver of the Rules. The Corporation has the authority pursuant to Section 120.542(1), Florida Statutes, to provide relief from its rules if strict application of those rules will lead to unreasonable, unfair or unintended results in particular instances. Unless the Rules are waived to allow the Petitioner to continue with its application for non-competitive housing credits with its current ownership structure, certain unreasonable, unfair and unintended results will occur, resulting in a substantial hardship to the Petitioner and the Development. Specifically, the purpose of the Third Disclosure Level Requirement is for the Corporation to know who is participating in its programs. However, strict application of this rule would lead to the unintended result that Petitioner is unable to receive credits simply because natural persons are identified after the Sixth Disclosure Level, rather than by the third. In this specific instance, the Corporation's failure to grant the waiver requested will result in a substantial hardship to Petitioner, stalling progress on the Development, which is intended to address the critical need for affordable housing in Miami. This area of Miami is in dire need of housing and commercial development, as evidenced by the involvement of the Southeast Overtown CRA, the City of Miami, the Miami-Dade County, the various grants, and other components, including the CDD-owned parking garage.

15. The Corporation will not be harmed by granting this Petition as the intent of the Rule will not be violated. The Third Disclosure Level Requirement was implemented to permit the Corporation to ascertain the parties involved in its programs. Petitioner is able to provide to the Corporation natural person principals, but not by the third (or fourth) principal disclosure levels.

16. The requested waiver of the Third Disclosure Level Requirement serves the purpose of the Statute that is implemented by the Rules. The Florida Housing Finance Corporation Act (Section 420.501, *et seq.*) was passed in order to encourage private and public investment in facilities for persons of low-income. The purpose of the creation of the Housing Tax Credit Program and Multifamily Mortgage Revenue Bonds Program is to stimulate creative private sector initiatives to increase the supply of affordable housing. By granting this waiver of the Corporation's rules which require a natural person principal by the third principal disclosure level, Petitioner will be able to continue its application for non-competitive housing credits with its current structure, as requested in this Petition, the Corporation would recognize the goal of increasing the supply of affordable housing through private investment in persons of low-income.

F. ACTION REQUESTED

17. For the reasons set forth herein, Petitioner respectfully requests the Corporation (i) grant the requested waiver of the Corporation's rule which requires a natural person principal by the third principal disclosure level (or fourth in the case of trusts); (ii) grant the Petition and all of the relief requested herein; and (iii) grant such further relief as it may deem appropriate.

Respectfully submitted,



Andrew Bennett, Esq.

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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
CorporationClerk@floridahousing.org

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

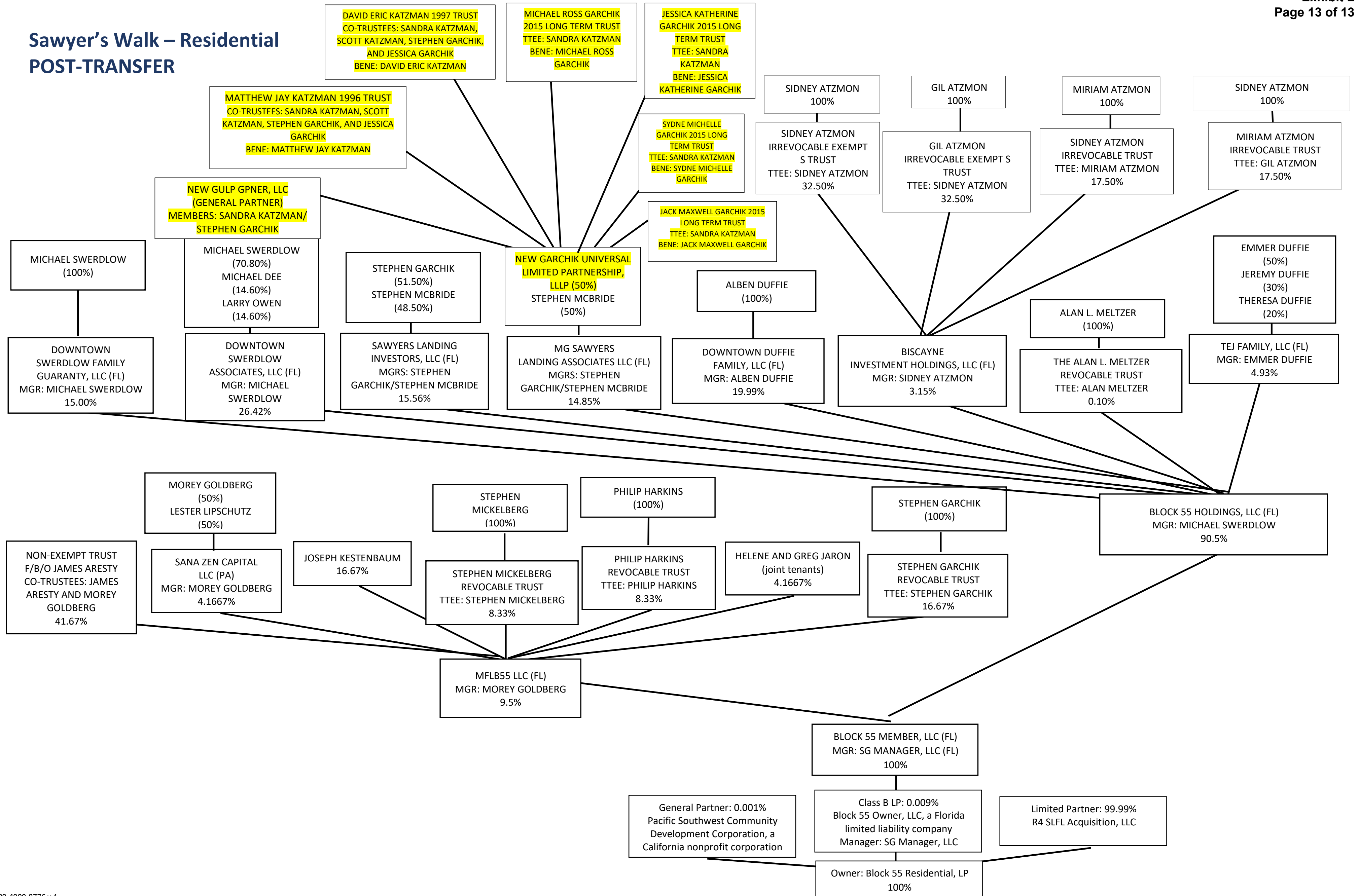
The 6th day of March, 2024.

By: 

Andrew Bennett, Esq.
Fla. Bar No. 0125189

EXHIBIT A
(Organizational Chart)

Sawyer's Walk – Residential POST-TRANSFER



STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION

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FLORIDA HOUSING
FINANCE CORPORATION

KEYS AFFORDABLE
DEVELOPMENT IV, LLC.

Petitioner,

vs.

FLORIDA HOUSING FINANCE
CORPORATION,

Respondent.

FHFC Case No. 2024-014VW
APPLICATION No. 2019-394CS

PETITION FOR WAIVER OF RULE 67-48.0072 (12) and (17)(h)
FLORIDA ADMINISTRATIVE CODE (July 2018)

Pursuant to Section 120.542, Florida Statutes, and Rule 28-104.002, Florida Administrative Code (“F.A.C.”) Petitioner, Keys Affordable Development IV, LLC (“Keys Affordable” or “Petitioner”) submits this Petition to Respondent, Florida Housing Finance Corporation (“Florida Housing”) for a waiver of Rules 67-48.0072 (12) and (17) (h), F.A.C., (July 2018) (the “Rule”) to allow for the General Contractor’s use of an affiliated subcontractor under certain specified conditions herein described and to allow for costs for work which was completed outside of the Guaranteed Maximum Price contract. In support Keys Affordable states:

PETITIONER

1. The name, address, telephone number and email address for Petitioner is Keys Affordable Development IV, LLC; 501 N. Magnolia Avenue, Orlando, FL 32801, (407)-257-1418. For this proceeding, the contact information for the Petitioner shall be that of the undersigned counsel.

2. The name, address, telephone number, and email address for Petitioner's attorney is: Maureen McCarthy Daughton, Maureen McCarthy Daughton, LLC, 1400 Village Square Blvd., Ste 3-231, Tallahassee, Florida 32312; 850-345-8251; mdaughton@mmd-lawfirm.com.

BACKGROUND

3. Keys Affordable applied (*Application No. 2019-394CS*) for SAIL and Housing Credit financing in response to *Request for Application 2019-110, SAIL and Housing Credit Financing for the Construction of Workforce Housing for Hurricane Recovery in Monroe County*.

4. On February 20, 2019, Keys Affordable submitted an application in response to the RFA which was specifically targeted to provide much needed workforce housing in Monroe County, Florida. Keys Affordable requested an allocation of \$5,000,000.00 in Workforce SAIL funding and \$925,344 in Housing Credit funding for its proposed fifty-two (52) unit Workforce affordable housing development, Boatworks Residences in Monroe County.

5. Keys Affordable was funded pursuant to a Consent Agreement on or about May 10, 2019. Keys Affordable was subsequently invited into credit underwriting and submitted a signed acknowledgement accepting the invitation.

6. The General Contractor for Keys Affordable is Sherwood Construction, Inc. ("Sherwood"). On January 21, 2020, Keys Affordable executed a Guaranteed Maximum Price ("GMP") contract with Sherwood in the amount of \$11,500,401. As explained below, additional construction costs were incurred; these costs were for work which was completed outside of the

GMP by \$1,114,383.¹ The Petitioner does not seek funding from Florida Housing for the construction costs which exceeded the GMP contract.²

7. Sherwood struggled to find a shell contractor willing and able to build the shell for the proposed development due to the limited number of available contractors in proximity to the Florida Keys and the extraordinary conditions caused by the pandemic. Specifically, the challenge posed by the pandemic, made it difficult to find an acceptable contractor to perform the work within the proposed budget and per the subcontractor limitations required by Florida Housing.³ Keys Affordable obtained bids from two companies to provide the Shell for the proposed development. The first bid from 748 Development, a Miami-based company was \$7,453,950.00. The second bid was from Bell Construction Company in Melbourne, Florida in the amount of \$5,705,580.00. These proposals exceeded the required limitation of the shell subcontract not exceeding 31% of the construction cost. (the “31% limitation”)⁴

8. Yann LeLourec, the General Contractor Qualifier for Sherwood Construction, Inc., through his construction Company, Lenken Consultants, LLC, based in Miami, had both the experience and willingness to build the shell through his Company.

9. Mr. LeLourec has no current ownership interest in and has *never* had an ownership interest in Sherwood Construction, Inc.

10. In March of 2020, trying to avoid the need for a waiver, Petitioner replaced Mr. LeLourec with Mr. Juan Calero as the Qualifier for Sherwood Construction, Inc.

¹ The categories for which hard costs were paid by Sherwood outside of the GMP contract included, Exterior Property work (\$54,387), Interior Work (\$488,832), Site Work (\$208,178) and Structural & Exterior Work of Buildings (\$362,986)

² The excess construction costs were not needed to achieve the costs to cover the tax credits.

³ A subcontractor contracted to deliver the building shell of a Development located in the Florida Keys area may not have more than 31 percent of the construction cost in a subcontract. Rule 67-48.0072(17)(g), FAC. (July 2018)

⁴ See Rule 67-48.002(17)(g)

11. The fixed price for the shell construction by Lenken Consultants was less than the other proposals received at \$2,942,729.00, of which \$2,767,100 was for concrete and the remaining \$175,629 was made up of other trade categories including metals and sheet metal. Notably, the fixed price for the shell construction did not exceed the 31% limitation. The contract between Sherwood and Lenken Consultants was executed on August 21, 2020.⁵

12. Construction of the shell was completed in March of 2021.

13. Most of the construction of the Development was performed during the height of the COVID pandemic. As with most developments during this time health and safety protocols had a negative impact on the availability of skilled labor and materials and the speed with which work was completed which inevitably resulted in increased costs. Mr. Lelourec in addition to overseeing the shell construction also coordinated with other subcontractors performing work on the proposed site during the same time, specifically paying for materials, at a higher cost, up front to avoid delays or the unavailability of materials, as construction and groundwork commenced. These issues were exacerbated given that the location of the proposed development was in the Florida Keys.

14. Lenken Consultants was reimbursed from Sherwood Construction for non-shell related building costs and materials. The total reimbursements to Lenken Consultants for payment of non-shell related costs and materials are \$1,674,710.00 (the "Reimbursement Amount"). This Reimbursement Amount does not include any additional mark-up, profit, or fee. Attached hereto as Exhibit "A" is the listing of subcontractors and vendors along with the amounts that make up the Reimbursement Amount.⁶

⁵ The total amount for the Shell-related construction was \$3,028,788, which includes \$86,060.88 paid to Mr. LeLourec for concrete.

⁶ The Building Costs in the Development Final Cost Certification have been reduced by \$344,783, which represents untested reimbursed costs on the General Contractor Cost Certification.

15. The decision to make these payments was all geared toward securing the materials and labor needed while they were available. During the height of the pandemic there was a real sense of uncertainty as to the ability to acquire materials later in the process due to supply chain issues. There was also no “rhyme or reason” to when supplies or laborers would be available so planning these expenditures was not feasible.

16. The total amount of Shell-related construction work performed by Lenken Consultants was \$3,028,789.88, which includes \$86,060.88 to Mr. Lelourec for concrete.

17. In March of 2022, Mr. Lelourec replaced Mr. Calero as Qualifier for Sherwood Construction.

18. The Placed in-Service date is April 22, 2022, which is the date the Temporary Certificate of Occupancy was issued. The Certificate of Occupancy was recorded on June 16, 2022.

19. This Rule Waiver will not result in delays to construction since construction is complete, and the Development is fully leased. During the process of completing the final Cost Certification, Florida Housing has requested the filing of this Petition for Waiver as to Rules 67-48.0072 (12) and (17)(h), FAC.

RULES FOR WHICH WAIVER IS SOUGHT

20. Rule 67-48.0072(12) and (17) (h) provide:

(12) For Competitive HC, SAIL, and HOME, the Corporation’s assigned Credit Underwriter shall require a guaranteed maximum price construction contract, which may include change orders for changes in cost or changes in the scope of work, or both, if all parties agree, and shall order at the Applicant’s sole expense, and review a pre-construction analysis for all new construction units and a capital needs assessment for rehabilitation units and review the Developments costs.

(17) The General Contractor must meet the following conditions:

(h) Ensure that no construction cost is subcontracted to any entity that has common

ownership or is an Affiliate of the General Contractor or the Developer. For purposes of this paragraph, "Affiliate" has the meaning given it in subsection 67-48.002(5), F.A.C., except that the term "Applicant" therein shall mean "General Contractor."⁷

STATUTES IMPLEMENTED BY RULE

21. The Rule is implementing, among other sections of the Florida Housing Finance Act (the "Act")⁸ the statute that created the Housing Tax Credit Program.

22. Under Section 120.542(1), Florida Statutes, and Chapter 28-104, F.A.C., Florida Housing has the authority to grant waivers to its rule requirements when strict application of these rule would lead to unreasonable, unfair, and unintended results in particular instances. Waivers must be granted when : (1) the person who is subject to the rule demonstrates that the application of the rule would create a substantial hardship or violate principles of fairness⁹, and (2) the purpose of the underlying statute has been or will be achieved by other means by the person §120.542(2), Fla. Stat. Strict adherence to rule 67-48.0072 (17)(h) would create a substantial economic hardship for Keys Affordable.

JUSTIFICATION FOR REQUESTED WAIVER

Affiliated Entity

⁷ (5) "Affiliate" means any person that:

(a) Directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with the Applicant or Developer;

(b) Serves as an officer or director of the Applicant or Developer or of any Affiliate of the Applicant or Developer;

(c) Directly or indirectly receives or will receive a financial benefit from a Development except as further described in rule 67-48.0075, F.A.C., or

(d) Is the spouse, parent, child, sibling, or relative by marriage of a person described in paragraph (a), (b) or (c), above.

⁸ The Florida Housing Finance Corporation Act is set forth in Sections 420.501 through 420.517 of the Florida Statutes.

⁹ "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 others similarly situated persons who are subject to the rule. §120.542(2), Fla. Stat.

23. When the Petitioner initially began this Development, the General Contractor did not intend to utilize Lenken Consultants, and in fact sought and received other bids. As described herein the costs of the other bids received, which were double the bid from Lenken Consultants, would have resulted in additional waivers. Mr. Lelourec was removed as the Qualifier for the General Contractor during the construction of the Shell to minimize the eventual need for a waiver. The need to use Lenken Consultants arose due to the COVID – 19 Pandemic which could not have been anticipated. The pandemic brought with it labor and material shortages, which wreaked havoc on budgets and constructions schedules. To keep the development on schedule, it was necessary to use Lenken Consultants for Shell Construction. Additionally, the decision to obtain some of the concrete for construction of the shell from Yann Lelourec was the direct result of material shortages.

24. The General Contractor has agreed to a 10% limitation of the General Contractor’s fee for the shell contract with Lenken Consultants. Additionally, there is no fee allowed on the untested portion of the reimbursement.

25. Petitioner meets the standards for the requested waiver. The granting of this waiver will not adversely impact the Development, Florida Housing or any other party that applied to receive an allocation of Housing Credits in RFA 2019-110, or Florida Housing.¹⁰ Denying the waiver would unnecessarily cause economic hardship to the Petitioner and possibly result in displacement of residents while the work performed by Lenken Consultants is dismantled and rebuilt.

26. The statute underlying the rule will be served by the approval of Keys Affordable’ waiver request. Section 420.504(4), Florida Statutes, states that Florida faces “a serious shortage of decent, safe, and sanitary housing in the state available to persons and families of low, moderate,

¹⁰ All applications that applied for funding in RFA 2019-110 received funding.

and middle income...” One of the primary purposes of the Act is to facilitate the availability of affordable housing. Granting the waiver request will further these goals, as Keys Affordable has constructed these units and fulfilled the purpose of the Act.

Guaranteed Maximum Price Contract

27. The Covid-19 pandemic was in full swing at the time that the Shell contract was executed, and work was being performed under the GMP contract. As a result, pandemic related price increases of 15 to 20% for materials and a scarcity of needed materials were everyday challenges. This led Petitioner to a strategy of purchasing materials whenever possible even if the costs were much more than budgeted and not taking a chance that materials could not be purchased, or found for that matter, in the future. The direct result of this was exceeding the Guaranteed Maximum Price. Sherwood paid the excess increased costs with no fees, profit or mark-up in the amount of \$1,114,383.00.

28. The increased costs were in four categories as stated herein, and were for things such as landscaping, painting, carpentry, windows, plumbing and equipment rentals.

29. The Petitioner intended all the work and materials to be paid for under the GMP contract. The Petitioner has provided a cost certification in accordance with the Corporation rules, regarding the work that was performed outside the GMP contract.

30. The Petitioner (nor the general contractor under the GMP contract or the Developer) has no common ownership with, nor is it an affiliate of, the contractors hired to perform the work outside the GMP contract.

31. The Petitioner (nor the general contractor under the GMP contract or Developer) has not directly performed any of the work outside of the GMP contract, Lenken Consultants only purchased materials when available and oversaw limited work that was done by the hired

contractors. The monies paid to the hired contractors did not exceed the subcontractor limitations imposed by the Corporation and the Petitioner has provided a cost certification in accordance with the Corporation rules, about this work.

32. Petitioner meets the requirements for a waiver or variance. The work that was performed outside of the GMP contract and the associated increased costs could not have been avoided under Covid-19.

33. 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 an unfavorable, 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 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. Section 120.542(2), Fla. Stat.

34. While admittedly Petitioner exceeded the GMP Contract, its goal in doing so was to complete the development in a timely fashion and deliver units. The increased costs contained no profit or mark up. Specifically, the purpose of the Rule was for the Corporation to ensure that the Petitioner's construction costs are reasonable and incurred in accordance with the Corporation's rules. However strict application of the Rule would lead to the result that a Petitioner that incurred valid increased costs is unable to include them in its basis. Moreover, the requested waiver will not adversely impact Florida Housing and will ensure that the 52 units are available in Monroe County where they are desperately needed.

TYPE OF WAIVER

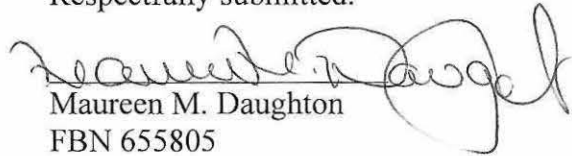
35. The waiver being sought is permanent in nature.

ACTION REQUESTED

36. For the above stated reasons, Keys Affordable respectfully requests that the Florida Housing Board of Directors grant the requested waiver of rule 67-48.0072 (12) and (17)(h) Florida Administrative Code.

DATED March 4, 2024.

Respectfully submitted.



Maureen M. Daughton
FBN 655805

Maureen McCarthy Daughton, LLC
1400 Village Square Blvd., Ste 3-231
Tallahassee, Florida 32312
Mdaughton@mmd-lawfirm.com
Counsel for Petitioner

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that the foregoing Petition was filed this 4th day of March 2024, by
electronic mail to:

Florida Housing Finance Corporation
Attn: Corporation Clerk
227 North Bronough Street, Ste 5000
Tallahassee, Florida 32301
CorporationClerk@floridahousing.org

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



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1400 Village Square Blvd., Ste 3-231
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Mdaughton@mmd-lawfirm.com
Counsel for Petitioner

KEYS AFFORDABLE DEVELOPMENT IV, LLC

APPLICATION No. 2019-394CS

FLORIDA HOUSING FINANCE CORPORATION

PETITION FOR WAIVER OF RULE 67-48.0072(12) and (17)(h)
FLORIDA ADMINISTRATIVE CODE(July 2018)

	Total Amount	Trade Item
Construction Materials Inc.	\$404,083	Concrete
All Keys Concrete LLC	\$41,251	Concrete
The Home Depot	\$106,775	Sheet Metal
John Abell Corporation	\$33,225	Insulation
JCA CAD LLC	\$7,883	Roofing
Jiangmen OGJG Lighting and Electronic Co., Ltd.	\$25,311	Site Improvements
Structural Prestressed Industries, Inc.	\$29,021	Concrete
Foshan Lusso Home Co., Ltd.	\$38,632	Tile Work and Wood Flooring
L & W Supply Corporation	\$12,984	Insulation/Plumbing
Shaoxing Singate Electric Co., LTD	\$2,285	Site Improvements
Hilti, Inc.	\$3,497	Fire Suppression
eBay Inc.	\$2,860	Doors/Finish Carpentry
JCB Trucking Inc	\$38,400	Sheet Metal
Sunbelt Rentals, Inc.	\$152,242	Sheet Metal
Structural and Metal Services LLC	\$2,900	Metals
AC/DC Crane Service	\$2,100	Sheet Metal
Ichabod Crane Service, Inc	\$2,300	Sheet Metal
ABC Supply Co., inc.	\$179,785	Roofing
Guangzhou Kind Architecture Material Technology Co., LTD	\$181	Roofing
E. S. Windows, LLC	\$50,507	Windows
A.G. Montaggi Di Aloisi Guido	\$17,448	Cabinets
AR Carpentry Services, Inc.	\$487,637	Roofing/Sheet Metal/Painting and Decorating Doors/Windows/Cabinets
Garcia Brothers Construction Inc	\$33,403	Rough Carpentry/Finish Carpentry/Appliances
	\$1,674,710	

- Exh A -

Florida Housing Finance Corporation

Credit Underwriting Report ("CUR")

The Salix on Vine

MMRB/Viability/4% HC
2021 MMRB (2021-110B)
RFA 2023-211 (2023-256V) / (2021-561C)

**Tax-Exempt Multifamily Mortgage Revenue Bonds ("MMRB"), Construction
Inflation Response Viability Funding ("Viability"), and 4% Non-Competitive
Housing Credits ("HC")**

Section A: Report Summary

**Section B: MMRB and Viability Special and General Conditions and HC Allocation
Recommendation and Contingencies**

Section C: Supporting Information and Schedules

Prepared by

AmeriNat®

Final Report

March 14, 2024

The Salix on Vine
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Section A
Report Summary

Recommendation

AmeriNat® (“AmeriNat”) recommends Florida Housing Finance Corporation (“FHFC” or “Florida Housing”) issue Multifamily Mortgage Revenue Bonds (“MMRB”) in the amount of \$50,000,000, a Construction Inflation Response Viability Funding (“Viability”) Loan in the amount of \$4,300,000 and an annual 4% HC allocation in the amount of \$4,676,388 to Vineland Family Apartments, Ltd. (“Applicant”) for the construction and permanent phase financing of The Salix on Vine (the proposed “Development”).

DEVELOPMENT & SET-ASIDES

Development Name: The Salix on Vine

RFA/Program Numbers: RFA 2023-211 / 2023-256V 2021-561C 2021-110B

Address: 2200 Old Vineland Road

City: Kissimmee Zip Code: 34746 County: Osceola County Size: Medium

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

Construction Type: Wood Frame

Demographic Commitment:
Primary: Family for 100% of the Units

Unit Composition:
of ELI Units: 0 ELI Units Are Restricted to AMI, or less. Total # of units with PBRA? 0
of Link Units: 0 Are the Link Units Demographically Restricted? # of NHTF Units: 0

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
2	2.0	60	910	60%			\$1,186	\$49	\$1,137		\$1,123	\$1,137	\$1,137	\$818,640
3	2.0	120	1,083	60%			\$1,370	\$64	\$1,306		\$1,293	\$1,306	\$1,306	\$1,880,640
4	2.0	72	1,291	60%			\$1,528	\$75	\$1,453		\$1,434	\$1,453	\$1,453	\$1,255,392
		252	277,512											\$3,954,672

The average unit size of 1,291 sf is stated for the four-bedroom units in the above table, which range in size from 1,083 sf to 1,332 sf. The remaining units are at the stated size.

Buildings: Residential - 8 Non-Residential - 1
Parking: Parking Spaces - 427 Accessible Spaces - 24

Set Asides:

Program	% of Units	# of Units	% AMI	Term (Years)
MMRB	100.0%	252	60%	30
HC	100.0%	252	60%	30

Absorption Rate: 30 units per month for 9.0 months.
Occupancy Rate at Stabilization: Physical Occupancy 96.00% Economic Occupancy 95.00%

Occupancy Comments The market study concludes a weighted average occupancy rate for like-kind, existing, stabilized properties within the CMA to be 98.9%.

MMRB, VIABILITY & HC CREDIT UNDERWRITING REPORT

AMERINAT

DDA: Yes QCT: No Multi-Phase Boost: No QAP Boost: No
Site Acreage: 13.66 Density: 18.4480 Flood Zone Designation: X
Zoning: CT, Commercial Tourist Flood Insurance Required?: No

DEVELOPMENT TEAM		
Applicant/Borrower:	Vineland Family Apartments, Ltd.	% Ownership
General Partner	Vineland Family GP LLC	
Limited Partner	Truist Community Capital, LLC, or an affiliated entity	
Construction Completion Guarantor(s):		
CC Guarantor 1:	Vineland Family Apartments, Ltd.	
CC Guarantor 2:	Vineland Family GP LLC	
CC Guarantor 3:	Lincoln Avenue Capital Management, LLC	
CC Guarantor 4:	Lincoln Avenue Capital, LLC	
CC Guarantor 5:	LAC Guarantor Holdings LLC	
CC Guarantor 6:	Vineland Family Developer LLC	
CC Guarantor 7:	Jeremy S. Bronfman and Jeremy Bronfman 2014 Revocable Trust	
Operating Deficit Guarantor(s):		
OD Guarantor 1:	Vineland Family Apartments, Ltd.	
OD Guarantor 2:	Vineland Family GP LLC	
OD Guarantor 3:	Lincoln Avenue Capital Management, LLC	
OD Guarantor 4:	Lincoln Avenue Capital, LLC	
OD Guarantor 5:	LAC Guarantor Holdings LLC	
OD Guarantor 6:	Vineland Family Developer LLC	
OD Guarantor 7:	Jeremy S. Bronfman and Jeremy Bronfman 2014 Revocable Trust	
Bond Purchaser	Construction: Public Offering, Permanent: Grandbridge Real Estate Capital/Freddie Mac	
Developer:	Vineland Family Developer LLC	
Principal 1	Vineland Family Developer CF Member LLC	
Principal 2	Vineland Family Developer DDF Member LLC	
DEVELOPMENT TEAM (cont)		
General Contractor 1:	RBK3, LLC dba Roger B. Kennedy Construction	
Management Company:	Franklin Johnston Group Management & Development, LLC	
Syndicator:	Truist Community Capital, LLC	
Bond Issuer:	Florida Housing Finance Corporation	
Architect:	Bessolo Design Group, Inc.	
Market Study Provider:	Meridian Appraisal Group, Inc.	
Appraiser:	CBRE - Valuation & Advisory Services	

MMRB, VIABILITY & HC CREDIT UNDERWRITING REPORT

AMERINAT

PERMANENT FINANCING INFORMATION						
	1st Source	2nd Source				
Lien Position	1	2				
Lender/Grantor	FHFC MMRN / Grandbridge / Freddie	FHFC - Viability				
Amount	\$31,904,000	\$4,300,000				
Underwritten Interest Rate	6.19%	1.00%				
Loan Term	15.0	15.5				
Amortization	40	0				
Market Rate/Market Financing LTV	43%	49%				
Restricted Market Financing LTV	65%	74%				
Loan to Cost - Cumulative	32%	36%				
Debt Service Coverage	1.17	1.14				
Operating Deficit & Debt Service Reserves	\$1,248,796					
# of Months covered by the Reserves	4.0					

Deferred Developer Fee	\$12,364,653
As-Is Land Value	\$5,300,000
Market Rent/Market Financing Stabilized Value	\$73,400,000
Rent Restricted Market Financing Stabilized Value	\$49,000,000
Projected Net Operating Income (NOI) - Year 1	\$2,629,838
Projected Net Operating Income (NOI) - 15 Year	\$3,249,784
Year 15 Pro Forma Income Escalation Rate	2.00%
Year 15 Pro Forma Expense Escalation Rate	3.00%
Bond Structure	Cash-Backed Bonds to Forward Tax-Exempt Debt
Housing Credit (HC) Syndication Price	\$0.930
HC Annual Allocation - Qualified in CUR	\$4,676,388
HC Annual Allocation - Equity Letter of Interest	\$4,558,134

MMRB, VIABILITY & HC CREDIT UNDERWRITING REPORT

AMERINAT

CONSTRUCTION/PERMANENT SOURCES:				
Source	Lender	Construction	Permanent	Perm Loan/Unit
FHFC - MMRB	Construction: Publicly Offered Permanent: FHFC/Grandbridge/Freddie Mac	\$50,000,000	\$31,904,000	\$126,603
Bridge Loan	Truist Bridge Loan (Portion)	\$19,000,000	\$0	\$0
FHFC - Viability	FHFC	\$4,300,000	\$4,300,000	\$17,063
Other	Bond Collateral Interest	\$3,705,000	\$5,070,000	\$20,119
Other	Truist Community Capital, LLC (Solar)	\$0	\$1,836,266	\$7,287
HC Equity	Truist Community Capital, LLC (HC Equity)	\$8,867,505	\$44,116,938	\$175,067
Deferred Developer Fee	Developer	\$12,470,556	\$12,364,653	\$49,066
Deferred Costs - Other	ODR	\$1,248,796	\$0	\$0
TOTAL		\$99,591,857	\$99,591,857	\$395,206
Cash Collateral Source(s):				
Cash Collateralized Bond Reinvestment Proceeds	Truist Construction Loan	\$35,338,776		
Cash Collateralized Bond Reinvestment Proceeds	Truist Bridge Loan (Portion)	\$14,661,224		
GRAND TOTAL		\$149,591,857		

Credit Underwriter: AmeriNat Loan Services
Date of Final CUR: 03/14/2024

Bond Structure:

The Applicant applied to FHFC for a \$50,000,000 allocation of tax-exempt MMRB, which will be underwritten and marketed by RBC Capital Markets ("RBC") via public offering. The MMRB will be publicly traded to outside investor(s) at closing. The cash from the sale of the MMRB will be deposited in a project fund that earns interest and creates arbitrage that is projected to cover the MMRB coupon interest expense. Truist construction phase loans (taxable Construction Loan and Equity Bridge Loan) will be funded on a draw down basis and advanced directly to/through the Trustee for deposit into the Collateral fund. As Truist funds are received, a like amount of MMRB proceeds will be released from the project fund to pay for construction and development costs. The Truist funds will include all of the taxable Construction Loan in the amount of \$35,338,776 and a portion of the Equity Bridge Loan, currently estimated to be \$14,661,224, to total \$50,000,000. The remaining Equity Bridge Loan will pay other development costs. At Conversion, the MMRB are to be converted to and/or exchanged for a Tax-Exempt Governmental Note and placed with Freddie Mac (under the Freddie Mac TEL program) and any remaining balance due on the Truist loans will be paid off with HC and/or STC equity. The Applicant will pay semi-annual interest payments on the MMRB, which is estimated to be at an interest rate of 3.60%. The Bonds will have a 17-year maturity; however, they will require a mandatory tender estimated at 30 months.

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?	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?		2
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?		3,4, 5

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

1. The Applicant initially applied for FHFC MMRB in the amount of \$35,900,000 as a construction source. The Applicant submitted a letter dated March 2, 2023, requesting the amount be increased to \$50,000,000, which was approved by FHFC staff as of March 13, 2023.

Per the FHFC MMRB application, Citibank, N.A. ("CITI") was to provide a construction phase loan of \$35,900,000 (tax-exempt) and \$15,866,016 (taxable) through its Tax-Exempt "Back-to-Back" and Taxable Loan Structure. Citi was to also provide \$30,590,000 in permanent phase financing.

Truist Bank ("Truist") is now providing a Construction Loan in an amount up to \$35,338,776 and an Equity Bridge Loan in an amount up to \$33,661,224. Grandbridge Real Estate Capital is now providing the permanent period financing in the amount of \$31,904,000.

The Applicant's HC equity was initially to be provided by Boston Financial Investment Management at \$0.91 per HC. Now, Truist Community Capital, LLC will provide the HC equity at \$0.93 per HC. In addition to the HC equity, the financing now includes equity generated by Solar Investment Tax Credits ("STC"), which was not included at the time of application. This equity is also being provided by Truist Community Capital, LLC from the purchase of STC.

The Applicant applied for RFA 2023-211 Construction Inflation Response Viability Funding ("Viability") for additional loan funding from FHFC, and the Application was accepted by FHFC on June 9, 2023. A preliminary Viability allocation of \$4,300,000 has been sized based on the requirements of the RFA.

2. Total Development Costs have increased by \$34,420,899, or 52.8%, from \$65,170,958, to \$99,591,857 since the time of the Application due to increases in construction costs, general development costs, financial costs, Developer Fee, land acquisition costs and the operating reserve.
3. A Waiver (See Waiver Request Section below) was approved at the October 27, 2023, FHFC Board Meeting changing the principals of the Applicant and Developer entities.
4. The Applicant submitted a request dated August 10, 2023, requesting the number of residential buildings originally applied for be reduced from 10 to 8. This request was approved by FHFC staff on September 1, 2023.
5. Since the time of Bond Application, Franklin Johnston Group Management and Development, LLC ("TFJG") has replaced Cushman & Wakefield as the Property Management Company. TFJG provided a prior experience chart.

These changes have no substantial material impact on the MMRB, Viability, and HC recommendations for the Development.

Does the Development Team have any FHFC Financed Developments on the Past Due/Non-Compliance Report?

The FHFC Asset Management Noncompliance Report, dated October 18, 2023, reflects the following noncompliant items:

- *Cypress Oaks fka Montclair Oaks (Lincoln Avenue Capital LLC / Jeremy S. Bronfman) – Failure to document eligibility upon initial occupancy.
- *Fox Hollow (Lincoln Avenue Capital LLC / Jeremy S. Bronfman) – 1) Failure to obtain/reconfirm utility allowance (HC). 2) Failure to document eligibility upon initial occupancy.
- *Huntington Reserve (Lincoln Avenue Capital LLC / Jeremy S. Bronfman) – 1) Failure to document eligibility upon initial occupancy. 2) Failure to obtain/reconfirm UA. (HC)
- *Lakeside Commons (Lincoln Avenue Capital LLC / Jeremy S. Bronfman) - 1) Failure to perform first anniversary income determination. 2) Failure to meet Regulatory Agreements (ELIHA). 3) Failure to meet required Features/Amenities/Programs. 4) Failure to meet UPCS for Units. 5)

Failure to meet UPCS for Building Exterior. 6) Failure to meet UPCS for Site. 7) Failure to meet UPCS for Health and Safety. 8) Failure to meet UPCS for Common Areas

*Close out letters from Seltzer Management Group, Inc. have been received for Cypress Oaks, dated March 6, 2024, Fox Hollow Apartments, dated December 27, 2023, Huntington Reserve, dated December 27, 2023, and From AmeriNat for Lakeside Commons, dated December 28, 2023.

According to the February 15 , 2024, Florida Housing Past Due Report, the Development Team has no past due items.

This recommendation is subject to satisfactory resolution, as determined by Florida Housing, of any outstanding past due items or noncompliance items applicable to the Development Team prior to MMRB and Viability Loan closing and the issuance of the annual HC allocation recommended herein.

Strengths:

1. A Market Study performed by Meridian Appraisal Group, Inc. ("Meridian") dated July 24, 2023, concludes that the Development should benefit from the rental rate advantage it will have over market rents. Based on the proposed rents, the estimated overall weighted average market rent is 64% greater than estimated average restricted rent.
2. Meridian identified six properties with a total of 1,913 units as comparable to the Development that are located in the Comparable Market Area ("CMA"). The comparable properties have a weighted average physical occupancy rate of 98.9%.

Other Considerations:

1. As noted in Section C of this report, arsenic impacted soil and an insecticide, Dieldrin, were found on a portion of the Development site. The environmental report recommends either the impacted soil be removed and disposed of at a soil disposal facility or be managed in a Soil Management Plan. The Developer has chosen to engage their environmental consultant to address the soil situation by importing additional fill to mix with the existing soil to reduce the concentrations of the arsenic impacted soil to below action levels. This work has been completed. A Source Removal Report, dated January 17, 2024, prepared by Partner Engineering and Science, Inc. concludes the arsenic-impacted soil has been removed properly disposed off-site. As such, no further source removal activities appear warranted.

The reported concentrations of Dieldrin in the soil do not warrant removal or disposal. During development of the site, contractors should be made aware of the presence of Dieldrin so that they can take appropriate precautions such as dust control and use of Personal Protective Equipment. The Developer will be responsible for providing such notification.

2. To the underwriter's knowledge, no construction cost exceeding 20%, or 25% of the construction cost to a subcontractor to deliver the shell of the building that is less than five (5) stories, is subcontracted to any one entity.

3. To the underwriter's knowledge, no construction cost shall be subcontracted to any entity that has common ownership or is an Affiliate of the General Contractor or Developer.

Issues and Concerns:

1. Moran Construction Consultants, LLC ("Moran") provided a Plan and Cost Review ("PCR"), dated January 15, 2024, for the Development. Moran noted total allowances of \$6,297,766 (13.16% of the construction contract), which exceeds its recommended maximum tolerance of 5% of the total construction contract amount.
Mitigant: FHFC shall require the subcontracts related to the Wood Roof & Floor Trusses, Rough Carpentry, and Drywall Allowances be bought out prior to the MMRB and Viability Loan closing. This will reduce the allowance percentage to 0.8%, which is an acceptable amount.

Waiver Requests:

1. At the October 27, 2023 FHFC Board Meeting, the Applicant's waiver to change the principals of the Applicant identified in the Application prior to MMRB loan closing under Rule 67.21.003(1)(b), F.A.C. and the Non-Competitive Application Instructions was approved. Two of the principals determined that they needed to change the organizational structure for estate planning and other purposes (e.g., the interests currently held individually by Jeremy S. Bronfman and Eli M. Bronfman through their limited liability companies would instead be held by their trusts). The change must occur now, rather than waiting until after MMRB Loan closing because the 2023 tax returns must reflect the ownership entity structure that will in fact operate the Development. The waiver also included a request for Board approval to revise the Developer Entity structure to add pass-through entities at the second ownership level.

Special Conditions:

1. The receipt of an executed Management Agreement and final Management Plan is a condition precedent to loan closing.
2. Receipt of documentation supporting that the subcontracts for Wood Floor & Roof Trusses, Rough Carpentry and Drywall have been bought out.

Additional Information:

1. The Applicant has included in the development budget interest on the MMRB at its gross amount, not netted against interest expense, and reflected the entire amount as basis eligible. Interest earnings are reflected as a source of funds (Bond Collateral Interest). AmeriNat has no legal or tax expertise related to this matter, and AmeriNat has similarly reflected the interest earnings/expense in the Underwriting development budget included herein. It is assumed that this is an allowed treatment per the IRS. The final accounting of the interest earnings/expenses will be determined at cost certification. Any resulting reduction in eligible basis, as with any projected basis eligible item, may result in reduced HC equity available to the transaction. The guarantors reflect satisfactory financial wherewithal to mitigate a potential reduction in HC equity.

Recommendation:

AmeriNat recommends the issuance of MMRB in the amount of \$50,000,000, a Viability Loan in the amount of \$4,300,000 and a \$4,676,388 annual allocation of 4% Housing Credits to the Applicant for the construction and permanent phase financing of The Salix on Vine.

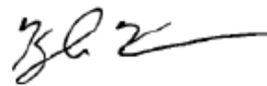
These recommendations are based upon the assumptions detailed in the Report Summary (Section A) and Supporting Information and Schedules (Section C). In addition, these recommendations are subject to the MMRB and Viability Special and General Conditions Recommendation (Section B). This recommendation is only valid for six months from the date of the report. The reader is cautioned to refer to these sections for complete information.

Prepared by:



Tom Loulodes
Senior Credit Underwriter

Reviewed by:



Kyle Kuenn
Multifamily Chief Credit Underwriter

Overview

Construction Financing Sources:

Source	Lender	Applicant's Total	Applicant's Revised Total	Underwriter's Total	Interest Rate	Debt Service During Construction
FHFC - MMRB	FHFC Publicly Offered	\$35,900,000	\$50,000,000	\$50,000,000	6.60%	\$3,150,000
Bridge Loan	Truist Bridge Loan (Portion)	\$15,866,016	\$18,570,406	\$19,000,000	8.85%	\$868,561
FHFC - Viability	FHFC	\$0	\$4,300,000	\$4,300,000	1.00%	\$0
Other	Bond Collateral Interest	\$0	\$4,425,000	\$3,705,000		
Affiliate / Principal	GP Equity	\$100	\$0	\$0		
Other	Truist Community Capital, LLC (Solar)	\$0	\$275,440	\$0		
HC Equity	Truist Community Capital, LLC (HC Equity)	\$4,178,181	\$8,867,505	\$8,867,505		
Deferred Developer Fee	Developer	\$8,530,249	\$14,586,246	\$12,470,556		
Deferred Costs - Other	ODR	\$696,413	\$1,378,029	\$1,248,796		
Total :		\$65,170,959	\$102,402,626	\$99,591,857		\$4,018,561

Cash Collateral Source(s):			
Cash Collateralized Bond Reinvestment Proceeds	Truist Construction Loan	\$35,338,776	
Cash Collateralized Bond Reinvestment Proceeds	Truist Bridge Loan (Portion)	\$14,661,224	
GRAND TOTAL		\$149,591,857	

The Applicant applied to FHFC for a \$50,000,000 allocation of tax-exempt MMRB, which will be underwritten and marketed by RBC Capital Markets ("RBC") via public offering. The MMRB will be publicly traded to outside investor(s) at closing. The cash from the sale of the MMRB will be deposited in to a project fund that earns interest and creates arbitrage that is projected to cover the MMRB coupon interest expense. Truist construction phase loans (taxable Construction Loan and Equity Bridge Loan) will be funded on a draw down basis and advanced directly to/through the Trustee for deposit into a collateral fund. As Truist funds are received, a like amount of MMRB proceeds will be released from project fund to pay for construction and development costs. The Truist funds will include all of the taxable Construction Loan in the amount of \$35,338,776 and a portion of the Equity Bridge Loan, currently estimated to be \$14,661,224 to total \$50,000,000. The remaining Equity Bridge Loan will pay other development costs. At Conversion, the MMRB are to be converted to and/or exchanged for a Tax-Exempt Governmental Note and placed with Freddie Mac and any remaining balance due on the Truist loans will be paid off with HC and/or STC equity. The Applicant will pay semi-annual interest payments on the MMRB, which is estimated to be at an interest rate of 3.60%. The Bonds will have a 17-year maturity; however, they will require a mandatory tender estimated at 30 months.

Proposed First Mortgage Loan:

The Applicant provided construction and bridge loan letter of intent (“LOI”), dated October 19, 2023, from Truist. However, recent correspondence indicates Truist will make a Construction Loan in an amount up to \$35,338,776 and an Equity Bridge Loan in an amount up to \$33,661,224.

The Construction Loan will have a first mortgage on the Development. The Equity Bridge Loan will have a first-priority lien on the Capital Contributions made pursuant to Borrower’s Limited Partnership Agreement and a lien on General Partner’s partnership interests in the Borrower, and all rights and remedies associated with such security interests.

The Bank’s Construction Loan is further restricted to a maximum 80% “As-Stabilized” Loan to Value. Truist’s Equity Bridge Loan shall not exceed the total of the equity capital contributions (excluding contributions paid in at admission and contribution allocated for reserves and developer fees).

The term of the of the Construction Loan is 30 months. The term of the Equity Bridge Loan is the earlier of 100% completion or 24 months from the closing date. The terms are different since the Equity Bridge Loan source of repayment (equity) does not include stabilization, whereas the Construction Loan does. Both of these loans include a six-month optional extension for a fee of 0.25%; based on the then outstanding loan balance.

The Construction Loan fee is 0.75%. Interest only payments shall be due monthly and shall be based on a variable interest rate of one-month Secured Overnight Financing Rate (“SOFR”) Index plus a margin of 3.75%. The indicative variable rate as of January 17, 2024, was 9.095%. AmeriNat added 75 bp as an underwriting cushion for an all-in interest rate of 9.85%.

The Equity Bridge Loan fee is 1.0%. Interest only payments shall be due monthly and shall be based on a variable interest rate of one-month SOFR plus a margin of 2.75%. The indicative variable rate as of January 17, 2024, was 8.095%. AmeriNat added 75 bp as an underwriting cushion for an all-in interest rate of 8.85%. This loan will be paid off with equity proceeds from the 3rd equity capital contribution, which will be funded at 100% construction completion and other funding milestones, as noted in the Permanent Financing Sources section.

Viability Loan:

The Borrower applied to FHFC under RFA 2023-211 for Viability funds in the amount of \$4,300,000. The Loan was sized in the amount of \$4,300,000 based on the Viability Loan sizing parameters. Please see the Viability Sizing Chart (Exhibit 5) for additional information. During the construction phase, the Viability Loan proceeds shall be disbursed pro rata per draw in an amount that does not exceed the Viability Loan to the TDC. The Viability Loan is non-amortizing with an interest rate of 1% over the life of the loan with annual payments based upon available cash flow. The Viability Loan will have a total term of 18 years, of which 2.5 years is for the construction/stabilization period with a 15.5-year permanent period. As required by Freddie Mac and as permitted by RFA 2023-211, the Viability loan will be coterminous with the first mortgage plus six months (total term of 18 years). The closing of the Viability Loan funding will be simultaneous with the closing of other FHFC funding. The Applicant shall not be obligated to pay more than 75% of surplus cash flow on an annual basis as required by Freddie Mac. At maturity of the Viability Loan, all principal and interest will be due.

Other Sources:

RBC provided a schedule of projected interest earnings to occur during the construction period of the Bond Collateral account. The earnings are based on interest rates ranging from 4.32% to 5.23% during the construction term. The account is projected to total \$3,705,000 during the construction period.

HC Equity:

The Applicant provided a Term Sheet (“TCCTS”) between Truist Community Capital, LLC (“TCC”) and the Applicant, dated October 19, 2023. An affiliate of TCC will purchase a 99.99% investor limited partner (“ILP”) interest in the Applicant in exchange for HC to be syndicated at \$0.930 per HC for a total investment of \$44,116,938 of Federal Tax Credit Equity.

Per the correspondence, \$6,617,541 will be provided at closing, which meets the 15% Non-Competitive Application and RFA minimum requirement. A total of \$8,867,505 will be funded during the construction phase, and the remaining equity will be funded upon achieving various funding milestones, as noted in the Permanent Financing Sources section.

Deferred Operating Deficit Reserve:

Per the TCCTS, an Operating Deficit Reserve (“ODR”) in the amount of \$1,248,796 is required to be established at the time of the 4th equity installment, which will occur after stabilization; therefore, funding the ODR will be deferred during the construction phase.

Deferred Developer Fee:

The Applicant is projected to defer \$12,470,556 or 87% of the total developer fee during the construction phase.

Permanent Financing Sources:

Source	Lender	Applicant's Total	Applicant's Revised Total	Underwriter's Total	Interest Rate	Amortization Years	Term Years	Annual Debt Service
FHFC - MMRN	FHFC MMRN / Grandbridge / Freddie	\$30,590,000	\$31,904,000	\$31,904,000	6.1900%	40	15	\$2,157,408
Bridge Loan	Truist Bridge Loan (Portion)	\$0	\$0	\$0				
FHFC - Viability	FHFC	\$0	\$4,300,000	\$4,300,000	1.00%	N/A	15.5	\$43,000
Other	Bond Collateral Interest	\$0	\$7,080,000	\$5,070,000				
Other	Cash Collateralized Sources	\$0	\$0	\$0				
Affiliate / Principal	GP Equity	\$100	\$0	\$0				
Other	Truist Community Capital, LLC (Solar)	\$0	\$1,836,266	\$1,836,266				
HC Equity	Truist Community Capital, LLC (HC Equity)	\$27,854,537	\$44,116,937	\$44,116,938				
Deferred Developer Fee	Developer	\$6,726,322	\$11,562,238	\$12,364,653				
Deferred Costs - Other	ODR	\$0	\$78,833	\$0				
Total :		\$65,170,959	\$100,878,274	\$99,591,857				\$2,200,408

Proposed 1st Mortgage:

The Applicant provided a Mortgage Loan Term Sheet ("Term Sheet"), dated December 4, 2023, for an unfunded forward commitment whereby Grandbridge Real Estate Capital, LLC ("Grandbridge") will provide a permanent loan in an amount up to \$30,670,000 through the Federal Home Loan Mortgage ("Freddie Mac") Multifamily Direct Purchase of Tax-Exempt Loan ("TEL") Program. According to the Index Lock Confirmation Sheet ("Index Lock"), dated January 10, 2024, the Index-Locked Mortgage Amount is \$31,904,000, at an Index-Locked Yield Rate of 4.04%. The Index Lock expiration date is May 3, 2024. According to the Term Sheet, the locked interest rate will include a 215 basis points, for an all in interest rate of 6.19%. The loan amount is subject to a maximum 80% loan to value ratio, and a minimum 1.15x to 1.00 debt service coverage ratio based on the locked Interest Rate. According to the Term Sheet, the loan's total term is 18 years (36-month unfunded forward commitment followed by a 15-year permanent term). Payments of principal and interest are required based on a 40-year amortization. It should be noted that Rule Chapter 67-21 requires the loan to begin amortizing by month 37 following closing.

Grandbridge will resize the Permanent Loan based on the Freddie Mac requirements at Permanent Loan conversion. However, approval by FHFC's Board will be required if the permanent loan is sized to an amount greater than the current recommended amount of \$31,904,000. At Conversion, the MMRB are to be converted to and/or exchanged for a Tax-Exempt Governmental Note and placed with Freddie Mac (under the Freddie Mac TEL program).

The Permanent Loan will mature fifteen (15) years following conversion to the permanent financing. At maturity, Borrower may satisfy the MMRN via refinance or sale of the Development pending market feasibility. In the event the Borrower is unable to refinance or effectuate a sale to fund payoff of the MMRN, such event would not cause an event of default under the loan documents. Rather, should this situation occur, it would trigger a "Mortgage Assignment Event" whereby Noteholder agrees to cancel the MMRN 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 MMRN and discharge the lien of the Funding Loan Agreement, and it would then assign the mortgage loan (Project loan) and any other

related documents and collateral to Noteholder, effectively ending the transaction. Under this scenario, the MMRN will have been redeemed/cancelled not by payment of cash but by the assignment of the mortgage loan documents and there is no default. As the new direct mortgagee, Noteholder would then be in position to work with the Borrower to arrive at a resolution without involvement of either FHFC or the Fiscal Agent (as the MMRN would have been cancelled and would no longer be outstanding).

Annual payments of all applicable fees will be required and are included in the DSC analysis. Fees include Permanent Loan Servicing Fees to be paid annually based on 2.3 basis points of the outstanding tax-exempt note balance, subject to a minimum monthly fee of \$243, and an hourly fee of \$204 for extraordinary services; Compliance Monitoring Fees based on \$188 per month plus an additional fee per set-aside unit of \$11.58, subject to a minimum monthly fee of \$295; a Fiscal Agent Fee of \$4,500 and an Issuer Fee to be paid annually based on 24 basis points on the outstanding tax-exempt note balance, subject to a minimum fee of \$10,000.

Other fees payable at closing are a 1.00% Commitment Fee and 0.15% Standby Fee of the loan amount per annum during the construction period, Construction Monitoring Fee and \$10,000 Conversion Fee.

Viability Loan:

The Borrower applied to FHFC under RFA 2023-211 for Viability funds in the amount of \$4,300,000. The Loan was sized in the amount of \$4,300,000 and based on the Viability Loan sizing parameters. Please see the Viability Sizing Chart (Exhibit 5) for additional information. The Viability Loan is non-amortizing with an interest rate of 1% over the life of the loan with annual payments based upon available cash flow. The Viability Loan will have a total term of 18 years, of which 2.5 years is for the construction/stabilization period with a 15.5-year permanent period. As required by Freddie Mac and as permitted by RFA 2023-211, the Viability loan will be coterminous with the first mortgage plus six months (total term of 18 years). Closing of the Viability Loan funding will be simultaneous with the closing of other Corporation funding. The Applicant shall not be obligated to pay more than 75% of surplus cash flow on an annual basis as required by Freddie Mac. At maturity of the Viability Loan, all principal and interest will be due.

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 up to a maximum of \$964 per month, subject to a minimum of \$243 per month.

Other Sources:

The previously noted RBC schedule of projected interest earnings of the Bond Collateral account is projected to total \$5,070,000 through Stabilization.

HC Equity:

The HC equity contributions are to be paid as follows:

MMRB, VIABILITY & HC CREDIT UNDERWRITING REPORT

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Capital Contributions	Amount	Percent of Total	Due upon
1st Installment	\$6,617,541	15.00%	Closing
2nd Installment	\$2,249,964	5.10%	Paid upon the latest to occur of 50% construction completion
3rd Installment	\$33,661,224	76.30%	Paid upon the latest to occur of: 1) 100% completion, 2) receipt of all requisite certificates of occupancy, 3) receipt of a satisfactory ALTA as-built survey, and 4) satisfactory radon testing.
4th Installment	\$1,279,391	2.90%	Paid upon the latest to occur of 1) evidence that the Partnership has submitted a complete application for IRS Forms 8609, 2) receipt of a copy of the final cost certification including the 50% Test, 3) physical occupancy of 95% of the units by qualified tenants and 5) achievement of an average debt service coverage ratio of 115% for the three (3) consecutive calendar months immediately preceding Final Closing based on the higher of actual or underwritten expenses (as adjusted for the actual costs of insurance and taxes) and assuming a vacancy rate of equal to the greater of 5% or the actual vacancy rate (the "Stabilization Date").
5th Installment	\$308,818	0.70%	Paid upon the latest of 1) receipt of properly completed and signed IRS Forms 8609 for all buildings in the Project and 2) recording of an "extended low-income housing commitment". If funds are available, they can be used to pay developer fees in accordance with the agreed upon schedule.
Total:	\$44,116,938	100%	

Annual Credits Per Syndication Agreement	\$4,743,757
Total Credits Per Syndication Agreement	\$47,437,570
Calculated HC Rate:	\$0.930
Limited Partner Ownership Percentage	99.99%
Proceeds During Construction	\$8,867,505

STC Equity:

The sale of STC to the ILP will provide additional equity to the transaction. The STC equity is projected to total \$1,836,266.00. None of the STC equity will be funded during construction. Instead, 100% of it will be funded upon Stabilization, which is at the time of the HC equity 4th installment.

\$3,948,959	Solar construction costs
50%	Applicable credit
<u>\$0.93</u>	Solar credit pricing
\$1,836,266.00	Total Solar Equity

Deferred Developer Fee:

The Developer will be required to defer \$12,364,653 or 86% in Developer Fee after stabilization. As required per the RFA for the Viability loan, the Developer is required to defer at least 30% of the Developer Fee. The Applicant meets this requirement.

Uses of Funds

CONSTRUCTION COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Accessory Buildings			\$1,136,045	\$4,508	
New Rental Units	\$37,788,057	\$42,449,619	\$33,337,205	\$132,290	
Recreational Amenities			\$154,762	\$614	
Site Work			\$7,612,607	\$30,209	\$1,141,891
Swimming Pool			\$209,000	\$829	
Constr. Contr. Costs subject to GC Fee	\$37,788,057	\$42,449,619	\$42,449,619	\$168,451	\$1,141,891
General Conditions		\$2,546,977	\$2,546,977	\$10,107	
Overhead		\$424,496	\$424,496	\$1,685	
Profit	\$2,078,343	\$2,122,481	\$2,122,481	\$8,423	
Builder's Risk Insurance				\$0	
General Liability Insurance				\$0	
Payment and Performance Bonds		\$302,029	\$302,029	\$1,199	
Contract Costs not subject to GC Fee				\$0	
Total Construction Contract/Costs	\$39,866,400	\$47,845,602	\$47,845,602	\$189,864	\$1,141,891
Hard Cost Contingency	\$1,993,320	\$2,392,280	\$2,392,280	\$9,493	
FF&E paid outside Constr. Contr.	\$252,000	\$282,242	\$282,242	\$1,120	
Other: Interior Designer	\$25,000	\$0	\$0	\$0	
Other: Solar Installation		\$3,948,959	\$3,948,959	\$15,670	
Other: CCTV & Access Control, Internet, signage		\$456,451	\$456,451	\$1,811	
Other: ACM Abatement & Soil Remediation		\$116,624	\$116,624	\$463	
Total Construction Costs:	\$42,136,720	\$55,042,158	\$55,042,158	\$218,421	\$1,141,891

Notes to Actual Construction Costs:

1. An executed Standard Form of Agreement Between the 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 of \$47,845,602 (the "Construction Contract") has been provided, along with its schedule of values. The Construction Contract is dated January 11, 2024. The Construction Contract is between the Applicant and RBK3, LLC dba Roger B. Kennedy Construction ("General Contractor" or "GC"). It indicates completion within 672 days from the date of commencement. The Construction Contract includes retainage of 10% until 50% completion, at which time retainage will be reduced to 5%. Retainage will not apply to GC's insurance premiums or the cost of payment and performance bonds.
2. According to Moran's PCR, the construction costs of the Development are \$47,845,602 or \$189,863.50 per unit. It is Moran's opinion that the cost is within an acceptable range as compared to similar type projects with a range between \$199,790 and \$237,760 per unit. The Development's construction costs per square foot of \$172.44 falls at the low end of the range of the comparable, which ranged from \$170.29 to \$188.96. The estimated value of the projected hard construction costs for the site work is \$7,612,607. The construction progress schedule and the construction contract indicate substantial completion not later than 672 days. Moran stated the construction duration appears to be appropriate for the Development. Please see the complete PCR review in Section C of this report.

The construction contract includes the following allowances:

\$39,984	· Pavers	
\$77,178	· Fencing and Gates	
\$29,600	· Site Furnishings	
\$30,000	· Playground Equipment Rubber Play Mulch	
\$15,000	· Floating Retention pond Fountain	
\$2,916,000	· Rough Carpentry Materials and Structural Holdowns	
\$1,810,123	· Wood Roof and Floor Trusses	
\$25,500	· Hardscape Finishes	
\$1,187,000	· Drywall Materials	
\$16,581	· Clubhouse Appliances	
\$10,800	· Gas Line to Fire Pit	
\$20,000	· Landscape Uplighting	
\$120,000	· Power Company's primary conduit	
\$6,297,766	13.16%	

Total allowances of \$6,297,766 (13.16% of the construction contract) exceed Moran's recommended maximum tolerance of 5% of the total construction contract amount. However, subsequent to the PCR being issued, Moran received current Sub-Contractor pricing bid for the major building components - Rough Carpentry, Wood Roof and Floor Trusses and Drywall, which effectively reduces the allowance percentage to 0.8%. FHFC shall require the subcontracts related to the Wood Roof & Floor Trusses, Rough Carpentry, and Drywall Allowances be bought out prior to the MMRB and Viability Loan closing.

3. 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 Rule Chapters 67-21 and 67-48. 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.
4. The Construction Contract includes a cost savings clause, whereas the contract parties agree to split savings achieved from the final Guaranteed Maximum Price, as adjusted, with 60% to Owner and 40% to Contractor, subject to Contractor's maximum Fee cap of 14%.
5. The General Contractor will obtain a Payment and Performance Bond to secure the Construction Contract and an estimate of its cost is shown inside of the Construction Contract.
6. A 5.00% hard cost contingency was utilized by AmeriNat and is supported by the plan and cost review, and is the maximum permitted by Rule Chapters 67-48 and 67-21.
7. FF&E paid outside the Construction Contracts consists of office equipment, and furniture and fixtures for the common area. The Developer noted that the washers and dryers for the common area will be leased. Additionally, the washers and dryers that will be leased to the tenants will be purchased from operations, thus, their costs are not reflected in the development budget.
8. Solar Installation costs \$3,948,959 per an executed proposal from Go Solar Power, dated October 24, 2023.
9. ACM Abatement & Soil Remediation are based on proposals provided by Partner Engineering and Science, Inc. and Soil Excavation & Disposal Services.

10. Other costs reflect the Developers estimates and appear reasonable.

GENERAL DEVELOPMENT COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Accounting Fees	\$15,000	\$15,000	\$15,000	\$60	\$15,000
Appraisal	\$10,000	\$10,000	\$10,000	\$40	
Architect's Fee - Site/Building Design	\$831,400	\$935,556	\$935,556	\$3,713	
Architect's Fee - Supervision	\$20,000		\$0	\$0	
Building Permits	\$170,414	\$204,013	\$204,013	\$810	
Builder's Risk Insurance	\$199,332	\$1,323,358	\$1,323,358	\$5,251	
Engineering Fees	\$190,000	\$324,700	\$324,700	\$1,288	
Environmental Report	\$30,000	\$75,000	\$75,000	\$298	
FHFC Administrative Fees	\$275,484	\$426,938	\$420,875	\$1,670	\$420,875
FHFC Application Fee	\$3,000	\$0	\$3,500	\$14	\$3,500
FHFC Credit Underwriting Fee	\$20,000	\$29,951	\$26,451	\$105	\$26,451
FHFC Compliance Fee	\$201,600	\$182,780	\$0	\$0	\$0
FHFC Other Processing Fee(s)		\$0	\$0	\$0	\$0
Impact Fee	\$3,702,358	\$5,456,800	\$5,456,800	\$21,654	
Lender Inspection Fees / Const Admin	\$250,000	\$35,068	\$87,322	\$347	
Green Building Cert. (LEED, FGBC, NAHB)				\$0	
Home Energy Rating System (HERS)	\$10,000		\$0	\$0	
Insurance				\$0	\$0
Legal Fees - Organizational Costs		\$50,000	\$50,000	\$198	\$50,000
Market Study	\$6,500	\$9,400	\$9,400	\$37	\$9,400
Marketing and Advertising	\$50,400	\$50,400	\$50,400	\$200	\$50,400
Plan and Cost Review Analysis		\$5,850	\$5,850	\$23	
Property Taxes	\$226,225	\$100,000	\$100,000	\$397	
Soil Test	\$15,000	\$17,000	\$17,000	\$67	
Survey	\$25,000	\$25,000	\$25,000	\$99	
Title Insurance and Recording Fees	\$70,000	\$150,000	\$150,000	\$595	\$25,000
Utility Connection Fees		\$1,976,903	\$1,976,903	\$7,845	
Soft Cost Contingency	\$80,000	\$250,000	\$250,000	\$992	
Other: Wetlands Mitigation		\$275,000	\$275,000	\$1,091	
Other: Const. Loan 3rd Party Reports & Due Diligence		\$15,000	\$15,000	\$60	
Total General Development Costs:	\$6,401,714	\$11,943,717	\$11,807,128	\$46,854	\$600,626

Notes to the General Development Costs:

- AmeriNat reflects actual costs for the market study and plan and cost review analysis. The Developer provided the appraisal cost (lender provided appraisal).
- AmeriNat reflects the costs associated with the Architect's and Engineer's fees as stated in agreements between the Applicant and Bessolo Design Group, Inc. ("BDG") and Kimley-Horn and Associates, Inc. (original proposals and amendments 1-3), respectively, which AmeriNat has reviewed. The BDG costs include design (\$2,400/unit), Interior Design Services \$30,000, Photometric Services \$10,000, FFE Selection/Design Services \$28,800, Construction Administration Services \$214,200, Value Engineering \$10,914.75, Owner Revisions \$41,107.50, Revise Design \$9,901.50, and Solar Services \$14,631.75.
- FHFC Administrative Fee is based upon a fee of 9% of the annual HC allocation recommendation made herein.

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4. FHFC Application fee includes MMRB/4% application fee of \$3,000 and the \$500 application fee for the FHFC Viability Loan.
5. FHFC Credit Underwriting Fee includes the MMRB Credit Underwriting Fee (\$16,009), multiple program fees for 4% HC (\$4,996) and Viability Loan (\$5,146), and a \$300 credit reporting fee.
6. The FHFC Compliance Fee will be paid from operations and is therefore excluded from the Uses.
7. Lender Inspection Fees / Construction Admin costs are based on the estimated cost of the Lender's inspections. This also includes the estimate for AmeriNat's construction loan administration draw processing fee, which is estimated at 7 hours at \$204 / hour for each draw review/funding for 24 draws, and Moran's site visits during construction.
8. Impact Fees and Utility Connection Fees are based on estimates provided by the Applicant.
9. A soft cost contingency of \$250,000, which does not exceed 5% of General Development Costs, as allowed per Rules 67-21 and 67-48, may be utilized by the Applicant in the event soft costs exceed estimates.
10. The remaining general development costs appear reasonable.

FINANCIAL COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Construction Loan Origination Fee	\$517,660	\$375,000	\$375,000	\$1,488	
Construction Loan Closing Costs	\$15,000			\$0	
Construction Loan Interest	\$1,978,694	\$5,956,185	\$5,490,770	\$21,789	\$1,075,191
Permanent Loan Application Fee		\$30,000	\$30,000	\$119	\$30,000
Permanent Loan Commitment Fee		\$319,040	\$319,040	\$1,266	\$319,040
Permanent Loan Closing Costs	\$10,000			\$0	\$0
Bridge Loan Origination Fee		\$185,704	\$185,704	\$737	
Bridge Loan Interest	\$193,714	\$323,912	\$1,086,192	\$4,310	\$217,631
FHFC Bond Short-Term Redemption Fee			\$0	\$0	\$0
FHFC Bond Trustee Fee	\$12,500	\$12,500	\$11,250	\$45	\$11,250
FHFC Bond Credit Enhancement Fee	\$15,000			\$0	\$0
FHFC Bond Cost of Issuance	\$132,360	\$965,357	\$453,386	\$1,799	\$453,386
Misc Loan Origination Fee		\$43,000	\$43,000	\$171	
Legal Fees - Financing Costs	\$440,000	\$565,000	\$565,000	\$2,242	\$197,750
Negative Arbitrage		\$5,866,667	\$3,900,000	\$15,476	\$135,000
Forward Rate Lock Fee		\$79,760	\$79,760	\$317	\$79,760
Placement Agent/Underwriter Fee	\$40,002		\$250,000	\$992	\$250,000
Initial TEFRA Fee	\$1,000	\$1,000	\$1,000	\$4	\$1,000
Other: FHFC Bond Issuer Fee			\$300,000	\$1,190	\$300,000
Total Financial Costs:	\$3,355,930	\$14,723,125	\$13,090,102	\$51,945	\$3,070,008
Dev. Costs before Acq., Dev. Fee & Reserves	\$51,894,363	\$81,709,000	\$79,939,387	\$317,220	\$4,812,525

Notes to the Financial Costs

1. Financial costs were derived from the representations illustrated in the LOI, Term Sheet and Proposal for the equity and debt financing and appear reasonable to AmeriNat.

2. An interest reserve for the Construction Loan and Equity Bridge Loan is supported by the Truist Bank’s construction and bridge loan LOI, the duration of construction referenced in the Construction Contract and the resultant calculation completed by AmeriNat through the use of a construction draw schedule provided by the Applicant.
3. FHFC Bond Cost of Issuance includes fees and expenses of the Issuer, Real Estate Counsel closing costs for MMRB and Viability Loans, Bond Counsel, Disclosure Counsel and other fees.
4. The FHFC Issuer Fee is based on 30 months of the annual Issuer Fee of 24 bps based on the total MMRB issuance during construction.
5. The FHFC Bond Trustee Fee represents 30 months of the annual fee of \$4,500 during the construction period.
6. Miscellaneous Loan Origination cost is for the 1% FHFC Viability Loan commitment fee.
7. The Negative Arbitrage is the projected interest due on the MMRB, which is based on an estimated interest rate of 3.60% provided by RBC.
8. The remaining Financial Costs appear reasonable.

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	\$8,980,182	\$15,430,245	\$14,389,089	\$57,100	
Total Other Development Costs:	\$8,980,182	\$15,430,245	\$14,389,089	\$57,100	\$0

Notes to the Other Development Costs:

1. The total Developer Fee does not exceed 18.00% of the Total Development Costs exclusive of Land Costs and Reserves, which is permitted by the RFA and Rule Chapters 67-48 and 67-21.
2. 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.

AmeriNat estimates payable Developer Fee at closing to be \$671,487 with \$1,247,046 payable during construction, and \$105,903 funded following 100% lien free completion. The remaining \$12,364,653 will be deferred during the permanent phase and will be paid from the Development’s cash flow from operations.

LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Land Acquisition Cost		\$414,585	\$414,585	\$1,645	
Land	\$3,600,000	\$3,600,000	\$3,600,000	\$14,286	\$3,600,000
Total Acquisition Costs:	\$3,600,000	\$4,014,585	\$4,014,585	\$15,931	\$3,600,000

Notes to Land Acquisition Costs:

1. An executed Purchase and Sale Agreement (“PSA”) between Salix On Vine Acquisition LLC (“Seller”) and Vineland Family Apartments, Ltd. (“Buyer”) dated January 16, 2023, was provided for review, and included a purchase price of \$3,600,000. This is not an “arm’s length” sale. Per the PSA, the purchase and sale of the Property will occur, on or before December 31, 2024.
2. The Land Acquisition Costs include the legal, title and financing costs that were realized by the Seller since October 20, 2022 when it purchased the site for \$3,600,000 per a closing statement and warranty deed. Since these costs are directly related to the land purchase by the Seller, and the Seller did not increase the purchase price from its original purchase price, these costs are included as Development Costs herein.
3. An appraisal prepared by CBRE - Valuation & Advisory Services, dated August 28, 2023, with a valuation date of August 25, 2023, concludes that the Development’s “As Is” market value of the fee simple interest in the Development’s site as of August 25, 2023, to be \$5,300,000, which 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)	\$696,413	\$1,248,796	\$1,248,796	\$4,956	\$1,248,796
Total Reserve Accounts:	\$696,413	\$1,248,796	\$1,248,796	\$4,956	\$1,248,796

Notes to the Reserve Accounts:

1. According to the Truist Bank Term Sheet, an Operating Deficit Reserve (“ODR”) in the amount of \$1,248,796 is required to be established at the time of the 4th equity installment

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 remains 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.

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 Rule.

TOTAL DEVELOPMENT COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
TOTAL DEVELOPMENT COSTS:	\$65,170,958	\$102,402,626	\$99,591,857	\$395,206	\$9,661,321

Notes to Total Development Costs:

1. Total Development Costs have increased by \$34,420,899 (52.8%) from \$65,170,958 to \$99,591,857 since the time of Application mostly due to increases in construction costs, general development costs, financial costs, Developer Fee, land acquisition costs, and the operating reserve account.

OPERATING PRO FORMA

FINANCIAL COSTS:		Year 1	Year 1 Per Unit
OPERATING PRO FORMA			
INCOME:	Gross Potential Rental Income	\$3,954,672	\$15,693
	Miscellaneous	\$75,139	\$298
	Washer/Dryer Rentals	\$124,740	\$495
	Cable/Satellite Income	\$89,964	\$357
	Gross Potential Income	\$4,244,515	\$16,843
	Less:		
	Physical Vac. Loss Percentage: 4.0%	\$169,781	\$674
	Collection Loss Percentage: 1.0%	\$42,445	\$168
Total Effective Gross Income	\$4,032,289	\$16,001	
EXPENSES:	Fixed:		
	Real Estate Taxes	\$324,935	\$1,289
	Insurance	\$214,200	\$850
	Variable:		
	Management Fee Percentage: 3.07%	\$123,696	\$491
	General and Administrative	\$81,900	\$325
	Payroll Expenses	\$327,600	\$1,300
	Utilities	\$69,300	\$275
	Marketing and Advertising	\$8,820	\$35
	Maintenance and Repairs/Pest Control	\$176,400	\$700
	Reserve for Replacements	\$75,600	\$300
	Total Expenses	\$1,402,451	\$5,565
	Net Operating Income	\$2,629,838	\$10,436
Debt Service Payments			
First Mortgage - MMRN / Grandbridge / Freddie	\$2,157,408	\$8,561	
Second Mortgage - FHFC Viability	\$43,000	\$171	
First Mortgage Fees - MMRN / Grandbridge / Freddie	\$93,582	\$371	
Second Mortgage Fees - FHFC Viability	\$10,750	\$43	
Total Debt Service Payments	\$2,304,740	\$9,146	
Cash Flow after Debt Service	\$325,098	\$1,290	
Debt Service Coverage Ratios			
DSC - First Mortgage plus Fees	1.17x		
DSC - Second Mortgage plus Fees	1.14x		
DSC - All Mortgages and Fees	1.14x		
Financial Ratios			
Operating Expense Ratio	34.78%		
Break-even Economic Occupancy Ratio (all debt)	87.49%		

Notes to the Operating Pro Forma and Ratios:

- MMRN does not impose rent restrictions; however, the Development will be utilizing Housing Credits, which will impose rent restrictions. Under the Housing Credit restrictions, the Development committed to set aside 40% at or below 60% of Area Median Income (“AMI”) and further restricted 100% of the units to 60% AMI. Gross Potential Rental Revenue is based on the 2023 HC Rent Limits schedule posted on the Florida Housing Finance Corporation website. The utility allowance is based upon an Energy Consumption Model dated August 3, 2023, prepared by Matern Professional Engineering, Inc. It was approved by FHFC’s Compliance Department on September 20, 2023.

A rent roll for the Development property is illustrated in the following table:
MSA Orlando-Kissimmee-Sanford (Osceola County):

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
2	2.0	60	910	60%			\$1,186	\$49	\$1,137		\$1,123	\$1,137	\$1,137	\$818,640
3	2.0	120	1,083	60%			\$1,370	\$64	\$1,306		\$1,293	\$1,306	\$1,306	\$1,880,640
4	2.0	72	1,291	60%			\$1,528	\$75	\$1,453		\$1,434	\$1,453	\$1,453	\$1,255,392
		252	277,512											\$3,954,672

The Development will benefit from the rental rate advantage it will have over each of the Development’s market rate unit types. The estimated overall weighted average market rent is 64% greater than estimated average restricted rent. The average market rental rates are in excess of 110% of the applicable maximum HC rental rates, as the unit rents are between 55% and 74% less than the estimated market rents. Meridian estimated market rents of \$1,900 for the two-bedroom units, \$2,000 for the three-bedroom units and \$2,500 for the four-bedroom units.

- A 5% total economic vacancy rate (4% physical and 1% collection loss) was concluded by the Appraiser and was relied upon by AmeriNat for underwriting purposes.
- Ancillary Income is comprised of income related to multifamily operations in the form of vending income, late charges, pet deposits, forfeited security deposits, etc.
- Internet / Cable income is based on the Appraiser’s estimate of monthly collections of \$45 per month, per unit at an approximate 65% penetration.
- Washer/dryer rental income is based on CBRE’s estimate derived from a 75% participation rate at a monthly premium of \$55.
- AmeriNat utilized a real estate tax expense of \$1,289 per unit based upon the current millage rate for the municipality and an estimated assessment of \$80,000 per unit presented by the appraiser. The estimate includes a 4% early payment discount, and the income restrictions of the Development. The Appraiser supported its assessment based on the assessed values for comparable Housing Credit properties that ranged from \$64,600 per unit to \$84,736 per unit.
- AmeriNat utilized an estimate of \$850 per unit for insurance, which is consistent with the appraisal. The figure is consistent with insurance expenses for restricted rent comparables

presented by the appraiser, which ranged from \$395 to \$977 per unit. The Development will be located in a flood zone designated "X". Zone "X" is an area outside of the 100-year flood plain. As such, flood insurance is not required.

8. A draft Management Agreement ("Agreement") provided by Franklin Johnston Group Management & Development, LLC illustrates a monthly management fee of 3.00% per month of gross collections, plus technology costs and payroll processing fees of \$1,500 per year for each. An executed Management Agreement is a condition precedent to loan closing. The Appraisal concluded a 3% management fee. The appraisal concluded a 3.00% management fee based on a range of 2.5% to 5% typically found in the market. The calculated management fee included in the Agreement, and supported by the Appraisal, has been used for underwriting purposes.
9. Replacement Reserves are budgeted at \$300 per unit per year, which is consistent with the RFA and Rule minimum requirement.
10. The Viability loan includes annual payments of an annual Permanent Loan Servicing Fee of 25 bps of the outstanding loan amount up to a maximum of \$964 per month, subject to a minimum of \$243 per month.
11. Based upon an estimated Net Operating Income ("NOI") of \$2,629,838 for the proposed Development's initial year of stabilized operations; the first mortgage loan can be supported by operations at a 1.17x to 1.00 Debt Service Coverage ("DSC"). The combined amount of the first mortgage loan and Viability Loan can be supported by operations at a 1.14x to 1.00 DSC, and all debt payments and fees can be supported by operations at 1.14x to 1.00 DSC.
12. A 15-year Operating Pro forma attached hereto as Exhibit 1 reflects rental income increasing at an annual rate of 2% and expenses increasing at an annual rate of 3%.

Section B

**MMRB and VIABILITY Special and General Conditions and HC Allocation
Recommendation and Contingencies**

Special Conditions

This recommendation is contingent upon the review and approval of the following items by Florida Housing and the Servicer, 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 MMRB pricing and/or Viability Loan closing date.

1. Receipt of documentation supporting the buyout of subcontracts related to the Wood Roof & Floor Trusses, Rough Carpentry, and Drywall Allowances.
2. The receipt of an executed Management Agreement and final Management Plan.

General Conditions

This recommendation is contingent upon the review and approval of the following items by Florida Housing and the Servicer 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 MMRB pricing and/or Viability Loan closing date.

1. Borrower is to comply with any and all recommendations noted in the Plan and Cost Review prepared by Moran Construction Consultants, LLC.
2. Building permits and any other necessary approvals and permits (e.g., final site plan approval, water management district, Department of Environmental Protection, Army Corps of Engineers, Department of Transportation, etc.). An acceptable alternative to this requirement is receipt and satisfactory review of 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.
3. Final sources and uses of funds itemized by source and line item, in a format and in amounts approved by the Servicer. A detailed calculation of the construction interest based on the final draw schedule (see below), documentation of the closing costs, and draft loan closing statement must also be provided. The final sources and uses of funds schedule will be attached to the Loan Agreements as the approved Development budget.
4. A final construction draw schedule showing itemized sources and uses of funds for each monthly draw. Viability Loan proceeds shall be disbursed during the construction phase in an amount per Draw that does not exceed the ratio of the Viability Loan to the Total Development Cost, unless approved by the Credit Underwriter. The closing draw shall include appropriate backup and ACH wiring instructions.
5. 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.

6. At all times there will be undisbursed loan funds (collectively held by Florida Housing, the first 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.
7. Evidence of insurance coverage pursuant to the Request for Application ("RFA") and MMRB requirements governing this proposed transaction and, as applicable, the FHFC Insurance Guide.
8. 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.
9. Architect, Construction Consultant, and Borrower certifications on forms provided by Florida Housing 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, as applicable.
10. A copy of the Amended and Restated Limited Partnership Agreement ("LPA") reflecting purchase of the HC under terms consistent with the assumptions contained within this Credit Underwriting Report. The LPA shall be in a form and of financial substance satisfactory to Servicer, Florida Housing, and its Legal Counsel.
11. 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 Rule Chapters 67-21.0025 (5) and 67-48.0075 (5) F.A.C., of an Applicant or a Developer).
12. Final "as permitted" (signed and sealed) site plans, building plans and specifications. The geotechnical report must be bound within the final plans and specifications.
13. Satisfactory resolution of any outstanding past due and/or noncompliance items.

14. An Operating Deficit Reserve (“ODR”) in the collective amount of approximately 4 months of operating expenses and debt service will be permitted within the Applicant’s budget, unless the credit underwriter deems a larger reserve is necessary. The calculation of Developer Fee will be exclusive of the budgeted ODR and any ODR “proposed or required by a limited partner or other lender” in excess of the amount of the ODR deemed satisfactory by the credit underwriter will be a subset of Developer Fee. 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 Chapters 67-48 and 67-21. Any and all terms and conditions of the ODR must be acceptable to Florida Housing, its Servicer and its legal counsel.

15. 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.

This recommendation is contingent upon the review and approval by Florida Housing, and its Legal Counsel 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 MMRB pricing date and/or Viability Loan closing date. For competitive Note sales, these items must be reviewed and approved prior to issuance of the Notice of Note Sale.

1. Documentation of the legal formation and current authority to transact business in Florida for the Borrower, the general partner/principal(s)/managers(s) of the Borrower, the guarantors, and any limited partners of the Borrower.

2. 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.

3. An acceptable updated Environmental Audit Report, together with a reliance letter to Florida Housing, prepared within 90 days of MMRB & Viability loan closing, unless otherwise approved by Florida Housing, and Legal Counsel, based upon the particular circumstances of the transaction. Borrower is to comply with any and all recommendations noted in the updated Environmental Audit Report(s) and all other environmental reports related to the property, as deemed appropriate by Florida Housing in its sole discretion.

4. Title insurance pro-forma or commitment for title insurance with copies of all Schedule B exceptions, in the amount of the MMRB & Viability loans naming Florida Housing as the insured. All endorsements required by Florida Housing shall be provided.
5. 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 loans have been satisfied.
6. Evidence of insurance coverage pursuant to the RFA governing this proposed transaction and, as applicable, the FHFC Insurance Guide.
7. 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, and of any corporate guarantor and any manager;
 - b. Authorization, execution, and delivery by the Borrower and the guarantors, of all loan documents;
 - c. The loan 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 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.
8. Evidence of compliance with local concurrency laws, if applicable.
9. 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 MMRB & Viability loans.
10. UCC Searches for the Borrower, its partnerships, as requested by counsel.
11. Any other reasonable conditions established by Florida Housing and its Legal Counsel.

Additional Conditions

This recommendation is also contingent upon the following additional conditions:

1. Compliance with all applicable provisions of 420.507, 420.5087 and 420.509, Florida Statutes, Rule Chapter 67-21 F.A.C, Rule Chapter 67-48 F.A.C., Rule Chapter 67-53, F.A.C., Rule Chapter

67-60, F.A.C., Section 42 I.R.C., RFA 2023-211, and any other applicable State and Federal requirements.

2. Acceptance by the Borrower and execution of all documents evidencing and securing the MMRB and Viability loans in form and substance satisfactory to Florida Housing, including, but not limited to, the Promissory Note, the Loan Agreement(s), the Mortgage and Security Agreement, and the Land Use Restriction Agreement(s) and Final Cost Certificate.
3. MMRB Loan – All amounts necessary to complete construction/rehabilitation, must be deposited with the Trustee prior to closing, or any phased pay-in of amount necessary to complete construction/rehabilitation shall be contingent upon an unconditional obligation, through a Joint Funding Agreement or other mechanism acceptable to Florida Housing, of the entity providing HC Equity payments (and evidence that 100% of such amount is on deposit with such entity at loan closing) to pay, regardless of any default under any documents relating to the HC as long as the First Mortgage continues to be funded.
4. For the MMRB, 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 1.15 DSC on the permanent First Mortgage MMRN as determined by FHFC or the Servicer, 90 percent occupancy, and 90 percent of the gross potential rental income, net of utility allowances, if applicable, for a period equal to twelve (12) consecutive months, all certified by an independent Certified Public Accountant (“CPA”) and verified by the Servicer. The calculation of the DSC 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.
5. For the Viability Loan, Guarantors are to provide the standard FHFC Operating Deficit Guaranty. If requested in writing by the Applicant, Servicer will consider a recommendation to release the Operating Deficit Guaranty if all conditions are met including achievement of a 1.15 Debt Service Coverage on the combined permanent First Mortgage MMRN and Viability Loan as determined by FHFC or the Servicer, and 90% occupancy and 90% of Gross Potential rental income, net of utility allowances, if applicable, for a period equal to twelve (12) consecutive months, all certified by an independent CPA 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.
6. If applicable, receipt and satisfactory review of Financial Statements from all Guarantors dated within 90 days of Real Estate Closing.
7. Guarantors to provide the standard Florida Housing Construction Completion Guaranty; to be released upon lien-free completion as approved by the Servicer.
8. Guarantors are to provide the standard Florida Housing Environmental Indemnity Guaranty.
9. Guarantors are to provide the standard Florida Housing Guaranty of Recourse Obligations.

10. Closing of all funding sources simultaneous with or prior to closing of the MMRB & Viability loans.
11. A mortgagee title insurance policy naming Florida Housing as the insured in the amount of the MMRB & Viability loans is to be issued immediately after closing. Any exceptions to the title insurance policy must be acceptable to Florida Housing or its Legal Counsel. All endorsements that are required by Florida Housing are to be issued and the form of the title policy must be approved prior to closing.
12. Property tax and hazard insurance escrow are to be established and maintained by the First Mortgagee, the Fiscal Agent or the Servicer. In the event the reserve account is held by the Servicer, the release of funds shall be at Florida Housing's sole discretion.
13. Replacement Reserves funds in the amount of \$300 per unit per year are required to be deposited on a monthly basis into a designated escrow account to be maintained by the First Mortgagee/Credit Enhancer, the Trustee, or Florida Housing's loan servicing agent. However, Applicant has the option to prepay Replacement Reserves, as allowed per RFA and Rules 67-21 and 67-48, in the amount of \$75,600 (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. 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 initial replacement reserve will have limitations on the ability to be drawn. 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 10th year after the first residential building 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 subsequent assessments are required every five years thereafter.
14. Moran Construction Consultants, LLC will act as Florida Housing's inspector during the construction period.
15. A minimum of 10% retainage holdback on all construction draws until the Development is 50% complete and 5% retainage thereafter is required per the Construction Contract. Retainage will not be released until successful completion of construction and issuance of all certificates of occupancy which satisfies the RFA and Rules 67-21 and 67-48 minimum requirement.
16. Satisfactory completion of a pre-loan closing compliance audit conducted by Florida Housing or Servicer, if applicable.
17. Closing of all funding sources prior to or simultaneous with the closing of the MMRB and Viability loans.

18. Any other reasonable requirements of the Servicer, Florida Housing, or its Legal Counsel.

Housing Credit Allocation Recommendation

AmeriNat recommends an annual Housing Credit allocation in the amount of \$4,676,388 the construction and permanent financing of The Salix on Vine. Please refer to Exhibit 3 - HC Allocation Calculation for further detail.

HC Contingencies

The HC allocation recommendation is contingent upon the receipt and satisfactory review of the following items by AmeriNat and FHFC. Failure to resolve these contingencies may result in forfeiture of the HC allocation:

1. Closing of all funding sources prior to or simultaneous with the MMRB and Viability loans consistent with the assumptions of this credit underwriting report.
2. Moran Construction Consultants, LLC is to act as construction phase inspector for Florida Housing.
3. Purchase of the HC by the Syndicator or its assigns under terms consistent with the assumptions of this report.
4. Receipt of executed FHFC Fair Housing, Section 504 and ADA as-built certification forms 122, 127, and 129.
5. Satisfactory resolution of any outstanding past due items and/or noncompliance items.
6. Any other reasonable requirements of Florida Housing or its Servicer or Legal Counsel.

Exhibit 1
The Salix on Vine
15 Year Operating Pro Forma

FINANCIAL COSTS/ OPERATING PRO FORMA	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
INCOME:															
Gross Potential Rental Income	\$9,954,672	\$4,033,705	\$4,134,441	\$4,196,790	\$4,270,664	\$4,366,277	\$4,453,603	\$4,542,675	\$4,633,529	\$4,726,199	\$4,820,723	\$4,917,138	\$5,015,480	\$5,115,790	\$5,218,106
Other Income															
Miscellaneous	\$75,339	\$76,642	\$78,175	\$79,798	\$81,513	\$83,320	\$85,219	\$87,211	\$89,297	\$91,478	\$93,754	\$96,126	\$98,594	\$101,158	\$103,824
Washer/Dryer Rentals	\$134,740	\$127,235	\$129,779	\$132,375	\$135,023	\$137,723	\$140,475	\$143,279	\$146,135	\$149,043	\$152,003	\$155,016	\$158,083	\$161,204	\$164,380
Cable/Facility Income	\$89,964	\$91,761	\$93,599	\$95,471	\$97,380	\$99,328	\$101,314	\$103,340	\$105,407	\$107,515	\$109,666	\$111,859	\$114,096	\$116,378	\$118,706
Gross Potential Income	\$4,244,515	\$4,329,405	\$4,415,993	\$4,504,313	\$4,594,400	\$4,686,288	\$4,780,013	\$4,875,634	\$4,973,126	\$5,072,588	\$5,174,040	\$5,277,521	\$5,383,071	\$5,490,739	\$5,600,547
Less:															
Physical Vac. Loss Percentage: 4.00%	\$168,781	\$173,177	\$178,640	\$184,178	\$189,796	\$196,492	\$203,275	\$210,153	\$217,136	\$224,224	\$231,416	\$238,713	\$246,116	\$253,624	\$261,237
Collection Loss Percentage: 1.00%	\$42,445	\$43,294	\$44,160	\$45,041	\$45,944	\$46,869	\$47,807	\$48,758	\$49,721	\$50,706	\$51,713	\$52,742	\$53,793	\$54,865	\$55,958
Total Effective Gross Income	\$4,032,289	\$4,112,935	\$4,195,193	\$4,279,087	\$4,364,679	\$4,451,973	\$4,541,012	\$4,631,833	\$4,723,469	\$4,816,959	\$4,912,328	\$5,009,565	\$5,108,692	\$5,209,741	\$5,312,722
EXPENSES:															
Fixed:															
Real Estate Taxes	\$134,935	\$134,683	\$134,724	\$135,065	\$135,717	\$136,689	\$137,989	\$139,629	\$141,618	\$143,966	\$146,685	\$149,786	\$153,280	\$157,178	\$161,481
Insurance	\$234,230	\$220,636	\$227,345	\$234,062	\$241,084	\$248,337	\$255,766	\$263,439	\$271,342	\$279,482	\$287,867	\$296,505	\$305,398	\$314,546	\$323,957
Variable:															
Management Fee Percentage: 3.07%	\$123,696	\$126,170	\$128,693	\$131,267	\$133,893	\$136,570	\$139,302	\$142,088	\$144,930	\$147,828	\$150,785	\$153,800	\$156,876	\$160,014	\$163,214
General and Administrative	\$93,900	\$94,357	\$96,888	\$98,494	\$100,179	\$101,945	\$103,793	\$105,727	\$107,748	\$109,856	\$112,051	\$114,344	\$116,736	\$119,227	\$121,818
Payroll Expenses	\$127,600	\$127,428	\$127,551	\$127,977	\$128,717	\$129,778	\$131,172	\$132,907	\$134,894	\$137,144	\$139,667	\$142,475	\$145,579	\$148,982	\$152,684
Utilities	\$68,300	\$71,379	\$73,520	\$75,726	\$77,998	\$80,338	\$82,748	\$85,230	\$87,787	\$90,421	\$93,133	\$95,927	\$98,805	\$101,769	\$104,822
Marketing and Advertising	\$8,820	\$9,085	\$9,357	\$9,638	\$9,927	\$10,225	\$10,532	\$10,847	\$11,171	\$11,506	\$11,851	\$12,208	\$12,575	\$12,952	\$13,341
Maintenance and Repairs/Pest Control	\$176,400	\$181,682	\$187,343	\$193,757	\$199,540	\$204,496	\$210,631	\$216,950	\$223,458	\$230,162	\$237,067	\$244,179	\$251,504	\$259,048	\$266,821
Reserve for Replacements	\$75,600	\$75,600	\$75,600	\$75,600	\$75,600	\$75,600	\$75,600	\$75,600	\$75,600	\$75,600	\$75,600	\$75,600	\$75,600	\$75,600	\$75,600
Total Expenses	\$1,402,451	\$1,441,000	\$1,480,720	\$1,521,587	\$1,563,654	\$1,606,967	\$1,651,532	\$1,697,417	\$1,744,650	\$1,793,271	\$1,843,292	\$1,894,732	\$1,947,608	\$2,001,936	\$2,057,725
Net Operating Income	\$2,629,838	\$2,671,935	\$2,714,473	\$2,757,510	\$2,801,025	\$2,845,006	\$2,889,481	\$2,934,416	\$2,979,819	\$3,025,688	\$3,072,036	\$3,118,833	\$3,166,084	\$3,213,805	\$3,262,000
Debt Service Payments															
First Mortgage - MMRN / Groundbridge / Feeble	\$2,157,438	\$2,157,438	\$2,157,438	\$2,157,438	\$2,157,438	\$2,157,438	\$2,157,438	\$2,157,438	\$2,157,438	\$2,157,438	\$2,157,438	\$2,157,438	\$2,157,438	\$2,157,438	\$2,157,438
Second Mortgage - HFC Viability	\$43,000	\$43,000	\$43,000	\$43,000	\$43,000	\$43,000	\$43,000	\$43,000	\$43,000	\$43,000	\$43,000	\$43,000	\$43,000	\$43,000	\$43,000
First Mortgage Fees - MMRN / Groundbridge / Feeble	\$93,982	\$93,240	\$92,877	\$92,485	\$92,058	\$91,600	\$91,209	\$90,776	\$90,351	\$89,935	\$89,528	\$89,130	\$88,741	\$88,361	\$87,989
Second Mortgage Fees - HFC Viability	\$30,750	\$30,750	\$30,750	\$30,750	\$30,750	\$30,750	\$30,750	\$30,750	\$30,750	\$30,750	\$30,750	\$30,750	\$30,750	\$30,750	\$30,750
Total Debt Service Payments	\$2,304,740	\$2,304,401	\$2,304,036	\$2,303,641	\$2,303,216	\$2,302,799	\$2,302,366	\$2,301,796	\$2,301,166	\$2,300,553	\$2,299,895	\$2,299,187	\$2,298,428	\$2,297,613	\$2,296,759
Cash Flow for Debt Service	\$325,098	\$367,534	\$410,437	\$453,869	\$497,809	\$542,257	\$587,214	\$632,680	\$678,653	\$725,133	\$772,141	\$819,646	\$867,657	\$916,166	\$965,241
Debt Service Coverage Ratios															
DOC - First Mortgage plus Fees	1.17x	1.19x	1.21x	1.23x	1.25x	1.27x	1.29x	1.31x	1.33x	1.35x	1.37x	1.39x	1.41x	1.43x	1.45x
DOC - Second Mortgage plus Fees	1.14x	1.16x	1.18x	1.20x	1.22x	1.24x	1.26x	1.27x	1.29x	1.31x	1.33x	1.35x	1.37x	1.39x	1.41x
DOC - All Mortgage and Fees	1.14x	1.16x	1.18x	1.20x	1.22x	1.24x	1.26x	1.27x	1.29x	1.31x	1.33x	1.35x	1.37x	1.39x	1.41x
Financial Ratios															
Operating Expense Ratio	34.78%	35.04%	35.30%	35.56%	35.83%	36.10%	36.37%	36.65%	36.93%	37.21%	37.50%	37.80%	38.10%	38.40%	38.70%
Break Even Economic Occupancy Ratio (all debt)	87.49%	86.66%	85.86%	85.08%	84.32%	83.58%	82.87%	82.18%	81.51%	80.86%	80.23%	79.61%	79.01%	78.42%	77.84%

THE SALIX ON VINE
2021-110B
RFA 2023-211 / 2023-256V
DESCRIPTION OF FEATURES AND AMENTIES

A. The Development will consist of:

252 units distributed in 8 Garden Apartment residential buildings.

Unit Mix:

Sixty (60) two bedroom / two bath units

One hundred and twenty (120) three bedroom / two bath units

Seventy-two (72) four bedroom / two bath units

252 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 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 Applicant has committed to provide the following Optional Features and Amenities for All Developments:

1. 30 year expected life roofing on all buildings
2. Community center and/or clubhouse
3. Swimming Pool

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

1. Programmable thermostat in each unit
2. Energy efficient windows in each unit for all Development Types except Mid-Rise and High Rise: Energy Star rating for all windows in each unit;
3. Install daylight sensors, timers or motion detectors on all outdoor lighting attached to buildings
4. FL Yards and Neighborhoods certification on all landscaping
5. 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

D. The Applicant has committed to provide the following Qualified Resident Program:

1. Resident Activities - These specified activities are planned, arranged, provided and paid for by the Applicant or its Management Company and held between the hours of 9:00 a.m. and 9:00 p.m. These activities must be an integral part of the management plan. The Applicant must develop and execute a comprehensive plan of varied activities that brings the residents together and encourages community pride. The goal here is to foster a sense of community by bringing residents together on a regularly scheduled basis by providing activities such as holiday and special occasion parties, community picnics, newsletters, children's special functions, etc.

HOUSE CREDIT ALLOCATION CALCULATION

Qualified Basis Calculation

Total Development Cost	\$99,591,857
Less Land Costs	\$3,600,000
Less Federal Grants	\$0
Less Other Ineligible Costs	\$6,061,321
Total Eligible Basis	\$89,930,536
Applicable Fraction	100%
DDA/QCT Basis Credit, if applicable	130%
Qualified Basis	\$116,909,697
Housing Credit Percentage (Federal allocation)	4.00%
Annual Housing Credit Allocation	\$4,676,388

Notes to the Qualified Basis Calculation:

1. "Other Ineligible Costs" include a portion of the site costs, accounting fees Florida Housing compliance, administrative, application, and underwriting Viability Loan fees, title insurance/recording fees, organizational costs, market study, marketing/advertising fees, permanent loan fees, various bond fees, arbitrage uses, forward rate lock fee, TEFRA fee, Fiscal Agent fees, land cost and the operating reserve.
2. The Development is 100% set-aside; therefore, the Applicable Fraction is 100%.
3. The Development is located in a Qualified Census Tract ("QCT"); therefore, the 130% multiplier was utilized for the Annual Housing Credit Allocation. HUD-designated QCT census tract number: 409.02. In addition, the Development is located in a SADDA #34746.
4. FY 2021 Omnibus Appropriations and COVID-19 Legislation provides for a minimum rate of 4% for acquisition LIHTC's and tax-exempt private activity bond-financed developments; therefore, the minimum rate of 4% has been applied herein.

GAP Calculation

MMRB, VIABILITY & HC CREDIT UNDERWRITING REPORT

Total Development Cost (including land and ineligible costs)	\$99,591,857
Less Mortgages	\$36,204,000
Less Grants	\$0
Equity Gap	\$63,387,857
HC Percentage to Investment Partnership	99.99%
HC Syndication Pricing	\$0.930
HC Required to meet Equity Gap	\$68,158,989
Annual HC Required	\$6,815,899

Notes to the GAP Calculation:

1. Mortgages include a first mortgage permanent loan from Grandbridge Real Estate Capital LLC, and the FHFC Viability Loan.
2. The HC Syndication Pricing of \$0.930 per dollar and HC Percentage to Investment Partnership are based upon the LOI and applied in the GAP Calculation.

Summary

HC Per Qualified Basis	\$4,676,388
HC Per GAP Calculation	\$6,815,899
Annual HC Recommended	\$4,676,388
HC Proceeds Recommended	\$43,490,406

Notes to Summary:

1. The Annual HC Recommended is equal to the lesser of the Qualified Basis or the GAP Calculation. Therefore, the Qualified Basis was utilized.

50% Test

Total DEPRECIABLE Cost	\$89,930,536
Plus: Land Cost	\$3,600,000
Equals Aggregate Basis	\$93,530,536
Tax Exempt Bond Amount	\$50,000,000
Plus GIC Income	\$5,070,000
LESS Tax Exempt Proceeds Used for Cost of Issuance	\$0
Tax Exempt Proceeds Used for Building and Land	\$55,070,000
Tax Exempt Proceeds as a Percentage of Aggregate Basis	58.88%

Notes to the 50% Bond Test:

1. Based upon this analysis, the 50% Test is satisfactory.

COMPLETENESS AND ISSUES CHECKLIST

DEVELOPMENT NAME: The Salix on Vine
DATE: March 14, 2024

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. 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 timeframe. Unsatisfactory items, if any, are noted below and 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.	
2. Final site plan and/or status of site plan approval.	Satis.	
3. Permit Status.	Satis.	
4. Pre-construction analysis ("PCA").	Satis.	
5. Survey.	Satis.	
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.	Ssatis.	
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.	Satis.	
12. Credit authorizations; verifications of deposits and mortgage loans.	Satis.	
13. Management Agreement and Management Plan.	Unsatis	1
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.	
16. Firm commitment letter(s) for any other financing sources.	Satis.	
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.	Satis.	
19. Fifteen-year income, expense, and occupancy projection.	Satis.	

COMPLETENESS AND ISSUES CHECKLIST

FINAL REVIEW REQUIRED ITEMS:	STATUS	NOTE
	Satis. / Unsatis.	
20. Executed general construction contract with “not to exceed” costs.	Satis.	2
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.	

NOTES AND DEVELOPER RESPONSES:

1. The receipt of an executed Management Agreement and final Management Plan is a condition precedent to loan closing.
2. Receipt and satisfactory review of evidence the subcontracts for Wood Roof & Floor Trusses, Rough Carpentry, and Drywall Allowances have been bought out is a condition precedent to closing.

Construction Inflation Response Viability Funding

Viability Loan Sizing Parameters and Metrics				Cash Flow Assumptions			
Select the Development The Salix on Vine				Net Operating Income:			
RFA of Active Award Non Competitive App				Total Effective Gross Income in CUR Yr 1 \$ 4,032,289.00			
Demographic Commitment Family				Total Operating Expenses in CUR Yr 1 \$ 1,402,451			
Total Number of Units 252				Net Operating Income in CUR Yr 1 \$ 2,629,838.00			
Existing Competitive Active Awards Set Aside Units				Actual Traditional 1st Mortgage:			
9% HC Allocation NA NA				Proposed Amount of Traditional 1st Mortgage \$ 31,904,000.00			
SAIL NA NA				Traditional 1st Mtg Amortization (Years) 40.00			
ELI NA NA				Traditional 1st Mtg Interest Rate 6.190%			
NHTF NA NA				Traditional 1st Mtg Mortgage Constant 6.76219%			
HOME NA NA				Local HFA Bond Fees, if applicable			
Tax Exempt Bond Financing:				Traditional 1st Mtg DSCR (w/ fees) 1.17x			
If MMRB, how much is the Perm Amount? \$ 31,904,000 252*				Net Cash Flow (NCF) after 1st Mtg Debt Service \$ 378,993.88			
Viability Funding Limits:				Debt Service (DS) on FHFC Subsidy Loans (w/ fees) \$ -			
Gross Per Development Limit \$ 15,000,000				NCF after FHFC Subsidy Loans DS & Fees \$ 378,993.88			
Maximum Per Unit Limit \$ 38,000				RFA 2023 211 Minimum 1st Mortgage:			
Net Per Development Limit (\$15,000,000, less \$0) \$ 15,000,000				Maximum 1st Mtg DSCR from Viability RFA 1.30x			
Maximum Limit from PU Limit (252 units x \$38,000 PU) \$ 9,576,000				Sized Debt Service from maximum DSCR \$ 2,022,952.31			
Lesser of Net Per Development or PU Limit \$ 9,576,000				MMRB Fees to be included in Sized Debt Service \$ 187,017.68			
Does the stated Eligible Request Amount need to be adjusted? No				Sized Debt Service to be incorporated, net of fees \$ 1,835,934.63			
If so, how much should be deducted? NA				Mortgage Constant to be incorporated 6.76219%			
Viability Loan Sizing Parameters:				Resulting minimum 1st Mtg \$ 27,150,012.88			
a. Eligible Request Amount:				NCF after resulting minimum 1st Mtg \$ 606,885.69			
Applicant's Request Amount \$ 4,300,000				NCF after FHFC Subsidy Loans DS & Fees \$ 606,885.69			
Per Development/PU Limit \$ 9,576,000				Rule Chapter 67.48.0072(2)(a)2 - Variables and Process:			
Eligible Request Amount: \$ 4,300,000				Total Vacancy & Collection Rate in CUR 5.000%			
b. Gap Analysis for Viability Sizing Purposes Only:				Revenue Growth Rate in CUR 2.000%			
Permanent Funding Sources:				Operating Expense Growth Rate in CUR 3.000%			
Traditional First Mortgage \$ 31,904,000.00				Amortization to be incorporated (Years) 40.00			
FHFC Source 1 NA \$ -				Interest Rate to be incorporated NA			
FHFC Source 2 NA \$ -				Resulting Mortgage Constant for qualifying debt NA			
FHFC Source 3 NA \$ -				Revenue Growth Rate to be incorporated 2.000%			
Bond Collateral Interest \$ 5,070,000.00				Operating Expense Growth Rate to be incorporated 3.000%			
Trust Community Capital, LLC (Solar) \$ 1,836,266.00				Vacancy Rate to be incorporated 7.000%			
Other \$ -				Maximum DSCR for Year 1 NOI 1.50x			
Additional source \$ -				Maximum DSCR for Year 15 NOI 1.25x			
Additional source \$ -				Minimum NCF PU Year 1 (after 1st Mtg DS Only) \$10,000			
Additional source \$ -				Net Operating Income Year 15 NA			
HC Equity \$ 44,116,938.00				(a) Resulting Debt for Year 15 DSCR Limitations NA			
Deferred Developer Fee (85.93%) \$ 32,304,653.04				(b)(i) Resulting Debt for Year 1 DSCR Limitation NA			
Total Sources \$ 99,591,857.04				(b)(ii) Resulting Debt for Year 1 NCS Limitation NA			
Additional First Mortgage (Min 1st Sizing) \$ 93,581.68				(b) Greater of (b)(i) or (b)(ii) NA			
Additional First Mortgage (DCR Sizing) \$ -				Lesser of (a) or (b) NA			
Total Development Costs \$ 99,591,857				Sized Minimum 1st Mortgage per Rule NA			
Maximum Developer Fee Percentage 18%				Resulting DSCR from Sized Minimum 1st Mortgage per Rule (using actual 1st mortgage debt structure) NA			
Total Developer Fee \$ 14,389,089				Verification Debt Coverage Ratio is Not Enhanced			
Minimum 30% Deferred Developer Fee \$ 4,316,726.70				Prior Overall Debt Coverage Ratio			
*Set Asides for MMRB are expressed as the greater of MMRB Set Asides or 4%HC Set Asides for purposes of calculating Compliance Monitoring Fees on the MMRB loan.				Did the Proposed Development have a DSCR prior to the RFA 2023 211 Application Deadline? No			
Total FHFC Servicing Fees				If yes, what was the Net Operating Income used in calculating the DSCR? \$ -			
Permanent Loan Servicing \$ 7,337.92				If yes, what was the total of all debt service and servicing fees of all applicable Permanent Sources of Funding used in calculating the DSCR? \$ -			
MMRB Annual Fee 0.023%				If yes, what was the overall Debt Coverage Ratio, inclusive of all applicable Permanent Sources of Funding? 1.1015x			
MMRB Annual Minimum \$ 2,832.00				The actual overall Debt Coverage Ratio, inclusive of all applicable Permanent Sources of Funding (includes any additional sized 1st Mtg) is: 1.1465x			
MMRB Permanent Loan Servicing Fee \$ 7,337.92				The actual overall Debt Coverage Ratio, inclusive of all applicable Permanent Sources of Funding (includes of actual debts and applicable additional gap sized 1st Mtg) is: 1.1015x			
Non MMRB Annual Fee (a) 0.00%				Since there was no prior existing debt coverage ratio established or drafted prior to the Application Deadline of RFA 2023 211, there is no methodology available to verify whether the debt coverage ratio was or was not enhanced.			
Non MMRB Annual Minimum(s) \$ 0							
Non MMRB Annual Maximum(s) \$ 0							
Non-MMRB Permanent Loan Servicing Fee(s) \$ -							
Compliance Monitoring \$ 5,028.48							
MMRB Annual Base Fee \$ 2,196.00							
Additional MMRB PSAU Fee \$ 11.24							
MMRB Minimum Annual Fee \$ 3,216.00							
MMRB Compliance Monitoring Fee \$ 5,028.48							
Non MMRB Annual Base(s) \$ 0							
Additional Non MMRB PSAU Fee(s) \$ 0							
Non MMRB Annual Minimum(s) \$ 0							
Multiple Program Fee(s) \$ 1,023							
Non-MMRB Compliance Monitoring Fee(s) \$ -							
FHFC MMRB Ongoing Issuer Fees \$ 76,569.60							
MMRB Annual Fee 0.24%							
MMRB Annual Minimum \$ 10,000.00							
FHFC MMRB Trustee Fees \$ 4,500.00							
Flat Rate \$ 4,500.00							

**FLORIDA HOUSING FINANCE CORPORATION
AUTHORIZATION RESOLUTION
THE SALIX ON VINE**

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE ISSUANCE OF THE MULTIFAMILY MORTGAGE REVENUE BOND OR BONDS, 2024 SERIES _____ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (THE SALIX ON VINE) OF THE FLORIDA HOUSING FINANCE CORPORATION (“FLORIDA HOUSING”); PROVIDING FOR A MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF THE MULTIFAMILY MORTGAGE REVENUE BOND OR BONDS, 2024 SERIES _____ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (THE SALIX ON VINE); APPROVING THE PREPARATION, EXECUTION AND DELIVERY OF ONE OR MORE TRUST INDENTURES AND/OR FUNDING LOAN AGREEMENTS WITH A CORPORATE TRUSTEE AND/OR FISCAL AGENT NAMED THEREIN AND ONE OR MORE LOAN AGREEMENTS AND/OR FINANCING AGREEMENTS BETWEEN FLORIDA HOUSING AND THE BORROWER NAMED THEREIN; AUTHORIZING ONE OR MORE LOANS MADE PURSUANT TO ONE OR MORE LOAN AGREEMENTS AND/OR FINANCING AGREEMENTS TO THE BORROWER NAMED THEREIN; AUTHORIZING THE PREPARATION, EXECUTION AND DELIVERY OF ALL DOCUMENTS NECESSARY FOR THE ISSUANCE AND SALE OF THE BONDS, INCLUDING, BUT NOT LIMITED TO, A BOND PURCHASE AGREEMENT AND A PRELIMINARY AND A FINAL OFFICIAL STATEMENT; AUTHORIZING ALL ACTIONS NECESSARY FOR FINAL APPROVAL OF THE ISSUANCE AND SALE OF THE BONDS AND THE FINANCING OF THE SALIX ON VINE 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 Commerce 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”). Florida Housing is authorized by the Act to issue its bonds, debentures, notes or other evidence 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 Bond or Bonds, 2024 Series _____ [one or more series or subseries to be designated] (The Salix on Vine), as tax-exempt or taxable bonds (the “Bonds”), for the purpose of making one or more loans to Vineland Family Apartments, Ltd., together with its predecessors, successors, assigns, affiliates and/or related entities (the “Borrower”), to finance the acquisition, new construction and equipping of an approximately 252-unit multifamily residential rental development named The Salix on Vine located in Kissimmee, Osceola County, Florida (the “Property”); provided that the maximum aggregate principal amount of the Bonds shall not exceed (a) \$50,000,000 or (b) such greater maximum aggregate principal amount of the Bonds which, at the time of issuance, does not exceed a maximum aggregate principal amount which would result in a debt service coverage ratio for the Bonds, as reflected in the Credit Underwriter Confirmation (as defined below), of less than 1.00x (subject to receipt of private activity bond allocation being made available for the tax-exempt Bonds and compliance with Section 147(f) of the Internal Revenue Code of 1986, as amended); 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) that a significant number of low, moderate or middle income persons in the State of Florida are subject to hardship finding or obtaining reasonably accessible decent, safe and sanitary residential housing; and

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

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

WHEREAS, Florida Housing is desirous of taking all action necessary to give final approval for the financing of the Property as described in the Credit Underwriting Report (as defined below) and to issue the Bonds in compliance with the Act and other applicable provisions of State law;

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

1. The Property is hereby given final approval for financing on the terms and conditions as described in the Credit Underwriting Report for the Property prepared by AmeriNat (the “Credit Underwriter”), presented to and approved by the Board on this date (the “Credit Underwriting Report”), with such deviations as an Authorized Signatory (as defined below), in consultation with the staff of Florida Housing, Bond Counsel and/or Special Counsel to Florida Housing, may approve. Execution of one or more trust indentures and/or funding loan agreements and one or more loan agreements and/or financing agreements, each as described below, by an Authorized Signatory (as defined below) shall be conclusive evidence of such approval.

2. Florida Housing hereby authorizes the issuance of the Bonds as a tax-exempt or taxable “Bond” (as such term is defined in, and within the meaning of, the Act), in such series or subseries as Florida Housing shall designate, in a maximum aggregate principal amount that does not exceed (a) \$50,000,000 or (b) such greater maximum aggregate principal amount of the Bonds which does not exceed a maximum aggregate principal amount which would result in a debt service coverage ratio for the Bonds, as reflected in the Credit Underwriter Confirmation, of less

than 1.00x (subject to receipt of private activity bond allocation being made available for the tax-exempt Bonds and compliance with Section 147(f) of the Internal Revenue Code of 1986, as amended). The final maximum aggregate principal amount of the Bonds that may be issued shall be determined by an Authorized Signatory after receipt of the Credit Underwriter Confirmation, provided that in no event shall the maximum aggregate principal amount of the Bonds, at the time of issuance, exceed a maximum aggregate principal amount which would result in a debt service coverage ratio for the Bonds, 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 Bonds and compliance with Section 147(f) of the Internal Revenue Code of 1986, as amended). The “Credit Underwriter Confirmation” is the written confirmation with respect to the Property from the Credit Underwriter, delivered prior to the issuance of the Bonds, that, taking into account any increase in the maximum aggregate principal amount of the Bonds, the conditions set forth in and the requirements of the Credit Underwriting Report have been satisfied. Conclusive evidence of the determination and approval of any such increase in the maximum aggregate principal amount of the Bonds shall be evidenced by a certificate of an Authorized Signatory.

3. One or more trust indentures and/or funding loan agreements between Florida Housing and a corporate trustee and/or fiscal agent named therein (the “Trustee”) setting out the terms and conditions of the Bonds are hereby authorized to be prepared and delivered, in such forms as may be approved by any member of the Board, the Executive Director or the Interim Executive Director, the Chief Financial Officer, the Comptroller 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 forms shall set forth as to the Bonds such maturities, interest rates and purchase price as shall be determined in accordance

with the Act, including Section 420.509, Florida Statutes, and the execution of such trust indentures and/or funding loan agreements by an Authorized Signatory, and the attestation thereof by the Secretary or any Assistant Secretary of Florida Housing, be and hereby is authorized, and the execution thereof by such persons shall be conclusive evidence of such approval.

4. One or more loan agreements and/or financing agreements between Florida Housing and the Borrower setting out the terms of one or more loans of the proceeds of the Bonds by Florida Housing to the Borrower (collectively, the “Loan”) and the payment and other obligations of the Borrower with respect to the Loan (including one or more promissory notes made by the Borrower to Florida Housing evidencing the Loan), the Bonds and the Property are hereby authorized to be prepared and delivered, in such forms as may be approved by an Authorized Signatory, and the execution of such loan agreements and/or financing agreements by an Authorized Signatory, and the attestation thereof by the Secretary or any Assistant Secretary of Florida Housing, be and hereby is authorized, and the execution thereof by such persons shall be conclusive evidence of such approval.

5. One or more preliminary official statements (or preliminary limited offering memorandums) and one or more final official statements (or final limited offering memorandums) are each hereby authorized to be prepared and distributed in connection with the sale of the Bonds in such forms as shall be approved by an Authorized Signatory, and the execution of such preliminary official statement and final official statement, if necessary, by an Authorized Signatory shall be conclusive evidence of such approval.

6. The Bonds shall be sold in accordance with the requirements of the Act, including Section 420.509(12), Florida Statutes. In the event that, pursuant to the Act, the Bonds shall be sold by negotiated sale, an Authorized Signatory is authorized to execute a bond purchase

agreement upon approval of the terms thereof by the staff of Florida Housing, Bond Counsel and/or Special Counsel to Florida Housing, and the execution of such bond purchase agreement by an Authorized Signatory shall be conclusive proof of such approval.

7. An Authorized Signatory is authorized to cause to be prepared by the staff of Florida Housing, Bond Counsel and/or Special Counsel to Florida Housing and to execute and deliver any additional documents necessary for the issuance of the Bonds and the making of the Loan, and the security therefor, and if applicable in connection with the conversion and/or exchange of the Bonds in accordance with the terms and conditions contained in one or more trust indentures and/or funding loan agreements and loan agreements and/or financing agreements, in each case upon the approval by the staff of Florida Housing, Bond Counsel and/or Special Counsel to Florida Housing. All other actions by Florida Housing necessary for the issuance of the Bonds and the making of the Loan, and the security therefor (including, but not limited to, the changing of the title of the Bonds and the series designation of the Bonds, if desirable), and if applicable in connection with the conversion and/or exchange of the Bonds in accordance with the terms and conditions contained in one or more trust indentures and/or funding loan agreements and in one or more loan agreements and/or financing agreements, are hereby authorized.

8. The principal of, premium, if any, and all interest on the Bonds shall be payable solely out of revenues and other amounts pledged therefor as described in one or more trust indentures and/or funding loan agreements. The Bonds do not constitute an obligation, either general or special, of the State of Florida 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; and neither the credit, the revenues, nor the taxing power of the State or of any unit of local government thereof shall be, or shall be deemed to be, pledged to the payment of the Bonds.

9. The Bonds may be executed either manually or by facsimile signature by an Authorized Signatory or other officer of Florida Housing. In case any Authorized Signatory or officer whose signature or a facsimile of whose signature appears on the Bonds ceases to be an Authorized Signatory or officer before delivery of the Bonds, the signature or facsimile signature is nevertheless valid and sufficient for all purposes as fully and to the same extent as if he or she had remained in office until the delivery of the Bonds.

10. The maximum aggregate principal amount of the Bonds 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.

11. 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.

12. This Resolution shall take effect immediately upon adoption.

[Remainder of page intentionally left blank]

ADOPTED this 26th day of March, 2024.

(SEAL)

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

ATTEST:

Melissa Levy, Assistant Secretary, Florida
Housing Finance Corporation's Board of
Directors

Ryan Benson, 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 26th day of March, 2024, 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.

By _____

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 March, 2024 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
THE SALIX ON VINE

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING AND APPROVING THE NEGOTIATED SALE OF THE MULTIFAMILY MORTGAGE REVENUE BOND OR BONDS, 2024 SERIES _____ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (THE SALIX ON VINE) OF THE FLORIDA HOUSING FINANCE CORPORATION (“FLORIDA HOUSING”); AUTHORIZING THE NEGOTIATION AND EXECUTION OF ONE OR MORE BOND PURCHASE AGREEMENTS, BOND PLACEMENT AGREEMENTS AND/OR TRUST INDENTURES AND/OR FUNDING LOAN AGREEMENTS AND SUCH OTHER DOCUMENTS AS ARE NECESSARY FOR THE NEGOTIATED SALE OF THE BOND OR BONDS; AUTHORIZING THE EXECUTIVE DIRECTOR OR INTERIM EXECUTIVE DIRECTOR, THE CHIEF FINANCIAL OFFICER, THE COMPTROLLER OR ANY MEMBER OF THE BOARD OF DIRECTORS OF FLORIDA HOUSING OR OTHER AUTHORIZED SIGNATORY TO TAKE ANY OTHER ACTIONS NECESSARY TO NEGOTIATE THE SALE OF THE BOND OR BONDS 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 Commerce 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”). Florida Housing is authorized by the Act to issue its bonds, debentures, notes or other evidence 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 Bond or Bonds, 2024 Series _____ [one or more series or

subseries to be designated] (The Salix on Vine), as tax-exempt or taxable bonds (the “Bonds”), for the purpose of making one or more loans to Vineland Family Apartments, Ltd., together with its predecessors, successors, assigns, affiliates and/or related entities (the “Borrower”), to finance the acquisition, new construction and equipping of an approximately 252-unit multifamily residential rental development named The Salix on Vine located in Kissimmee, Osceola County, Florida; provided that the maximum aggregate principal amount of the Bonds shall not exceed (a) \$50,000,000 or (b) such greater maximum aggregate principal amount of the Bonds which, at the time of issuance, does not exceed a maximum aggregate principal amount which would result in a debt service coverage ratio for the Bonds of less than 1.00x (subject to receipt of private activity bond allocation being made available for the tax-exempt Bonds 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 one or more purchasers through an underwriter or placement agent designated by Florida Housing for a negotiated sale or a private placement of the Bonds through such underwriter or placement agent if Florida Housing by official action at a public meeting determines that such negotiated sale or private placement of the Bonds is in the best interest of Florida Housing; and

WHEREAS, Florida Housing has reviewed the market conditions and trends affecting the execution, delivery and negotiated sale or private placement of the Bonds; and

WHEREAS, Florida Housing has received a recommendation and reviewed and looked at the relative advantage of a negotiated sale or a private placement of the Bonds in light of the 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 Bonds and the current and anticipated market conditions render the Bonds a candidate for a negotiated sale; and

WHEREAS, based on the foregoing, the Board has made the following findings of fact:

A negotiated sale of the Bonds is in the best interest of Florida Housing and the public based on the current market conditions and based upon the structure of the Bonds. Existing and projected market conditions and any lack of flexibility in the sale of the Bonds could be prejudicial to Florida Housing and to the public. Additionally, the structure of the Bonds and the current demand for these types of obligations support a negotiated sale.

NOW, THEREFORE, BE IT RESOLVED BY FLORIDA HOUSING:

1. A negotiated sale of the Bonds is in the best interest of Florida Housing and the public for the reasons herein described.

2. The negotiated sale of the Bonds is to be negotiated by Florida Housing with or through RBC Capital Markets, LLC (hereinafter referred to as the “Underwriter”) and the purchaser or purchasers of the Bonds (collectively, the “Purchaser”).

3. The Bonds are to be generally described as follows:

Florida Housing Finance Corporation
Multifamily Mortgage Revenue Bond or Bonds,
2024 Series _____ [one or more series or subseries to be designated]
(The Salix on Vine).

4. Florida Housing shall negotiate with or through the Underwriter and shall execute such documents as are necessary to sell the Bonds to the Purchaser pursuant to this Resolution. It is expected that upon the satisfaction of certain conditions of conversion, the Bonds will be converted to and/or exchanged for a governmental note that will be purchased by Grandbridge Real Estate Capital, LLC, or a related entity, pursuant to a forward commitment with the Federal Home Loan Mortgage Corporation. Any member of the Board, the Executive Director or the

Interim Executive Director, the Chief Financial Officer, the Comptroller 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 the negotiated sale of the Bonds and to execute a bond purchase agreement upon approval of the terms thereof, and the execution thereof by an Authorized Signatory shall be conclusive evidence of such approval.

5. The authority to execute the bond purchase agreement is predicated upon the bond purchase agreement, providing for an interest rate on the Bonds that will not exceed 10% per annum and will provide for a sale of the Bonds in conformance with the program documents.

6. An Authorized Signatory and 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 a negotiated sale of the Bonds pursuant to this Resolution and to provide for the use of the proceeds of the Bonds contemplated by this Resolution.

7. The negotiated sale of the Bonds 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 are hereby superseded and repealed to the extent of such conflict.

9. This Resolution shall take effect immediately upon adoption.

[Remainder of page intentionally left blank]

ADOPTED THIS 26th day of March, 2024.

(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

Melissa Levy, Assistant Secretary, Florida
Housing Finance Corporation's Board of
Directors

Ryan Benson, 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 26th day of March, 2024, 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.

By _____
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 March, 2024 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

Credit Underwriting Report

Emerald Villas Phase Three

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

2022-103B / 2022-534C

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

March 14, 2024

Emerald Villas Phase Three

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Section A

Report Summary

Buildings: Residential - 1 Non-Residential - 0
 Parking: Parking Spaces - 164 Accessible Spaces - 6

Set Asides:

Program	% of Units	# of Units	% AMI	Term (Years)
HC	25.556%	23	50%	30
HC	62.222%	56	60%	30
HC	12.222%	11	80%	30
MMRN	40%	36	60%	30

Absorption Rate 22.5 units per month for 4.0 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: 3.81 Density: 23.62 Flood Zone Designation: X
 Zoning: R-3, Multiple Family Dwelling District Flood Insurance Required?: No

DEVELOPMENT TEAM		
Applicant/Borrower:	Emerald Villas Phase Three, LLC	
Manager	Emerald Villas Phase Three Manager, LLC	% Ownership 0.0051%
Member	ONIC-Emerald Villas Phase Three, LLC ("ONIC-EVT")	0.0049%
Member	Bank of America, N.A. and/or its affiliates ("BofA")	99.9900%
Construction Completion Guarantor(s):		
CC Guarantor 1:	Emerald Villas Phase Three, LLC	
CC Guarantor 2:	Emerald Villas Phase Three Manager, LLC	
CC Guarantor 3:	ONIC-EVT & Orlando Neighborhood Improvement Corporation, Inc. ("ONIC")	
CC Guarantor 4:	Milo Family Real Estate Investments, LLC ("MFREI")	
CC Guarantor 5:	Alberto Milo, Jr. & Maria C. Milo, individually and as tenants by the entireties	
CC Guarantor 6:	RUDG, LLC & The Urban Development Group, LLC	
CC Guarantor 7:	PRH Affordable Investments, LLC ("PRHAI") & PRH Investments, LLC ("PRHI")	
CC Guarantor 8:	Emerald Villas Phase Three Developer, LLC & ONIC-Emerald Villas Phase Three Developer, LLC	
Operating Deficit Guarantor(s):		
OD Guarantor 1:	Emerald Villas Phase Three, LLC	
OD Guarantor 2:	Emerald Villas Phase Three Manager, LLC	
OD Guarantor 3:	ONIC-EVT and ONIC	
OD Guarantor 4:	MFREI	
OD Guarantor 5:	Alberto Milo, Jr. & Maria C. Milo, individually and as tenants by the entireties	
OD Guarantor 6:	RUDG, LLC & The Urban Development Group, LLC	
OD Guarantor 7:	PRHAI and PRHI	
OD Guarantor 8:	Emerald Villas Phase Three Developer, LLC & ONIC-Emerald Villas Phase Three Developer, LLC	
Note Purchaser	Construction: BofA / Permanent: Cedar Rapids Bank & Trust ("CRBT")	
Developer:	Emerald Villas Phase Three Developer, LLC	
General Contractor 1:	Related Urban Construction, LLC ("RUC" or "GC")	
Management Company:	TRG Management Company LLLP	
Syndicator:	BofA	
Note Issuer:	FHFC	
Architect:	Fugleberg Koch LLC	
Market Study Provider:	Walter Duke + Partners ("Walter Duke")	
Appraiser:	Walter Duke	

PERMANENT FINANCING INFORMATION			
	1st Source	2nd Source	3rd Source
Lien Position	1st	2nd	3rd
Lender/Grantor	FHFC / CRBT	Orange County / NLP - Housing Trust Fund ("HTF")	Orange County / NLP - American Rescue Plan ("ARP")
Amount	\$5,600,000	\$4,500,000	\$2,500,000
Underwritten Interest Rate	5.85%	0.50%	0.00%
All In Interest Rate	5.85%	0.50%	0.00%
Loan Term	18	30	30
Amortization	40	30	0
Market Rate/Market Financing LTV	30%	55%	68%
Restricted Market Financing LTV	55%	99%	124%
Loan to Cost - Cumulative	23%	41%	51%
Debt Service Coverage	1.25	0.83	0.83
Operating Deficit Reserve	\$263,820		
# of Months covered by the Reserves	2.6		

Deferred Developer Fee	\$707,041
As-Is Land Value	\$1,800,000
Market Rent/Market Financing Stabilized Value	\$18,410,000
Rent Restricted Market Financing Stabilized Value	\$10,190,000
Projected Net Operating Income (NOI) - Year 1	\$482,660
Projected Net Operating Income (NOI) - 15 Year	\$534,179
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	\$0.95
HC Annual Allocation - Initial Award	\$1,868,611
HC Annual Allocation - Qualified in CUR	\$1,188,934
HC Annual Allocation - Equity Letter of Interest	\$1,181,494

CONSTRUCTION/PERMANENT SOURCES:				
Source	Lender	Construction	Permanent	Perm Loan/Unit
FHFC - MMRN	FHFC / BofA	\$12,000,000	\$0	\$0
FHFC - MMRN	FHFC / CRBT	\$0	\$5,600,000	\$62,222
Local Government Subsidy	Orange County / NLP - HTF	\$4,500,000	\$4,500,000	\$50,000
Local Government Subsidy	Orange County / NLP - ARP	\$2,500,000	\$2,500,000	\$27,778
HC Equity	BofA	\$3,928,074	\$11,223,068	\$124,701
Deferred Developer Fee	Emerald Villas Phase Three Developer, LLC	\$1,338,215	\$707,041	\$7,856
Operating Deficit Reserve	Emerald Villas Phase Three, LLC	\$263,820	\$0	\$0
Other	BofA - Equity for Transaction Exp.	\$86,650	\$86,650	\$963
TOTAL		\$24,616,759	\$24,616,759	\$273,520

Credit Underwriter: First Housing
Date of Final CUR: _____
TDC PU Limitation at Application: N/A TDC PU Limitation at Credit Underwriting: N/A
Minimum 1st Mortgage per Rule: N/A Amount Dev. Fee Reduced for TDC Limit: N/A

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.
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?	4.	

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?	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?	X	
Is the Development in all other material respects the same as presented in the Application?	5.	

The following are explanations of the changes from Application:

1. Since the Application, the ownership interest of Milo Family Real Estate Investments, LLC within the Applicant and Developer has changed. Closing is conditioned upon FHFC's Board approval of a rule waiver for this change (see Waiver Requests below).

Ownership Interest of Milo Family Real Estate Investments, LLC From:	Ownership Interest of Milo Family Real Estate Investments, LLC To:
Alberto Milo Jr. – Manger/Member (50%) Maria C. Milo – Manager/Member (50%)	Alberto Milo Jr. – Manager/Member (1.50%) Alberto Milo Jr.; Tenant by the Entireties – Member (48.50%) Maria C. Milo – Manager/Member (1.50%) Maria C. Milo; Tenant by the Entireties – Member (48.50%)

2. Since the Application, the ownership of the Developer has changed. Closing is conditioned upon FHFC's approval of this change.

Ownership Interest of Emerald Villas Phase Three Developer, LLC From:	Ownership Interest of Emerald Villas Phase Three Developer, LLC To:
JMPFT Affordable, LLC – Manager/Member Milo Family Real Estate Investments, LLC – Member ADP Ventures, LLC – Member ONIC – Emerald Villas Phase Three, LLC - Member	RUDG, LLC – Manager/Member JMPFT Affordable, LLC –Member Milo Family Real Estate Investments, LLC – Member ADP Ventures, LLC – Member ONIC – Emerald Villas Phase Three Developer, LLC - Member

3. The amount of the MMRN has decreased from \$13,700,000 in the Application to \$12,000,000 at credit underwriting.
4. Total Development Costs (“TDC”) have decreased by a total of \$2,604,015, or 9.6%, from \$27,220,774 to \$24,616,759 since the Application. The change is mainly due to value engineering hard construction costs.
5. Since the Application, the address has changed from 3204 El Primo Way, Orlando, FL 32808 to 5845 El Segundo Way, Orlando, FL 32808. FHFC approval of this changed is a condition to close.

The above changes have no substantial material impact to the MMRN 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 October 18, 2023, the Development team has the following noncompliance item(s) not in the correction period:

- Congress Building: Failure to meet Uniform Physical Inspection Standards for common areas.
- Emerald Villas:
 - 1) Casualty Loss – sinkhole on 5/18/23
 - 2) Failure to meet uniform physical condition standards for units.
 - 3) Failure to meet uniform physical condition standards for buildings.

According to the FHFC Past Due report, dated February 15, 2024, 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.

Issues and Concerns:

1. First Housing received a Statement of Financial Affairs, dated May 17, 2021, which indicates that Jorge M. Perez, an affiliate of the Applicant and Developer, has been involved in previous loan workouts which included loan restructures, deeds in lieu of foreclosure, and loan workouts due to the recession of 2008. These workouts were primarily on condominiums of which the various related single purpose entities could no longer meet their loan obligations.

Mitigating Factors:

1. During this time, all of Mr. Perez' affordable housing communities remained current on their loans and in full compliance. First Housing is not aware of any other arrearages or material defaults outstanding at this time.

Waiver Requests/Special Conditions:

1. The Applicant will be required to submit a rule waiver to change the principals of the Applicant identified in the Application prior to the MMRN loan closing under Rule 67-21.003(1)(b), F.A.C. and the Non-Competitive Application Instructions. The ownership interest of Milo Family Real Estate Investments, LLC was incorrectly identified in the Application.

Additional Information:

1. The equity provider is a related entity to the construction lender, which will cause the interest on the MMRN to be taxable, while held by BofA. Additionally, IRS regulations related to the substantial user issue will not allow the Note issuer, Florida Housing, to receive its full standard issuer fees during construction (when BofA is the Noteholder). There will not be a substantial user issue during the permanent phase since BofA will no longer be the Noteholder.
2. The Applicant has applied to BofA/CRBT 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 BofA/CRBT 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 BofA/CRBT of tax-exempt bonds.

Recommendation:

First Housing recommends a Tax-Exempt MMRN in the amount of \$12,000,000 and an annual 4% HC Allocation of \$1,188,934 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 reader is cautioned to refer to these sections for complete information.

Prepared by:



Brian Borer
Underwriter

Reviewed by:



Edward Busansky
Senior Vice President

Overview

Construction Financing Sources:

Construction Sources	Lender	Application	Revised Applicant	Underwriter	Construction Interest Rate	Annual Construction Debt Service
FHFC - MMRN	FHFC / BofA	\$13,700,000	\$12,000,000	\$12,000,000	8.66%	\$1,039,200
Local Government Subsidy	Orange County / NLP - HTF	\$7,000,000	\$4,500,000	\$4,500,000	0.50%	\$22,500
Local Government Subsidy	Orange County / NLP - ARP	\$0	\$2,500,000	\$2,500,000	0.00%	\$0
HC Equity	BofA	\$4,424,881	\$3,928,074	\$3,928,074		
Deferred Developer Fee	Emerald Villas Phase Three Developer, LLC	\$2,095,893	\$1,358,872	\$1,338,215		
Operating Deficit Reserve	Emerald Villas Phase Three, LLC	\$0	\$290,354	\$263,820		
Other	BofA - Equity for Transaction Exp.	\$0	\$0	\$86,650		
Total		\$27,220,774	\$24,577,300	\$24,616,759		\$1,061,700

First Mortgage:

The Applicant has requested \$12,000,000 in tax-exempt MMRN to be issued by FHFC for the construction of the Development. First Housing has reviewed a letter of interest from BofA, dated February 8, 2024. BofA’s construction loan amount will be limited to the lesser of: i) \$12,000,000; ii) 85% loan to cost, as determined by BofA in its sole and absolute discretion; or iii) 80% loan to value based on the stabilized appraised value, including rent restrictions, plus the value of the low-income housing tax credits (“LIHTC”). The construction loan will have a term of 30 months, plus one 6-month extension option available upon payment of a 0.50% extension fee. The loan will require monthly interest only payments. The interest rate on the loan will float based on the Bloomberg Short-Term Bank Yield Index rate (“BSBY”) plus 2.50%. BSBY was 5.41% as of February 8, 2024, and First Housing has included an underwriting cushion in the amount of 0.75%, which means the resulting overall rate as of February 8, 2024 was 8.66%.

The annual FHFC Issuer Fee of 12.5 basis points and the annual Fiscal Agent Fee of \$4,500 are included in the Uses section of this report. The FHFC Issuer Fee is less than 24 basis points since the equity provider is a related entity to the construction lender.

Orange County/NLP Loan – HTF and ARP:

First Housing reviewed a draft Amendment No. 1 to Multi-Family Affordable Housing Developer’s Agreement between Orange County (“County”), Emerald Villas Phase Three, LLC and Neighborhood Lending Partners of Florida, Inc. (“NLP”). According to the agreement, the

County has reserved funds in an amount of \$4,500,000 toward the cost of the Development from the Housing Trust Fund and \$2,500,000 of the County's American Rescue Plan funds to close a funding gap. The HTF Loan and the ARP Loan shall be evidenced by separate promissory notes but may, in the County's discretion, be secured by the same security instruments and loan documents.

The term of the HTF Loan shall consist of an interest-only 24-month construction period (subject to one 6-month extension) and a permanent loan term of 30 years. The loan shall bear an interest rate of 0.50% simple interest per annual. During the permanent period, payments of principal and interest shall be based on a 30-year amortization schedule. The payments will be payable from Cash Flow only.

The term of the ARP Loan shall consist of a 0% interest 24-month construction period (subject to one 6-month extension) and a deferred permanent loan of 30 years with 0% interest. No principal payments shall be due on the ARP Loan and the entire balance shall be due and payable at maturity. However, the County reserves the option to forgive the ARP Loan in the County's sole discretion.

Housing Credit Equity:

First Housing has reviewed a letter, dated February 8, 2024, indicating BofA and/or its affiliate 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 \$1,181,494 with a syndication rate of \$0.95 per dollar. BofA anticipates a net capital contribution of \$11,223,068 and has committed to make available 35%, or \$3,928,074, of the total net equity during the construction period. Three additional installments will be available at 100% completion, stabilization, and issuance of Form 8609. The first installment, in the amount of \$2,244,614, or 20%, meets the FHFC 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 \$1,338,215, or 36.2%, of the total Developer Fee of \$3,695,480.

Deferred Operating Deficit Reserve ("ODR"):

Since the ODR will not be funded until the Development achieves stabilization, it is shown as a deferred source during the construction period to help balance the sources and uses of funds.

Other – BofA Equity for Transaction Expenses:

According to the equity LOI from BofA mentioned above, BofA is responsible for its transaction expenses up to \$86,650 and Emerald Villas Phase Three Manager, LLC is responsible for any above that amount. To cover said costs/expenses, BofA is funding a separate equity installment at closing in the amount of \$86,650 that is separate from the capital installments funded as part of the tax credit calculation.

Permanent Financing Sources:

Permanent Sources	Lender	Application	Revised Applicant	Underwriter	Term Yrs.	Amort. Yrs.	Interest Rate	Annual Debt Service
FHFC - MMRN	FHFC / CRBT	\$6,675,000	\$5,700,000	\$5,600,000	18	40	5.85%	\$362,741
Local Government Subsidy	Orange County / NLP - HTF	\$7,000,000	\$4,500,000	\$4,500,000	30	30	0.50%	\$161,562
Local Government Subsidy	Orange County / NLP - ARP	\$0	\$2,500,000	\$2,500,000	30	0	0.00%	\$0
HC Equity	BofA	\$12,642,517	\$11,223,068	\$11,223,068				
Deferred Developer Fee	Emerald Villas Phase Three Developer, LLC	\$903,257	\$654,232	\$707,041				
Other	BofA - Equity for Transaction Exp.	\$0	\$0	\$86,650				
Total		\$27,220,774	\$24,577,300	\$24,616,759				\$524,304

First Mortgage:

First Housing reviewed a letter of interest from the Specialty Finance Group of CRBT dated January 31, 2024, to provide tax-exempt permanent financing for the Development. The loan amount will be limited to the lesser of (a) \$5,600,000; (b) the amount necessary to provide a 1.15 to 1.00 debt service coverage ratio with respect to the Development measured at the funding of the Loan; or (c) the amount such that the loan amount will not exceed 90% of the as-stabilized rent restricted appraised value. The interest rate will be fixed by a SWAP Agreement that is calculated to include a 36-month forward rate lock, with the underlying loan accruing interest at Secured Overnight Financing Rate (“SOFR”) plus 1.55% per annum. As of January 31, 2024, the interest rate is 5.85%. Monthly payments during the first 3 years (36 months) will be interest-only, followed by 15 years (180 months) of monthly payments of principal and interest based on a 40-year amortization schedule. All unpaid principal and interest due at maturity of the 18-year term. Rule Chapter 67-21 requires the loan to begin amortizing by the 37th month following closing.

The Permanent Loan will mature 18 years following the termination of the construction phase and conversion to the permanent phase. At maturity, the Applicant may satisfy the MMRN via refinancing or sale of the Development pending market feasibility. In the event the Applicant is unable to refinance or effectuate a sale to fund the payoff of the MMRN loan, then an event of default would not be triggered under the loan documents. Instead, a “Mortgage Assignment Event” would occur whereby CRBT agrees to cancel the MMRN 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 MMRN and discharge the lien of the Funding Loan Agreement. Then the Fiscal Agent would assign the mortgage loan and any other related documents and collateral to CRBT, effectively ending the tax-exempt financing provided by FHFC. Under this scenario, the MMRN 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, CRBT would then be in a position to work with the Applicant to arrive at a resolution without involvement of either FHFC or the Fiscal Agent (as the MMRN would have been cancelled and would no longer be outstanding).

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, subject to a minimum of \$10,000, 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 \$243. The annual Compliance Monitoring Fee is based upon a fee which is comprised of a base fee of \$188 per month plus an additional fee per set-aside unit of \$11.58 per year, subject to a minimum of \$295 per month.

Orange County/NLP Loan – HTF and ARP:

First Housing reviewed a draft Amendment No. 1 to Multi-Family Affordable Housing Developer's Agreement between the County, Emerald Villas Phase Three, LLC and NLP. According to the agreement, the County has reserved funds in an amount of \$4,500,000 toward the cost of the Development from the Housing Trust Fund and \$2,500,000 of the County's American Rescue Plan funds to close a funding gap. The HTF Loan and the ARP Loan shall be evidenced by separate promissory notes but may, in the County's discretion, be secured by the same security instruments and loan documents.

The term of the HTF Loan shall consist of an interest-only 24-month construction period (subject to one 6-month extension) and a permanent loan term of 30 years. The loan shall bear an interest rate of 0.50% simple interest per annual. During the permanent period, payments of principal and interest shall be based on a 30-year amortization schedule. The payments will be payable from Cash Flow only.

The term of the ARP Loan shall consist of a 0% interest 24-month construction period (subject to one 6-month extension) and a deferred permanent loan of 30 years with 0% interest. No principal payments shall be due on the ARP Loan and the entire balance shall be due and payable at maturity. However, the County reserves the option to forgive the ARP Loan in the County's sole discretion.

In addition, a servicing fee in the amount of \$2,916.67 per month will be due and payable to NLP, regardless of available cash flow for loan payments.

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. An HC calculation is contained in Exhibit 2 of this credit underwriting report. Based on the letter dated February 8, 2024, BofA will provide HC equity as follows:

Bank of America, N.A. and/or its affiliate
Syndication Contributions

Capital Contributions	Amount	Percentage of Total	When Due
1st Installment	\$2,244,614	20.00%	Closing
2nd Installment	\$1,683,460	15.00%	50% Completion
3rd Installment	\$1,122,307	10.00%	100% Completion
4th Installment	\$5,611,534	50.00%	Stabilization
5th Installment	\$561,153	5.00%	8609s
Total	\$11,223,068	100.00%	

Annual Credit Per Syndication Agreement	\$1,181,494
Calculated HC Exchange Rate	\$0.95
Limited Partner Ownership Percentage	99.99%
Proceeds Available During Construction	\$3,928,074

Deferred Developer Fee:

To balance the sources and uses of funds during the permanent funding period, the Developer is required to defer \$707,041, or 19.1%, of the total Developer Fee of \$3,695,480.

Other – BofA Equity for Transaction Expenses:

According to the equity LOI from BofA mentioned above, BofA is responsible for its transaction expenses up to \$86,650 and Emerald Villas Phase Three Manager, LLC is responsible for any

above that amount. To cover said costs/expenses, BofA is funding a separate equity installment at closing in the amount of \$86,650 that is separate from the capital installments funded as part of the tax credit calculation.

Uses of Funds

CONSTRUCTION COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
New Rental Units	\$14,850,000	\$12,772,100	\$12,772,100	\$141,912	\$0
Site Work	\$500,000	\$631,000	\$631,000	\$7,011	\$63,100
Constr. Contr. Costs subject to GC Fee	\$15,350,000	\$13,403,100	\$13,403,100	\$148,923	\$63,100
General Conditions	\$0	\$804,186	\$804,186	\$8,935	\$0
Overhead	\$0	\$268,061	\$268,062	\$2,978	\$0
Profit	\$2,149,000	\$804,186	\$804,186	\$8,935	\$0
Total Construction Contract/Costs	\$17,499,000	\$15,279,533	\$15,279,534	\$169,773	\$63,100
Hard Cost Contingency	\$874,950	\$763,977	\$763,976	\$8,489	\$0
PnP Bond paid outside Constr. Contr.	\$118,057	\$105,239	\$105,239	\$1,169	\$0
FF&E paid outside Constr. Contr.	\$100,000	\$100,000	\$100,000	\$1,111	\$0
Other: Site Security	\$75,000	\$75,000	\$75,000	\$833	\$0
Total Construction Costs:	\$18,667,007	\$16,323,749	\$16,323,749	\$181,375	\$63,100

Notes to Total Construction Costs:

1. The Applicant has provided an executed construction contract, dated December 21, 2023. This is a Standard Form of Agreement between Owner, Emerald Villas Phase Three, LLC, and General Contractor (“GC”), Related Urban Construction, LLC, where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price (“GMP”) in the amount of \$15,279,534. Per the terms of the GC Contract, substantial completion is to be achieved no later than 16 months (487 calendar days) from the date of commencement. Holdback for retainage will be 10% until 50% construction completion, reduced to 5% thereafter.
2. The Hard Cost Contingency is within 5% of the total construction cost as allowed for new construction developments by Rule Chapter 67-21.
3. The 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.
4. The GC Contract includes \$866,000 in allowances (equal to 5.7% of the GMP), including \$506,000 for sitework and \$360,000 for cabinets and countertops. The cost analyst hired by First Housing indicates in the Property Condition Assessment (“PCA”) that the allowances in the GMP are reasonable for a project of this size and scope. The scope captured within the site work allowance include import fill, spread and compact, rough and finish grading, building prep, erosion control maintenance, stormwater drainage, sanitary sewer, water main, stabilization, limerock base, asphalt paving, concrete curbing, concrete sidewalk and driveway, and ADA ramps.

5. Washers and dryers will only be provided in common areas and not leased to residents.

GENERAL DEVELOPMENT COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Accounting Fees	\$50,000	\$50,000	\$50,000	\$556	\$50,000
Appraisal	\$7,500	\$7,500	\$7,500	\$83	\$0
Architect's Fee - Site/Building Design	\$507,000	\$507,000	\$507,000	\$5,633	\$0
Building Permits	\$100,000	\$100,000	\$100,000	\$1,111	\$0
Builder's Risk Insurance	\$101,057	\$88,239	\$88,239	\$980	\$0
Engineering Fees	\$81,350	\$81,350	\$81,350	\$904	\$0
Environmental Report	\$10,000	\$10,000	\$10,000	\$111	\$0
FHFC Administrative Fees	\$119,783	\$106,334	\$107,004	\$1,189	\$107,004
FHFC Application Fee	\$3,000	\$3,000	\$3,000	\$33	\$3,000
FHFC Credit Underwriting Fee	\$30,000	\$30,000	\$21,635	\$240	\$21,635
FHFC Compliance Fee	\$0	\$135,000	\$0	\$0	\$0
Impact Fee	\$215,000	\$215,000	\$215,000	\$2,389	\$0
Lender Inspection Fees / Const Admin	\$100,000	\$50,000	\$50,000	\$556	\$0
Insurance	\$174,990	\$152,795	\$152,795	\$1,698	\$76,398
Legal Fees - Organizational Costs	\$406,000	\$200,000	\$256,000	\$2,844	\$100,000
Market Study	\$7,500	\$7,500	\$5,500	\$61	\$5,500
Marketing and Advertising	\$100,000	\$100,000	\$100,000	\$1,111	\$100,000
Plan and Cost Review Analysis	\$7,500	\$7,500	\$3,400	\$38	\$0
Soil Test	\$7,500	\$7,500	\$7,500	\$83	\$0
Survey	\$50,000	\$50,000	\$50,000	\$556	\$0
Title Insurance and Recording Fees	\$122,100	\$80,419	\$80,419	\$894	\$12,063
Utility Connection Fees	\$370,800	\$350,000	\$350,000	\$3,889	\$0
Soft Cost Contingency	\$114,268	\$111,294	\$116,357	\$1,293	\$6,103
Other: Miscellaneous Costs	\$10,000	\$80,800	\$80,800	\$898	\$10,000
Total General Development Costs:	\$2,695,348	\$2,531,231	\$2,443,499	\$27,150	\$491,703

Notes to General Development Costs:

1. General Development Costs are the Applicant's updated estimates, which appear reasonable.
2. First Housing has utilized actual costs for: Appraisal, FHFC Application Fee, FHFC Credit Underwriting Fee, Market Study, and PCA.
3. The FHFC Administrative Fee is based on 9% of the recommended annual 4% Housing Credit allocation.
4. First Housing adjusted Soft Cost Contingency to equal 5% of General Development Costs less Soft Cost Contingency, as allowed by Rule Chapter 67-21 for new construction developments.

5. Other: Miscellaneous Costs includes amounts for utility relocation, threshold inspections, utility allowance study, and administrative costs. The \$10,000 ineligible cost is associated with the administrative costs.

FINANCIAL COSTS:	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Construction Loan Application Fee	\$0	\$10,000	\$10,000	\$111	\$10,000
Construction Loan Origination Fee	\$239,750	\$120,000	\$120,000	\$1,333	\$48,000
Construction Loan Closing Costs	\$0	\$25,000	\$25,000	\$278	\$0
Construction Loan Interest	\$882,280	\$974,400	\$1,224,588	\$13,607	\$365,400
Permanent Loan Origination Fee	\$66,750	\$10,000	\$10,000	\$111	\$10,000
Permanent Loan Closing Costs	\$183,000	\$0	\$0	\$0	\$0
FHFC Note Fiscal Agent Fee	\$0	\$15,000	\$11,250	\$125	\$11,250
FHFC Note Cost of Issuance	\$0	\$85,000	\$207,863	\$2,310	\$207,863
Placement Agent/Underwriter Fee	\$0	\$51,000	\$51,000	\$567	\$51,000
Initial TEFRA Fee	\$0	\$3,000	\$1,000	\$11	\$1,000
Other: FHFC Issuer Fee	\$0	\$90,000	\$37,500	\$417	\$37,500
Other: Lender Due Diligence	\$0	\$30,000	\$30,000	\$333	\$30,000
Other: Financial Advisor	\$0	\$35,000	\$35,000	\$389	\$35,000
Other: Other Counsel	\$0	\$211,000	\$0	\$0	\$0
Total Financial Costs:	\$1,371,780	\$1,659,400	\$1,763,201	\$19,591	\$807,013
Dev. Costs before Acq., Dev. Fee & Reserves	\$22,734,135	\$20,514,380	\$20,530,449	\$228,116	\$1,361,816

Notes to Financial Costs:

1. Construction Loan Origination Fee is equal to 1% of the Construction Loan amount.
2. Construction Loan Interest is First Housing's estimate based on the underwritten interest rate, construction loan term, average outstanding loan balance, and time to lease-up.
3. Permanent Loan Origination Fee is \$10,000 and not a percentage of the loan amount.
4. FHFC Note Fiscal Agent Fee represents the annual Fiscal Agent Fee of \$4,500 during the 2.5-year construction loan term.
5. FHFC Note Cost of Issuance is includes fees and expenses of the Issuer, MMRN closing cost, and expenses of the Real Estate Counsel, MMRN Counsel, Disclosure Counsel, and other fees.
6. FHFC Issuer Fee is equal to 12.5 basis points multiplied by the MMRN during construction and is less than the typical 24 basis points charged since the equity provider is a related entity to the construction lender.

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 Non-Land Acquisition Costs:

1. Since 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	\$4,094,076	\$3,672,556	\$3,695,480	\$41,061	\$0
Total Other Development Costs:	\$4,094,076	\$3,672,556	\$3,695,480	\$41,061	\$0

Notes to Developer Fee on Non-Acquisition Costs:

1. The recommended Developer Fee does not exceed 18% of Total Development Cost before Developer Fee, land acquisition costs, and ODR as allowed by Rule Chapter 67-21.

LAND ACQUISITION COSTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Land	\$10	\$10	\$10	\$0	\$10
Total Acquisition Costs:	\$10	\$10	\$10	\$0	\$10

Notes to Land Acquisition Costs:

1. Based on the land closing statement dated March 31, 2023, and reviewed by First Housing, the Applicant purchased the land in a non-arm's length transaction for \$10 from Emerald Villas Phase Two, LLC.
2. First Housing reviewed an appraisal of the Development prepared by Walter Duke and dated March 6, 2024. The appraiser concluded to a \$1,800,000 as-is, fee simple value of the land.

RESERVE ACCOUNTS	Applicant Costs	Revised Applicant Costs	Underwriters Total Costs - CUR	Cost Per Unit	HC Ineligible Costs - CUR
Operating Deficit Reserve (Syndicator)	\$265,553	\$263,354	\$263,820	\$2,931	\$263,820
Replacement Reserves (Syndicator)	\$27,000	\$27,000	\$27,000	\$300	\$27,000
Reserves - Start-Up/Lease-up Expenses	\$100,000	\$100,000	\$100,000	\$1,111	\$100,000
Total Reserve Accounts:	\$392,553	\$390,354	\$390,820	\$4,342	\$390,820

Notes to Reserve Accounts:

1. An ODR in the amount of \$263,820 will be required by BofA. 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:	\$27,220,774	\$24,577,300	\$24,616,759	\$273,520	\$1,752,646

Notes to Total Development Costs:

1. Total Development Costs have decreased by a total of \$2,604,015 from \$27,220,774 to \$24,616,759 or 9.6%, since the Application. The decrease is mainly due to value engineering construction hard costs.

Operating Pro Forma – Emerald Villas Phase Three

FINANCIAL COSTS:				Year 1	Year 1 Per Unit
OPERATING PRO FORMA					
INCOME:	Gross Potential Rental Income			\$1,160,424	\$12,894
	Other Income				
	Miscellaneous			\$22,500	\$250
	Gross Potential Income			\$1,182,924	\$13,144
	Less:				
	Physical Vac. Loss	Percentage:	4.00%	\$47,317	\$526
	Collection Loss	Percentage:	1.00%	\$11,829	\$131
Total Effective Gross Income				\$1,123,778	\$12,486
EXPENSES:	Fixed:				
	Real Estate Taxes			\$113,118	\$1,257
	Insurance			\$108,000	\$1,200
	Variable:				
	Management Fee	Percentage:	5.34%	\$60,000	\$667
	General and Administrative			\$40,500	\$450
	Payroll Expenses			\$144,000	\$1,600
	Utilities			\$72,000	\$800
	Marketing and Advertising			\$4,500	\$50
	Maintenance and Repairs/Pest Control			\$72,000	\$800
	Reserve for Replacements			\$27,000	\$300
Total Expenses				\$641,118	\$7,124
Net Operating Income				\$482,660	\$5,363
Debt Service Payments					
1st Mortgage - FHFC / CRBT			\$362,741	\$4,030	
2nd Mortgage - Orange County / NLP - HTF			\$161,562	\$1,795	
3rd Mortgage - Orange County / NLP - ARP			\$0	\$0	
1st Mortgage Fees - FHFC / CRBT			\$24,396	\$271	
2nd Mortgage Fees - Orange County / NLP - HTF and ARP			\$35,000	\$389	
Total Debt Service Payments				\$583,700	\$6,486
Cash Flow after Debt Service				(\$101,040)	(\$1,123)
Debt Service Coverage Ratios					
DSC - 1st Mortgage plus Fees			1.25x		
DSC - 2nd Mortgage plus Fees			0.83x		
Financial Ratios					
Operating Expense Ratio			57.05%		
Break-even Economic Occupancy Ratio (all debt)			103.81%		

- First Housing calculated a 1.25x DSC for the first mortgage and first mortgage fees only. The resulting DSC is equal to 1.14x based on the first mortgage principal and interest payments, first mortgage fees, plus the second mortgage fees. The second mortgage principal and interest payments were excluded in this calculation since they are subject to available cash flow.

Notes to the Operating Pro Forma and Ratios:

1. The MMRN program does not impose any rent restrictions. However, in conjunction with the MMRN, the Development will be utilizing Housing Credits which will impose rent restrictions. The LIHTC rent levels are based on the 2023 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 February 29, 2024, and prepared by KN Consultants, LLC. FHFC approved the utility allowances for underwriting purposes on March 5, 2024.

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	8	567	50%			\$ 823	\$ 60	\$ 763		\$ 764	\$ 763	\$ 763	\$ 73,248
1	1.0	19	567	60%			\$ 988	\$ 60	\$ 928		\$ 928	\$ 928	\$ 928	\$ 211,584
1	1.0	4	567	80%			\$ 1,318	\$ 60	\$ 1,258		\$ 1,259	\$ 1,258	\$ 1,258	\$ 60,384
2	1.0	9	715	50%			\$ 988	\$ 80	\$ 908		\$ 908	\$ 908	\$ 908	\$ 98,064
2	1.0	22	715	60%			\$ 1,186	\$ 80	\$ 1,106		\$ 1,106	\$ 1,106	\$ 1,106	\$ 291,984
2	1.0	4	715	80%			\$ 1,582	\$ 80	\$ 1,502		\$ 1,502	\$ 1,502	\$ 1,502	\$ 72,096
2	2.0	2	866	50%			\$ 988	\$ 80	\$ 908		\$ 908	\$ 908	\$ 908	\$ 21,792
2	2.0	3	866	60%			\$ 1,186	\$ 80	\$ 1,106		\$ 1,106	\$ 1,106	\$ 1,106	\$ 39,816
2	2.0	1	866	80%			\$ 1,582	\$ 80	\$ 1,502		\$ 1,502	\$ 1,502	\$ 1,502	\$ 18,024
3	2.0	4	1,029	50%			\$ 1,141	\$ 104	\$ 1,037		\$ 1,038	\$ 1,037	\$ 1,037	\$ 49,776
3	2.0	12	1,029	60%			\$ 1,370	\$ 104	\$ 1,266		\$ 1,265	\$ 1,266	\$ 1,266	\$ 182,304
3	2.0	2	1,029	80%			\$ 1,827	\$ 104	\$ 1,723		\$ 1,723	\$ 1,723	\$ 1,723	\$ 41,352
		90	66,320											\$ 1,160,424

2. Although the appraiser concluded to a 3.0% vacancy and collection loss, First Housing has underwritten to a more conservative 5.0%.
3. Miscellaneous Income is comprised of revenue from application fees, late fees, forfeited security deposits, bad debt recoveries, pet fees, cancellation fees and damage fees. First Housing underwrote \$22,500, or \$250 per unit, which is the amount in the appraisal.
4. 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.
5. The appraiser’s expense comparables for insurance range from \$610 to \$1,400 per unit, with an average of \$1,020 per unit. However, due to rising insurance costs, the appraiser and Developer concluded to \$1,200 per unit and First Housing agrees.

6. The Applicant submitted a management agreement between Emerald Villas Phase Three, LLC and TRG Management Company LLLP dated August 2, 2023. The agreement reflects a monthly management fee of 5% of gross income, with a minimum of \$5,000 per month.
7. Residents are responsible for electric, cable and internet expenses. The Applicant is responsible for common area electric, water/sewer and trash collection.
8. Replacement Reserves of \$300 per unit per year are required, per Rule Chapter 67-21. According to the letter from BofA, dated February 8, 2024, replacement reserves will be required at \$300 per unit. This amount will stay fixed for the first 10 years and increasing 3% thereafter.
9. 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 90.15% if the subordinate debt principal and interest payments were not included in the calculation.
10. Refer to Exhibit 1, 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. Final loan documents for the HTF and ARP construction/permanent mortgage with terms which are not substantially different than those utilized in this credit underwriting report.
3. FHFC’s approval of the ownership change to the Developer entity.
4. FHFC’s Board approval of a rule waiver for the ownership structure change to Milo Family Real Estate Investments, LLC.
5. FHFC approval of the address change.
6. Receipt and satisfactory review of updated financials for the Guarantors dated within 90 days of closing if un-audited and within a year of closing if audited.
7. Receipt of satisfactory trade references for Alberto Milo, Jr. MFREI, ONIC, PRHAI, PRHI, RUDG, LLC, The Urban Development Group, LLC, and Related Urban Construction, LLC.
8. Receipt of satisfactory geotechnical or other professional engineering report addressing the sinkhole that occurred on Related’s adjacent, previously developed phase of Emerald Villas.
9. 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. 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 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 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. 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 Applicant 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 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 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 Bank of America, N.A. 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 operating 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 Bank of America, N.A. or an affiliate, that requires funding of all HC Equity Installments during construction, even if the Applicant 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 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 \$27,000 (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. 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 holdback until 50% construction completion, reduced to 5% thereafter. 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 \$1,188,934. 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 Bank of America, N.A., 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 – Emerald Villas Phase Three

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	\$1,160,424	\$1,183,632	\$1,207,305	\$1,231,451	\$1,256,080	\$1,281,202	\$1,306,826	\$1,332,962	\$1,359,622	\$1,386,814	\$1,414,550	\$1,442,841	\$1,471,698	\$1,501,132	\$1,531,155
	Other Income															
	Miscellaneous	\$22,500	\$22,950	\$23,409	\$23,877	\$24,355	\$24,842	\$25,339	\$25,845	\$26,362	\$26,890	\$27,427	\$27,976	\$28,535	\$29,106	\$29,688
	Gross Potential Income	\$1,182,924	\$1,206,582	\$1,230,714	\$1,255,328	\$1,280,435	\$1,306,044	\$1,332,165	\$1,358,808	\$1,385,984	\$1,413,704	\$1,441,978	\$1,470,817	\$1,500,234	\$1,530,238	\$1,560,843
	Less:															
	Physical Vac. Loss Percentage: 4.00%	\$47,317	\$48,263	\$49,229	\$50,213	\$51,217	\$52,242	\$53,287	\$54,352	\$55,439	\$56,548	\$57,679	\$58,833	\$60,009	\$61,210	\$62,434
	Collection Loss Percentage: 1.00%	\$11,829	\$12,066	\$12,307	\$12,553	\$12,804	\$13,060	\$13,322	\$13,588	\$13,860	\$14,137	\$14,420	\$14,708	\$15,002	\$15,302	\$15,608
Total Effective Gross Income	\$1,123,778	\$1,146,253	\$1,169,178	\$1,192,562	\$1,216,413	\$1,240,741	\$1,265,556	\$1,290,867	\$1,316,685	\$1,343,018	\$1,369,879	\$1,397,276	\$1,425,222	\$1,453,726	\$1,482,801	
EXPENSES:	Fixed:															
	Real Estate Taxes	\$113,118	\$116,512	\$120,007	\$123,607	\$127,315	\$131,135	\$135,069	\$139,121	\$143,294	\$147,593	\$152,021	\$156,582	\$161,279	\$166,118	\$171,101
	Insurance	\$108,000	\$111,240	\$114,577	\$118,015	\$121,555	\$125,202	\$128,958	\$132,826	\$136,811	\$140,916	\$145,143	\$149,497	\$153,982	\$158,602	\$163,360
	Variable:															
	Management Fee Percentage: 5.34%	\$60,000	\$61,200	\$62,424	\$63,672	\$64,946	\$66,245	\$67,570	\$68,921	\$70,300	\$71,706	\$73,140	\$74,602	\$76,095	\$77,616	\$79,169
	General and Administrative	\$40,500	\$41,715	\$42,966	\$44,255	\$45,583	\$46,951	\$48,359	\$49,810	\$51,304	\$52,843	\$54,429	\$56,061	\$57,743	\$59,476	\$61,260
	Payroll Expenses	\$144,000	\$148,320	\$152,770	\$157,353	\$162,073	\$166,935	\$171,944	\$177,102	\$182,415	\$187,887	\$193,524	\$199,330	\$205,310	\$211,469	\$217,813
	Utilities	\$72,000	\$74,160	\$76,385	\$78,676	\$81,037	\$83,468	\$85,972	\$88,551	\$91,207	\$93,944	\$96,762	\$99,665	\$102,655	\$105,734	\$108,906
	Marketing and Advertising	\$4,500	\$4,635	\$4,774	\$4,917	\$5,065	\$5,217	\$5,373	\$5,534	\$5,700	\$5,871	\$6,048	\$6,229	\$6,416	\$6,608	\$6,807
	Maintenance and Repairs/Pest Control	\$72,000	\$74,160	\$76,385	\$78,676	\$81,037	\$83,468	\$85,972	\$88,551	\$91,207	\$93,944	\$96,762	\$99,665	\$102,655	\$105,734	\$108,906
Reserve for Replacements	\$27,000	\$27,000	\$27,000	\$27,000	\$27,000	\$27,000	\$27,000	\$27,000	\$27,000	\$27,000	\$27,810	\$28,644	\$29,504	\$30,389	\$31,300	
Total Expenses	\$641,118	\$658,942	\$677,288	\$696,172	\$715,611	\$735,619	\$756,216	\$777,416	\$799,240	\$821,704	\$845,638	\$870,276	\$895,638	\$921,746	\$948,622	
Net Operating Income	\$482,660	\$487,312	\$491,891	\$496,390	\$500,803	\$505,122	\$509,341	\$513,451	\$517,445	\$521,315	\$524,241	\$527,001	\$529,584	\$531,980	\$534,179	
Debt Service Payments																
1st Mortgage - FHFC / CRBT	\$362,741	\$362,741	\$362,741	\$362,741	\$362,741	\$362,741	\$362,741	\$362,741	\$362,741	\$362,741	\$362,741	\$362,741	\$362,741	\$362,741	\$362,741	\$362,741
2nd Mortgage - Orange County / NLP - HTF	\$161,562	\$161,562	\$161,562	\$161,562	\$161,562	\$161,562	\$161,562	\$161,562	\$161,562	\$161,562	\$161,562	\$161,562	\$161,562	\$161,562	\$161,562	\$161,562
3rd Mortgage - Orange County / NLP - ARP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1st Mortgage Fees - FHFC / CRBT	\$24,396	\$24,396	\$24,396	\$24,396	\$24,396	\$24,396	\$24,396	\$24,396	\$24,396	\$24,396	\$24,396	\$24,396	\$24,396	\$24,396	\$24,396	\$24,396
2nd Mortgage Fees - Orange County / NLP - HTF and ARP	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000
Total Debt Service Payments	\$583,700	\$583,700	\$583,700	\$583,700	\$583,700	\$583,700	\$583,700	\$583,700	\$583,700	\$583,700	\$583,700	\$583,700	\$583,700	\$583,700	\$583,700	\$583,700
Cash Flow after Debt Service	(\$101,040)	(\$96,388)	(\$91,809)	(\$87,310)	(\$82,897)	(\$78,578)	(\$74,359)	(\$70,249)	(\$66,254)	(\$62,385)	(\$59,459)	(\$56,699)	(\$54,116)	(\$51,719)	(\$49,521)	
Debt Service Coverage Ratios																
DSC - 1st Mortgage plus Fees	1.25	1.26	1.27	1.28	1.29	1.30	1.32	1.33	1.34	1.35	1.35	1.36	1.37	1.37	1.38	
DSC - 2nd Mortgage plus Fees	0.83	0.83	0.84	0.85	0.86	0.87	0.87	0.88	0.89	0.89	0.90	0.90	0.91	0.91	0.92	
Financial Ratios																
Operating Expense Ratio	57.05%	57.49%	57.93%	58.38%	58.83%	59.29%	59.75%	60.22%	60.70%	61.18%	61.73%	62.28%	62.84%	63.41%	63.98%	
Break-even Economic Occupancy Ratio (all debt)	103.81%	103.26%	102.73%	102.22%	101.74%	101.28%	100.85%	100.44%	100.05%	99.68%	99.39%	99.12%	98.87%	98.65%	98.44%	

HC Allocation Calculation

Section I: Qualified Basis Calculation

Total Development Costs(including land and ineligible Costs)	\$24,616,759
Less Land Costs	\$10
Less Federal Grants and Loans	\$0
Less Other Ineligible Costs	\$1,752,636
Total Eligible Basis	\$22,864,114
Applicable Fraction	100%
DDA/QCT Basis Credit	130%
Qualified Basis	\$29,723,348
Housing Credit Percentage	4.00%
Annual Housing Credit Allocation	\$1,188,934

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)	\$24,616,759
Less Mortgages	\$12,686,650
Less Grants	\$0
Equity Gap	\$11,930,109
HC Syndication Percentage to Investment Partnership	99.99%
HC Syndication Pricing	\$0.950
HC Required to meet Equity Gap	\$12,559,265
Annual HC Required	\$1,255,927

Notes to the Gap Calculation:

1. The pricing and syndication percentage was taken from the BofA equity letter dated February 8, 2024.
2. The mortgage line item includes the \$86,650 additional equity installment from BofA to cover BofA's transaction expenses.

Section III: Summary

HC Per Syndication Agreement	\$1,181,494
HC Per Qualified Basis	\$1,188,934
HC Per GAP Calculation	\$1,255,927
Annual HC Recommended	\$1,188,934
Syndication Proceeds based upon Syndication Agreement	\$11,223,068

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.

50% Test

Tax-Exempt Note Amount	\$12,000,000
Less: Debt Service Reserve Funded with Tax-Exempt Note Proceeds	\$0
Other:	\$0
Other:	\$0
Equals Net Tax-Exempt Note Amount	\$12,000,000
Total Depreciable Cost	\$22,864,114
Plus Land Cost	\$10
Aggregate Basis	\$22,864,124
Net Tax-Exempt Note to Aggregate Basis Ratio	52.48%

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

Emerald Villas Phase Three / 2022-103B / 2022-534C
DESCRIPTION OF FEATURES AND AMENITIES

A. The Development will consist of:

90 units located in 1 Garden Apartment residential building

Unit Mix:

Thirty-one (31) one bedroom / one bath unit;

Thirty-five (35) two bedroom / one bath unit;

Six (6) two bedroom / two bath units;

Eighteen (18) three bedroom / two bath units

90 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 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 Applicant has committed to provide the following Optional Features and Amenities for all Developments:

1. Community center or clubhouse
2. Computer lab on-site with minimum one computer per 20 units, with internet access, basic word processing, spreadsheets and assorted educational and entertainment software programs and at one printer
3. Each unit wired for high speed internet
4. Laundry facilities with full-size dryers and Energy Star qualified washers available in at least one common area on site - minimum 1 washer and 1 dryer for every 12 units

- C. The Applicant has committed to provide the following Green Building Features:
1. Programmable thermostat in each unit
 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. Low-VOC paint for all interior walls (50 grams per liter or less for flat paint; 150 grams per liter or less for non-flat paint)
 5. Energy Star qualified refrigerators, dishwashers and washing machines that are provided by the Applicant
- D. The Applicant has committed to provide the following Qualified Resident Program:
1. Life Safety Training - The Applicant or its Management Company must provide courses such as fire safety, first aid (including CPR), etc., on-site, at least twice each year, at no cost to the resident. 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.

DEVELOPMENT

NAME: Emerald Villas Phase Three

DATE: March 14, 2024

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.	Satis. Satis. Satis.	
5. Survey.	Satis.	3.
6. Complete, thorough soil test reports.	Satis	4.
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.	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.	5.

16. Firm commitment letter(s) for any other financing sources.	Satis.	6.
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.	7.
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.	8-9.
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 close.
3. Closing is conditioned upon receipt of final survey certified to FHFC.
4. Receipt of satisfactory geotechnical or other professional engineering report addressing the sinkhole that occurred on Related's adjacent, previously developed phase of Emerald Villas.
5. Closing is conditioned upon receipt of a firm commitment from BofA.
6. Closing is conditioned upon receipt of a firm commitment from CRBT (permanent financing) with terms and conditions that are not substantially different than those utilized in this credit underwriting report. In addition, receipt of final loan documents from NLP.
7. Receipt of a final draw schedule is a condition to close.
8. FHFC approval of the ownership changes.
9. FHFC approval of the address change.

**FLORIDA HOUSING FINANCE CORPORATION
AUTHORIZATION RESOLUTION
EMERALD VILLAS PHASE THREE**

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE ISSUANCE OF A MULTIFAMILY MORTGAGE REVENUE NOTE, 2024 SERIES ___ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (EMERALD VILLAS PHASE THREE), 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 Commerce 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, 2024 Series ___ [one or more series or subseries to be designated] (Emerald Villas Phase Three), 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 Emerald Villas Phase Three, LLC, together with its predecessors, successors, assigns, affiliates and/or related entities (the “Borrower”), to finance the acquisition, construction and equipping of an approximately 90 unit multifamily residential rental development for persons of low, moderate and middle income, named Emerald Villas Phase Three, located in the City of Orlando, Orange County, Florida (the “Property”); provided that the aggregate principal amount of the Note shall not exceed (a) \$12,000,000 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) \$12,000,000 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 26th day of March, 2024.

(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

Melissa Levy, Assistant Secretary
Florida Housing Finance Corporation's
Board of Directors

Ryan Benson, 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 26th day of March, 2024, 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 _____, 2024 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
EMERALD VILLAS PHASE THREE

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING AND APPROVING THE NEGOTIATED SALE THROUGH A PRIVATE PLACEMENT OF A MULTIFAMILY MORTGAGE REVENUE NOTE, 2024 SERIES ___ [ONE OR MORE SERIES OR SUBSERIES TO BE DESIGNATED] (EMERALD VILLAS PHASE THREE), 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 Commerce 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, 2024 Series ___ [one or more series or subseries to be designated] (Emerald Villas Phase Three), 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 90 unit multifamily residential rental development for persons of low, moderate and middle income, named Emerald Villas Phase Three, located in the City of Orlando, Orange County, Florida; provided that the aggregate principal amount of the Note shall not exceed (a) \$12,000,000 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, 2024 Series ___ [one or more series or subseries to be designated] (Emerald Villas Phase Three)
[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 or mortgages securing payment of the Note 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 26th day of March, 2024.

(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

Melissa Levy, Assistant Secretary
Florida Housing Finance Corporation's
Board of Directors

Ryan Benson, 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 26th day of March, 2024, 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 _____, 2024 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

February 27, 2024

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

Re: **The Salix on Vine, 2024 Multifamily Mortgage Revenue Bonds and 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 February 12, 2024, relating to The Salix on Vine (the "Credit Underwriting Report"), and herein provide my recommendation for both a negotiated public offering method of sale and 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 bonds and 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 short-term, cash collateralized tax-exempt bonds to finance construction. After construction, the bonds will convert to tax-exempt notes that are privately placed with a bank. During the construction phase the bonds will bear interest at a fixed rate, and during the permanent phase the note will bear interest at a fixed rate.

The Credit Underwriting Report proposes a negotiated public offering to be an effective method of sale of the tax-exempt bonds and 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: The Salix on Vine

Permanent Note Purchaser: Grandbridge Real Estate Capital / Freddie Mac

Developer / Key Representative: Vineland Family Developer LLC / Jeremy Bronfman

Recommended Method of Sale: Negotiated public offering for the construction phase and negotiated private placement for the permanent phase

Based on the structure of the bond and note issue and prevailing market conditions, a negotiated public offering will be an effective method of sale for the tax-exempt bonds, and 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, these methods 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



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

February 27, 2024

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

Re: **Emerald Villas Phase Three, 2024 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 February 13, 2024, relating to Emerald Villas Phase Three (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 taxable notes privately placed with a bank during the construction phase and tax-exempt notes privately placed with a bank during the permanent phase. 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: Emerald Villas Phase Three

Construction Note Purchaser: Bank of America, N.A.

Permanent Note Purchaser: Cedar Rapids Bank and Trust Company

Developer / Key Representative: Emerald Villas Phase Three Developer, LLC / Alberto Milo, Jr.

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 taxable notes and 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

RESOLUTION
of the
Board of Directors of
Florida Housing Finance Corporation
pertaining to
the Acknowledgement Resolution for
Reserve at Indian Hill

A RESOLUTION OF THE FLORIDA HOUSING FINANCE CORPORATION ESTABLISHING ITS INTENT TO REIMBURSE CERTAIN DEVELOPMENT COSTS INCURRED WITH THE PROCEEDS OF FUTURE TAX-EXEMPT FINANCING ON BEHALF OF INDIAN HILL SENIOR HOUSING LIMITED PARTNERSHIP, OR AN AFFILIATE THEREOF OR ANY ENTITY IN WHICH INDIAN HILL SENIOR HOUSING LIMITED PARTNERSHIP, IS A GENERAL PARTNER OR MANAGING MEMBER, RELATING TO A MULTIFAMILY RESIDENTIAL RENTAL DEVELOPMENT, SUBJECT TO THE SATISFACTION OF CERTAIN CONDITIONS PRECEDENT TO PROVIDING ANY TAX-EXEMPT FINANCING, MAKING CERTAIN FINDINGS AND AUTHORIZING THE DEVELOPMENT OF A PLAN OF FINANCING FOR OBTAINING NOT TO EXCEED \$4,422,000 IN TAX-EXEMPT FINANCING FOR THE DEVELOPMENT, AND PROVIDING FOR AN EFFECTIVE DATE.

NOW, THEREFORE, BE IT RESOLVED BY THE FLORIDA HOUSING FINANCE CORPORATION AS FOLLOWS:

Section 1. It is hereby found, ascertained, determined and resolved that:

- (a) There is a shortage of available, affordable rental housing in the State of Florida;
- (b) A significant number of low, moderate or middle income persons in the local government in which the development referred to herein is to be located, or in an area reasonably accessible thereto, are subject to hardship in finding adequate, safe, and sanitary housing;
- (c) This shortage of housing cannot be relieved except through the encouragement of investment by private enterprise. Private enterprise, unaided, is not meeting, and cannot reasonably be expected to meet, the need for such housing;
- (d) The financing, acquisition and rehabilitation of rental housing for low, moderate and middle income persons and families in the State of Florida constitutes a public purpose; and
- (e) An apartment community to be developed by Indian Hill Senior Housing Limited Partnership, or an affiliate thereof or any entity in which Indian Hill Senior Housing Limited Partnership is a general partner or managing member (the "Developer"), on a site located in Orange County, Florida, and known as Reserve at Indian Hill, is a multifamily residential

rental development, which will assist in alleviating the shortage of rental housing for low, moderate and middle income residents of the State of Florida.

Section 2. The Florida Housing Finance Corporation (“Florida Housing”) hereby authorizes its staff to negotiate and prepare a plan for financing, and to commence the structuring of a debt instrument or instruments, to provide up to \$4,422,000 in tax-exempt financing for a portion of the cost of acquiring, rehabilitating, and equipping approximately 70 residential rental units for the aforementioned development in order to provide apartment units to low, moderate or middle income persons and families in a qualifying multifamily residential rental development. Such plan for financing shall provide for the payment of such costs and expenditures from a mortgage loan account (or similarly named account).

Section 3. Florida Housing finds that the Developer has shown that this development is appropriate to the needs and circumstances of Orange County, Florida and will make a significant contribution to alleviate the housing shortage.

Section 4. This Resolution is intended to and shall constitute a declaration of official intent of Florida Housing for the purposes of the Internal Revenue Code of 1986 and Section 1.150-2 of the United States Treasury Regulations in order to provide for the reimbursement of allowable project costs.

Section 5. This Resolution is also intended to and shall constitute an “Acknowledgment Resolution” as defined in Rule Chapter 67-21 of the Florida Administrative Code (the “Rule”), which means the official action taken by Florida Housing to reflect its intent to finance the proposed development provided that the requirements of Florida Housing, the terms of the MMRB Loan Commitment and the terms of the Credit Underwriting Report (as such terms are defined in the Rule) are met.

Section 6. The Developer has agreed to comply with all land use restrictions relating to tax-exempt financing, including, but not limited to, those promulgated pursuant to Section 142(d) of the Internal Revenue Code of 1986 and those committed to by the Developer in its 2023 Application filed with Florida Housing.

Section 7. This Resolution is not intended to be a binding commitment to finance or an obligation to finance the proposed development by Florida Housing through tax-exempt financing or in any other way. The tax-exempt financing is subject, in all respects, to (a) the approval by Florida Housing and its counsel, if applicable, of (i) all program documents and elements, (ii) the development plans, (iii) all necessary approvals from all governmental units having jurisdiction over the development, and (iv) the tax-exempt financing with respect to the acquisition, rehabilitation, and equipping of the development, (b) the issuance and sale by Florida Housing of the tax-exempt debt instrument or instruments for the financing, and (c) the availability of private activity bond allocation.

Section 8. This Resolution shall take effect immediately upon its adoption.

ADOPTED THIS ____ day of _____, 2024.

(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

Melissa Levy, Assistant Secretary, Florida
Housing Finance Corporation Board of
Directors

Ryan Benson, Chair, Florida Housing
Finance Corporation 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 __ day of March, 2024, 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.

By: _____
Tim Kennedy, Multifamily Loans/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 _____, 2024 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: _____



March 12, 2024

Mr. Tim Kennedy
Multifamily Loans & Bonds Director
Florida Housing Finance Corporation
City Centre Building
227 North Bronough Street, Suite 5000
Tallahassee, Florida 32301-1329

Re: Royal Park Apartments (“Development”)
Tax-Exempt Multifamily Mortgage Revenue Bonds (“MMRB” or “Bonds”) 2021
Series O1 & O2, State Apartment Incentive Loan (“SAIL”) and Extremely Low-
Income Loan (“ELI”) RFA 2019-116 (2020-411BS) and Non-Competitive 4%
Housing Credits (“HC”) (2019-559C)

Credit Underwriting Report Update Letter (“CUL”) – Changes to the final Credit
Underwriting Report, dated July 21, 2021 (“CUR”) to include Partial Release of
Land from existing MMRB, SAIL, and ELI Loan Documents

Dear Mr. Kennedy:

First Housing Development Corporation of Florida (“First Housing” or “FHDC” or “Servicer”) reviewed a letter, dated November 17, 2023, from a representative of BDG Royal Park Apartments, LP (“Borrower”), requesting Florida Housing Finance Corporation (“FHFC” or “Florida Housing”) release approximately 6.34 acres of vacant land and an additional 12 feet by 43 feet small rectangular piece currently encumbered by MMRB, SAIL, and ELI Loan Documents. According to the letter, the Borrower is requesting that the piece of land to be released is conveyed to an affiliated entity of the Borrower, so that the land can ultimately be conveyed to the City of Gainesville (“City”) for a multi-use public trail and a city sidewalk to the trail. Please note that discussions with the City are not final and the use of the land may change. In addition, a piece of the land being released is also intended to be conveyed to an affiliated entity of the Borrower for a future second phase of the Development. First Housing has reviewed the following documentation in conjunction with this request:

1. CUR.

2. Rule Chapters 67-48 and 67-21.
3. MMRB Land Use Restriction Agreement (“LURA”), dated December 1, 2021.
4. SAIL/ELI LURA, dated December 17, 2021.
5. Servicer Closing Letter and Final Sources & Uses / Construction Draw Schedule (“Closing Letter”), dated December 17, 2021.
6. Purchase and Sale Agreement, dated June 13, 2017, along with four Addendums and an Assignment.
7. Sketch of Description, subject parcel ±536 square feet, dated September 28, 2023.
8. FHFC’s Past Due Report, dated February 15, 2024.
9. FHFC’s Asset Management Noncompliance Report, dated October 18, 2023.
10. Inspection Field Report, dated December 14, 2023.

On behalf of FHFC, First Housing has reviewed the request and performed certain due diligence. Our findings are as follows:

Background

According to an Inspection Field Report, dated December 14, 2023, the Development is approximately 90.6% complete. Upon completion, the Development will consist of a 192-unit multifamily development located at 301 NW 39th Rd., Gainesville, FL 32607. The Development will contain thirty-six (36) one bedroom/one bath units, one-hundred twenty (120) two bedroom/two bath units, and thirty-six (36) three bedroom/two bath units, within seven (7) garden apartment buildings. The Development closed December 17, 2021. The following sources are based on the Closing Letter:

CONSTRUCTION/PERMANENT SOURCES:			
Source	Lender	Construction	Permanent
FHFC - MMRB	FHFC/BoA/Bellwether/Fannie Mae	\$24,954,000	\$14,454,000
FHFC – SAIL	FHFC	\$5,242,500	\$5,242,500
FHFC – SAIL ELI	FHFC	\$600,000	\$600,000
Self-Sourced: Non-Bond Financing	BDG Royal Park Apartments GP, LLC	\$2,621,250	\$2,621,250
Non-FHFC Grant	City of Gainesville	\$37,500	\$37,500
HC Equity	Enterprise	\$5,798,035	\$18,984,402
Deferred Developer Fee	BDG Royal Park Apartments Developer, LLC	\$5,400,888	\$3,685,301
Reserve Escrows	N/A	\$970,780	-
Bank of America Loan	BoA	\$46,000	\$46,000
TOTAL		\$45,670,953	\$45,670,953

The MMRB LURA requires the following set asides for a term of fifteen years (15) years:

- 40% of the units (77 units) at or below 60% Area Median Income (“AMI”)

The SAIL/ELI LURA requires the following set asides for a term of fifty (50) years:

- 4.167% of the units (8 units) at or below 30% AMI
- 5.208% of the units (10 units) at or below 40% AMI
- 67.708% of the units (130 units) at or below 60% AMI
- 22.917% of the units (44 units) at or below 70% AMI

The Extended Low-Income Housing Agreement (“ELIHA”) has not been executed. Upon execution, the ELIHA will have the same set asides and term as the SAIL/ELI LURA.

The FHFC Past Due Report, dated February 15, 2024, indicated the following items with the Borrower’s development team:

- None

The FHFC Asset Management Noncompliance Report, dated October 18, 2023, indicated the following items with the Borrower’s development team:

- None

Partial Release of Land Overview

The current site consists of two parcels; Parcel 06496-000-000 (21.14 acres) and Parcel 06501-001-000 (6.34 acres), for a total of approximately 27.48 acres. According to the original Purchase and Sale Agreement, dated June 13, 2017, the site was approximately 21.14 acres with a purchase price of \$1,400,000. When the Third Addendum to the Purchase and Sale Agreement was executed, the site acreage was increased to approximately 27 acres, at no additional cost. In conversations with a representative of the Borrower, the Seller added Parcel 06501-001-000 to the contract and the two parcels were purchased for \$1,400,000 or \$7,291.66 per unit.

Parcel 06501-001-000 was not part of the original site plan and has no buildings or recreational amenities being constructed on it. First Housing does not anticipate release of this parcel will negatively impact the operation of the Development.

The Borrower has agreed to construct a sidewalk within the Parcel 06496-000-000 to complete the continuous right-of-way for the trail without affecting the functionality of the Development. First Housing does not anticipate this will negatively impact the Development.

Since negotiations and configuration of the total property to be deeded to the City remains to be finalized, the Borrower is requesting that Parcel 06501-001-000 and the additional 12 feet by 43 feet small rectangular piece be conveyed to an affiliated entity of the Borrower.

Based on First Housing's understanding, even though a majority of Parcel 06501-001-000 is a conservation area, there is a portion that could potentially be built on. It is the Borrower's intent to build a second phase of the Development on a portion of the released land. Further, since negotiations with the City are not final, it is unknown if there will be monetary compensation for the portion of the parcel conveyed to the City. First Housing is recommending 26.62% of the appraised land value or purchase price, whichever is greater, be netted against the SAIL Loan.

Recommendation:

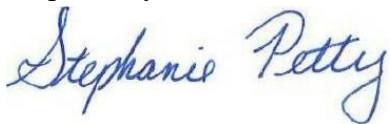
First Housing recommends that FHFC approve the release of the approximately 6.34 acres and an additional 12 feet by 43 feet small rectangular piece a modification of the legal description within the MMRB, SAIL, and ELI Loan Documents, which would allow the Borrower to develop a second phase of the Development. The partial release of land will not negatively impact the operation and success of the Development.

Closing of the transaction is subject to the following conditions:

1. Review and approval of all documents needed to effectuate the release of land consistent with the terms outlined above by Florida Housing, its Legal Counsel, and Servicer.

2. Satisfactory resolution of any outstanding past due and/or noncompliance items.
3. 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 (Borrower or Developer or Principal, Affiliate or Financial Beneficiary, as described in 67-48.0075 (5) F.A.C. and 67-21.0025 (5), F.A.C., of a Borrower or a Developer).
4. Paydown of the SAIL Loan in the amount of 26.62% of the appraised land value or purchase price, whichever is greater.
5. Surveyor Affidavit.
6. Payment of all costs and fees to Florida Housing, its Legal Counsel and Servicer, as applicable.
7. Receipt and satisfactory review of final signed/sealed surveys for the Development by Florida Housing, its Legal Counsel, and Servicer.
8. Approval of the release of land by all other lenders and the equity provider, as applicable.
9. All other due diligence required by FHFC, its Legal Counsel, and Servicer.

Prepared by:



Stephanie Petty
Senior Credit Underwriter

Reviewed By:



Edward Busansky
Senior Vice President

AMC HTG 2, Ltd.

December 22, 2023

Mr. Tim Kennedy
Multifamily Loans & Bond Director
Florida Housing Finance Corporation
227 North Bronough Street
Tallahassee, FL 32301

Re: *Courtside Apartments, Phase II – RFA 2021-208 / 2021-323S / 2020-528C & RFA 2023-211 / 2023-257V*

Dear Mr. Kennedy:

AMC HTG 2, Ltd. (“Applicant”) timely submitted Application No. 2021-323S (the “Application”) on April 20, 2021 in response to RFA 2021-208 (SAIL Financing for the Construction of Workforce Housing) (the “RFA”). The Application pertained to:

- Development Name: Courtside Apartments, Phase II (the “Development”)
- Development Address: NW 17th Street, NW 17th Street and NW 3rd Avenue, Miami; and NW 4th Avenue, NW 4th Avenue and NW 17th Street, Miami
- County: Miami-Dade
- Developer: AMC HTG 2 Developer, LLC
- Number of Units: 120 newly constructed units
- Type: Mid-Rise 5-6 Stories
- Set Asides: 15% @ 30% AMI (SAIL & 4% HC); 10% @ 50% AMI (SAIL & 4% HC); 20% @ 60% AMI (SAIL & 4% HC); 55% @ 70% AMI (SAIL & 4% HC) (Workforce)
- Demographics: Workforce
- Funding: \$2,750,000 State Apartment Incentive Loan (SAIL); \$25,726,580 Housing Credits (4% HC); \$4,300,000 Viability; \$30,000,000 HFAMD Bonds

The Development received an allocation of the 2021 Housing Credit dollar amount meeting the requirements of Section 42(h)(1)(E) and (F) of the Internal Revenue Code of 1986 as amended (“Tax Credits”) and Applicant accepted an invitation to enter credit underwriting dated July 12, 2021.

Although the Rule provides that the firm loan commitment must be issued within twelve months of acceptance to enter credit underwriting, it also provides that Applicant may request one extension of up to six months. Applicant exercised this right and Florida Housing’s Board approved the extension request on June 17, 2022 to extend the deadline from July 15, 2022 to January 15, 2023. Applicant paid the extension fee required by the Rule. Applicant received Board approval for a Petition for Waiver of Rule 67-48.0072(21)(b), F.A.C. (6/23/20) on

December 9, 2022 for an additional extension of the firm loan commitment issuance deadline from January 15, 2023 to July 15, 2023. The firm loan commitment issuance deadline was extended to January 15, 2024 as approved by the Board on June 9, 2023.

The extension was requested due to a multitude of issues beyond the Applicant's control that have caused a significant delay in the timeline for this Development and include rising construction costs, interest rates, insurance costs, and prevailing wages. The project's financing gap has risen substantially. To address the financing gap, Applicant applied for additional funds from the City of Miami Housing and Community Development department ("Miami HCD") and applied for additional funding from FHFC.

The Development is located on a Miami-Dade County owned site with existing structures and is adjacent to a City of Miami owned site with shared parking and access. This has required the Applicant to solve an array of legal and planning issues between the County and City. These legal issues have affected the Applicant's ability to attain timely site plan approval from the City of Miami which is underway in a lengthy review process.

On September 11, 2023, Florida Housing issued a firm commitment for the SAIL. Pursuant to RFA 2021-208, the loan was required to close within 180 calendar days of the date of the firm commitment (*i.e.*, March 11, 2024). However, Applicant does not believe it will be able to satisfy the current loan closing deadline due to forces outside of its control. Specifically:

- Applicant was required to obtain an Agreement to Enter into a Housing Assistance Payments ("AHAP") Contract from Miami-Dade County in order to close. Unfortunately, prerequisites for AHAP approval included time-consuming subsidy layer review and environmental clearances.
- Applicant has been involved with obtaining comments with regard to its ground lease from the underwriters.
- Permitting at the City of Miami was delayed based upon an apparent lack of coordination amongst major departments.

Nonetheless, Applicant believes, based on the progress to date, that it can satisfy the loan closing deadline if extended by 90 days.

Rule 67-48.0072(26),¹ effective June 23, 2020, provides:

For SAIL, EHCL, and HOME, unless stated otherwise in a competitive solicitation, these Corporation loans and other mortgage loans related to the Development must close within 120 Calendar Days of the date of the firm loan

¹ RFA 2021-208 states: "Workforce SAIL loans must meet the credit underwriting, firm loan commitment, and loan closing timeframes outlined in paragraph 67-48.0072(4)(c), F.A.C., and subsections 67-48.0072(21) and (26), F.A.C." *Id.* at p. 90. The RFA also states: "The SAIL loan must close within the timeframe outlined in Rule Chapter 67-48, F.A.C." *Id.* at p. 103.

commitment(s), unless the Development is a Tax-Exempt Bond-Financed Development which then the closing must occur within 180 Calendar Days of the firm loan commitment(s). Unless an extension is approved by the Board, failure to close the loan(s) by the specified deadline outlined above shall result in the firm loan commitment(s) being deemed void and the funds shall be de-obligated. **Applicants may request one (1) extension of the loan closing deadline outlined above for a term of up to 90 Calendar Days.** All extension requests must be submitted in writing to the program administrator and contain the specific reasons for requesting an extension and shall detail the time frame to close the loan. The Board shall consider the facts and circumstances of each Applicant's request, inclusive of the Applicant's ability to close within the extension term and any credit underwriting report, prior to determining whether to grant the requested extension. The Corporation shall charge an extension fee of one (1) percent of each Corporation loan amount if the Board approves the request to extend the loan closing deadline beyond the applicable 120 Calendar Day or 180 Calendar Day period outlined above. If an approved extension is utilized, Applicants must pay the extension fee not later than seven (7) Calendar Days after the original loan closing deadline. In the event the Corporation loan(s) does not close by the end of the extension period, the firm loan commitment(s) shall be deemed void and the funds shall be de-obligated.

Id. (emphasis added). Accordingly, Applicant respectfully requests an extension of the closing deadline of 90 calendar days.

This request was not necessitated through any fault of Applicant. Rather, Applicant exercised due diligence in attempting to move the Development towards construction. If this request is denied, the firm loan commitment will be deemed void and the funds de-obligated. Because the Development cannot move forward without this funding source, the denial would cause Miami-Dade County to lose these 120 affordable housing units. This request should be granted, as opposed to de-obligating the award, because Miami-Dade County is currently experiencing a shortage of affordable housing units. Granting the extension will result in the delivery of 120 affordable housing units much faster than would reallocating the funding to a new development in light of the progress Applicant has made to date.

Should Florida Housing require additional information, Applicant is available to answer questions and to provide all information necessary for consideration of this extension request

Respectfully,



Matthew A. Rieger
Manager of Special Limited Partner

BRISTOL MANOR, LTD

1105 KENSINGTON PARK DRIVE, SUITE 200
ALTAMONTE SPRINGS, FLORIDA 32714

TEL: (407) 333-3233 FAX: (407) 333-3919

DELIVERED VIA EMAIL

March 5, 2024

Tim Kennedy
Multifamily Loans and Bonds Director
FLORIDA HOUSING FINANCE CORPORATION
227 North Bronough St., Suite 500
Tallahassee, FL 32301

RE: Bristol Manor
(RFA 2023-211/2023-250V)

Dear Tim:

Pursuant to the Notice of Preliminary Award for Construction Inflation Response Viability Funding under RFA 2023-211 ("Preliminary Award") for Bristol Manor (2023-250V) dated June 14, 2023, the deadline for the Credit Underwriting Report (CUR) is March 31, 2024.

In connection with the aforementioned Preliminary Award, please consider this letter as Bristol Manor's formal request for an extension of the deadline for the CUR to June 28th, 2024.

This request is due to the unprecedented escalation in construction costs over the past two years which has resulted in a domino effect of delays in the pre-development process. Bristol Manor applied with Volusia County for gap funding under RFP #24-P-54MC-2 on Feb. 28th, 2024. This RFP is intended for shovel-ready projects that have a gap as a result of the recent cost increases and it is anticipated that Bristol Manor will be awarded a sizable contribution when awards are announced in late March.

Our underwriter, First Housing, has received all due diligence items and has been informed of this forthcoming source. With an extension of the CUR deadline, the underwriter will be able to include the County's commitment once the awards are announced and eliminate any need to swap out loans via an update to the CUR at a later time. Closing calls have been ongoing and we intend to close shortly after FHFC approval of the CUR.

Due to these circumstances beyond the Applicant's control, we respectfully request approval of the extension.

Sincerely,

Bristol Manor, Ltd.
By: Berkeley Bristol GP, LLC, its general partner
By: Berkeley Housing Initiative, Inc., Manager
By: Julie von Weller, its Executive Director

Julie von Weller Digitally signed by Julie von Weller
Date: 2024.03.05 16:43:33 -05'00'

Julie von Weller

Cc: Taylor Arruda, First Housing

Osprey Sound Apartments, L.P.

Mr. Tim Kennedy
Multi-Family Loans & Bonds Director
Florida Housing Finance Corporation
227 N. Bronough St., Suite 5000
Tallahassee, FL 32301

*Re: Osprey Sound Apartments; RFA 2023-211; 2021-107B/2023-258V
Request for Approval to Waive RFA Credit Underwriting Timing Requirement*

Dear Mr. Kennedy,

Osprey Sound Apartments, L.P. (“Applicant”) submitted application no. 2023-258V in response to RFA 2023-211 (the “RFA”) on May 16, 2023 for Osprey Sound Apartments, 1401 Duskin Avenue, Orlando, FL 32839 (the “Development”). The Development will consist of 100 newly constructed (Mid-Rise 5 to 6-stories) units in Orange County. The Applicant was awarded \$4,300,000 of Viability Loan Funding in relation to application no. 2023-258V, as well as \$22,380,000 in Corporation-issued Multifamily Mortgage Revenue Bonds and \$1,725,096 in 4% Non-Competitive Housing Credits (annual amount) under the original application no. 2021-107B. The demographic for the Development is Elderly Non-ALF with a minimum set-aside commitment of 30% at or below 50% AMI, 52% at or below 60% AMI, and 18% at or below 70% AMI. The Developer is Osprey Sound Developer, LLC (“Developer”).

The RFA requires that the Credit Underwriting Report be completed or updated as applicable prior to March 31, 2024 (the “RFA Credit Underwriting Timing Requirement”). *See* RFA, Section 4(a) (Exhibit A Items). Unfortunately, due to circumstances beyond Applicant’s control, Applicant cannot meet the RFA Credit Underwriting Timing Requirement. Specifically:

- Immediately following FHFC’s award of \$4.3 million in viability loan funds to the Development on June 14th, 2023, Applicant released the project architect and engineers to complete the full project design scope for the Development.
 - In addition, Applicant’s contract with the project Architect of record included a fee for expediting the development of the building permit submission for the Development. The amount of this fee was \$25,000.
- Following the release of design, a formal Final Site Plan application was submitted to Orange County for review on August 15th, 2023. In addition, a formal building permit application was submitted to Orange County on November 1st 2023. Since the submission of these applications, Applicant has been working diligently to obtain final site plan and building permit approval from Orange County, yet – despite Applicant’s efforts to diligently progress the process – both applications still remain under review as of today.

- Though Applicant has done its best to push the site plan and building permit approval process forward, Applicant is ultimately subject to the County's rate of speed.
- In addition to the County having a backlog, the Development's required final site plan submission had a few complexities that increased the amount of coordination needed amongst the design team, county reviewers, and others, further slowing progress. Namely:
 - off-site utility improvements, which also necessitated coordination with Orange County Utilities, and the Orlando Utilities Commission;
 - re-striping of a public roadway, and incorporation of a new left turn lane, which required coordination with the Orange County Traffic Department, Orange County Utilities and the Orlando Utilities Commission, to prevent any possible conflicts between new and existing improvements; and
 - division of the site plan into two phases. The re-design of the project into two phases required a complete re-work of the property site layout, while also maintaining the same development impact area, to prevent any disturbance of the protected wetland areas on the northern side of the property.
- Applicant also experienced frequent delays related to having to coordinate meetings with the County, as well as review times.
 - While it is difficult enough to find a meeting time when numerous parties are simultaneously available (generally resulting in a meeting date further out than anticipated), the delay was compounded by short staffing at Orange County Utilities, the Orlando Utilities Commission, Orange County Traffic, and Orange County Engineering.
- Given the current status of review, applicant anticipates receipt of final site plan approval in April 2024, and final approval of building permits by August 2024.
- Because of the importance of capturing building permit comments from the County in the contract scope of work, and the inability of the general contractor to hold pricing for an extended period of time, Applicant cannot execute the guaranteed maximum price ("GMP") construction contract until additional progress has been made on the building permit review process.
 - Applicant expects that the GMP construction contract will be executed approximately three months prior to closing (estimated for Q3 2024).

- Since Applicant cannot commence construction until the building permits have been issued, and since the building permits likely will not be issued until late in 2024, Applicant believes it will be able to close and commence construction in Q4 2024.

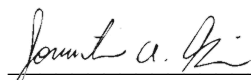
For the foregoing reasons, Applicant cannot satisfy the RFA Credit Underwriting Time Requirement. However, based on the current status of its building permit approval and GMP construction contract, Applicant has a high degree of confidence that it will be in a position to seek formal credit underwriting approval at Florida Housing's October 22, 2024 Board meeting. Applicant therefore seeks approval to extend the RFA Credit Underwriting Timing Requirement accordingly.

If this request is not granted, Applicant may be forced to return the award of Viability Loan Funds previously committed to the Development by FHFC in June 2023. If these previously awarded funds are revoked, a new financing gap will be created, and the Development will no longer be financially feasible.

Applicant has invested a significant amount of time, effort and capital into the Development, and remains committed to bringing the project to fruition. Specifically, Applicant has invested \$4.025 million of its own capital to purchase the Development site. This investment will ensure that site control is maintained while Applicant completes (1) the building permit review process with Orange County, and (2) the credit underwriting approval process with FHFC.

However, if the extension request is not granted, Applicant will be forced to sell the land and abandon the affordable housing project. Abandonment of the Development will undermine the goals set forth in the Orange County Housing for All 10-Year Action Plan, and result in an increase in the deficit of affordable housing available in the community.

Respectfully submitted,



Jonathan Gruskin
Authorized Representative



POLLYWOG CREEK MEWS, LLC

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



March 4th, 2024

Mr. Tim Kennedy
Multifamily Loans and Bond Director
Florida Housing Finance Corporation
227 N. Bronough Street, Suite 5000
Tallahassee, FL 32310

Re: Pollywog Creek Mews RFA 2023-211/2023-238V Viability Loan CUR Deadline

Dear Mr. Kennedy:

Rural Neighborhoods, Incorporated (Developer) and Pollywog Creek Mews, LLC (Applicant) request an RDA Waiver to certain requirements of RFA 2023-2011 *Construction Inflation Response Viability Loan*. The RFP Waiver request is applicable to the application and credit underwriting for Pollywog Creek Mews 2023-211/2023-238V, a 28-unit rental community located in Labelle, Hendry County, Florida.

Under Section 4, Exhibit A, Exhibit A Items on page 7 of RFA 2023-2011, Pollywog Creek Mews (PCM) was required to obtain a completed credit underwriting report prior to March 31st, 2024. PCM was unable to meet this requirement due to certain economic obstacles associated with the development and asks it be waived.

- PCM has encountered insufficient market interest in the new construction of a small, 28-unit, ESS residential building in rural Hendry County, FL. Four Florida licensed general contractors situated in coastal SW, SE and NE FL have responded to or been solicited regarding the subject property resulting in three bids to date.
- Two of the four general contractors solicited fail to meet credit underwriting standards which require a general contractor to have experience in multifamily, affordable rental construction.
- Bids received far exceed the projected construction cost deemed reasonable for 3-story, walk-up ESS construction. Pricing received has resulted in costs per square foot between \$280/SF and \$320/SF.

Rural Neighborhoods and Pollywog Creek Mews, LLC, however, has provided to First Housing Development Corporation all corporate structure and financial data relevant to credit underwriting including pro forma total development cost, income and expense analysis, articles of incorporation and organization, credit references and releases, real estate owned analysis, contingent liabilities and the like. In addition, it has provided the underwriter with experience and financial information on its preferred general contractor if a mutually agreeable construction contract can be reached.

Further, the Developer and Applicant have obtained \$750,000 in direct subsidy from the Federal Home Loan Bank of Atlanta's Affordable Housing Program to enhance the financial viability of PCM.

If an RFA waiver is not granted, several hardships would be incurred:

- Small county, Income-eligible Hendry County residents - in an area already impacted recently by Hurricane Ian - would lose access to rent-restricted housing impacted by Hurricane Ian. Hendry County is a rural area in which additions to the affordable housing supply are sporadic at best.
- FHLB Atlanta AHP direct subsidies totaling \$750,000 would be lost in a period in which HOME and Viability funds are already inadequate to meet current interest rates and construction inflation. Moreover, Hendry County, FL is bereft of local government financial support since it is not an entitlement jurisdiction for CDBG or HOME funds.
- The Developer and Applicant would suffer a loss of predevelopment expenditures exceeding \$300,000 resulting in a financial hardship for the nonprofit Developer. In contrast, the nonprofit Developer is committed to continued and further financial investment through architectural value engineering and possible significant voluntary loans toward water and infrastructure such as the scheduled lift station.

To remediate the circumstances that has caused the CUR to not be completed the Developer and Applicant have taken the actions listed below and propose a revised timeframe in which CUIR approval can be considered at the June 28th FHFC board meeting.

- PCM has executed an architectural change order of \$50K+/- to make significant architectural, structural, and mechanical changes to the bid plan set reducing numerous elements to reduce the construction budget. These plan amendments are estimated to be completed on or about March 29th. [It should be noted that building and engineering plans have previously been approved by the City of Labelle, FL.]
- The Developer and Applicant continue to negotiate with the preferred general contractor (and has solicited two additional GCs) to reduce the construction contract to

a feasible total. The nature of the plan revisions noted above is commensurate with recommendations of the GC. The price reduction required to make the project feasible is an estimated five percent (5%) below the current bid price. The GC has indicated revised prices can be expected on or about April 20th.

- The Developer controls the remainder of the parcel not included in the current Development. The Developer is analyzing cost allocation methods to assign certain water, sewer and drainage expenses to a subsequent phase to make PCM feasible. This analysis is scheduled to be completed commensurate with receipt of updated construction prices and not increase the timeline.
- Given that substantial credit underwriting information is presently submitted to First Housing Development Corporation, a CUR may be completed in a timely manner on submission of a construction contract. These steps are likely to result in a completed credit underwriting report on or about May 30th or such earlier deadline to meet the June 28th scheduled FHFC board meeting.

Thank you for consideration of this request for an RFA waiver. I am available for comment or questions.

Sincerely,



Steve Kirk
President



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Consultant

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Valley National Bank

CHIEF EXECUTIVE OFFICER

Ashon Nesbitt

March 2, 2024

Mr. Robert Dearduff
Florida Housing Finance Corporation
227 N. Bronough Street Ste. 5000
Tallahassee, FL 32301-1329

RE: Oaks at Moore Creek II PLP 2021-012P-09 1st Extension Request

Dear Mr. Dearduff:

This letter provides notice that East to West Development Corporation (EWDC) has requested a one-year extension of PLP Loan 2021-012P-09. The Oaks at Moore Creek II PLP Loan of \$500,000 matures on April 14, 2025, with a principal amount owed of \$241,927.38. The project will consist of 15 homeownership units for families in Fort Pierce, FL.

We are requesting the extension early as the borrower plans to secure a loan from Neighborhood Lending Partners in March 2024 to fund the development project. Seeking an extension for the PLP loan, the borrower aims to align its maturity date with the construction loan, which concludes in March 2026. Once construction financing is closed, the borrower will commence the construction of the homes.

As EWDC is experienced in developing housing and skilled at securing financing, we anticipate continued progress over the next year with the goal of selling homes to repay the PLP Loan.

As TAP for this project, I am recommending that the request for a first one-year extension be approved.

Should you need any further information please feel free to contact me at kropp@flhousing.org or call 352-422-3513.

A handwritten signature in blue ink that reads "Steve Kropp".

Steve Kropp
Technical Advisor



February 22, 2024

Florida Housing Finance Corporation
227 N. Bronough Street, Suite 5000
Tallahassee, Florida 32301
Attn: FHFC Board

RE: Oaks at Moore's Creek-II PLP (Loan # 2021-012P-09): Extension Request

Dear FHFC Board Members:

This letter is a request to approve a one-year (1) extension to the maturity date of our Oaks at Moore's Creek loan that matures April 14, 2025

East to West Development Corporation was awarded the above referenced PLP Loan on April 14, 2022. The loan is secured by the property located at 1200 Block of Avenue B in Fort Pierce, Florida and has aided our organization in advancing the pre-development work on a 15-unit homeownership project on this site. The approved loan amount is \$500,000 of which East to West Development Corporation has drawn a principal amount of \$222,354.48. The project is ready to begin vertical construction and we are in the process of closing on a construction loan with Neighborhood Lending Partners (NLP).

The extension is being requested due to a requirement by the construction lender that any other loans on the subject site should have a maturity date beyond that of their loan. NLP's Loan maturity date will be March 2026.

Your consideration in this matter is greatly appreciated. Should you have any questions, please feel free to contact me at your convenience.

Sincerely,

Daniel A. Rosemond

Daniel A. Rosemond, CEO



(305) 588-2637



daniel@etwdc.org



***.etwdc.org



2600 West Olive Avenue, #500, Burbank, CA 91505 700 US
Highway, #C, N. Palm Beach, FL 33408



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Truist

Christine Ruiz
Bank of America

Thais Sullivan
Valley National Bank

CHIEF EXECUTIVE OFFICER

Ashon Nesbitt

March 2, 2024

Mr. Robert Dearduff
Florida Housing Finance Corporation
227 N. Bronough Street Ste. 5000
Tallahassee, FL 32301-1329

RE: PLP 2019-015P-09 2nd PLP Loan Extension Request

Dear Mr. Dearduff:

This letter provides notice that Clermont Ridge II has requested a second one-year extension of PLP Loan 2019-015P-09. The borrower is also seeking approval to adjust the current number of rental units from 93 to 84, citing a misunderstanding of the Lake County (Clermont) zoning limitations that led to the initial miscalculation. The Clermont Ridge II PLP Loan of \$750,000 matures on June 10, 2024, with a principal amount owed of \$533,095.52. The project will be developed for Elderly persons in Clermont, FL.

The Clermont Ridge II development project experienced several unsuccessful RFA applications for funding under FHFC programs with Turnstone as the codeveloper. The project has progressed since the first extension request was approved, with another application for funding. The Borrower intends to repay the PLP Loan at the closing of the construction loan after a successful application. In the event that an RFA for the project is not granted this year, the Borrower will sell the property to settle the PLP loan. To date, the Borrower has not secured funding. To provide a full scope of the project, timeline, and financing structure, the Development Plan has been updated and is included with this PLP TAP Approval Letter.

As the TAP for this project, I am recommending that the request for a second one-year extension to the PLP Loan maturity date be approved along with the decreased number of final units.

Should you need any further information please feel free to contact me at kropp@flhousing.org or call 352-422-3513.

A handwritten signature in blue ink that reads "Steve Kropp".

Steve Kropp
Technical Advisor



Predevelopment Loan Program

Development Plan

Development Name	Clermont Ridge II
Development File Number	2019-015P-09

2nd Extension Request

March 2024

A. General Information		
	ORIGINAL	ADJUSTED MARCH 2024
Applicant Entity Name	Provident Housing Solutions, Inc.	No Change
Development Name	Clermont Ridge II	No Change
Development Address	13625 Jacks Lake Rd Clermont, FL	No Change
Development Co-Developers	Turnstone Development Corporation	Blue Sky Developers
Primary Contact	Hank Dunn	No Change
Development Type	Rental <input checked="" type="checkbox"/> Homeownership <input type="checkbox"/>	Rental <input checked="" type="checkbox"/> Homeownership <input type="checkbox"/>
Number of Buildings	TBD	No Change
Number of Units	93	84
Target Population	Elderly	No Change
Construction Type	New <input checked="" type="checkbox"/> Rehab <input type="checkbox"/> Both <input type="checkbox"/>	New <input checked="" type="checkbox"/> Rehab <input type="checkbox"/> Both <input type="checkbox"/>
Applicant Comments: We are in the process of negotiating with Blue Sky Communities for a partnership program for this property. They were our partners for the property directly adjacent to his program 2+ years ago.		
TAP Comments: Due to zoning changes in Lake County, the proposed development is now limited to 84 units.		

B. Development Finance Information		
	ORIGINAL	ADJUSTED MARCH 2024
PLP Loan Recommended Amount	\$750,000	No Change
Total Predevelopment Costs	\$850,000	No Change
PLP Loan Amount for Acquisition	\$500,000	No Change
Estimated Total Development Costs	\$19,853,000	22,500,000
Applicant Comments: Building costs have greatly risen in the Central Florida area since we first secured this property, due to COVID, and previous hurricanes hitting Florida, and general price increases over 3 years. This amount accounts for the rising costs of building materials and construction increases.		
TAP Comments: This property has been acquired and is now under the control of the borrower. A rental house on the property which will be demolished as part of construction is being rented until such time as the borrower can acquire funding to build affordable multi-family apartments.		

C. Development Team				
	ORIGINAL VENDOR	ORIGINAL STATUS	ADJUSTED MARCH 2024 VENDOR	ADJUSTED MARCH 2024 STATUS
Developer	Turnstone Development Corp.	Under Contract	Blue Sky Communities	To be contracted
Contractor	NDC	To be contracted	TBD	To be contracted
Architect	Powell Studios	To be contracted	TBD	To be contracted
Engineer	Highland Engineering		TBD	To be contracted
Consultant – Tax Credit Fin	TBD	Under Contract?	TBD	To be determined
Other				
Applicant Comments: PHS (The borrower) is currently in negotiations with Blue Sky Communities to do a joint project on this property.				
TAP Comments: The borrower is in the process of finalizing a contract with Blue Sky Communities as a codeveloper. Blue Sky will employ their GCs, Architects, and Engineers to complete this project's construction.				

D. Market/Feasibility		
ORIGINAL Type of Study	ORIGINAL Performed By	ORIGINAL Status
Market Study	FHFC Underwriter	To be engaged by FHFC
ADJUSTED MARCH 2024 Type of Study	ADJUSTED MARCH 2024 Performed By	ADJUSTED MARCH 2024 Status
Appraisal/Market Study	TBD	Will be ordered by construction lender
Provide narrative of anticipated marketing and lease up of property: N/A		
Applicant Comments: Rental housing is in very short supply in Clermont. The city has encouraged us to pursue building additional affordable housing units. Clermont Ridge 1, immediately adjacent to this property, is at 100% occupancy and has a long waiting list.		
TAP Comments: The borrower has applied for RFA 2023-201, RFA 2021-2021, RFA 2022-201, and RFA 2023-201 without success. When a successful RFA is awarded, a market study will be ordered by assigned underwriter.		

E. Site Control		
	ORIGINAL	ADJUSTED MARCH 2024
Is the property owned by the Applicant Entity?	No	Yes.
Are there existing liens on the property? If no, how was that verified?	No. Verified through search of public records.	Yes.
List all existing liens	Unknown pending purchase contracts and lien searches	FHFC PLP Loan
Will the property be owned by a single purpose entity other than the Applicant Entity?	Yes. The property and project will be owned by an LLC to be formed with Turnstone and Provident as members.	Yes. The property and project will be owned by an LLC to be formed with Blue Sky and Provident as members.
If the property is going to be acquired, is there an executed contract for sale or lease agreement?	Yes – Purchase contract	Property has been acquired.
Applicant Comments: This property is currently owned by Provident Housing. We anticipate it will be owned by an LLC to be formed with Blue Sky Communities and Provident Housing as members upon securing funds to build.		
TAP Comments: N/A		

F. Development Readiness		
Item	ORIGINAL STATUS	ADJUSTED MARCH 2024 STATUS
Current Zoning on Property	Single Family Residential	High-Density Residential, PUD
Current Use of Property	Vacant land	Vacant land with an old housing being rented, which will be demolished when construction begins.
Future Land Use Plan	Residential	High-Density Residential, PUD
Site Plan Approval	To be completed during PLP Process	Approved
Property Survey	To be completed upon acquisition of lots	Completed
Soil Testing	To be completed during PLP process	Completed
Permits	To be completed upon acquisition	No Change
Availability of Utilities to property	Yes	No Change

Availability of Water to property	City of Clermont	No Change
Availability of Sewer to property	City of Clermont	No Change
Availability of Road access to property	Paved Public	No Change
Environmental Assessments Performed	To be completed during PLP process	Completed
Appraisal	To be completed Credit Underwriting	Completed
Financial Statements available for review	Yes	No Change
Plans, Specs for Development	To be completed during PLP process	To be completed
Applicant Comments: This site continues to be ready for development, contingent on receiving funds to build. We are in talks with Blue Sky Communities to partner with them to build affordable housing on this property. All PLP requirements are complete or have no change from previous notes.		
TAP Comments: The property is adjacent to Clermont Ridge I which was rezoned by the County for a 70-unit senior housing project under construction by the applicant.		

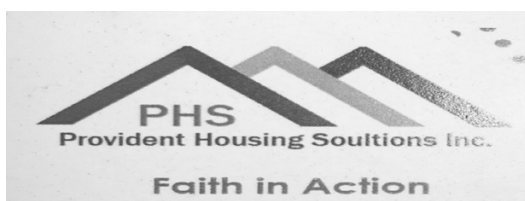
G. Financing Sources Committed				
Name of Source	ORIGINAL Amount	ORIGINAL Status	ADJUSTED MARCH 2024 AMOUNT	ADJUSTED MARCH 2024 STATUS
SAIL	TBD	Will Apply for in next 12 months		Will Apply for in next 12 months
LIHTC	TBD	Will Apply for in next 12 months		Will Apply for in next 12 months
		Will Apply for in next 12 months		Will Apply for in next 12 months
		Choose an item.		Choose an item.
TOTAL				
Applicant Comments: The applicant intends to apply with Blue Sky Communities for FHFC funds to build senior housing at the next funding opportunity				
TAP Comments: The borrower intends to apply for several different RFA's over the next year. They plan to list the property for sale if they are not successful in any of the RFAs.				

H. Narrative
Provide Additional narrative not covered in comments above: Building costs in Central Florida have risen substantially since we first obtained this property. This new cost accounts for the increases in costs to date and anticipated additional rise in costs before the project could commence.

I. Predevelopment Loan Request Budget		
Item	ORIGINAL Amount	ADJUSTED MARCH 2024 AMOUNT
Acquisition	500,000	No Change
Closing Costs (acquisition)	10,000	No Change
Appraisal	4,500	No Change
Architect/Engineer/Planner/Civil	110,500	No Change
Consultants – Finance, Marketing	15,000	No Change
Credit Underwriting Fees	10,000	No Change
Environmental Testing	10,000	No Change
Legal Fees	70,000	No Change
Market Study	6,000	No Change
Soil Testing	3,500	No Change
Survey	4,000	No Change
Application Fees	3,000	No Change
Permitting including rezoning	3,500	No Change
Contingency	0	No Change
PLP Loan Total	\$750,000	No Change

J. Total Development Costs		
	ORIGINAL	ADJUSTED MARCH 2024
Acquisition costs not covered by PLP	96,500	No Change
Acquisition closing costs not covered by PLP	0	No Change
Other Predevelopment costs not covered by PLP	0	No Change
Rehabilitation	0	No Change
Hard Construction and site work	13,000,000	15,000,000
Construction Contingency	1,300,000	1,500,000
Developer Fees	3,192,480	3,539,480
Soft Costs	2,460,520	2,460,520
Total Development Cost	\$19,953,000	22,500,000

K. Timeline				
Timeline Item	ORIGINAL Date	ORIGINAL Status	ADJUSTED MARCH 2024 DATE	ADJUSTED MARCH 2024 STATUS
PLP Loan Approval	March, 2020	Anticipated	8-31-2020	Complete
Site Acquisition	May, 2020	Anticipated	8-31-2020	Complete
Survey	April, 2020	Anticipated	5-11-2020	Complete
Zoning Approval	October, 2019	Complete	10-27-2020	Complete
PLP Loan Closing	April, 2020	Anticipated	8-31-2020	Complete
Applying for Construction Financing	February, 2021	Anticipated	July, 2024	Anticipated
Construction Start	June, 2021	Anticipated	April, 2025	Anticipated
Construction Completion	December, 2021	Anticipated	October, 2026	Anticipated
Lease-up/Sale	January, 2022	Anticipated	October, 2026	Anticipated



February 26, 2024

Robert Dearduff, Special Programs Administrator
Florida Housing Finance Corporation
227 North Bronough Street, Suite 5000
Tallahassee, FL 32301

RE: 2nd Extension Request FHFC PLP #2019-015P-09

Dear Mr. Dearduff:

This letter is a request to approve a one-year extension of the PLP Loan maturity date for Clermont Ridge II affordable housing development project in Clermont, Florida. We also request an adjustment to only build 84 units on this project as that is the new zoning maximum for this Clermont property.

Provident Housing Solutions, Inc. (PHS) is the Borrower for the Clermont II PLP loan, which is secured by the property at 13550 Hunt Trace Boulevard in Clermont. The development project, Clermont Ridge II, is a hoped-for extension of Clermont Ridge I, which is located adjacent to this property, and was previously funded by Florida Housing Finance Corporation. Clermont Ridge II will provide senior rental housing for elderly low-income households in Clermont (Lake County) Florida. This is a bifurcated loan in the amount of \$750,000, of which \$250,000 was made available for non-site acquisition costs and up to \$500,000 was made available to finance land acquisition, and it is maturing on June, 2024. To date, \$533,095.52 has been expended for the land purchase and the associated costs of acquiring the property. The remaining PLP loan balance is \$216,904.48.

PHS is requesting an extension to the PLP maturity date since it has unsuccessfully applied three previous times for FHFC funding for this project. We believe that lack of success is not due to the quality or need for this project, but to poor lottery numbers.

We recently completed a project in Lakeland in collaboration with Turnstone Development. However, for our upcoming project, we are reverting to a previous successful partnership with Blue Sky Communities, our former collaborator for a completed development in Clermont. We are confident that Blue Sky Communities possesses the necessary experience and talent to successfully execute this project. Having been partners before, we are confident that both parties have the expertise and prior experience required to secure financing through the FHFC RFA process. We anticipate repaying the PLP loan by the extended maturity date deadline.

We respectfully request a one-year extension to allow us to obtain financing for this project. If I can answer any questions, please do not hesitate to contact me.

Thank you for considering our request.

Sincerely,

Steve Smith

Steve Smith,
CEO
Provident Housing Solutions, Inc.



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CHIEF EXECUTIVE OFFICER

Ashon Nesbitt

Mr. Robert Dearduff
Florida Housing Finance Corporation
227 N. Bronough Street Ste. 5000
Tallahassee, FL 32301-1329

RE: Development Plan Approval for Florida City Condos PLP 2023-006P-09

Dear Mr. Dearduff:

This letter provides notice that this project has my approval to go forward for consideration of FHFC approval of the loan amount of \$650,000 and execution of loan documents. Caring & Sharing, Inc. will develop one building with six homeownership units, in Florida City, FL for low- and moderate-income families. PLP funds will be used for site acquisition and 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 \$650,000 is sufficient to complete the proposed predevelopment activities for this project.

Should you need any further information please feel free to contact me at kropp@flhousing.org or call 352-422-3513.

A handwritten signature in black ink on a light blue background, reading "Steve Kropp".

Steve Kropp
Technical Advisor



Predevelopment Loan Program
Development Plan

Development Name	Florida City Condos
Development File Number	2023-006P-09

A. General Information	
Applicant Entity Name	Caring & Sharing Inc.
Development Name	Florida City Condos
Development Address	1505 NW 6 Avenue, Florida City, FL 33034
Tax Assessor Parcel Id Number	16-7824-008-0200
Development Co-Developers	Davis Consulting and Management Inc.
Primary Contact	Marlene Lee (786) 414-6155, Nehemiah Davis: (305) 431-0896, Keston White-Marin: (305) 458-8170
Development Type	Rental <input type="checkbox"/> Homeownership <input checked="" type="checkbox"/>
Number of Buildings	One (1) Building with three (3) levels
Number of Units	Six (6)
Target Population	Family
Construction Type	New <input checked="" type="checkbox"/> Rehab <input type="checkbox"/> Both <input type="checkbox"/>
Applicant Comments: The project site is located in Florida City. The 1505 NW 6 Avenue property is zoned RM-15.	
TAP Comments: The vacant property is proposed to be developed into a three-story complex.	

B. Development Finance Information	
PLP Loan Recommended Amount	\$650,000
Total Predevelopment Costs	\$500,000
PLP Loan Amount for Acquisition	\$205,000
Estimated Total Development Costs	\$1,622,200.00
Will the Development be pursuing Tax Credits or Bonds? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If "Yes" selected above, please state name of entity that will own the property?	N/A
Applicant Comments: This land parcel is located in Florida City of Miami-Dade County, Florida. The land parcel is zoned 15-M, which we estimate that six units can be legally developed. Our goal is to design and build a six unit building with a height of three stories. Each condominium unit will have 3 bedrooms and 2 bathrooms. Our goal is to borrow the construction funds from the Miami-Dade County PHCD Infill Housing Program, which has set aside Surtax funds for countywide affordable housing projects. Any financing gaps will be sought after from one of the CDFI Lenders, such as BBIF or similar.	
TAP Comments:	

C. Development Team		
	Vendor	Status
Developer	Caring & Sharing Inc.	Owner of Project
Co-Developer	Davis Consulting and Management Inc.	Under Contract

Contractor	Building and Remodeling Inc.	Contract Pending
Architect	Interviewing Architecture Firms	Contract Pending
Engineer	Interviewing Engineering Firms	Contract Pending
Consultant	Yanis Development Group, LLC	Under Contract
Other		
Applicant Comments:		
TAP Comments: The applicant is negotiating with architects and engineers for the project.		

D. Market/Feasibility		
Type of Study	Performed By	Status
An Appraisal to be ordered	A state certified appraisal company	
Provide narrative of anticipated marketing and lease up of property: This residential development is a homeownership project and it will be marketed as affordable and workforce homeownership condominium units and will use various subsidies from Florida City, Miami-Dade County, and Florida State Programs.		
Applicant Comments: This proposed building will be a three-story building with two units on every level, with each condominium unit having three bedrooms and two bathrooms. This small condominium building will be a concrete block and steel (CBS) structure and each unit will have its own water and electrical meters. The condominium units will only share a common CBS wall, stairs, hallways and yard space.		
TAP Comments: The appraisal will be completed as part of the underwriting process.		

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: Address: 1505 NW 6 Avenue, Florida City, FL 33034 Legal Description: WASHINGTON PARK PB 9-13 LOTS 7 & 8 BLK 4 LOT SIZE 100.000 X 100 OR 16177-0333 1192 4	
Site Control Questions	Applicant Response
Applicant currently owns the site (recorded deed)	_____ Yes <u> X </u> No
The Applicant has or will have prior to loan closing, a contract to purchase the site	<u> X </u> Yes _____ No
The Applicant has or will have prior to loan closing, a long-term lease on the site	_____ Yes <u> X </u> No
Are there existing liens on the property?	_____ Yes <u> X </u> No

If no liens exist, how was that verified?	A search was conducted at Miami-Dade County Recorder's Office, which resulted in no findings.
List all existing mortgages and liens on the property: There is No mortgages or 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?	_____ Yes <u> X </u> 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.	As stated, there are no current mortgages. We plan on go to the Miami-Dade County for the construction loan through set-aside SURTAX funds for the Infill Housing Program.
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"	N/A
Applicant Comments: Caring & Sharing, Inc. Is a not-for-profit organization that has site control through a contract to purchase the land located at 1505 NW 6 Avenue, Florida City, FL 33034.	
TAP Comments: Caring & Sharing, Inc. is a relatively new nonprofit with minimal capital.	

F. Development Readiness	
Item	Status
Current Zoning on Property	RM-15
Current Use of Property	Vacant Land
Future Land Use Plan	RM-15
Site Plan Approval	August 2024
Property Survey	May 2024
Soil Testing	July 2024
Permits	September 2024
Availability of Utilities to property	Available – FP&L
Availability of Water to property	Available – Florida City/Miami-Dade County
Availability of Sewer to property	Available – Florida City/Miami-Dade County
Availability of Road access to property	Available – Florida City/Miami-Dade County
Environmental Assessments Performed	May 2024
Appraisal	May 2024
Financial Statements available for review	Yes
Plans, Specs for Development	August 2024
Applicant Comments:	

TAP Comments: The applicant is just starting the predevelopment process.
--

G. Financing Sources		
Name of Source	Amount	Status
Private /Public Lender TBD	\$972,200	Will Apply for in next 12 months
FHFC PLP	\$650,000	Applied For
		Choose an item.
		Choose an item.
Total	\$1,622,200.00	
Applicant Comments:		
Is the Applicant applying for any other FHFC financing? If so, has it been approved?	Yes. It was approved.	
Is the Applicant entity under the other FHFC financing the same applicant entity as the PLP applicant entity? If not, provide the name of the Applicant entity.	Yes	
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: Caring and Sharing has secured a preliminary site plan, floor plan and building elevations. A pre-meeting was completed with the City. Miami Dade County adopted a new resolution adjusting the way impact fees are assessed. We have to determine how Florida City assesses their impact fees as it relates to Miami-Dade County's new impact fee assessment.

I. Predevelopment Loan Request Budget	
Item	Amount
Land acquisition (1505 NW 6 Avenue, Florida City, 33054)	\$205,000.00
Boundary of Land Parcel	\$750.00
ALTA Land Survey	\$2,000.00
Environmental Phase-1 Assessment	\$3,500.00

Architectural Building Plans	\$95,000.00
Consultant Fees	\$35,000.00
Administrative Expenses	\$6,600.00
Geo-Tech Ground Density Test	\$1,800.00
Miami-Dade County Administrative Site Plan Review Approval	\$11,100.00
Building Plan Expeditor Service	\$7,000.00
City & County Up-Front Processing Fees	\$13,800.00
Florida City Impact Fees	\$49,050.00
Miami-Dade County House Impact Fees	\$98,100.00
Building Permits Fee/ Final Processing Fees	\$26,700.00
Water Connection Fee	\$2,500.00
Water & Sewer (WASA) Allocation fee	\$7,500.00
Loan Closing and Commitment Fees	\$59,600.00
Contingency	\$25,000.00
PLP Loan Total	\$650,000.00

J. Total Development Costs	
Acquisition costs not covered by PLP	\$0.00
Acquisition closing costs not covered by PLP	\$0.00
Other Predevelopment costs not covered by PLP	\$54,699.50
Rehabilitation	\$0.00
Hard Construction	\$873,810.00
Construction Contingency	\$43,690.50
Developer Fees	\$0.00
Other construction costs	\$0.00
Total Development Cost	\$1,622,200.00

K. Timeline		
Timeline Item	Date	Status
PLP Loan Approval	March 2024	Anticipated
Site Acquisition	May 2024	Anticipated
Survey	Current	Complete
Zoning Approval	Complete	Complete
PLP Loan Closing	May 2024	Anticipated
Applying for Construction Financing	September 2024	Anticipated
Construction Start	Dec. 2024 or Jan.2025	Anticipated
Construction Completion	October 2025	Anticipated
Lease-up/Sale	February 2026	Anticipated



March 3, 2024

Mr. Robert Dearduff
Florida Housing Finance Corporation
227 N. Bronough Street Ste. 5000
Tallahassee, FL 32301-1329

This letter provides notice that EcoTech Visions Foundation has requested a revision to PLP Budget for the Armstrong Building 2021-004P-09 PLP Loan. The Armstrong Building is a 48-unit development that will provide housing in Opa Locka, FL (Miami Dade County). To date, the Borrower has expended \$367,925.84 of the \$500,000 loan which matures on January 22, 2025.

Construction is anticipated to commence in late 2024. The Borrower has submitted the plans to Opa Locka and Miami-Dade for building permits. To use the approved PLP Loan for the most suitable use, the Borrower is requesting to reallocate PLP funds to allow for higher than anticipated architectural costs through the pre-development stage of the project. The revised budget reallocates a total of \$146,009 for Architectural and Engineering services. The \$146,009 reallocation include a previous TAP adjustment of \$50,000. Unused portions of existing line items have been reduced to fund these architectural activities that best align with the project's timeline and immediate needs. The revised Development Plan further outlines the changes.

As TAP for this project, I am recommending this request to revise the PLP Budget to reallocate expenses to allow for the increase in costs for architectural and engineering. To support this request, the adjusted Development Plan submitted with this letter includes a revised PLP budget and an adjusted timeline.

Should you need any further information please feel free to contact me at Kropp@Flhousing.org or call 352-422-3513.

A handwritten signature in blue ink on a light blue background, reading "Steve Kropp".

Steve Kropp
Technical Advisor

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Ashon Nesbitt



Predevelopment Loan Program

Development Plan

Development Name	AmStrong Building
Development File Number	2021-004P-09

Revised Jan 2023 (Unit Reduction)

Revised January 3,2024 (Budget Revision)

Predevelopment Loan Request Budget		
Item	Original Amount	Revised Jan 2024
Market and Feasibility Analysis	\$5,000	\$0
Site Plan Administrative Review Fees	\$8,000	\$5,800
Legal Fees	\$30,000	\$34,591
Boundary and Topographic Survey	\$3,000	\$3,000
Administrative Expenses	\$1,500	\$1,500
Consultant Fees	\$35,000	\$35,000
Commitment Fees to Secure Financing	\$115,000	\$4,500
Biological and Environmental Assessments	\$2,100	\$2,000
Soil Tests	\$2,300	\$4,300
Appraisal	\$7,500	\$5,800
Architectural/Engineering Fees	\$236,200	\$382,209
Traffic Study Impact	\$5,000	\$1,900
Building Plans Process Fees	\$41,400	\$11,400
Predevelopment Contingency	\$8,000	\$8,000
PLP Loan Total	\$500,000	\$500,000

TAP COMMENT JAN 2024:

Market and Feasibility Analysis: Line item decreased by \$5,000 to \$0.

Site Plan Administrative Review Fees: Line item was decreased by \$2,200 to \$5,800.

Commitment Fees to Secure Financing: Line item was decreased by \$110,500 to \$4,500.

Biological and Environmental Assessments: Line item was decreased by \$100 to \$2,000.

Appraisal: Line was item decreased by \$1,700 to \$5,800 which leaves \$3,000 for the update.

Architectural/Engineering Fees: Line item was increased by \$146,009 to \$382,209 to cover additional costs due to the complexity of the parking.

Building Plans Process Fees: Line item was decreased by \$30,000 to \$11,400.

Legal and Soils tests were increased as a result of past expenditures.



FOUNDATION 501c3

Creating Jobs, Sustaining Communities, Protecting the Planet!

March 4, 2024

Mr. Robert Dearduff
Florida Housing Finance Corporation
227 N. Bronough Street Ste. 5000
Tallahassee, FL 32301-1329

RE: PLP Loan-Budget Revision Request: Armstrong Building (2021-004P-09)

Dear Mr. Dearduff,

Ecotech Visions Foundation, Inc. (EVF) is requesting a revision to the PLP Budget of the Armstrong Building 2021-004P-09 loan. EVF is developing 48 units for low to moderate income families in Opa-Locka, FL (Miami-Dade County).

The City of Opa-Locka has approved the site plan and development agreement for the project. The architectural and engineering plans permit set has been completed and submitted to the Miami-Dade and City of Opa-Locka Building Departments. A General Contractor has been selected. Construction is anticipated to commence in 2024. We anticipate receiving 85% of the construction cost from the Miami-Dade County Surtax Program.

The project requires a reallocation of some of the original budget items to allow for higher than anticipated architectural design costs through the pre-development stage of the project.

We appreciate your consideration of the budget revision.

Respectfully,



Dr. Pandwe Gibson, Executive Director
Ecotech Visions Foundation, Inc.



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CHIEF EXECUTIVE OFFICER
Ashon Nesbitt

March 6, 2024

Mr. Robert Dearduff
Florida Housing Finance Corporation
227 N. Bronough Street Ste. 5000
Tallahassee, FL 32301-1329

RE: Nana City Homes PLP 2021-015P-09 Change in Construction lender, increase in Construction loan and add Surtax loan. Reduction in units from 37 to 33.

Dear Mr. Dearduff:

This letter provides notice that Nana City Homes has requested changes to the development plan for Nana City Homes PLP Loan 2019-15P-09. The funding has changed with a new construction lender, an increase in the construction loan and an additional \$3.7 million surtax loan from Miami-Dade. In addition, the number of units is being reduced from 37 to 33 due to encroachments and setback issues. The Nana City Homes PLP Loan of \$500,000 matures on August 1, 2025, with a principal amount owed of \$249,547.71.

The construction lender, Black Economic Development Fund (BEDF), is being replaced by the Black Business Investment Fund (BBIF) which is being funded by Miami Dade Economic Advocacy Trust (MDEAT). In addition, the construction loan is increasing from \$2,000,000 to \$3,000,000. The PLP loan will continue to be subordinate to the construction loan. In addition, there will be a \$3,700,000 surtax loan from Miami-Dade which will require an intercreditor agreement.

The project size is being reduced from 28 buildings to 27 buildings due to encroachment and setback issues that were discovered during permitting. The total number of units is being reduced from 37 to 33. The 33 units will now consist of 23 single family homes instead of 24. The 4 townhome buildings will now have 10 townhome units instead of 13.

All these requested adjustments are documented in the Development Plan submitted with this TAP Approval Letter. As TAP for this project, I am recommending that the changes be approved.

Should you need any further information please feel free to contact me at kropp@flhousing.org or call 352-422-3513.

A handwritten signature in blue ink that reads "Steve Kropp".

Steve Kropp
Technical Advisor



Neighbors And Neighbors Association Inc.

March 4, 2024

Mr. Robert Dearduff
Florida Housing Finance Corporation
227 N. Bronough Street Ste. 5000
Tallahassee, FL 32301-1329

RE: PLP Loan- Budget Revision Request NANA City Homes (2021-015P-09)

Dear Mr. Dearduff,

Neighbors & Neighbors Association (NANA) is requesting a revision to the PLP Budget of the NANA City Homes loan. NANA is developing 33 units for low to moderate income individuals/families in Miami, FL (Miami-Dade County).

With 8 out of the 33 homes currently under construction, NANA is working diligently in finalizing permits for the remaining lots. At present, NANA is refinancing its current \$2.2 million construction revolving loan from LISC Black Economic Development Fund, LLC (BEDF), and replacing the loan with a \$3 million loan from Black Business Investment Fund (BBIF). Additionally, the Board of County Commissioners recently approved our organization for a \$3.7 million construction loan from the Miami-Dade Surtax Loan Program.

We appreciate your consideration of the budget revision.

Respectfully,

A handwritten signature in blue ink, appearing to read 'Nehemiah Davis', is written over a horizontal line.

Mr. Nehemiah Davis, Project Director
Neighbors & Neighbors Association, Inc.

Main Office
5120 NW 24th Avenue
Miami, Florida 33142
Office: (305) 756-0605
Fax: (305) 756-6008
Email: leroy@nanaff.org

NANA's Satellite Office-2
Gould BRC
11845 SW 216 Street
Miami, Florida 33170
(786) 601-7830

NANA's Satellite Office-3
NANA & CRC Affordable Housing
11845 SW 216 Street
Miami, Florida 33170
(786) 601-7830
Email: ndavis@nanaff.org

NANA's Satellite Office-4
Accelerate South Dade,
10700 Caribbean Blvd, Suite 301
Cutler Bay, FL 33189
Office: (786) 732-0774



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CHIEF EXECUTIVE OFFICER

Ashon Nesbitt

March 5, 2024

Mr. Robert Dearduff
Florida Housing Finance Corporation
227 N. Bronough Street Ste. 5000
Tallahassee, FL 32301-1329

RE: Development Plan Approval for Notre Masion PLP 2024-002P-09

Dear Mr. Dearduff:

This letter provides notice that this project has my approval to go forward for consideration of FHFC approval of the loan amount of \$500,000 and execution of loan documents. Because of the number of liens on the property, the borrower will secure the PLP loan with a Letter of Credit acceptable to FHFC. Notre Masion I LLLP, will develop 75 units, in Miami, FL targeting the homeless population. PLP funds will be used for 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 kropp@flhousing.org or call 352-422-3513.

A handwritten signature in blue ink that reads "Steve Kropp".

Steve Kropp
Technical Advisor



Predevelopment Loan Program

Development Plan

Development Name	Notre Maison
Development File Number	PLP 2024-002P-09

March 2024

A. General Information	
Applicant Entity Name	Notre Maison I, LLLP
Development Name	Notre Maison
Development Address	On NE 62 nd Street, northeast of the intersection of NE 2 nd Avenue and NE 62 nd Street in Miami, Florida
Tax Assessor Parcel Id Number	01-3218-014-0010
Development Co-Developers	
Primary Contact	Stephanie Berman
Development Type	Rental <input checked="" type="checkbox"/> Homeownership <input type="checkbox"/>
Number of Buildings	1
Number of Units	75
Target Population	Homeless
Construction Type	New <input checked="" type="checkbox"/> Rehab <input type="checkbox"/> Both <input type="checkbox"/>
Applicant Comments: Carrfour Supportive Housing's subsidiary owns a 2.5-acre site in the heart of the Little Haiti neighborhood. In a response to a call from the community to develop affordable housing for those longtime residents displaced/priced-out by gentrification, Carrfour is proposing to redevelop its site into a multi-phase affordable and supportive housing community that will contain a mix of supportive housing, affordable housing at varying AMI levels, space for grassroots community services organizations, and retail space reserved for local businesses that have been priced-out of the neighborhood. Notre Maison will contain 75 apartments - with 38 of the units reserved as supportive housing for homeless adults/small families (including 20 units reserved for households with a disabling condition) and 37 units of affordable housing for households earning less than 60% AMI	
TAP Comments: N/A	

B. Development Finance Information	
PLP Loan Recommended Amount	\$500,000
Total Predevelopment Costs	\$3,916,388
PLP Loan Amount for Acquisition	
Estimated Total Development Costs	\$35,017,401
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?	Notre Maison I, LLLP
Applicant Comments: Notre Maison has received an annual tax credit allocation of \$2,850,000.	
TAP Comments: N/A	

C. Development Team		
	Vendor	Status
Developer	Carrfour Supportive Housing	Confirmed
Co-Developer	N/A	N/A
Contractor	JWR	Anticipated
Architect	Behar Font & Partners	Confirmed
Engineer	Aviño & Associates	Anticipated
Consultant	N/A	N/A
Property Management	Crossroads Management	Confirmed
Other		
Applicant Comments: The development team in place includes Carrfour Supportive Housing, Inc., Crossroads Management, and Behar Font & Partners. JWR and Aviño & Associates will be the likely general contractor and engineer working on this development. There will not be any co-developer or consultant.		
TAP Comments: N/A		

D. Market/Feasibility		
Type of Study	Performed By	Status
Market Study	Meridian Appraisal Group	Complete
Provide narrative of anticipated marketing and lease up of property: According to the market study, it is anticipated that the lease-up timeline will be accomplished in 3 months.		
Applicant Comments: The Market Study has been completed as part of underwriting with AmeriNat and was done through Meridian Appraisal Group. The Appraisal is currently wrapping up with Meridian Appraisal Group and is expected to be completed within the month.		
TAP Comments: N/A		

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: Please see the attached legal description within the lease.	
Site Control Questions	Applicant Response
Applicant currently owns the site (recorded deed)	_____ Yes <u> X </u> No
The Applicant has or will have prior to loan closing, a contract to purchase the site	_____ Yes <u> X </u> No

The Applicant has or will have prior to loan closing, a long-term lease on the site	<input checked="" type="checkbox"/> Yes <input 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?	Please see the attached title report
List all existing mortgages and liens on the property: Florida Housing Finance Corporation – SAIL Loan – Mortgage (\$495,000), Florida Department of Community Affairs – FDCA Loan – Mortgage (\$250,000), Miami-Dade County – Surtax Loan – Mortgage (\$410,000), Miami-Dade Housing Authority – Surtax Loan – Mortgage (\$590,000), Miami-Dade Housing Authority – Surtax Loan – Mortgage (\$200,000), Florida Community Loan Fund – Loan – Mortgage (\$1,685,000), City of Miami – Construction Loan – Mortgage (\$300,000)	
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 checked="" type="checkbox"/> Yes <input 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.	
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”.	Notre Maison I, LLLP
Applicant Comments: The applicant is respectfully requesting that the PLP mortgage be in the 8 th position given the current mortgages on the property. It is anticipated that the majority of the existing mortgages will be paid off at the time of closing on the tax credit equity and construction loans through a capital lease payment as part of the long-term land lease.	
TAP Comments: Due to the number of liens, the borrower will provide a Letter of Credit as collateral for the PLP loan.	

F. Development Readiness	
Item	Status
Current Zoning on Property	T-5 L and T-5 O
Current Use of Property	Residential predominantly
Future Land Use Plan	Restricted Commercial and Medium Density Multifamily Residential
Site Plan Approval	In Progress
Property Survey	Complete
Soil Testing	Anticipated

Permits	Anticipated
Availability of Utilities to property	Yes, Miami-Dade
Availability of Water to property	Yes, Miami-Dade
Availability of Sewer to property	Yes, Miami-Dade
Availability of Road access to property	Yes
Environmental Assessments Performed	Complete
Appraisal	In Progress
Financial Statements available for review	Yes
Plans, Specs for Development	In Progress
<p>Applicant Comments: We are currently through the site plan approval process with the City of Miami. Construction documents are being worked on by the architect and pre-construction services are being procured from a general contractor in order to confirm the design is in line with the budget. The environmental report indicated that there are no recognized environmental conditions in connection with the historical or current usage of the property. Lastly, underwriting is underway with Amerinat.</p> <p>Florida Power and Light currently provides electricity to the site while Miami-Dade County provides access to water and sewer. In addition, the City of Miami currently provides the road access to the site.</p> <p>TAP Comments: The project is seeking a height increase to accommodate the number of units in the development as part of the site plan approval process. Initial comments have been received and the city did not object to the height increase.</p>	

G. Financing Sources		
Name of Source	Amount	Status
Florida Housing Finance Corporation – Tax Credits	\$25,650,000	Awarded
Florida Housing Finance Corporation – SAIL Loan	\$3,733,300	Awarded
Florida Housing Finance Corporation – SAIL ELI Loan	\$466,700	Awarded
Florida Housing Finance Corporation – NHTF	\$2,625,000	Awarded
<p>Applicant Comments: Notre Maison was successfully awarded the above financing as part of the Request for Applications 2023-103.</p>		
Is the Applicant applying for any other FHFC financing? If so, has it been approved?	No	
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?	Not Applicable
TAP Comments: The project has awarded funding under RFA 2023-103.	

H. Narrative
<p>Provide Additional narrative not covered in comments above:</p> <p>Notre Maison will contain common areas that foster a sense of community, including indoor/outdoor meeting space, a library, computer lab, and exercise room. A robust offering of supportive services will be provided on-site by Carrfour and long-time service partner Betterway of Miami (a CoC member and behavioral health provider).</p> <p>Carrfour’s Board of Directors has formally adopted a policy of proactively seeking community acceptance and involvement in all of its developments. This approach has been successfully implemented in obtaining community acceptance of projects in Miami-Dade County, South Florida, and throughout the State of Florida. The diversity of Carrfour’s staff and Board has been important in providing inroads throughout the State. Carrfour is bilingual at all levels including the Board of Directors, the management team and the resident services staff. Six members of the board are also residents of Carrfour’s projects.</p> <p>TAP Comments: The project has the proper zoning but is seeking a height variance.</p>

I. Predevelopment Loan Request Budget	
Item	Amount
Architect/Engineer	\$400,000
Credit Underwriting Fees	\$27,411
Legal Fees	\$61,699
Survey	\$10,890
PLP Loan Total	\$500,000

J. Total Development Costs	
Acquisition costs not covered by PLP	\$2,400,000
Other Predevelopment costs not covered by PLP	\$1,016,388
Hard Construction	\$20,277,929
Construction Contingency	\$1,006,393
Developer Fees	\$5,613,664
Other construction costs	\$4,703,027
Total Development Cost	\$35,017,401

K. Timeline		
Timeline Item	Date	Status
PLP Loan Approval	3/2024	Anticipated
Site Acquisition	10/2024	Scheduled
Survey	11/2023	Complete
Zoning Approval	9/2024	Anticipated
PLP Loan Closing	5/2024	Anticipated
Applying for Construction Financing	1/2023	Anticipated
Construction Start	10/2024	Anticipated
Construction Completion	12/2025	Anticipated
Lease-up/Sale	12/2025	Anticipated



March 11, 2024

Mr. Robert Dearduff
Special Programs Director
Florida Housing Finance Corporation
City Centre Building
227 North Bronough Street, Suite 5000
Tallahassee, Florida 32301-1329

Re: Charm Little Haiti
2023-004P-09 (PLP)

Dear Mr. Dearduff:

Charm Little Haiti (“Development”) as proposed will consist of 6 units in a four-story building located at 20 NW 76th Street Miami, Florida, 33150. Each unit will consist of 3-bedrooms and 2-bathrooms with square footages ranging from 1,184 square feet to 1,260 square feet. Caring & Sharing Inc. (“C&S”, “Applicant”, or “Developer”) applied for a \$750,000 Florida Housing Finance Corporation (“FHFC” or “Florida Housing”) Pre-Development Loan Program (“PLP”) Loan. The assigned Technical Assistance Provider (“TAP”) recommended a PLP Loan in the amount of \$650,000 of which \$284,000 is requested for site acquisition. The remaining \$366,000 in requested PLP funds will be used for eligible pre-development costs. At the October 27, 2023 FHFC Board meeting, the recommended loan amount was approved subject to review of the requested acquisition portion by the assigned Credit Underwriter. First Housing Development Corporation of Florida (“First Housing”, “FHDC”, “Credit Underwriter”, or “Servicer”) is recommending approval of \$284,000 as the acquisition portion of this request.

The PLP Loan will bear an interest rate of 1% per annum. The PLP Loan is non-amortizing, with principal and interest deferred until loan maturity. With respect to HOME Ownership, the PLP Loan shall mature on the earlier of (a) a prorated basis upon the sale of each home, upon the recommendation of the Credit Underwriter or TAP and a partial release payment in an amount acceptable to the Credit Underwriter or TAP and FHFC; or (b) three years from the date of execution of the loan documents by Florida Housing or other such extended loan maturity date approved by the FHFC Board.

The Applicant has committed to sell a minimum of 50% of the completed condominiums (3 units) to families/individuals with households whose income does not exceed 80% of the Area Median

FHDC

Income (“AMI”), as determined by United States Department of Housing and Urban Development (“HUD”) and adjusted for family size, for the metropolitan statistical area or county in which the individual homes are located, and sell the remaining condominiums (3 units) to families/individuals with households whose income does not exceed 120% AMI. Adhering to the PLP Rule, 50% of the units will be sold as affordable and 50% of the units will be sold as workforce. If the Development obtains construction or permanent financing from other Florida Housing programs, the set-asides committed to by the Applicant under the particular FHFC program providing the additional funding shall be in effect.

The Applicant proposes to utilize the PLP funds to finance the acquisition of the site and for certain other pre-development activities. It is anticipated that financing will be provided through a Miami-Dade Public Housing and Community Development (“PHCD”) Construction Surtax Loan, a City of Miami Community Development Loan, and a loan from a private lender.

For the Applicant to utilize PLP funds for the purchase of land, a Preliminary Assessment must be performed. The Preliminary Assessment is primarily limited to a review of the Application and Project Development Plan, an analytical review of the Development’s sources and uses of funds, a determination that PLP funds drawn for acquisition costs are adequately collateralized, and the performance of limited due diligence relating to the Applicant. The Project Development Plan has been separately reviewed and approved by the TAP, Florida Housing Coalition. The results of First Housing’s findings are presented below.

Applicant Information

The Applicant/Developer is a 501(c)(3) Not-for-Profit Corporation formed effective on August 28, 2019. C&S’ mission is to bring awareness to the needs of the underserved and find solutions to end the disparities that exist in society. Yanis Development Group, LLC will also be co-developer for this Development. Keston White-Martin is the founder and managing member of Yanis Development Group, LLC. Mr. White-Martin has assisted non-profit developers in acquiring \$2.1 million in pre-development financing to develop 160 units for affordable housing.

First Housing reviewed an unaudited Balance Sheet, dated January 17, 2024, for C&S which indicates cash in the amount of \$25,000 and equity in the amount of \$33,000.

Receipt of a credit report, trade reference, and bank reference (as applicable) for C&S is a condition to closing.

Land Cost

First Housing reviewed an As Is Residential Contract for Sale and Purchase between Charm Capital Group LLC and Caring & Sharing Inc. The Contract has a purchase price of \$284,000 and

FHDC

a closing date of October 6, 2023. First Housing received an Extension Addendum to Contract which extends the closing date to March 29, 2024.

Appraisal

First Housing has received and reviewed an appraisal, dated January 25, 2024, from Colliers International Valuation & Advisory Services (“Colliers”). The subject site is approximately 0.12 acres. The site is currently improved with a single family residence that was built in 1949 and is near the end of its useful life. The appraiser notes that the zoning allows for development of up to 7 units. Therefore, the appraiser has determined that the typical buyer would develop the site to its maximum number of units allowed. The appraisal concludes to an as is market value of the fee simple interest, as of January 24, 2024, of \$290,000. The Contract calls for a purchase price of \$284,000 which is supported by the appraisal.

Phase I

A Phase I Environmental Site Assessment Report (“ESA”) was ordered but has not been received at this time.

PLP Budget

The TAP had provided an approved PLP budget, as of October 2, 2023, totaling \$650,000 (see Exhibit A for PLP Budget). The non-acquisition portion of the PLP Loan totaling \$366,000 will be used for eligible pre-development activities and the acquisition cost was estimated at \$284,000.

Development Cost

The Applicant’s total development costs is estimated at \$2,043,198 or \$340,533 per unit. The total development costs include land, hard costs, pre-development, general development costs, interest expense, and infrastructure costs. A summary of the total development costs is included in Exhibit B.

At this time the Applicant is estimating that each condominium will sell for between \$394,000 and \$456,000 per unit. The Applicant has indicated that there will be several home buying programs (such as PHCD SURTAX, Miami-Dade Economic Advocate Trust, City of Miami, and FHFC Homeownership Pool) that will be available to assist the homebuyer with the purchase of the home. After taking into account the home buying assistance programs, the lowest mortgage would be approximately \$220,000. Additionally, the Applicant anticipates monthly condominium fees in the maximum amount of \$60 per month. The income limit on a family of four at 80% AMI is \$82,560; therefore, an income qualified homebuyer should be able to obtain a mortgage in this amount.

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After taking into consideration a real estate broker fee of \$12,750 per condominium, the profit generated from the sell of the condominiums would be \$470,663 or \$78,444 per condo, which gives some flexibility in the sale price.

Conclusion and Recommendation

First Housing's review of the Appraisal indicates that the land acquisition cost appears reasonable. First Housing recommends approval of the PLP Loan in the amount of \$284,000 for the acquisition cost, subject to the following conditions:

1. Satisfactory resolution of any outstanding past due and/or noncompliance issues by the closing of the PLP Loan.
2. Satisfactory receipt of a Phase I ESA Report.
3. Receipt of a credit report, trade reference, and bank reference (as applicable) for C&S.
4. 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).
5. Any other reasonable requests by FHFC, its legal counsel, or the Servicer.

Prepared by:



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Senior Credit Underwriter

Reviewed by:



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Senior Vice President

FHDC

Exhibit A

PLP Loan Budget

PLP Source	
FHFC PLP Loan	\$650,000
PLP Uses	
Acquisition	\$284,000
Surveys	\$2,750
Environmental Assessments	\$4,700
Administrative	\$1,500
Consultant	\$35,000
Architect/Engineer	\$84,448
Permitting, Impact, and Zoning Fees	\$174,565
Utility Fees	\$5,000
Loan Closing and Commitment Fee	\$31,668
Contingency	\$26,369
Total	\$650,000

Exhibit B

Total Development Costs	
Land Costs	\$284,000
Predevelopment Cost	\$124,748
Infrastructure	\$36,300
General Development	\$141,275
Hard Construction Cost	\$1,274,085
Interest Expense	\$88,574
Contingency	\$11,689
Impact Fee	\$82,527
Total	\$2,043,198