

FLORIDA HOUSING FINANCE CORPORATION
Board Meeting
March 16, 2012
Consent Items



COMPLIANCE

Consent

I. COMPLIANCE

A. **Incorporation of the US Department of Agriculture Rural Development (RD) Farmworker Definition into the Land Use Restriction Agreement (LURA) of Farmworker Properties Financed with Florida Housing and RD Resources**

1. **Background**

a) For many years, Florida Housing has provided financing to develop rental properties that serve Farmworkers. In particular, the State Apartment Incentive Loan (SAIL) program requires a small portion of SAIL allocations to be set aside for developments that will serve Farmworkers. A small number of these properties have been financed through both Florida Housing and federal RD programs.

b) Section 420.503(18), Florida Statutes, provides a Farmworker definition, stated below. Property managers must ensure that residents who rent Farmworker units in properties financed by Florida Housing meet the criteria in this definition:

(18)(a) "Farmworker" means a laborer who is employed on a seasonal, temporary, or permanent basis in the planting, cultivating, harvesting, or processing of agricultural or aquacultural products and who derived at least 50 percent of her or his income in the immediately preceding 12 months from such employment.

(b) "Farmworker" includes a person who has retired as a laborer due to age, disability, or illness. In order to be considered retired as a farmworker due to age under this part, a person must be 50 years of age or older and must have been employed for a minimum of 5 years as a farmworker before retirement. In order to be considered retired as a farmworker due to disability or illness, a person must:

1. Establish medically that she or he is unable to be employed as a farmworker due to that disability or illness.

2. Establish that she or he was previously employed as a farmworker.

(c) Notwithstanding paragraphs (a) and (b), when corporation-administered funds are used in conjunction with United States Department of Agriculture Rural Development funds, the term "farmworker" may mean a laborer who meets, at a minimum, the definition of "domestic farm laborer" as found in 7 C.F.R. s. 3560.11, as amended. The corporation may establish additional criteria by rule.

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- c) In 2006, the Legislature amended this subsection to add (c), as provided above. This addition allows properties that have both RD and Florida Housing financing to use the federal RD definition of Farmworker, as required by the federal statute. Use of the RD definition in these properties allows household eligibility to be determined based on actual dollars earned rather than over the past twelve months, as was required by the Florida definition. In addition, use of the RD definition simplifies project operations; otherwise these properties would have both a state and federal eligibility definition to meet. One common definition means a more sensible, efficient management process.

2. **Present Situation**

Out of the 10 Farmworker properties in Florida Housing's portfolio that are also financed with RD Farmworker funding, only 2 include the RD definition in their LURAs. Thus, for the other 8 properties, without formal guidance from the LURA there sometimes is confusion between property management and Florida Housing servicers' interpretations of the correct definition to use in determining resident eligibility for Farmworker units in these properties.

3. **Recommendation**

Direct Asset Management staff to proceed with amendments to the applicable LURAs to include the RD definition of Domestic Farm Laborer, consistent with Florida Statutes.

LOW INCOME HOUSING TAX CREDITS

Consent

II. LOW INCOME HOUSING TAX CREDITS

A. Request Approval of Change in Set-Aside Percentages for The Arcadia Oaks

Development Name:	The Arcadia Oaks
Developer/Principal:	Judd K. Roth
Number of Units:	130
Location :	DeSoto County
Type/Demographic:	Rental/Family (HC)
Set-Aside:	100% @ 50% AMI (HC)
Allocated Funding Amount:	Housing Credits \$789,386.00

1. Background/Present Situation

- a) The Arcadia Oaks (#2008-514C), an acquisition and rehabilitation application, received an allocation of non-competitive 4% Housing Credits on October 19, 2011.
- b) The application included the set-aside breakdown of 100% at 50% AMI. However, at the time of acquisition, two long-term tenants had incomes slightly above 50% AMI.
- c) To prevent the eviction of these two tenants, the applicant requests their set-aside percentages be changed from 100% @ 50% to 5% @ 60% and 95% @ 50% ([Exhibit A](#)).
- d) It is the intention of the applicant that, when these tenants vacate their units, they will be replaced by those with incomes less than 50% AMI.
- e) Additionally, the applicant is requesting adjustments to some of the unit square footages reflected in the Extended Use Agreement's Exhibit B.

2. Recommendation

Approve the request to amend the Extended Use Agreement and direct staff to proceed with processing the amendment.

MULTIFAMILY BONDS

Consent

III. MULTIFAMILY BONDS

A. Request Approval to Amend the LURA and EUA for Ashton Point Apartments

Development Name: Ashton Point Apartments (“Development”)	Location: Volusia
Developer/Principal: Ashton Lake Apartments, LP/Picerne Affordable Development, LLC/Picerne Stratford Point, LLC (“Developer”, “Principal”, or “Owner”)	Set-Aside: 50% @ 60% AMI (MMRB) 100% @ 60% AMI (HC)
Funding Sources: Multi-Family Mortgage Revenue Bonds (MMRB)/ Housing Credits (HC)	Amounts: \$9,615,000 Tax-Exempt Bonds and \$2,630,000 Taxable Bonds; HC \$855,511.00
Number of Units: 268	Type: Rental
ADDITIONAL COMMENTS: LURA Amendment and Subordination	

1. Background

Florida Housing financed the construction of the above referenced Development in 2000 with \$9,615,000 in tax-exempt bonds and \$2,630,000 in taxable bonds designated as 2000 Series U and issued tax credits in the amount of \$855,511.00.

2. Present Situation

In a letter dated January 24, 2012, attached as [Exhibit A](#), Owner advised Florida Housing of its intention to redeem the bonds through a refinance of its first mortgage with new first mortgage debt through a Housing and Urban Development (HUD) 223(f) program. As required by HUD, the replacement lender has requested the LURA and EUA be amended to add a “HUD Rider,” in accordance with HUD requirements, as well as, amend provisions in the LURA and EUA related to the prior Guaranty Program bond financing. In addition, the LURA and EUA will also have to be subordinated to the new HUD first mortgage.

3. Recommendation

That the Board approve the amendment and subordination of the LURA and the EUA for Development, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, and the appropriate Florida Housing staff.

MULTIFAMILY BONDS

Consent

B. Request Approval of the Request for Consent to Transfer Ownership Interest in Island Club Apartments

DEVELOPMENT NAME (“Development”):	Island Club Apartments
DEVELOPER/PRINCIPAL (“Applicant”):	Beville-Oxford Limited Partnership/Beville-Island Club Apartments Partnership, L.P./AIMCO Properties, LP
NUMBER OF UNITS:	204
LOCATION (“County”):	Volusia
TYPE (Rental, Homeownership):	Rental/Family (MMRB,HC)
SET ASIDE:	20% @ 80% (MMRB) 80% @ 150% (MMRB) 100% @ 60% (HC)
ALLOCATED AMOUNT:	\$11,270,000 of Tax Exempt Bonds
ADDITIONAL COMMENTS: Transfer of Ownership	

1. Background

- a) Florida Housing financed the construction of the above referenced Development in 1985 with \$11,340,000 in tax exempt bonds designated as 1985 Series CCC.
- b) Florida Housing refunded the Development in 1990 with \$11,270,000 in tax exempt bonds designated as 1989 Series D.
- c) Florida Housing refunded the Development in 2001 with \$11,270,000 in tax exempt bonds designated as 2001 Series J-A and J-B.

2. Present Situation

- a) Beville-Island Club Apartments Partners, L.P., the current owner of the Development has requested the consent of Florida Housing in connection with the proposed transfer of ownership interest to R.J. Finlay & Co., LLC.
- b) The Credit Underwriter has reviewed the request and by letter, dated February 17, 2012, and attached as [Exhibit B](#), recommends that Florida Housing approve the request.

3. Recommendation

That the Board approve the Request for Consent to Transfer Ownership Interest in the Developments, subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel, Credit Enhancer of Bondholder (if required or applicable) and the appropriate Florida Housing staff.

PROFESSIONAL SERVICES SELECTION (PSS)

Consent

IV. PROFESSIONAL SERVICES SELECTION (PSS)

A. Arbitrage Rebate Analyst Services

1. Background

In May of 2009 Florida Housing authorized staff to enter into contract negotiations for arbitrage rebate analytical services. Contracts are currently in place with Hawkins Delafield & Wood and BondLogistix, LLC.

2. Present Situation

The initial term of the contracts began in May of 2009 for a three year term and will expire in May of 2012. Contingent upon the Arbitrage Rebate providers satisfactorily performing their obligations under the contract as determined by Florida Housing, the contracts may be renewed twice. Each renewal shall be for an additional one (1) year period.

3. Recommendation

Florida Housing requests permission to extend the contracts in May of 2012 with Hawkins Delafield & Wood and BondLogistix, LLC for the first one-year renewal period.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

V. STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

A. Request Approval of Credit Underwriting Letter for Spring Harbor Apartments (2011-05-01)

Development Name:	Spring Harbor Apartments
Developer/Principal:	Spring Harbor, Ltd./ Wendover Housing Partners, Inc.
Number of Units:	248
Location :	Lake County
Type/Demographic:	Rental/Family (MMRB, Guarantee, HC and SMI)
Set-Aside:	50% @ 60% AMI (MMRB) 100% @ 60% AMI (HC)
Allocated Funding Amount:	MMRB 1999 Series C1 & C2 \$9,899,570 Tax-Exempt Bonds and \$2,850,000 Taxable Bonds \$881,404 Housing Credits \$478, 484 Subordinate Mortgage Initiative (SMI) \$975,000 SAIL ELI (RFP 2010-16)
SAIL ELI Funding under RFP 2011-05 not to exceed:	\$1,875,000

1. Background/Present Situation

- a) On October 21, 2011, Florida Housing staff issued RFP 2011-05 to award SAIL ELI funding to Applicants where the Applicant's development had a mortgage note guaranteed by the Florida Affordable Housing Guarantee Program which closed by September 30, 2003, and the Applicant committed to provide additional ELI set-aside units. The deadline for receipt of Responses was Wednesday, November 9, 2011.
- b) On December 9, 2011, the Board approved the award list of RFP 2011-05 and directed staff to proceed with all necessary credit underwriting activities.
- c) On December 30, 2011, staff issued a preliminary commitment and an invitation to enter credit underwriting for SAIL Funding under RFP 2011-05 for units set-aside for ELI Households.
- d) On February 16, 2012, staff received a credit underwriting letter with a positive recommendation for a SAIL ELI loan in the amount of \$1,875,000 ([Exhibit A](#)). Staff has reviewed this report and finds that the development meets all of the requirements of Rule Chapter 67-48, F.A.C. and RFP 2011-05.

2. Recommendation

Approve the credit underwriting letter and direct staff to proceed with issuance of a firm loan commitment and loan closing activities.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

B. Request Approval of Credit Underwriting Letter for Logan's Pointe (RFP 2011-05-02)

Development Name:	Logan's Pointe
Developer/Principal:	Cornerstone Group Development LLC
Number of Units:	248
Location :	Duval County
Type/Demographic:	Rental/Family (MMRB, Guarantee, and HC)
Set-Aside:	50% @ 60% AMI (MMRB) 100% @ 60% AMI (HC)
Allocated Funding Amount:	MMRB 1999 Series F1 & F2 \$9,797,364 Tax-Exempt Bonds and \$2,755,000 Taxable Bonds \$649,374 Housing Credits \$1,875,000 SAIL ELI (RFP 2010-16)
SAIL ELI Funding under RFP 2011-05 not to exceed:	\$900,000

1. Background/Present Situation

- a) On October 21, 2011, Florida Housing staff issued RFP 2011-05 to award SAIL ELI funding to Applicants where the Applicant's development had a mortgage note guaranteed by the Florida Affordable Housing Guarantee Program which closed by September 30, 2003, and the Applicant committed to provide additional ELI set-aside units. The deadline for receipt of Responses was Wednesday, November 9, 2011.
- b) On December 9, 2011, the Board approved the award list of RFP 2011-05 and directed staff to proceed with all necessary credit underwriting activities.
- c) On December 30, 2011, staff issued a preliminary commitment and an invitation to enter credit underwriting for SAIL Funding under RFP 2011-05 for units set-aside for ELI Households.
- d) On February 28, 2012, staff received a credit underwriting letter with a positive recommendation for a SAIL ELI loan in the amount of \$900,000 ([Exhibit B](#)). Staff has reviewed this report and finds that the development meets all of the requirements of Rule Chapter 67-48, F.A.C. and RFP 2011-05.

2. Recommendation

Approve the credit underwriting letter and direct staff to proceed with issuance of a firm loan commitment and loan closing activities.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

C. **Request Approval of Credit Underwriting Letter for Stratford Point Apartments (RFP 2011-05-03)**

Development Name:	Stratford Point Apartments
Developer/Principal:	Stratford Point, Ltd./Picerne Development Corporation of Florida
Number of Units:	384
Location :	Seminole County
Type/Demographic:	Rental/Family (MMRB, Guarantee, HC and SMI)
Set-Aside:	50% @ 60% AMI (MMRB) 100% @ 60% AMI (HC)
Allocated Funding Amount:	MMRB 2000 Series O1 & O2 \$12,965,000 Tax-Exempt Bonds and \$6,325,000 Taxable Bonds \$1,100,100 Housing Credits \$1,049,385 Subordinate Mortgage Initiative (SMI) \$1,500,000 SAIL ELI (RFP 2010-16)
SAIL ELI Funding under RFP 2011-05 not to exceed:	\$5,700,000

1. **Background/Present Situation**

- a) On October 21, 2011, Florida Housing staff issued RFP 2011-05 to award SAIL ELI funding to Applicants where the Applicant's development had a mortgage note guaranteed by the Florida Affordable Housing Guarantee Program which closed by September 30, 2003, and the Applicant committed to provide additional ELI set-aside units. The deadline for receipt of Responses was Wednesday, November 9, 2011.
- b) On December 9, 2011, the Board approved the award list of RFP 2011-05 and directed staff to proceed with all necessary credit underwriting activities.
- c) On December 30, 2011, staff issued a preliminary commitment and an invitation to enter credit underwriting for SAIL Funding under RFP 2011-05 for units set-aside for ELI Households.
- d) On February 2, 2012, staff received a credit underwriting letter with a positive recommendation for a SAIL ELI loan in the amount of \$5,700,000 ([Exhibit C](#)). Staff has reviewed this report and finds that the development meets all of the requirements of Rule Chapter 67-48, F.A.C. and RFP 2011-05.

2. **Recommendation**

Approve the credit underwriting letter and direct staff to proceed with issuance of a firm loan commitment and loan closing activities.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

D. Request Approval of Credit Underwriting Letter for Preserve at Oslo f/k/a Woods at Vero Beach (RFP2011-05-04)

Development Name:	Preserve at Oslo f/k/a Woods at Vero Beach
Developer/Principal:	Creative Choice Homes XVI, Ltd.
Number of Units:	176
Location :	Indian River County
Type/Demographic:	Rental/Family (MMRB, Guarantee, HC and SMI)
Set-Aside:	50% @ 60% AMI (MMRB) 100% @ 60% AMI (HC)
Allocated Funding Amount:	MMRB 1999 Series N1 & N2 \$7,665,000 Tax-Exempt Bonds and \$125,000 Taxable Bonds \$602,633 Housing Credits \$381,155 Subordinate Mortgage Initiative (SMI) \$675, 000 SAIL ELI (RFP 2010-16)
SAIL ELI Funding under RFP 2011-05 not to exceed:	\$2,625,000

1. Background/Present Situation

- a) On October 21, 2011, Florida Housing staff issued RFP 2011-05 to award SAIL ELI funding to Applicants where the Applicant's development had a mortgage note guaranteed by the Florida Affordable Housing Guarantee Program which closed by September 30, 2003, and the Applicant committed to provide additional ELI set-aside units. The deadline for receipt of Responses was Wednesday, November 9, 2011.
- b) On December 9, 2011, the Board approved the award list of RFP 2011-05 and directed staff to proceed with all necessary credit underwriting activities.
- c) On December 30, 2011, staff issued a preliminary commitment and an invitation to enter credit underwriting for SAIL Funding under RFP 2011-05 for units set-aside for ELI Households.
- d) On February 28, 2012, staff received a credit underwriting letter with a positive recommendation for a SAIL ELI loan in the amount of \$2,625,000 ([Exhibit D](#)). Staff has reviewed this report and finds that the development meets all of the requirements of Rule Chapter 67-48, F.A.C. and RFP 2011-05.

2. Recommendation

Approve the credit underwriting letter and direct staff to proceed with issuance of a firm loan commitment and loan closing activities.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

E. Request Approval of Credit Underwriting Letter for Wyndham Place Apartments (2011-05-06)

Development Name:	Wyndham Place Apartments
Developer/Principal:	TWC Seventy-Six, Ltd./The Wilson Company
Number of Units:	260
Location :	Seminole County
Type/Demographic:	Rental/Family (MMRB, Guarantee/ HUD-Risk, HC and SMI)
Set-Aside:	50% @ 60% AMI (MMRB) 100% @ 60% AMI (HC)
Allocated Funding Amount:	MMRB 2000 Series W \$8,975,000 Tax-Exempt Bonds and \$4,005,000 Taxable Bonds \$763,544 Housing Credits \$475,998 Subordinate Mortgage Initiative (SMI) \$1,950,000 SAIL ELI (RFP 2010-16)
SAIL ELI Funding under RFP 2011-05 not to exceed:	\$2,925,000

1. Background/Present Situation

- a) On October 21, 2011, Florida Housing staff issued RFP 2011-05 to award SAIL ELI funding to Applicants where the Applicant's development had a mortgage note guaranteed by the Florida Affordable Housing Guarantee Program which closed by September 30, 2003, and the Applicant committed to provide additional ELI set-aside units. The deadline for receipt of Responses was Wednesday, November 9, 2011.
- b) On December 9, 2011, the Board approved the award list of RFP 2011-05 and directed staff to proceed with all necessary credit underwriting activities.
- c) On December 30, 2011, staff issued a preliminary commitment and an invitation to enter credit underwriting for SAIL Funding under RFP 2011-05 for units set-aside for ELI Households.
- d) On February 29, 2012, staff received a credit underwriting letter with a positive recommendation for a SAIL ELI loan in the amount of \$2,925,000 ([Exhibit E](#)). Staff has reviewed this report and finds that the development meets all of the requirements of Rule Chapter 67-48, F.A.C. and RFP 2011-05.

2. Recommendation

Approve the credit underwriting letter and direct staff to proceed with issuance of a firm loan commitment and loan closing activities.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

F. Request Approval of Credit Underwriting Letter for Villas at Lake Smart (2011-05-07)

Development Name:	Villas at Lake Smart
Developer/Principal:	Carlisle Development Group
Number of Units:	220
Location :	Polk County
Type/Demographic:	Rental/Family (MMRB, Guarantee/HUD-Risk, HC and SMI)
Set-Aside:	40% @ 60% AMI (MMRB) 100% @ 60% AMI (HC)
Allocated Funding Amount:	MMRB 2002 Series P1 & P2 \$7,975,000 Tax-Exempt Bonds and \$1,000,000 Taxable Bonds \$495,125 Housing Credits \$404,614 Subordinate Mortgage Initiative (SMI)
SAIL ELI Funding under RFP 2011-05 not to exceed:	\$4,125,000

1. Background/Present Situation

- a) On October 21, 2011, Florida Housing staff issued RFP 2011-05 to award SAIL ELI funding to Applicants where the Applicant's development had a mortgage note guaranteed by the Florida Affordable Housing Guarantee Program which closed by September 30, 2003, and the Applicant committed to provide additional ELI set-aside units. The deadline for receipt of Responses was Wednesday, November 9, 2011.
- b) On December 9, 2011, the Board approved the award list of RFP 2011-05 and directed staff to proceed with all necessary credit underwriting activities.
- c) On December 30, 2011, staff issued a preliminary commitment and an invitation to enter credit underwriting for SAIL Funding under RFP 2011-05 for units set-aside for ELI Households.
- d) On February 14, 2012, staff received a credit underwriting letter with a positive recommendation for a SAIL ELI loan in the amount of \$4,125,000 ([Exhibit F](#)). Staff has reviewed this report and finds that the development meets all of the requirements of Rule Chapter 67-48, F.A.C. and RFP 2011-05.

2. Recommendation

Approve the credit underwriting letter and direct staff to proceed with issuance of a firm loan commitment and loan closing activities.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

G. Request Approval of Credit Underwriting Letter for Peacock Run (2011-05-08)

Development Name:	Peacock Run
Developer/Principal:	Creative Choice Homes XX, Ltd.
Number of Units:	264
Location :	St. Lucie County
Type/Demographic:	Rental/Family (MMRB, Guarantee/HUD-Risk, HC and SMI)
Set-Aside:	80% @ 60% AMI (MMRB) 100% @ 60% AMI (HC)
Allocated Funding Amount:	MMRB 2002 Series H1 & H2 \$9,690,000 Tax-Exempt Bonds and \$3,090,000 Taxable Bonds \$674,643 Housing Credits \$605,345 Subordinate Mortgage Initiative (SMI) \$1,050,000 SAIL ELI (RFP 2010-16)
SAIL ELI Funding under RFP 2011-05 not to exceed:	\$3,900,000

1. Background/Present Situation

- a) On October 21, 2011, Florida Housing staff issued RFP 2011-05 to award SAIL ELI funding to Applicants where the Applicant's development had a mortgage note guaranteed by the Florida Affordable Housing Guarantee Program which closed by September 30, 2003, and the Applicant committed to provide additional ELI set-aside units. The deadline for receipt of Responses was Wednesday, November 9, 2011.
- b) On December 9, 2011, the Board approved the award list of RFP 2011-05 and directed staff to proceed with all necessary credit underwriting activities.
- c) On December 30, 2011, staff issued a preliminary commitment and an invitation to enter credit underwriting for SAIL Funding under RFP 2011-05 for units set-aside for ELI Households.
- d) On February 28, 2012, staff received a credit underwriting letter with a positive recommendation for a SAIL ELI loan in the amount of \$3,900,000 ([Exhibit G](#)). Staff has reviewed this report and finds that the development meets all of the requirements of Rule Chapter 67-48, F.A.C. and RFP 2011-05.

2. Recommendation

Approve the credit underwriting letter and direct staff to proceed with issuance of a firm loan commitment and loan closing activities.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

H. Request Approval of Credit Underwriting Letter for Noah's Landing (2011-05-09)

Development Name:	Noah's Landing
Developer/Principal:	Vestcor Fund XV, Ltd.
Number of Units:	264
Location :	Collier County
Type/Demographic:	Rental/Family (MMRB, Guarantee/HUD-Risk, HC and SMI)
Set-Aside:	50% @ 60% AMI (MMRB) 100% @ 60% AMI (HC)
Allocated Funding Amount:	MMRB 2001 Series H1 &H2 \$10,370,000 Tax-Exempt Bonds and \$6,580,000 Taxable Bonds \$603,737 Housing Credits \$819,118 Subordinate Mortgage Initiative (SMI)
SAIL ELI Funding under RFP 2011-05 not to exceed:	\$4,950,000

1. Background/Present Situation

- a) On October 21, 2011, Florida Housing staff issued RFP 2011-05 to award SAIL ELI funding to Applicants where the Applicant's development had a mortgage note guaranteed by the Florida Affordable Housing Guarantee Program which closed by September 30, 2003, and the Applicant committed to provide additional ELI set-aside units. The deadline for receipt of Responses was Wednesday, November 9, 2011.
- b) On December 9, 2011, the Board approved the award list of RFP 2011-05 and directed staff to proceed with all necessary credit underwriting activities.
- c) On December 30, 2011, staff issued a preliminary commitment and an invitation to enter credit underwriting for SAIL Funding under RFP 2011-05 for units set-aside for ELI Households.
- d) On February 24, 2012, staff received a credit underwriting letter with a positive recommendation for a SAIL ELI loan in the amount of \$4,950,000 ([Exhibit H](#)). Staff has reviewed this report and finds that the development meets all of the requirements of Rule Chapter 67-48, F.A.C. and RFP 2011-05.

2. Recommendation

Approve the credit underwriting letter and direct staff to proceed with issuance of a firm loan commitment and loan closing activities.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

I. Request Approval of Credit Underwriting Letter for Vista Palms f/k/a Andros Isle (2011-05-11)

Development Name:	Vista Palms f/k/a Andros Isle
Developer/Principal:	Creative Choice Homes XI, Ltd.
Number of Units:	229
Location :	Lee County
Type/Demographic:	Rental/Family (Guarantee, SAIL, HC and SMI)
Set-Aside:	8.33% @ 30% AMI and 91.67% @ 60% AMI (SAIL) 100 @ 60% AMI (HC)
Allocated Funding Amount:	\$10,700,000 Lee County Housing Finance Authority Bonds \$2,000,000 SAIL \$577,947 Housing Credits \$491,271 Subordinate Mortgage Initiative (SMI) \$3,450,000 SAIL ELI (RFP 2010-16)
SAIL ELI Funding under RFP 2011-05 not to exceed:	\$900,000

1. Background/Present Situation

- a) On October 21, 2011, Florida Housing staff issued RFP 2011-05 to award SAIL ELI funding to Applicants where the Applicant's development had a mortgage note guaranteed by the Florida Affordable Housing Guarantee Program which closed by September 30, 2003, and the Applicant committed to provide additional ELI set-aside units. The deadline for receipt of Responses was Wednesday, November 9, 2011.
- b) On December 9, 2011, the Board approved the award list of RFP 2011-05 and directed staff to proceed with all necessary credit underwriting activities.
- c) On December 30, 2011, staff issued a preliminary commitment and an invitation to enter credit underwriting for SAIL Funding under RFP 2011-05 for units set-aside for ELI Households.
- d) On February 28, 2012, staff received a credit underwriting letter with a positive recommendation for a SAIL ELI loan in the amount of \$900,000 ([Exhibit I](#)). Staff has reviewed this report and finds that the development meets all of the requirements of Rule Chapter 67-48, F.A.C. and RFP 2011-05.

2. Recommendation

Approve the credit underwriting letter and direct staff to proceed with issuance of a firm loan commitment and loan closing activities.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

J. Request Approval of Credit Underwriting Letter for Wentworth II (RFP 2011-05-12)

Development Name:	Wentworth II
Developer/Principal:	TWC Ninety-Nine Ltd./The Wilson Company
Number of Units:	264
Location :	Orange County
Type/Demographic:	Rental/Family (MMRB, Guarantee, and HC)
Set-Aside:	50% @ 60% AMI (MMRB) 100% @ 60% AMI (HC)
Allocated Funding Amount:	MMRB 1999 Series A \$14,655,000 Tax-Exempt Bonds \$861,663 Housing Credits
SAIL ELI Funding under RFP 2011-05 not to exceed:	\$3,750,000

1. Background/Present Situation

- a) On October 21, 2011, Florida Housing staff issued RFP 2011-05 to award SAIL ELI funding to Applicants where the Applicant's development had a mortgage note guaranteed by the Florida Affordable Housing Guarantee Program which closed by September 30, 2003, and the Applicant committed to provide additional ELI set-aside units. The deadline for receipt of Responses was Wednesday, November 9, 2011.
- b) On December 9, 2011, the Board approved the award list of RFP 2011-05 and directed staff to proceed with all necessary credit underwriting activities.
- c) On December 30, 2011, staff issued a preliminary commitment and an invitation to enter credit underwriting for SAIL Funding under RFP 2011-05 for units set-aside for ELI Households.
- d) On February 29, 2012, staff received a credit underwriting letter with a positive recommendation for a SAIL ELI loan in the amount of \$3,750,000 ([Exhibit J](#)). Staff has reviewed this report and finds that the development meets all of the requirements of Rule Chapter 67-48, F.A.C. and RFP 2011-05.

2. Recommendation

Approve the credit underwriting letter and direct staff to proceed with issuance of a firm loan commitment and loan closing activities.

STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

Consent

K. Request Approval of Credit Underwriting Letter for Indian Trace (2011-05-13)

Development Name:	Indian Trace
Developer/Principal:	Cornerstone Group Development, L.L.C.
Number of Units:	330
Location :	Palm Beach County
Type/Demographic:	Rental/Family (Guarantee/HUD-Risk, SAIL, HC and SMI)
Set-Aside:	20% @ 50% AMI and 80% @ 60% AMI (SAIL) 100 @ 60% AMI (HC)
Allocated Funding Amount:	\$23,400,000 Palm Beach County Housing Finance Authority Bonds \$2,000,000 SAIL \$945,125 Housing Credits \$541,816 Subordinate Mortgage Initiative (SMI)
SAIL ELI Funding under RFP 2011-05 not to exceed:	\$2,475,000

1. Background/Present Situation

- a) On October 21, 2011, Florida Housing staff issued RFP 2011-05 to award SAIL ELI funding to Applicants where the Applicant's development had a mortgage note guaranteed by the Florida Affordable Housing Guarantee Program which closed by September 30, 2003, and the Applicant committed to provide additional ELI set-aside units. The deadline for receipt of Responses was Wednesday, November 9, 2011.
- b) On December 9, 2011, the Board approved the award list of RFP 2011-05 and directed staff to proceed with all necessary credit underwriting activities.
- c) On December 30, 2011, staff issued a preliminary commitment and an invitation to enter credit underwriting for SAIL Funding under RFP 2011-05 for units set-aside for ELI Households.
- d) On February 28, 2012, staff received a credit underwriting letter with a positive recommendation for a SAIL ELI loan in the amount of \$2,475,000 ([Exhibit K](#)). Staff has reviewed this report and finds that the development meets all of the requirements of Rule Chapter 67-48, F.A.C. and RFP 2011-05.

2. Recommendation

Approve the credit underwriting letter and direct staff to proceed with issuance of a firm loan commitment and loan closing activities.

SPECIAL ASSETS

Consent

VI. SPECIAL ASSETS

- A. Request Approval of the Extension of the HOME Loan and LURA and Subordination of the HOME LURA for Bethany Court-Pierce Associates, Ltd., a Florida Limited Partnership for Bethany Court (96HR-003)

Development Name: Bethany Court ("Development")	Location: Saint Lucie County
Developer/Principal: Michaels Development Co. ("Developer")	Set-Aside: HOME 100% @ 60% AMI; LURA: 50 years
Number of Units: 61	Allocated Amount: HOME - \$889,081
Demographics: Family	CU/Service: First Housing Development Corporation

1. Background

- a) During the 1996 HOME Cycle, Florida Housing awarded an \$889,081 HOME loan to Bethany Court-Pierce Associates, Ltd., a Florida Limited Partnership ("Borrower"), for the acquisition and rehab of a 61-unit development in Saint Lucie County. The HOME loan closed on July 1, 1997 and will mature on March 30, 2012.
- b) The Borrower previously requested approval to extend the HOME loan, at current terms, from the original maturity date March 30, 2011 to March 30, 2012 to allow time for refinancing of the Development. The extension request was approved at the December 10, 2010 Board meeting and the extension closed in March 2011.

2. Present Situation

The Borrower has requested an additional one year extension of the HOME loan, at current terms, to allow time for the refinancing to be completed. The Borrower intends to pay off the HOME loan with proceeds from the refinancing. The Borrower has received a commitment from HUD for funding issued under the HUD 223(f) program and a closing package has been submitted to the new lender. However, a closing date has not been set and the Borrower needs the additional time to complete the refinancing. The Borrower has agreed to a one year extension of the HOME LURA term. The HUD 223(f) funding requires the subordination of the HOME LURA and the Borrower has also requested approval for the subordination.

3. Recommendation

Approve the extension of the HOME loan, at its current terms, to March 30, 2013, and extension of the LURA for an equal amount of time and subordination of the HOME LURA to the new financing, and direct staff to proceed with loan modification activities.

SPECIAL ASSETS

Consent

B. Request Approval of the Extension of the SAIL Loan for Grove Pointe L.P., a Florida Limited Partnership for Grove Pointe Apartments (95S-049/96S-042/96L-016)

Development Name: Grove Pointe Apartments (“Development”)	Location: Hillsborough County
Developer/Principal: Cornerstone (“Developer”); Grove Pointe, L.P. (“Borrower”)	Set-Aside: SAIL 20% @ 40% & 80% @ 40%; HC 100% @ 40% AMI; LURA & EUA: 50 years
Number of Units: 80	Allocated Amount: SAIL \$1,438,936; HC \$529,102
Demographics: Farmworker	Servicer: First Housing

1. Background

During the 1995 and 1996 SAIL (State Apartment Incentive Loan Program) Cycles, Florida Housing awarded a \$1,438,936 construction/permanent loan to Grove Pointe, L.P., a Florida Limited Partnership (“Borrower”), for the development of a 80-unit development in Hillsborough County. The SAIL loan closed on May 17, 1996, and will mature on April 22, 2012. The Development also received a 1996 allocation of low-income housing tax credits of \$529,102.

2. Present Situation

The Borrower has requested approval to extend the SAIL loan, at its current terms, to April 22, 2013, to allow time for refinancing of the Development. The Borrower has agreed to an extension of the LURA term equal to the loan extension.

3. Recommendation

Approve the extension of the SAIL loan, at its current terms, to April 22, 2013, extend the LURA for an equal amount of time, and direct staff to proceed with loan document modification activities.

SPECIAL ASSETS

Consent

C. Request Approval to Refinance the First Mortgage and to Transfer the General Partnership Interest for Miami Sunset Bay Apartments, L.P., a Florida Limited Partnership for Sunset Bay Apartments (GUAR/2001-007S/2001-510C)

Development Name: Sunset Bay Apartments (“Development”)	Location: Miami-Dade County
Developer/Principal: Centerline; Miami Sunset Bay Apartments, L.P. (“Borrower”)	Set-Aside: SAIL 2.60% @ 33%, 97.40% @ 60%; HC 100% @ 60% AMI LURA 50 years; EUA 30 years
Number of Units: 308	Allocated Amount: SAIL \$2,486,611; HC \$1,066,961
Demographics: Family	Servicer: Seltzer Management Group

1. Background

During the 2001 funding cycle, Florida Housing awarded a \$2,486,611 SAIL loan to Miami Sunset Bay Apartments, L.P., a Florida Limited Partnership (“Borrower”), for the development of a 308-unit apartment complex in Miami-Dade County, Florida. The SAIL loan closed on August 20, 2002, and will mature on October 1, 2017. The Development also received a 2001 allocation of low-income housing tax credits of \$1,066,961.

2. Present Situation

- a) By correspondence dated December 31, 2011, the Developer requests consent from the Board to refinance the existing first mortgage and subordinate the SAIL loan and LURA to the new first mortgage. The refinance will terminate the mortgage guaranty issued by the Guarantee Program and its associated financial risk to FHFC. The Developer also requests that the term of the SAIL loan be extended and the SAIL Land Use Restriction Agreement (“LURA”) would be extended by an equal time.
- b) The Developer further requests approval to transfer the general partnership interest from One Oakwood Boulevard, LLC, an affiliate of Centerline Capital Group, to The Partnership, Inc., a non-profit entity.
- c) Staff received a credit underwriting report ([Exhibit A](#)) from Seltzer Management Group recommending approval for the new financing, subordination of the SAIL loan and LURA to the new first mortgage, extension of the SAIL loan term and extension of the SAIL LURA affordability period for the SAIL loan, and the transfer of general partnership interest.

SPECIAL ASSETS

Consent

3. Recommendation

Approve the refinancing of the first mortgage and extension of the SAIL loan, extension of the SAIL LURA for an additional amount of time equal to the term of the loan extension, subordination of the SAIL loan and SAIL LURA to the new first mortgage, and the transfer of the general partnership interest contingent upon the refinancing of the first mortgage and termination of the Guarantee Program commitment thereon, subject to the conditions outlined in the credit underwriter's report and verification of the required SAIL pay down amount per Rule 67-48, all subject to further approvals and verifications by the credit underwriter, counsel and appropriate Florida Housing staff and direct staff to proceed with loan document modification activities.

SPECIAL ASSETS

Consent

D. Request Approval to Refinance the First Mortgage and to Transfer the General Partnership Interest for Spring Harbor Ltd., a Florida Limited Partnership for Spring Harbor Apartments (MR1999C1&2/GUAR/SMI-31/ELI 2010-16-04/2000-502C)

Development Name: Spring Harbor Apartments (“Development”)	Location: Lake County
Developer/Principal: Wendover; Spring Harbor, Ltd. (“Borrower”)	Set-Aside: MMRB 50%@60%; HC 100%@60%; ELI 5% @ 33% AMI LURA: 50 years; ELI: 15 years; EUA: 30 years
Number of Units: 248	Allocated Amount: MMRB \$9,899,570; \$2,850,000; SMI \$478,484.28; ELI \$975,000; HC \$881,404
Demographics: Family	Servicer: First Housing

1. Background

- a) During the 1999 funding cycle, Florida Housing Finance Corporation (“FHFC”) awarded a first mortgage of FHFC issued tax-exempt bonds in the original amount of \$9,899,570, taxable bonds in the original amount of \$2,850,000, along with a second mortgage under the Subordinate Mortgage Initiative (“SMI”) in the original amount of \$478,484.28 to Spring Harbor, Ltd., a Florida Limited Partnership (“Borrower”), for the development of a 248-unit apartment complex in Lake County, Florida. The Borrower also received a SAIL ELI loan of \$975,000.
- b) The Multifamily Revenue Bonds (“MMRB”) loan closed on July 20, 1999, and is scheduled to mature on August 1, 2039. The SAIL ELI loan closed on March 28, 2011, and will mature on March 28, 2026. The Development is guaranteed through FHFC’s Guarantee Program. The Development also received a 2000 allocation of low-income housing tax credits of \$881,404.

2. Present Situation

- a) The Borrower requests consent from the Board to refinance the existing first mortgage. The Borrower intends to obtain conventional financing from Wells Fargo, the proceeds of which will be utilized to satisfy the existing first mortgage, redeeming the underlying bonds and effectively terminating the mortgage guaranty issued by the Guarantee Program and its associated financial risk to FHFC. The SMI loan will also be repaid. The Borrower also requests that the SAIL ELI loan be subordinated to the first mortgage. The MMRB LURA and HC EUA will also need to be subordinated to the new first mortgage.
- b) The Borrower also requests approval to transfer the general partnership interest from Spring Harbor, Inc. to Bull Dolphin Spring Harbor, LLC.
- c) Staff has received a credit underwriting report ([Exhibit B](#)) providing a positive recommendation for approval for the new financing, subordination of the SAIL ELI loan to the new first mortgage, subordination of the MMRB LURA and HC EUA to the new first mortgage, and the transfer of the general partnership interest.

SPECIAL ASSETS

Consent

3. Recommendation

Approve the refinancing of the first mortgage, subordination of the SAIL ELI loan to the new first mortgage, subordination of the MMRB LURA, HC EUA, and any other Loan Documents deemed necessary by counsel, and the transfer of the general partnership interest contingent upon the refinancing of the first mortgage, subject to the conditions outlined in the credit underwriter's report and subject to further approvals and verifications by the credit underwriter, counsel and appropriate Florida Housing staff and direct staff to proceed with loan document modification activities.

SPECIAL ASSETS

Consent

E. Request Approval to Refinance the First Mortgage for Golf View Gardens, Ltd., a Florida Limited Partnership for Golf View Gardens Apartments (2002-056S/2002-537C)

Development Name: Golf View Gardens Apartments (“Development”)	Location: Broward County
Developer/Principal: Carlisle Development Group/Golf View Gardens, Ltd. (“Borrower”)	Set-Aside: SAIL 6.25% @ 35% & 93.75% @ 60% AMI; HC 100% @ 60% AMI LURA: 50 years; EUA: 50 years
Number of Units: 160	Allocated Amount: SAIL \$2,000,000; HC \$442,834
Demographics: Elderly	CU/Service: Seltzer Management Group

1. Background

During the 2002 funding cycle, Florida Housing Finance Corporation (“FHFC”) awarded a State Apartment Incentive Loan (“SAIL”) in the original amount of \$2,000,000 to Golf View Gardens, Ltd., a Florida Limited Partnership (“Borrower”), for the development of a 160-unit apartment complex in Hillsborough County, Florida. The SAIL loan closed on December 31, 2003, and will mature on November 1, 2043. The Development also received a 2002 allocation of low-income housing tax credits of \$442,834. At the June 5, 2009 Board meeting a transfer of General Partnership interest was approved but the transfer has not been finalized.

2. Present Situation

- a) The Borrower requests consent from the Board to refinance the existing first mortgage. The SAIL loan would continue to be subordinate to the new first mortgage. The SAIL LURA and HC EUA will also need to be subordinated to the new first mortgage.
- b) Staff has received a credit underwriting report ([Exhibit C](#)) providing a positive recommendation for approval for the new financing, subordination of the SAIL loan, SAIL LURA and HC EUA to the new first mortgage.

3. Recommendation

Approve the refinancing of the first mortgage, subordination of the SAIL loan to the new first mortgage, and subordination of the SAIL LURA and HC EUA subject to the conditions outlined in the credit underwriter’s report and subject to further approvals and verifications by the credit underwriter, counsel and appropriate Florida Housing staff and direct staff to proceed with loan document modification activities.

SPECIAL ASSETS

Consent

F. Request Approval to Refinance the First Mortgage for Golden Associates, Ltd., a Florida Limited Partnership for Golden Lakes Apartments (GUAR/97S-038/97L-520)

Development Name: Golden Lakes Apartments (“Development”)	Location: Miami-Dade County
Developer/Principal: Cornerstone; Golden Associates, Ltd. (“Borrower”)	Set-Aside: SAIL 100% @ 60%; HC .71% @ 50%; 99.29% @ 60% AMI LURA 50 years; EUA 50 years
Number of Units: 280	Allocated Amount: SAIL \$2,590,000; HC \$871,209
Demographics: Family	Servicer: AmeriNational

1. Background

During the 1997 funding cycle, Florida Housing awarded a \$2,590,000 SAIL loan to Golden Associates, Ltd., a Florida Limited Partnership (“Borrower”), for the development of a 280-unit apartment complex in Miami-Dade County, Florida. The SAIL loan closed on September 16, 1997, and will mature on January 1, 2039. The Development also received a 1997 allocation of low-income housing tax credits of \$871,209.

2. Present Situation

- a) By correspondence dated November 1, 2011, the Developer requests consent from the Board to refinance the existing first mortgage and subordinate the SAIL loan, SAIL LURA, and HC EUA to the new first mortgage. The refinance will terminate the mortgage guaranty issued by the Guarantee Program and its associated financial risk to FHFC.
- b) Staff received a credit underwriting report ([Exhibit D](#)) from First Housing Development Corporation recommending approval for the new financing and subordination of the SAIL loan, SAIL LURA, and HC EUA to the new first mortgage.

3. Recommendation

Approve the refinancing of the first mortgage and subordination of the SAIL loan, SAIL LURA, and HC EUA to the new first mortgage subject to the conditions outlined in the credit underwriter’s report and verification of the required SAIL pay down amount per Rule 67-48 all subject to further approvals and verifications by the credit underwriter, legal counsel and appropriate Florida Housing staff, and direct staff to proceed with loan document modification activities.

SPECIAL ASSETS

Consent

- G. **Request Approval to Refinance the First Mortgage for Monterey Pointe Associates, Ltd., a Florida Limited Partnership for Monterey Pointe Apartments (GUAR/2001-017S/2001-525C)**

Development Name: Monterey Pointe Apartments (“Development”)	Location: Miami-Dade County
Developer/Principal: Cornerstone; Monterey Pointe Associates, Ltd. (“Borrower”)	Set-Aside: SAIL 4.76% @ 33%, 95.24% @ 60%; HC 100% @ 60% AMI LURA: 50 years; EUA 50 years
Number of Units: 336	Allocated Amount: SAIL: \$2,500,000; HC \$1,165,566
Demographics: Family	Servicer: First Housing

1. **Background**

During the 2001 funding cycle, Florida Housing awarded a \$2,500,000 SAIL loan to Monterey Pointe Associates, Ltd., a Florida Limited Partnership (“Borrower”), for the development of a 336-unit apartment complex in Miami-Dade County, Florida. The SAIL loan closed on August 20, 2002, and will mature on February 1, 2041. The Development also received a 2001 allocation of low-income housing tax credits of \$1,165,566.

2. **Present Situation**

- a) By correspondence dated November 1, 2011, the Developer requests consent from the Board to refinance the existing first mortgage and subordinate the SAIL loan, SAIL LURA, and HC EUA to the new first mortgage. The refinance will terminate the mortgage guaranty issued by the Guarantee Program and its associated financial risk to FHFC.
- b) Staff received a credit underwriting report ([Exhibit E](#)) from First Housing Development Corporation recommending approval for the new financing and subordination of the SAIL loan, SAIL LURA, and HC EUA to the new first mortgage.

3. **Recommendation**

Approve the refinancing of the first mortgage and subordination of the SAIL loan, SAIL LURA, and HC EUA to the new first mortgage subject to the conditions outlined in the credit underwriter’s report and verification of the required SAIL pay down amount per Rule 67-48 all subject to further approvals and verifications by the credit underwriter, legal counsel and appropriate Florida Housing staff, and direct staff to proceed with loan document modification activities.

SPECIAL ASSETS

Consent

H. Request Approval to Refinance the First Mortgage for Marbrisa Associates, Ltd., a Florida Limited Partnership for Marbrisa Apartments (GUAR/2000-045S/2000-536C)

Development Name: Marbrisa Apartments (“Development”)	Location: Miami-Dade County
Developer/Principal: Cornerstone; Marbrisa Associates, Ltd. (“Borrower”)	Set-Aside: SAIL & HC: 100% @ 60% AMI LURA 50 years; EUA 50 years
Number of Units: 368	Allocated Amount: SAIL \$2,500,000; HC \$1,211,393
Demographics: Family	Servicer: First Housing

1. Background

During the 2000 funding cycle, Florida Housing awarded a \$2,500,000 SAIL loan to Marbrisa Associates, Ltd., a Florida Limited Partnership (“Borrower”), for the development of a 368-unit apartment complex in Miami-Dade County, Florida. The SAIL loan closed on September 10, 2001, and will mature on August 1, 2040. The Development also received a 2000 allocation of low-income housing tax credits of \$1,211,393.

2. Present Situation

- a) By correspondence dated November 1, 2011, the Developer requests consent from the Board to refinance the existing first mortgage and subordinate the SAIL loan, SAIL LURA, and HC EUA to the new first mortgage. The refinance will terminate the mortgage guaranty issued by the Guarantee Program and its associated financial risk to FHFC.
- b) Staff received a credit underwriting report ([Exhibit F](#)) from First Housing Development Corporation recommending approval for the new financing and subordination of the SAIL loan, SAIL LURA, and HC EUA to the new first mortgage.

3. Recommendation

Approve the refinancing of the first mortgage and subordination of the SAIL loan, SAIL LURA, and HC EUA to the new first mortgage subject to the conditions outlined in the credit underwriter’s report and verification of the required SAIL pay down amount per Rule 67-48 all subject to further approvals and verifications by the credit underwriter, legal counsel and appropriate Florida Housing staff, and direct staff to proceed with loan document modification activities.

SPECIAL ASSETS

Consent

I. Request Approval to Refinance the First Mortgage for Sundance Pointe Associates, Ltd., a Florida Limited Partnership for Sundance Pointe Apartments (MR2000N1&2/GUAR/SMI-11/ELI 2010-16-08/2000-541C)

Development Name: Sundance Pointe Apartments (“Development”)	Location: Duval County
Developer/Principal: Cornerstone; Sundance Pointe Associates, Ltd. (“Borrower”)	Set-Aside: MMRB 50%@60%; HC 100%@60%; ELI 19.4%@30% AMI LURA: 50 years; ELI: 15 years; EUA: 30 years
Number of Units: 288	Allocated Amount: MMRB \$10,010,000; \$6,275,000; SMI \$859,713.55; ELI \$4,200,000; HC \$676,819
Demographics: Family	Servicer: Seltzer Management Group

1. Background

- a) During the 2000 funding cycle, Florida Housing Finance Corporation (“FHFC”) awarded a first mortgage of FHFC issued tax-exempt bonds in the original amount of \$10,010,000 and taxable bonds in the original amount of \$6,275,000 to Sundance Pointe Associates, Ltd., a Florida Limited Partnership (“Borrower”) for the development of a 288-unit apartment complex in Duval County, Florida. The Multifamily Revenue Bonds (“MMRB”) loan closed on December 12, 2000, and is scheduled to mature on January 1, 2041. The Development received a 2000 allocation of low-income housing tax credits of \$676,819.
- b) The Development also received a second mortgage under the Subordinate Mortgage Initiative (“SMI”) in the original amount of \$859,713.55 which closed on July 22 2009. Additional funds were provided to the Development through a SAIL ELI loan in the amount of \$4,200,000 that closed on March 28, 2011, and matures on March 28, 2026. The Development is HUD risk sharing with Florida Housing’s Guarantee Program (“Guarantee Program”).

2. Present Situation

- a) The Borrower requests consent from the Board to refinance the existing first mortgage, the proceeds of which will be utilized to satisfy the existing first mortgage, redeeming the underlying bonds and effectively terminating the mortgage guaranty issued by the Guarantee Program and its associated financial risk to FHFC. The SMI loan will also be repaid. The Borrower also requests that the SAIL ELI loan be subordinated to the first mortgage. The MMRB LURA and HC EUA will also need to be subordinated to the new first mortgage.
- b) Staff has received a credit underwriting report ([Exhibit G](#)) providing a positive recommendation for approval for the new financing, subordination of the SAIL ELI loan, MMRB LURA, and the HC EUA to the new first mortgage.

SPECIAL ASSETS

Consent

3. **Recommendation**

Approve the refinancing of the first mortgage and subordination of the SAIL ELI loan, MMRB LURA, HC EUA, and any other Loan Documents deemed necessary by FHFC counsel, subject to the conditions outlined in the credit underwriter's report and subject to further approvals and verifications by the credit underwriter, counsel and appropriate Florida Housing staff and direct staff to proceed with loan document modification activities.