

FLORIDA HOUSING FINANCE CORPORATION
Board Meeting
January 31, 2014
Consent Items



HOUSING CREDITS

Consent

I. HOUSING CREDITS

A. Request Approval to Minimally Exceed Subcontractor Cost Limit for Washington Square Apartments (2011-208C/2012-004C)

Development Name:	Washington Square Apartments
Developer/Principal:	Green Turnkey Development, LLC
Number of Units:	89
Location :	Miami-Dade County
Type/Demographic:	Elderly
Set-Aside:	10% @ 28% AMI and 90% @ 60% AMI
Allocated Amount:	\$2,288,607.00

1. Background/Present Situation

- a) Washington Square Apartments (2011-208C/2012-004C) is a Competitive Housing Credit Redevelopment providing 89 set-aside units in Miami-Dade County, Florida. Washington Square Apartments was invited to enter credit underwriting on June 8, 2012. Subsequently, Florida Housing issued an allocation of \$2,288,607 in Housing Credits to Washington Square Apartments in August of 2012.
- b) The Developer has requested Board approval, as required by Rule 67-48.0072(17)(f), to allow one subcontractor (G&E Contractors) to receive more than 20% of construction cost.
- c) First Housing Development Corporation engaged GLE Associates, Inc. ("GLE") to perform a Plan & Cost Review ("PCR") of the Development. GLE issued a preliminary that indicates the building shell subcontractor is to receive 26.18% of the total contract price. GLE opines that this is not uncommon for a single subcontractor to perform the shell construction for this type of project.
- d) Given the above opinion, First Housing has provided a positive recommendation to this request as long as satisfactory insurance and bonding protection is provided from the general contractor, attached as [Exhibit A](#).

2. Recommendation

Approve the request to allow the 20% subcontractor limit to be exceeded as referenced above.

MULTIFAMILY BONDS

Consent

II. MULTIFAMILY BONDS

A. Request Approval of the Transfer of Lessor Ownership for Brentwood Club on Millenia Boulevard

Development Name: Brentwood Club on Millenia	Location: Orange County
Development Owner: Brentwood Club on Millenia Blvd Partners, Ltd.	Set-Asides: 80% @ 60% AMI MMRB 100% @ 60% AMI HC
Funding Source: Multi-Family Housing Revenue Bonds (MMRB) and 4% Housing Credits	Amount: \$10,545,000 Tax Exempt Bonds \$3,500,000 Taxable Bonds \$739,277 Housing Credits
Number of Units: 312	Type: Rental/Family (MMRB)

1. Background

Florida Housing financed the construction of the above referenced Development in 2002 with \$10,545,000 in tax exempt bonds designated as 2002 Series A-1 and \$3,500,000 in taxable bonds designated as 2002 Series A-2. In addition, \$739,277 in tax credits was allocated to this Development.

2. Present Situation

In a letter dated November 8, 2013, Brentwood Club on Millenia Blvd Partners, Ltd. has requested Florida Housing's consent to transfer the ownership of the north parcel of the leased land for this Development, any necessary changes to the organizational documents required to complete the transfer, and the release of any of the Partnership affiliates ([Exhibit A](#)). The underlying land of this Development is comprised of two adjoining northerly and southerly parcels that are leased by the Partnership from Don Mott Associates, Inc. and CED Capital Holdings XVI, Ltd. The parcel owned by Don Mott Associates, Inc. is referred to as the North Parcel. This parcel will be transferred to Brentwood Lessor, LLC, which is owned by CED Tropical Park, LLC, which will be owned by CED Tropical Park, Inc. This transfer moves this parcel of land out of Don Mott because Don Mott is being purchased by the buyer of Northbridge at Millenia I and II. First Housing Development Corporation has reviewed this request and provided a recommendation ([Exhibit B](#)).

3. Recommendation

That the Board approve the transfer of the ownership of the north parcel of the leased land for this Development, any necessary changes to the organizational documents required to complete the transfer, and the release of any of the Partnership affiliates subject to approval 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 Transfer of Ownership Interest Northbridge Apartment Homes on Millenia Lake I and Northbridge Apartment Homes on Millenia Lake II

Development Name: Northbridge Apartment Homes on Millenia Lake I and Northbridge Apartment Homes on Millenia Lake II	Location: Orange County
Development Owner: NorthBridge at Millenia Partners, Ltd. and NorthBridge at Millenia Partners II, Ltd.	Set-Asides: 20% @ 50% AMI MMRB 20% @ 50% AMI HC 20% @ 50% SAIL
Funding Source: Multi-Family Housing Revenue Bonds (MMRB), State Apartment Incentive Loan (SAIL), 4% Housing Credits	Amount: \$48,500,000 Tax Exempt Bonds \$21,500,000 in Taxable Bonds \$2,000,000 SAIL \$838,543 Housing Credits
Number of Units: 396 and 211	Type: Rental/Family (MMRB)

1. Background

- a) Florida Housing issued bonds for Northbridge Apartment Homes on Millenia Lake I fka Northbridge at Millenia in 2003 in the amount of \$30,020,000 in Tax Exempt Multifamily Mortgage Revenue Bonds designated as 2003 Series V-1 and \$3,300,000 of Taxable Multifamily Mortgage Revenue Bonds designated as 2003 Series V-2. In addition, \$252,819 in tax credits was issued for this Development along with a \$2,000,000 State Apartment Incentive Loan (“SAIL”) loan.
- b) Northbridge Apartment Homes on Millenia Lake II fka Northbridge at Millenia II is financed with \$16,500,000 of Orange County Housing Finance Authority Tax Exempt Multifamily Housing Revenue Bonds designated as 2003 Series A and \$2,320,000 of Orange County Housing Finance Authority Taxable Multifamily Housing Revenue Bonds designated as 2003 Series B. In addition, \$169,688 in tax credits was issued for this Development.
- c) Both developments were refunded through one Bond Issue in 2007. The refunding consisted of \$70,000,000 in tax-exempt/taxable bonds that included: \$48,500,000 in tax-exempt bonds (2007 Series G-1) and \$21,500,000 in taxable bonds (2007 Series G-2). An existing SAIL loan on Phase I, in the amount of \$2,000,000, was subordinated at the time of the refunding and both Phase I and Phase II serve as collateral for the SAIL loan. This change provided additional security to the existing SAIL mortgage. Although both Developments were refunded through one Bond Issue, separate Bond and SAIL LURAs have remained intact. At the June 21, 2013 Board meeting, the Florida Housing Board approved the merger of the Phase II ownership into the Phase I ownership conditioned upon a positive recommendation by the credit underwriter.

MULTIFAMILY BONDS

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2. **Present Situation**

In a letter dated August 5, 2013 ([Exhibit C](#)), NorthBridge at Millenia Partners, Ltd. and NorthBridge at Millenia Partners II, Ltd. have requested Florida Housing's consent to transfer the General and Limited Partnership interest in each of Northbridge at Millenia Partners, Ltd. and NorthBridge at Millenia Partners II, Ltd. to Waterton Associates, L.L.C. Waterton Associates, L.L.C. will also acquire Don Mott Associates, Inc., the owner of the land and the ground lessor of the properties (Owner). Waterton Associates will replace the current management company and would assume any existing guarantees. Florida Housing received a credit underwriting report providing a positive recommendation ([Exhibit D](#)).

3. **Recommendation**

That the Board approve the transfer of the general and limited partner interest in the partnerships, the transfer of the member interest of the Owner, and assumption of any guaranties, subject to the conditions outlined in the credit underwriter's report and subject to further approvals and verifications by the Credit Underwriter, Bond Counsel, Special Counsel and the appropriate Florida Housing staff and direct staff to proceed with loan document modification activities.

PREDEVELOPMENT LOAN PROGRAM (PLP)

Consent

III. PREDEVELOPMENT LOAN PROGRAM (PLP)

A. Request Approval of PLP Loan for New Beginnings of Lake County, Inc., a Not-for-Profit Entity, for New Beginnings Village (2013-005P-09)

DEVELOPMENT NAME (“Development”):	New Beginnings Village
APPLICANT/DEVELOPER (“Developer”):	New Beginnings of Lake County, Inc.
NUMBER OF UNITS:	108
LOCATION (“County”):	Lake County
TYPE:	Rental, Homeless
MINIMUM SET ASIDE:	20% @ or below 50% AMI
PLP LOAN AMOUNT:	\$750,000

1. Background

- a) On December 10, 2013, Florida Housing received a PLP Application from the Developer for the New Beginnings Village, a development in Lake County that will include 108 units of rental housing.
- b) On December 27, 2013, Florida Housing issued an Invitation to Participate in the PLP to the Developer.

2. Present Situation

The Technical Assistance Provider (TAP) has submitted a Development Plan and recommended a loan amount of \$750,000 for PLP eligible activities ([Exhibit A](#)). Of this \$750,000 loan request, \$500,000 is being requested for acquisition of the subject property. This funding for acquisition will be subject to review and a positive recommendation to the Board from an assigned credit underwriter. Staff has reviewed the Development Plan and determined that all budget items are PLP eligible.

3. Recommendation

Approve the PLP Loan to New Beginnings of Lake County, Inc., a not-for-profit entity, for New Beginnings Village for eligible predevelopment expenses as recommended by the TAP, and allow staff to issue a Commitment Letter and commence with loan closing documents for the non-site acquisition portion of the loan in the amount of \$250,000 and assign the site acquisition portion of the loan to an approved credit underwriter.

PROFESSIONAL SERVICES SELECTION (PSS)

Consent

IV. PROFESSIONAL SERVICES SELECTION (PSS)

A. Management Companies

1. Background

- a) At its December 10, 2010, meeting, the Board of Directors of Florida Housing authorized staff to enter into contract negotiations with WRH Realty Services, Inc., to provide management company services.
- b) The initial term of contract 2010-13-02-002, WRH Realty Services, Inc., is for 3 years with 2 one-year renewals, which began March 25, 2011, and ends March 24, 2014.

2. Present Situation

Florida Housing staff supports a renewal to extend the term of the contract for the first one-year period.

3. Recommendation

- a) Staff believes that it is in the best interests of Florida Housing to continue to retain the services of WRH Realty Services, Inc., as a management company pursuant to the existing contract, and recommends the Board direct staff to proceed with the first one-year renewal period.

PROFESSIONAL SERVICES SELECTION (PSS)

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B. Public Relations, Media Buying

1. Background

- a) At its January 21, 2011, meeting, the Board of Directors of Florida Housing authorized staff to enter into contract negotiations with Kidd & Company, Inc. (successor to Kidd Group) and Evok Advertising & Design, Inc., to provide media buying and planning services.
- b) The initial term of contract 2010-11-02-001, Kidd & Company, Inc., is for 3 years with 2 one-year renewals, which began March 24, 2011, and ends March 23, 2014.
- c) The initial term of contract 2010-11-02-003, Evok Advertising & Design, Inc., is for 3 years with 2 one-year renewals, which began March 24, 2011, and ends March 23, 2014.

2. Present Situation

Florida Housing staff supports a renewal to extend the term of the contract for the first one-year period.

3. Recommendation

Staff believes that it is in the best interests of Florida Housing to continue to retain the services of Kidd & Company, Inc. (successor to Kidd Group) and Evok Advertising & Design, Inc., as public relations and media buying companies pursuant to the existing contracts, and recommends the Board direct staff to proceed with the first one-year renewal period.

SPECIAL ASSETS

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V. SPECIAL ASSETS

A. Request Approval to Refinance the First Mortgage and SAIL Loan Modification for Cedar Grove Apartments, Ltd., a Florida Limited Partnership, for Cedar Grove Apartments (2001-095S/2002-507C/GUAR 73)

Development Name: Cedar Grove Apartments (“Development”)	Location: Miami-Dade County
Developer/Principal: Pinnacle (“Developer”)/ Cedar Grove Apartments, Ltd. (“Borrower”)	Set-Aside: SAIL 6.64% @ 33% & 93.36% @ 60%; HC 100% @ 60% AMI LURA 50 years; EUA 30 years
Number of Units: 288	Allocated Amount: SAIL \$2,500,000; HC \$1,028,720
Demographics: Family	Servicer: First Housing Development Corporation

1. Background

During the 2001 funding cycle, Florida Housing Finance Corporation (“FHFC”) awarded a State Apartment Incentive Loan (“SAIL”) loan in the original amount of \$2,500,000 to Cedar Grove Apartments, Ltd., a Florida limited partnership (“Borrower”), for the development of a 288-unit apartment complex in Miami-Dade County, Florida. The SAIL loan closed on August 23, 2002, and will mature on August 1, 2041. The first mortgage loan is guaranteed with Florida Housing’s Guarantee Program (“Guarantee Program”). The Development also received a 2002 allocation of low-income housing tax credits of \$1,028,720.

2. Present Situation

- a) The Borrower requests consent from the Board to refinance the existing first mortgage loan. The Borrower intends to obtain funding from Centerline Capital Group, the proceeds of which will be utilized to satisfy the existing first mortgage, redeeming the underlying bonds and effectively terminating the mortgage loan guaranty issued by the Guarantee Program and its associated financial risk to FHFC.
- b) The Borrower also requests that the SAIL loan, Low Income Housing Tax Credit Extended Use Agreement (“EUA”), and the SAIL Land Use Restriction Agreement (“LURA”) be subordinated to the new first mortgage.
- c) The Borrower has requested that the SAIL loan interest rate be modified from a 9% interest rate to a 3% interest rate in accordance with Senate Bill 1996 passed by the legislature in 2012 and stated in the proposed Rule 67-48 as follows:

Any SAIL Applicant from SAIL Application cycles with non-amortizing loans at 9 percent simple interest per annum with payments based on Development Cash Flow pursuant to the applicable cycle rule, may submit a written renegotiation request to the Corporation to modify their SAIL loan interest rate going forward from 9 percent simple interest per annum to 3 percent simple interest per annum with payments based on Development Cash Flow pursuant to subsections 67-48.010 (5)- (10), F.A.C., in exchange for providing a payment to the Corporation of the deferred interest based on an accrual rate of 3

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percent simple interest per annum in no more than five (5) equal annual installments but in no event shall it be later than the maturity date of the loan. Payments made from Development Cash Flow, shall be included as Development Expenses as stated in paragraph 67-48.010 (6) (b), F.A.C. All loan renegotiation requests must be submitted in writing to the Director of Special Assets. In addition to any related professional fees, the Corporation shall charge a non-refundable renegotiation fee as outlined in the Universal Application instructions. The Corporation shall not proceed with the request until the Applicant or Developer has satisfied any financial obligations for which the Applicant or Developer, or Principal, Affiliate or Financial Beneficiary of the Applicant or Developer is in arrears to the Corporation or any agent or assignee of the Corporation.

- d) Staff received a credit underwriting report ([Exhibit A](#)) from First Housing Development Corporation recommending approval for the new financing, subordination of the SAIL loan, SAIL LURA, and HC EUA to the new first mortgage, and renegotiation of the SAIL loan terms to reduce the interest rate from 9% to 3%.

3. Recommendation

Approve the refinancing of the first mortgage, subordination of the SAIL loan, SAIL LURA, and HC EUA to the new first mortgage, reduction of the interest rate from 9% to 3%, subject to the conditions outlined in the credit underwriter's report, further approvals and verifications by the credit underwriter, counsel and appropriate Florida Housing staff and direct staff to proceed with loan document modification activities.

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B. Request Approval to Refinance the First Mortgage for St. Croix Associates, Ltd., a Florida Limited Partnership, for St. Croix Apartments (GUAR/HUD Risk/2002-034S / 2002-528C)

Development Name: St. Croix Apartments (“Development”)	Location: Broward County
Developer/Principal: Cornerstone (“Developer”)/St. Croix Associates, Ltd. (“Borrower”)	Set-Aside: SAIL 20%@50%; 80%@60%; HC 100%@60% AMI LURA: 50 years; EUA: 50 years
Number of Units: 246	Allocated Amount: SAIL \$2,000,000; HC \$915,528
Demographics: Large Family	Servicer: First Housing Development Corporation

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 St. Croix Associates, Ltd., a Florida limited partnership (“Borrower”), for the development of a 246-unit apartment complex in Broward County, Florida. The SAIL loan closed on August 30, 2004, and will mature on August 15, 2043. The Development also received a 2002 allocation of low-income housing tax credits of \$915,528. 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 Borrower intends to obtain a HUD insured 223(f) program first mortgage loan originated by Greystone Funding Corporation, the proceeds of which will be used to satisfy the existing first mortgage from Housing Finance Authority of Broward County, redeeming the underlying bonds and effectively terminating the mortgage guaranty issued by the Guarantee Program and its associated financial risk to FHFC.
- b) The terms of the HUD 223(f) program limits the available cash flow for annual SAIL interest payments to 75% and requires the SAIL loan term to be coterminous with the first mortgage. As a result of these renegotiated terms for the SAIL loan, Florida Housing is requiring payment of outstanding accrued SAIL interest at or before closing and extension of the term of the SAIL LURA by an equal amount of time required to extend the SAIL loan. The SAIL loan, the SAIL LURA, and the Extended Low Income Housing Agreement (“ELIHA”) will be subordinated to the new first mortgage.
- c) Staff has received a credit underwriting report ([Exhibit B](#)) 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, extension of the SAIL loan and extension of the SAIL LURA by an equal amount of time.

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3. Recommendation

Approve the refinancing of the first mortgage loan, extension of the SAIL loan and the SAIL LURA by an equal amount of time, and subordination of the SAIL loan, 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.

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- C. **Request Approval to Refinance the First Mortgage for Mariner’s Associates, Ltd., a Florida Limited Partnership for Mariner’s Cove Apartments (GUAR/HUD Risk/2002-043S/2002-530C/RFP 2011-05-15/RFP 2012-04-06)**

Development Name: Mariner’s Cove Apartments (“Development”)	Location: Hillsborough County
Developer/Principal: Cornerstone (“Developer”)/Mariner’s Associates, Ltd. (“Borrower”)	Set-Aside: SAIL 11%@50%; 89%@60%; ELI 15.86%@33%; 5.77%@35%; HC 100%@60% AMI LURA: 50 years; ELIs: 15 years; EUA: 30 years
Number of Units: 208	Allocated Amount: SAIL \$2,000,000; ELI \$2,475,000; \$900,000; HC \$512,322
Demographics: Large Family	Servicer: Seltzer Management Group

1. **Background**

- a) 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 Mariner’s Associates, Ltd., a Florida limited partnership (“Borrower”), for the development of a 208-unit apartment complex in Hillsborough County, Florida. The SAIL loan closed on November 24, 2003, and will mature on July 15, 2042. The Development also received a 2002 allocation of low-income housing tax credits of \$512,322.
- b) The Borrower received two State Apartment Incentive Loan Extremely Low Income (“SAIL ELI”) loans of \$2,475,000 and \$900,000. The first SAIL ELI loan closed on June 25, 2013, and will mature on June 25, 2028. The second SAIL ELI loan closed on June 25, 2013, and will mature on June 25, 2028. 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 Borrower intends to obtain a HUD insured 223(f) program first mortgage loan originated by First Housing Development Corporation, the proceeds of which will be used to satisfy the existing first mortgage from Housing Finance Authority of Hillsborough County, redeeming the underlying bonds and effectively terminating the mortgage guaranty issued by the Guarantee Program and its associated financial risk to FHFC.
- b) The terms of the HUD 223(f) program limits the available cash flow for annual SAIL interest payments to 75% and requires the SAIL loan term to be coterminous with the first mortgage. As a result of these renegotiated terms for the SAIL loan, Florida Housing is requiring payment of outstanding accrued SAIL interest at or before closing and extension of the term of the SAIL LURA by an equal amount of time required to extend the SAIL loan.

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- c) The Borrower also requests that the term of the SAIL ELI loans be extended. The SAIL loan, SAIL ELI loans, the SAIL LURA, the SAIL ELI loan documents, and the Low Income Housing Tax Credit Extended Use Agreement (“EUA”) will be subordinated to the new first mortgage.
- d) 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 ELI loans, SAIL LURA, and HC EUA to the new first mortgage, extension of the SAIL loan and SAIL ELI loans and extension of the affordability period for the SAIL loan.

3. **Recommendation**

Approve the refinancing of the first mortgage loan, extension of the SAIL loan and SAIL ELI loans, extension of the SAIL affordability period equal to the term of the loan extension, subordination of the SAIL loan, SAIL ELI loans, 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.

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- D. **Request Approval to Refinance the First Mortgage for Portofino Associates, Ltd., a Florida Limited Partnership, for Portofino Apartments (MR2003D 1&2/GUAR/HUD Risk/2004-057S/2005-119S//2002-544C/RFP 2011-05-09/RFP 2012-04-07)**

Development Name: Portofino Apartments (“Development”)	Location: Palm Beach County
Developer/Principal: Cornerstone (“Developer”)/Portofino Associates, Ltd. (“Borrower”)	Set-Aside: MMRB 94%@60%; SAIL 94%@60%AMI; SAIL ELI 5.5%@28%; 12.2%@28%; HC 40%@60% AMI LURA: 50 years; ELI: 15 years; EUA: 30 years
Number of Units: 270	Allocated Amount: MMRB \$20,020,000; SAIL \$3,000,000; SAIL ELIs \$2,475,000; \$1,125,000; HC \$770,949
Demographics: Family	Servicer: AmeriNational Community Services, Inc.

1. Background

- a) During the 2003 funding cycle, Florida Housing Finance Corporation (“FHFC”) issued tax-exempt bonds in the original amount of \$19,570,000, and FHFC issued taxable bonds in the original amount of \$450,000 to fund a first mortgage loan to Portofino Associates, Ltd., a Florida limited partnership (“Borrower”), for the development of a 270-unit apartment complex in Palm Beach County, Florida. The Multifamily Revenue Bonds (“MMRB”) loan closed on February 1, 2003, and will mature on July 15, 2044. The first mortgage loan is guaranteed with Florida Housing’s Guarantee Program (“Guarantee Program”). The Development also received a 2002 allocation of low-income housing tax credits of \$770,949.
- b) The Borrower received a State Apartment Incentive Loan (“SAIL”) dated June 28, 2005 in the amount of \$2,000,000 and an additional SAIL award of \$1,000,000 dated February 3, 2006 for a total SAIL funding of \$3,000,000 all due and payable July 15, 2044. The Borrower also received a State Apartment Incentive Loan Extremely Low Income (“SAIL ELI”) loan of \$2,475,000 dated June 17, 2013 and additional SAIL ELI funding dated December 19, 2013 in the amount of \$1,125,000 for total SAIL ELI funding in the amount of \$3,600,000.

2. Present Situation

- a) The Borrower requests consent from the Board to refinance the existing first mortgage loan. The Borrower intends to obtain a HUD insured 223(f) program first mortgage loan originated by First Housing Finance Corporation, the proceeds of which will be used to satisfy the existing first mortgage, redeeming the underlying bonds and effectively terminating the mortgage loan guaranty issued by the Guarantee Program and its associated financial risk to FHFC.

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- b) The terms of the HUD 223(f) program limits the available cash flow for annual SAIL interest payments to 75% and requires the SAIL loan term to be coterminous with the first mortgage. As a result of these renegotiated terms for the SAIL loan, Florida Housing is requiring payment of outstanding accrued SAIL interest at or before closing and extension of the term of the SAIL LURA by an equal amount of time required to extend the SAIL loan.
- c) The Borrower also requests that the term of the SAIL ELI loans be extended. The SAIL loan, SAIL ELI loans, the SAIL ELI loan documents, the Low Income Housing Tax Credit Extended Use Agreement (“EUA”), and the SAIL and MMRB Land Use Restriction Agreements (“LURAs”) will be subordinated to the new first mortgage. As necessary to facilitate the refinance, MMRB loan documents may need to be modified and extended.
- d) Staff received a credit underwriting report ([Exhibit D](#)) recommending approval for the new financing, subordination of the SAIL loan, SAIL ELI loans, the SAIL ELI loan documents, the HC EUA, and the SAIL and MMRB LURAs to the new first mortgage, extension of the SAIL ELI loan, SAIL loan, and SAIL LURA by an equal amount of time, and modification and extension of MMRB loan documents as necessary.

3. **Recommendation**

Approve the refinancing of the first mortgage loan, extension of the SAIL ELI loans, SAIL loan, and SAIL LURA by an equal amount of time, subordination of the SAIL loan, SAIL ELI loans, SAIL ELI loan documents, the HC EUA, and the SAIL and MMRB LURAs to the new first mortgage, and modification and extension of MMRB loan documents as necessary, 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.